



# Annual Financial Report as of December 31, 2021

Median Technologies SA

*This is a free translation into English of the Financial Report issued in French and it is provided solely for the convenience of English-speaking users.*



## PRESENTATION OF THE GROUP

### CONTENTS

A. Overview.....	- 3 -
B. Company history by date.....	- 6 -
C. Members of the Board of Directors .....	- 7 -
D. Fund-raising history since the IPO .....	- 9 -
E. Shareholding structure as of December 31, 2021 .....	- 10 -
F. History of stock-option plans.....	- 11 -

## A. OVERVIEW

*MEDIAN Technologies is a French joint stock company (Société Anonyme) with a Board of Directors, founded in 2002 and domiciled in France. Our Company is located in the Sophia Antipolis Technopole in the Alpes Maritimes region of France, where our head office is based. The site houses the majority of our teams, including all of the R&D activities. Our Company also has several subsidiaries:*

- *Median Technologies Inc. in the United States,*
- *Median Technologies Hong-Kong Ltd in Hong Kong and,*
- *Median Medical Technology (Shanghai) Co, Ltd. in China.*

*The Company has been listed on the Euronext GROWTH market in Paris since 2011. (Mnemonic code: ALMDT - ISIN: FRO011049824). Median has been labelled “Innovative Enterprise” by BPI Financement.*

### **Our mission, our vision**

Median Technologies is a Medtech company specialized in the computer-assisted processing of medical imaging using artificial intelligence to diagnose and monitor different cancers and metabolic diseases. We innovate in the field of Software as Medical Device (SaMD), contributing to the development of new patient treatments. Our platforms integrate the latest progress in artificial intelligence (AI) and Machine Learning (ML) to use digital technology to deliver previously inaccessible information contained in digital medical images.

We specialize in cancer and chronic diseases such as non-alcoholic steato hepatitis (NASH).

By combining science, technology, quality, and operational excellence, we propose a unique approach to the way medical images can contribute to the development of new treatments as well as the implementation of personalized and predictive medicine for better patient outcomes.

### **Median offers a breakthrough approach to exploiting medical images**

Medical images provide a snap-shot of a disease in its true state and at all stages, thus enabling non-invasive monitoring of its evolution. Median exploits the power of medical imaging to speed up clinical innovation and new drug development, while generally improving patient care. We extract data contained in digital medical images by associating the most recent artificial intelligence (AI) and Machine Learning (ML) technologies to develop **Software as Medical Device**, enabling both early diagnosis and monitoring of diseases over time. We also offer our know-how in medical imaging to biopharmaceutical companies and participate in image management for their clinical trials in cancer.

We are present in the US, currently the world’s largest healthcare and drug development market, as well Europe, and China, a rapidly expanding region for the clinical development and healthcare markets.

Our Company is structured into two divisions: iBiopsy® and iCRO.

**iBiopsy**<sup>®</sup> is an R&D activity that aims to develop new Software as Medical Device for early and non-invasive diagnosis of diseases that can be life-threatening if they are not detected sufficiently early.

The **iBiopsy**<sup>®</sup> platform Median is developing integrates the most advanced AI and ML technologies as well as our expertise in data science and medical image processing. **iBiopsy**<sup>®</sup> helps extract non-invasive digital biomarkers from images and targets indications with unmet medical needs in terms of diagnosis, prognosis and treatment selection in the context of predictive and personalized medicine.

The three life-threatening diseases primarily targeted by **iBiopsy**<sup>®</sup> at present have a huge impact in terms of public health: lung cancer, primary liver cancer, and non-alcoholic steato hepatitis (NASH).

<p><b>Lung cancer</b> is the main cause of death by cancer across the world, leading to 1.8m deaths in 2020. By 2030, lung cancer is predicted to cause 2.4m deaths throughout the world. The five-year survival rate stands at 18% and early detection is vital given the poor prognosis rate of this cancer - Source: <i>Global Cancer Observatory</i> <a href="https://gco.iarc.fr/">https://gco.iarc.fr/</a></p>	<p><b>Hepatocellular Carcinoma (HCC)</b> accounts for 90% of primary liver cancers. It is the third-largest cause of death by cancer on a global scale. Deaths by primary liver cancer are rising across the world and could reach 1.1m in 2030. The five-year survival rate for liver cancer is 10% - Source: <a href="https://www.the-nash-education-program.com/what-is-nash/">https://www.the-nash-education-program.com/what-is-nash/</a></p>	<p><b>Non-alcoholic steato hepatitis (NASH)</b> is the manifestation in the liver of a metabolic disorder leading to chronic inflammation of the liver and fibrosis. A patient developing NASH is considered as having a high risk of developing liver cancer. The World Health Organization (WHO) currently views NASH as a pandemic affecting between <u>1.5% and 6.45%</u> of the global population. If NASH is detected in the early stages, it can be reversed.</p>
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With **iBiopsy**<sup>®</sup>, we aim to change the landscape in imaging-based diagnosis of these three chronic diseases by launching innovative Software as Medical Device with unrivalled diagnosis precision.

In 2021 and early 2022, Median made particular progress in its clinical development plan for lung cancer with the announcement of three sets of scientific results that helped validate the scientific and technological approach implemented. These results highlighted the excellent sensitivity and specificity performances of the algorithms developed by Median to detect and characterize cancerous pulmonary nodules. This innovation opens new doors for early diagnosis of lung cancer, and new prospects for rolling out lung cancer screening programs, and above all provides fresh hope for millions of patients.

**iSee**<sup>®</sup> iCRO provides management and analysis services for medical imaging in clinical trials for cancer. Our clients are pharma labs and biotech companies positioned in this therapeutic area, which is currently the biggest in terms of both the number of clinical trials undertaken throughout the world, and R&D investments by the biopharma industry. iCRO is a commercial activity that generates all of the Company's revenue. The iCRO activity is structured around services to manage medical images in clinical trials and the iSee<sup>®</sup> platform, which is used to analyze medical images generated in clinical trials.

Median assists biopharmaceutical companies in their clinical trials for which imaging is a key component. We have global coverage in providing imaging services to our clients. We also work in partnership with large contract research organizations (CRO), which use our imaging services and solutions to round out their traditional expertise in terms of clinical trials. We provide services for phase I to phase III oncology trials. At December 31, 2021, Median Technologies was managing the imaging component for 156 trials, most of which in the decisive phase III period leading to marketing approval for new drug molecules.

Our imaging services offer is structured around our proprietary imaging platform iSee<sup>®</sup>, which provides an expert reading of images for our clients, by automating and standardizing detection of solid cancer tumors, selecting and measuring them and enabling monitoring over time of the patient's response to treatment, which is the key efficacy indicator for new molecules.

iSee<sup>®</sup> extracts standard and advanced biomarkers by using various imaging criteria from RECIST 1.1 up to more specific criteria such as lesion volume, mRECIST or iRECIST. iSee<sup>®</sup> enables image analysis for follow-up of all solid tumor cancers.

### **Impactful clinical and technological partnerships**

Since the Company's creation, we have built trusted partnerships with leading medical centers throughout the world and strategic collaborations with technological industries that are leaders in their fields worldwide.

### **Behind our technology, our teams**

As individuals and as a team, we are guided by four corporate values that we consider essential: giving meaning to innovation in healthcare, making patients the focus of our purpose, helping our clients to reach their goals, and promoting quality as an overriding factor for both our expertise and soft skills. These values define who we are, what we do, the way that we do it, and what we aspire to be.

We strive to apply these values in our relations between co-workers within the Company, as well as in our relations with clients and partners. They are also central to implementing the products we work on.

We are changing the way medical images are used in clinical trials and in patient care, we extract the most advanced, imaging biomarkers non-invasively, so that they become the standard for developing new therapies, for the diagnosis of patient diseases and for patient care. In our day-to-day work, there is no greater satisfaction than making a difference that will assist in saving or improving the lives of millions of patients.

## B. COMPANY HISTORY BY DATE

**2002** - Creation of the Company in Sophia Antipolis, France.

**2007** - The Company's developments during its first years are structured into a portfolio of clinical applications known as LMS or "Lesion Management Solutions". Applications targeting radiology routines are marketed in Europe, then in the US after receiving marketing authorizations from the FDA (510K clearance).

**2011** - Median launches a range of services specifically adapted to image management during oncology clinical trials (iCRO). These services are based on the technological core of LMS applications.

**2016** - Median launches an R&D activity focused on the use of imaging phenomics, Big Data, and artificial intelligence (AI) technologies. The project is named iBiopsy®.

**2018 & 2019** - Median strengthens the positioning of its iCRO activities by creating a Chinese subsidiary in Shanghai, following the US subsidiary in 2017. Median reorganizes its activities in two business units:

**iCRO** imaging services in clinical trials, based on its platform iSee®;

**iBiopsy®**, on which the scientific and software development activities are focused, the base of the Company's innovation and considered as the main vector for growth in future years.

Median Technologies signs a €35 million loan contract with the European Investment Bank (EIB) as part of the "Juncker Plan", the European Fund for Strategic Investments, aimed at supporting research and innovation projects developed by companies harboring high growth potential.

**2020** - The iCRO business continues to gain momentum. At end-2020, Median was involved in more than 130 clinical trials led by biopharmaceutical companies, with an increasing proportion of phase III trials leading to filings for marketing approval of new drugs.

The first encouraging results validating the iBiopsy® technology are communicated. These concern clinical development plans for NASH and liver cancer. A research collaboration framework contract is signed with the Assistance Publique – Hôpitaux de Paris (AP-HP) enabling the launch of two studies into liver cancer.

The Company receives the first €15 million tranche of the €35 million loan granted by the EIB in 2019.

**2021** - Median Technologies undertakes a €28.1m capital raise to step up development of iBiopsy® and provide the financial needs required for its growth. The Company launches a new clinical development plan for detection of lung cancer. This clinical development plan becomes the main pillar of positioning for iBiopsy®.

## C. MEMBERS OF THE BOARD OF DIRECTORS

*Our Board of Directors provides key expertise from the industrial, clinical, financial and strategic fields. It is chaired by Oran Muduroglu.*

### ORAN MUDUROGLU

#### Chairman of the Board of Directors



With more than 25 years of experience in the health industry, Oran Muduroglu is a well-known figure in healthcare technologies having successfully developed solutions that improve quality and access to health information. In 2017-2018, Oran joined Verily, as the Business Leader for the company's Health Platforms business. Prior to joining Verily, Oran was CEO of Medicalis, acquired by Siemens in 2017. Previously, he was CEO of the Health Informatics Division of Philips Medical Systems. In 1998, he co-founded the Stentor company, where he was CEO until its acquisition by Philips in 2005. In the 1990s, he was Vice President of sales and marketing at Cemax, a pioneering company in the domains of management and advanced visualization of medical images, and previously the Senior Product Lead at Toshiba Medical. Oran Muduroglu is a graduate in engineering sciences from King's College London.

### FREDRIK BRAG

#### Chief Executive Officer and Director



Fredrik BRAG is the CEO of Median Technologies. He co-founded the company in 2002 providing many years of expertise in business development, with the organization of fund-raising operations and initial public offerings for technology companies. Previously, he was Vice President for HealthCenter/Focus Imaging, a position in which he gained significant experience in the field of specialized medical

imaging and information and communications technologies. He is a graduate from the Stockholm School of Economics.

### OERN STUGE

#### Director



Oern STUGE has more than 30 years of international experience in the life sciences sector. He is currently president of Orsco Life Sciences AG, where he has several advisory roles and is an executive and non-executive member of the Boards of Directors of several companies. Over the past nine years, Dr. Stuge has participated in company development projects resulting in seven successful disposals or IPOs: five companies were sold thanks to improvements in their strategic positions and operations, and two were successfully listed (Euronext Paris / ESM, Dublin, NASDAQ, Stockholm). Prior to founding Orsco, he worked for Medtronic, Inc. for 12 years in various capacities including as Senior Vice President (SVP) and President EMEA, Canada and Emerging Markets, and SVP and President of the Cardiac Surgery branch. He was member of Medtronic's Executive Committee, as well as its Operations Committee. Dr. Stuge successfully conducted a repositioning of Medtronic's Cardiac Surgery business on a global scale. Under his direction, Medtronic founded the Structural Cardiopathy division and launched and marketed the first percutaneous cardiac valve in the world. Prior to joining Medtronic, he occupied different management positions at Abbott Laboratories and at a Norwegian startup (as CEO). Oern began his career as a practicing physician. He graduated from the Oslo University of Medicine and has an MBA from the IMD Business School of Lausanne.

**KAPIL DHINGRA****Director**

Dr. Kapil Dhingra is the head of KAPital Consulting, a health consulting company he founded, and also a member of the Board of Directors of several companies in the life sciences domain, namely Advanced Accelerator Applications, Exosome Diagnostics Inc., Autolus, and Five Prime, Inc. In the past, he has sat on the Boards of Directors of companies such as Biovex, Micromet, Algeta, and YM Biosciences which were subsequently acquired by major pharmaceutical groups. Prior to joining Advanced Accelerator Applications, Dr. Dhingra worked for more than 25 years in oncology research and development, including nine years at Hoffman-La Roche where he held several positions and was in particular, Vice President, Director of Strategy for Oncology, and Director of Clinical Development in Oncology.

**TIM HAINES****Director**

Tim Haines is a Managing Partner at Abingworth. He has more than 25 years of experience in international management in both public and private companies within the life sciences industry. Tim is a member of the Board of Directors in several companies, part of Abingworth's portfolio, including Fovea, Lombard Medical, Median Technologies, Pixium Vision, PowderMed, Proteon Therapeutics, Sientra and Stanmore Implants. Before joining Abingworth in 2005, he was CEO of Astex, one of the companies in Abingworth's portfolio. Tim has been part of the Astex team for five years. His contribution was key in establishing Astex as one of the principal biotechnology companies in the UK. Prior to joining the Astex team, Tim was the CEO of two divisions at Datascope Corp., a listed medical technology company. Prior to Datascope, he performed management duties in several companies in the United States and in Europe and was CEO of Thackray Inc. and Baxter UK. Tim holds a BSc from University of Exeter and an MBA from the INSEAD.



## D. FUND-RAISING HISTORY SINCE THE IPO

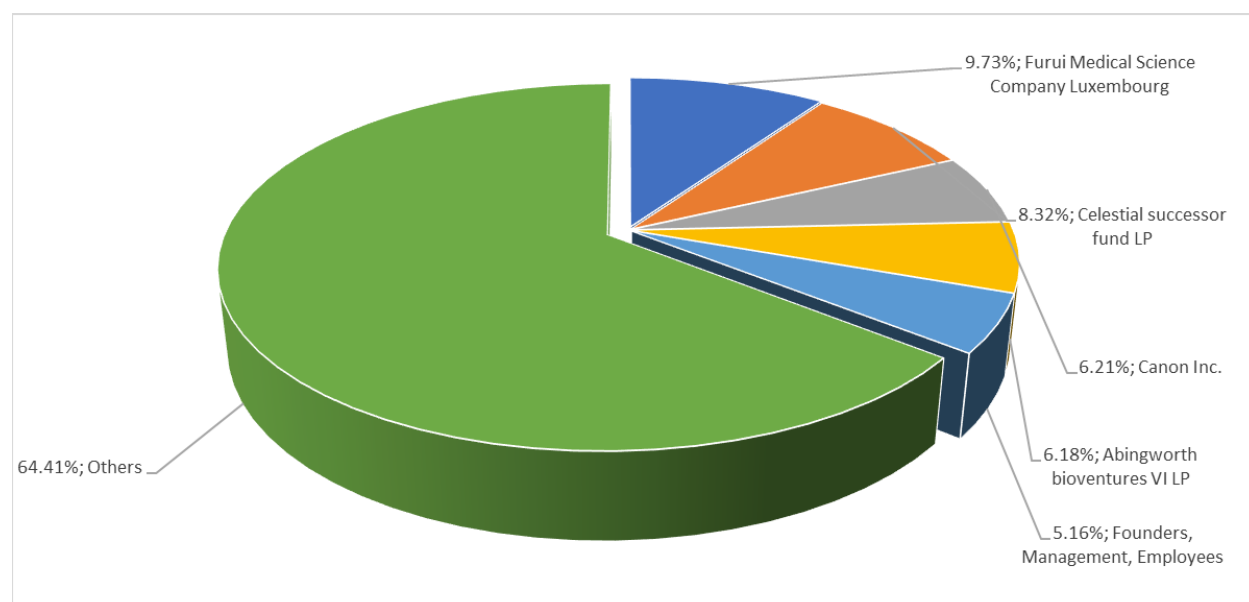
Date	Historical record	Number of shares	Share capital (in €)	Fund raising (in €)
	Share capital prior to listing	4,349,482	217,474	
<b>Year 2011</b>	<ul style="list-style-type: none"> <li>- Capital increase in cash (Following this capital increase, the Company's shares were admitted on the NYSE Alternext in Paris according to the principles of a direct listing with a reference price of €8.05 per share);</li> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- Subscription of new shares in the company by Canon Inc. (15%);</li> <li>- The Company issued <b>1 B preference share</b>.</li> </ul>	1,468,336	73,417	12,012,675
<b>Year 2012</b>	<ul style="list-style-type: none"> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- Two Mutual Funds for Innovation managed by OTC Asset Management subscribed new shares.</li> </ul>	84,500	4,225	821,200
<b>Year 2013</b>	<ul style="list-style-type: none"> <li>- Six Mutual Funds for Innovation were signed totaling 132,132 new shares at €10.60 per share.</li> </ul>	132,132	6,607	1,400,599
<b>Year 2014</b>	<ul style="list-style-type: none"> <li>- Capital increase in cash and conversion of the two current accounts mentioned through the issue of 2,222,222 shares with attached equity warrants priced at €9 per share, of which €0.05 is nominal value and €8.95 share premium;</li> <li>- <b>E Preference shares</b> issued following the exercise of founder's share warrants.</li> </ul>	2,226,642	111,332	20,018,562
<b>Year 2015</b>	<ul style="list-style-type: none"> <li>- Capital increase via private placement with shareholders' preferential subscription rights waived for a total of €19,800,000, or 1,650,000 shares for a subscription price of €12.00 each, including a share premium of €11.95. The completion of the capital increase was recorded on July 15, 2015.</li> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- <b>E Preference shares</b> issued following the exercise of founder's share warrants;</li> <li>- Shares issued following the exercise of BSA.</li> </ul>	1,754,325	87,716	20,667,944
<b>Year 2016</b>	<ul style="list-style-type: none"> <li>- Capital increase in cash through the issue of 1,507,692 shares with attached equity warrants priced at €13 per share, of which €0.05 is nominal value and €12.95 share premium;</li> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- <b>E Preference shares</b> issued following the exercise of founder's share warrants;</li> <li>- Shares issued following the exercise of BSA.</li> </ul>	1,635,363	81,768	20,629,364
<b>Year 2017</b>	<ul style="list-style-type: none"> <li>- Shares issued following the exercise of free Shares;</li> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- <b>E Preference shares</b> issued following the exercise of founder's share warrants;</li> <li>- Shares issued following the exercise of BSA.</li> </ul>	324,123	16,206	1,313,964
<b>Year 2018</b>	<ul style="list-style-type: none"> <li>- The Board of Directors of October 9th, 2018 recorded the issue of 152,522 new shares, following the exercise of 152,523 free Shares. These shares were issued at a €0.05 of nominal per share by taking on the special reserve.</li> </ul>	152,522	7,626	0
<b>Year 2020</b>	<ul style="list-style-type: none"> <li>- Shares issued following the exercise of free Shares.</li> </ul>	11,000	550	15,950
<b>Year 2021</b>	<ul style="list-style-type: none"> <li>- Capital increase in cash through the issue of 2,446,285 shares with attached equity warrants priced at €11.5 per share, of which €0.05 is nominal value and €11.45 share premium, the 29th of March 2021;</li> <li>- Shares issued following the exercise of Stock-options and free Shares;</li> <li>- Shares issued following the exercise of founder's share warrants;</li> <li>- Shares issued following the exercise of BSA.</li> </ul>	3,355,024	167,751	34,827,677
	<b>Share capital as of December 31, 2021</b>	<b>15,493,449</b>	<b>774,672</b>	

## E. SHAREHOLDING STRUCTURE AS OF DECEMBER 31, 2021

### Summary Table

Companies	%	Shares
<i>Furui Medical Science Company Luxembourg</i>	9.73%	1,507,692
<i>Celestial successor fund LP</i>	8.32%	1,288,958
<i>Canon Inc.</i>	6.21%	961,826
<i>Abingworth bioventures VI LP</i>	6.18%	956,819
<i>Founders, Management, Employees</i>	5.16%	798,901
<i>Others</i>	64.41%	9,979,253
<b>Total as of December 31, 2021</b>	<b>100.00%</b>	<b>15,493,449</b>

### Chart



## F. HISTORY OF STOCK-OPTION PLANS

### Summary Table

Date of the General Meeting	Number of authorised securities	Grant date of securities	Total number of securities allocated	Exercise limit date	Number of securities valid not exercised 12-31-2020	Number of securities allocated on 2021	Number of securities cancelled non subscribed on 2021	Number of securities exercised on 2021	Number of securities valid not exercised 12-21-2021	Number of corresponding shares	Exercise price per share	Potential increase in capital (nominal)
2011-04-01	100,000	4/1/2011	99,950	3/31/2021	20,000	-	5,000	15,000	-	-	6.50	-
<b>Warrants (BSPCE)</b>	<b>100,000</b>		<b>99,950</b>		<b>20,000</b>		<b>5,000</b>	<b>15,000</b>				
2019-06-26	500,000	6/27/2019	94,516	6/26/2026	94,516	-	-	10,000	84,516	84,516	1.50	4,226
		6/27/2019	257,500	6/26/2026	246,500	-	76,250	37,000	133,250	133,250	1.50	6,663
		6/27/2019	33,000	6/26/2026	33,000	-	-	20,000	13,000	13,000	1.50	650
		1/16/2020	60,000	1/15/2027	60,000	-	-	-	60,000	60,000	1.50	3,000
		1/16/2020	30,000	1/15/2027	30,000	-	-	-	30,000	30,000	1.50	1,500
2020-06-19	500,000	7/9/2020	50,000	7/8/2027	50,000	-	25,000	-	25,000	25,000	2.65	1,250
		10/16/2020	15,000	10/15/2027	15,000	-	15,000	-	-	-	4.18	-
<b>Stock Options</b>	<b>1,000,000</b>		<b>540,016</b>		<b>529,016</b>		<b>116,250</b>	<b>67,000</b>	<b>345,766</b>	<b>345,766</b>		<b>17,288</b>
2019-06-26	ND	3/12/2020	90,000		90,000	-	-	90,000	-	-	-	-
2021-06-01	ND	10/21/2021	260,000		-	260,000	-	-	260,000	260,000	-	13,000.00
2021-06-01	ND	10/21/2021	542,000		-	542,000	-	-	542,000	542,000	-	27,100.00
2021-06-01	ND	10/21/2021	30,000		-	30,000	-	-	30,000	30,000	-	1,500.00
<b>Free Shares</b>	<b>-</b>		<b>922,000</b>		<b>90,000</b>	<b>832,000</b>	<b>-</b>	<b>90,000</b>	<b>832,000</b>	<b>832,000</b>		<b>41,600</b>
2014-09-29	2,222,222	9/30/2014	2,222,222	9/29/2021	1,888,890	-	391,412	1,497,478	-	-	9.00	-
2018-05-28	130,000	5/30/2018	120,000	5/30/2025	120,000	-	-	-	120,000	120,000	9.50	6,000
2019-06-26	800,000	4/17/2020	800,000	4/16/2035	800,000	-	-	-	800,000	800,000	8.34	40,000
<b>Warrants (BSA)</b>	<b>3,152,222</b>		<b>3,142,222</b>		<b>2,808,890</b>	<b>-</b>	<b>391,412</b>	<b>1,497,478</b>	<b>920,000</b>	<b>920,000</b>		<b>46,000</b>
<b>Total</b>			<b>4,704,188</b>		<b>3,447,906</b>	<b>832,000</b>	<b>512,662</b>	<b>1,669,478</b>	<b>2,097,766</b>	<b>2,097,766</b>		<b>104,888</b>

ND : Non determinable

### Equity warrants

Warrants	Historical record	Subscription Date	Expiry Date
"2014 warrants"	The General Meeting of September 29, 2014 decided that the issue of 2,222,222 warrants would result in a capital increase of up to €56k by the issue of 1,111,111 ordinary Company shares, with a nominal value of €0.05 each at the rate of two warrants exercised for one new share. The exercise price per share is €9 issue premium included. In the end, 1,830,810 wwarrants were exercised until September 2021. 391,412 warrants were canceled as of September 30, 2021.	September-14	September-21
"2018 warrants"	The General Meeting of May 28, 2018 decided to issue 130,000 securities giving access to capital with the characteristics of warrants (BSA-2018). 120,000 BSA-2018 were subscribed at the price of 1.51 euros. The funds relating to this subscription were released in June 2018. The unit exercise price of the 2018 warrants corresponds to 110% of the average of the 20 trading days preceding the date of issue of the warrants, namely 9.5%. € per share. These BSA have a life expiring on May 30, 2025.	May-18	May-25
"BSA-BEI-A"	The Board of Directors of April 17, 2020 confirmed the subscription of all 800,000 BEI-A BSA for a total subscription price of € 8,000, released by offsetting with the debt of the same amount that the EIB held on the society. The Board of Directors notes the definitive issue of the 800,000 BEI-A BSA to the benefit of the EIB. The exercise price of these share subscription warrants was determined during the fundraising on March 25, 2021. This is €8.34.	April-20	April-35

## 2. MANAGEMENT REPORT, CORPORATE GOVERNANCE REPORT AND REPORT ON OTHER RESOLUTIONS

### CONTENTS

A.	MANAGEMENT REPORT .....	- 13 -
	NOTE 1 The Company's activities .....	- 13 -
	NOTE 2 Outlook.....	- 14 -
	NOTE 3 Presentation of the Financial Statements .....	- 14 -
	NOTE 4 Research and development.....	- 15 -
	NOTE 5 Allocation of net profit (loss).....	- 15 -
	NOTE 6 Other information .....	- 15 -
B.	CORPORATE GOVERNANCE REPORT .....	- 27 -
	NOTE 1 Office of chief executive officer .....	- 27 -
	NOTE 2 Information concerning directors .....	- 27 -
	NOTE 3 Agreements between a subsidiary and one of the company's Directors or major shareholder..	- 28 -
	NOTE 4 Table of the authorizations pertaining to capital increases .....	- 29 -
	NOTE 5 Transactions on securities owned by managers.....	- 29 -
	NOTE 6 Restrictions on the exercise of options granted or the sale of free shares to executives.....	- 30 -
	APPENDIX 1: Balance of trade payables .....	- 31 -
	APPENDIX 2: Capital ownership .....	- 32 -
	APPENDIX 3: Table of the Company's financial results for the last five last financial years .....	- 33 -
	APPENDIX 4: Table of the authorizations pertaining to capital increases.....	- 34 -
C.	REPORT ON OTHER RESOLUTIONS .....	- 35 -
	NOTE 1 Directors term of offices.....	- 35 -
	NOTE 2 Setting of the Directors' remuneration .....	- 35 -
	NOTE 3 Authorization for the Board of Directors to purchase shares of the Company under the provisions of article L.22-10-62 of the French Commercial Code .....	- 35 -

## A. MANAGEMENT REPORT

*The duration of the financial year ended December 31, 2021 was 12 months. 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.*

Given the consolidated available cash position of €36.2 million as of December 31, 2021, as well as the research tax credit of €1.5 million expected over 2022, the Company considers it has sufficient cash to meet cash requirements related to its business and investments over the 12 months following the closing date.

The above-mentioned items enable the Parent Company Financial Statements to be prepared as of December 31, 2021 according to the going concern principle.

### NOTE 1 THE COMPANY'S ACTIVITIES

The iCRO business unit generated 100% of the Company's revenue for the financial year 2021. The Company's revenue amounted to €14.1 million compared to €11.2 million for the previous financial year, i.e. an increase of more than 28%.

2021 was another record year for Median's iCRO business unit which provides imaging solutions and services for clinical oncology trials.

The global order backlog as of December 31, 2021 stood at €58 million, up 12% compared to December 31, 2020 (€51.7 million).

The iBiopsy® business generated no revenue over the financial year given that it is in the investment phase (software, clinical and scientific) for new products and services. In 2021, Median continued its Research and Development activities for the iBiopsy® platform and confirmed the relevance of its technology by publishing a series of promising first clinical results.

Given these performances, the Company's cash and cash equivalents amounted to €36.2 million on December 31, 2021. Payment of the research tax credit for 2020 was made in September 2021 for an amount of €1.4 million.

The Company's 2021 revenue amounted to €14,120K vs. €11,010K in the previous year, or an increase of more than 28%. During the year, the Company continued to market its solutions and services to pharmaceutical groups and biotechnology companies as part of clinical trials in oncology.

- Operating income amounted to €14,487K compared to €11,232 K for the previous year;
- Operating expense amounted to €27,564K compared to €21,782K for the previous year;
- Operating profit (loss) amounted to €(13,078)K compared to €(10,550)K for the previous year;
- Financial income (expense) amounted to €(680)K compared to €(766)K for the previous year;
- Exceptional income amounted to €210K compared to €159K for the previous year;
- The net profit (loss) for the year amounted to €(11,994)K compared to €(9,737)K for the previous year.

In 2021, the Company had an average of 121 employees, composed of 56 women and 65 men.

Wages and salaries amounted to €9,344K compared to €7,421K for the previous year. Social contributions totaled €4,136 K compared to €3,306K for the previous year.

Financial income (expense) was €(680K), including interest on the EIB loan for an amount of €938K. Other financial expenses primarily included exchange rate losses.

The net loss includes a research tax credit and an innovation tax credit for an amount of €1,553 K. This amount is relative to the 2021 calendar year.

## **NOTE 2      OUTLOOK**

### **a) iCRO**

Median Technologies continues to invest heavily in the research and development of its iSee® imaging platform, which will provide strong differentiation from the competition in terms of both technology and quality. Median intends to increase its market share over the next few years by basing its imaging services on this platform.

### **b) iBiopsy**

In 2021 and early 2022, Median made progress on its clinical development plan for lung cancer with the publication of three sets of scientific results that validated the scientific and technological approach adopted. These results highlighted the excellent sensitivity and specificity of the algorithms developed by Median for the detection and characterization of lung cancer nodules. This innovation opens up new avenues for the early diagnosis of lung cancer, new perspectives for the implementation of lung cancer screening programs, and above all new hopes for millions of patients.

## **NOTE 3      PRESENTATION OF THE FINANCIAL STATEMENTS**

### **a) Parent company financial statements**

The annual financial statements for the year closed on December 31, 2021 and submitted to your approval have been prepared in accordance with the presentation rules and valuation methods stipulated by prevailing regulations. The presentation rules and the valuation methods selected are identical to those used for the previous year.

As of December 31, 2020, the Company's shareholders' equity was less than half of the share capital. However, the Shareholders' Meeting of June 1, 2021, in its 14th resolution, noted the reconstitution of the Company's equity following the fundraising carried out by the Company in March 2021.

### **b) Consolidated financial statements under IFRS**

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 August 19, 2014 and on July 2, 2015, the Company has also prepared the consolidated accounts according to IFRS accounting rules.

#### **NOTE 4 RESEARCH AND DEVELOPMENT**

**iSee®** is our proprietary imaging platform used as part of our imaging service offering. It provides expert reading of our clients' images, automating and standardizing solid cancer tumor detection, selection and measurement, and allows for tracking patient response to treatment over time, the indicator of efficacy of new molecules. **iSee®** extracts standard and advanced biomarkers using various imaging criteria, from RECIST 1.1 to more specific criteria such as lesion volume, mRECIST or iRECIST. **iSee®** allows image analysis for the follow-up of all solid tumor cancers.

**iBiopsy®** is an R&D activity that aims to develop new medical device software for the early, non-invasive diagnosis of diseases that can be fatal if not detected early enough. Our **iBiopsy®** platform, currently under development, integrates the most advanced Artificial Intelligence and Machine Learning technologies and relies on Median Technologies' expertise in data science and medical image processing. **iBiopsy®** extracts non-invasive digital biomarkers from images and targets indications where there are unmet medical needs in terms of early diagnosis, prognosis and treatment selection in the context of predictive and precision medicine. **iBiopsy®** is currently targeting three deadly pathologies that have a high public health impact: lung cancer, primary liver cancer and non-alcoholic fatty liver disease (NASH)

#### **NOTE 5 ALLOCATION OF NET PROFIT (LOSS)**

We propose allocating the net loss for the financial year of €11,994K to the “carry forward” account which would thus represent a negative amount of €73,955K.

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

#### **NOTE 6 OTHER INFORMATION**

##### **a) Major developments since the end of the financial year**

On January 5, 2022, Median Technologies announced excellent performances for its **iBiopsy®** Lung Cancer Screening (LCS) CADe algorithm in detecting potentially cancerous lung nodules.

- **iBiopsy®** Lung Cancer Screening (LCS) detection performance reached 94.9% sensitivity for a false positive rate of 1 per CT scan, a performance superior to that of lung CADe systems currently on the market.
- The particularly high sensitivity of **iBiopsy®** LCS is a prerequisite for implementing a reliable detection and diagnosis (CADe/CADx) solution for lung cancer screening programs.
- After detection (CADe), the diagnostic component (CADx) of **iBiopsy®** LCS characterizes nodules as malignant or benign. Its sensitivity/specificity levels were announced in 2021 and are still unparalleled today.

On March 3, 2022, Median announced it had filed a 513(g) submission on February 17, 2022 to the United States Food and Drug Administration (FDA) for its iBiopsy<sup>®</sup> LCS CAdE/CADx Software as Medical Device (SaMD).

- Filing of the 513(g) submission is a key milestone that marks the start of Median’s interactions with the FDA.
- The filing will allow Median Technologies to determine the best regulatory pathway for the iBiopsy<sup>®</sup> LCS CAdE/CADx Software as Medical Device.
- Median aims to obtain full regulatory approval and authorization to market its SaMD by the end of 2023, and then to launch its commercialization.
- iBiopsy<sup>®</sup> LCS CAdE/CADx SaMD could significantly contribute to removing barriers currently slowing the adoption of lung cancer screening programs and save the lives of millions of patients.

The 513(g) submission will allow Median Technologies to determine the best product classification and choose between the De Novo or the 510(k) regulatory pathways for iBiopsy<sup>®</sup> LCS CAdE/CADx SaMD. The FDA is expected to review the 513(g) submission and provide feedback within 60 calendar days.

Median Technologies is preparing several Q-submissions for the next regulatory stages.

On March 22, 2022, Median Technologies announced it had completed development of its iBiopsy Lung Cancer Screening CAdE/CADx SaMD.

#### **b) Activity of the Company’s subsidiaries**

The Company owns the entire share capital and voting rights of **MEDIAN TECHNOLOGIES, INC.**, the US subsidiary of the Company (hereinafter the “**US Subsidiary**”). The US Subsidiary had 17 employees as of December 31, 2021. During the financial year, revenue from the US Subsidiary amounted to \$2,292K (i.e. €1,939K). Like the previous financial year, MEDIAN TECHNOLOGIES INC’s revenue stems from the introduction in 2014 of a "cost-plus" contract between the parent company and its subsidiary. As such, total revenue in 2021 corresponds to the rebilling of costs to the Company.

The Company also owns the entire share capital and voting rights of **MEDIAN MEDICAL TECHNOLOGY (SHANGHAI) CO., LTD**, the Chinese subsidiary of the Company (hereinafter the “**CN Subsidiary**”). The CN Subsidiary had 33 employees as of December 31, 2021. During 2021, revenue at the CN Subsidiary amounted to RMB64,238K (i.e. €8,407K). This corresponds to rebilling of services performed for Median technologies SA for an amount of RMB1,937 K (€253 K). The remaining revenue corresponds to medical imaging services performed as part of clinical trials contracted in recent years with Chinese companies.

The Company also owns the entire share capital and voting rights of **MEDIAN TECHNOLOGIES HONG KONG LIMITED**, the Hongkongese subsidiary of the Company (hereinafter the “**HK Subsidiary**”). The HK Subsidiary currently has no employees and generated no revenue during this financial year. This subsidiary is currently in the process of being closed.

#### **c) Equity investments made during the financial year**

None.



**d) Transfer of shares and cross shareholdings**

None.

**e) Existence of stock-option plans and other securities issued – Employee participation:**

- 1) The Board of Directors meeting of June 27, 2019, in accordance with resolution 19 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 94,516 stock options from the SO 2019-A plan to the following beneficiaries:

Beneficiaries	STOCK OPTIONS
	2019-A
Fredrik BRAG	84,516
Bernard REYMANN	10,000
<b>Total</b>	<b>94,516</b>

The strike price for this allocation is one euro and fifty-euro cents (€1.50) per share, it being specified that one (1) SO 2019-A stock option gives the right to subscribe to one (1) new share.

During the second half of 2021, the Company issued 10,000 new shares following the exercise of 10,000 STOCK OPTIONS 2019-A.

These shares were issued at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €15K, i.e. €500 of par value and €14,5K of issue premium.

The Board of Directors meeting of October 21, 2021 acknowledged the resulting share capital increase.

- 2) The Board of Directors meeting of June 27, 2019, in accordance with resolution 19 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 257,500 stock options from the SO 2019-B plan to the following beneficiaries:

Beneficiaries	STOCK OPTIONS
	2019-B
Nozha BOUJEEMA	60,000
Oran MUDUROGLU	50,000
Yan LIU	35,000
Bernard REYMANN	32,500
Nicolas DANO	30,000
Sophie CAMPAGNO	20,000
Sebastien GROSSET	9,000
Jean OLIVIER	9,000
Emmanuelle LEYGUES	6,000
Anne-Sophie AUROUX	6,000
<b>Total</b>	<b>257,500</b>

The strike price for this allocation is one euro and fifty-euro cents (€1.50) per share, it being specified that one (1) SO 2019-B stock option gives the right to subscribe to one (1) new share.

During the second half of 2020, the Company issued 5,000 new shares following the exercise of 5,000 STOCK OPTIONS 2019-B.

These shares were issued at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total subscription of €7,5K, i.e. €0,3K of par value and €7,2K of issue premium. The Board of Directors meeting of February 26, 2021 acknowledged the resulting share capital increase.

During 2021, the Company issued 37,000 new shares following the exercise of 37,000 STOCK OPTIONS 2019-B. These shares were issued at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €55,5K, i.e. €1,9K of par value and €53,6K of issue premium. The Board of Directors meetings of October 21, 2021 and January 25, 2022 acknowledged the resulting share capital increases.

- 3) The Board of Directors meeting of June 27, 2019, in accordance with resolution 19 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 33,000 stock options from the SO 2019-C plan to Mr. Min ZHANG.

Beneficiaries	STOCK OPTIONS 2019-C
Min ZHANG	33,000
<b>Total</b>	<b>33,000</b>

The strike price for this allocation is one euro and fifty-euro cents (€1.50) per share, it being specified that one (1) SO 2019-C stock option gives the right to subscribe to one (1) new share.

During the second half of 2021, the Company issued 20,000 new shares following the exercise of 20,000 STOCK OPTIONS 2019-C. These shares were issued at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €30K, i.e. €1,000 of par value and €29K of issue premium. The Board of Directors meeting of January 25, 2022 acknowledged the resulting share capital increase.

- 4) The Board of Directors meeting of January 16, 2020, in accordance with resolution 19 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 60,000 stock options from the SO 2020-M plan to Mr. Oran MUDUROGLU.

Beneficiaries	STOCK OPTIONS 2020-M
Oran MUDUROGLU	60,000
<b>Total</b>	<b>60,000</b>

The strike price for this allocation is one euro and fifty-euro cents (€1.50) per share, it being specified that one (1) SO 2020-M stock option gives the right to subscribe to one (1) new share.

- 5) The Board of Directors meeting of January 16, 2020, in accordance with resolution 19 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 30,000 stock options from the SO 2020-Z plan to Mr. Min ZHANG.

Beneficiaries	STOCK OPTIONS 2020-Z
Min ZHANG	30,000
<b>Total</b>	<b>30,000</b>

The strike price for this allocation is one euro and fifty-euro cents (€1.50) per share, it being specified that one (1) SO 2020-Z stock option gives the right to subscribe to one (1) new share.

6) The Board of Directors meeting of March 12, 2020, in accordance with resolution 18 of the Extraordinary General Meeting of June 26, 2019, decided to allocate 90,000 free shares from the AGA 2020-1 plan to the following beneficiaries.

Beneficiaries	AGA 2020-1
Bernard REYMANN	60,000
Nicolas DANO	30,000
<b>Total</b>	<b>90,000</b>

The Board of Directors meeting of March 19, 2021 acknowledged the definitive acquisition of the 90,000 free shares AGA 2020-1 by the above-mentioned beneficiaries and therefore acknowledged, the resulting share capital increase.

7) The Board of Directors meeting of April 17, 2020, in accordance with resolution 22 and 23 of the Extraordinary General Meeting dated June 26, 2019, acknowledged the subscription by the European Investment Bank (EIB) to 800,000 equity warrants (“BSA BEI-A”).

The subscription price to the BSA BEI-A equity warrants was one euro cent (€0.01) for each BSA BEI-A warrant issued, it being specified that the exercise of one (1) BSA BEI-A warrant gives the right to subscribe to one (1) new share at a strike price equal:

- to the multiplication of X by the weighted average price per share in the context of one or several Qualifying Equity Fundraising(s), as this term is defined in the BSA BEI-A Warrants Agreement, each of at least €5M and up to an aggregate amount of €15M, subscribed by any new investor not already holding, directly or indirectly, shares in the Company, within a 15-month period following the issuance date of the BSA BEI-A warrants, it being noted that if the cumulative amount of €15M is reached in the context of several Qualifying Equity Fundraising(s), as this term is defined in the Warrants Agreement, in excess of an aggregate amount raised of €15M, the weighted average price per share will be calculated by reference to the first €15M, with X being equal to:
  - 95.5% during the first three months following the issuance of the BSA BEI-A;
  - 92.5% during the fourth month following the issuance of the BSA BEI-A;
  - 90.0% during the fifth month following the issuance of the BSA BEI-A;
  - 88.5% during the sixth month following the issuance of the BSA BEI-A;
  - 85.0% during the seventh month following the issuance of the BSA BEI-A;
  - 82.5% during the eighth month following the issuance of the BSA BEI-A;
  - 80.0% during the ninth month following the issuance of the BSA BEI-A;

- 78.5% during the tenth month following the issuance of the BSA BEI-A;
- 75.0% during the eleventh month following the issuance of the BSA BEI-A;
- 72.5% during the twelfth month following the issuance of the BSA BEI-A;
- 70% during the thirteenth month following the issuance of the BSA BEI-A;
- 65% during the fourteenth month following the issuance of the BSA BEI-A;
- 60% during the fifteenth month following the issuance of the BSA BEI-A; or

- € 2 from the sixteenth month following the issuance of the BSA BEI-A.

Following the fund raising carried out by the Company in March 2021, the exercise of one (1) BEI-A warrant gives the right to one (1) new share at a subscription price of 8.3375 euros per share.

- 8) The Board of Directors meeting of May 30, 2018, in accordance with resolution 19 and 20 of the Extraordinary General Meeting dated May 28, 2018, issued 130,000 equity warrants of which 120,000 equity warrants were subscribed to (“BSA 2018”). Mr. Oran MUDUROGLU and Mr. Kapil DHINGRA each subscribed to 60,000 BSA 2018 equity warrants.

The subscription price to the BSA BEI-A equity warrants was one euro and fifty-one cents (€1.51) for each BSA 2018, it being specified that the exercise of one (1) BSA 2018 warrant gives the right to subscribe to one (1) new share at a strike price of nine euros and fifty cents (€9.50) per share.

- 9) The Board of Directors meeting of July 9, 2020, in accordance with resolution 23 of the Extraordinary General Meeting of June 19, 2020, decided to allocate 50,000 stock options from the SO 2020-S plan to the following beneficiaries:

Beneficiaries	STOCK OPTIONS
	2020-S
Yan LIU	25,000
Mike DOHERTY	25,000
<b>Total</b>	<b>50,000</b>

The strike price for this allocation is two euros and sixty-five-euro cents (€2.65) per share, it being specified that one (1) SO 2020-S stock option gives the right to subscribe to one (1) new share.

Following the departure of a beneficiary from the Company, 25,000 STOCK-OPTIONS 2020-S are no longer exercisable.

- 10) The Board of Directors dated October 16, 2020, according to resolution 23 of the Extraordinary General Meeting dated June 19, 2020, decided to allocate 15,000 stock options from the SO 2020-D plan to Mr. Mike DOHERTY.

Beneficiaries	STOCK OPTIONS
	2020-D
Mike DOHERTY	15,000
<b>Total</b>	<b>15,000</b>

The strike price for this allocation is four euros and eighteen-euro cents (€4.18) per share, it being specified that one (1) S0 2020-D stock option gives the right to subscribe to one (1) new share

Following the departure of a beneficiary from the Company, 15,000 STOCK-OPTIONS 2020-D are no longer exercisable.

- 11) The Board of Directors meeting of October 21, 2021, in accordance with resolution 22e of the Extraordinary General Meeting of June 1, 2021, decided to allocate 206,000 free shares from the AGA 2021-1 plan to the following beneficiaries:

Beneficiaries	AGA 2021-1
Thomas BONNEFONT	60,000
Sophie CAMPAGNO	25,000
Nicolas DANO	30,000
Jean-Christophe MONTIGNY	60,000
Sebastien GROSSET	10,000
Anne-Sophie AUROUX	10,000
Christelle DUVERGER	5,000
Jose Luis MACIAS	5,000
Adeline BRASSEUR	5,000
Benjamin CONAN	5,000
Benoit HUET	10,000
Rémi RONCHAUD	5,000
Jean OLIVIER	10,000
Fabrice LAMY	5,000
Hari. RATSIMANOHATRA	5,000
Emmanuelle LEYGUES	5,000
Faisel JOBRANI	5,000
<b>Total</b>	<b>260,000</b>

- 12) The Board of Directors meeting of October 21, 2021, in accordance with resolution 22 of the Extraordinary General Meeting dated June 1, 2021, decided to allocate 542,000 free shares from the AGA 2021-2 plan to Mr. Fredrik BRAG.

Beneficiaries	AGA 2021-2
Fredrik BRAG	542,000
<b>Total</b>	<b>542,000</b>

- 13) The Board of Directors meeting of October 21, 2021, in accordance with resolution 22 of the Extraordinary General Meeting of June 1, 2021, decided to allocate 30,000 free shares from the AGA 2021-3 plan to Mr. Cyril LAURENT.

Beneficiaries	AGA 2021-3
Cyril LAURENT	30,000
<b>Total</b>	<b>30,000</b>

14) 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 (CEO), Bernard REYMANN, Nicolas DANO and Fabrice LAMY held a total of 4% of the share capital as of December 31, 2021

15) A summary of the issuances and allocations of the various securities can be found in the annex to the financial statements prepared by the Company for the fiscal year ended December 31, 2021.

**f) Information concerning the Auditors**

We remind you that PRICEWATERHOUSECOOPERS AUDIT, a simplified joint-stock company with a capital of €2,510K 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 and that its six-financial years term of office of expires at the end of the Shareholders' Meeting convened to deliberate in 2021 on the financial statements of the financial year to close on December 31, 2026

**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 December 31, 2021, the average number of employees is 121. As of December 31, 2021, the Company had 136 employees.

**h) Expenses non-deductible 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 December 31, 2021, expenses non-deductible from corporate tax as provided for in Article 39-4 of the French General Tax code were incurred for an amount of €47K, the theoretical impact of which on corporate tax at the rate of 28%, works out to €13K.

**i) Regulated Agreements**

We inform you that during the year ended December 31, 2021, no new agreement gave rise to the procedure provided for in Articles L.225-38 and following of the French Commercial Code.

It is recalled that the following agreements, as referred to in articles L.225-38 and following of the French Commercial Code, pursued unchanged during the financial year ending on December 31, 2021:

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

- o Director concerned: Mr. Oran MUDUROGLU, Chairman of the Board of Directors of the Company;
- o Type and purpose: Mr. 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: In accordance with the said contract, Mr. Oran MUDUROGLU has the right to exercise the stock options under certain conditions to obtain shares of Median Technologies, Inc. (US). (US). The Company, wishing to maintain the right to exchange, in the form of capital remuneration, the shares Mr. Oran MUDUROGLU would hold in Median Technologies, Inc. (US) in the event he exercises these stock options, signed a contribution agreement with Mr. Oran MUDUROGLU whereby, in consideration for the contribution of his shares in Median Technologies, Inc., Mr. 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 December 31, 2021 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 (Appendix I).

**k) Table of the Company's financial results 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 (Appendix III).

**l) Share capital ownership (Art. L. 233-13 of the Commercial Code)**

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

**m) Share buy-back program**

We inform you that during the year closed on December 31, 2021, the number of shares bought and sold pursuant to article L.22-10-62 of the French Commercial Code, was respectively 245,860 shares and 258,682 shares.

The average purchase and sales prices amounted respectively to €12.53 and €11.71

The number of shares registered in the name of the Company at the close of the year was 22,876. Their value at the end of the year, valued at purchase price, was €309K, i.e. a unit price of €13,49. Their nominal value was €0.05. They represent 0.1% of the share capital.

The share price as of December 31, 2021 stood at €15.64. No provision for impairment of shares was recorded in the accounts as of December 31, 2021.

#### **n) Annual report on liquidity agreement**

Under the liquidity contract granted by the Company to TP ICAP (Europe), as of December 31, 2021, the following resources were in the liquidity account:

- €231K
- 22,876 shares

#### **o) Information on geographical regions**

<b>Revenues (In thousands of euros)</b>	<b>2021-12-31</b>	<b>2020-12-31</b>	<b>Variation</b>
Revenue FRANCE	2 255	1 701	554
Revenue USA/CANADA	3 637	2 888	749
Revenue UK	2 307	875	1 432
Revenue CHINA	3 990	4 636	(646)
Revenue OTHER EXPORTS	1 931	910	1 021
<b>Total</b>	<b>14 120</b>	<b>11 010</b>	<b>3 110</b>

#### **p) Specific Risks Factors**

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

###### 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.

###### 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.

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 its managers and key scientific personnel, such that the loss of their skills could impair the Company's ability 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 outlook.

#### Client risks

The Company does not consider itself dependent on a particular laboratory. By expanding its listings with major pharmaceutical companies, the Company is also aiming to be less dependent on a small number of laboratories. As of today, the Company is referenced in most of the world's largest laboratories.

#### 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.

### Legal and regulatory risks

#### Intellectual property risks

For the Company's business to be successful, it is important to obtain, maintain and enforce 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.

#### 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. In 2019, the quality of services was validated by the success of 12 customer audits and an FDA (Food and Drug Administration) audit on a major phase III of a Top 3 pharmaceutical company.

#### 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 cannot exclude that some user of the applications may seek the liability of the Company.

### Financial risk management objectives and policies

The Group's policy is not to enter financial instruments for speculative purposes. The Group does not use derivative financial instruments. The Group is exposed, to varying degrees, to currency, counterparty, and liquidity risks. It is not exposed to interest rate risk.

#### Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Group's strategy is to use the euro as the currency for its contracts. However, due to its international exposure, the Group also invoices in dollars and is therefore exposed to foreign exchange risks related to these transactions. The Group cannot rule out the possibility that a significant increase in its activity could result in greater exposure to foreign exchange risk. The Group is therefore considering a more appropriate policy for hedging these risks.

The Group's main currency risk relates to the conversion of the accounts of its subsidiary MEDIAN Technologies Inc. from US\$ to euro and MEDIAN MEDICAL TECHNOLOGY from CNY to euro.

It is therefore mainly exposed to changes in the US\$/€ and CNY/€ exchange rates.

To limit the impact of the variability of the USD, the Group reuses all its funds in dollars for the needs of its subsidiary.

For the RMB, the company intends to give complete autonomy to its Chinese subsidiary as soon as possible to limit its exposure to the Chinese currency as much as possible.

#### Interest rate risk

As of December 31, 2021, the Group's financial liabilities were not subject to interest rate risk. Borrowings were at fixed rates and advances and repayable loans were at zero interest. The Group does not have any variable-rate debt with financial institutions and is therefore not subject to any interest rate risk.

#### Credit risk

Credit risk, or counterparty risk, is the risk of loss on a receivable, or more generally that of a third party not paying its debt on time. The risk presented by private clients is controlled in view of the advances and deposits that the Group obtains before starting its services. The Group has also set up an export credit insurance contract to cover losses on receivables from defaulting export customers. Receivables related to government grants and research tax credits are not considered to represent a significant credit risk in view of the company's history. The credit risk associated with cash and cash equivalents and current financial instruments is not significant in view of the quality of the financial institutions with which the company has contracts.

#### Liquidity risk

The Group's financing is carried out within the framework of a policy implemented by the Finance Department. The Group's financing structure is mainly based on equity, shareholder financing and public financing. Cash is held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. It is readily convertible into a known amount of cash and subject to an insignificant risk of change in value.

Given that the company had €36.1M in cash and cash equivalents on December 31, 2021, it considers that it has sufficient cash and cash equivalents to meet the cash requirements of its business and investments for the 12 months following the balance sheet date.

The above-mentioned elements justify the preparation of the consolidated financial statements as of December 31, 2021 on a going concern basis.

## B. CORPORATE GOVERNANCE REPORT

### NOTE 1 OFFICE OF CHIEF EXECUTIVE OFFICER

In accordance with article L.225-37-4 of the French Commercial Code, we recall 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 of the Board of Directors 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. These modalities have not changed.

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

### NOTE 2 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 :

Exercised by / Companies	Duties and/or functions	Exercised by / Companies	Duties and/or functions
<b>M. Oran MUDUROGLU</b>		<b>M. Tim HAINES</b>	
Median Technologies SA	Director and Chairman of the board	Median Technologies SA	Director
Cambridge Respiratory	Director and Chairman of the board	Abingworth LLP	Member
Histolix	Director and Chairman of the board	Abingworth Bioventures GP Limited	Director
<b>M. Fredrik BRAG</b>		Abingworth Bioventures III GP Limited	Director
Median Technologies SA	General Manager - Director	Abingworth Bioventures IV GP Limited	Director
Median Technologies Inc.	Director and Chairman of the board	Abingworth Bioventures V GP Limited	Director
Median Technologies Hong-Kong Ltd.	Director	Abingworth CCD GP Limited	Director
Median Medical Technology (Shanghai) Co.,	Director	Abingworth Second Partner Limited	Director
<b>M. Oern STUGE</b>		Abingworth Management Limited	Director
MEDIAN Technologies SA	Director	Abingworth Management Holdings Limited	Director
Phagenesis Ltd.	Chairman	Chroma Therapeutics Limited	Director
Summit Medical	Chairman	Virion Biotherapeutics Limited	Director
Balt SAS	Vice-Chairman	Adaptate Biotherapeutics Limited	Director
Neo Medical	Director	Gammadelta Therapeutics Limited	Director
Organox Ltd	Director	Venatorx Pharmaceuticals Inc	Director
		Macrotarg Limited	Director
		<b>M. Kapil DHINGRA</b>	
		Median Technologies SA	Director
		Five Prime Inc.	Director
		Replimune Inc.	Director
		Black Diamonds Therapeutics inc.	Director
		LAVA Therapeutics	Director and Chairman of the board
		Autolus	Director
		Curie Therapeutics	Director
		Servier	Director and Chairman of the board
		Kirilyx	Director

In accordance with the provisions of Article L.225-37-4 of the French Commercial Code, you will find attached the list of offices and positions held in other companies by each of the Company's corporate officers (Appendix V).

Mr. Fredrik BRAG, Chief Executive Officer of the Company, received gross compensation of €400K for fiscal year 2021, excluding target bonus.

The amount of the target bonus for fiscal year 2021 decided by the Board of Directors on the basis of the recommendation of the Compensation Committee amounts to 220K euros and will be paid in fiscal year 2022. It should be noted that in fiscal year 2021, Mr. Fredrik BRAG received €196K in respect of the target bonus for fiscal year 2020. Mr. Fredrik BRAG benefits from the GSC (Garantie Sociale des Chefs d'Entreprise), the annual cost of which amounted to €18K in 2021. Mr. BRAG has also had a company car since the second half of 2018.

Mr. Oran MUDUROGLU, Chairman of the Board of Directors of the Company, received gross compensation of €12K for the year 2021.

### **NOTE 3            AGREEMENTS BETWEEN A SUBSIDIARY AND ONE OF THE COMPANY'S DIRECTORS OR MAJOR SHAREHOLDER**

#### **a) Consulting contract signed on January 4, 2021, between ORSCO LIFE SCIENCES AG, and the US subsidiary of the Company, MEDIAN TECHNOLOGIES, INC.:**

Director concerned: Mr. Oern STUGE, Director of the Company;

Purpose of the agreement: ORSCO LIFE SCIENCES AG provides strategic consulting services to companies of the MEDIAN Group regarding the commercial development of the iCRO business unit and the marketing strategy of the iBiopsy activity of the Company;

Duration: A fixed duration that ended on December 31, 2021.

Note also that the following agreement was pursued unchanged during the financial year ending December 31, 2021:

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

Director concerned: Mr. Oran MUDUROGLU, Chairman of the Board of Directors of the Company;

Type and purpose: Mr. 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: In accordance with the said contract, Mr. Oran MUDUROGLU has the right to exercise the stock options under certain conditions to obtain shares of Median Technologies, Inc. (US). The Company, wishing to maintain the right to exchange, in the form of capital remuneration, the shares Mr. Oran MUDUROGLU would hold in Median Technologies, Inc. (US) in the event he exercises these stock options, signed a contribution agreement with Mr. Oran MUDUROGLU whereby, in consideration for the contribution of his shares in Median Technologies, Inc., Mr. Oran MUDUROGLU would receive a total of 25,108 new ordinary shares of the Company.

#### **NOTE 4 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.)

#### **NOTE 5 TRANSACTIONS ON SECURITIES OWNED BY MANAGERS**

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 December 31, 2021 is :

##### **Definitive acquisition of 30,000 free shares AGA 2020-1 by Mr. Nicolas DANO**

In March 2021, Mr. Nicolas DANO definitively acquired the 30,000 free shares from the AGA 2020-1 plan allocated to him by the Board of Directors meeting of March 12, 2020, in accordance with resolution 18 of the Extraordinary General Meeting of June 26, 2019.

##### **Definitive acquisition of 60,000 free shares AGA 2020-1 by Mr. Bernard REYMANN**

In March 2021, Mr. Bernard REYMANN definitively acquired the 60,000 free shares from the AGA 2020-1 plan allocated to him by the Board of Directors meeting of March 12, 2020, in accordance with resolution 18 of the Extraordinary General Meeting of June 26, 2019.

##### **Disposal of 29,632 Company shares by Mr. Kapil DHINGRA**

Mr. Kapil DHINGRA sold 29,632 Company shares on the market at a price per share of €11.90 on May 10, 2021.

##### **Exercise of 8,750 stock options by Mrs. Yan LIU**

On May 17, 2021, Mrs. Yan LIU exercised 2,055 STOCK OPTIONS 2019-B and subscribed to 2,055 new shares at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €3.1K, of which €0.1K of par value and €3K of issue premium.

On May 18, 2021 Mrs. Yan LIU exercised 1,695 STOCK OPTIONS 2019-B and subscribed to 2019 1,695 shares at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €2.5K, of which par value of €0.1K and €2.4K is the issue premium.

On May 20, 2021, Mrs. Yan LIU exercised 5,000 STOCK OPTIONS 2019-B and subscribed to 5,000 new shares at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €7.5K, of which €0.3K of par value and €7.3K of issue premium.

##### **Exercise of 26,250 stock options by Mr. Bermand REYMANN**

On July 16, 2021, Mr. Bernard REYMANN exercised 10,000 STOCK OPTIONS 2019-A and 16,250 STOCK OPTIONS 2019-B and subscribed to 26,250 new shares at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €39.4K, of which €1.3K of par value and €38.1K of issue premium.

**Exercise of 5,000 stock options by Mrs. Sophie COMPAGNO**

On September 17, 2021, Mrs. Sophie CAMPAGNO exercised 5,000 STOCK OPTIONS 2019-B and subscribed to 5,000 new shares at a price per share of €1.50, i.e. €0.05 of par value and €1.45 of issue premium, representing a total of €7.5K of which €0.3K of par value and €7.3K of issue premium.

**Disposal of 5,000 Company shares by Mrs. Sophie CAMPAGNO**

Mrs. Sophie CAMPAGNO sold 5,000 Company shares on the market at a price per share of €14.7K on September 17, 2021.

**Exercise of 222,222 BSA 2014 equity warrants by Mr. Fredrik BRAG**

On September 17, 2021, Mr. Fredrik BRAG exercised 222,222 BSA 2014 equity warrants and subscribed to 111,111 new shares at a price per share of €9, i.e. €0.05 of par value and €8.95 of issue premium, representing a total of €1,000K of which €5.6K of par value and €994.4K of issue premium.

**Disposal of 43,036 Company shares by ABINGWORTH BIOVENTURES VI LP**

ABINGWORTH BIOVENTURES VI LP sold 43,036 Company shares on the market at a price per share of €14.89 on September 17, 2021.

**Exercise of 111,111 BSA 2014 equity warrants by ABINGWORTH BIOVENTURES VI LP**

On September 20, 2021, ABINGWORTH BIOVENTURES VI LP exercised 111,111 BSA 2014 equity warrants and subscribed to 55,555 new shares at a price per share of €9, i.e. €0.05 of par value and €8.95 of issue premium, representing a total of €500K of which €2.8K of par value and €497.2K of issue premium.

**Disposal of 111,111 Company shares by Mr. Fredrik BRAG**

Mr. Fredrik BRAG sold 111,111 Company shares on the market at a price per share of €16.20 on December 10, 2021.

**NOTE 6 RESTRICTIONS ON THE EXERCISE OF OPTIONS GRANTED OR THE SALE OF FREE SHARES TO EXECUTIVES**

The restrictions imposed on the company's executives by the Board about the exercise of options granted or the sale of shares allocated free of charge to executives are as follows:

Executives who have been granted options to subscribe for or purchase shares are required to hold at least 25% of the shares resulting from the exercise of options in registered form until they cease to hold office for any reason whatsoever.

Executives who have been granted bonus shares are required to hold either at least 5% or at least 15% of the shares resulting from the vesting of bonus shares in registered form until they cease to hold office, for whatever reason.

**APPENDIX 1: Balance of trade payables**

	Article D.441.I.-1° : <b>Received</b> invoices unpaid at the reporting date and overdue					Article D.441.I.-2° : <b>Issued</b> invoices unpaid at the reporting date and overdue				
	1 to 30 days	31 to 61 days	61 to 90 days	More than 91 days	Total	1 to 30 days	31 to 61 days	61 to 90 days	More than 91 days	Total
<b>Tranches of late payment</b>										
Number of invoices concerned	70					44				
Total amount of invoices concerned (In thousand of euros)	288	164	74	3	529	190	48	49	113	400
Percentage of total amount of purchases in the financial year	2.15%	1.22%	0.55%	0.02%	3.95%					
Percentage of the turnover in the financial year						1%	0%	0%	1%	3%
<b>Invoices excluded relating to disputed liabilities and receivables or unrecorded</b>										
Number of invoices excluded	0					25				
Total amount of invoices excluded (In thousand of euros)	0					247				
<b>The reference terms of payment used (article L.441-6 or article L.443-1 of the Commercial Code)</b>										
Terms of payment used to calculate the payment delays	Contractual deadlines : 30 days					Contractual deadlines : 30 days				

**APPENDIX 2: Capital ownership**

PRIVATE INDIVIDUALS AND LEGAL ENTITIES HOLDING CAPITAL BY THRESHOLD (ARTICLE L 233-13)	2021-12-31	2020-12-31
<b><i>Private persons</i></b>		
None	None	None
<b><i>Legal entities</i></b>		
Furui Medical Company	12.42%, more than one-tenth	12.42%, more than one-tenth
Celestial sucesor Fund L.P.	10.75%, more than one-tenth	10.75%, more than one-tenth
Abingworth bioventures VI L.P.	9.15%, more than one-twentieth	9.15%, more than one-twentieth
Canon Inc.	7.92%, more than one-twentieth	7.92%, more than one-twentieth
FCPR Auriga Ventures II	5.01%, more than one-twentieth	5.01%, more than one-twentieth



**APPENDIX 3: Table of the Company's financial results for the last five last financial years**

Financial results for the last five years (In thousands of euros)	Period Duration	2021-12-31 12 months	2020-12-31 12 months	2019-12-31 12 months	2018-12-31 12 months	2017-12-31 12 months
<b>I- Financial position at the end of the Year</b>						
a) Share Capital		775	607	606	606	599
b) Number of shares outstanding *		15,493,449	12,138,425	12,127,425	12,127,425	11,974,903
<b>II- Operating Global results</b>						
a) Turnover (excluding tax and duties)		14,120	11,010	8,357	6,340	7,686
b) Profit before tax, before amortization and depreciation		(13,024)	(10,430)	(9,348)	(17,069)	(16,226)
c) Corporate income tax (tax credit)		1,553	1,420	1,409	1,592	1,340
d) Profit after tax, before amortization and depreciation		(11,471)	(9,010)	(7,939)	(15,477)	(14,886)
e) Profit after tax, amortization and depreciation		(11,994)	(9,737)	(7,988)	(16,063)	(15,089)
f) Amounts of dividends distributed		-	-	-	-	-
g) Employee participation		-	-	-	-	-
<b>III- Operating results (earnings per a share)</b>						
a) Profit after tax, before amortization and depreciation*		-0.74 €	-0.74 €	-0.65 €	-1.28 €	-1.24 €
b) Profit after tax, amortization and depreciation*		-0.77 €	-0.80 €	-0.66 €	-1.32 €	-1.26 €
c) Dividends paid per share *		-	-	-	-	-
<b>IV- Staff</b>						
a) Number of employees (average)*		121	95	76	83	84
b) Amounts of the wages (total payroll)		9,344	7,421	6,292	6,405	6,469
c) Amounts of employee related benefits		4,136	3,306	2,779	2,909	3,006

## APPENDIX 4: Table of the authorizations pertaining to capital increases

DATE OF THE MEETING / PURPOSE	MAXIMUM AMOUNT	DURATION	STATUS
<b>General Meeting dated 06/01/2021– Resolution 17</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>	500 K€	18 months	Not used
<b>General Meeting dated 06/01/2021– Resolution 18</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>	500 K€	18 months	Not used
<b>General Meeting dated 06/01/2021– Resolution 19</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>	Statutory Limit under article L 225-136 3°) of the French Commercial Code	18 months	Use in the course of the 2021 financial year of the previous delegation having the same purpose for a cash capital increase of €122K through the issue of 2,446,285 new shares at a unit subscription price of €11.50 per share, i.e. a par value of €0.05 and an issue premium of €11.45 (representing a total subscription amount of €28,1M)
<b>General Meeting dated 06/01/2021– Resolution 20</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>	Limit of 15% of the initial issue	18 months	Not used
<b>General Meeting dated 06/01/2021– Resolution 22</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% of the share capital pursuant to articles L. 225-197-1 and seq. and L.22-10-59 and seq. of the French Commercial Code.</i>	The total number of free shares granted under this resolution may not exceed <b>10% of the share capital</b> at the date of their allocation by the Board of Directors.	38 months	Free allocation of 260,000 new shares (AGM 2021-1), 542,000 new shares (AGM 2021-2) and 30,000 new shares (AGM 2021-3) by the Board of Directors on October 21, 2021.
<b>General Meeting dated 06/01/2021– Resolution 23</b> <i>Authorization to be given to the Board of Directors in order to grant stock options pursuant to articles L. 225-197-1 and seq. and L.22-10-59 and seq. of the French Commercial Code.</i>	500.000 new shares	38 months	Not used
<b>General Meeting dated 06/01/2021– Resolution 26 and 27</b> <i>Delegation of authority granted to the Board of Directors for the purpose of carrying out a reserved issue of company shares and securities giving access to Company shares with cancellation of the preferential subscription right for the benefit of the European Bank investment.</i>	300.000 new shares	18 months	Not used

## C. REPORT ON OTHER RESOLUTIONS

### NOTE 1 DIRECTORS TERM OF OFFICES

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

- Mr. Oran MUDUROGLU, Chairman of the Board,
- Mr. Fredrik BRAG, Director,
- Mr. Tim HAINES, Director,
- Mr. Kapil DHINGRA, Director,
- Mr. Oern STUGE, Director,

for the execution of their term of office for the year ended December 31, 2021.

### NOTE 2 SETTING OF THE DIRECTORS' REMUNERATION

We propose to set at €200K the overall amount of Directors' remuneration to be divided among the Directors for the year 2022, and to give all powers to the Board of Directors for the purpose of deciding the terms of allocation of this overall amount among the Directors

### NOTE 3 AUTHORIZATION FOR THE BOARD OF DIRECTORS TO PURCHASE SHARES OF THE COMPANY UNDER THE PROVISIONS OF ARTICLE L.22-10-62 OF THE FRENCH COMMERCIAL CODE

We propose that you authorize 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 forty (40) euros, 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 40 euros, would amount to €61,974K on the basis of the capital on April 20, 2022.

This authorization to repurchase the Company's own shares would be granted especially to:

- allow the purchase of shares under a liquidity agreement complying with the AMAFI Charter of Ethics recognized by the decision of the AMF on July 2, 2018;
- implement any plan of options to purchase shares of the Company under the provisions of articles L.225-177 and seq. and L.22-10-56 and seq. of the French Commercial Code or any allocation of free shares under the provisions of articles L.225-197-1 and seq. and L.22-10-59 and seq. of the French Commercial Code ;
- cancel such shares in particular to optimize earnings per share through by reducing the share capital;
- implement any market practice that may be approved by the French Financial Markets Authority and, more generally, to perform any operation that complies with regulations in force

We propose that you grant us 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 that you authorize the reduction in the share capital in connection with the above transaction

### 3. PARENT COMPANY FINANCIAL STATEMENTS

*The parent company financial statements as of December 31, 2021, have been prepared in accordance with the requirements of the French Commercial Code and the general chart of accounts (ANC regulation 2014-03 and 2016-07 on the general chart of accounts). General accounting conventions have been applied in compliance with the principle of prudence, in accordance with basic assumptions: continuity of operation, permanence of accounting methods from one financial year to another and independence of the financial years, in accordance with the general rules for preparing and submitting annual financial statements.*

Median Technologies SA is a corporation under French law, subject to all of the texts regulating commercial companies in France, and in particular the provisions of the [French] Commercial Code. It has its head office at 1800, Route des Crêtes in Valbonne.

The Company is listed on the Paris Stock Exchange on Euronext GROWTH.

The balance sheet total for the financial year ended December 31, 2021 came to €43,666K.

The income statement for the financial year shows a loss of €11,994K.

The financial year has a duration of 12 months from January 1, 2021 through December 31, 2021.

Given the consolidated available cash position of €36.2 million as of December 31, 2021 and the €1.6 million research tax credit expected in 2022, the Company considers that it has sufficient cash to meet cash requirements related to its business and investments over the 12 months after the closing date.

The above-mentioned items enable the parent company financial statement to be prepared as of December 31, 2021 according to the going concern principle.

# CONTENTS

A.	STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2021 .....	- 39 -
B.	INCOME STATEMENT AT DECEMBER 31, 2021.....	- 40 -
C.	NOTES REGARDING THE PARENT COMPANY FINANCIAL STATEMENTS .....	- 41 -
NOTE 1	Accounting principles, rules and methods .....	- 41 -
NOTE 2	Intangible assets .....	- 44 -
NOTE 3	Tangible assets .....	- 44 -
NOTE 4	Financial assets.....	- 45 -
NOTE 5	Trade and other receivables.....	- 46 -
NOTE 6	Cash .....	- 47 -
NOTE 7	Miscellaneous assets .....	- 47 -
NOTE 8	Equity.....	- 48 -
NOTE 9	Provisions .....	- 49 -
NOTE 10	Financial liabilities .....	- 51 -
NOTE 11	Other liabilities.....	- 51 -
NOTE 12	Miscellaneous liabilities .....	- 52 -
NOTE 13	Revenue .....	- 53 -
NOTE 14	Other income .....	- 53 -
NOTE 15	Other purchases and external expenses.....	- 54 -
NOTE 16	Research and development costs .....	- 54 -
NOTE 17	Taxes and similar payments.....	- 54 -
NOTE 18	Other expenses .....	- 55 -
NOTE 19	Staff costs.....	- 55 -
NOTE 20	Financial income (expense).....	- 55 -
NOTE 21	Exceptional income (expense) .....	- 55 -
NOTE 22	Corporate tax .....	- 55 -
NOTE 23	Net profit (loss) .....	- 56 -
NOTE 24	Average headcount.....	- 56 -
NOTE 25	Consolidated financial statements.....	- 56 -
NOTE 26	Administrative and management bodies.....	- 56 -
NOTE 27	Commitments .....	- 56 -

## A. STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2021

ASSETS (in thousands of euros)	Notes	2021-12-31	2020-12-31
Intangible assets	2	72	57
Property, plant and equipment	3	583	399
Financial assets	4	895	653
<b>Total non-current assets</b>		<b>1,550</b>	<b>1,109</b>
Advances and supplier prepayments		79	59
Trade receivables	5	2,377	3,215
Other receivables	5	2,513	1,855
Cash and cash equivalents	6	36,160	13,727
Regularizations accounts	7	835	549
<b>Total current assets</b>		<b>41,906</b>	<b>19,691</b>
<b>Miscellaneous assets</b>	<b>7</b>	<b>210</b>	<b>271</b>
<b>TOTAL ASSETS</b>		<b>43,666</b>	<b>21,071</b>
<b>LIABILITIES (in thousands of euros)</b>	<b>Notes</b>	<b>2021-12-31</b>	<b>2020-12-31</b>
Share capital and share premium	8	775	607
Share premium	8	86,649	53,350
Reserves		-	-
Retained losses		(61,961)	(52,224)
Net loss for the period	21	(11,994)	(9,737)
<b>Total shareholders' equity</b>	<b>8</b>	<b>13,468</b>	<b>(8,004)</b>
<b>Other equity</b>		<b>-</b>	<b>-</b>
<b>Provision for risks and charges</b>	<b>9</b>	<b>959</b>	<b>851</b>
Loans		16,575	15,633
Other financials debts		0	3
<b>Financial liabilities</b>	<b>10</b>	<b>16,575</b>	<b>15,635</b>
Advance payments received on orders	11	6,409	7,102
Trade payables	11	2,540	2,099
Taxes and social liabilities	11	3,420	3,015
Debts on fixed assets and other Payables	11	-	13
Other debts	11	280	331
Deferred income	12	1	4
<b>Other liabilities</b>		<b>12,649</b>	<b>12,563</b>
<b>Deferred income</b>	<b>12</b>	<b>15</b>	<b>25</b>
<b>TOTAL LIABILITIES / SHAREHOLDERS' EQUITY</b>		<b>43,666</b>	<b>21,071</b>

## B. INCOME STATEMENT AT DECEMBER 31, 2021

INCOME STATEMENT (in thousands of euros)	Notes	2021-12-31 (12 months)	2020-12-31 (12 months)
Revenues	13	14,120	11,010
Operating subsidy		36	-
Reversals of depreciation, provisions, transfer of charges		182	96
Other income	14	149	127
<b>Operating income</b>		<b>14,487</b>	<b>11,232</b>
Purchases net of change in inventories		-	-
Other purchased goods and services	15	12,271	9,285
Duties and taxes	17	404	355
Wages	19	9,344	7,421
Social Contributions	19	4,136	3,306
Depreciation, amortization and provision charges		507	706
Other expenses	18	903	709
<b>Operating expenses</b>		<b>27,565</b>	<b>21,782</b>
<b>OPERATING PROFIT (LOSS)</b>		<b>(13,078)</b>	<b>(10,550)</b>
<b>Financial income (expense)</b>	20	<b>(680)</b>	<b>(766)</b>
<b>Current profit (loss) before tax</b>		<b>(13,758)</b>	<b>(11,316)</b>
<b>Exceptional income (expense)</b>	21	<b>210</b>	<b>159</b>
<b>Income tax</b>	22	<b>1,553</b>	<b>1,420</b>
<b>NET PROFIT (LOSS)</b>	23	<b>(11,994)</b>	<b>(9,737)</b>
<i>Services for clinical pharmaceutical trials</i>		12,394	10,149
<i>Services intercompanies</i>		1,726	856
<i>Services for iBiopsy</i>		-	-
<i>Services for X-ray and other tests</i>		-	4



## C. NOTES REGARDING THE PARENT COMPANY FINANCIAL STATEMENTS

### NOTE 1 ACCOUNTING PRINCIPLES, RULES AND METHODS

#### a) Intangible assets

Intangible assets are valued at their acquisition cost, less rebates and discount or reductions, or at production cost.

An impairment loss is recognized when the present value of an asset is less than its net book value. As decided by management, expenses for software design are not accounted for under balance sheet assets.

Method and period of amortization of intangible assets:

Intangible Assets	BASIS	DURATION
Patents, licences, brandts	Straight-line	1-5 years

With respect to research and development costs, the majority of costs relate to work for the iBiopsy business, which is currently in the basic research and applied research phases.

In the context of work carried out for the iCRO activity, the Company may potentially be unable to distinguish the research phase from the development phase at this time. All of these costs are therefore recorded as expenses.

#### b) Tangible assets

Tangible assets are valued at their acquisition cost, less settlement rebates and discounts and reductions, or at production cost.

An impairment loss is recognized when the present value of an asset is less than its net book value.

Method and period of amortization of intangible assets:

Tangible Assets	BASIS	DURATION
Developments on land not owned	Straight-line	10 years
Vehicles	Straight-line	5 years
Office equipment	Straight-line	1-5 years
Office furniture	Straight-line	8-10 years

**c) Financial assets**

Financial assets, excluding receivables, loans and deposits, are recorded at their acquisition cost (excluding incidental expenses) or at their contribution value.

When their inventory value at the closing date is lower than the recorded value, an impairment is recorded for the amount of this difference.

The book value of investments is determined by reference to their value in use or their disposal value. For equity investments, value in use is estimated on the basis of the proportion of the subsidiary's equity that these investments represent.

**d) Receivables**

Receivables are valued at the nominal value. An impairment loss is recognized when the inventory value is lower than the net book value.

The impairment risk takes into account advances and down payments received.

**e) Cash and cash equivalents**

Cash and cash equivalents including all of the Company's liquidities.

**f) Provisions**

Provisions for contingencies and charges are recognized when the entity has an obligation to a third party and it is probable or certain that this obligation will result in an outflow of resources to the third party, without at least equivalent consideration expected from the third party.

This obligation must exist at the balance sheet date in order to be recognized. These provisions are estimated on the basis of the most probable assumptions at the balance sheet date.

**g) Foreign currency translation of payables and receivables**

Payables, receivables and cash in foreign currencies are translated as follows:

- Translation of all debts, receivables and cash denominated in foreign currencies at the exchange rate on the closing date (Banque de France);
- Recording of differences from the original values in accruals and deferrals (translation adjustment);
- A provision for foreign exchange risk is established for unrealized losses after taking into account any neutralization of transactions subject to foreign exchange hedging.

#### **h) Pension commitments**

The commitment for retirement benefits has been estimated and recorded on the basis of the provisions of the applicable collective labor agreement, namely the SYNTEC collective agreement. Pension obligations are calculated using the projected unit credit method.

The discounted value of the obligation is determined by discounting the estimated future cash withdrawals based on an interest rate of first class company bonds indicated in the currency of the benefit payment and whose duration is close to the average estimate for duration of the pension obligation concerned.

The calculation takes into account mortality, staff turnover, projected future salaries and social contributions applicable to retirement benefits.

#### **i) Accounting of debt issuance costs**

Median Technologies has opted to recognize debt issuance costs as assets (PCG Art 833 -2/1, 832 -2/1).

Issuance costs will be spread over the duration of the loan. These are bank charges as well as fees for external services providers.

#### **j) Revenue recognition**

The Company's main activities are:

- The iCRO business, involving the sale of imaging services for clinical trials in oncology using dedicated software;
- The iBiopsy<sup>®</sup> business, based on the most advanced technologies in artificial intelligence and benefiting from Median's expertise in data science and processing of medical images. iBiopsy<sup>®</sup> aims to develop image-based non-invasive diagnostic tests and solutions and targets numerous indications where unmet needs exist in terms of early diagnosis, prognosis and treatment selection in the context of personalized medicine.

Revenue is generated by contracts for services provided in the "iCRO" business, namely the sale of imaging services for clinical trials in oncology using dedicated software.

Revenues from these contracts and the associated expenses are recognized as the services are provided, since the Group can claim reimbursement of costs incurred, increased by a reasonable margin, at the date of any termination of the contract by the client.

## NOTE 2 INTANGIBLE ASSETS

ASSETS (in thousands of euros)	2020-12-31	Acquisitions	Transfer accounts	Sales / Disposals	2021-12-31
R&D software	773	-	-	-	773
Software excluding R&D	296	44	-	-	340
Licences	99	-	-	-	99
Big Data Software	14	-	-	-	14
<b>Total</b>	<b>1,182</b>	<b>44</b>	-	-	<b>1,226</b>

AMORTIZATIONS (in thousands of euros)	2020-12-31	Provision	Transfer accounts	Recoveries	2021-12-31
R&D software	(769)	(3)	-	-	(773)
Software excluding R&D	(294)	(4)	-	-	(299)
Licences	(47)	(22)	-	-	(69)
Big Data Software	(14)	-	-	-	(14)
<b>Total</b>	<b>(1,125)</b>	<b>(30)</b>	-	-	<b>(1,154)</b>

Intangible assets amounted to €72K as of December 31, 2021.

## NOTE 3 TANGIBLE ASSETS

ASSETS (in thousands of euros)	2020-12-31	Acquisitions	Transfer accounts	Sales / Disposals	2021-12-31
Developments on land not owned	127	-	-	-	127
Office equipment	51	-	-	-	51
Transport equipment	14	-	-	-	14
Computer equipment R&D	202	205	-	-	406
Computer equipment excluding R&D	955	194	-	(15)	1,134
Office furniture	67	-	-	-	67
<b>Total</b>	<b>1,415</b>	<b>399</b>	-	<b>(15)</b>	<b>1,799</b>

AMORTIZATIONS (in thousands of euros)	2020-12-31	Dotations	Virements Poste à Poste	Reprises	2021-12-31
Developments on land not owned	(79)	(7)	-	-	(86)
Office equipment	(30)	(5)	-	-	(34)
Transport equipment	(14)	-	-	-	(14)
Computer equipment R&D	(115)	(69)	-	15	(169)
Computer equipment excluding R&D	(729)	(129)	-	-	(858)
Office furniture	(51)	(3)	-	-	(54)
<b>Total</b>	<b>(1,016)</b>	<b>(214)</b>	-	<b>15</b>	<b>(1,216)</b>

Tangible assets amounted to €583K as of December 31, 2021.

**NOTE 4 FINANCIAL ASSETS**
**a) Fixed assets and provisions**

<b>FIXED ASSETS</b> <b>(In thousands of euros)</b>	<b>2021-12-31</b>	<b>2020-12-31</b>	<b>Variation</b>
Shareholdings	93	93	-
Other fixed securities	309	257	52
Loans	194	163	31
Other financial assets	309	151	158
<b>Total</b>	<b>905</b>	<b>664</b>	<b>241</b>

<b>DEPRECIATION</b> <b>(in thousands of euros)</b>	<b>2021-12-31</b>	<b>2020-12-31</b>	<b>Variation</b>
Shareholdings	(10)	(10)	-
Other shares	-	(1)	1
<b>Total</b>	<b>(10)</b>	<b>(11)</b>	<b>1</b>

- Other fixed assets: 20,093 treasury shares acquired for €309K (accounted for by the FIFO method) and valued at the share price on December 31, 2021 for €309K. No provision was recorded in the accounts on December 31, 2021.
- Loans: amount relating to the employer's contribution to the construction effort.
- Other financial assets: Deposits and guarantees for an amount of €68K including €60K related to the lease of the premises. Cash mobilized and unavailable under the framework of the liquidity contract amounts to €241K.

**b) Shares in subsidiaries and affiliates (in euros)**

Companies (+50% subsidiaries)	Currency	% Capital held	Book value of shares held	Net income at 12-31-2021 in euros	Revenue at 12-31-2021 in euros	Share capital at 12-31-2021 in currency	Reserves and retained earnings at 12-31-2021 in currency	Net income at 12-31-2021 in currency	Revenue at 12-31-2021 in currency	Dividends received during the period
MEDIAN Technologies Inc. Dollars US	US Dollars	100%	8,340 €	301,304 €	1,939,400 €	\$10,000	-\$5,499,026	\$356,021	\$2,291,595	-
MEDIAN Technologies Hk. Dollars HK	HK Dollars	100%	1,206 €	- €	- €	HK\$10,000	-HK\$502,255	HK\$0	HK\$0	-
MEDIAN Medical Technology Shanghai Co. Ltd	Yuan	100%	83,417 €	1,433,237 €	8,406,833 €	¥1,497,230	¥1,812,210	¥10,951,567	¥64,237,801	-

Median Technologies Hong-Kong is currently in liquidation. The last accounts were closed on March 31, 2020.

**c) Related companies**

The current accounts and equity investments of the subsidiaries Median Technologies Inc. and Median Technologies Hong Kong are subject to a 100% impairment. No provision was recorded on the securities of Median Medical Technology (Shanghai) Co., Ltd as of December 31, 2021.

(in thousands of euros)	Related companies	Undertakings in which the Company has a participating interest
Financial holdings	93	-
Provision for equity interest	(10)	-
Other receivables : C/A € - Median Technologies Inc.	3,708	-
Other receivables : C/A \$ - Median Technologies Inc.	707	-
Other receivables : C/A Hk - Median Techn. Hong-Kong	63	-
Provision on the current account	4,478	-
Trade debts	140	-
Trade payables	(208)	-
Trade receivables	959	-

## NOTE 5 TRADE AND OTHER RECEIVABLES

### a) Classification by due date

Trade receivables (In thousands of euros)	2021-12-31	Within one year	Within more than one year
Trade and other receivables	2,618	2,618	-
Employee-related receivables	-	-	-
Social organisations	-	-	-
State institutions	2,209	2,209	-
Group companies and shareholders	4,509	-	4,509
Sundry debtors	273	273	-
<b>Gross Total</b>	<b>9,610</b>	<b>5,100</b>	<b>4,509</b>
Trade and other receivables (Provisions)	(241)		
Group companies and shareholders	(4,478)		
<b>Total</b>	<b>4,891</b>		

### b) State receivables

These amount to €2,209K and include:

- A research tax credit (CIR) and innovation tax credit (CII) for 2021 amounting €1,553K. Tax credits are subject to demand for immediate repayment under the mechanism for European small and medium-sized enterprises. In this respect, the reimbursement of the CIR and CII relating to the 2020 financial year was obtained in September 2021
- A VAT reimbursement request amounting to €270K and €290K of VAT receivables.

### c) Accrued revenue

Accrued revenue (In thousands of euros)	2021-12-31	2020-12-31	Variation
Customers, invoices to raise	98	153	(55)
Social organisations	-	-	-
Rebates and discounts to obtain	2	64	(63)
Accrued interest	10	6	4
Other	4	0	4
<b>Total</b>	<b>114</b>	<b>223</b>	<b>(110)</b>

### NOTE 6 CASH

This concerns five bank current accounts for an amount of €36,160K. The accrued interest receivable amounts to €10K. Bank accounts in foreign currencies are valued at the month-end Banque de France exchange rate on the date of the annual closing of the accounts.

Cash and Cash equivalents (In thousands of euros)	2021-12-31	2020-12-31	Variation
Accrued interest receivable	10	6	4
Liquid assets	36,150	13,721	22,429
<b>Total</b>	<b>36,160</b>	<b>13,727</b>	<b>22,433</b>

### NOTE 7 MISCELLANEOUS ASSETS

Prepaid expenses came to €777K as of December 31, 2021 and mainly concern operating expenses (office leases, server leases, various software etc.). The amount on December 31, 2020 stood at €835K.

Miscellaneous assets (In thousands of euros)	2021-12-31	2020-12-31	Variation
Accruals and prepaid expenses	777	835	(58)
Loan issuance costs to be amortised	196	215	(19)
<b>Total</b>	<b>972</b>	<b>1,050</b>	<b>(78)</b>

Debt issuance costs to be amortized concern the financing agreement with the European Investment Bank (EIB) and stood at €196K as of December 31, 2021.

These costs must be amortized over the total term of the loan, depending on the disbursements made (€15 million as of December 31, 2021 out of the €35 million provided for in the contract). Initial amount of costs: €229K

## NOTE 8 EQUITY

### a) Changes in equity

The Company's share capital is composed of 15,493,449 shares divided into:

- 15,470,248 **ordinary shares** with a nominal value of €0.05;
- 23,200 **class E** preference shares with a value of €0.05 and,
- 1 **class B** preference share with a value of €0.05.

The **class E** preference shares are shares that have no voting rights but benefit from the same financial rights as the ordinary shares.

The **class B** preference share is reserved for an industrial investor shareholder and gives the latter the right to be represented at any time by a Director on the Company's Board of Directors. It will automatically be converted into an ordinary share if certain statutory clauses are fulfilled.

Equity (in thousands of euros)	2020-12-31	Acquisitions	Sales / Disposals	2021-12-31
Share Capital	607	168	-	775
Share Premium, reserves	53,081	34,828	1,529	86,379
BSA 2009	16	-	-	16
BSA 2013	64	-	-	64
BSA 2018	181	-	-	181
BSA 2020	8	-	-	8
Retained earnings	(52,224)	-	9,737	(61,961)
Result	(9,737)	(11,994)	9,737	(11,994)
<b>Total</b>	<b>(8,004)</b>	<b>23,001</b>	<b>21,004</b>	<b>13,468</b>

### b) Changes over the year

Equity (In thousands of euros)	Capital	Share premiums	Total	Number of shares forming
<b>Total at December 31, 2020</b>	<b>607</b>	<b>53,081</b>	<b>53,688</b>	<b>12,138,425</b>
Exercise of share subscription warrants (BSPCE)	0	19	20	3,000
Capital increase by private placement	122	28,010	28,132	2,446,285
Exercise of free shares	5	(5)	-	90,000
Exercise of stock options	3	97	101	67,000
Exercise of warrants (BSA)	37	6,701	6,739	748,739
Issue costs on capital increase	-	(1,525)	(1,525)	-
Allocations of share subscription warrants	-	269	269	-
<b>Total at December 31, 2021</b>	<b>775</b>	<b>86,379</b>	<b>87,154</b>	<b>15,493,449</b>



### c) New financial instruments 2021 : Free shares 2021 (AGA 2021): 832,000

The Extraordinary General Meeting of June 1, 2021, authorized the Board of Directors to issue, on one or more occasions, in the proportions and at the times that it will assess, securities providing access to the capital with the characteristics of free shares (hereinafter the “AGA 2021”).

The Board of Directors meeting of March 21, 2021 decided to grant 832,000 AGA 2021 free shares, divided into three plans, for which the vesting and retention periods will be arranged as follows:

Free Shares	History	Allocation Date	Acquisition Period	Variable retention Period
" AGA 2021-1"	The Board of Directors of October 21, 2021 decided to award 260,000 free shares ("the AGA 2021-1"): the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	1/4 of AGA 2021-1 would be definitive after a one-year vesting period ;	October-21	October-22	1 year
	1/4 of AGA 2021-1 would be definitive after a two-year vesting period;	October-21	October-23	n/a
	1/4 of AGA 2021-1 would be definitive after a three-year vesting period;	October-21	October-24	n/a
	1/4 of AGA 2021-1 would be definitive after a four-year vesting period.	October-21	October-25	n/a
" AGA 2021-2"	The Board of Directors of October 21, 2021 decided to award 542,000 free shares ("the AGA 2021-2"): the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	200,000 AGA 2021-2, would be definitive after a one-year vesting period ;	October-21	October-22	1 year
	167,647 AGA 2021-2, would be definitive after a one-year vesting period ;	October-21	(1)	(1)
	174,353 AGA 2021-2, would be definitive after a one-year or two-year vesting period .	October-21	(2)	(2)
" AGA 2021-3"	The Board of Directors of October 21, 2021 decided to award 30,000 free shares ("the AGA 2021-3"): the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	1/2 of AGA 2021-3 would be definitive after a two-year vesting period;	October-21	October-23	n/a
	1/4 of AGA 2021-3 would be definitive after a three-year vesting period;	October-21	October-24	n/a
	1/4 of AGA 2021-3 would be definitive after a four-year vesting period.	October-21	October-25	n/a

- (1) October 2022, and the average closing price of the Company's shares calculated over a period of 30 consecutive trading days is  $\geq$  €22.50.
- (2) October 2022 or 2023, and the average closing price of the Company's shares calculated over a period of 30 consecutive trading days is  $\geq$  €33.75.

The free shares will be served by issuing new shares.

## NOTE 9 PROVISIONS

### a) Provisions for contingencies and charges

Provisions of Risks and Charges (In thousands of euros)	2020-12-31	Provision	Used reversals	Unused reversals	2021-12-31
Provision for risks (1)	87	178	(87)	-	178
Provision for exchange rate (2)	56	14	(56)	-	14
Provision for charges (3)	708	58	-	-	767
<b>Total</b>	<b>851</b>	<b>251</b>	<b>(143)</b>	<b>-</b>	<b>959</b>

- 1) A provision for social contribution relating to free shares was recognized as of December 21, 2021;
- 2) A provision for exchange-rate losses of €14K was recognized;
- 3) An increase in the provision for retirement benefits was recorded on December 31, 2021.

#### b) Provisions for charges - Pension commitments

The commitment for retirement benefits has been estimated on the basis of the provisions set out in the applicable collective labor agreement, namely the SYNTEC collective agreement.

Employee benefits (In thousands of euros)	2021-12-31	2020-12-31	Variation
Provision for employee benefits	767	708	58
<b>Total</b>	<b>767</b>	<b>708</b>	<b>58</b>

The following assumptions have been made in determining this commitment:

Employee benefits (Actuarial assumptions)	2021-12-31	2020-12-31
Discount rate	0.95%	0.40%
Inflation rate	2.00%	2.00%
Salary increase rate	3.50%	3.50%
Social security costs	46%	46%
Mortality table	INSEE T68- FM 2015-2017	INSEE T68- FM 2008-2010
Retirement ages	66 years and 2 months for executives and 64 years for employees	66 years and 2 months for executives and 64 years for employees
Basis of retirement	Voluntary retirement	Voluntary retirement

Turnover rates	2021-12-31	2020-12-31
Less than 25 year	13.00%	13.00%
Between 25 and 29 years	13.00%	13.00%
Between 30 and 34 years	8.50%	9.50%
Between 35 and 39 years	8.50%	9.50%
Between 40 and 44 years	8.00%	8.50%
Between 45 and 49 years	8.00%	8.00%
Between 50 and 54 years	0.00%	0.00%
55 years and more	0.00%	0.00%

## NOTE 10 FINANCIAL LIABILITIES

Financial liabilities (In thousands of euros)	2020-12-31	Increase	Reduction/ Rebate	2021-12-31
Bank loans	15,000	900	-	15,900
Interest accrued on Loan	633	670	(633)	670
Financial liabilities	3	4	(3)	4
<b>Total</b>	<b>15,636</b>	<b>1,575</b>	<b>(636)</b>	<b>16,575</b>
			Less 1 year	4
			Between 1 and 5 years	16,570
			More than 5 years	-

The first tranche of the financing agreement with the European Investment Bank (EIB) with Median Technologies was paid on April 17, 2020. The current applicable interest rate is 6%. Interest accrues over a period of 1 year, then is capitalized at the end of this period, to produce interest. All interest will be repayable at the end of the day.

- Initial loan: €15,000K
- Interest year 1: €900K (capitalized)
- Accrued interest: €671K

## NOTE 11 OTHER LIABILITIES

### a) Statement of liabilities

Other payables (In thousands of euros)	2021-12-31	Within one year	Within more than one year
Trade and other Payables	2,540	2,540	-
Employee-related liabilities	1,838	1,838	-
Social organisations	1,480	1,480	-
State institutions	102	102	-
Debts on fixed assets and other Payables	-	-	-
Other liabilities	274	274	-
<b>Total</b>	<b>6,234</b>	<b>6,234</b>	-

### b) Accrued liabilities

Accrued liabilities (In thousands of euros)	2021-12-31	2020-12-31	Variation
Suppliers and other payables	878	728	150
Accrued interest payable	4	3	1
Social organisations	2,756	2,572	184
State institutions	3	25	(21)
Others	150	250	(100)
<b>Total</b>	<b>3,791</b>	<b>3,578</b>	<b>213</b>

Other accrued liabilities relate to directors' fees payable to directors.

**c) Advances and deposits received on orders**

Advances and deposits received on orders amounted to €6,409K at December 31, 2021 and correspond to advance payments by clients when a contract is signed. These advance payments are theoretically reimbursable in the event the contract ends (end of clinical trial, cancellation). Note that recent contracts stipulate that advance payments are not necessarily fully reimbursed in the event of cancellation.

As of December 31, 2021, an amount of €1,281K concerned terminated contracts, for which repayment has not yet been made.

Other payables (In thousands of euros)	2021-12-31	2020-12-31	Variation
Advance Payments	6,409	7,102	(693)
<b>Total</b>	<b>6,409</b>	<b>7,102</b>	<b>(693)</b>

**NOTE 12 MISCELLANEOUS LIABILITIES**

**a) Foreign currency translation adjustments**

Foreign currency translation adjustments were booked for an amount of €15K. These concern trade payables and receivables in foreign currencies. Foreign currency payables and receivables are valued at the month-end Bank of France exchange rate on the date of the annual closing of accounts.

**b) Prepaid income**

Prepaid income amounts to €0.6K and corresponds to services invoiced during the period but not yet performed.

## NOTE 13 REVENUE

Revenues (In thousands of euros)	2021-12-31	2020-12-31	Variation
Services provided	12,394	10,154	2,240
Services intercompanies provided	1,726	856	870
<b>Total</b>	<b>14,120</b>	<b>11,010</b>	<b>3,110</b>

Revenue (In thousands of euros)	2021-12-31	2020-12-31	Variation
Revenue FRANCE	2 255	1 701	554
Revenue USA/CANADA	3 637	2 888	749
Revenue UK	2 307	875	1 432
Revenue CHINA	3 990	4 636	(646)
Revenue OTHER EXPORTS	1 931	910	1 021
<b>Total</b>	<b>14 120</b>	<b>11 010</b>	<b>3 110</b>

Revenue from services provided to the pharmaceutical industry are recognized as performance of the services progresses. Intercompany services concern licensing costs and working hours provided by our operational teams for our Chinese subsidiary.

## NOTE 14 OTHER INCOME

Other income mainly corresponds to the following operating revenue:

- €36K from aid to recruit young people;
- €66K relative to personnel costs (benefits in kind, repayments of social contributions and re-invoicing of training costs);
- €29K in reversals for doubtful clients;
- €148K in exchange-rate gains on trade payables and receivables.

## NOTE 15 OTHER PURCHASES AND EXTERNAL EXPENSES

Other purchases and external costs (In thousands of euros)	2021-12-31	2020-12-31	Variation
Studies and services	5,502	5,124	378
Supplies not stored	91	107	(16)
Subcontracting	925	686	239
Rents and property service charges	550	542	8
Maintenance and repair	155	128	27
Insurance premiums	58	55	3
Miscellaneous external services	2,222	731	1,491
Intermediaries and fees	1,994	1,447	548
Advertising	226	164	62
Transport	36	26	10
Travel and entertainment	301	147	154
Postal and telecommunications expenditure	49	27	22
Bank services	146	87	59
Other operating expenses	14	13	1
<b>Total</b>	<b>12,271</b>	<b>9,285</b>	<b>2,986</b>

The €2,986K variation in charges stems from:

- The increase in services invoiced by the US subsidiary for €433K;
- The increase in charges related to pharmaceutical projects for an amount of €206K;
- The increase in fees (recruitment, lawyers etc.) for €548K;
- The increase in expenses related to studies and research and scientific trade fairs for €1,491K;
- The increase in advertising and marketing costs for €62K;
- The decrease in travel costs for €154K.

## NOTE 16 RESEARCH AND DEVELOPMENT COSTS

Gross R&D costs eligible for a research tax credit amounted to €4,909K compared with a total of €27,578K in operating expenses for the period.

## NOTE 17 TAXES AND SIMILAR PAYMENTS

These concern primarily:

- Contributions based on salaries (apprenticeship and professional training tax), for an amount of €158K;
- Other taxes (territorial economic contribution -CET, property tax, withholding tax, company car tax) for €160K;
- Training costs for an amount of €82K.

## NOTE 18 OTHER EXPENSES

These concern primarily:

- Software license costs for an amount of €627K;
- Remuneration for the Directors in 2021 of €150K.

## NOTE 19 STAFF COSTS

Staff costs at December 31, 2021 come to €13,479K, compared to €10,727K in the previous financial year, representing an increase of 26%.

Wages and social contributions	2021-12-31	2020-12-31	Variation
Wages	9,344	7,421	1,923
Social contributions	4,136	3,306	830
<b>Total</b>	<b>13,479</b>	<b>10,727</b>	<b>2,753</b>

## NOTE 20 FINANCIAL INCOME (EXPENSE)

Financial expenses of €1,025K stemmed primarily from:

- Interest on the EIB loan for an amount of €938K;
- A provision for foreign exchange losses of €14K;
- A provision for the current accounts of the Median Technologies Hong Kong and Median Technologies Inc. subsidiaries of €59K.

Financial income of €345 K stemmed primarily from:

- A foreign exchange gain amounting to €253K;
- Interest relating to current accounts of subsidiaries amounting to €22K;
- Interest of €32K from remuneration of the bank current account (Maxi-treasury).

## NOTE 21 EXCEPTIONAL INCOME (EXPENSE)

Exceptional income (expense) resulted in income of €210K mainly comprising gains on the buyback of own-shares for €234K.

## NOTE 22 CORPORATE TAX

Future tax liability relief is based on losses carried forward as of December 31, 2021 totaling €130,011K, representing potential tax relief of €34,453K (at a rate of 26.5%). The tax benefit recognized at December 31, 2021 for the research tax credit amounted to €1,473K, compared to €1,348K at December 31, 2020. An innovation tax credit was recognized at December 31, 2021, amounting to €80K, compared to €72K at December 31, 2020.

## NOTE 23 NET PROFIT (LOSS)

As of December 31, 2021, the net loss for the year stood at €11,994K, representing net earnings per share of (€0.77). Potentially dilutive instruments are described on page 11 of the financial report. These instruments giving right to capital on a deferred basis are considered anti-dilutive because they lead to a reduction in the loss per share. Diluted earnings per share are therefore identical to basic earnings per share.

## NOTE 24 AVERAGE HEADCOUNT

Average Staff	2021-12-31	2020-12-31	Variation (nb)
Executives	116	93	23
Employees	5	2	3
<b>Total</b>	<b>121</b>	<b>95</b>	<b>26</b>

## NOTE 25 CONSOLIDATED FINANCIAL STATEMENTS

Median Technologies, the Group's parent company, has prepared consolidated financial statements on a voluntary basis in accordance with IFRS accounting rules, in view of the commitments made under the terms of the Subscription Agreements entered into by the Company on August 19, 2014 and July 2, 2015. Median Technologies is located at 1800 Route des Crêtes, Les Deux Arcs - 06560 Valbonne and identified under the SIRET number 443 676 309 00042.

## NOTE 26 ADMINISTRATIVE AND MANAGEMENT BODIES

Remuneration of senior directors (In thousands of euros)	2021-12-31	2020-12-31	Variation
Wages and salaries (including social security contributions)	852	915	(63)
Wages and salaries to be paid (including social security contributions)	297	247	50
Pension obligations	-	-	-
Director's fees	150	150	-
<b>Total</b>	<b>1,299</b>	<b>1,312</b>	<b>(13)</b>

## NOTE 27 COMMITMENTS

### Loan Agreement Signed with the European Investment Bank (EIB)

On December 18, 2019, Median Technologies and the European Investment Bank (EIB) signed a financing agreement amounting to €35M, supported by the European Fund for Strategic Investment (EFSI) or the "Juncker Plan".

This financing, divided into three tranches, will allow Median Technologies to strengthen and accelerate the investment program for its iBiopsy® imaging phenomics platform over the coming years.



- tranche A for €15M;
- tranche B for €10M;
- tranche C for €10M.

Median obtained payment of the first tranche on April 17, 2020.

The agreement then provides for the release of the second and third tranches (of €10M each) in the coming years, at the discretion of Median Technologies, subject to the realization of certain conditions previously defined in the financing agreement. One of the essential conditions was to provide the European Investment Bank proof that one or more capital increases had been carried out in favor of the Company for an amount exceeding €10M.

On March 25, 2021, Median Technologies undertook a capital increase for a gross amount of €28.1M.

***At the end of the project defined in the contract***

The financing obtained from the European Investment Bank was allocated under the framework of the research and development operation for the iBiopsy project. It was agreed that by the end of financial year 2023, all of the financing granted should represent no more than 50% of all costs invested by the company within the framework of this project. In the event that the financing should exceed 50% of these amounts, the bank could demand the immediate repayment of any excess amounts. Median Technologies management committee is confident in its ability to achieve the objectives defined in the contract signed with the European Investment Bank within the allotted deadlines.

***Issuance of stock warrants***

Under the terms of the warrant issuance contract, Median Technologies issued 800,000 equity warrants in favor of the EIB when the first tranche was paid, and, as applicable, will issue 300,000 additional equity warrants when the second tranche is released at a subscription price of €0.01. The strike price of these warrants was determined following the capital increase undertaken in March. The strike price is €8.34.

The warrant issuance contract includes an exercise parity adjustment clause which could apply, under certain conditions, if capital is raised. The EIB shall also have the right, under certain conditions, to ask Median Technologies to buy back its warrants for a maximum amount of €50M and, beyond that, to find a purchaser and pay interest on the price of the remaining warrants.

## 4. CONSOLIDATED FINANCIAL STATEMENTS ESTABLISHED UNDER IFRS ACCOUNTING RULES

*The figures and information presented are based on the Group's consolidated financial statements, prepared on a voluntary basis and in accordance with IFRS accounting rules as adopted by the European Union.*

***MEDIAN Technologies is a French joint stock company (Société Anonyme) with a Board of Directors, founded in 2002 and domiciled in France. The Company's registered office is located at Les Deux Arcs - 1800 Route des Crêtes – 06560 Valbonne.***

The main fields of activity of the Company and its subsidiaries (together referred to as "the Group") are software publishing and the provision of services in the area of medical imaging for oncology.

The Group develops and markets software solutions and offers services optimizing the use of medical images for diagnosis and follow-up of patients suffering from cancer.

The Company has been listed on the Euronext Growth market in Paris since 2011 (formerly Alternext).

The consolidated financial position for the financial year ended December 31, 2021 came to €49,388K.

The consolidated income statement for the financial year shows a loss of €19,292K.

The financial year has a duration of 12 months from January 1, 2021 through December 31, 2021.

## A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in thousands of euros)	Notes	2021-12-31	2020-12-31
Intangible assets	3	72	57
Tangible assets	4	1,513	1,608
Non-current financial assets	5	264	232
<b>Total non-current assets</b>		<b>1,849</b>	<b>1,898</b>
Inventories		-	-
Trade and other receivables	6	5,000	4,274
Current financial assets	7	241	83
Other current assets	8	3,289	2,715
Cash and cash equivalents	9	39,010	16,315
<b>Total current assets</b>		<b>47,539</b>	<b>23,386</b>
<b>TOTAL ASSETS</b>		<b>49,388</b>	<b>25,284</b>
Liabilities (in thousands of euros)	Notes	2021-12-31	2020-12-31
Share capital	11	775	607
Share premiums	11	86,649	53,350
Consolidated reserves		(63,027)	(52,578)
Unrealized foreign exchange differences		(166)	61
Net result	25	(19,292)	(12,802)
<b>Total shareholders' equity</b>		<b>4,938</b>	<b>(11,362)</b>
<i>Of which the group share</i>		<i>4,938</i>	<i>(11,362)</i>
Non-current financial debts	14	16,144	15,311
Employee benefits liabilities	12	767	708
Deferred tax liabilities	16	241	237
Non-current provision	13	43	87
<b>Total non-current liabilities</b>		<b>17,195</b>	<b>16,343</b>
Current financial debts	14	375	350
Financial instruments	15	10,505	4,016
Trade and other payables	16	7,551	6,177
Liabilities on contracts	18	8,824	9,760
<b>Total current liabilities</b>		<b>27,255</b>	<b>20,303</b>
<b>TOTAL LIABILITIES</b>		<b>49,388</b>	<b>25,284</b>

## B. CONSOLIDATED STATEMENT OF NET INCOME

Consolidated income statement (In thousands of euros)	Notes	2021-12-31 (12 months)	2020-12-31 (12 months)
Revenue	19	20,547	13,478
Other income		200	113
<b>Revenue from ordinary activities</b>		<b>20,747</b>	<b>13,591</b>
Purchases consumed		(117)	(135)
External costs	20	(13,845)	(9,468)
Taxes	22	(415)	(361)
Staff costs	21	(17,399)	(11,718)
Allowances net of amortization, depreciation and provisions	3/4/21	(567)	(712)
Other operating expenses		(1)	(30)
Other operating income		28	16
<b>Operating result</b>		<b>(11,569)</b>	<b>(8,819)</b>
Cost of net financial debt	24	(1,189)	(789)
Other financial charges	24	(6,489)	(3,286)
Other investment income	24	393	85
<b>Net financial result</b>	24	<b>(7,286)</b>	<b>(3,991)</b>
Income tax (expense)	25	(437)	8
<b>Net result</b>	26	<b>(19,292)</b>	<b>(12,802)</b>
Net result, group share		(19,292)	(12,802)
<b>Net result, Group share of basic and diluted earnings per share</b>	26	<b>(1.25)</b>	<b>(1.05)</b>

## C. CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)

OTHER COMPREHENSIVE INCOME (In thousands of euros)	Notes	2021-12-31 (12 months)	2020-12-31 (12 months)
<b>NET RESULT</b>		<b>(19,292)</b>	<b>(12,802)</b>
Unrealized foreign exchange differences		122	125
<b>Total items that may be reclassified</b>		<b>122</b>	<b>125</b>
Actuarial gains and losses on defined benefits plans		(1)	(268)
Deferred taxes on actuarial gains and losses		0	67
<b>Total items that will not be reclassified</b>		<b>(1)</b>	<b>(201)</b>
<b>OVERALL RESULT</b>		<b>(19,171)</b>	<b>(12,878)</b>

## D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group shareholders Equity (in thousands of euros)	Note	Share capital	Share premiums			Consolidated reserves				Translation reserves -Other comprehensive income	Consolidated result	Total
			Share issue premium	Equity warrants	Total share premiums	Treasury stock	Consolidated reserves	Other comprehensive income	Total consolidated reserves			
2020-01-01		606	53,064	262	53,326	(222)	(44,363)	(17)	(44,604)	(65)	(7,984)	1,281
Appropriation of the result prior period					0		(7,984)		(7,984)		7,984	-
Capital increase	11	1	16		16							17
Attribution of equity warrants				8	8							8
Change in unrealized foreign exchange differences										125		125
Variation in actuarial differences net of deferred taxes								(200)	(200)			(200)
Result for current period											(12,802)	(12,802)
Share-based payments							268		268			268
Treasury shares						(58)			(58)			(58)
Other reserves												-
Set off the accumulated losses to the "share premium"												-
2021-01-01		607	53,080	270	53,350	(280)	(52,079)	(217)	(52,578)	61	(12,802)	(11,362)
Appropriation of the result prior period							(12,802)		(12,802)		12,802	-
Capital increase	11	168	33,298		33,298							33,466
Attribution of equity warrants												-
Change in unrealized foreign exchange differences										122		122
Variation in actuarial differences net of deferred taxes								(1)	(1)			(1)
Result for current period											(19,292)	(19,292)
Share-based payments							1,847		1,847			1,847
Treasury shares						158			158			158
Other reserves									-			-
Set off the accumulated losses to the "share premium"												-
2021-12-31		775	86,378	270	86,649	(122)	(63,034)	(218)	(63,377)	184	(19,292)	4,938

## E. CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated Statement of Cash Flows (In thousands of euros)	Notes	2021-12-31 (12 Months)	2020-12-31 (12 months)
<b>CONSOLIDATED NET RESULT</b>	<b>26</b>	<b>(19,292)</b>	<b>(12,802)</b>
Allowances net of amortization, depreciation and provisions		685	807
Payment based on shares	23	1,847	267
Gains and losses on disposals		-	1
Cost of net financial debt	14	1,144	766
Change in the fair value of warrants	15	6,489	2,976
Other changes with no impact on cash		349	-
Tax charge for the period , including deferred tax	25	437	(23)
<b>OPERATING CASH FLOW</b>		<b>(8,340)</b>	<b>(8,008)</b>
<b>Changes in operating working capital requirement</b>		<b>(1,785)</b>	<b>2,549</b>
<b>Net cash flow from operating activities</b>		<b>(10,125)</b>	<b>(5,459)</b>
Outflows on acquisitions of intangible assets		(44)	(66)
Outflows on acquisitions of tangible assets		(437)	(293)
Inflows on disposal of tangible and intangible assets		-	-
Outflows on acquisitions of financial assets		(230)	(26)
Inflows on disposal of financial assets		39	58
<b>Net cash flow from investing activities</b>		<b>(672)</b>	<b>(327)</b>
Capital increase or contributions	11	33,435	17
Net disposal (acquisition) of treasury shares		158	(58)
Loans Subscriptions	14	-	15,000
Loans Issuance costs		-	(38)
Repayment of debt related to rights to use of lease assets	14	(390)	(360)
<b>Net cash flow from financing activities</b>		<b>33,203</b>	<b>14,561</b>
Impact of changes in exchange rates		289	(75)
<b>Net change in cash and cash equivalents</b>		<b>22,695</b>	<b>8,700</b>
<b>Cash and cash equivalents at start of the period</b>	<b>9</b>	<b>16,315</b>	<b>7,615</b>
<b>Cash and cash equivalents at end of the period</b>	<b>9</b>	<b>39,010</b>	<b>16,315</b>

## F. NOTES TO THE FINANCIAL STATEMENTS DRAWN UP IN ACCORDANCE WITH IFRS ACCOUNTING RULE

NOTE 1	Overview of major events.....	- 64 -
NOTE 2	Accounting principles, valuation methods, IFRS options used.....	- 66 -
NOTE 3	Intangible assets .....	- 79 -
NOTE 4	Tangible assets.....	- 79 -
NOTE 5	Non-current financial assets .....	- 80 -
NOTE 6	Trade receivables .....	- 80 -
NOTE 7	Current financial assets.....	- 81 -
NOTE 8	Other current assets .....	- 81 -
NOTE 9	Cash and cash equivalents .....	- 82 -
NOTE 10	Financial instruments by category .....	- 83 -
NOTE 11	Equity .....	- 84 -
NOTE 12	Personnel commitments.....	- 86 -
NOTE 13	Current and non-current provisions .....	- 88 -
NOTE 14	Financial liabilities.....	- 88 -
NOTE 15	Financial instruments.....	- 89 -
NOTE 16	Deferred tax liabilities.....	- 90 -
NOTE 17	Trade payables and other current liabilities .....	- 92 -
NOTE 18	Contract liabilities .....	- 92 -
NOTE 19	Revenue .....	- 93 -
NOTE 20	External expenses .....	- 94 -
NOTE 21	Staff costs.....	- 95 -
NOTE 22	Taxes .....	- 95 -
NOTE 23	Share-based payments.....	- 96 -
NOTE 24	Financial income (expense).....	- 99 -
NOTE 25	Income tax .....	- 100 -
NOTE 26	Earnings per share .....	- 101 -
NOTE 27	Financial risk management objectives and policies .....	- 101 -
NOTE 28	Off balance-sheet commitments and other eventual liabilities .....	- 103 -
NOTE 29	Related party transactions .....	- 104 -
NOTE 30	External auditor fees and their network.....	- 104 -
NOTE 31	Dividends .....	- 105 -
NOTE 32	Events subsequent to the financial year end .....	- 105 -

## NOTE 1 OVERVIEW OF MAJOR EVENTS

### a) iCRO business: “Record high revenue and further confirmation of the quality of services”

2021 was a record year for Median Technologies’ iCRO business, which provides solutions and services for image management in oncology trials to the biopharmaceutical industry worldwide. As of December 31, 2021, Median Technologies’ revenue was €20.5 million, a 52% increase compared to 2020 revenue.

In 2021, the Company was confirmed as a preferred vendor for one of the world’s Top 3 pharmaceutical companies. Median Technologies was selected to implement this client’s imaging strategy in clinical trials on key oncology indications. In addition, over the course of the year, the Company was inspected by the FDA at its location of Sophia Antipolis, France, and successfully participated in four NMPA inspections (Chinese authority regulating drugs and medical devices) on behalf of a several clients.

The order backlog on December 31, 2021 stood at €58m, up €6.3 million relative to December 31, 2020.

### b) iBiopsy® business: “Outstanding results for the iBiopsy® Lung Cancer Screening clinical development plan”

In 2021, the Company announced two series of outstanding results in terms of sensitivity and specificity in characterizing malignant vs. benign lung nodules (press releases from September 6 and November 23, 2021).

These results were complemented with additional data on lung nodule detection performance on January 5, 2022. iBiopsy® Lung Cancer Screening (LCS) characterization performance for stage 1 lung cancer achieved 93.1% sensitivity and 96.2% specificity. iBiopsy® Lung Cancer Screening (LCS) detection performance reached 94.9% sensitivity with a false positive rate of 1 per CT scan.

Median Technologies develops new AI-based Software as a Medical Device (SaMD) for early diagnosis of cancer and metabolic diseases. The Company’s goal is to remove existing barriers to the implementation of lung cancer screening programs worldwide. Lung cancer is the leading cause of cancer mortality globally, causing 1.8 million deaths in 2020 (accounting for 18% of all cancer deaths).

### c) Cash

As of December 31, 2021, cash and cash equivalents were €39 million, compared to €16 million as of December 31, 2020. The Company’s cash position was strengthened in 2021, both by a €28 million capital increase on March 25, 2021, and by the exercise of 1,344,444 warrants between July 29 and September 2021, 2021, for gross cash funds of over €6 million.



**d) Nominations**

On February 25, 2021, Thomas Bonnefont was appointed to the newly created position of Chief Operating and Commercial Officer. Thomas Bonnefont will supervise the entire iBiopsy® Business Unit.

Jean-Christophe Montigny took up his position on July 12, 2021 as a member of the Company's executive committee and under the direct responsibility of Fredrik Brag, CEO and founder, and succeeds Bernard Reymann, who is stepping down after more than eight years with the Company.

**e) Expiration of warrants issued on September 29, 2014**

Of the 2,222,222 warrants issued, 1,830,810 have been exercised over time since their issue. The total gross amount of subscriptions resulting from the exercise of warrants has provided Median Technologies with €8.2 million in additional financing.

**f) The COVID-19 health crisis**

Median Technologies continues to implement the measures ordered by the government and still has the majority of its employees working from home where this is possible. For many years, Median Technologies has been working using robust cloud-based infrastructures which are used on a daily basis to deliver imaging services (iCRO) to its clients and partners worldwide. Median Technologies' business continuity plan is in place and has been operating without interruption since the beginning of the crisis. The Group continues to deliver its services and its imaging operations as normal.

- For Median's iCRO activity, the project leads, the investigator site directors, the image managers, the quality team and the account managers remain operational and available, in the same manner as they are under normal conditions.
- The research and development activities related to the iBiopsy® Business Unit continue to run in their normal manner, thanks to the development infrastructures in place for many months and utilized daily in normal time.
- Finally, all of the support teams (IT, administration, human resources, financial services, communication and marketing, legal department) continue to provide the best service possible to the Group's two business units.

In parallel, all of the measures implemented by the French government during this period have been and will be examined by the Group's finance department in order to ensure the Group's continuity in the best possible conditions. The results show that despite the health crisis, all of the Company's teams have remained fully implicated since the beginning of 2020.

## NOTE 2 ACCOUNTING PRINCIPLES, VALUATION METHODS, IFRS OPTIONS USED

### a) Principles used in preparing the financial statements

The Group's consolidated financial statements for the financial year ended December 31, 2021 have been drawn up voluntarily in accordance with international accounting standards (IAS/IFRS) applicable on that date as approved by the European Union for all of the periods submitted.

The texts adopted by the European Union are published in the Official Journal of the European Union and can be consulted on EUR-Lex. The Group's accounting principles and methods are described hereinafter.

The Group's consolidated financial statements were drawn up based on the historic cost principle, with the exception of certain categories of assets and liabilities, which are valued at their fair value.

The categories concerned are mentioned in the following notes.

#### **Main standards, amendments and interpretations of mandatory application at January 1, 2021**

- Amendments to IFRS 9, IAS 39 and IFRS 7 - Reform of benchmark interest rates - Phase 2;
- Amendments to IFRS 16 - Lease arrangements beyond June 30, 2021.

The adoption of the other new mandatory standards/amendments/interpretations listed above had no impact on the Group's financial statements.

#### **Main standards, amendments and interpretations published by the IASB applicable in advance at January 1, 2021 in the European Union (subject to their approval)**

The Group did not apply these standards, amendments and interpretations in advance in the consolidated financial statements at December 31, 2021.

- Amendments to IFRS 3 - References to the conceptual framework;
- Amendments to IAS 16 - Proceeds before intended use;
- Amendments to IAS 37 - Costs of performing a contract;
- Annual improvements 2018-2020.

#### **Main standards, amendments and interpretations published by the IASB not yet applicable at January 1, 2021 in the European Union**

In 2021, the main standards published but not yet required to be applied and not yet approved by the European Union are:

- Amendments to IAS 1 - Classification of liabilities as current or non-current;
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies;
- Amendments to IAS 8 - Definition of accounting estimates.

The Group's management expects no impact on the consolidated financial statements from these standards, amendments and interpretations published by the IASB and not yet adopted by the European Union or applicable in advance within the European Union.

## **b) Use of judgements and estimates**

To prepare the financial statements in accordance with IFRS, estimates, judgments and assumptions have been made by the Group. They could affect the amounts presented for asset and liability items, eventual liabilities on the date the financial statements were drawn up and the amounts shown for income and expense for the year. These estimates are based on the assumption of operating continuity, as described in Note 26 “Financial risk management objectives and policies”, and are established according to information available at the time they are drawn up. They are valued continuously based on past experience as well as various other factors considered reasonable that constitute the basis of assessments of the accounting value of asset and liability items. The estimates may be reviewed if the circumstances on which they were based change or as a result of new information. The actual results could differ significantly from these estimates depending on different assumptions or conditions.

The estimates and assumptions that greatly risk leading to a significant adjustment in the book value of assets and liabilities during the following period are analyzed hereafter.

### **R&D costs**

According to IAS 38 - Intangible Assets, development costs are entered into the accounts as intangible assets solely if all of the following criteria are met:

- technical feasibility necessary for accomplishment of the development project,
- intention of the Company to complete the project and put it into service,
- capability of putting the intangible asset into service,
- demonstration of the probability of future economic advantages attached to the asset,
- availability of technical, financial and other resources to complete the project, and
- reliable valuation of development expenses.

With respect to research and development costs, the majority of costs relate to work for the iBiopsy business, which is currently in the basic research and applied research phase.

In the context of work carried out for the iCRO activity, the Company may potentially be unable to distinguish the research phase from the development phase at this time.

All of these costs are therefore expensed as the criteria for capitalization of development costs have not yet been met.

### **Share-based payments**

The Group awards options (warrants, tax privileged start-up stock options, etc.) making it possible to acquire the Company's shares and other capital instruments, as well as free shares to members of the Group's management and employees. Determination of the fair value of share-based payments is based on a binomial model of option valuation that takes into account assumptions involving complex and subjective variables. These variables include in particular the fair value of the Company's securities, expected volatility of the share price over the life cycle of the instrument as well as the present and future behavior of the holders of these instruments.

## Accounting for corporate income tax

The Group is subject to income tax in France and in other countries in connection with its international activities. Tax laws are often complex and subject to different interpretations by taxpayers and the competent tax authorities. The Group must make judgments and interpretations concerning application of these laws when determining provisions for taxes payable. Deferred tax assets corresponding mainly to the deficits that might be carried forward are recognized only to the extent that it is probable that a future taxable profit will be available. The Group must appeal to its judgment so as to determine the probability of the existence of a future taxable profit. This analysis applies jurisdiction by jurisdiction.

### c) Consolidation scope and methods

The consolidated financial statements include the financial statements of the Company and the subsidiaries over which the Company directly exercises control. The Group controls a subsidiary when it is exposed to or has a right to variable earnings due to its links with the entity and it has the capacity to influence its earnings due to the power that it holds over it. The financial statements of the subsidiaries are included in the consolidated financial statements starting on the date on which the control is obtained until the date on which such control ends.

The consolidation scope is as follows:

Name	Country	Registered office	Siret No (business identification number)	Consolidation method	% held
Median Technologies SA (parent)	France	France	44367630900042	Parent	Parent
Median Technologies Inc. (subsidiary)	United States	United States		Full consolidation	100%
Median Medical Technology (Shanghai) Co., Ltd. (Subsidiary)	China	Shanghai		Full consolidation	100%
Median Technologies Hong-Kong Ltd. (subsidiary)	Hong-Kong	Hong-Kong		Full consolidation	100%

The subsidiaries "Median US", "Median HK" and "Median CN" are fully controlled and consolidated. Transactions within the Group, balances and latent profits on operations between companies of the Group are eliminated.

Median Technologies Hong-Kong is currently in liquidation. The last accounts were closed on March 31, 2020.

These subsidiaries' accounting methods are aligned with those of the Group. The Group has neither minority interests nor investments in an entity necessitating accounting by the equity method. To the extent that the subsidiaries have been founded by the Group, no goodwill has been entered into the financial statements since these companies were founded.

#### **d) Functional currency and reporting currency**

The items included in the financial statements of each of the Group's entities are valued using the currency of the principal economic environment in which the entity carries out its activities ("the functional currency"). The consolidated financial statements are presented in Euros, the Group's functional currency and the Group's reporting currency.

#### **e) Conversion of foreign currency transactions**

##### **Transactions and balances**

Transactions shown in foreign currencies are converted into the functional currency using the exchange rate in effect on the transaction dates. Foreign exchange profits and losses resulting from the outcome of these transactions, like those resulting from translation into the rates in effect on the closing date, and monetary assets and liabilities shown in foreign currencies, are entered into the financial statements in the results on the lines "Financial Income" or "Financial Expenses".

##### **Group Companies – Activity abroad**

The financial statements of all of the Group's entities, none of which carries out its activities in an economy having hyperinflation, whose functional currency is different from the reporting currency are converted into the reporting currency according to the following terms and conditions:

- Asset and liability items are converted to the closing price on the date of each balance sheet;
- Income and expenses for each entry of the income statement are converted at the average exchange rate;
- all resulting translation discrepancies are entered into the financial statements as a separate component of equity in "Conversion reserves" in the "Consolidated reserves", which makes it possible to keep conversion of the share capital and reserves at the historical rate.

When an activity abroad is transferred in full or in part, and there is a notable loss of control or influence or joint control, the accrued amount of the related foreign exchange differences must be reclassified in the results as a transfer result. If the Group transfers a part of its equity interest in a subsidiary while retaining control, a proportional share of the accrued amount of exchange rate discrepancies is reallocated to the equity interests not giving control. When the Group transfers only a part of its equity interest in an associated company or a joint venture, while retaining notable influence or joint control, the corresponding proportional share of the accrued amount of foreign exchange discrepancies is reclassified in the results.

##### **Net investment**

Receivables held with consolidated foreign subsidiaries for which regulations are not predictable, are considered as net investments in foreign currencies. As such, and in accordance with IAS 21, the underlying foreign exchange gains and losses on such receivables in functional foreign currencies converted into Euros for the consolidation have been recorded in "Other Comprehensive Income" (OCI) and in "Conversion Reserves". When the net investment is sold, the amount of the differences entered into the financial statements in "Conversion Reserves" so relating is reclassified in the results at the level of the sales income.

#### f) Distinction between current and non-current

The Group applies balance sheet reporting distinguishing the current and non-current parts of the assets and liabilities. The distinction between current and non-current items has been made according to the following rules:

- assets and liabilities constituting the working capital requirements within the normal cycle of activity are classified as "current".
- assets and liabilities outside a normal operating cycle are reported in "current" on the one hand and in "non-current" on the other hand, according to whether their due date is greater or less than one year.

#### g) Intangible assets

Intangible asset are initially entered into the financial statements at their historical acquisition cost or production cost by the Company and are amortized by the straight-line method generally over a period of 1 to 5 years.

An impairment loss is recognized when the present value of an asset is less than its net book value.

Intangible Assets	Mode	Duration
Software and packages	Linear	1 to 5 years

#### h) Tangible assets

Tangible assets are recorded at their historical acquisition cost. The different components of a tangible asset are entered into the financial statements separately when their estimated life cycle and therefore their term of depreciation are significantly different.

Amortizations for depreciation are calculated according to the straight-line method, according to the estimated periods of use of the assets and taking into account any applicable residual values.

Tangible Assets	Mode	Duration
General installations on other people's land	Linear	10 years
Transport equipment	Linear	5 years
Office equipment	Linear	1 to 5 years
Office furniture	Linear	8 to 10 years

Residual values, durations of use and methods for amortizing assets are reviewed and modified if necessary, at each year end. Such changes are treated as changes in estimates.

**i) Recoverable value of non-current assets**

Assets are tested for impairment when there is an indication that they may be impaired, except for intangible assets with indefinite useful lives and intangible assets in progress, which are systematically tested for impairment, even if there is no indication of impairment.

The impairment test consists of comparing the net book value of the asset tested to its recoverable value. The test is carried out at the level of the Cash Generating Unit, if the asset does not generate cash separately, which is the smallest group of assets that includes the asset and for which continued use generates cash entries largely independent of those generated by other assets or groups of assets.

A loss in value is recognized at the level of the excess book value in comparison with the asset's recoverable value. The recoverable value of an asset corresponds to the fair value minus sale costs or its use value, if the latter is greater. The fair value minus exit costs is the amount that can be obtained from the sale of the asset when a transaction under conditions of normal competition between well informed and consenting parties, lessens the exit costs.

Use value is the discounted value of the estimated future cash flows expected for the continued use of an asset and its exit at the end of its useful life. Use value is determined based on estimated cash flows according to plans or budgets drawn up over five years in general, with the flows then extrapolated for application of a growth rate that is constant or decreasing and discounted by using long-term market rates after taxes that reflect the market estimates of the time value of money and the specific risks of the assets. The end value is determined based on infinitely discounting the last cash flow of the test, As of December 31, 2021, no non-current asset shows an internal or external loss of value.

**j) Trade receivables and depreciation**

Trade receivables correspond to the amounts to be paid by clients for products sold and services provided in the normal context of the Group's activity. The Group uses the simplified model recommended by IFRS 9 for the impairment of trade receivables. Expected loss rates on trade receivables are calculated over their useful lives from initial recognition and are based on historical information. In addition, receivables in dispute or maturing in more than one year are depreciated at 100%.

The Group is not exposed, or very little exposed to risk thanks to the "Advance Payment" policy that it contracts with the majority of its clients. Clients pay between 15% and 30% of the amount of the contract signed before the start of the study and the start of the work carried out by the Group. The amounts advanced are reversed over the duration of the contract. The risk is mainly limited between the date of issue of the first advance invoice and its collection.

Payment terms are between 30 and 45 days, or even longer in certain specific cases.

Note also that the market in which the Group is positioned allows it to work with very large pharmaceutical or biotechnology groups that have raised considerable amounts of funds and are therefore very solvent.

## k) Financial assets

### Accounting and initial valuation

A financial asset (except in the case of a trade receivable with no significant financing component) is initially measured at fair value, plus for an item not recognized at fair value through the income statement, transaction costs directly related to its acquisition or issue. A trade receivable with no significant financing component is initially valued at the transaction price.

On initial recognition, a financial asset is classified as measured at amortized cost, at fair value through other comprehensive income - debt instrument, at fair value through other comprehensive income - equity security, or at fair value through the income statement.

### Classification and subsequent valuation

The subsequent valuation of the gains and losses on financial assets is as follows:

- Financial assets at fair value through the income statement: These assets are subsequently valued at fair value. Net profits and losses, including interest or dividends received, are recognized as income.
- Financial assets at amortized cost: These assets are valued at a later point at the amortized cost using the effective interest rate method. The amortized cost is reduced by lost value. Proceeds from interest, foreign exchange profits and losses, and depreciations are recognized as income. Profits and losses resulting from derecognition are recorded as income.
- Debt instruments at fair value through other comprehensive income: These assets are subsequently valued at fair value. Proceeds from interest, calculated using the effective interest rate method, foreign exchange profits and losses, and impairment are recognized as income. Other net profits and losses are recorded in other comprehensive income. On derecognition, profits and losses accumulated in other comprehensive income are reclassified as income.
- Equity instruments at fair value through other comprehensive income: These assets are subsequently valued at fair value. Dividends are recognized as proceeds in income, unless the dividend clearly represents the recovery of one part of the investment cost. Other profits and losses are recognized in other comprehensive income and are never reclassified as income.

## l) Cash and cash equivalents

“Cash and cash equivalents” includes liquid assets, bank sight deposits and other very liquid short-term investments having initial maturities that are less than or equal to three months and that are subject to the risk of significant fluctuation in value. For purposes of the cash flow statement, net cash includes cash and cash equivalents as defined above, net of current bank lending. In the balance sheet, bank overdrafts appear in Current financial liabilities.



#### **m) Equity**

Classification as equity depends on a specific analysis of the characteristics of each instrument issued. Ordinary shares and preference shares have therefore been able to be classified as equity instruments. Accessory costs that may be directly attributed to the issuance of shares or options for shares are entered into the financial statements by deduction from equity, net of taxes.

#### **n) Share-based payment**

The Group has set up a certain number of share-based compensation plans for which the Group receives services in return from its employees. The fair value of the services provided by employees in exchange for the granting of options and free shares is expenses in the financial statements, in accordance with IFRS 2. The total amount expensed in the financial statements corresponds to the fair value of the instruments granted.

Conditions for acquisition of rights that are not market conditions or which are service conditions are included in assumptions concerning the number of instruments likely to become exercisable. The total expense is recognized over the acquisition period of the rights, which is the period during which all acquisition conditions of the specified rights must be satisfied. At the end of each financial year, the entity reexamines the number of instruments likely to become exercisable. If necessary, it recognizes in the income statement the impact of the review of its estimates, making a corresponding adjustment in equity ("Share-based payment").

When the instruments are exercised, the Company issues new shares. The amounts received when the options are exercised are credited to the entries "Capital Stock" (nominal value) and "Issue Premium", net of transaction costs that may be directly attributed.

#### **o) Provisions**

Provisions are recorded when the Group has a current obligation (legal or implicit) resulting from a past event, and when it is probable that an outlay of resources representing economic advantages will be necessary to settle the obligation and that the amount of the obligation may be estimated reliably. The estimate of the amount included in provisions corresponds to the outflow of resources that the Group is likely to incur to settle its obligation. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects, where appropriate, the risks specific to the liability. Provisions corresponding to contingencies and charges are identified specifically.

#### **p) Social commitments**

The pension plans, benefits matched and other Company benefits that are analyzed as defined benefit plans (plan whereby the Group commits to guaranteeing an amount or level of defined benefit) are recorded on the balance sheet based on an actuarial valuation of the commitments on the closing date. Pension commitments are calculated using the projected credit units method, taking into account the applicable social charges.

The discounted value of the obligation is determined by discounting the estimated future cash withdrawals based on an interest rate of first class company bonds indicated in the currency of the benefit payment and whose duration is close to the average estimate for duration of the pension obligation concerned. The calculations also include assumptions for mortality, staff turnover and future salaries. Any actuarial discrepancies are recorded in full in "Other comprehensive income" directly through equity. Contributions paid for the plans that are analyzed as defined contribution plans, namely, when the Group does not have any other obligation than payment of the contributions, are recorded in the financial statements expenses for the year.

The IFRIC IC agenda decision of April 20, 2021 relating to the recognition of benefits based on vesting periods and ceilings does not apply to the Group.

**q) Trade payables and related accounts**

Trade payables and related accounts correspond to payment commitments for products or services that have been contracted with suppliers in connection with the Group's normal activity. Trade payables are initially entered into the financial statements at their fair value and later revalued at their amortized cost using the effective interest rate method.

**r) Financial liabilities**

**Financial liabilities accounted for at their amortized cost**

Loans and other financial liabilities such as conditioned advances and down payments received, are generally recorded at the amortized cost calculated using the effective interest rate. Financial liabilities entered into the financial statements at their amortized costs are initially recorded at the fair value of the amount received minus transaction costs directly applicable. Following their initial recognition, loans bearing interest are valued at their amortized cost, using the effective interest rate method. A fraction of less than one year of financial liabilities is presented in current liabilities.

**Financial liabilities recorded at fair value through the income statement**

These are liabilities held for trading purposes, i.e. liabilities that are intended to be used in the short term. They are valued at their fair value, and any changes in fair value are recognized in the income statement.

**s) Taxes payable and deferred**

Tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to tax authorities. Tax rates and financial regulations used to determine these amounts are those that have been adopted or virtually adopted on the closing date.

Deferred taxes are recognized, using the balance sheet and liability method, for all temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amount in the balance sheet, as well as for losses carried forward.

Deferred tax assets are recorded in the balance sheet to the extent that it is probable that a taxable profit will be available, from which these deductible temporary differences, losses carried forward before taxes

and tax credits not used may be deducted during later years. Deferred tax assets and liabilities are not discounted.

**t) Revenue**

The Group's main activities are:

- The **iCRO business**, involving the sale of imaging services for clinical trials in oncology using dedicated software;
- The **iBiopsy® business**, based on the most advanced technologies in artificial intelligence and benefiting from Median's expertise in data science and processing of medical images. iBiopsy® aims to develop image-based non-invasive diagnostic tests and solutions and targets numerous indications where unmet needs exist in terms of early diagnosis, prognosis and treatment selection in the context of personalized medicine.

Revenue is generated mostly from contracts for delivery of services performed in the "iCRO" activity, namely the sale of imaging services for clinical trials in oncology using dedicated software.

Revenues from these contracts and the associated expenses are recognized as the services are provided, since the Group can claim reimbursement of costs incurred, increased by a reasonable margin, at the date of any termination of the contract by the client.

**u) Research and innovation tax credit**

Research tax credits are granted to companies by the French State so as to provide an incentive for carrying out technical and scientific research.

Companies that justify expenses fulfilling the criteria required (research expenses located in France or, since January 1, 2005, within the European Community or in another State that is part of the agreement concerning the European Economic Space and has entered into a tax agreement with France containing an administrative assistance clause) benefit from a tax credit that may be used for payment of income tax due for the financial year when the expenses occurred and during the three following financial years or, if applicable, may be reimbursed for its excess portion.

Within the Group, expenses eligible for research tax credits are very largely generated by personnel costs and external expenses.

The Group has therefore opted for the research tax credit as a means of reducing personnel costs and external costs.

**v) Leases**

A lease contract is a contract, or part of a contract, by which the right to use an underlying asset is assigned for a certain period of time for consideration.

In accordance with the exemptions authorized by IFRS 16, the Group has chosen to apply IFRS 16 to all of its leases, except:

- short-term lease contracts, the initial term of which is equal to or less than 12 months;
- lease contracts for which the underlying asset is of low value, considering the value of the asset in new condition.

These leases are recognized as lease liabilities using the straight-line method over the duration of the contract.

#### Accounting for leases according to IFRS 16

For any lease contract concerned, the application of IFRS 16 consists of recognizing in the statement of consolidated financial position at the commencement date of the lease, a right of use on lease contracts and a lease liability. The Group presents "right of use" assets under tangible assets, while the lease liability is recorded under "Non-current financial debts" and "Current financial debts".

The right of use is valued at its cost, including:

- the initial amount of the lease obligation;
- advance payments made to the lessor, net of any benefits received from the lessor;
- the initial direct costs incurred by the lessee for the conclusion of the contract;
- an estimate of the costs of dismantling or restoring the leased asset according to the terms of the contract.

The lease liability is recorded at an amount equal to the present value of the lease payments over the term of the contract. The amounts taken into account for lease payments in the valuation of the liability are:

- fixed rents;
- variable rents based on a rate or index;
- any residual value guarantees granted to the lessor;
- the strike price of a call option if exercise of the option is reasonably certain;
- penalties for termination or non-renewal of the contract.

Variable lease payments that are based on something other than a rate or an index, such as those based on use of the leased asset or on its performance are excluded from the valuation of the liability.

#### Determination of the duration of a contract

The duration of the contract is defined as the non-cancellable period during which the lessee has the right to use the underlying asset, to which must be added the periods covered by:

- renewal options for which the exercise is reasonably certain and,
- termination options that the lessee is reasonably certain not to exercise.

In estimating the duration of its lease contracts, the Group distinguishes two categories of underlying assets:

- real estate: the duration retained corresponds to the initial duration of the lease contract plus any extension options that the Group has reasonable certainty of exercising. For commercial leases concluded in France and in accordance with the Statement of Conclusions published by the ANC on February 16, 2018, the Group recognizes the term of execution at the start of the lease contract to be nine years.
- movable property (including transport equipment in particular): the period chosen generally corresponds to the non-cancellable duration of the contract. Indeed, in the event of a renewal option, the Group considers that it is not reasonable to exercise the renewal options, given the nature of the leased goods and the ease of replacing them.

#### Determination of the discount rate for lease liabilities

The Group considers that it is impossible to easily determine the implicit interest rate of its lease contracts. Consequently, the Group has chosen to apply the marginal borrowing rate to all of its leases.

The marginal borrowing rate corresponds to the interest rate that the Group would have to pay to borrow, for a period and with a similar guarantee, the funds necessary to procure a property of similar value to the assets under the Right of use on lease contracts in a similar economic environment.

The Group determines its marginal borrowing rate from interest rates granted by different sources of external funding. The rates used reflect the interest rate on a loan whose payment profile is similar to that of leases.

#### Subsequent evaluation

The right of use is amortized on a straight-line basis over the shortest period between the duration of the lease contract or the useful life of the right of use. If the contract transfers ownership of the asset to the lessee, or if there is a purchase option the exercise of which is reasonably certain, the right of use will be amortized over the useful life of the underlying leased asset. Lease liabilities are revalued according to:

- an increase reflecting the discounting charge for the period using the incremental borrowing rate applied to the lease, with an offsetting entry in interest expense on leases;
- a decrease reflecting lease payments over the period;
- an increase reflecting the update of the lease index period or lease growth rate, if applicable, in return for the right of use on lease contracts in the consolidated statement of financial position;
- an increase or decrease reflecting a re-estimate of future lease payments as a result of a change in estimate over the lease duration, in return for the right of use on lease contracts in the consolidated statement of financial position.

#### w) Sector information

The Median Group provides innovative imaging services for clinical trials in oncology and integrates the latest advances in artificial intelligence into its platforms to access information contained in medical images, which is currently inaccessible. The two proprietary platforms are:

- iSee® for imaging services in clinical trials; and
- iBiopsy® for non-invasive imaging-based diagnostics.

They harness the power of medical images to accelerate therapeutic innovation and improve care for patients with cancer and other chronic diseases.

The iBiopsy® platform is currently in the research and development phase, and all the work carried out cannot currently be considered as an activity as such.

The iCRO activity which uses the proprietary iSee® platform is, to date, the only activity generating revenue. The Group generates its revenue mainly in the following geographical areas:

- Europe;
- North America ;
- Asia (China mainly through its subsidiary Median Medical technology (Shanghai) co., Ltd.

Research and development costs, production costs, regulatory expenses and most marketing and administrative costs are incurred in France. At this stage, these costs are not subject to a strict breakdown by geographical area where the Group's products are marketed.

The Group's activity, which is currently concentrated solely on the iCRO activity, leads the Group's management to monitor operations in a global and unified way. The chief operating decision maker reviews operational results and plans, monitors cash and decides on group-wide resource allocation.

The Group has therefore identified a single operating segment that meets the criteria of IFRS 8. This presentation could be modified in the future, depending on the evolution of the Group's activities and operational criteria.

#### x) Earnings per share

Basic earnings per share is calculated by dividing income attributable to holders of the Company's ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting income attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the dilutive effects of all potential ordinary shares. In the Group's case, this implies warrants, free shares, founders share warrants and other stock options issued.

### NOTE 3 INTANGIBLE ASSETS

Intangible Assets (In thousands of euros)	2021-12-31			2020-12-31		
	Gross Value	Depreciation and amortization	Net value	Gross Value	Depreciation and amortization	Net value
Patents, licenses, brands	1,226	(1,154)	72	1,182	(1,125)	57
Other intangible assets	-	-	-	-	-	-
<b>Total</b>	<b>1,226</b>	<b>(1,154)</b>	<b>72</b>	<b>1,182</b>	<b>(1,125)</b>	<b>57</b>

Intangible assets are composed mainly of software licenses acquired.

Balance changes over the period are analyzed as follows:

Intangible Assets (In thousands of euros)	2021-12-31			2020-12-31		
	Gross Value	Depreciation and amortization	Net value	Gross Value	Depreciation and amortization	Net value
<b>Opening Balance</b>	<b>1,182</b>	<b>(1,125)</b>	<b>57</b>	<b>1,116</b>	<b>(1,094)</b>	<b>21</b>
Additions	44	-	44	66	-	66
Terminated, discarded	-	-	-	-	-	-
Changes in depreciation and amortization	-	(30)	(30)	-	(30)	(30)
Effects of exchange fluctuations	-	-	-	-	-	-
<b>Closing balance</b>	<b>1,226</b>	<b>(1,155)</b>	<b>72</b>	<b>1,182</b>	<b>(1,124)</b>	<b>57</b>

### NOTE 4 TANGIBLE ASSETS

Tangible Assets (In thousands of euros)	2021-12-31			2020-12-31		
	Gross Value	Depreciation and amortization	Net value	Gross Value	Depreciation and amortization	Net value
Construction, planning	127	(86)	41	127	(79)	49
Assets related to the Usage right - Constructions, planning	1,521	(808)	713	1,458	(496)	962
Other tangible assets	1,824	(1,210)	614	1,396	(983)	413
Assets related to the Usage right - Other tangible assets	282	(137)	145	291	(106)	184
Advance on Tangible Assets	-	-	-	-	-	-
<b>Total</b>	<b>3,755</b>	<b>(2,242)</b>	<b>1,513</b>	<b>3,272</b>	<b>(1,664)</b>	<b>1,608</b>

The activated right of use for buildings amounted to €1,521K and mainly concerns the lease for the Valbonne premises. The gross amount of assets associated with the right of use of other tangible assets stood at €282K and primarily concerns transportation equipment.

Other tangible fixed assets mainly concern computer equipment (computers, servers).

Balance changes over the period are analyzed as follows:

Tangible Assets (In thousands of euros)	2021-12-31			2020-12-31		
	Gross Value	Depreciation and amortization	Net value	Gross Value	Depreciation and amortization	Net value
<b>Opening Balance</b>	<b>3,272</b>	<b>(1,664)</b>	<b>1,608</b>	<b>2,693</b>	<b>(1,192)</b>	<b>1,501</b>
Additions	437	-	437	293	-	293
Terminated, discarded	(81)	80	(0)	(135)	135	(0)
Other movement	93	-	93	430	-	430
Changes in depreciation and amortization	-	(642)	(642)	-	(612)	(612)
Effects of exchange fluctuations	34	(16)	18	(9)	4	(3)
<b>Closing balance</b>	<b>3,755</b>	<b>(2,242)</b>	<b>1,513</b>	<b>3,272</b>	<b>(1,664)</b>	<b>1,608</b>

The equipment purchased over the period mainly concerns IT equipment made available to the Company's employees (servers, computers etc.). Variation in the right of use recorded in accordance with IFRS 16 is as follows:

Assets related to the Usage Right (In thousands of euros)	Gross Value	Depreciation and amortization	Net value
<b>2020-12-31</b>	1,749	(602)	1,146
Additions	-	-	-
Terminated, discarded	(59)	59	-
Other movement	93	-	93
Changes in depreciation and amortization	-	(392)	(392)
Effects of exchange fluctuations	20	(10)	10
<b>2021-12-31</b>	<b>1,804</b>	<b>(946)</b>	<b>858</b>

Other movements relate to new leases signed during 2021 (mainly concerning the new office lease in China).

The interest expense on lease obligations as well as the expense recognized in accordance with paragraph 6 of IFRS 16 on short-term leases is not material.

#### NOTE 5 NON-CURRENT FINANCIAL ASSETS

Non Current financial assets (In thousands of euros)	2021-12-31	2020-12-31	Variation
Guarantees and deposits	68	68	1
Loans	196	163	33
<b>Total</b>	<b>264</b>	<b>231</b>	<b>34</b>

Non-current financial assets have a maturity of over five years.

#### NOTE 6 TRADE RECEIVABLES

Trade receivables break down as follows:

Trade receivables (In thousands of euros)	2021-12-31	2020-12-31	Variation
Customers	5,241	4,544	697
Provisions	(241)	(270)	29
<b>Total</b>	<b>5,000</b>	<b>4,274</b>	<b>726</b>

The fair value of trade receivables and related accounts is equivalent to book value, given their due date of less than one year. The breakdown of receivables in euros and by currency, at December 31, 2021 was the following:



Trade receivables in currencies (In thousands of euros)	2021-12-31	2020-12-31	Variation
Euro	723	1,410	(687)
USD	842	1,379	(537)
RMB	3,676	1,418	2,258
<b>Total</b>	<b>5,241</b>	<b>4,207</b>	<b>1,034</b>

Payment schedules for trade receivables are as follows:

Trade receivables (In thousands of euros)	Total	Not yet due	1 to 30 days	30 to 60 days	60 to 90 days	> 90 days
Customers	-	-	-	-	-	-
Depreciations	(241)	(241)	-	-	-	(241)
<b>Total</b>	<b>(241)</b>	<b>(241)</b>	-	-	-	<b>(241)</b>

## NOTE 7 CURRENT FINANCIAL ASSETS

Current financial assets are analyzed as follows:

Current financial assets (In thousands of euros)	2021-12-31	2020-12-31	Variation
Cash mobilized - liquidity contract	241	83	158
Guarantees and deposits	-	-	-
<b>Total</b>	<b>241</b>	<b>83</b>	<b>158</b>

In May 2011, the Group set up a liquidity contract with an approved manager at the time it was listed on the stock market for a maximum amount of €250K. This contract enables regulation of the share price. The cash mobilized is immediately available in the event of termination of the service provider's contract. This cash has a due date of one year maximum. In December 2017, an additional contribution of €150K was made, bringing the total amount provided under the liquidity contract to €400K.

## NOTE 8 OTHER CURRENT ASSETS

Other current assets are analyzed as follows:

Other current assets (In thousands of euros)	2021-12-31	2020-12-31	Variation
Research tax credit	1,489	1,348	141
Innovation tax credit	80	72	8
Prepaid expenses	844	881	(37)
Other receivables	876	414	462
<b>Total</b>	<b>3,289</b>	<b>2,715</b>	<b>574</b>

The research tax credit receivable recognized on December 31, 2021 corresponds to the research tax gain on expenses during the 2021 financial year. A tax receivable relating to the innovation tax credit was also recognized.

The receivable recognized on December 31, 2020 corresponds to the research tax gain on expenses for the 2020 financial year and was cashed in September 2021. The Company has benefited from the research tax credit since its creation and this receivable is subject to reimbursement over the subsequent period by the tax administration. Other receivables primarily concern tax receivables (value-added tax), up €462K relative to the previous year, stable from one year to the next.

## NOTE 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at year-end broke down as follows on December 31, 2020:

Cash and cash equivalents (In thousands of euros)	2021-12-31	2020-12-31	Variation
Short term deposits	-	-	-
Liquid assets	39,010	16,315	22,695
<b>Total</b>	<b>39,010</b>	<b>16,315</b>	<b>22,695</b>

Cash and cash equivalents (In thousands of euros)	2021-12-31	2020-12-31	Variation
EUR	33,272	11,753	21,519
USD	3,206	2,087	1,119
HKD	-	5	(5)
CNY	2,532	2,470	62
<b>Total</b>	<b>39,010</b>	<b>16,315</b>	<b>22,695</b>

The amount of cash and cash equivalents appearing on the statement of financial position and the amount of net cash appearing in the cash flow stable is determined as follows:

Net Cash and Cash flow (In thousands of euros)	2021-12-31	2020-12-31	Variation
Cash and cash equivalents	39,010	16,315	22,695
Outstanding bank overdrafts	(4)	(3)	(1)
<b>Total</b>	<b>39,006</b>	<b>16,312</b>	<b>22,694</b>

**NOTE 10 FINANCIAL INSTRUMENTS BY CATEGORY**
**a) Assets**

Class of financial assets by category (In thousands of euros)	Stated at fair value	Loans and receivables	2021-12-31
Non-current financial assets	-	264	264
Trade and other receivables	-	5,000	5,000
Current financial assets	-	241	241
Other current assets (excluding prepaid expenses)	-	2,445	2,445
Cash and cash equivalents	39,010	-	39,010
<b>Total</b>	<b>39,010</b>	<b>7,950</b>	<b>46,960</b>

Class of financial assets by category (In thousands of euros)	Stated at fair value	Loans and receivables	2020-12-31
Non-current financial assets	-	232	232
Trade and other receivables	-	4,274	4,274
Current financial assets	-	83	83
Other current assets (excluding prepaid expenses)	-	1,834	1,834
Cash and cash equivalents	16,315	-	16,315
<b>Total</b>	<b>16,315</b>	<b>6,423</b>	<b>22,738</b>

**b) Liabilities**

Class of financial liabilities by category (In thousands of euros)	Stated at fair value	Liabilities at amortized cost	2021-12-31
Non current financial debts	-	16,144	16,144
Current financial debts	-	375	375
Current financial instruments	10,505	-	10,505
Trade payables and other liabilities	-	7,416	7,416
Liabilities on contracts	-	8,824	8,824
<b>Total</b>	<b>10,505</b>	<b>32,759</b>	<b>43,264</b>

Class of financial liabilities by category (In thousands of euros)	Stated at fair value	Liabilities at amortized cost	2020-12-31
Non current financial debts	-	15,311	15,311
Current financial debts	-	350	350
Current financial instruments	4,016	-	4,016
Trade payables and other liabilities	-	6,177	6,177
Liabilities on contracts	-	9,760	9,760
<b>Total</b>	<b>4,016</b>	<b>31,598</b>	<b>35,614</b>

## NOTE 11 EQUITY

### a) Capital and share premiums

At December 31, 2021, the Company's capital consisted of 15,493,449 shares divided between:

- 15,470,248 ordinary shares with a nominal value of €0.05;
- 23,200 class E preference shares with a value of €0.05 and,
- 1 class B preference share with a value of €0.05.

The **class E** preference shares are shares that have no voting rights but benefit from the same financial rights as the ordinary shares

The **class B** preference share is reserved for an industrial investor shareholder and gives the latter the right to be represented at any time by a Director on the Company's Board of Directors. It will automatically be converted into an ordinary share if certain statutory clauses are fulfilled.

Capital (In thousands of euros)	Capital	Share premiums	Total	Number of shares forming
<b>Total at December 31, 2020</b>	<b>607</b>	<b>53,081</b>	<b>53,688</b>	<b>12,138,425</b>
Exercise of share subscription warrants (BSPCE)	0	19	20	3,000
Capital increase by private placement	122	15,779	15,901	2,446,285
Exercise of free shares	5	(5)	-	90,000
Exercise of stock options	3	97	101	67,000
Exercise of warrants	37	6,701	6,739	748,739
Issue costs on capital increase	-	(1,525)	(1,525)	-
Allocation of share subscription warrants	-	269	269	-
<b>Total at December 31, 2021</b>	<b>775</b>	<b>74,417</b>	<b>75,192</b>	<b>15,493,449</b>

### b) Treasury shares

As part of the liquidity contract put in place following the listing on the stock exchange, the Company has treasury shares and generates capital gains and losses on sales or buybacks of these shares. These shares, as well as the effect of the capital gains and losses realized on the sale and buyback of these treasury shares, are deducted from consolidated reserves.

At December 31, 2021, the impact of the cancellation of 20,093 treasury shares, deducted from consolidated reserves, amounted to a total of €122K.

The amount deducted from the treasury share reserve takes into account the treasury shares' value as well as the gains or losses realized on fluctuations in these treasury shares.

The treasury shares are not intended to be allocated to employees as part of the free share allocation plan and are only aimed at regulating the share price as part of the liquidity contract.

As of December 31, 2021, the Company did not hold any other uncanceled treasury shares.

### c) Stock options and free share allocations

Using the authorization conferred by multiple general meetings, the Board of Directors has issued the following stock option or free share plans:

Date of the General Meeting	Number of authorised securities	Grant date of securities	Total number of securities allocated	Exercise limit date	Number of securities valid not exercised 12-31-2020	Number of securities allocated on 2021	Number of securities cancelled non subscribed on 2021	Number of securities exercised on 2021	Number of securities valid not exercised 12-21-2021	Number of corresponding shares	Exercise price per share	Potential increase in capital (nominal)
2011-04-01	100,000	4/1/2011	99,950	3/31/2021	20,000	-	5,000	15,000	-	-	6.50	-
<b>Warrants (BSPCE)</b>	<b>100,000</b>		<b>99,950</b>		<b>20,000</b>	-	<b>5,000</b>	<b>15,000</b>	-	-		-
2019-06-26	500,000	6/27/2019	94,516	6/26/2026	94,516	-	-	10,000	84,516	84,516	1.50	4,226
		6/27/2019	257,500	6/26/2026	246,500	-	76,250	37,000	133,250	133,250	1.50	6,663
		6/27/2019	33,000	6/26/2026	33,000	-	-	20,000	13,000	13,000	1.50	650
		1/16/2020	60,000	1/15/2027	60,000	-	-	-	60,000	60,000	1.50	3,000
		1/16/2020	30,000	1/15/2027	30,000	-	-	-	30,000	30,000	1.50	1,500
2020-06-19	500,000	7/9/2020	50,000	7/8/2027	50,000	-	25,000	-	25,000	25,000	2.65	1,250
		10/16/2020	15,000	10/15/2027	15,000	-	15,000	-	-	-	4.18	-
<b>Stock Options</b>	<b>1,000,000</b>		<b>540,016</b>		<b>529,016</b>	-	<b>116,250</b>	<b>67,000</b>	<b>345,766</b>	<b>345,766</b>		<b>17,288</b>
2019-06-26	ND	3/12/2020	90,000		90,000	-	-	90,000	-	-	-	-
2021-06-01	ND	10/21/2021	260,000		-	260,000	-	-	260,000	260,000	-	13,000.00
2021-06-01	ND	10/21/2021	542,000		-	542,000	-	-	542,000	542,000	-	27,100.00
2021-06-01	ND	10/21/2021	30,000		-	30,000	-	-	30,000	30,000	-	1,500.00
<b>Free Shares</b>	<b>-</b>		<b>922,000</b>		<b>90,000</b>	<b>832,000</b>	-	<b>90,000</b>	<b>832,000</b>	<b>832,000</b>		<b>41,600</b>
2014-09-29	2,222,222	9/30/2014	2,222,222	9/29/2021	1,888,890	-	391,412	1,497,478	-	-	9.00	-
2018-05-28	130,000	5/30/2018	120,000	5/30/2025	120,000	-	-	-	120,000	120,000	9.50	6,000
2019-06-26	800,000	4/17/2020	800,000	4/16/2035	800,000	-	-	-	800,000	800,000	8.34	40,000
<b>Warrants (BSA)</b>	<b>3,152,222</b>		<b>3,142,222</b>		<b>2,808,890</b>	-	<b>391,412</b>	<b>1,497,478</b>	<b>920,000</b>	<b>920,000</b>		<b>46,000</b>
<b>Total</b>			<b>4,704,188</b>		<b>3,447,906</b>	<b>832,000</b>	<b>512,662</b>	<b>1,669,478</b>	<b>2,097,766</b>	<b>2,097,766</b>		<b>104,888</b>

ND : Non determinable

The impact on the comprehensive income statement of share-based payments is presented in Note 23. The financial instruments concerned by share-based payments are stock option and free share plans awarded to employees or managers of the Company.

## NOTE 12 PERSONNEL COMMITMENTS

### a) Defined benefit retirement plans

Personnel commitments are composed exclusively of any benefits subsequent to employment. In France, the Company contributes to the national pension plan and its commitments with employees in terms of pension are limited to a one-time benefit based on seniority paid when the employee reaches retirement age. This employee benefit is determined for each employee according to their seniority and last expected salary. A provision has been recorded for this obligation concerning the defined benefit plan. The Company does not have any asset covering defined benefit plans.

The changes in these commitments may be analyzed as follows:

Employee benefits (In thousands of euros)	2021-12-31	2020-12-31	Variation
Provision for employee benefits	767	708	58
<b>Total</b>	<b>767</b>	<b>708</b>	<b>58</b>

Changes in these commitments and the main actuarial assumptions used are the following:

Employee benefits (In thousands of euros)	2021-12-31	2020-12-31
<b>Opening provision</b>	<b>708</b>	<b>362</b>
Current service cost	86	76
Cost of interest	8	1
<b>Charge in the year</b>	<b>94</b>	<b>78</b>
Benefits paid	(37)	-
Net actuarial (gains) / losses	1	268
<b>Closing provision</b>	<b>767</b>	<b>708</b>

Employee benefits (Actuarial assumptions)	2021-12-31	2020-12-31
Discount rate	0.95%	0.40%
Inflation rate	2.00%	2.00%
Salary increase rate	3.50%	3.50%
Social security costs	46%	46%
Mortality table	INSEE T68-FM 2015-2017	INSEE T68-FM 2008-2010
Retirement ages	66 years and 2 months for executives and 64 years for employees	Between 62 et 67 years
Basis of retirement	Voluntary retirement	Voluntary retirement

As recommended by standard IAS 19, turnover rates were recalculated at the end of 2021 as follows:

Turnover rates	2021-12-31	2020-12-31
Less than 25 year	13.00%	13.00%
Between 25 and 29 years	13.00%	13.00%
Between 30 and 34 years	8.50%	9.50%
Between 35 and 39 years	8.50%	9.50%
Between 40 and 44 years	8.00%	8.50%
Between 45 and 49 years	8.00%	8.00%
Between 50 and 54 years	0.00%	0.00%
55 years and more	0.00%	0.00%

Assumptions related to future mortality rates are determined on the basis of data from statistics published in France.

A sensitivity analysis has been carried out for this plan and the key assumption of the discount rate. A change in this rate applied to year in consideration for this plan would have the following impact on the Group's gross commitment under the defined benefit pension plan:

Sensitivity to the discount rate (In thousands of euros)	2021-12-31
Actuarial debt at 0%	845
<b>Actuarial debt at 0.4%</b>	<b>767</b>
Actuarial debt at 0.8%	696
<b>Estimation duration (years)</b>	<b>19</b>

At December 31, 2021, the schedule for severance payments over the next 15 years is estimated at €377K. No benefit payments are scheduled for the next five years. No payments were made for employee commitments in 2021.

#### **b) Defined contribution retirement plans**

In the US, Median Technologies Inc. contributes to a defined contribution plans that limits its commitment to the contributions paid. The amount of charges recorded for financial year 2021 is non-significant.

In China, the Median Medical Technology subsidiary also contributes to a defined contribution scheme which limits its commitment to contributions paid. The amount of charges recorded for financial year 2021 is non-significant.

### NOTE 13 CURRENT AND NON-CURRENT PROVISIONS

On December 31, 2021, provisions broke down as follows:

Current Provisions (In thousands of euros)	2021-12-31	2020-12-31	Variation
Current Provisions	43	87	(44)
<b>Total</b>	<b>43</b>	<b>87</b>	<b>(44)</b>

They correspond to provisions for charges relating to social contributions that will be due for free shares allocated during the year.

### NOTE 14 FINANCIAL LIABILITIES

As of December 31, 2021, financial liabilities broke down as follows:

Financial liabilities (In thousands of euros)	2021-12-31	2020-12-31	Variation
Non-current financial liabilities	16,144	15,311	833
Current financial liabilities	375	350	25
<b>Total</b>	<b>16,519</b>	<b>15,661</b>	<b>858</b>

On December 18, 2019, the Group signed a financing agreement with the European Investment Bank (EIB) amounting to €35M, made up of three tranches:

- tranche A for €15M released on April 17, 2020;
- tranche B for €10M;
- tranche C for €10M.

The main characteristics of this loan are as follows:

- The loan is granted in euros and for a term of five years until April 17, 2025.
- The amount loaned has a 6% fixed interest rate;
- Interest is calculated annually and is compounded each year on the amount of capital remaining owed.
- The loan is repayable at maturity;
- In return for the loan granted and the payment of the first tranche of € 15M, 800,000 BSA-EIB-A warrants were issued. The amount of the fair value of the loan on the date of drawing the first tranche, i.e. on April 17, 2020, stood at €1,040K and was deducted from non-current financial liabilities. This contract is the subject of a specific note (Note 15).



Non-Current Financial liabilities (In thousands of euros)	2021-12-31	2020-12-31	Variation
Debts related to the Usage right of the assets	504	814	(311)
EIB loan	15,900	15,000	900
Fair value on the drawing date of tranche A	(1,040)	(1,040)	-
Issue fees Tranche A	110	(96)	206
Accrued interest loans	670	633	38
<b>Total</b>	<b>16,144</b>	<b>15,311</b>	<b>833</b>

Current Financial liabilities (In thousands of euros)	2021-12-31	2020-12-31	Variation
Debts related to the Usage right of the assets	370	347	23
Bank overdrafts	4	3	1
<b>Total</b>	<b>375</b>	<b>350</b>	<b>25</b>

The effective interest rate (EIR) of 7.89% takes into account issue costs of € 229K as well as the fair value, on the subscription date, of A warrants of € 1,040K. The financial expense recognized over the year and calculated on the basis of this EIR amounts to €1,144K.

## NOTE 15 FINANCIAL INSTRUMENTS

Following the release of the first tranche of the EIB loan (see Note 14), on April 1, 2020, the Group issued A Warrants for the EIB, the main characteristics of which are as follows:

- 800,000 A warrants;
- These warrants are exercisable for 15 years from the date of issue (i.e. from the date of release of tranches A and B to which they are backed);
- The subscription price is €0.01 per warrant;
- Each warrant gives the right to subscribe to one ordinary share (possible adjustment of this ratio).

An analysis was carried out by the Group which concluded that A warrants are derivative instruments of treasury shares which do not meet the definition of equity instruments since they can be unwound either by the delivery of a variable number of shares or by a variable amount of cash. As a result, they do not follow the fixed-for-fixed rule and are qualified as derivative liabilities within the scope of IFRS 9.

For the first time, the derivative is recognized under liabilities in the Group's consolidated financial statements, at its fair value on the drawdown date, in reduction of the loan to which it relates. Thus, given that only tranche A has been drawn down for an amount of €15M, only A warrants have been recognized in the consolidated financial statements.

Since the warrants represent the sale of an option (call option on treasury stock) not eligible as hedging instruments under IFRS 9, the change in fair value is recognized in the income statement.

Following fund raising in March 2021, the strike price of the warrants could be determined. This stands at €8.34 for the 800,000 A warrants.

Considering that the strike price of the warrants is fixed and that Median Technologies does not pay dividends to shareholders, the fair value of warrants was estimated on the basis of a Black & Scholes formula, based on the following main assumptions:

- A zero dividend rate;
- A risk-free rate based on the euro zone short-term rate (“ESTER”);
- The maturity date of A warrants on April 17, 2035;
- Prospective volatility in the Median Technologies share price of 64% based on observations of historical volatility by the Company;
- Median Technologies share price on the date of valuation.

Financial Instruments (In thousands of euros)	2021-12-31	2020-12-31	Variation
BSA-BEI-A (1)	10,505	4,016	6,489
<b>Total</b>	<b>10,505</b>	<b>4,016</b>	<b>6,489</b>

(1) Valuation on April 17, 2020: € 1,040 K - Recognition as a reduction of the Loan.

Based on the method described above, the initial fair value of € 1,040K, recognized as a deduction from tranche A of the loan, was revalued:

- at the end of 2020 to stand at €4,016K.
- at the end of 2021 to stand at €10,505K.

The change in fair value over 2021, or €6,489K, was recognized in the income statement under the cost of financial debt.

## NOTE 16 DEFERRED TAX LIABILITIES

Net deferred tax liabilities are analyzed as follows:

Origin of deferred tax - net (In thousands of euros)	2021-12-31	2020-12-31	Variation
Charges temporarily non-deductible	-	-	-
Tax losses carried forward (2)	683	676	7
Consolidation adjustments of the following:	-	-	-
. Retirement and pension	192	177	15
. Intragroup provisions (1)	(1,120)	(1,105)	(15)
. Usage right of the assets	4	4	0
. Others adjustments	-	11	(11)
<b>Total (3)</b>	<b>(241)</b>	<b>(237)</b>	<b>(4)</b>

(1) A deferred tax liability was recorded in provisions recognized in the parent company financial statements concerning advances granted by the Company to its subsidiaries. The provision for these advances was deducted fiscally in the parent company financial statements. These advances amount to €4,478K at December 31, 2021 (€4,420K at December 31, 2020).

(2) A deferred tax asset for the losses carried forward of €683K (€676K at December 31, 2020) was recorded under deferred tax liabilities, taking into account, however, French tax legislation, which

caps the charging of losses carried forward to 50% of taxable income for the financial year, with this limit applicable to the fraction of profits exceeding €1 million. Median Technologies has been investing large amounts in Research & Development activities in the fields of medical imaging for many years. The aim is simple, namely to help change future healthcare. With its iBiopsy project, the Group intends to continue spending significantly over the next few years. As a result, the Group does not currently expect to be able to break even in coming years, despite the very positive results now achieved by its iCRO activity, and the services provided during clinical trials carried out by large pharmaceutical groups.

Given its history of recent losses and in the absence of convincing evidence justifying the use of short-term tax deficits, the Group has not recorded any additional deferred tax for tax losses. The balance of these non-activated tax deficits as of December 31, 2021 amounted to €127,280K (€113,919K at December 31, 2020).

- (3) Since deferred tax assets and liabilities are recorded solely at the Company level, deferred tax assets and liabilities have been offset.

Changes in deferred taxes break down as follows:

Deferred tax - net (In thousands of euros)	2021-12-31	2020-12-31
<b>Opening balance</b>	<b>(237)</b>	<b>(341)</b>
Deferred tax expense in profit or loss	(4)	37
Tax expense deferred in other comprehensive income items	0	67
<b>Closing balance</b>	<b>(241)</b>	<b>(237)</b>

Deferred taxes on income and other comprehensive income (OCI) break down as follows:

Deferred tax - net (In thousands of euros)	2021-12-31		2020-12-31	
	Résultat net	OCI	Résultat net	OCI
Charges temporaires non déductibles	-	-	-	-
Déficits fiscaux reportables (2)	7	-	(4)	-
Retraitements de consolidation :				
- Retraites et pensions	14	0	19	67
- Provision intragroupe (1)	(15)	-	7	-
- Droits liés à l'utilisation des actifs	0	-	2	-
- Autres retraitements	(11)	-	13	-
<b>Total</b>	<b>(4)</b>	<b>0</b>	<b>36</b>	<b>67</b>

## NOTE 17 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

Trade payables and other debts are liabilities recorded at the amortized cost.

The division by nature is as follows:

Trade and others payables (In thousands of euros)	2021-12-31	2020-12-31	Variation
Supplier accounts payable	3,120	2,593	527
Tax liabilities	422	144	278
Social security liabilities	3,838	3,182	656
Other payables	171	260	(89)
<b>Total</b>	<b>7,551</b>	<b>6,178</b>	<b>1,370</b>

All trade payables payable and other debts have a due date of less than one year. Social liabilities concern wages, social security charges and provisions for paid leave.

## NOTE 18 CONTRACT LIABILITIES

As of December 31, 2021, other non-current liabilities were broken down as follows:

Non-current other liabilities (In thousands of euros)	2021-12-31	2020-12-31	Variation
Payment advances received by customer's	8,825	9,756	(932)
Deferred Income	1	4	(3)
<b>Total</b>	<b>8,825</b>	<b>9,760</b>	<b>(935)</b>

Contract liabilities correspond mainly to advances received from clients at the start of the contract for the "Clinical trials" activity.

These advances are charged to client invoicing according to different methods:

- At the same rate as the progress of the services performed and recognized in revenue;
- At the end of the contract, on the last invoices;

These advance payments are theoretically reimbursable in the event the contract ends (end of clinical trial, cancellation). Note that recent contracts stipulate that advance payments are not necessarily fully reimbursed in the event of cancellation.

## NOTE 19 REVENUE

Revenue (In thousands of euros)	2021-12-31			2020-12-31			Variation
	France	Export	Total	France	Export	Total	
Services	2,255	18,292	20,547	1,701	11,777	13,478	7,069
Sale of licenses	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-	-
<b>Total</b>	<b>2,255</b>	<b>18,292</b>	<b>20,547</b>	<b>1,701</b>	<b>11,777</b>	<b>13,478</b>	<b>7,069</b>

Geographic areas are divided according to destination. The breakdown of revenue by country is as follows:

Revenue split by geographic areas (In thousands of euros)	2021-12-31	2020-12-31	Variation
China	10,417	7,104	3,314
USA/Canada	3,637	2,888	749
France	2,255	1,701	554
United Kingdom	2,307	875	1,432
Other Export	1,931	910	1,021
<b>Total</b>	<b>20,547</b>	<b>13,478</b>	<b>7,069</b>

Group revenue for 2021 amounted to €20,547K, compared to €13,478K in the previous financial year, representing an increase of more than 52.4%.

This increase in activity over 2021 stemmed primarily from:

- The development of the iCRO activity in China. The set-up of the Chinese structure has led to a significant increase in revenue since the start of its activity in 2019;
- High growth across all other regions where the Group is extending its presence gradually.

The iBiopsy® business has not generated revenue yet.

The Group is referenced at the major global pharma laboratories and constantly aims to expand its presence and increase its activity. The Company does not consider itself to be dependent on one laboratory.

Revenue split by Client as of 2021-12-31	In Thousands of euros	In %
Client 1	3,778	18%
Client 2	2,264	11%
Client 3	2,043	10%
Others	12,461	61%
<b>Total</b>	<b>20,547</b>	<b>100%</b>

## NOTE 20 EXTERNAL EXPENSES

External expenses amounted to €13,468K as of December 31, 2021 compared with €9,468K as of December 31, 2020.

External costs (In thousands of euros)	2021-12-31	2020-12-31	Variation
Subcontracting	6,719	5,016	1,703
Rental and lease expenses	243	204	40
Repairs and maintenance	282	159	123
Insurance premiums	79	77	2
External services - various	2,271	672	1,599
Intermediate and fees	2,354	2,065	289
Advertisement	228	165	63
Transport	36	26	10
Travel, assignments and entertainment	443	226	217
Postal & telecommunications expenses	114	39	75
Banking services	158	95	63
Other services - various	14	12	2
Other operating expenses	904	713	191
<b>Total</b>	<b>13,845</b>	<b>9,468</b>	<b>4,377</b>

The difference of €4,377K in expenses essentially reflects:

- The €1,703K increase in outsourcing costs related to pharma projects following higher activity across all of the Group's companies.
- The rise in external services for €1,599K relative to:
  - Marketing studies and research undertaken as part of the iBiopsy project;
  - Contracts signed with hospitals and clinics to obtain medical imaging data and their specific treatments (annotations, segmentations);
  - Use of staff specialized in computer software development, to enable creation of new tools for clinical trials.
- The rise in fees for a total of €289K, given the large number of high level recruitments as well as the use of IT services providers to support all of the Group's infrastructures.
- Higher travel expenses for an amount of €217K given the recovery in travel since the pandemic, but also the recruitment of new resources, many of whom now work from home and are obliged to travel to the Group's head office.

## NOTE 21 STAFF COSTS

Staff costs break down as follows:

Staff Costs (In thousands of euros)	Notes	2021-12-31	2020-12-31	Variation
Salaries		11,934	9,141	2,793
Social security costs		4,877	3,534	1,344
Research tax credit		(1,308)	(1,299)	(9)
<b>Total</b>		<b>15,504</b>	<b>11,376</b>	<b>4,128</b>
Share-based payments	<b>23</b>	1,847	267	1,580
Employee benefits	<b>12</b>	49	76	(27)
<b>Total</b>		<b>17,399</b>	<b>11,718</b>	<b>5,680</b>
<b>Average employee numbers</b>		<b>165</b>	<b>125</b>	<b>40</b>

Payroll expenses as well as headcount were up sharply over the year (+36% for wage expenses) due to:

- the surge in services in the iCRO business at all of the Group's companies,
- the need to strengthen the iBiopsy teams in all of their operations (research, marketing, science, software development, image processing etc.).

The research tax credit and the innovation tax credit correspond to a subsidy granted by the State based on charges incurred in connection with research & development and innovation spending.

The expenses incurred by the Group in this area and eligible for the research tax credit and the innovation tax credit correspond essentially to staff costs, which explains why these tax credits are charged to staff costs.

The share relative to other spending was charged to the items concerned (external costs, depreciation and amortization).

R&D spending eligible for the research tax credit and the innovation tax credit came to €4,964K in 2021, compared with €4,432K for the research tax credit in 2020.

## NOTE 22 TAXES

Taxes correspond to:

- contributions based on wages for an amount of €158K;
- various taxes (withholding tax, land tax, vehicle tax) for €17K;
- training costs for an amount of €82K.

## NOTE 23 SHARE-BASED PAYMENTS

The share-based payment agreements for the Group and still underway as of December 31, 2021 are as follows:

- the 2019 and 2020 stock option plans;
- the free share plans;
- the BSA EIB warrants (Note 15).

These agreements are all regulated under Group equity instruments. The expense for the year mainly corresponds to the free share plan expense as described below.

### a) Stock option plans

The Extraordinary General Meeting dated June 26, 2019, authorized the Board of Directors to issue, on one or more occasions, in the proportions and at the times that it deems fit, a maximum number of 500,000 securities providing access to the capital possessing the characteristics of share warrants (hereinafter the "SO 2019").

The Board of Directors meetings of June 27, 2019, January 16, 2020, July 9, 2020 and October 16, 2020 awarded respectively 385,016, 90,000, 50,000 and 15,000 stock-options, the characteristics of which are as follows:

Plan no.	Grant date	Personnel involved	Number of options	Vesting conditions	Contractual life of the options
SO 2019 A	2019-06-27	Senior management	94,516	0 years of service	7 years
SO 2019 B	2019-06-27	Employees and Senior management	257,500	4 years of service	7 years
SO 2019 C	2019-06-27	employees	33,000	4 years of service	7 years
<b>Total</b>			<b>385,016</b>		

Plan no.	Grant date	Personnel involved	Number of options	Vesting conditions	Contractual life of the options
SO 2020-M	2020-01-16	Senior management	60,000	0 years of service	7 years
SO 2020-Z	2020-01-16	Senior management	30,000	3 years of service	7 years
SO 2020-S	2020-07-09	Senior management	50,000	4 years of service	7 years
SO 2020-D	2020-10-16	Senior management	15,000	4 years of service	7 years
<b>Total</b>			<b>155,000</b>		

The expense recognized in 2021 in respect of these stock option plans amounted to €155K.

The primary assumptions utilized for the determination of the expense resulting from share-based payments by application of the Black-Scholes model for valuation of the fair value of these options were the following:



	SO 2020 M	SO 2020 Z	SO 2020 S	SO 2020 D
Price of the underlying on the grant date	1.84	1.84	7.28	8.02
Strike Price	1.50	1.50	2.65	4.18
Expected volatility	40%	40%	40%	40%
Maturity	7	7	7	7
Risk-free return rates	0.92%	0.92%	0.00%	0.00%
Dividend rates	0%	0%	0%	0%
Fair Value of Option	0.90	0.90	5.02	4.77

Expected volatility has been estimated by considering the historic volatility of the share prices of a panel of comparable listed companies, particularly over the historical period compatible with the expected term.

#### b) Free share plans

**Pursuant to resolution no.18, the Extraordinary General Meeting of June 26, 2019** authorized the Board of Directors, for a period of 38 months and on one or more occasions, to allocate free shares. Using this authorization, the Board of Directors of March 12, 2020 set the following terms:

Plan no.	Grant date	Personnel involved	Number of options	Vesting conditions	Contractual life of the options
AGA 2020	2020-03-12	Senior management	90,000	2 years of service	1
<b>Total</b>			<b>90,000</b>		

AGA 2020	
Price of the share on the grant date	1.22
Dividend rates	0%
Discount for non-transferability	10%
Fair Value of Option	1.10

The expense recognized in 2021 amounted to €19K.

**Pursuant to resolution no.22, the Extraordinary General Meeting of June 1, 2021** authorized the Board of Directors, for a period of 38 months and on one or more occasions, to allocate free shares.

Using this authorization, the Board of Directors of October 21, 2021 set the following terms:

Plan no.	Grant date	Personnel involved	Number of options	Vesting conditions	Contractual life of the options
AGA 2021-1-a	2021-10-21	Senior management	65,000	1 year of service	2
AGA 2021-1-b	2021-10-21	Senior management	65,000	2 year of service	2
AGA 2021-1-c	2021-10-21	Senior management	65,000	3 year of service	3
AGA 2021-1-d	2021-10-21	Senior management	65,000	4 year of service	4
AGA 2021-2-a	2021-10-21	Senior management	200,000	1 year of service	2
AGA 2021-2-b	2021-10-21	Senior management	167,647	Specificity	Specificity
AGA 2021-2-c	2021-10-21	Senior management	174,353	Specificity	Specificity
AGA 2021-3-a	2021-10-21	Senior management	10,000	2 year of service	2
AGA 2021-3-b	2021-10-21	Senior management	10,000	3 year of service	3
AGA 2021-3-c	2021-10-21	Senior management	10,000	4 year of service	4
<b>Total Options</b>			<b>832,000</b>		

### Information on fair value

Fair values have been determined at the respective allocation dates of the plans using the Monte Carlo options pricing model based on data and assumptions valid at those dates.

For this reason, the fair values presented in the table below for the AGA 2021-2-b and AGA 2021-2-c plans (including fair value) are not identical to the share price on the allocation date. These fair values take into account the probability of achieving the performance criteria attached to these two plans.

Non-market service and performance conditions stipulated in the agreements have not been taken into account in the measurement of fair value.

The expected volatility has been estimated by using the historical volatility of the price of the Company's shares, in particular over the historical period compatible with the expected term. The expected term of the instruments has been estimated based on the experience and general behavior of the option holders.

	AGA 2021-1	AGA 2021-2-a	Specificity AGA 2021-2-b	Specificity AGA 2021-2-c	AGA 2021-3
Price of the share on the grant date	16.98	16.98	16.98	16.98	16.98
Dividend rates	0%	0%	0%	0%	0%
Discount for non-transferability	0%	0%	0%	0%	0%
Fair Value of Option	16.98	16.98	10.53	8.95	16.98

The expense recognized in 2021 amounted to €1,672K.

### Information concerning the various plans

Free Shares	History	Allocation Date	Acquisition Period	Variable retention Period
" AGA 2021-1"	The Board of Directors of October 21, 2021 decided to award 260,000 free shares ("the AGA 2021-1"); the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	1/4 of AGA 2021-1 would be definitive after a one-year vesting period ;	October-21	October-22	1 year
	1/4 of AGA 2021-1 would be definitive after a two-year vesting period;	October-21	October-23	n/a
	1/4 of AGA 2021-1 would be definitive after a three-year vesting period;	October-21	October-24	n/a
	1/4 of AGA 2021-1 would be definitive after a four-year vesting period.	October-21	October-25	n/a
" AGA 2021-2"	The Board of Directors of October 21, 2021 decided to award 542,000 free shares ("the AGA 2021-2"); the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	200,000 AGA 2021-2, would be definitive after a one-year vesting period ;	October-21	October-22	1 year
	167,647 AGA 2021-2, would be definitive after a one-year vesting period ;	October-21 <sup>(1)</sup>	(1) <sup>(1)</sup>	(1)
	174,353 AGA 2021-2, would be definitive after a one-year or two-year vesting period .	October-21 <sup>(2)</sup>	(2) <sup>(2)</sup>	(2)
" AGA 2021-3"	The Board of Directors of October 21, 2021 decided to award 30,000 free shares ("the AGA 2021-3"); the acquisition and retention period will be as follows subject to the compliance of the presence condition according to the plan for the allocation of free shares :			
	1/2 of AGA 2021-3 would be definitive after a two-year vesting period;	October-21	October-23	n/a
	1/4 of AGA 2021-3 would be definitive after a three-year vesting period;	October-21	October-24	n/a
	1/4 of AGA 2021-3 would be definitive after a four-year vesting period.	October-21	October-25	n/a

(1) October 2022, and the average closing price of the Company's shares calculated over a period of 30 consecutive trading days is  $\geq$  €22.50.

(2) October 2022 or 2023, and the average closing price of the Company's shares calculated over a period of 30 consecutive trading days is  $\geq$  €33.75.

## NOTE 24 FINANCIAL INCOME (EXPENSE)

Financial income (expense) breaks down as follows:

Net financial result (In thousands of euros)	2021-12-31	2020-12-31	Variation
Interest and financial charges paid	(1,189)	(789)	(400)
Change in fair value of warrants	(6,489)	(2,976)	(3,513)
Loss on investments	-	-	-
<b>Cost of net financial debt</b>	<b>(1,189)</b>	<b>(789)</b>	<b>(400)</b>
Exchange Loss	-	(300)	300
Others financial charges	-	(10)	10
<b>Other financial charges</b>	<b>(6,489)</b>	<b>(3,286)</b>	<b>(3,203)</b>
Exchange Gain	313	43	270
Other Investment income	79	41	38
<b>Other Investment income</b>	<b>393</b>	<b>85</b>	<b>308</b>
<b>Total financial result</b>	<b>(7,286)</b>	<b>(3,991)</b>	<b>(3,295)</b>

The significant deterioration in financial income (expense) is due to the subscription to the financing contract with the EIB, which has a dual effect:

- Interest expenses on the loan of €1,160K The previous year's expense was only for the period from the date of drawing down of tranche A to the end of the fiscal year;
- Change in the fair value of the warrants of €6,489K described in Note 15.
- Foreign exchange gains concern the conversion of €//\$ currencies, more favorable in fiscal 2021.

## NOTE 25 INCOME TAX

Income tax expenses break down as follows:

Tax on profit or loss (In thousands of euros)	2021-12-31	2020-12-31	Variation
Payable tax - France	-	-	-
Payable tax - Abroad	(432)	(27)	(405)
Deferred taxes - net	(4)	35	(39)
<b>Total</b>	<b>(437)</b>	<b>8</b>	<b>(445)</b>

The amount of the Group's income tax is different from the theoretical amount that would result from the tax rate applicable in France given the following elements:

Tax on profit or loss (In thousands of euros)	2021-12-31	2020-12-31	Variation
Result before tax	(18,855)	(12,810)	(6,045)
French corporation tax rate	26.50%	28.00%	
<b>Theoretical tax charge</b>	<b>(4,997)</b>	<b>(3,588)</b>	<b>(1,409)</b>
Effect of tax on:			
Other non-taxable income (CIR-CII)	(416)	(398)	(18)
Impact of unused tax losses brought forward	3,538	3,024	514
Permanent differences and restatements with no impact on	2,284	965	1,319
Other temporary differences	27	(12)	39
<b>Actual tax charge</b>	<b>437</b>	<b>(8)</b>	<b>445</b>

According to the legislation in effect, the Company has tax deficits that may be carried over indefinitely in France, for a total amount of €130,012K as of December 31, 2021.

The deficit the Company had available as of December 31, 2020 stood at €116,622K.

The stock of deferred tax assets not recorded under accrued deficits generated by the Group at December 31, 2021 came to €31,820K (€28,480K for the financial year ended December 31, 2020), assuming a future tax rate of 25%.

It corresponds to the tax effect on the Company's loss carry-forwards, which can be attributed without limitation to future taxable profits less the amount activated in the accounts for €683K. These deferred tax assets have not been activated in accordance with the principles described in notes 2.b) and 16.

No deferred income tax has been recognized on the fair value of the warrants, constituting the main source of difference included under "Permanent differences and restatements with no impact on tax".

## NOTE 26 EARNINGS PER SHARE

The number of shares used to calculate earnings per share is equal to the average weighted number of ordinary shares outstanding during the financial year, from which treasury shares are deducted.

Net result per share (In thousands of euros)	2021-12-31	2020-12-31	Variation
<b>Net result</b>	<b>(19,292)</b>	<b>(12,802)</b>	<b>(6,490)</b>
Weighted average number of ordinary shares outstanding	15,470,248	12,115,223	3,355,025
Weighted average number of preference shares B outstanding	1	1	-
Treasury shares	(20,093)	(35,698)	15,605
<b>Total shares</b>	<b>15,450,156</b>	<b>12,079,526</b>	<b>3,370,630</b>
<b>Earnings per share (en euros)</b>	<b>(1.25)</b>	<b>(1.06)</b>	<b>(0.19)</b>
<b>Number of potential shares</b>	<b>2,097,766</b>	<b>2,487,458</b>	<b>(389,692)</b>

Note that net earnings per share indicated in the consolidated income statement (1.25) corresponds to the consolidated net profit (loss) over the number of shares making up the Company's share capital as of December 31, 2021.

Potentially dilutive instruments are described in Note 11. During the periods reported, instruments providing right to the capital on a deferred basis (founders share warrants, equity warrants, free shares, etc.) are considered as anti-diluting as they lead to a reduction in the loss per share. Therefore, diluted earnings per share is identical to basic earnings per share.

## NOTE 27 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's policy is not to take out financial instruments for speculative purposes. The Group does not use any derivative financial instruments.

The Group is exposed to different degrees to foreign exchange, counterparty and liquidity risks. It is not exposed to interest rate risk.

### a) Foreign exchange risk

Foreign exchange risk is the risk that the future fair value or cash flows from a financial instrument will fluctuate due to a change in foreign exchange rates. The Group's strategy is to favor the euro as the currency for signing contracts. However, through its international exposure, the Group is also led to invoice in dollars and is therefore confronted with foreign exchange risks linked to such transactions. The Group cannot exclude the possibility that a significant increase in its activity will result in greater exposure to foreign exchange risk. The Group therefore expects to re-implement a policy that is more adapted to hedging these risks.

The Group's main foreign exchange risk concerns translation of the accounts of its subsidiaries Median Technologies Inc. from US\$ into euros, and Median Medical Technology from CNY into euros.

It is therefore mainly exposed to fluctuations in the USD/EUR and CNY/EUR parities.

To limit the impact of fluctuations in the USD, the Group reuses all of these funds in dollars for its subsidiary's needs.

For the CNY, the Company intends to provide complete autonomy to its Chinese subsidiary as soon as possible in order to limit as far as possible its exposure to the Chinese currency. In 2021, all new projects signed in China were contractualized directly with Median Medical Technology (Shanghai) Co., Ltd. Recruitments are set to continue so that all of the services will soon be performed by our Chinese teams dedicated to Chinese projects.

**b) Interest rate risk**

As of December 31, 2021, the Group's financial liabilities were not subject to interest rate risk. Loans are at fixed rates, and advances and repayable borrowings have a rate of zero. The Group has no variable rate debt with financial institutions and therefore has no interest rate risk.

**c) Credit risk**

Credit or counterparty risk is the risk of loss on a claim or more generally that of a third party that does not pay its debt on time. The risk presented by private clients is controlled, given the advances and down payments that the Group obtains before beginning its service. The Group has also set up an export insurance-credit contract to cover any losses in defaulting export trade receivables. The credit risk on receivables linked to state subsidies and research tax credits are considered insignificant with regard to the Company's history. The credit risk linked to cash, cash equivalents and current financial instruments is not significant with regard to the quality of the co-contracting financial institutions.

**d) Liquidity risk**

The Group's financing is carried out under the framework of a policy implemented by the Finance Department. The Group's financing structure is mainly based on equity, shareholder financing and public financing. Cash is held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. It can be easily converted into a known amount of cash and subject to an insignificant risk of change in value.

Given the available cash position of €39M as of December 31, 2021, the Group considers that it has sufficient cash to meet cash requirements related to its business and investments over the 12 months after the closing date.

The above-mentioned items enable the consolidated financial statements to be prepared as of December 31, 2018 according to the going concern principle.

## **NOTE 28 OFF BALANCE-SHEET COMMITMENTS AND OTHER EVENTUAL LIABILITIES**

### **a) Loan Agreement Signed with the European Investment Bank (EIB)**

On December 18, 2019, Median Technologies and the European Investment Bank (EIB) signed a financing agreement amounting to €35million, supported by the European Fund for Strategic Investment (EFSI) or the “Juncker Plan”.

This financing, divided into three tranches, will allow Median Technologies to strengthen and accelerate the investment program for its iBiopsy® imaging phenomics platform over the coming years.

- tranche A for €15M;
- tranche B for €10M;
- tranche C for €10M.

Median obtained payment of the first tranche on April 17, 2020.

The agreement then provides for the release of the second and third tranches (of €10M each) in the coming years, at the discretion of Median Technologies, subject to the realization of certain conditions precedent defined in the financing agreement. One of the essential conditions was to provide the European Investment Bank proof that one or more capital increases had been carried out in favor of the Company for an amount exceeding €10M.

On March 25, 2021, Median Technologies undertook a capital increase for a gross amount of €28.1M.

#### **At the end of the project defined in the contract**

The financing obtained from the European Investment Bank was allocated under the framework of the research and development operation for the iBiopsy project. It was agreed that by the end of financial year 2023, all of the financing granted should represent no more than 50% of all costs invested by the company within the framework of this project. In the event that the financing should exceed 50% of these amounts, the bank could demand the immediate repayment of any excess amounts. Median Technologies management committee is confident in its ability to achieve the objectives defined in the contract signed with the European Investment Bank within the allotted deadlines.

#### **Issuance of stock warrants**

Under the terms of the warrant issuance contract, Median Technologies issued 800,000 equity warrants in favor of the EIB when the first tranche was paid, and, as applicable, will issue 300,000 additional equity warrants when the second tranche is released at a subscription price of €0.01. The strike price of these warrants was determined following the capital increase undertaken in March. The strike price is €8.34.

The warrant issuance contract includes an exercise parity adjustment clause which could apply, under certain conditions, if capital is raised.

The EIB shall also have the right, under certain conditions, to ask Median Technologies to buy back its warrants for a maximum amount of €50M and, beyond that, to find a purchaser and pay interest on the price of the remaining warrants.

## NOTE 29 RELATED PARTY TRANSACTIONS

### a) Compensation of main executives

The main executives consist of the members of the Company's Board of Directors. Compensation paid or to pay to the main executives is as follows:

Remuneration of senior directors (In thousands of euros)	2021-12-31	2020-12-31	Variation
Wages and salaries (including social security contributions)	852	915	(63)
Wages and salaries to be paid (including social security contributions)	297	247	50
Share-based payments	1,155	58	1,097
Director's fees	150	150	-
<b>Total</b>	<b>2,454</b>	<b>1,370</b>	<b>1,084</b>

Note that the amount shown in the attendance fees line for 2020 concerned the maximum amount set by the Annual General Meeting. The amount definitively allocated for 2020 was €150K.

### b) Other operations with the main executives

A consulting contract was signed on January 6, 2020 with Orsco Life Sciences AG, whose Chairm is Oern Stuge, a Director of the Company. The contract was renewed for 2021. The amount of this annual contract is €100K. The two other contracts existing on December 31, 2020 with Kapital Consulting and Oran Muduroglu were not renewed for the year.

The Group does not have any other transactions with the main executives.

## NOTE 30 EXTERNAL AUDITOR FEES AND THEIR NETWORK

The amount of fees of the firm PwC included in the consolidated income statement for the year 2021 breaks down as follows:

Fees received by statutory auditors (In thousands of euros)	2021-12-31	2020-12-31
<b>Audit and certification</b>		
- Parent	62	59
- Affiliated companies (Full consolidation)	28	26
<b>Other diligences and services related to the audit</b>	-	-
- Parent	105	74
- Affiliated companies (Full consolidation)	24	7
<b>Subtotal</b>	<b>219</b>	<b>166</b>
<b>Other services performed by networks to the affiliated companies (full consolidation)</b>		
- Legal, fiscal and social	-	-
- Other	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>219</b>	<b>166</b>



### **NOTE 31 DIVIDENDS**

No dividend was paid by the Company during the financial years ended December 31, 2019 and December 31, 2020. No dividend was proposed before approval to publish the financial statements for the year ended December 31, 2021 was granted.

### **NOTE 32 EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END**

On January 5, 2022, Median Technologies announced excellent performances for its iBiopsy® Lung Cancer Screening (LCS) CADe algorithm in detecting potentially cancerous lung nodules.

- iBiopsy® Lung Cancer Screening (LCS) detection performance reached 94.9% sensitivity for a false positive rate of 1 per CT scan, a performance superior to that of lung CADe systems currently on the market.
- The particularly high sensitivity of iBiopsy® LCS is a prerequisite for implementing a reliable detection and diagnosis (CADe/CADx) solution for lung cancer screening programs.
- After detection (CADe), the diagnostic component (CADx) of iBiopsy® LCS characterizes nodules as malignant or benign. Its sensitivity/specificity levels were announced in 2021 and are still unparalleled today.

On March 3, 2022, Median announced it had filed a 513(g) submission on February 17, 2022 to the United States Food and Drug Administration (FDA) for its iBiopsy® LCS CADe/CADx Software as Medical Device (SaMD).

- Filing of the 513(g) submission is a key milestone that marks the start of Median's interactions with the FDA.
- The filing will allow Median Technologies to determine the best regulatory pathway for the iBiopsy® LCS CADe/CADx Software as Medical Device.
- Median aims to obtain full regulatory approval and authorization to market its SaMD by the end of 2023, and then to launch its commercialization.
- iBiopsy® LCS CADe/CADx SaMD could significantly contribute to removing barriers currently slowing the adoption of lung cancer screening programs and save the lives of millions of patients.

The 513(g) submission will allow Median Technologies to determine the best product classification and choose between the De Novo or the 510(k) regulatory pathways for iBiopsy® LCS CADe/CADx SaMD. The FDA is expected to review the 513(g) submission and provide feedback within 60 calendar days.

As next regulatory steps, Median Technologies is preparing several Q-submissions for Q2, 2022.

## **5. DECLARATION OF THE PERSON RESPONSIBLE FOR THE FINANCIAL REPORT ON THE INDIVIDUAL AND CONSOLIDATED ANNUAL ACCOUNTS**

**PERIOD FROM JANUARY 1 TO DECEMBER 31,2021**

We hereby certify, to our knowledge, that the financial statements have been established in accordance with the applicable accounting standards and provide a faithful image of the assets, the financial condition, and the company's income and of all of the companies included within the consolidation, and that the management report attached herewith presents a faithful picture of the evolution of business, income, and the financial condition of the company and all of the companies included within the consolidation as well as a description of the principal risks and uncertainties they are facing.

Executed in Valbonne, April 20, 2022

THE CHAIRMAN  
MEDIAN TECHNOLOGIES

**Oran MUDUROGLU**