

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES OF AMERICA

IMPORTANT: You must read the following before continuing. The following applies to the Preliminary International Offering Memorandum following this notice, whether received by email or otherwise received as a result of electronic communication. You are therefore advised to read this carefully before reading, accessing or making any other use of the Preliminary International Offering Memorandum. In accessing the Preliminary International Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, any time you receive any information from the Joint Lead Managers and Joint Bookrunners (as defined below) or Voluntas (the “**Company**”) as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OF AMERICA OR IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED IN THE ATTACHED PRELIMINARY INTERNATIONAL OFFERING MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA. SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OF AMERICA, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE DISTRIBUTION OF THE ATTACHED DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THE DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS. BY ACCEPTING THIS EMAIL, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

THE PRELIMINARY INTERNATIONAL OFFERING MEMORANDUM HAS BEEN PREPARED IN CONNECTION WITH THE PROPOSED OFFER AND SALE OF THE SECURITIES DESCRIBED HEREIN. THE FOLLOWING PRELIMINARY INTERNATIONAL OFFERING MEMORANDUM AND ITS CONTENTS ARE PROVIDED TO YOU SOLELY FOR YOUR INFORMATION, ARE CONFIDENTIAL AND MAY NOT BE REPRODUCED, FORWARDED, DISTRIBUTED OR PASSED ON (ELECTRONICALLY OR OTHERWISE) IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.

Confirmation of your Representation: This Preliminary International Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Preliminary International Offering Memorandum, you shall be deemed to have consented to delivery of such Preliminary International Offering Memorandum by electronic transmission and to have represented to the Company that (1) you and any customers you represent are outside the United States of America (in compliance with Regulation S under the U.S. Securities Act) and that the e-mail address that you gave the Company and to which this Preliminary International Offering Memorandum has been delivered is not located in the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America or the District of Columbia, and that the e-mail to which the Preliminary International Offering Memorandum is attached is not being accessed in any of the foregoing and (2) if you are resident in a Member State of the European Economic Area, you are a qualified investor (within the meaning of Article 2(1)(e) of Directive 2003/71/EC and any relevant implementing measure in each Member State of the European Economic Area).

You are reminded that this Preliminary International Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Preliminary International Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Preliminary International Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and Bryan, Garnier & Co or Oddo BHF SCA (the “**Joint Lead Managers and Joint Bookrunners**”) or any affiliate of the Joint Lead Managers and Joint Bookrunners is a licensed broker or dealer in that

jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers and Joint Bookrunners or such affiliate on behalf of the Company in such jurisdiction.

The information in this Preliminary International Offering Memorandum is preliminary and will be supplemented by a pricing supplement which will contain additional information, including, among other matters, the final price per share and the number of shares to be sold.

This Preliminary International Offering Memorandum has not been approved by an authorized person in the United Kingdom and is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). The Preliminary International Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Preliminary International Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. No person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the securities other than in circumstances in which Section 21(1) of the FSMA does not apply to the Company.

This Preliminary International Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, the Joint Lead Managers and Joint Bookrunners or any person who controls any Joint Lead Manager and Joint Bookrunner, or any of their respective directors, officers, employees or agents or affiliates of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary International Offering Memorandum distributed to you in electronic format and the hard copy version.

You are responsible for protecting yourself against viruses and other destructive items. Your use of this document is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



Up to 2,472,500 Shares

This global offering is part of an offering of up to 2,150,000 newly issued ordinary shares, with a par value of €0.10 each, of Voluntis, a French *société anonyme*, whose registered office is located at 58, avenue de Wagram, 75017 Paris, France and registered with the trade and companies registry of Paris under number 439 685 850 (“**Voluntis**” or the “**Company**”). The offering of up to 2,150,000 shares (the “**Offering**”) includes a public offering in France (the “**French Public Offering**”) and this global offering, which is a private placement mainly to certain institutional investors inside and outside France (the “**International Offering**”).

The French Public Offering is being made pursuant to a separate offering document prepared in accordance with French regulations. This Preliminary International Offering Memorandum (the “**International Offering Memorandum**”) relates only to the International Offering.

It is currently proposed that the offering price will be between €13.50 and €16.50 per share. This price range is indicative only and is subject to change. The offering price for the shares sold in the French Public Offering and the International Offering will be identical.

Voluntis is initially offering 2,150,000 newly issued ordinary shares.

In addition, the Company has granted to Oddo BHF SCA (the “**Stabilizing Agent**”), on behalf of Bryan, Garnier & Co and Oddo BHF SCA (the “**Joint Lead Managers and Joint Bookrunners**”) an option to subscribe at the offering price up to an additional 15% of the total number of shares offered in the Offering, i.e., up to an additional 322,500 newly issued ordinary shares (the “**Overallotment Option**”). This option is granted solely for the purpose of covering over-allotments and stabilization activities, if any, and will be exercisable in whole or in part, on one occasion, during the 30 calendar days from the date of publication of the offering price, i.e., according to the indicative timetable, by June 28, 2018 (included). If the Overallotment Option is exercised in full, up to 2,472,500 newly issued shares will be offered.

Prior to the Offering, there has been no public market for the shares. From May 30, 2018 until the date of the settlement-delivery of the newly issued shares (included), which should occur on May 31, 2018 according to the indicative timetable, the trading will be carried out as provided by Article L. 228-10 of the French Commercial Code on a single quotation line labeled “VOLUNTIS – PROMESSES”, subject to the condition precedent that the custodian’s certificate evidencing the subscription of the new shares has been issued. Voluntis has applied to have all its shares listed on the regulated market of Euronext in Paris (Compartment C), as of June 1, 2018 under the label “VOLUNTIS”. The shares will not be listed on any other stock exchange.

Investing in the shares involves risks. See “Risk factors” in Section 2 of the English translation of the securities note (*Note d’opération*) included herein as Annex A and in Section 4 of the English translation of the registration document (*Document de base*) included herein as Annex B, for a discussion of important factors to be considered in connection with an investment in the shares. Investors are advised to carefully read this International Offering Memorandum in its entirety, including the Annexes hereto.

Offering price range: €13.50 to €16.50 per share

The information in this International Offering Memorandum is preliminary and will be supplemented by a pricing supplement which will contain additional information about the Offering, including, among other matters, the final price per share offered hereby and the number of shares to be sold in the French Public Offering and the International Offering.

Voluntis’s shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws. Accordingly, Voluntis’s shares may not be offered or sold absent registration under or an applicable exemption from the registration requirements of the Securities Act. Voluntis’s shares are being offered or sold only (a) outside the United States of America, in offshore transactions, in accordance with Regulation S under the Securities Act and (b) in the United States by Voluntis only to a limited number of “qualified institutional buyers”, or “QIBs”, as defined in Rule 144A under the Securities Act, in transactions that are exempt from or not subject to the Securities Act. See “Important Information about Jurisdictional and Selling Restrictions” in this International Offering Memorandum and paragraph 5.2.1 of the English translation of the securities note (*Note d’opération*) included herein as Annex A for additional information about eligible investors and transfer restrictions.

Delivery of the shares is expected to occur on or about May 31, 2018.

This International Offering Memorandum does not constitute an offer to sell or subscribe nor a solicitation to purchase or subscribe for securities in any countries where such offer or solicitation is not permitted.



Joint Lead Managers and Joint Bookrunners

IMPORTANT INFORMATION ABOUT THIS INTERNATIONAL OFFERING MEMORANDUM

This International Offering Memorandum is confidential and is being furnished solely for the purpose of enabling a prospective investor to consider whether to subscribe for shares as described herein. Any reproduction or distribution of this International Offering Memorandum, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the shares is prohibited. Each person, by accepting delivery of this International Offering Memorandum, agrees to the foregoing.

In making your investment decision, you should rely only on the information contained in this International Offering Memorandum as supplemented by the pricing supplement or to which the Company has referred you. Voluntis has not authorized anyone to provide you with information other than what is contained in this International Offering Memorandum. You should not assume that the information in this International Offering Memorandum is accurate as of any date other than the date on the front cover of this International Offering Memorandum. The Company's business, financial condition, results of operations and prospects may have changed since such date.

Neither the Company nor the Joint Lead Managers and Joint Bookrunners are making any representation to you regarding the legality of an investment in the shares by you under appropriate legal investment or similar laws. You should not construe the contents of this International Offering Memorandum as investment, business, legal, tax or other advice. You should consult your own counsel, accountants and other advisors as to investment, business, legal, tax, financial and related aspects of a subscription of the shares. You are responsible for conducting your own investigation and analysis regarding the Company and assessment of the merits and risks of investing in the shares.

Voluntis's shares have not been and will not be registered under the Securities Act, or under the laws of any state or other jurisdiction within the United States of America. Voluntis's shares may not be offered or sold within the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The shares are only being offered (a) outside the United States of America in offshore transactions in accordance with Regulation S under the Securities Act, (b) in the United States by Voluntis only to a limited number of "qualified institutional buyers", or "QIBs", as defined in Rule 144A under the Securities Act, in transactions that are exempt from or not subject to the Securities Act. See "Important Information about Jurisdictional and Selling Restrictions" below.

The information contained in this International Offering Memorandum has been furnished by Voluntis and other sources it believes to be reliable. This International Offering Memorandum is being furnished by the Company solely for the purpose of enabling a prospective institutional investor to consider the subscription of Voluntis's shares in the International Offering described herein. No representation or warranty, express or implied, is made by the Joint Lead Managers and Joint Bookrunners or any of their affiliates or selling agents as to the accuracy or completeness of the information contained in this International Offering Memorandum, and nothing contained in this International Offering Memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future.

No person has been authorized to give any information or to make any representations in connection with the offering or sale of Voluntis's shares other than those contained in this International Offering Memorandum, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company, the Joint Lead Managers and Joint Bookrunners, any of their affiliates or any other person. The information contained in this International Offering Memorandum is provided as of the date hereof. Neither the delivery of this International Offering Memorandum at any time nor any subsequent commitment to subscribe the shares shall, under any circumstances, create any implication that there has been no change in the Company's business since the date of this International Offering Memorandum.

The distribution of this International Offering Memorandum and the offer of the shares in certain jurisdictions may be restricted by law. Persons receiving this International Offering Memorandum are required by the Company and the Joint Lead Managers and Joint Bookrunners to inform themselves about, and to observe, any such restrictions. This International Offering Memorandum constitutes neither an offer of, nor an invitation to subscribe the shares in any jurisdiction in which such an offer or invitation would be unlawful. No action has been taken in any jurisdiction other than France that could permit a public offering of the shares, or the

circulation or distribution of this International Offering Memorandum or any other offering material, where action for such purpose is required.

This International Offering Memorandum contains a non-official English translation of portions of the French Prospectus (as defined under “Important Information about Jurisdictional and Selling Restrictions — Notice to Prospective Investors in France”). In the event of any inconsistencies between statements contained in the translation and the portions of the text that have been translated herein, the text of the French Prospectus shall be considered authoritative. Neither the Company, nor either of the Joint Lead Managers and Joint Bookrunners assume any liability with respect to the free translation of the portions of the French Prospectus included in this International Offering Memorandum.

Voluntis reserves the right to withdraw the Offering at any time and the Company and the Joint Lead Managers and Joint Bookrunners reserve the right to reject any offer to subscribe, in whole or in part, for any reason, or to issue less than all of the shares offered hereby.

STABILIZATION

IN CONNECTION WITH THIS OFFERING, ODDO BHF SCA (OR ANY ENTITY ACTING ON ITS BEHALF), ACTING AS A STABILIZING AGENT IN THE NAME OF AND ON BEHALF OF THE JOINT LEAD MANAGERS AND JOINT BOOKRUNNERS, MAY (BUT IS NOT OBLIGED TO) UNDERTAKE STABILIZATION TRANSACTIONS IN COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS, IN PARTICULAR, THE PROVISION OF EU REGULATION N°596/2014 OF 16 APRIL 2014 REGARDING MARKET ABUSE AND ITS EU DELEGATED REGULATION N°2016/1052 OF 8 MARS 2016 (THE “EU DELEGATED REGULATION”). THERE IS NO GUARANTEE THAT ANY SUCH STABILIZATION MEASURES WILL BE INITIATED AND IN THE EVENT THAT STABILIZATION MEASURES ARE INITIATED, THEY MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE. THE PURPOSE OF THE STABILIZING TRANSACTIONS IS TO STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SHARES. SUCH TRANSACTIONS MAY AFFECT THE MARKET PRICE OF THE SHARES AND MAY RESULT IN A PRICE OF THE SHARES THAT IS HIGHER THAN THE PRICE THAT OTHERWISE MIGHT PREVAIL. IN THE EVENT THAT STABILIZATION MEASURES ARE INITIATED, THEY MAY BE CARRIED OUT OVER FOR UP TO 30 CALENDAR DAYS FROM THE DATE OF FIXATION OF THE OFFERING PRICE, I.E., ACCORDING TO THE INDICATIVE TIMETABLE, FROM MAY 29, 2018 UNTIL (AND INCLUDING) JUNE 28, 2018. THE RELEVANT MARKET AUTHORITIES AND INVESTORS WILL BE INFORMED BY THE STABILIZING AGENT IN ACCORDANCE WITH ARTICLE 6 OF THE EU DELEGATED REGULATION.

IMPORTANT INFORMATION ABOUT JURISDICTIONAL AND SELLING RESTRICTIONS

General

The distribution of this International Offering Memorandum and the offer and sale of the shares in certain jurisdictions may be restricted by law. Voluntis and the Joint Lead Managers and Joint Bookrunners require that persons into whose possession this International Offering Memorandum comes inform themselves about and observe any such restrictions. No offer or sale of shares may be made in any jurisdiction except in compliance with the applicable laws thereof. The shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws. This International Offering Memorandum does not constitute an offer of, or an invitation to subscribe, shares in any jurisdiction in which such offer or invitation would be unlawful. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

No action has been taken in any jurisdiction by Voluntis or the Joint Lead Managers and Joint Bookrunners that would permit a public offering of the shares offered hereby, other than in France. The French Public Offering is being made pursuant to a separate offering document prepared in accordance with French regulations. See

“Notice to Prospective Investors in France”. This International Offering Memorandum relates only to the International Offering.

For additional information about the restrictions applicable to the Offering, see paragraph 5.2.1 of the English translation of the securities note (*Note d’opération*) included herein as Annex A.

Notice to Prospective Investors in France

This International Offering Memorandum has not been and will not be submitted to the clearance procedures of the French *Autorité des marchés financiers* (the “**AMF**”), and accordingly may not be distributed to the public in France or used in connection with any offer to purchase or sell any of the shares to the public in France. For the purpose of the offering in France, a *prospectus*, which received visa no. 18-169 dated May 14, 2018 from the AMF (the “**French Prospectus**”), in the French language has been prepared (consisting of (i) a registration document (*Document de base*), which was registered by the AMF on April 17, 2018 under no. I.18-016 and (ii) a securities note (*Note d’opération*), dated May 14, 2018, and includes sections describing certain risk factors relating to Voluntis and the International Offering, as well as a summary of the Company’s business). Such *prospectus* is the only document by which offers to subscribe for shares may be made to the public in France.

Notice to Prospective Investors in the European Economic Area (other than France)

No action has been taken nor will be taken to allow the Company’s shares to be offered to the public in any member state of the European Economic Area (the “**Member State**”) that has implemented the Prospectus Directive (other than in France) where a prospectus may be required to be published in such Member State, except that the shares may be offered in such Member States:

- (i) to qualified investors, as defined in the Prospectus Directive;
- (ii) to fewer than 150 individuals or legal entities other than qualified investors (as defined in the Amending Directive) per Member State;
- (iii) in any other circumstances falling under Article 3(2) of the Prospectus Directive.

For the purposes of this provision, (i) the expression an “offer of the shares to the public” in relation to any shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to subscribe for the shares, as such expression may be varied in the Member State, (ii) the expression “Prospectus Directive” means the Directive 2003/71/EC of 4 November 2003, as implemented in a member state (as modified including by the Amending Directive, insofar as it has been implemented by each Member State) and (iii) the expression “Amending Directive” means the Directive 2010/73/UE of the European Parliament and of the Council of 24 November 2010.

This offering restriction applies in addition to any other offering restrictions which may be applicable in the Member States that have implemented the Prospectus Directive.

Notice to Prospective Investors in the United Kingdom

This International Offering Memorandum and any other material in relation to the shares described herein is only addressed to and intended for persons who are (i) outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), (iii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order (“high net worth companies”, “unincorporated associations”, etc.) or (iv) other persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (i), (ii), (iii) and (iv) together being referred to as “**Relevant Persons**”). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares is only available to, and will only be engaged in with, Relevant Persons. The Company’s shares referred to in this International Offering Memorandum may not be offered or issued to persons in the United Kingdom other than Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents. The persons responsible for distributing the International Offering Memorandum shall comply with the legal provisions governing its distribution.

Notice to Prospective Investors in the United States of America

The shares offered hereby have not been and will not be registered under the Securities Act, or under the securities laws of any state or other jurisdiction within the United States of America, and may not be offered or sold within the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Accordingly, the shares are only being offered (a) outside the United States of America in offshore transactions in accordance with Regulation S under the Securities Act, (b) in the United States by Voluntis only to a limited number of “qualified institutional buyers”, or “QIBs”, as defined in Rule 144A under the Securities Act, in transactions that are exempt from or not subject to the Securities Act.

Accordingly, except for offers and sales by Voluntis to QIBs as set forth in the preceding paragraph, any person who subscribes or acquires shares will be deemed to have represented, warranted and agreed, by accepting delivery of the International Offering Memorandum or delivery of the shares, that (1) it acknowledges that the shares offered hereby have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States of America, and may not be offered or sold within the United States of America (as defined in Regulation S); (2) such person and the person, if any, for whose account or benefit it is acquiring the shares offered hereby, was located outside the United States of America (as defined in Regulation S) at the time the buy order for the shares offered hereby was originated and continues to be located outside the United States of America and has not purchased the shares offered hereby for the account or benefit of any person in the United States of America or entered into any arrangement for the transfer of the shares offered hereby or any economic interest therein to any person in the United States of America; (3) the shares offered hereby have not been offered to such person by means of any directed selling efforts (as defined in Regulation S); (4) such person is subscribing or acquiring the shares in compliance with Regulation S in an offshore transaction (as defined in Regulation S); (5) if such person is acquiring any of the shares offered hereby as a fiduciary or agent for one or more accounts, it, she or he represents that it, she or he has sole investment discretion with respect to each such account and that it, she or he has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and (6) such person acknowledges that the Company and the Joint Lead Managers and Joint Bookrunners and their respective affiliates and representatives will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and undertakes promptly to notify the Company and the Joint Lead Managers and Joint Bookrunners if, at any time prior to the purchase of the shares offered hereby, any of the foregoing ceases to be true .

Any person in the United States of America who obtains a copy of this International Offering Memorandum or any subscription form is required to disregard it.

In addition, until the expiration of 40 days after the completion of the Offering, an offer to sell or a sale of shares offered hereunder within the United States by a dealer (whether or not it is participating in this offer) may violate the registration requirements of the Securities Act.

Notice to prospective investors in Canada, Australia and Japan

The shares shall not be offered or sold, directly or indirectly, in Canada, Japan, or Australia.

INDUSTRY AND MARKET DATA

This International Offering Memorandum contains information about the markets in which the Company operates and their trends, the Company's competitors and its competitive positioning, particularly in Sections 6.1 and 6.8 of the English translation of the registration document (*Document de base*) included herein as Annex B. This information has been obtained mainly from market research conducted by external sources and from the Company's own estimates. While the Company believes such information to be reliable, it has not been independently verified, and neither the Company nor the Joint Lead Managers and Joint Bookrunners, nor any of its or their respective representatives make any representation as to the accuracy of such information. It is also possible that the data and estimates may be inaccurate or out of date, or that the forecast trends do not

occur for the same reasons as described above which could have a material adverse impact on the Company's operations, outlook, financial position, results, development or targets. Trends in the Company's business activities may differ from the market trends described in this International Offering Memorandum. The Company, the Joint Lead Managers and Joint Bookrunners, and any of its or their respective representatives undertake no obligation to update such information.

In addition, in many cases the Company has made statements in this International Offering Memorandum regarding its industry and position in the industry based on its estimates and experience and on its investigation of market conditions. The Company cannot assure the prospective investors that any of these assumptions are accurate or correctly reflects its position in the industry and none of its internal surveys or information has been verified by any independent sources.

DEFINITIONS

In this International Offering Memorandum:

- “€” or “euros” refer to the single currency of the member states of the European Union participating in the third stage of the economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended and supplemented from time to time;
- “EU” refers to the European Union;
- “IFRS” refers to the International Financial Reporting Standards as adopted in the European Union; and
- all references to “Voluntis” and the “Company” are to Voluntis S.A.

PRESENTATION OF FINANCIAL INFORMATION

This International Offering Memorandum includes a free translation of the consolidated financial statements of the Company prepared in accordance with IFRS as of and for the years ended December 31, 2016 and December 31, 2017 (the “**IFRS Consolidated Financial Statements**”). These IFRS Consolidated Financial Statements have been provided in Section 20.1 of the English translation of the registration document (*Document de base*) included herein as Annex B.

Unless otherwise indicated, all financial information concerning the Group in the securities note (*Note d'opération*) and in chapters 3, 9 and 10 of the registration document (*Document de base*) as of and for the years ended December 31, 2016 and 2017 referred to in this International Offering Memorandum has been derived from the IFRS Consolidated Financial Statements.

Certain financial information in this International Offering Memorandum has been rounded and, as a result, the numerical figures shown as totals in this International Offering Memorandum may vary slightly from the exact arithmetic aggregation of the figures that precede them.

FORWARD-LOOKING STATEMENTS

This International Offering Memorandum contains forward-looking statements and information about the Company's targets and its ongoing projects. Sometimes these forward-looking statements are indicated by the use of the future or conditional tense accompanied by words such as “believe”, “estimate”, “consider”, “aim”, “intend”, “envisage”, “anticipate”, “expect”, “plan”, “should”, “wish”, “may” and other similar expressions. These forward-looking statements and information about targets and ongoing projects are based on data, assumptions and estimates which the Company believes to be reasonable. They may be affected by known or unknown risks and uncertainties related to the regulatory, economic, financial and competitive environment, as

well as other factors that could cause the Company's future results, performance and achievements to differ materially from the outcomes described or implied by members of the Board of Directors and senior executive management. These factors include changes in general economic and commercial conditions, regulatory changes and the risks described in Section 4 “Risk factors” of the English translation of the registration document (*Document de base*) included herein as Annex B and in Section 2 “Risk factors” of the English translation of the securities note (*Note d’opération*) included herein as Annex A. In addition, other sections of this International Offering Memorandum describe additional factors that could adversely affect the Company’s results of operations, financial condition, liquidity, dividend policy and the development of the industries in which it operates. New risks can emerge from time to time, and it is not possible for the Company to predict all such risks, nor can it assess the impact of all such risks on its business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results.

ABOUT THIS INTERNATIONAL OFFERING MEMORANDUM

This International Offering Memorandum comprises the following documents, included herein as Annex A and B, respectively:

(i) the non-certified, free English translation of the Company’s securities note (*Note d’opération*), the French version of which was filed with the AMF on May 14, 2018, except for:

- (a) cover page: AMF visa together with related textbox and reference to copies available,
- (b) summary of the Prospectus and indicative timetable: reference to the AMF visa,
- (c) the reference to the completion letter of the Company’s statutory auditor in section 1.2 entitled “Statement by the person responsible for the Prospectus”, and
- (d) section 5.1.1 - indicative timetable: reference to the AMF visa,

which do not constitute part of the non-certified, free English translation of the Company’s securities note (*Note d’opération*) included in Annex A of this International Offering Memorandum, and,

(ii) the non-certified, free English translation of the Company’s registration document (*Document de base*), the French version of which was registered by the AMF on April 17, 2018 under no. I.18-016, except for:

- (a) cover page: AMF visa together with related textbox and reference to copies available, and
- (b) the reference to the completion letter of the Company’s statutory auditor in section 1.2 entitled “Statement by the responsible individual”,

which do not constitute part of the non-certified, free English translation of the Company’s registration document (*Document de base*) included in Annex B of this International Offering Memorandum.

You should not make any investment decision based on the excluded sections referenced above, and any references to the securities note (*Note d’opération*) and the registration document (*Document de base*) in the International Offering Memorandum as supplemented by the pricing supplement are deemed to exclude such sections.

NOT FOR DISTRIBUTION IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN

In the event of any ambiguity, inconsistency or conflict between corresponding statements or other items contained in the attached non-certified, free English translations and the original French versions, the relevant statements or items of the French versions shall prevail.

NOT FOR DISTRIBUTION IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN

ANNEX A
FREE ENGLISH TRANSLATION OF THE SECURITIES NOTE (*NOTE D'OPÉRATION*)



A French *société anonyme* with capital of €480,208.40
Registered office: 58, Avenue de Wagram, 75017 Paris
Paris Trade and Companies Register number 439 685 850 -

SECURITIES NOTE

made available to the public in connection with:

- the admission to trading on the regulated market of Euronext in Paris of all shares comprising the capital of the company Voluntis;
- the admission to trading on the regulated market of Euronext in Paris of shares resulting from automatic conversion, concomitantly with the settlement-delivery on 31 May 2018, of convertible bonds issued by Voluntis, i.e. a maximum of 638,376 new shares (based on a scenario of a conversion on 31 May 2018 and on the lower limit of the indicative range of the offering price, i.e. €13.50; and
- the placement, as part of an open price offering to the public in France and a global placement with institutional investors within and outside France, of 2,150,000 new shares to be issued as part of a capital increase in cash with cancellation of the shareholders' preferential subscription right via a public offering, that may reach a maximum of 2,472,500 new shares (following full exercise of the over-allotment option) and their admission to trading on the regulated market of Euronext in Paris.

Open price offer period: from 15 May 2018 to 28 May 2018 (inclusive)

Global placement period: from 15 May 2018 to 29 May 2018 (inclusive)

Indicative price range applicable to the open price offering and the global placement:

between €13.50 and €16.50 per share.

The price may be set below €13.50 per share.

If the upper limit of the aforementioned indicative price range is changed, or the price above €16.50 per share, the orders issued as part of the open price offering may be revoked during at least 2 trading days.

[INTENTIONALLY OMITTED]

The prospectus (the "**Prospectus**") approved by the AMF consists of:

- the *document de base* of the company Voluntis (the "**Company**") registered by the AMF on 17 April 2018 under number I.18-016 (the "*Document de base*");
- this securities note (the "**Securities Note**"); and
- the Prospectus summary (included in the Securities Note).

Copies of the Prospectus are available free of charge at Voluntis's registered office, 58, avenue de Wagram, 75017 Paris, France, as well as in electronic format on the Company's website (www.voluntis.com) and the AMF website (www.amf-france.org).



The Joint Lead Managers and Joint Bookrunners

CONTENTS

1	PERSONS RESPONSIBLE	- 28 -
1.1	PERSON RESPONSIBLE FOR THE PROSPECTUS	- 28 -
1.2	ATTESTATION OF THE PERSON RESPONSIBLE FOR THE PROSPECTUS.....	- 28 -
1.3	PERSON RESPONSIBLE FOR FINANCIAL INFORMATION	- 28 -
2	RISK FACTORS ASSOCIATED WITH THE OFFER.....	- 29 -
2.1	THE COMPANY'S SHARES HAVE NEVER BEEN TRADED ON A FINANCIAL MARKET AND ARE SUBJECT TO MARKET FLUCTUATIONS.	- 29 -
2.2	THE MARKET PRICE OF COMPANY SHARES IS LIABLE TO BE AFFECTED BY SIGNIFICANT VOLATILITY.	- 29 -
2.3	THE SALE OF A LARGE NUMBER OF COMPANY SHARES MAY HAVE A SIGNIFICANT IMPACT ON THE COMPANY SHARE PRICE	- 30 -
3	KEY INFORMATION	- 32 -
3.1	STATEMENT ON NET WORKING CAPITAL.....	- 32 -
3.2	SHAREHOLDERS' EQUITY AND DEBT	- 32 -
3.3	INTEREST OF NATURAL PERSONS AND LEGAL ENTITIES INVOLVED IN THE OFFERING	- 34 -
3.4	REASONS FOR THE OFFERING AND INTENDED USE OF THE NET PROCEEDS THEREOF.....	- 34 -
4	INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING.....	- 35 -
4.1	TYPE, CLASS AND DIVIDEND ENTITLEMENT DATE OF SHARES OFFERED FOR SALE AND ADMITTED TO TRADING	- 35 -
4.2	GOVERNING LAW AND COMPETENT COURTS	- 36 -
4.3	FORM AND REGISTRATION OF THE COMPANY'S SHARES	- 36 -
4.4	CURRENCY IN WHICH THE CAPITAL INCREASE IS DENOMINATED.....	- 37 -
4.5	RIGHTS ATTACHED TO SHARES.....	- 37 -
4.6	AUTHORISATIONS	- 38 -
4.7	ANTICIPATED SETTLEMENT-DELIVERY DATE OF THE SHARES	- 42 -
4.8	RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE COMPANY'S SHARES.....	- 42 -
4.9	FRENCH REGULATION ON PUBLIC OFFERINGS.....	- 42 -
4.9.1	<i>Mandatory public tender offers.....</i>	- 42 -
4.9.2	<i>Public buyout offers and squeeze-outs.....</i>	- 42 -
4.10	TAKEOVER BIDS BY THIRD PARTIES IN RESPECT OF THE COMPANY'S SHARE CAPITAL DURING THE LAST AND CURRENT FINANCIAL YEAR.....	- 42 -
4.11	FRENCH TAX REGIME	- 42 -
4.11.1	<i>Withholdings and deductions applicable to dividends received by shareholders whose residence for tax purposes is in France.....</i>	- 43 -
4.11.2	<i>Withholdings and deductions applicable to dividends received by shareholders whose residence for tax purposes is outside France.....</i>	- 45 -
4.11.3	<i>Registration duties</i>	- 47 -
4.12	TAX RELIEF RESULTING FROM CASH SUBSCRIPTIONS FOR SHARES OF UNLISTED SMALL- AND MEDIUM-SIZED ENTERPRISES (SMEs) (ARTICLE 199B-0 A OF THE FRENCH GENERAL TAX CODE).....	- 47 -
5	OFFER CONDITIONS	- 50 -
5.1	OFFERING CONDITIONS, PROVISIONAL SCHEDULE AND TERMS AND CONDITIONS OF SUBSCRIPTION ..	- 50 -
5.1.1	<i>Offering Conditions.....</i>	- 50 -
5.1.2	<i>Offering amount</i>	- 52 -

5.1.3	<i>Offering procedure and period</i>	- 52 -
5.1.3.1	Principal features of the Open Price Offering	- 52 -
5.1.3.2	Principal features of the Global Placement	- 54 -
5.1.4	<i>Revoking or suspending the Offering</i>	- 55 -
5.1.5	<i>Order reduction</i>	- 56 -
5.1.6	<i>Minimum or maximum number of shares to which an order can relate</i>	- 56 -
5.1.7	<i>Revoking of orders</i>	- 56 -
5.1.8	<i>Payment of funds and terms and conditions for issuing the Offered Shares</i>	- 56 -
5.1.9	<i>Publication of the Offering results</i>	- 56 -
5.1.10	<i>Preferential subscription rights</i>	- 57 -
5.2	PLAN FOR THE DISTRIBUTION AND ALLOTMENT OF SECURITIES	- 57 -
5.2.1	<i>Category of potential investors - Country in which the offer is open - Restrictions applicable to the Offering</i>	- 57 -
5.2.1.1	Category of potential investors and countries in which the Offering is open.....	- 57 -
5.2.1.2	Restrictions applicable to the Offering.....	- 57 -
5.2.2	<i>An intention to subscribe by the Company's major shareholders or members of its administrative, management or supervisory or any other bodies would entail placing a subscription order of more than 5%</i>	- 59 -
5.2.3	<i>Pre-allotment information</i>	- 59 -
5.2.4	<i>Notification to subscribers</i>	- 59 -
5.2.5	<i>Extension Clause</i>	- 59 -
5.2.6	<i>Over-allotment Option</i>	- 60 -
5.3	PRICE DETERMINATION	- 60 -
5.3.1	<i>Price determination method</i>	- 60 -
5.3.1.1	Price of Shares Offered	- 60 -
5.3.1.2	Indicative Spread of the Offering Price	- 60 -
5.3.2	<i>Procedure for publishing the Offering Price and changes in the Offering parameters</i>	- 61 -
5.3.2.1	Offering Price determination date	- 61 -
5.3.2.2	Publication of the Offering Price and the number of Offered Shares	- 61 -
5.3.2.3	Changing the spread, determination of the Offering Price outside the spread and changing the number of New Shares	- 61 -
5.3.2.4	Early closing or extension of the Offering	- 62 -
5.3.2.5	Significant changes to the terms and conditions of the Offering.....	- 62 -
5.3.3	<i>Restrictions to or cancellation of preferential subscription rights</i>	- 62 -
5.3.4	<i>Price differential</i>	- 62 -
5.4	INVESTMENT AND GUARANTEE.....	- 63 -
5.4.1	<i>Contact details of the introducing financial establishments</i>	- 63 -
5.4.2	<i>Contact details of the establishment in charge of securities services, financial and depository services</i>	- 63 -
5.4.3	<i>Underwriting Agreement</i>	Error! Bookmark not defined.
5.4.4	<i>Retention commitments</i>	Error! Bookmark not defined.
5.4.5	<i>Settlement-delivery date of the Offered Shares</i>	- 64 -
6	ADMISSION TO TRADING AND TRADING PROCEDURES	- 65 -
6.1	ADMISSION TO TRADING	- 65 -
6.2	LISTING VENUE	- 65 -
6.3	CONCURRENT SHARE OFFERS	- 65 -
6.4	LIQUIDITY CONTRACT	- 65 -

6.5	STABILISATION	- 65 -
7	HOLDERS OF SECURITIES WISHING TO SELL	- 67 -
7.1	INDIVIDUALS OR ENTITIES WISHING TO SELL EQUITY SECURITIES OR SECURITIES GIVING ACCESS TO CAPITAL OF THE COMPANY	- 67 -
7.2	NUMBER AND CLASS OF THOSE SECURITIES OFFERED BY THE HOLDERS OF SECURITIES WISHING TO SELL	- 67 -
7.3	ABSTENTION AND SHARE RETENTION UNDERTAKINGS	- 67 -
8	EXPENDITURE LINKED TO THE OFFER	- 69 -
9	DILUTION	- 70 -
9.1	IMPACT OF ISSUING NEW SHARES ON THE COMPANY'S SHAREHOLDERS' EQUITY	- 70 -
9.2	AMOUNTS AND PERCENTAGE OF THE DILUTION RESULTING FROM THE ISSUANCE OF NEW SHARES ...	- 70 -
9.3	DISTRIBUTION OF CAPITAL AND VOTING RIGHTS	- 71 -
10	ADDITIONAL INFORMATION	- 73 -
10.1	ADVISORS HAVING AN INVOLVEMENT WITH THE TRANSACTION	- 73 -
10.2	OTHER INFORMATION VERIFIED BY THE STATUTORY AUDITORS	- 73 -
10.3	EXPERT'S REPORT.....	- 73 -
10.4	INFORMATION CONTAINED IN THE PROSPECTUS THAT ORIGINATES FROM A THIRD PARTY	- 73 -
11	UPDATE TO THE INFORMATION ON THE GROUP	- 74 -
11.1	INVESTMENT METHODS USED BY CERTAIN FINANCIAL INVESTORS.....	- 74 -
11.2	STRAIGHT BONDS SUBSCRIBED BY KREOS CAPITAL V (UK) LTD	- 75 -
11.3	RESOLUTIONS ADOPTED BY THE GENERAL MEETING OF 9 MAY 2018	- 75 -
11.4	AGREEMENT WITH WELLDYNERX.....	- 75 -

NOTES

In the Securities Note, unless otherwise specified, the term "**Voluntis**" or the "**the Company**" refers to the company Voluntis S.A. The term "**Group**" refers to the Company and its subsidiary, Voluntis, Inc.

Disclaimer

Forward-looking information

The Prospectus contains information on the Group's activity as well as the markets in which it operates. This information is taken from studies produced either by internal sources or external sources (e.g.: industry publications, specialist studies, information published by market research companies, analyst reports). The Company considers that this information is a true reflection of the Group's key markets and its competitive position within these markets. However, this information has not been verified by an independent expert, and the Company cannot guarantee that a third party using different methods to gather, analyse or compute data on these markets would obtain the same results.

The Prospectus contains information on the Group's prospects and areas of development. Such information is sometimes identified by the use of the future, conditional or prospective terms such as "estimate", "consider", "envisage", "think", "aim", "expect", "understand", "should", "intend", "believe", "wish", "be able to" or, where appropriate, the negative form of these terms, or any other similar variant or terminology. This information is not historical data and should not be construed as a guarantee that the facts and data set out may actually occur. This information is based on data, assumptions and estimates considered to be reasonable by the Company. They are likely to evolve or be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. This information is referred to in various sections of the Prospectus and contains data relating to the Company's intentions, estimations and objectives in relation to, in particular, the markets in which the Group operates, its strategy, growth, results, financial position, cash and forecasts. The forward-looking information included in the Prospectus is given only as of the date of the Prospectus. The Group operates in a competitive and constantly changing environment. Thus, it cannot anticipate all the risks, uncertainties or other factors that could affect its business, their potential impact on its business or the extent to which the materialisation of a risk or a combination of risks could have significantly different results from those mentioned in any forward-looking information, it being specified that none of this information constitutes a guarantee of actual results.

Risk factors

Investors are invited to read carefully the risk factors described in Chapter 4 "Risk factors" of the Document de base and Chapter 2 of the Securities Note before taking any investment decision. The occurrence of one or more of these risks is liable to have a significant negative impact on the activities, assets, financial position, results or prospects of the Group, as well as the market price of Company shares once these are listed on the regulated market of Euronext in Paris. In addition, other risks, not yet identified or considered insignificant by the Company at the date of the Prospectus, could also have a significant negative impact.

PROSPECTUS SUMMARY

[INTENTIONALLY OMITTED]

The summary is made up of key information, referred to as "Items", presented under five sections, A to E and numbered A.1 to E.7.

This summary contains all Items to be included in the summary of a prospectus relating to this class of securities and this type of issuer. As not all of the Items are required, the numbering of the Items in this summary is not continuous.

It is possible that no relevant information can be supplied for a specific Item that is required for this summary owing to the class of securities and type of issuer in question. In this case a brief description of the Item in question is included in the summary with the note "Not Applicable" ("N/A").

Section A – Introduction and disclaimer		
A.1	Disclaimer	This summary should be read as an introduction to the Prospectus. Any decision to invest in the financial securities that are the subject of the public offering or for which an admission to trading on a regulated market has been requested, should be based on a comprehensive review of the Prospectus. Where court proceedings are brought in relation to the information contained within the Prospectus, the plaintiff may be required, depending on the domestic legislation of the Member States of the European Union or the parties to the European Economic Area, to incur the costs of translating the Prospectus prior to the start of the legal proceedings. The persons who have presented the summary, including any translation and requested its notification within the meaning of article 212-41 of the AMF General Regulation, are only personally liable if the content of the summary is misleading, inaccurate or contradictory in relation to the other parts of the Prospectus or if it does not provide, when read in conjunction with the other parts of the Prospectus, the essential information required to help investors when they are considering investing in these financial securities.
A.2	Issuer consent on the use of the Prospectus	N/A
Section B – Information about the issuer		
B.1	Company name and trading name	Voluntis (the "Company") and, with its subsidiary, Voluntis, Inc., the "Group").

B.2	Registered office/Legal form/Applicable law/Country of origin	- Registered office: 58, Avenue de Wagram, 75017 Paris. - Legal form: French <i>société anonyme</i> with a board of directors (<i>société anonyme à conseil d'administration</i>). - Applicable law: French law. - Country of origin: France.
B.3	Nature of operations and Main activities	Voluntis develops and markets therapeutic software to help patients with chronic conditions and improve treatment outcomes. Our mobile app and web-based digital solutions deliver personalised recommendations directly to patients and their care teams. Uses include dose adjustment, managing side effects, monitoring symptoms and automatic remote analysis of patient results. The recommendations are generated immediately by digitised medical algorithms built on sound scientific intelligence and reinforced by multiple security regulations. Voluntis' state-of-the-art solutions are companion devices that aim to increase treatment efficacy and enable telemedicine, which in turn strengthens collaboration between patients and their care teams. While our digital therapeutics are new-generation health solutions, they are classified as healthcare products, which must be approved in clinical trials and submitted for regulatory approval (EC marking in France, FDA approval in the United States). They are available on medical prescription and may be eligible for reimbursement by payers. These solutions are part of the digital transformation of healthcare and meet a need for optimisation of both the efficiency and cost of medicines and treatments. They are part of the emerging digital therapeutics sector, a high growth, digital healthcare market. Voluntis has two therapeutic solutions for diabetes, Insulia® and Diabeo®, both of which are in the marketing phase, following an extensive clinical trial programme conducted in partnership with Sanofi and the French centre for diabetes research and treatment, CERITD¹. These two solutions are a means of personalising treatment by recommending insulin doses and supporting the patient remotely using telemedicine. Insulia® is a dedicated therapeutic solution for people with type 2 diabetes (T2D) treated with basal insulin. It is a regulated healthcare product approved for use in North America and Europe. We are launching Insulia® through two complementary channels: direct marketing - by approaching payer organisations, and indirect marketing through non-exclusive distribution partners such as Sanofi and Onduo (a Sanofi-Verily joint venture). Diabeo® is intended for type 1 and type 2 diabetes (T1D and T2D) patients treated on a multi-injection or insulin pump regimen. It has regulatory approval in Europe and is the first digital medical device in France to be assessed and accepted by the French National Authority for Health (<i>Haute Autorité de Santé</i> or HAS). Diabeo® is eligible for reimbursement as a healthcare product and is distributed by Sanofi. Our oncology offer is under development. The aim of the solutions is to improve patient adherence to their treatment regime. Personalised monitoring and support for patients is an increasingly important challenge for cancer treatment centres, since treatments frequently cause side effects and negatively impact on patient

¹ Centre d'Etudes et de Recherches pour l'Intensification du Traitement du Diabète.

		quality of life. These symptoms can cause patients to temporarily stop their treatment or abandon it altogether, or lead to unplanned hospital stays. Voluntis is developing a therapeutic solution targeting a range of different cancers, as well as specific solutions under partnership agreements with the pharmaceutical industry. This is the case for eCO for ovarian cancer being developed in partnership with AstraZeneca, while Zemy is under development with Roche for breast cancer. An initial feasibility study of eCO was conducted in a number of hospitals in the United States in close cooperation with the National Cancer Institute (NCI). It demonstrated high treatment compliance rates and patient satisfaction with the solution. A multi-centre study is ongoing for Zemy, following the solution's development phase in collaboration with several patient care stakeholders. Voluntis receives revenue at two stages. At the pre-market stage, Voluntis receives payments at technological, clinical or regulatory milestones, under the terms of agreements with industry partners. Then, at the marketing stage, Voluntis posts revenue from the reimbursement of its solutions (or healthcare products and services linked to these solutions) by payers. Payments come either directly from payers, or indirectly by way of royalties paid by our industry partners for the use of the therapeutic software. Through its solutions portfolio, business model and organisation, Voluntis embodies a new category of company - the digital biotechs.
B.4a	Recent key trends affecting the issuer and its business sectors.	The Group began the commercial launch in France of its Diabeo® and Insulia® solutions in January 2018, together with its partners. In the United States, the Group is continuing to build up its direct sales team with payers, reflected in hiring in the sales, marketing, and medical fields. At the same time, the Group is extending its marketing partnerships in the United States. As such, on 9 January 2018 a new partnership was announced with Welldoc. In Oncology, the Group met the Food & Drug Administration (the "FDA") in January 2018 at a pre-submission meeting, to lay out the regulatory approval process for its multi-cancer monitoring platform. Moreover, also in oncology, in March 2018 the Group announced that it was extending its partnership with Roche, with a view to developing and marketing a multi-indication solution in France. The Group actively participates in the sectoral work of the Digital Therapeutics Alliance, which has resulted in a contribution to the FDA's work on the preparation of the Pre-Cert programme, a structuring initiative for future regulation of the digital healthcare sector in the United States. Moreover, under a Venture Loan Agreement and a Bond Issue Agreement entered into by the Company and Kreos Capital V (UK) Ltd ("Kreos") on 11 April 2018, the latter paid the nominal amount of €4,000,000 of the bonds issued by the Company. Concomitantly, on 1 May 2018 Kreos Capital V (Expert Fund) L.P. subscribed 70,000 warrants (known as the BSA_{2018-Kreos} allocated by the Company in consideration for these bonds. Finally, on 3 May 2018, the Company entered into an agreement with a US payer, WellDyneRx (Pharmacy Benefit Manager managing approximately 850,000

		insured persons in the targeted commercial segment). This agreement covers the promotion, price and reimbursement conditions of its Insulia solution by WellDyneRx in the United States of America. Insulia's terms and conditions of coverage set out in this agreement are in line with standard terms and conditions applied to direct marketing to US payers.																																													
B.5	Description of the Company	As of the Prospectus date, the Group's organisational chart is as follows: Voluntis SA France 100% Voluntis Inc. United States of America																																													
B.6	Major shareholders	As of the date of the Prospectus, the Company's share capital amounts to at €480,208.40 divided into 4,802,084 fully paid up shares, each with a nominal value of €0.10, including 129,966 ordinary shares, 443,879 series A1 preferred shares, 980,970 series A3 preferred shares, 381,890 series B1 preferred shares and 2,865,379 series C preferred shares. Subject to the settlement-delivery of the Company’s shares, in the context of their admission to trading on the regulated market of Euronext in Paris, all preferential shares shall be automatically converted into ordinary shares concurrently with the said settlement-delivery. All of the Company's capital will thus consist of ordinary shares. <table><tr><th></th><th colspan="2">Position as of the Prospectus date, on a non-diluted basis</th><th colspan="2">Position as of the Prospectus date on a fully-diluted basis⁽¹⁾</th></tr><tr><th></th><th>Number of shares</th><th>% of share capital and voting rights⁽²⁾</th><th>Number of shares</th><th>% of share capital and voting rights⁽²⁾</th></tr><tr><td>Pierre Leurent*</td><td>213 400</td><td>4.44%</td><td>370 396</td><td>5.92%</td></tr><tr><td>Other</td><td>198 149</td><td>4.13%</td><td>694 213</td><td>11.10%</td></tr><tr><td>Total Management</td><td>411 549</td><td>8.57%</td><td>1 064 609</td><td>17.03%</td></tr><tr><td>Cap Décisif Management ⁽³⁾</td><td>315 888</td><td>6.58%</td><td>315 888</td><td>5.05%</td></tr><tr><td>CM-CIC Innovation*</td><td>734 809</td><td>15.30%</td><td>824 719</td><td>13.19%</td></tr><tr><td>SHAM Innovation Santé</td><td>879 926</td><td>18.32%</td><td>978 747</td><td>15.65%</td></tr><tr><td>Bpifrance Participations*</td><td>1 307 395</td><td>27.23%</td><td>1 577 219</td><td>25.22%</td></tr></table>		Position as of the Prospectus date, on a non-diluted basis		Position as of the Prospectus date on a fully-diluted basis ⁽¹⁾			Number of shares	% of share capital and voting rights ⁽²⁾	Number of shares	% of share capital and voting rights ⁽²⁾	Pierre Leurent*	213 400	4.44%	370 396	5.92%	Other	198 149	4.13%	694 213	11.10%	Total Management	411 549	8.57%	1 064 609	17.03%	Cap Décisif Management ⁽³⁾	315 888	6.58%	315 888	5.05%	CM-CIC Innovation*	734 809	15.30%	824 719	13.19%	SHAM Innovation Santé	879 926	18.32%	978 747	15.65%	Bpifrance Participations*	1 307 395	27.23%	1 577 219	25.22%
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		LBO France Gestion ^{(4)*}	523 122	10.89%	613 051	9.80%
		Vesalius Biocapital II SA Sicar*	457 600	9.53%	547 492	8.76%
		Qualcomm Inc.*	55 297	1.15%	55 297	0.88%
		Kreos	-	-	70 000	1.12%
		Total - Financial investors	4 274 037	89.00%	4 982 413	79.68%
		Total - other shareholders/consultants/employees	116 498	2.43%	205 863	3.29%
		TOTAL	4 802 084	100.00%	6 252 885	100.00%
		* Member of the Company's Board of Directors. (1) Taking into account the 561,273 founders' warrants ("BSPCE"), the 161,467 warrants ("BSA") – including the 70,000 BSA_{2018-Kreos} - and the 64,270 stock options ("OSAs") issued and allocated by the Company, whether vested or not, entitling to the subscription of 561,273, 161,467 and 64,270 new shares respectively, the definitive acquisition of 25,415 free shares and 638,376 new shares to be issued upon the automatic conversion of 71,000,000 convertible bonds issued by the Company on 30 June 2017 and 19 January 2018 (based on the scenario of a conversion on 31 May 2018 and on the basis of the lower limit of the indicative range of the Offering Price, i.e. €13.50), concomitantly with the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable. (2) The percentage of voting rights is identical to the percentage of share capital held, it being, however, specified that as from the second anniversary date of the initial listing of the Company's shares on the regulated market of Euronext in Paris, the fully paid-up shares for which evidence is shown of individual registration in the same shareholder's name for at least two years from that date will have double voting rights. (3) Through the Cap Decisif, Cap Decisif 2, and G1J funds of which it is the management company. (4) Through the Services Innovants Santé et Autonomie (SISA) fund, of which it has been the management company since the acquisition of the management company Innovation Capital. To the Company's knowledge, there is no action in concert between its shareholders, nor a shareholder agreement the implementation of which may result in a change of control.				

B.7	Selected financial information	Simplified financial statement		
			Financial years ended 31 December	
		In € millions	2017	2016
		Revenue	7,302	10,272
		Other operating revenue	1,095	987
		Total operating revenue	8,396	11,258
		Personnel expenses	(10,423)	(8,370)
		Other operating costs	(6,048)	(6,256)
		Depreciation, amortisation and operating provisions	(1,550)	(970)
		Operating income	(9,625)	(4,338)
		Financial income	(423)	(472)
		Taxes	22	(46)
		Net income - Group share	(10,026)	(4,857)
		EBITDA*	(8,075)	(3,367)
		* The EBITDA (earnings before interest, taxes, depreciation, and amortization) is a key indicator for the Group.		
		Simplified balance sheet		
			Financial years ended 31 December	
		In € millions	2017	2016
		Assets		
		Net intangible assets	2,489	2,676
		Net tangible assets	764	277
		Other net assets	241	114
		Non-current assets	3,494	3,067
		Trade and other receivables	299	3,435
		Other current assets	2,322	2,257
		Cash	1,845	5,831
		Current assets	4,466	11,522
		Total	7,960	14,589
			2017	2016

Liabilities and shareholders' equity			
<i>Shareholders' equity</i>		<i>(1,127)</i>	<i>2,096</i>
Non-current financial debts		252	541
Non-current provisions and other non-current liabilities		463	452
<i>Non-current liabilities</i>		<i>714</i>	<i>993</i>
Current financial debts		4,003	6,467
Trade and other payables		4,370	5,033
<i>Non-current liabilities</i>		<i>8,373</i>	<i>11,500</i>
Total		7,960	14,589
Simplified cash flow statement			
		Financial years ended 31 December	
In € millions		2017	2016
Cash flow generated by operations		(5,396)	(4,610)
Cash flow from investing activities		(1,900)	(1,516)
Cash flow from financing activities		3,339	9,394
CASH FLOW VARIANCE		(3,958)	3,269
Impact of exchange rate fluctuations		(21)	10
OPENING CASH BALANCE		5,824	2,545
CLOSING CASH BALANCE		1,845	5,823
With the exception of the subscription in January 2018 by some historical shareholders of the second tranche of convertible bonds (OC₂₀₁₇) for an amount of 3,550 thousand euros and the signing of a Venture Loan Agreement on 11 April 2018 among the Company and Kreos relating to the issuance of bonds for a maximum amount of 7 million euros, there has been no significant change in the Company's financial position since 31 December 2017. In addition, in consideration for the bonds issued by the Company to Kreos, 70,000 warrants (BSA_{2018-Kreos}) has been allocated by the Company to Kreos Capital V (expert Fund) L.P., such warrants giving the right to subscribe for			

		70,000 shares, it being specified that the number of BSA _{2018-Kreos} to be exercised will depend on the number of bonds issued to the benefit of Kreos.
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B.8	Pro forma information	N/A
B.9	Profit forecast	N/A
B.10	Comments on historic financial information	N/A
B.11	Net working capital	At the date of the Prospectus, the Company does not have sufficient working capital to meet its obligations and cash needs over the next 12 months. The development of health products involves phases of technological, clinical and marketing investment over a number of years, which is the main reason for the Company's past and current loss-making situation. The cash available on 31 March 2018 (i.e. €470 thousand) will enable the Company to continue to operate until September 2018, taking into account in particular the pre-funding of the research tax credit for the 2017 financial year of €1,350 thousand in April 2018 by the Company's main bank (BNP Paribas) and the drawdown of three potential tranches of the bond loan signed with Kreos for a total of €7,000 thousand. The amount required to continue the Company's operations from 1 April 2018 and for 12 months after the Prospectus date is estimated at €14 950 thousand. This net amount includes the payment of all of the commitments of which the Company is aware at the date of the Prospectus and, in particular: (i) net requirements related to operations and investments over the period for around €18,700 thousand (particularly expenditure on projects involving the development of products, commercial development and the purchase of assets); (ii) repayment terms for the 0% Bpifrance loan and the Kreos loan put in place in April 2018, and the repayment of the pre-funding of the research tax credit, for a total amount of 3,720 thousand euros ; and (iii) the payment of any essential costs associated with the plans to list shares on the regulated market of Euronext in Paris which will be payable by the Company and are unpaid at 31 March 2018, estimated at €900 thousand ; partially financed by a loan from Kreos and the pre-funding of the research tax credit for 2017 for a total of €8,350 thousand. The capital increase of the Company concurrently with the admission to trading of its shares on the regulated market of Euronext in Paris is the Company's preferred solution for funding the continuation of the activities required for its development and to address the shortfall of net working capital in the 12 months following the Prospectus date. The Company considers it can meet its cash needs for the 12 months following the Prospectus date in the event of a partial realization of the contemplated capital increase to 75 % (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros).

		If the planned IPO transaction does not take place, the Company will examine the possibility of postponing some of its development plans and will have a number of options to fund its development (particularly through financing from existing shareholders and new investors).
Section C – Securities		
C.1	Type, class and identification number of shares offered and/or admitted to trading	The Company's securities of which the admission to trading on the regulated market of Euronext in Paris ("Euronext Paris") is requested include: – all the shares comprising the share capital of Voluntis, i.e. 4,802,084 shares, including (i) 129,966 existing ordinary shares and (ii) 4,672,118 new ordinary shares resulting from the automatic conversion of 4,672,118 existing preferred shares into ordinary shares concomitantly to the settlement-delivery of the Company's shares as part of their admission to trading on Euronext Paris (the "Existing Shares"); – a maximum of 638,376 new shares to be issued upon automatic conversion, concomitantly to the settlement-delivery of the Company's shares in connection with their admission to trading on the regulated market of Euronext in Paris expected to occur on 31 May 2018, based on the indicative timetable, of the 71,000,000 bonds convertible into shares issued by the Company (assuming a conversion on 31 May 2018 and based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros); and – 2,150,000 new shares to be issued in connection with a cash capital increase with cancellation of the shareholders' preferential subscription right via a public offering (the "New Shares"), and a maximum of 2,472,000 new shares in the event of full exercise of the Over-Allotment Option (the "Additional New Shares" and with the New Shares, the "Offered Shares"). Dividend entitlement date: upon issuance, Offered Shares will be fungible with Existing Shares. They will carry dividend rights. Shares' name : Voluntis Trading on an as-if-and-when-issued basis (<i>sous la forme de promesses d'actions</i>) will occur from 30 May 2018 to 31 May 2018 (inclusive) under the name "Voluntis-promesses". From 1 June 2018, trading will be under the name "Voluntis". ISIN Code: FR 0004183960 Ticker symbol: VTX LEI Number: 969500NSBH4XTWSGFE04 Compartment: Compartment C NAF Code: 62 012 – Computer Programming Industry Classification Benchmark (ICB): 9537 – <i>Software</i>

C.2	Issuance currency	Euro.
C.3	Number of shares issued/ Nominal value of shares	Number of share issued: 2,150,000 ordinary shares which may be increased to a maximum of 2,472,500 ordinary shares in the event of full exercise of the Over-allotment Option. Nominal value per share: €0.10
C.4	Rights attached to shares	Upon being created, the Offered Shares will be subject to all the provisions of the Company's bylaws. As the French legislation and the Company's bylaws currently stand, the main rights attached to existing shares and new shares are as follows: – dividend right; – voting rights, with all fully paid-up shares that have been registered in the same name for at least two years as of the date of the initial listing of the Company on Euronext Paris being assigned double voting rights; – preferential subscription rights for shares of the same class; – rights to share in the Company's profits; and – rights to share in any surplus in the event of liquidation.
C.5	Restrictions on the free negotiability of the shares	There are no provisions of the bylaws limiting the free negotiability of the shares comprising the Company's share capital.
C.6	Request for admission to trading	A request is submitted for the admission of all Company shares to Compartment C of Euronext Paris. The terms and conditions of trading for all of the shares will be set in a Euronext notice, issued on 29 May 2018 according to the indicative timetable. Offered Shares (on an as-if-and-when-issued basis (<i>sous la forme de promesses d'actions</i>) within the meaning of Article L. 228-10 of the French Commercial Code) and Existing Shares of the Company should be listed on Euronext Paris for the first time on 30 May 2018. From 30 May 2018 to the settlement-delivery date (inclusive) scheduled for 31 May 2018 inclusive, trading in shares will be on an as-if-and-when-issued basis (<i>sous la forme de promesses d'actions</i>) under the trading line "Voluntis – promesses", under the conditions of Article L. 228-10 of the French Commercial Code. With effect from 1 June 2018, all shares in the Company will be traded under the trading line "Voluntis". No other requests for admission to trading on a regulated market have been filed by the Company.

C.7	Dividend policy	The Company has never distributed dividends. Given its stage of development, the Company does not plan to initiate a dividend payment policy in the short term.
Section D – Risks		
D.1	Main risks specific to the Issuer or their business sector	Before taking their investment decision, investors are invited to consider the risk factors set out below: – risks related to the business sector, the markets in which the Group operates and its economic environment, and particularly risks related to: – the existence of alternative technologies (such as the artificial pancreas or stem cells) and the emergence of new competing technologies, – the very significant size of the Group's main competitors (such as Novo-Nordisk-Glooko, Sanofi, Google, Roche or Medtronic),and – the reimbursement policy for medical devices, the Group's strategy relying currently on the payers supporting its solutions); – risks related to the Group's business, and particularly risks related to: – Group partnerships, the Group's strategy relying in part on the mobilization of its partners to develop and market its products, – bringing the Group's products to market, the latter being dependent on the level of acceptance by health professionals and patients, marketing them, the Group having limited marketing experience, and ; – the clinical development of the Group's products, any failure during one of the various trial phases for a given indication could delay or even lead to the termination of the development and/or marketing of the concerned product ; – legal risks, and particularly the risks related to: – potential claims based on the Group liability on its products, and – the different regulatory frameworks applicable to them, related in particular to the fact that the Group collects and uses its patients' personal data of its patients or that the Group's products are considered as medical devices (requiring CE mark in Europe and prior authorisation from the Food and Drug Administration in the United States); – risks associated with the organisation and governance of the Group, and particularly risks associated with the Group's ability to retain its key staff and attract the new employees it will need for its development; and – financial risks, particularly liquidity, the Company considering that it will be able to meet its liabilities until September 2018.

D.3	Main risks specific to shares	The main risks associated with the Offering (as this term is defined below) are as follows: - the Company's shares have never been traded on a financial market and are subject to market fluctuations. Moreover, a liquid market may not develop or last; - the market price of Company shares is likely to be affected by significant volatility; - the sale of a large number of Company shares at the end of the retention period, which may have a negative effect on the market price of Company shares; - insufficient subscriptions (less than 75% of the amount of the issuance initially envisaged, calculated on the basis of the lower limit of the indicative range of the Offering Price), which may result in the cancellation of the Offering; - the Underwriting Agreement (as the term is defined below) not being signed or being cancelled would lead to the cancellation of the Offering, the termination of the Underwriting Agreement would lead to the cancellation of trading on an as-if-and-when-issued basis (<i>sous la forme de promesses d'actions</i>) that occurred until (and including) the settlement-delivery date; - in the short term, the Company does not intend to adopt a policy of paying dividends with, at this stage of its development, any profits to be reinvested in the Group's activity; and - the Company may have additional funding needs in the future or make use of profit-sharing tools that may result in further dilution of its shareholders' stakes. Such events may have a significant negative effect on the price of Company shares.
Section E – Offering		
E.1	Total proceeds from the issuance and estimated total expenses associated with the issuance	Gross proceeds of the Offering Based on a price equal to the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros, the gross proceeds of the issuance of the New Shares will be approximately 32 million euros, which could be increased to approximately 37 million euros, issuance premium included, in the event of the full exercise of the Over-allotment Option. In the event that the Offering is limited to 75% of the contemplated capital increase (on the basis of the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros), the gross proceeds of the Offering would be reduced to approximately 22 million euros. Estimated net proceeds of the Offering Based on a price equal to the midpoint of the indicative range of the Offering Price, i.e. €15.00 the net proceeds of the Offering would be approximately 29

		million euros, which could be increased to approximately 34 million euros in the event of the full exercise of the Over-allotment Option. In the event that the Offering is limited to 75% of the contemplated capital increase (on the basis of the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros), the net proceeds of the Offering would be reduced to approximately 20 million euros. Based on a price equal to the midpoint of the indicative range of the Offering Price, i.e. €15.00, spending associated with the Offering for which the Company is liable, is estimated at a maximum of approximately 2.86 million euros if the Over-allotment Option is not exercised, and a maximum of approximately 3.19 million euros in the event that the Over-allotment Option is exercised in full.
E.2a	Reasons for the Offering and intended use of the proceeds thereof	The Offering and the admission to trading of Company's shares on Euronext Paris are intended to provide the Company with additional resources to fund its operations and development. Thus, the estimated net proceeds of the Offering (i.e. 29 million euros on the basis of a price equal to the midpoint of the indicative range of the Offering Price, exercise of the Over-allotment Option not included) is to be used to: – strengthen the Group's sales resources in North America and in Europe for 60% of funds, through: ○ continuing to develop sales, marketing and medical teams responsible for the direct marketing to payers of therapeutic software for diabetes, and ○ the growth of field operations and support teams responsible for supporting the local deployment of Group solutions in the target countries; – pursue technological, clinical and regulatory developments related to the proprietary solution targeting a range of different cancers for 20%, with a view of securing regulatory approval prior to bringing it to market; and – consolidate the Group organisation for the rest of funds (i.e. 20%), through the growth of the Company's American subsidiary in particular and the pursuit of investment in the Group's technological platform. If the Offering is limited to 75% of the amount of the contemplated capital increase, the Group is planning a proportional reduction in investments planned for these various categories, whilst prioritising commercial investments. The Offering and admission to trading of the Company's shares on Euronext Paris will also enable the Company to build its reputation in France and overseas.
E.3	Terms and conditions of the Offering	Type and number of shares whose admission to trading is requested and of offered shares Offered Shares shall have the same nominal value and be from the same category as the Existing Shares. Upon issuance, Offered Shares will be fungible with Existing Shares.

		The Company's securities of which the admission to trading on Euronext Paris (Compartment C) is requested include: – all the shares comprising the share capital of Voluntis, i.e. a maximum of 4,802,084 Existing Shares; – a maximum of 638,376 new shares to be issued upon automatic conversion, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris expected to occur on 31 May 2018, based on the indicative timetable, of the 71,000,000 bonds convertible into shares issued by the Company (assuming a conversion on 31 May 2018 and based on the lower end of the indicative range of the Offering Price, i.e. €13.50); and – a maximum of 2,472,500 Offered Shares, in the event that the Over-allotment Option is exercised in full. Over-allotment Option The Company shall grant Joint Lead Managers and Joint Bookrunners an Over-allotment Option for a maximum of 15% of the New Shares, i.e. a maximum of 322,500 Additional New Shares (the "Over-allotment Option"). This Over-allotment Option may be exercised by the Joint Lead Managers and Joint Bookrunners acting in their name and on their behalf from 29 May 2018 to 28 June 2018 (inclusive). If the Over-allotment Option is fully or partially exercised, a press released will be published by the Company. Structure of the Offering New Shares will be issued as part of a global offering (the "Offering"), comprising: – a public offering in France made in the form of an open price offering, mainly intended for individuals (the "Open Price Offering" or the "OPO"), with the following precisions: ○ orders will be broken down according to the number of shares requested: A1 order fraction (from 5 shares to 250 shares inclusive), and A2 order fraction: above 250 shares), ○ A1 order fractions shall benefit from preferential treatment over A2 order fractions in the event that not all orders are able to be fulfilled; – a Global Placement mainly intended for institutional investors (the "Global Placement"). If the demand expressed as part of the OPO so permits, the number of New Shares allocated in response to the orders issued as part of the OPO will at least
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	be equal to 10% of the total number of offered shares (before the exercise, if any, of the Over-allotment Option). Order revocation The subscription orders placed by investors online as part of the OPO can be revoked online until the closing of the OPO, on 28 May 2018 at 8:00PM (Paris time). It is the responsibility of the investors to approach their financial intermediary in order to check, on the one hand, the terms and conditions for revoking the orders placed via Internet and, on the other hand, whether the orders issued through other channels can be revoked and if so, under what conditions. Indicative price range The price of the offered shares as part of the OPO will be equal to the offered shares as part of the Global Placement (the "Offering Price"). The indicative price range is between 13.50 euros and 16.50 euros per share. The Offering Price may be determined outside of this range. The range may be adjusted at any time, up to and including the day scheduled for determining the Offering Price. If the upper limit of the aforementioned indicative price range is changed, or the Offering Price is determined above the range (including if adjusted), the OPO closing date will be postponed or a new period of subscription to the OPO will be opened, as the case may be, so that there are at least two trading days between the date of publication of the press release informing of this change and the new OPO closing date (inclusive). Orders issued as part of the OPO before the circulation of the aforementioned press release will be maintained, unless they have been expressly revoked before the new closing date of the OPO inclusive. The Offering Price may be freely fixed below the lower limit of the indicative range of the Offering Price (provided there is no significant impact on the other Offering characteristics). Offering Price determination methods The Offering Price shall be determined on 29 May 2018, in accordance with the indicative timetable, it being specified that this date could be postponed if the market conditions and book building results do not make it possible to determine the Offering Price under satisfactory conditions. It will be the result of the comparison between the offered shares and the requests made by investors, as part of the "book building" process as developed by professional usage, in the context of the Global Placement. Dividend entitlement date Immediate dividend rights Subscription commitments CM-CIC Innovation, SHAM Innovation Santé, Bpifrance Participations, Services Innovants Santé et Autonomie (SISA) and Vesalius Biocapital II SA Sicar have committed to make orders in cash, provided that the Offering Price is within the indicative range of the Offering Price, for a total amount of 6.3 million euros, i.e. 19.50% of the gross amount of the Offering (based on the midpoint of
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the indicative price range and excluding the exercise of the Over-allotment Option). These orders are intended to be served in priority and in full, it being specified that they may nevertheless be reduced in compliance with the normal principles of allocation (notably if the subscriptions received as part of the Offering were to be greater than the number of Offered Shares).

The table below presents the details of subscription commitments:

	Subscription commitment amounts (in €)
CM-CIC Innovation	800 000
SHAM Innovation Santé	500 000
Bpifrance Participations	3 000 000
SISA	1 000 000
Vesalius Biocapital II SA Sicar	1 000 000
Total	6.300.000

To the Company's knowledge, no other person intends to place a subscription order of more than 5%.

Placing and Guarantee

The Offering will be part of an underwriting agreement (the "Underwriting Agreement") entered into between the Company, on the one hand, and Bryan, Garnier & Co and Oddo BHF SCA, on the other, as joint lead managers and joint bookrunners ("**Joint Lead Managers and Joint Bookrunners**").

The Joint Lead Managers and Joint Bookrunners, not acting jointly, shall undertake to do their best to have the New Shares subscribed, or as the case may be, subscribe themselves such New Shares, at the Offering Price on the settlement-delivery date. This undertaking does not constitute a *garantie de bonne fin* within the meaning of Article L. 225-145 of the French Commercial Code.

The Underwriting Agreement should be signed on the day the Offering Price is set (i.e. according to the indicative timetable on 29 May 2018).

The Underwriting Agreement may be terminated by the Joint Lead Managers and Joint Bookrunners up to (and including) the settlement-delivery date of the Offering, under certain conditions and circumstances, particularly if major events occur (such as, in particular, political, financial, economic, banking or monetary events, acts of war or terrorism, military action or conflict), which has or might have an effect that makes the transaction impossible or would or could compromise the transaction.

Stabilization

Transactions intended to stabilize or support the Company market share price on Euronext Paris may also be carried out between 29 May 2018 and 28 June 2018

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		(inclusive) by Oddo BHF SCA acting in the capacity of stabilization agent in the name of and on behalf of the Joint Lead Managers and Joint Bookrunners.
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		Indicative timetable of the transaction: <i>14 May 2018</i> - [INTENTIONALLY OMITTED] <i>15 May 2018</i> - Publication of the press release announcing the Offering and the availability of the Prospectus - Euronext notice relating to the opening of the OPO - Opening of the OPO and the Global Placement <i>28 May 2018</i> - Closing of the OPO at 5:00 pm (Paris time) for subscriptions at counters and 8:00 pm (Paris time) for those via Internet <i>29 May 2018</i> - Closing of the Global Placement at 12:00 noon (Paris time) - Offering Price determination - Signing of the Underwriting Agreement - Publication of the press release indicating the Offering Price, the final number of New Shares and the Offering result - Euronext notice relating to the Offering result - Initial listing of the Company's shares on Euronext Paris - Beginning of the Over-allotment Option exercise period - Beginning of any stabilization period <i>30 May 2018</i> - Beginning of trading for the Company's shares on an as-if-and-when-issued basis (<i>sous la forme de promesses d'actions</i>) on Euronext Paris (until 31 May 2018 inclusive) <i>31 May 2018</i> - Settlement-delivery of the OPO and the Global Placement <i>1 June 2018</i> - Beginning of trading for the Company's shares on Euronext Paris under the trading line "Voluntis" <i>28 June 2018</i>
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		- Deadline for exercising the Over-allotment Option - End of the stabilization period, as the case may be Subscription procedures Persons wishing to take part in the OPO must submit their orders to an authorised financial intermediary in France, no later than 28 May 2018 at 5:00 pm (Paris time) for subscriptions at counters and 8:00 pm (Paris time) for those via the internet. In order to be taken into account, the orders issued as part of the Global Placement should be received by one or more Joint Lead Managers and Joint Bookrunners only no later than 29 May 2018 at 12:00 noon (Paris time), unless closed early. Introducing financial establishments <i>Joint Lead Managers and Joint Bookrunners</i> Bryan, Garnier & Co Oddo BHF SCA
E.4	Interests, including conflicts of interest that may significantly influence the issuance/offer	The Joint Lead Managers and Joint Bookrunners and/or some of their affiliates have provided, and/or may provide in the future, various banking, financial, investment, commercial and other services to the Company, its affiliates or shareholders or its corporate officers, for which they have received or may receive remuneration.
E.5	Name of the issuer and lock-up agreements	Name of the issuer: Voluntas Company's abstention undertaking From the signing of the Underwriting Agreement until the end of the period ending 180 days following the settlement-delivery date, subject to certain standard exceptions. Lock-up undertaking from shareholders representing 99.57% of the Company share capital From the date of the Prospectus and up to 360 calendar days following the settlement-delivery date of the Offered Shares by the Company, for 100% of their shares, subject to certain standard exceptions; it being specified that this undertaking applies to all Company shares held on the date of the initial public offering (but not to those that may be held in the future, as part of, or subsequent to, the initial public offering).
E.6	Amount and percentage of dilution resulting immediately	Impact of the Offering on the distribution of capital and voting rights The distribution of the capital and voting rights on a non-diluted basis, before and after the completion of the Offering, would be as follows:

	from the Offering		Before the issuance of New Shares		After the issuance of 2.150.000 New Shares ⁽¹⁾⁽²⁾		After the issuance of 2.472.500 New Shares ⁽¹⁾⁽³⁾		After the issuance of 1.612.500 New Shares ⁽⁴⁾⁽⁵⁾	
			Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾
		Pierre Leurent*	213,400	4.44%	213 400	3,07%	213 400	2,93%	213 400	3,33%
		Other	198,149	4.13%	198 149	2,85%	198 149	2,72%	198 149	3,09%
		Total Management	411,549	8.57%	411 549	5,92%	411 549	5,66%	411 549	6,42%
		Cap Décisif Management ⁽⁶⁾	315,888	6.58%	315 888	4,54%	315 888	4,34%	315 888	4,92%
		CM-CIC Innovation*	734,809	15.30%	869 061	12,50%	869 061	11,95%	883 978	13,78%
		SHAM Innovation Santé	879,926	18.32%	1 002 198	14,42%	1 002 198	13,78%	1 015 784	15,84%
		Bpifrance Participations*	1,307,395	27.23%	1 750 236	25,18%	1 750 236	24,06%	1 799 441	28,05%
		LBO France Gestion ^{(7)*}	523,122	10.89%	670 724	9,65%	670 724	9,22%	687 125	10,71%
		Vesalius Biocapital II SA Sicar*	457,600	9.53%	605 169	8,70%	605 169	8,32%	621 566	9,69%
		Qualcomm Inc.*	55,297	1.15%	55 297	0,80%	55 297	0,76%	55 297	0,86%
		Total - Financial investors	4,274,037	89.00%	5 268 573	75,78%	5 268 573	72,42%	5 379 079	83,86%
		Total - other shareholders/ consultants/ employees	116,498	2.43%	116 498	1,68%	116 498	1,60%	116 498	1,82%
		Free Float	-	-	1 155 464	16,62%	1 477 964	20,32%	507 458	7,91%
		TOTAL	4,802,084	100.00%	6 952 084	100,00%	7 274 584	100,00%	6 414 584	100,00%
* Member of the Company's Board of Directors.										
(1) Taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (assuming a conversion on 31 May 2018 and on the basis of the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros), concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.										
(2) Excluding the exercise of the Over-allotment Option.										

- (3) In the event of the full exercise of the Over-allotment Option.
- (4) Taking into account the 638,376 new shares to be issued upon automatic conversion of the 71,000,000 convertible bonds into shares issued by the Company on 30 June 2017 and 19 January 2018 (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros), concomitantly with the settlement-delivery of the Company's shares on Euronext Paris.
- (5) If the Offering is limited to 75% of the amount of the contemplated capital increase (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros).
- (6) The percentage of voting rights is identical to the percentage of share capital held, it being specified, however, that as from the second anniversary date of the initial listing of the Company's shares on the regulated market of Euronext in Paris, those fully paid-up shares for which evidence is shown of individual registration in the same shareholder's name for at least two years from that date will have double voting rights.
- (7) Through the Cap Decisif, Cap Decisif 2, and G1J funds of which it is the management company.
- (8) Through the Services Innovants Santé et Autonomie (SISA) fund, of which it has been the management company since the acquisition of the management company Innovation Capital.

Impact of issuing New Shares on the Company's shareholders' equity

Based on the Company's consolidated shareholders' equity and of the total number of shares making up the Company's share capital as of the 31 December 2017, the shareholders' equity per share, before and after the completion of the Offering, would be as follows (after deduction of legal and administrative costs and of the total remuneration paid to financial intermediaries (excluding the impact of any potential tax savings)):

	Percentage of shareholders' equity as of 31 December 2017	
(in € per share)	Non diluted basis	Diluted basis ⁽¹⁾
Before the issuance of New Shares	-0.23	1.27
After the issuance of 2.150.000 New Shares ⁽²⁾	3.76	4.38
After the issuance of 2.472.500 New Shares and Additional New Shares (in the event of full exercise of the Over-allotment Option) ⁽²⁾	4.18	4.74
After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%) ⁽³⁾	2.61	3.40

- (1) Taking into account the 561,273 BSPCE, the 161,467 warrants (including the 70,000 BSA_{2018-Kreos}) and 64,270 Options issued and allocated by the Company, whether vested or not, respectively granting the right to subscribe to 561,273, 161,467 and 64,270 new shares and to complete the definitive acquisition of the 25,415 free shares allocated by the Company.
- (2) Based on the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros, and taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable).
- (3) Based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros, and taking into account the 638,376 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19

		January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable. Amounts and percentage of the dilution resulting from the issuance of New Shares The impact of the Offering on the investment held in the Company's share capital by a shareholder who, as of the date of the Prospectus, was to hold 1% of Company's share capital and did not subscribe to the Offering (calculations carried out on the basis of the number of shares making up the Company's share capital as of the date of the Prospectus) would be as follows: <table> <tr> <th></th><th colspan="2">Shareholder's investment as a %</th></tr> <tr> <th>(in euros per share)</th><th>Non-diluted basis</th><th>Diluted basis ⁽¹⁾</th></tr> <tr> <td>Prior to the issuance of the New Shares</td><td>1.00%</td><td>0.86%</td></tr> <tr> <td>After the issuance of 2.150.000 New Shares⁽²⁾</td><td>0.64%</td><td>0.58%</td></tr> <tr> <td>After the issuance of 2.472.500 New Shares and Additional New Shares in the event of the full exercise of the Over-allotment Option⁽²⁾</td><td>0.61%</td><td>0.55%</td></tr> <tr> <td>After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%)⁽³⁾</td><td>0.68%</td><td>0.61%</td></tr> </table> (1) Taking into account the 561,273 BSPCE the 161,467 warrants (including the 70,000 BSA_{2018-Kreos}) and 64,270 Options issued and allocated by the Company, whether vested or not, respectively granting the right to subscribe to 561,273, 161,467 and 64,270 new shares and to complete the definitive acquisition of the 25,415 free shares allocated by the Company. (2) Based on the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros, and taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable. (3) Based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros, and taking into account the 638,376 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.		Shareholder's investment as a %		(in euros per share)	Non-diluted basis	Diluted basis ⁽¹⁾	Prior to the issuance of the New Shares	1.00%	0.86%	After the issuance of 2.150.000 New Shares ⁽²⁾	0.64%	0.58%	After the issuance of 2.472.500 New Shares and Additional New Shares in the event of the full exercise of the Over-allotment Option ⁽²⁾	0.61%	0.55%	After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%) ⁽³⁾	0.68%	0.61%
	Shareholder's investment as a %																			
(in euros per share)	Non-diluted basis	Diluted basis ⁽¹⁾																		
Prior to the issuance of the New Shares	1.00%	0.86%																		
After the issuance of 2.150.000 New Shares ⁽²⁾	0.64%	0.58%																		
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After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%) ⁽³⁾	0.68%	0.61%																		
E.7	Expenses billed to the investor by the Issuer	N/A																		

1 PERSONS RESPONSIBLE

1.1 Person responsible for the Prospectus

Mr Pierre Leurent, Chief Executive Officer of Voluntis.

1.2 Statement of the person responsible for the Prospectus

I hereby certify after having taken all reasonable measures for this purpose, that the information contained in this Prospectus gives, to the best of my knowledge, a true and fair view and does not contain any omission that would affect its import.

[INTENTIONALLY OMITTED]

Issued in Paris,

on May, 14th 2018

Mr Pierre Leurent

Chief Executive Officer

1.3 Person responsible for financial information

Matthieu Plessis

Chief Financial Officer

Address: 22, Quai Gallieni, 92150 Suresnes

Telephone: +33 (0)1 41 38 39 20

Fax: + 33 (0)1 41 38 39 26

E-mail: investors@voluntis.com

2 RISK FACTORS ASSOCIATED WITH THE OFFERING

In addition to the risk factors described in Chapter 4 "Risk Factors" of the Document de base, the investor is invited to take into account the following factors and other information contained within the Securities Note before deciding to invest in shares in the Company. An investment in the Company's shares carries a degree of risk. The material risks identified by the Company on the date of the Prospectus are those described in the Document de base and those described below. If one of these risks were to materialise, the activities, financial position, results or outlook of the Group might be significantly affected. In such an event, the price of the Company's shares may fall and investors may lose all or some of the sums invested in the Company's shares. Other risks and uncertainties that are unknown to the Company at the date of the Prospectus or that it currently deems to be insignificant may exist and arise and also disrupt or have a negative effect on the activities, financial position, revenue and outlook of the Group as well as on the Company share price.

2.1 The Company's shares have never been traded on a financial market and are subject to market fluctuations.

Prior to the admission to trading of Company shares on the regulated market of Euronext in Paris ("Euronext Paris"), they have not been listed on any financial market. The Offering Price is not a guide to the performance of the market price of Company shares following their admission to trading on Euronext Paris. The market price, which will be established following the admission to trading of Company shares on Euronext Paris, may be subject to material fluctuations compared to the Offering Price. Although the Company has requested the admission to trading of its shares on Euronext Paris, it cannot guarantee the existence of a liquid market for its shares nor that such a market, if it develops, will last. Should no liquid market develop for the Company's shares, the market price of its shares and the ability of investors to trade their shares under conditions they may deem satisfactory may be affected.

2.2 The market price of Company shares may be affected by significant volatility

The market price of the Company's shares may be significantly affected by many factors that have an impact on the Company, its competitors or overall economic conditions and its target markets. The market price of Company shares may, in particular, fluctuate significantly in response to events such as:

- changes in the financial results or outlook of the Group or of its competitors from one period to another;
- announcements by competitors or other companies with similar activities and/or announcements about the Company's target markets, including those relating to the financial and operational performance of such companies;
- unfavourable changes in the regulatory environment of the country or markets specific to the Group's business sector or to the Group itself;
- announcements relating to changes in the Company's shareholding;
- announcements regarding changes to the executive team; and
- announcements on the scope of Group assets (acquisitions, disposals, etc.).

Moreover, financial markets undergo significant fluctuations that are not always connected to the results and outlook of the listed companies. Such market fluctuations, as well as the economic situation may, therefore, also significantly affect the market price of the Company's shares.

2.3 The sale of a large number of Company shares may have a significant impact on the Company share price

The decision of certain existing shareholders to sell some or all of their shareholdings on the market after the expiry of their lock-up undertaking (as described under section 7.3 of the Securities Note) or prior to such expiry in the event that they are removed, or the perception that such a disposal is imminent, may have a significant negative effect on the Company share price.

2.4 Risks associated with insufficient share subscriptions and the cancellation of the Offering

In the event of insufficient demand, the issuance initially envisaged as part of the Offering may be restricted to the subscriptions received provided that this amount to at least 75% of the initially contemplated issuance.

Thus, if the amount of subscriptions does not reach at least 75% of the amount of the initially contemplated issuance, i.e. the subscription of a minimum of 1,612,500 New Shares (representing approximately 22 million euros based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros), the Offering would be cancelled and the subscription orders would become null.

In addition, if the Offering were limited to 75% of the amount of the contemplated capital increase, the number of the Company's shares distributed to the public would be less than 10% of the Company's share capital². The liquidity of the Shares may then be limited. Accordingly, no guarantee can be given that an active market for the Shares would develop or that the shareholders would be able to sell their Shares in that market on satisfactory price and liquidity terms. If an active market were not to develop, the liquidity and price of the Shares would be affected.

2.5 If the Underwriting Agreement is not signed the Offering will be cancelled, together with any trading on an as-if-and-when-issued basis (*sous la forme de promesses d'actions*) up to (and including) the settlement-delivery date.

The Underwriting Agreement may not be signed or, having been signed, may be terminated under certain circumstances by the Joint Lead Managers and Joint Bookrunners at any time up until (and including) the Offering settlement-delivery date (see section 5.4.3 of the Securities Note).

Should the Underwriting Agreement not be signed, the Company's IPO and Offering would be cancelled retroactively.

Should the Underwriting Agreement be cancelled, the subscription orders and the Offering would be cancelled retroactively. The OPO, the Global Placement, all subscription orders placed under these and all trades that have taken place up to (and including) the settlement-delivery date would be cancelled retroactively and would have to be settled, with each investor responsible for their own absence of gains and any costs resulting from such cancellation.

Should the Underwriting Agreement not be signed or should it be cancelled, Company shares will not be admitted to trading on Euronext Paris. This information will be announced in a press release issued by the Company and a notice circulated by Euronext. In accordance with section 6801/2 of harmonised rules of Euronext, Euronext cannot be held liable for any loss, suffered by any person, due to the withdrawal of the Offering by the Company and the consecutive cancellation of transactions.

² It being specified that the number of the Company's shares distributed to the public may not be less than 5% of the Company's share capital pursuant to rule 6702/1 of the harmonized rules of Euronext.

2.6 There are no plans to initiate a policy of paying dividends in the short term given the Group's stage of development

The Company has not paid dividends for the last three financial years.

As of the date of the Prospectus, there are no plans to initiate a policy of paying dividends in the short term, with any profits to be reinvested in the Group's operations owing to its stage of development.

2.7 Dilution risk

Additional dilution related to the funding of all or some of any additional financing requirements.

The costs and time spent on researching and developing the Company's products and pursuing its clinical and pre-clinical development programmes are, to a degree, beyond the Company's control and will continue to generate significant financing requirements in the future, which may lead the Company to seek funding through new capital increases, which would lead to a dilution of shareholdings.

Dilution risk associated with the use of profit-sharing tools

Since its inception, and as part of its experienced officers attractive and incentive policy, the Company has granted founders' warrants ("BSPCE"), warrants ("BSA"), stock options ("Options") and free shares.

As of the date of the Prospectus, the maximum number of shares likely to be created by the full exercise of all rights giving access to the Company's capital is 812,425 shares, i.e. a maximum dilution of 16.92% on the basis of the existing capital to date and 14.47% on the basis of the diluted capital (without taking into account any shares that may be issued through the conversion of convertible bonds issued by the Company which will automatically be converted on the settlement-delivery date on Euronext Paris).

As part of its incentive plans regarding its managers and employees and to attract additional skills, the Company could, in future, issue or allocate shares or new financial instruments giving access to the Company's capital. Moreover, the Group may in the future need additional financing for the development of its products and/or technologies. The Group may find itself unable to fund its own growth internally, which would lead it to seek other sources of funding, involving increasing the Company's equity through a capital increase, issuing financial instruments potentially giving access to the Company's capital and/or taking out bank loans.

Issuing these financial instruments may result in further, potentially significant dilution, for the Company's current and future shareholders.

3 KEY INFORMATION

3.1 Statement on net working capital

At the date of the Prospectus, the Company does not have sufficient working capital to meet its obligations and cash needs over the next 12 months.

The development of health products involves phases of technological, clinical and marketing investment over a number of years, which is the main reason for the Company's past and current loss-making situation.

The cash available on 31 March 2018 (i.e. €470 thousand) will enable the Company to continue to operate until September 2018, taking into account in particular the pre-funding of the research tax credit for the 2017 financial year of €1,350 thousand in April 2018 by the Company's main bank (BNP Paribas) and the drawdown of three potential tranches of the bond loan signed with Kreos Capital V (UK) Ltd ("**Kreos**") for a total of €7,000 thousand.

The amount required to continue the Company's operations from 1 April 2018 and for 12 months after the date of the Prospectus is estimated at €14,950 thousand. This net amount includes the payment of all of the commitments of which the Company is aware at the date of the Prospectus and, in particular:

- (i) net requirements related to operations and investments over the period for around €18,700 thousand (particularly expenditure on projects involving the development of products, commercial development and the purchase of assets);
- (ii) repayment terms for the 0% Bpifrance loan and the Kreos loan put in place in April 2018, and the repayment of the pre-funding of the research tax credit, for a total amount of 3,720 thousand euros; and
- (iii) the payment of any essential costs associated with the plans to list shares on the regulated market of Euronext in Paris which will be payable by the Company and are unpaid at 31 March 2018, estimated at €900 thousand;

partially financed by a loan from Kreos and the pre-funding of the research tax credit for 2017 for a total of €8,350 thousand.

The capital increase of the Company concurrently with the admission to trading of its shares on the regulated market of Euronext in Paris is the Company's preferred solution for funding the continuation of the activities required for its development and to address the shortfall of net working capital in the 12 months following the date of the Prospectus.

The Company considers it can meet its cash needs for the 12 months following the date of the Prospectus in the event of a partial realization of the contemplated capital increase to 75% (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros).

If the planned IPO transaction does not take place, the Company will examine the possibility of postponing some of its development plans and will have a number of options to fund its development (particularly through financing from existing shareholders and new investors).

3.2 Shareholders' equity and debt

The Company's consolidated shareholders' equity and net financial debt at 31 March 2018, in accordance with IFRS and the ESMA (European Securities and Market Authority) recommendations of March 2013 (ESMA/2013/319, paragraph 127), are as detailed below:

Shareholders' equity and debt <i>(in € thousands / audited)</i>	31 March 2018
Total short-term debts	8 680
Short-term debts with guarantees	-
Short-term debts pledged	-
Current financial debts unpledged and without guarantees	8 680
Total medium and long-term debts (excluding the part of medium and long-term debts due in less than one year)	217
Medium and long-term debts with guarantees	-
Medium and long-term debts pledged	-
Medium and long-term debts unpledged and without guarantee	217
Shareholders' equity	- 1 127
Share capital	480
Share premium	35 752
Legal reserves	-
Other reserves	- 37 360
Net debt <i>(In € thousands / audited)</i>	
A – Cash	470
B - Cash equivalents	-
C - Marketable securities	-
D - Liquidity (A+B+C)	470
E - Short-term receivables	-
F - Short-term bank debts	-
G - Part of medium and long-term debts due in less than one year	-
H - Other short-term financial debts	8 680
I - Short-term financial debts (F+G+H)	8 680
J - Short-term net financial debt (I-E-D)	8 210
K - Bank loans due in more than one year	-
L - Bonds issued	-
M - Other loans due in more than one year	217
N - Medium and long-term net financial debt (K+L+M)	217

O - Net financial debt (J+N)	8 427
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With the exception of (i) the payment of funds corresponding to the first tranche of the subscription of bonds by Kreos for an amount of €4,000 thousand (i.e. the amount net of initial fees of €3.707 thousand), (ii) the issuance of 70,000 BSA_{2018-Kreos} to Kreos Capital V (Expert Fund) L.P. (it being specified that no BSA_{2018-Kreos} has been exercised as of the date of the Prospectus) and (iii) the €1,350,000 financing corresponding to the mobilisation of part of the receivable related to the 2017 research tax credit with the Group's main bank (BNP Paribas) set up on 5 April 2018 (this amount being repayable at the end of June 2018), there have been no significant changes liable to affect the amount of financial debt in the medium and long-term and the amount of shareholders' equity excluding income for the period since 31 March 2018.

3.3 Interest of natural persons and legal entities involved in the Offering

The Joint Lead Managers and Joint Bookrunners and/or some of their affiliates have provided, and/or may provide in the future, various banking, financial, investment, commercial and other services to the Company, its affiliates or shareholders or its corporate officers, for which they have received or may receive remuneration.

3.4 Reasons for the Offering and intended use of the net proceeds thereof

The Offering and the admission to trading of Company's shares on Euronext Paris are intended to provide the Company with additional resources to fund its operations and development. Thus, the estimated net proceeds of the Offering (i.e. 29 million euros on the basis of a price equal to the midpoint of the indicative range of the Offering Price, exercise of the Over-allotment Option not included) is to be used to:

- strengthen the Group's sales resources in North America and in Europe for 60% of funds, through:
 - continuing to develop sales, marketing and medical teams responsible for the direct marketing to payers of therapeutic software for diabetes, and
 - the growth of field operations and support teams responsible for supporting the local deployment of Group solutions in the target countries;
- pursue technological, clinical and regulatory developments related to the proprietary solution targeting a range of different cancers for 20%, with a view of securing regulatory approval prior to bringing it to market; and
- consolidate the Group organisation for the rest of funds (i.e. 20%), through the growth of the Company's American subsidiary in particular and the pursuit of investment in the Group's technological platform.

If the Offering is limited to 75% of the amount of the contemplated capital increase, the Group is planning a proportional reduction in investments planned for these various categories, whilst prioritising commercial investments.

The Offering and admission to trading of the Company's shares on Euronext Paris will also enable the Company to build its reputation in France and overseas.

4 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING

4.1 Type, class and dividend entitlement date of shares offered for sale and admitted to trading

Type and number of shares whose admission to trading is requested

The Company's securities of which the admission to trading on Euronext Paris (Compartment C) is requested include:

- all the shares comprising the share capital of Voluntis, i.e. 4,802,084 shares, including (i) 129.966 existing ordinary shares and (ii) 4.672.118 new ordinary shares resulting from the automatic conversion of 4,672,118 existing preferred shares into ordinary shares concomitantly to the settlement-delivery of the Company's shares as part of their admission to trading on Euronext Paris (the "**Existing Shares**");
- a maximum of 638,376 new shares to be issued upon automatic conversion, concurrently with the settlement-delivery of the Company's shares in connection with their admission to trading on the regulated Euronext Paris market expected to occur on 31 May 2018, based on the indicative timetable, of the 71,000,000 bonds convertible into shares issued by the Company (assuming a conversion on 31 May 2018 and based on the lower end of the indicative range of the Offering Price, i.e. 13.50 euros); and
- 2,150,000 new shares to be issued in connection with a cash capital increase with cancellation of the shareholders' preferential subscription right via a public offering (the "**New Shares**"), and a maximum of 2,472,000 new shares in the event of full exercise of the Over-Allotment Option (the "**Additional New Shares**" and with the New Shares, the "**Offered Shares**").

The Offered Shares are the Company's ordinary shares.

Dividend entitlement date

Dividend entitlement date: upon issuance, Offered Shares will be fungible with Existing Shares. They will carry dividend rights (see Section 4.5 of the Securities Note relating to rights to dividends).

Security name

Voluntis

ISIN Code

FR 0004183960

Ticker symbol

VTX

Compartment

Compartment C

Business sector

LEI Number : 969500NSBH4XTWSGFE04

NAF Code: 62012 – Computer Programming

Industry Classification Benchmark (ICB): 9537 – *Software*

Initial listing and share trading

The initial listing of the shares on Euronext Paris is expected to take place on 29 May 2018, and trading should begin on 30 May 2018 on an as-if-and-when-issued basis (*sous la forme de promesses d'actions*) up to and including 31 May 2018 in accordance with Article 6.8 of Euronext's harmonised market rules.

From 30 May 2018 until the settlement-delivery date of the New Shares, which should take place on 31 May 2018, trading will be conducted as provided for in Article L. 228-10 of the French Commercial Code, on a single trading line called "Voluntis - promesses" and will be subject to the condition precedent that a certificate is issued by the depositary attesting the subscription of the New Shares.

With effect from 1 June 2018, shares in the Company will be traded under the trading line "Voluntis".

4.2 Governing law and competent courts

The Company's shares are subject to French law.

Any dispute regarding the Company may only be submitted to the courts of the registered office of the Company where the Company is the defendant. If the Company is the plaintiff, the courts will be chosen based on the nature of the dispute, unless otherwise provided for in the French Code of Civil Procedure.

4.3 Form and registration of the Company's shares

Shareholders may choose to hold the Company's shares in registered or bearer form.

Pursuant to Article L. 211-3 of the French Monetary and Financial Code, shares must be registered in a securities account held by the Company or an authorised intermediary, as appropriate.

Consequently, shareholders' rights will be evidenced by registration in a securities account opened in their name in the ledgers of:

- BNP Paribas Securities Services (9, rue du Débarcadère, 93500 Pantin, France), mandated by the Company, for shares held in pure registered form;
- an authorised intermediary of their choice and of BNP Paribas Securities Services (9, rue du Débarcadère, 93500 Pantin, France), mandated by the Company, for shares held in administered registered form;
- an authorised intermediary of their choice for shares held in bearer form.

Pursuant to Articles L. 211-15 and L. 211-17 of the French Monetary and Financial Code, shares are transferred from one account to another and the transfer of ownership of the shares shall be evidenced by their registration in the purchaser's account.

A listing request will be made for the Company's shares to Euroclear France's operations, which will ensure the clearing of the shares between custody account-keepers.

Based on the indicative timetable, the Company's shares are expected to be registered in securities accounts on 31 May 2018.

4.4 Currency in which the capital increase is denominated

The Offering will be denominated in euros.

4.5 Rights attached to shares

The shares will be subject to all the provisions of the bylaws as approved by the Combined General Shareholders' Meeting held on 11 April 2018 under the non-retroactive condition precedent, and concomitantly to the settlement-delivery of the Company's shares on Euronext Paris. Under current French law and the Company's bylaws that will govern the Company following said listing, the main rights attached to shares are as follows:

Profits – Legal reserves - Rights to dividends

Each share is a unit of ownership interest in the assets and profits and liquidation surplus of the Company which is proportional to the fraction of the share capital that it represents.

Five percent (5%) of the net profit for the year less any prior year losses will be allocated to the legal reserve fund. This allocation is no longer required once the legal reserve reaches 10% of the Company's share capital and resumes whenever for any reason the legal reserve falls below this percentage.

Distributable profits equal the net profits for the year, less any prior year losses and the allocation provided for in the above paragraph, plus any profits carried forward from previous years.

The General Meeting held to approve the year-end financial statements may grant each shareholder, for all or a portion of the dividends paid, the option of payment of the interim or final dividends in cash or in shares.

Dividends that remain unclaimed for a period of five years from the date they are made available for payment are paid to the French Treasury.

Dividends paid to non-residents will be subject to withholding tax in France (see section 4.11 of the Securities Note).

The Company's dividend distribution policy is set out in Section 20.3 of the *Document de base*.

Preferential subscription rights

Unless waived by the shareholders, shares carry preferential subscription rights in the event of capital increases. Shareholders have, in proportion to the number of shares they hold, a preferential subscription right to shares issued for cash as part of an immediate or future capital increase. During the subscription period, such rights are negotiable if they are detached from shares that are themselves negotiable. If not, they are transferable under the same conditions as the shares themselves. Shareholders may individually choose to waive their preferential subscription rights (Articles L. 225-132 and L. 228-91 of the French Commercial Code).

Voting rights

The voting right attached to shares is proportional to the share capital that they represent and each share entitles its holder to one vote, it been specified that with all fully paid-up shares that have been registered

in the same name for at least two years as of the date of the initial listing of the Company on Euronext Paris being assigned double voting rights.

Rights to share in the Company's profitability

Company shareholders are entitled to profits as provided for in Articles L. 232-10 et seq. of the French Commercial Code.

Rights to share in any surplus in the event of liquidation

Each share confers a right to ownership of the Company's assets, a share in its profits and any liquidation surplus, equal to the proportion of share capital that it represents, without prejudice to the issuance of preferred shares.

Buy-back or conversion clauses

The Company's bylaws do not provide a buy-back or conversion clause for ordinary shares.

Identification of security holders

The Company ensures that it is informed of the composition of its shareholding under the conditions provided for by law. In this respect, the Company may avail itself of all legal provisions for the identification of the holders of securities conferring immediate or future voting rights at its General Meetings of Shareholders.

4.6 Authorisations

4.6.1 The Company's General Meeting having authorised the issuance

The issuance of New Shares and Additional New Shares, where appropriate, has been authorised by the thirty-second and thirty-fourth resolutions of the Company's Combined General Shareholders' Meeting held on 11 April 2018, the text of which is set out below:

Thirty-second Resolution

Delegation of authority to be granted to the Board of Directors to increase share capital by issuing ordinary shares and/or any securities, with cancellation of the shareholders' preferential subscription right and a public offering

Having considered the reports of the Management Board and the Statutory Auditors,

and voting in accordance with the quorum and majority rules applicable to Extraordinary General Meetings,

in accordance with the provisions of Articles L. 225-129, L. 225-129-2 et seq., L. 225-131, L. 225-136 and L. 228-91 et seq. of the French Commercial Code,

the General Meeting **delegates** to the Board of Directors its authority, which the Board of Directors may delegate or sub-delegate in accordance with the law, to issuance, via a public offering, with cancellation of the preferential subscription right, on one or more occasions, to the extent and at the times of its choice, in France or abroad, ordinary shares of the Company or equity securities granting access to other equity securities or providing entitlement to debt securities and/or transferable securities (including all debt obligations) granting access to Company equity securities; said shares, equity securities and/or transferable securities may be issued in euros, foreign currency or in any monetary units determined by reference to more than one currency as decided by the Board of Directors, and may be made paid up in cash, including by offset of debts,

resolves that the share issues that may be carried out pursuant to this resolution may involve public offerings,

resolves that the maximum nominal amount of capital increases that may be carried out, immediately and/or in the future, by virtue of this resolution, may not exceed €385,000 (or the equivalent of this amount where the issuance is denominated in another currency or a monetary unit determined by reference to more than one currency), with it being clear that:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future by virtue of this resolution will be charged against the amount of the total ceiling provided for in the thirty-eighth resolution hereunder;
- where applicable, the nominal value of shares to be issued in order to protect, as prescribed by law and where applicable, any contractual stipulations, the rights of holders of securities and other rights granting access to the share capital, shall be added to this ceiling.

resolves to set the nominal maximum amount of debt securities that may be issued pursuant to this delegation of authority at €50,000,000 (or the equivalent of this amount where the issuance is denominated in another currency), on the understanding that:

- this amount will be included in the calculation of the total ceiling set out in the thirty-eighth resolution hereunder;
- this ceiling does not apply to debt securities referred to in Articles L. 228-40, L. 228-36-A and L. 228-92 paragraph 3 of the French Commercial Code, the issuance of which would be approved or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code, or in other cases, under conditions that the Company would determine, in accordance with the provisions of Article L. 228-36-A of the French Commercial Code,

resolves to cancel shareholders' preferential subscription rights to ordinary shares or transferable securities issued pursuant to this delegation of authority,

resolves to cancel shareholders' preferential subscription rights to ordinary shares or transferable securities issued pursuant to this delegation of authority, while nevertheless allowing the Board of Directors the option to grant shareholders a priority subscription period in respect of all or part of an issuance, under terms that it will set pursuant to Article L. 225-135 of the French Commercial Code. This priority does not entail the creation of negotiable rights, but may be exercised on both a reducible and irreducible basis,

acknowledges, where necessary, the fact that this delegation of authority entails the express waiver by shareholders, in favour of the holders of any securities issued by virtue of this delegation, of their preferential subscription rights in relation to the shares to which those securities give entitlement,

resolves that, if the subscriptions fail to absorb the totality of such an issuance, the Board of Directors may exercise, as it deems fit, one of the following powers:

- to limit the issuance to the amount of subscriptions, provided that such amount is equal to at least three-quarters of the initially decided size of the issuance;
- to distribute all or part of the issued, unsubscribed shares to such persons as it sees fit; and
- to offer all or part of the issued, unsubscribed shares to the public, on the French or international markets.

resolves that the issue price of the shares and transferable securities that may be issued by virtue of this delegation of authority shall be set by the Board of Directors in the following manner:

- as part of the capital increase to be performed at the time of the IPO and the initial listing of the Company's shares on the regulated market of Euronext in Paris, the subscription price for one new share will be the result of the comparison between the shares offered and the subscription requests issued by investors as part of the process known as "book building";
- subsequent to the admission to trading of the Company's shares on the regulated market of Euronext in Paris, the issue price of the shares and transferable securities that may be issued by virtue of this delegation of authority shall be set by the Board of Directors, in accordance with the provisions of Articles L. 225-136-1 and R. 225-119 of the French Commercial Code (for indicative purposes on the date of this General Meeting, the issue price of the shares must be at least equal to the volume-weighted average share price of the last three (3) trading sessions prior to the price being set, less, where appropriate, the discount authorised by law (i.e. currently 5%) and adjusted if there are differences in dividend entitlement dates, it being specified that the issue price of the securities giving access to capital shall be such that the amount immediately received by the Company, plus any amount that may be received at a later date by the Company, is at least equal to the issue price set out above for each share issued as a result of the issuance of these transferable securities,

resolves that the Board of Directors shall have full authority to implement, as provided by law and the bylaws, this delegation of authority to, among other things, set the dates, the terms and conditions of each issuance and the form and characteristics of the shares or securities giving access to capital or the debt securities to be issued, with or without a premium. The Board of Directors shall determine the amounts to be issued, the dividend entitlement date, retroactively if necessary, of the shares and securities giving access to capital or debt securities to be issued, their manner of payment and, where appropriate, the time limit and exercise price of the transferable securities or the procedures for exchange, conversion, repayment or grant in any other manner of equity securities or securities giving access to capital within the limits set out in this resolution,

resolves that the Board of Directors shall have full authority, with the right to delegate or sub-delegate, to implement this delegation of authority and carry out, in one or more tranches, to the extent and at the times of its choice, the aforementioned issues, or refrain from doing so where appropriate, and to enter into any agreements to ensure the successful completion of the issues in question, record such issues and amend the bylaws accordingly:

- to determine procedures for adjusting the conditions giving future access to the issuer's share capital in accordance with the law;
- to postpone, where applicable, the exercise of the rights attached to these transferable securities for a maximum period of three (3) months;
- to charge any amounts to the share premiums, in particular for issuance costs;
- to ensure the subsequent protection of the rights of the holders of securities giving future access to the Company's share capital issued pursuant to this delegation of authority, in accordance with legal and regulatory provisions and any applicable contractual stipulations;
- to take all measures and carry out all formalities required for the admission to trading of the securities thus issued on the regulated market of Euronext in Paris and on any other market on which the Company's shares may be listed accordingly,

duly notes that, in the event that the Board of Directors avails itself of the delegation of authority set out in this resolution, it shall submit a report to the following Ordinary General Meeting, in accordance with applicable laws and regulations,

resolves that this authorisation is granted for a period of twenty-six (26) months from this meeting,

resolves that the Board of Directors cannot, except with prior authorisation from the General Meeting, use this delegation of authority from the date a draft public offer has been filed by a third party for the Company's shares, until the end of the public offer period."

Thirty-fourth Resolution

Delegation of authority to be granted to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights approved under the terms of the above thirty-first resolution, thirty-second resolution and thirty-third resolution.

the General Meeting, having considered the reports of the Management Board and the Statutory Auditors,

and voting in accordance with the quorum and majority rules applicable to Extraordinary General Meetings,

in accordance with the provisions of Articles L. 225-135-1 and R. 225-18 of the French Commercial Code,

delegates to the Board of Directors its authority to increase the amount of the share issues with or without preferential subscription rights which may be determined pursuant to the above thirty-first resolution, thirty-second resolution and thirty-third resolution, under the terms and conditions provided for in Article L. 225-135-1 of the French Commercial Code (i.e., to date, within 30 days from the closing date for subscriptions, at the same price as that set for the initial issuance and within the limit of 15% of the initial issuance amount), said shares granting the same rights as the former shares with the exception of their dividend entitlement date,

resolves that the nominal amount of capital increases determined pursuant to this resolution shall be charged against the amount of the total ceiling of €385,000 common to all the capital increases that may be completed in accordance with the resolutions referred to above, provided for in the thirty-eighth resolution below, to which shall be added, where applicable, the total amount of any additional shares or securities which may be issued to preserve, in accordance with laws and any applicable contractual stipulations, the rights of holders of securities and other rights giving access to the share capital,

duly notes that, in the event that the Board of Directors avails itself of the delegation of authority set out in this resolution, it shall submit a report to the following Ordinary General Meeting, in accordance with applicable laws and regulations,

resolves that this authorisation is granted for a period of twenty-six (26) months from this meeting,

resolves that the Board of Directors cannot, except with prior authorisation from the General Meeting, use this delegation of authority from the date a draft public offer has been filed by a third party for the Company's shares, until the end of the public offer period."

4.6.2 The Company's Board of Directors having approved the principle of the issuance

Pursuant to the delegation of authority referred to in section 4.6.1 of the Securities Note, the Board of Directors at its meeting held on May 9th 2018:

- approved the principle of a cash capital increase with a nominal value of 215.000 euros per issuance, with cancellation of preferential subscription rights, via a public offering and without a priority period, for a maximum of 2,150,000 New Shares each with a par value of €0.10 each;
- set the indicative range of the issue price of the New Shares at between 13.50 euros and 16.50 euros per share; it being specified that this range may be modified as provided for in section 5.3.2.3 of the Securities Note; and

- approved the principle whereby the amount of the capital increase referred to in the first paragraph may be increased by a maximum of 15% through the issuance of a maximum number of 322,500 additional new shares resulting from the Over-allotment Option granted to the Joint Lead Managers and Joint Bookrunners in accordance with the thirty-fourth resolution of the Company's Combined General Shareholders' Meeting on 11 April 2018 (see section 5.2.6 of the Securities Note).

The final terms of this capital increase, including the number of shares and issue price of the New Shares, shall be approved by the Company's Board of Directors at its meeting which is expected to be held on 29 May 2018.

4.7 Anticipated settlement-delivery date of the Shares

The anticipated date of the settlement-delivery of new shares is 31 May 2018 in accordance with the indicative timetable in section 5.1.1 of the Securities Note.

4.8 Restrictions on the free negotiability of the Company's shares

There are no provisions in the Company's bylaws restricting the free negotiability of the shares comprising the Company's share capital.

For a detailed description of the commitments made by the Company and some of its shareholders, see Section 7.3 of the Securities Note.

4.9 French regulation on public offerings

As from admission to trading on Euronext Paris, the Company will be subject to the legal and regulatory provisions in effect in France relating to mandatory tender offers, buyout offers and squeeze-outs.

4.9.1 *Mandatory tender offers*

Article L. 433-3 of the French Monetary and Financial Code and Articles 234-1 et seq. of AMF General Regulation set out the conditions for the mandatory filing of a draft offer, on terms that can be declared compliant by the AMF, for all the equity securities as well as any securities giving access to the capital or voting rights of a company whose shares are admitted to trading on a regulated market.

4.9.2 *Buyout offers and squeeze-outs*

Article L. 433-4 of the French Monetary and Financial Code and Articles 236-1 et seq. (buyout offer), 237-1 et seq. (squeeze-out following a buyout offer) of the AMF General Regulation set out the conditions for filing a buyout offer and implementing a squeeze-out procedure involving the minority shareholders of a company whose shares are admitted to trading on a regulated market.

4.10 Takeover bids by third parties in respect of the Company's share capital during the last and current financial year

As no Company shares have been admitted to trading on a regulated market at the date of the Prospectus, no takeover bid by a third party has been launched on the Company's share capital in the last and current financial year.

4.11 French tax regime

Based on French laws and regulations in force, the following overview summarises certain of the tax consequences that may apply to persons who become Company shareholders.

Shareholders should be informed that this information is merely a summary, provided for general information purposes. The rules referred to below may be affected by potential legislative or regulatory

changes (including retroactive changes where applicable), or by a change in their interpretation by the French tax authorities.

In any event, this information does not aim to provide a comprehensive analysis of all the tax effects that may apply to persons who become Company shareholders.

Future shareholders should consult their usual tax advisor with respect to the tax regime applicable to their particular situation relating to the acquisition, ownership and disposal of the Company's shares.

Non-French tax residents must also comply with the tax laws of their country of residence, which may be modified pursuant to any international tax treaty signed between France and that country.

It is further specified that, if applicable, the withholdings and deductions referred to in the following overview shall under no circumstances be borne by the Company.

4.11.1 *Withholdings and deductions applicable to dividends received by shareholders whose residence for tax purposes is in France*

(a) Natural persons who own shares of the Company as part of their private assets outside of French share savings schemes (PEAs) and who do not engage in stock market transactions under conditions similar to those characterising the activity exercised by persons who perform such transactions on a professional basis

Non-final single flat-rate tax of 12.8%

Pursuant to Article 117 quater of the French Tax Code ("CGI"), subject to certain exceptions, in particular those that are provided for in I. 1° of Article 117 quater of the CGI, natural persons that are French residents for tax purposes are, in principle, subject to a non-final single flat-rate tax on income of 12.8% on the gross amount of distributed income. This withholding is deducted at source by the entity paying the dividend if this entity is registered in France. Where the paying entity is registered outside France, the income is declared and the corresponding tax is paid within the first 15 days of the month following the payment of the dividend, either by taxpayers themselves or by the paying entity, where it is registered in a Member State of the European Union, or in another State party to the European Economic Area Agreement having entered into a convention on administrative assistance with France to combat fraud and tax evasion and which has been mandated by the taxpayer for this purpose.

This non-final single flat-rate tax, which represents an income tax prepayment, is offset against the income tax that will be due in the year in which the income was earned, at a flat rate of 12.8%. However, taxpayers may opt for dividends to be subject to income tax at ordinary progressive rates. If it exceeds the income tax due, the surplus is refunded to the taxpayer.

Shareholders who may be affected should consult their usual tax advisor to determine the possible applicability of exemptions from the mandatory single flat-rate tax of 12.8% and, where appropriate, the procedure for offsetting this tax against the amount of their income tax.

In addition, notwithstanding the place of residence, pursuant to Article 119 bis2 of the CGI, where dividends are paid outside France in a non-cooperative State or territory as defined in Article 238-0 A of the French CGI (an "NCST"), the dividends paid by the Company shall be subject to a 75% withholding tax on the gross amount of distributed income unless the debtor demonstrates that the dividend distribution has neither the object nor the effect of allowing, for the purpose of tax evasion, the location of the sums in question in such an NCST.

As a rule, the list of non-cooperative states and territories, published by ministerial decree, is updated on an annual basis. This list and the criteria establishing inclusion thereon may be affected by potential legislative or regulatory changes, including retroactive changes where applicable.

Social contribution of 17.2%

The gross amount of any dividends paid by the Company will also be subject in full to contributions at a total tax rate of 17.2%, breaking down as follows:

- the French general social security contribution ("**CSG**") of 9.9%;
- social security debt repayment contribution ("**CRDS**") of 0.5%;
- social security levy (*prélèvement social*) of 4.5%;
- additional contribution to the social security levy of 0.3%; and
- solidarity levy of 2%.

These social contributions are deducted in the same way as the non-final single flat-rate tax of 12.8%.

These social contributions are not deductible from the income tax base where dividends are subject to the single flat-tax of 12.8%. Where taxpayers opt for dividends to be subject to income tax at ordinary progressive rates, the CSG is deductible at 6.8% from the total taxable income for the year of its payment.

Shareholders should contact their usual tax advisor to determine the filing and payment procedures for both the single flat-tax of 12.8% and the social contributions.

Special provisions of the French share savings schemes (PEAs) and PEAs aimed at providing financing to SMEs-ISEs ("PME-ETI" PEAs)

For holders who are French residents for tax purposes, the Company's ordinary shares are assets which are eligible for the special provisions granted to PEAs and "PME-ETI" PEAs.

A PEA, under certain conditions, entitles its holder:

- throughout the term of the PEA, to an exemption from income tax and social contributions on dividends, net capital gains and other income arising from investments made within the PEA, provided such income is reinvested in the PEA; and
- at the time the PEA is closed (if this is more than five years after it was opened) or at the time of a partial withdrawal (if occurring more than eight years after the PEA was opened), to an exemption from income tax on net capital gains accrued generated by the investments made in the PEA. However, such capital gains remain subject to the social contributions referred to above, at a total rate that may vary depending on the date such gain was acquired or recorded.

In principle, capital losses on shares held in a PEA may be offset only against capital gains earned within the same scheme (specific rules nonetheless apply in the event the PEA is closed). Investors should consult their tax advisor on this issuance.

If the exemption conditions are not met, it follows from the provisions of Article 200 A of the CGI that the net gain realised on the PEA is taxable (i) where the disposal of shares occurs within two years of its inception, at 22.5%, (ii) where the disposal of shares occurs between two and five years from the inception of the PEA, at 19%, in addition to, in any event, the aforementioned social contributions.

Since 2014, a new category of PEA, known as "PME-ETI", benefits from the same tax advantages as the conventional PEA. The maximum investment is fixed at €75,000 (€150,000 for a couple). The "PME-ETI" PEA may be held in conjunction with a conventional PEA and each taxpayer may hold only one "PME-ETI" PEA.

Shareholders should be aware of the fact that the securities whose subscription conferred a right to a reduction of income tax referred to in section 4.12 "Tax relief resulting from cash subscriptions for shares of unlisted small- and medium-sized enterprises (SMEs) (Article 199 terdecies-0 A of the CGI)" cannot be held in a PEA, a "PME-ETI" PEA or an employee savings scheme (including: company savings plans, inter-company savings plans and collective retirement savings plans).

Shareholders should seek advice from their usual tax advisor or the entity managing their PEA or "PME-ETI" PEA to determine the tax consequences applicable to their situation.

(b) Legal persons subject to corporation tax (subject to the ordinary tax regime)

Dividends paid on shares owned by legal persons whose residence is in France will not, in principle, be subject to any withholding tax. However, if the dividends paid by the Company are paid outside France in an NCST, the dividends distributed by the Company shall be subject to a 75% withholding tax unless the debtor demonstrates that the dividend distribution has neither the object nor the effect of allowing, for the purpose of tax evasion, the location of the sums in question in such an NCST.

Legal persons owning shares should consult their usual tax advisor to determine the tax consequences applicable to their situation.

(c) Other shareholders

The Company's shareholders subject to a tax treatment other than those referred to above, particularly taxpayers whose securities transactions go beyond management of personal assets or who have recorded their securities as assets on their business balance sheet, should seek advice from their usual tax advisor on the tax treatment applicable to their particular circumstances.

4.11.2 Withholdings and deductions applicable to dividends received by shareholders whose residence for tax purposes is outside France

This section summarises certain French tax consequences relating to withholdings on income from shares of the Company that could potentially apply to investors (i) who are not residents in France for tax purposes as defined in Article 4 B of the CGI or whose registered office is located outside France, and (ii) who will receive dividends from Company shares that they hold in a manner other than through a fixed base or permanent establishment subject to taxation in France.

Investors should seek advice from their usual tax advisors on the tax treatment applicable to their particular circumstances. Non-French tax residents must also comply with the tax laws of their country of residence, which may be modified pursuant to any international tax treaty signed between France and this country.

Under current French law and subject to modification pursuant to international tax treaties and exemptions set out below, the dividends paid by the Company are subject, in principle, to withholding tax, levied by the entity paying the dividends, where the beneficiary's residence for tax purposes or registered office is located outside France.

Subject to the provisions below, the rate of such withholding tax is fixed at:

- 12.8% where the beneficiary is a natural person;
- 15% where the beneficiary is an entity with its registered office in a Member State of the European Union or in another State party to the European Economic Area Agreement having entered into a convention with France on administrative assistance to combat fraud and tax evasion and which is taxed under the conditions provided for in Article 206,5 of the CGI (dealing with entities commonly referred to as "non-profit organisations") if its registered office

is in France and if it fulfils the criteria set out in paragraphs 580 et seq. of administrative guidelines the administrative guidelines BOI-IS-CHAMP-10-50-10-40-20130325; and

- 30% in other cases, notably where the beneficiary is a legal entity. As from 1 January 2020, the withholding tax rate will be equal to the standard corporate income tax rate, which will reduce the rate to 28% from 1 January 2020, then to 26.5% from 1 January 2021.

However, notwithstanding the location of the beneficiary's residence for tax purposes, place of residence or registered office, subject to the provisions of international tax treaties, if the dividends are paid outside France in an NCST, the dividends paid by the Company shall be subject to a 75% withholding tax unless the debtor demonstrates that these dividend distributions have neither the object nor the effect of allowing, for the purpose of tax evasion, the location of the sums in question in such an NCST.

This withholding tax may be reduced, or even eliminated, pursuant notably to:

- Article 119 ter of the CGI, applicable under certain conditions to shareholders that are legal entities and beneficial owners of the dividends (a) having their place of effective management in a Member State of the European Union or in another State party to the European Economic Area Agreement having entered into a convention with France on the elimination of double taxation containing a clause providing for administrative assistance to combat fraud and tax evasion and not be regarded, under the terms of a double taxation agreement entered into with a third State, as resident for tax purposes outside the European Union or the European Economic Area, (b) taking one of the forms listed in section A of Annex I to Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States or an equivalent form where the company has its place of effective management in a State party to the European Economic Area, (c) holding a direct equity interest of at least 10% in the share capital of the French dividend-paying company for an uninterrupted period of at least two years and meeting all the other conditions set out in this article as interpreted by the administrative guidelines (BOI-RPPM-RCM-30-30-20-10-20160607), with the understanding however that this ownership percentage shall be reduced to 5% of the share capital of the French dividend-paying company where the legal entity that is the beneficial owner of the dividends has an ownership interest that meets the requirements set out in Article 145 of the CGI and is deprived of any possibility to offset the withholding tax (administrative guidelines BOI-RPPM-RCM-30-30-20-40-20160607), and (d) being subject, in a Member State of the European Union or in a State party to the European Economic Area Agreement where it has its place of effective management, to the corporate income tax of that State, without the possibility of an option or of being exempt, it being specified that this Article 119 ter of the CGI shall not apply to dividends paid in the context of an arrangement or a series of arrangements, having been put in place for the main purpose, or one of the main purposes, of obtaining a tax advantage that is inconsistent with the subject matter or ultimate purpose of Article 119 ter of the CGI, that are not deemed genuine when considering all the relevant facts and circumstances; or
- Article 119 of the CGI, whose provisions are commented by the administrative guidelines BOI-RPPM-RCM-30-30-20-80-20160406, applicable to shareholders that are legal entities located in a Member State of the European Union or another State or territory having entered into a convention with France on administrative assistance to combat fraud and tax evasion and that are the subject of a procedure comparable to that referred to in Article L. 640-1 of the French Commercial Code (or, in the absence of such a procedure, being in a state of insolvency and in a position where its recovery is clearly impossible) and meeting the other requirements set out in Article 119 quinquies of the CGI; or
- any applicable international tax treaties.

In addition, dividend payments to certain collective investment undertakings shall be exempt from withholding tax where these undertakings are incorporated under foreign law in a Member State of the

European Union or another State or territory having entered into a convention with France on administrative assistance to combat fraud and tax evasion and which (i) raise capital from a number of investors with a view to investing this, in accordance with a defined investment policy, for the benefit of those investors; and (ii) present characteristics similar to those of collective investment undertakings incorporated under the laws of France meeting the requirements set out in Article 119bis 2 of the CGI (administrative guidelines BOI-RPPM-RCM-30-30-20-70-20170607). Such investors should seek advice from their usual tax advisor to determine how to apply these provisions to their particular circumstances.

The Company's shareholders to whom this applies should consult their usual tax advisor to determine whether they may be subject to legislation relating to NCSTs and/or Page 47 to claim the right to a reduction or exemption from withholding tax and to determine how to implement these measures, as provided for notably in administrative guidelines BOI-INT-DG-20-20-20-20120912 on the so-called "normal" or "simplified" procedure for tax reduction or exemption from withholding as regards international tax treaties.

Non-French tax residents must also comply with the tax laws of their country of residence, with regard to dividends paid by the Company, and that may be modified pursuant to any international tax treaty signed between France and that country.

4.11.3 Registration duties

In accordance with the provisions of Article 726 I of the CGI, the transfer of the Company's shares, insofar as they are not subject to the financial transaction tax set out in Article 235 ter ZD of the CGI, will be subject to registration duties where a deed is drawn up for the transfer (whether in France or abroad) at a single proportional rate of 0.1%.

4.12 Tax relief resulting from cash subscriptions for shares of unlisted small- and medium-sized enterprises (SMEs) (Article 199 terdecies-0 A of the CGI)

The Offered Shares are eligible for an income tax reduction set out in I of Article 199 terdecies-0 A of the CGI.

To enable investors who are natural persons residing in France for tax purposes who are neither associates nor shareholders of the Company as of the date of the Prospectus to benefit, where appropriate, from this measure, the Company undertakes to meet the requirements set out in paragraph 1 bis of I of Article 885-0 V bis of the CGI within the limits of the law, namely:

"1 bis. The company receiving the payments referred to in I must meet the following conditions:

a) it should be a small or medium-sized enterprise (SME) as defined in Annex I of the aforementioned Regulation (EU) No. 651/2014 of 17 June 2014;

b) it should not qualify as an undertaking in difficulty as defined in Article 2 paragraph 18 of the same regulation;

c) it should be engaged in an industrial, commercial, craft, agricultural or professional activity, excluding activities providing guaranteed income due to regulated tariffs for the purchase of production or benefiting from contracts providing for additional compensation as defined in Article L. 314-18 of the French Energy Code, financial activities, property management activities set out in Article 885 O quater of this code and building construction activities with a view to their sale or lease and real estate activities;

d) it should fulfil at least one of the following conditions at the time of the initial investment:

- not be operating in any market,

- be operating in any market for less than seven years following its first commercial sale. The turnover threshold that characterises the first commercial sale as defined in this section and the methods used to determine this threshold are set by decree,

- require a risk finance investment which, based on a business plan prepared in view of entering a new product or geographical market, is higher than 50% of its average annual turnover in the preceding five years;

e) its assets should not consist primarily of precious metals, artwork, collector's items, antiquities, racehorses or competition horses, or, unless its business purpose consists in the consumption or retail sale thereof, of wines and alcohol;

f) it should have its place of effective management in a Member State of the European Union or in another State party to the European Economic Area Agreement having entered into a convention with France on administrative assistance to combat fraud and tax evasion;

g) its financial instruments should not be listed on a regulated market or a French or foreign multilateral trading facility as defined in Articles L. 421-1 and L. 424-1 of the French Monetary and Financial Code, unless such market is a multilateral trading facility where the majority of instruments admitted to trading are issued by SMEs as defined in Annex I of the aforementioned Regulation (EU) No. 651/2014 of 17 June 2014;

h) it should be subject to income tax under standard conditions or would be subject to it under the same conditions if its activity were conducted in France;

i) it has at least two employees at the end of the financial year following the subscription having opened entitlement to this reduction, or one employee if it is required to register with the Chamber of Trades and Crafts;

j) the total amount of payments that it received in respect of subscriptions referred to in this I and III and the risk finance aid it receives in the form of equity or quasi-equity investments, loans, guarantees or a combination thereof shall not exceed €15 million".

The Company also undertakes to meet the following requirements set out in the provisions of Article 885-0 V bis of the CGI, to which Article 199 terdecies-0 of the CGI refers:

- equity subscriptions grant investors the sole rights arising from their capacity as shareholders or associates, excluding any other consideration, including but not limited to capital guarantees, preferential rates and priority access to the goods produced or services provided by the Company;
- investors shall not be repaid the amount they contributed before 31 December of the seventh year following the year of the subscription;
- the Company has not, in the past 12 months, repaid subscribers, in full or in part, the amount of their contributions.

The definitive award of this income tax reduction is subject to the ownership of the shares until 31 December of the fifth year following the year in which the subscription was made.

The income tax reduction is equal to 25% of the payments made during the tax year.

The income tax reduction on payments made represents up to an overall annual amount of €50,000 for taxpayers who are single, widowed or divorced and €100,000 for married taxpayers or those registered as civil partners filing a joint tax return. The portion of investments exceeding the above-mentioned annual threshold qualifies for a tax reduction under the same conditions in the four following years.

In addition, securities for which subscription qualifies for an income tax reduction may not be held in a PEA, "PME-ETI" PEA or employee savings scheme (including: company savings plans, inter-company savings plans and collective retirement savings plans).

In order to allow subscribers who are natural persons to benefit, as applicable, from the above-mentioned measures, the Company will process requests for individual subscription statements for natural persons required by tax authorities in order of arrival, on a first-come, first-served basis.

Each request for an individual subscription statement should be accompanied by a certificate of the amount subscribed by the natural person making this request which said natural person should have obtained in advance from his or her account holder.

In any event, any request for an individual subscription statement must be submitted to the Company within 30 calendar days following the settlement-delivery date of the shares.

The Company reserves its right to close subscriptions eligible for an income tax reduction early where the threshold of €15 million set out in j of 1 bis of I of Article 885-0 Va of the CGI applicable since 1 January 2016 has been met (including payments that the Company received for subscriptions eligible for the wealth tax reduction, income tax reduction and the risk finance aid it benefited from in the form of equity and quasi-equity investments, loans, guarantees or a combination of these instruments), taking into account requests opening entitlement to an income tax reduction or a wealth tax reduction made as from 1 January 2016, and in such cases shall no longer provide any individual statements.

Consequently, subscribers should be aware of the fact that the Company can under no circumstances guarantee subscribers that they will be able to benefit from the income tax reduction for all or even part of their subscription.

Investors who may be eligible for the income tax reduction specified in I of Article 199 terdecies-0 A of the CGI should consult their usual tax advisor to assess their personal situation in terms of the specific regulatory requirements that are applicable.

5 OFFER CONDITIONS

5.1 Offering Conditions, provisional schedule and terms and conditions of subscription

5.1.1 *Offering Conditions*

The Offering (as defined below) will be made by releasing 2,150,000 new ordinary shares, which may be increased to a maximum of 2,472,500 new ordinary shares in the event of the full exercise of the Over-allotment Option.

It is stipulated that the Offered Shares shall be distributed as part of a global offer (the "**Offering**"), comprising:

- a public offering in France made in the form of an open price offering, mainly intended for individuals (the "**Open Price Offering**" or "**OPO**");
- a global placement mainly intended for institutional investors (the "**Global Placement**") comprising:
 - an investment in France, and
 - an international private placement in certain countries.

The public distribution of shares in France will take place in accordance with the provisions of Articles P 1.2.1 *et seq.* of book II of the Euronext market rules relating to the special rules applicable to the regulated French markets. The distribution of the Offered Shares between the Global Placement, on the one hand, and the OPO, on the other, will be carried out based on the nature and size of the demand and in accordance with the principles laid down by Article 315-35 of the AMF General Regulation. If the demand expressed as part of the OPO permits it, the number of shares allotted in response to the orders issued as part of the OPO will at least be equal to 10% of the New Shares (before any exercise of the Over-allotment Option). If the demand as part of the OPO is less than 10% of the New Shares, the balance of the New Shares not allocated as part of the OPO will be offered as part of the Global Placement.

The Company will grant the Joint Lead Managers and Joint Bookrunners an Over-allotment Option (as defined in section 5.2.6 of the Securities Note) that allows subscription for a number of Additional New Shares representing a maximum of 15% of the number of New Shares, i.e. a maximum of 322,500 ordinary shares. The Joint Lead Managers and Joint Bookrunners may, on a single occasion at any moment, in full or in part, exercise the Over-allotment Option, during a period of 30 calendar days from the date on which the Offering Price is set, i.e. from 29 May 2018 to 28 June 2018 inclusive.

Indicative timetable of the transaction:

14 May 2018

- [INTENTIONALLY OMITTED]

15 May 2018

- Publication of the press release announcing the Offering and the availability of the Prospectus
- Euronext's notice relating to the opening of the OPO
- Opening of the OPO and Global Placement

28 May 2018

- Closing of the OPO at 5:00 pm (Paris time) for subscriptions at counters and 8:00 pm (Paris time) for those via Internet

29 May 2018

- Closing of the Global Placement at 12:00 noon (Paris time)
- Offering Price determination
- Signing of the Underwriting Agreement
- Publication of the press release indicating the Offering Price, the final number of New Shares and the result of the Offering
- Euronext's notice relating to the Offering result
- Initial listing of the Company's shares on Euronext Paris
- Beginning of the Over-allotment Option exercise period
- Beginning of any stabilization period

30 May 2018

- Beginning of trading in the Company's shares on an as-if-and-when-issued basis (*sous la forme de promesses d'actions*) on Euronext Paris (until 31 May 2018 inclusive)

31 May 2018

- Settlement-delivery of the OPO and the Global Placement

1 June 2018

- Beginning of trading in the Company's shares on Euronext Paris under the trading line "Voluntis"

28 June 2018

- Last date for exercising the Over-allotment Option
- End of any stabilization period, as the case may be

5.1.2 *Offering amount*

By way of indication, the gross and net proceeds from the issuance would be as follows:

(in € millions)	Gross proceeds	Net proceeds
After the issuance of 2,150,000 New Shares ⁽¹⁾	32.25	29.39
After issuance of 2,472,500 New Shares and Additional New Shares (in the event of the full exercise of the Over-allotment Option) ⁽¹⁾	37.09	33.90
After issuance of 1,612,500 New Shares in the event of reduction of the Offering to 75.0% ⁽²⁾	21.77	19.56

- (1) On the basis of a price at the midpoint of the indicative range of the Offering Price (i.e. 15.00 euros per share).
- (2) On the basis of a price at the lower limit of the indicative range of the Offering Price i.e. 13.50 euros per share.

5.1.3 *Offering procedure and period*

5.1.3.1 Principal features of the Open Price Offering

Duration of the OPO

The OPO will open on 15 May 2018 and close on 28 May 2018 at 5:00 pm (Paris time) for subscriptions at counters and 8:00 pm (Paris time) for those via Internet, if such an option is given to them by their financial intermediary. The closing date of the OPO could be modified (see section 5.3.2 of the Securities Note).

Number of shares offered as part of the OPO

A minimum of 10% of the number of New Shares (before possible exercise of the Over-allotment Option) will be offered as part of the OPO.

Consequently, if the demand expressed as part of the OPO permits it, the number of shares allocated in response to the orders issued as part of the OPO will at least be equal to 10% of the New Shares.

The number of Shares Offered as part of the OPO may be increased or decreased in accordance with the terms and conditions set out in section 5.1.1 of the Securities Note.

Authorised persons, receipt and transmission of orders

The persons authorised to issue orders as part of the OPO are natural persons who are French nationals or residents in France or nationals of one of the States party to the agreement and to the protocol of the European Economic Area (Member States of the European Union, Iceland, Norway and Liechtenstein, hereinafter referred to as "**States belonging to the EEA**"), the mutual funds or French legal entities or nationals of one of the States belonging to the EEA, that are not, within the meaning of Article L. 233-3 of the French Commercial Code, controlled by entities or nationals of States other than the States belonging to the EEA, as well as investment associations and clubs domiciled in France or in the States belonging to the EEA and whose members are French nationals or nationals of one of the States belonging to the EEA, subject to the stipulations found in section 5.2.1 of the Securities Note. The other persons should ensure they are informed about the local investment restrictions as indicated in section 5.2.1 of the Securities Note.

Natural persons, legal entities and mutual funds that do not have accounts in France permitting the subscription to shares as part of the OPO should, for this purpose, open such an account with an authorised intermediary when placing their orders.

The subscription order should be signed by the customer or representative or, in case of a management mandate, agent. In the latter case, the manager should:

- either have a mandate providing the specific stipulations pursuant to which the customer has undertaken, as part of transactions in which each investor is authorised to place only one order, not to place orders without having requested and obtained written confirmation from the manager that he/she has not placed an order for the same securities as part of the management mandate;
- or implement any reasonable measures aimed at preventing multiple orders (for example, the manager must inform the customer that he/she has placed an order on his/her behalf and that as a result, the customer cannot place a similar order directly without informing him/her in writing, before the closing of the transaction, of his/her decision so that the manager can cancel the corresponding order).

Categories of orders likely to be issued in response to the OPO

Persons who wish to participate in the OPO should submit their orders to an authorised financial intermediary in France, no later than 28 May 2018 at 5:00 pm (Paris time) for subscriptions at counters and 8:00 pm (Paris time) for those via Internet, if such an option is given to them by their financial intermediary.

Pursuant to Article P 1.2.16 of book II of the Euronext market rules relating to the special rules applicable to the regulated French markets, the orders will be broken down depending on the number of securities requested:

- A1 order fraction: 5 shares to 250 shares included; and
- A2 order fraction: above 250 shares.

The OPO result notice, which will be published by Euronext will indicate possible reductions applied to the orders, it being specified that A1 order fractions will benefit from preferential treatment compared to A2 order fractions, in the event that all the orders cannot be fully met.

Furthermore, it is specified that:

- each order must relate to a minimum of 5 shares;
- a single customer may issue only one order; such order may not be split between multiple financial intermediaries and should be entrusted to a single financial intermediary;
- each member of a fiscal household may transmit an order. The order of a minor will be formulated by his/her legal representative; each of these orders will enjoy benefits that are normally attached to them; in the event of reduction, it will be applicable separately to the orders of each of the said members of the fiscal household;
- no order may concern a number of shares representing more than 20% of the number of shares offered as part of the OPO;
- the orders may be placed with reduction, according to the terms and conditions defined below;
- if the application of the reduction rate(s) does not result in the allotment of a whole number of shares, this number will be rounded down to the nearest whole number;

- orders are expressed as a number of shares without any indication of the price and will be deemed to be stipulated in the Offering Price; and
- the conditions for the revocability of orders are specified in section 5.3.2 of the Securities Note.

The authorised financial intermediaries in France will transmit the orders to Euronext, according to the schedule and terms and conditions specified in the OPO opening notice that will be circulated by Euronext.

It should be noted that the orders would be null and void if the Company's press release indicating the final terms and conditions of the Global Placement and the OPO has not been circulated.

Orders reduction

A1 order fractions have priority over A2 order fractions. A reduction rate of up to 100% can be applied to A2 order fractions in order to fulfil A1 order fractions. Reductions will be proportionally applied within each order category. If the application of the terms and conditions for reductions do not result in a whole number of shares, this number will be rounded down to the nearest whole number.

Orders revocation

Subscription orders received from individuals online as part of the OPO can be revoked online until the closing of the OPO, on 28 May 2018 at 8:00 pm (Paris time). It is the responsibility of the investors to approach their financial intermediary in order to check, on the one hand, the terms and conditions for revoking the orders placed via Internet and, on the other hand, whether the orders issued through other channels can be revoked and if so, under what conditions.

Purchase orders received as part of the OPO will then be irrevocable even in the event of reduction, subject to the stipulations applicable in the event of the upward modification of the upper limit of the indicative range of the Offering Price or the parameters of the Offering (see section 5.3.2 of the Securities Note).

Result of the OPO

The result of the OPO will be announced in a Company press release and a Euronext notice, scheduled for release on 29 May 2018, unless closed early, in which case the press release and notice should be released on the day following the Offering closing date.

This notice will specify the rate of any reduction that may be applied to orders.

5.1.3.2 Principal features of the Global Placement

Duration of the Global Placement

The Global Placement will open on 15 May 2018 and close on 29 May 2018 at 12:00 noon (Paris time). If the closing date of the OPO is extended (see section 5.3.2 of the Securities Note), the closing date of the Global Placement may be extended accordingly.

The Global Placement may be closed early without prior notice (see section 5.3.2 of the Securities Note).

Persons authorised to issue orders as part of the Global Placement

The Global Placement will be made primarily with institutional investors within and outside France (except, in particular, the United States).

Orders likely to be issued as part of the Global Placement

The orders are expressed as number of shares or in requested amount. They may include price-related conditions.

Receipt and transmission of orders likely to be issued as part of the Global Placement

In order to be taken into account, the orders issued as part of the Global Placement should be received by one or more Joint Lead Managers and Joint Bookrunners no later than 29 May 2018 at 12 noon (Paris time), unless closed early.

Only orders with a price denominated in euros, greater than or equal to the Offering Price, to be set as part of the Global Placement under the conditions indicated in section 5.3.1 of the Securities Note, will be taken into consideration in the allotment procedure.

Order reduction

Orders issued as part of the Global Placement may be reduced in full or in part.

Orders revocation

Any order issued as part of the Global Placement may be revoked with the Joint Lead Managers and Joint Bookrunners who have received this order, until 29 May 2018 at 12:00 noon (Paris time), unless closed early or extended (see section 5.3.2 of the Securities Note).

Result of the Global Placement

The result of the Global Placement will be announced in a Company press release and a Euronext notice, scheduled for release on 29 May 2018, unless closed early, in which case the press release and notice should be released on the day following the Offering closing date.

5.1.4 *Revoking or suspending the Offering*

If demand were to prove inadequate and if a decision were made to reduce the Offering size, the issuance initially planned as part of the Offering could be limited to the subscriptions received as long as these reach at least 75% of the issuance amount initially planned.

If the total number of orders received does not amount to a minimum of 75% of the issuance amount initially planned, i.e. the subscription of a minimum of 1,612,500 New Shares (representing a minimum amount of approximately 22 million euros on the basis of the lower limit of the indicative range of the Offering Price), the Offering will be cancelled and the subscription and purchase orders will be null and void.

Furthermore, the Offering will be completed provided that the Underwriting Agreement referred to in section 5.4.3 of the Securities Note is signed and not terminated by the settlement-delivery date of the New Shares at the latest and that the certificate by the depositary indicating subscription to the New Shares is issued.

If the Underwriting Agreement is not signed, the IPO transaction and the Offering will be cancelled retroactively.

If the Underwriting Agreement is terminated and the depositary certificate (*certificat du dépositaire*) not issued, the subscription orders placed before the settlement-delivery date and the Offering will be cancelled retroactively. More precisely:

- the OPO, the Global Placement as well as all orders passed in this context, would be cancelled retroactively;

- neither the Existing Shares, nor the New Shares would be admitted for trading on Euronext Paris;
- all trades on the new shares that may have taken place up to (and including) the settlement-delivery date would be cancelled retroactively and be null and void, each investor being personally responsible for the absence of gains and costs resulting, where applicable, from such cancellation.

In the event of non-signature or termination of the Underwriting Agreement or the non-issuance of the depository certificate (*certificat du dépositaire*), this information will be announced in a press release issued by the Company and a notice circulated by Euronext. In accordance with section 6801/2 of Euronext's Harmonised Market Rules, Euronext cannot be held liable for any loss, suffered by any person, due to the withdrawal of the Offering by the Company and the consecutive cancellation of transactions.

5.1.5 *Order reduction*

See section 5.1.3 of the Securities Note for a description of the reduction of orders issued as part of the Offering.

5.1.6 *Minimum or maximum number of shares to which an order can relate*

See section 5.1.3 of the Securities Note for details of the minimum or maximum number of shares to which orders issued as part of the OPO can relate.

There is no minimum or maximum amount for orders issued as part of the Global Placement.

5.1.7 *Orders revocation*

See sections 5.1.3.1 and 5.1.3.2 of the Securities Note respectively for a description of the revocation of orders issued as part of the OPO and Global Placement.

5.1.8 *Payment of funds and terms and conditions for issuing the Offered Shares*

The price of the Offered Shares (see section 5.3.1.1 of the Securities Note) as part of the Offering should be paid in cash by customers no later than the settlement-delivery date of the Offering, which, according to the indicative timetable, is 31 May 2018.

The shares will be registered in the customer's account as soon as possible from the date of release of the Offering result notice by Euronext, which, according to the indicative timetable, is 30 May 2018 and no later than the settlement-delivery date of the Offering, which, according to the indicative timetable, is 31 May 2018.

The settlement of funds with the Company, corresponding to the issuance of Additional New Shares as part of the Over-allotment Option, is scheduled no later than the second working day following the date of exercise of the Over-allotment Option.

5.1.9 *Publication of the Offering results*

The results and final terms and conditions of the Offering will be announced in the Company's press release and a Euronext notice, scheduled for release on 29 May 2018, unless closed early (it being however specified that the duration of the OPO may not be less than three trading days - see section 5.3.2 of the Securities Note), in which case the press release and notice should be circulated on the day following the Offering closing date.

5.1.10 *Preferential subscription rights*

The capital increase carried out as part of the Offering will be carried out with cancellation of preferential subscription rights.

5.2 Plan for the distribution and allotment of securities

5.2.1 *Category of potential investors - Country in which the offer is open - Restrictions applicable to the Offering*

5.2.1.1 Category of potential investors and countries in which the Offering is open

The Offering includes:

- a Global Placement mainly intended for institutional investors comprising:
 - an investment in France, and
 - an international private placement in certain countries; and
- a public offering in France made in the form of an Open Price Offering, mainly intended for individuals.

5.2.1.2 Restrictions applicable to the Offering

The circulation of the *Document de base*, Securities Note, Prospectus, its summary or any other document or information relating to the transactions contemplated by the Securities Note or offer or sale or subscription to the Company's shares may, in certain countries, including the United States, be subject to specific regulations. Persons in possession of the aforementioned documents must ensure they are informed of any restrictions resulting from local regulations and comply with them. The authorised intermediaries may not accept any order from customers having an address located in a country that has instituted such restrictions and corresponding orders will be deemed null and void. Any person (including trustees and nominees) receiving the *Document de base*, Securities Note, Prospectus, its summary or any other document or information relating to the Offering, may only distribute it or have it sent to such countries in accordance with the applicable laws and regulations. Any person, who, for any reason whatsoever, were to transmit or permit the transmission of the aforementioned documents in such countries, must draw the recipient's attention to the stipulations of this section.

The Securities Note, *Document de base*, Prospectus, its summary or any other documents relating to the transactions stipulated by the Securities Note do not constitute an offer for sale or a solicitation of an offer to subscribe to securities in any country in which such an offer or solicitation would be illegal. The Securities Note, *Document de base* and Prospectus have not been registered or approved outside France.

The Joint Lead Managers and Joint Bookrunners will offer the shares for sale only in accordance with the laws and regulations in force in countries where they shall make such an offer for sale.

5.2.1.2.1 *Restrictions concerning the United States of America*

The Company's shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"), or with a local American stock market regulation authority. Consequently, the Company's shares can neither be offered, nor sold, pledged, delivered or otherwise assigned or transferred in any manner whatsoever, in the United States of America, unless the shares have been registered or as part of the exemptions to this registration provided for by the *Securities Act* and in accordance with the local regulations applicable in the States concerned. Thus, as part of the Offering, the Company's shares may be offered or sold only to a limited number of qualified investors (*qualified institutional buyers* (QIBs)) as defined by Rule 144A pursuant to the Securities Act or as part of the

transactions realised outside the United States of America in accordance with Rule S pursuant to the Securities Act.

The *Document de base*, Securities Note, Prospectus, its summary or any other document drawn up as part of the Offering are not to be distributed in the USA.

5.2.1.2.2 Restrictions concerning the member States of the European Economic Area (other than France)

Concerning the Member States of the European Economic Area other than France (the "**Member States**") that have transposed the Prospectus Directive, no action has been or will be taken to permit a public offer for the Company's shares that would require the publication of a prospectus in any of the Member States. Consequently, the Company's shares can be offered in member States only:

- to qualified investors, as defined by the Prospectus Directive;
- to less than 150 natural persons or legal entities (other than qualified investors as defined in the Amending Prospectus Directive) per Member State; or
- under circumstances that fall within the scope of application of Article 3(2) of the Prospectus Directive.

For the requirements of this section, (i) the expression "public offering of shares" in a given Member State refers to any communication addressed to persons, in any form and using any means whatsoever, and presenting sufficient information on the terms and conditions of the offer and the securities that are part of the offer to permit an investor to make a decision to purchase or subscribe for these securities, as this definition has been, where applicable, amended in the Member State in question, (ii) the expression "Prospectus Directive" refers to Directive 2003/71/EC dated 4 November 2003, as transposed in the Member State (as amended, including by the Amending Prospectus Directive when this has been transposed by each Member State) and (iii) the expression "Amending Prospectus Directive" refers to Directive 2010/73/EU of the European Parliament and the Council dated 24 November 2010.

These sales restrictions concerning the Member States are added to any other sales restriction applicable in the Member States that have transposed the Prospectus Directive.

5.2.1.2.3 Restrictions concerning the United Kingdom

The Prospectus is distributed and intended only for persons that (i) are located outside the United Kingdom, (ii) are "investment professionals" (namely, persons having investment professional experience) according to Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) (the "*FSMA*") Order 2005 (the "**Order**"), (iii) are "high net worth entities" or any other person falling under the scope of application of Article 49(2) (a) to (d) of the Order ("high net worth companies", "unincorporated associations", etc.) or (iv) are persons to whom an invitation or incentive to undertake an investment activity (within the meaning of Article 21 of the *FSMA*) can be legally communicated or transmitted (hereinafter together referred to as "**Qualified Persons**"). Any invitation, offer or agreement to subscribe for the Company's shares may only be proposed or concluded with Qualified Persons. The Company's shares referred to in the Prospectus may not be offered to or issued in favour of persons located in the United Kingdom other than Qualified Persons. No person other than a Qualified Person may act or rely on the Prospectus or any of its provisions. The persons in charge of circulating the Prospectus must comply with the legal conditions for circulating the Prospectus.

5.2.1.2.4 Restrictions concerning Australia, Canada and Japan

The Shares Offered cannot be offered or sold in Australia, Canada or Japan.

5.2.2 *An intention to subscribe by the Company's major shareholders or members of its administrative, management or supervisory or any other bodies would entail placing a subscription order of more than 5%*

CM-CIC Innovation, SHAM Innovation Santé, Bpifrance Participations, Services Innovants Santé et Autonomie (SISA) and Vesalius Biocapital II SA Sicar have committed to make orders in cash, provided that the Offering Price is within the indicative range of the Offering Price for a total amount of 6.3 million euros, i.e. 19,53% of the gross amount of the Offering (based on the midpoint of the indicative price range and excluding the exercise of the Over-allotment Option), subject to certain conditions, in particular the absence of occurrence before the settlement of the Company's shares, of any (i) event likely to have a major adverse effect on the Group's business, financial position, results or assets, or (ii) major event affecting the financial system in Europe or the United States of America, the functioning of Euronext or the banking activities in France or in the countries in which the Group is present. These orders are intended to be served in priority and in full, it being specified that they may nevertheless be reduced in compliance with the normal principles of allocation (notably if the subscriptions received as part of the Offering were to be greater than the number of Offered Shares).

The table below presents the details of subscription commitments:

	Subscription commitment amounts (in €)
CM-CIC Innovation	800 000
SHAM Innovation Santé	500 000
Bpifrance Participations	3 000 000
SISA	1 000 000
Vesalius Biocapital II SA Sicar	1 000 000
Total	6.300.000

To the Company's knowledge, no other person intends to place a subscription order of more than 5%.

5.2.3 *Pre-allotment information*

This information is presented in sections 5.1.1 and 5.1.3 of the Securities Note.

5.2.4 *Notification to subscribers*

As part of the OPO, investors that have placed subscription orders shall be informed of their allocations by their financial intermediary.

As part of the Global Placement, investors that have placed subscription orders shall be informed of their allocations by the Joint Lead Managers and Joint Bookrunners.

5.2.5 *Extension Clause*

N/A

5.2.6 Over-allotment Option

In order to cover possible over-allotments, the Company shall grant the Joint Lead Managers and Joint Bookrunners an over-allotment option (the "**Over-allotment Option**") which permits them to subscribe for additional new shares up to a maximum of 15% of the number of New Shares, i.e. a maximum of 322,500 shares (the "**Additional New Shares**"), at the Offering Price (as this term is defined in section 5.3.1 of the Securities Note).

This Over-allotment Option may be exercised by the Joint Lead Managers and Joint Bookrunners on a single occasion at any moment, in full or in part, during a period of thirty calendar days from the date the Offering Price is set, i.e. for information, no later than 28 June 2018 (inclusive).

In the event of exercise of the Over-allotment Option, information concerning this exercise and the number of Additional New Shares to be issued would be provided to the public by means of a press release issued by the Company.

5.3 Price determination

5.3.1 Price determination method

5.3.1.1 Price of Shares Offered

The price of the shares offered for sale as part of the Open Price Offering will be equal to the shares offered for sale as part of the Global Placement (the "**Offering Price**").

The Offering Price is scheduled to be set on 29 May 2018 by the Company's Board of Directors, it being specified that this date could be postponed or advanced as indicated in section 5.3.2 of the Securities Note.

The Offering Price will be the result of the comparison between the shares offered as part of the Global Placement and the requests made by investors, using the "book building" process as developed by professional usage.

This comparison will be carried out in particular on the basis of the following market criteria:

- capacity of the investors selected to ensure an ordered development of the secondary market;
- receipt order of investor applications;
- requested quantity; and
- price sensitivity of investor applications.

The Offering Price may fall within the range of 13.50 euros and 16.50 euros per share. This range can be changed at any time up to (and including the) scheduled Offering closing date under the conditions stipulated in section 5.3.2 of the Securities Note. This information is given purely on an indicative basis and does not, in any case, imply the Offering Price, which may be determined outside of this spread under the conditions specified in section 5.3.2 of the Securities Note.

5.3.1.2 Indicative Range of the Offering Price

The Offering Price may fall within the range of 13.50 euros and 16.50 euros per share. This spread can be changed at any time up to (and including the) scheduled Offering closing date under the conditions stipulated in section 5.3.2 of the Securities Note.

This information is given purely on an indicative basis and does not, in any case, imply the Offering Price, which may be determined outside of this spread under the conditions specified in section 5.3.2 of the Securities Note.

5.3.2 Procedure for publishing the Offering Price and changes in the Offering parameters

5.3.2.1 Offering Price determination date

It is specified that the Offering Price shall be determined on 29 May 2018, it being specified that this date could be postponed if the market conditions and book building results do not make it possible to determine the Offering Price under satisfactory conditions (see section 5.3.2.4 of the Securities Note).

5.3.2.2 Publication of the Offering Price and the number of Offered Shares

The public will be informed of the Offering Price and the final number of Offered Shares by way of a Company press release and a Euronext notice issued on 29 May 2018 according to the indicative timetable, unless the Offering Price has been determined in advance, in which case the press release and notice should be issued on the day the Offering Price is determined.

5.3.2.3 Modification of the range, determination of the Offering Price outside the range and modification of the number of New Shares

Changes under which the orders issued as part of the OPO may be revoked

In the event of upward change in the upper limit of the price range or in the event of determination of the Offering Price above the upper limit of the price range (initial or, where applicable, modified), the following procedure will be applicable:

- publication of changes: the public will be informed of the new terms and conditions of the Offering by means of a press release issued by the Company and a notice issued by Euronext. The aforementioned Company press release and Euronext notice shall indicate the new price range and, where applicable, the new schedule, with the new OPO closing date, the new date for determining the Offering Price and the new settlement-delivery date;
- OPO closing date: the closing date of the OPO will be set such that at least two trading days pass between the date of issuance of the aforementioned press release and the new closing date of the OPO (inclusive);
- revocability of orders issued as part of the OPO: All orders issued as part of the OPO before the release of the aforementioned press release will be maintained, unless they have been expressly revoked before the new closing date of the OPO inclusive. New orders may be issued until the new closing date of the OPO (inclusive); the conditions for the revocability of such orders are described in section 5.1.3.1 of the Securities Note.

Changes not leading to the revocability of orders issued as part of the OPO

The Offering Price may be freely determined below the lower limit of the indicative price range or the range may be freely modified downwards. The Offering Price or the new indicative price range would then be brought to the attention of the public in accordance with the conditions stipulated in section 5.3.2.2 of the Securities Note if there is no major impact on the other characteristics of the Offering.

Consequently, if the Offering Price is set below the lower limit of the indicative price range or if the downward change in the price range does not have any major impact on the other characteristics of the Offering, the public will be informed of the Offering Price by way of a Company press release and a Euronext notice referred to in section 5.3.2.2 of the Securities Note, which should be issued, according

to the indicative timetable, on 29 May 2018, unless the Offering Price has been determined in advance, in which case the press release and notice should be issued on the day the Offering Price is determined.

On the other hand, if the Offering Price is set below the lower limit of the indicative price range or if the downward change in the price range has a major impact on the other characteristics of the Offering, the stipulations of section 5.3.2.5 below are applicable.

5.3.2.4 Early closing or extension of the Offering

The closing dates for the Global Placement and the OPO may be advanced (however the duration of the OPO cannot be less than three trading days) or extended under the following conditions:

- if the closing date is advanced, the new closing date shall be announced in a press release issued by the Company and a notice issued by Euronext no later than the day before the new closing date;
- if the closing date is extended, the new closing date shall be announced in a press release issued by the Company and a notice issued by Euronext no later than the day before the initial closing date. In such cases, orders issued as part of the Open Price Offering before issuance of the aforementioned Company press release and Euronext notice will be maintained unless they have been expressly revoked before the new OPO closing date (inclusive).

5.3.2.5 Significant changes to the terms and conditions of the Offering

In the event of significant changes to the terms and conditions initially approved for the Offering, which have not been provided for in the Securities Note, an additional note to the Prospectus will be submitted for the AMF's approval. Orders issued as part of the OPO and the Global Placement would be null and void if the AMF has not given its approval to this additional note to the Prospectus. The orders issued as part of the OPO and the Global Placement before making the additional note to the Prospectus, approved by the AMF, available could be revoked during a period of at least two trading days after it has been made available (see section 5.3.2.3 of the Securities Note for a description of cases in which this section would be applicable).

5.3.3 Restrictions to or cancellation of preferential subscription rights

The New Shares are issued pursuant to the thirty-second and thirty-fourth resolutions of the Company's Combined General Shareholders' Meeting dated 11 April 2018 authorising a capital increase with cancellation of preferential subscription rights by way of a public offering (see section 4.6.1 of the Securities Note).

5.3.4 Price differential

No transaction affecting the capital has taken place during the last twelve months.

It is specified that the holders of the 71,000,000 bonds convertible into shares issued by the Company on 30 June 2017 and 19 January 2018 (the "OC₂₀₁₇") will benefit in the context of the contemplated initial public offering from a conversion premium equal to 17.64% of the amount owed by the Company to the concerned holders in respect of the OC₂₀₁₇ they hold.

The OC₂₀₁₇ will be automatically converted into "N" ordinary shares of the Company concomitantly with the settlement-delivery of the Company's shares on Euronext Paris, "N" being determined as follows:

$$N = (A + P + I) / X$$

where:

- "A" is equal to the total amount (excluding interest) due by the Company to the concerned bondholder under these OC₂₀₁₇ on the date of the initial listing of the Company's shares on Euronext Paris;
- "I" is equal to the amount of interest due on the date of the settlement-delivery of the IPO;
- "P" is the premium equal to $A * 17.64\%$; and
- "X" is equal to the Offering Price,

5.4 Placing and Guarantee

5.4.1 *Contact details of the introducing financial establishments*

The Joint Lead Managers and Joint Bookrunners are:

Bryan, Garnier & Co

26, avenue des Champs-Élysées, 75008 Paris, France

Oddo BHF SCA

12, boulevard de la Madeleine, 75440 Paris Cedex 09, France

5.4.2 *Contact details of the establishment in charge of securities services, financial and depository services*

The Company's securities services (keeping the bearer shareholders' register) and financial services (payment of dividends) will be provided by BNP Paribas Securities Services (9, rue du Débarcadère, 93500 Pantin). BNP Paribas Securities Services will issue the fund deposit certificate relating to this capital increase.

5.4.3 *Underwriting Agreement*

The Offering will be subject to an underwriting agreement ("**Underwriting Agreement**") entered into by the Company, on the one hand, and Bryan, Garnier & Co and Oddo BHF SCA, on the other, as joint lead managers and joint bookrunners ("**Joint Lead Managers and Joint Bookrunners**").

The Joint Lead Managers and Joint Bookrunners, not acting jointly, shall undertake to do their best to have the New Shares subscribed, or as the case may be, subscribe themselves such New Shares, at the Offering Price on the settlement-delivery date. This undertaking does not constitute a *garantie de bonne fin* within the meaning of Article L. 225-145 of the French Commercial Code.

The Underwriting Agreement should be signed on the day the Offering Price is set (i.e. according to the indicative timetable on 29 May 2018).

The Underwriting Agreement may be terminated by the Joint Lead Managers and Joint Bookrunners up to (and including) the settlement-delivery date of the Offering, under certain conditions and circumstances, particularly in the event of inaccuracies or non-compliance with the Company's representations and warranties or any of its commitments, in the event that one of the conditions precedent is not met, or if major events occur (such as, in particular, political, financial, economic, banking or monetary events, act of war or terrorism, military action or conflict), which has or might have an effect that makes the transaction impossible or would or could seriously compromise the transaction.

If the Underwriting Agreement is not signed, the IPO transaction and the Offering will be cancelled retroactively.

If the Underwriting Agreement is terminated and the depositary certificate (*certificat du dépositaire*) not issued, the subscription orders placed before the settlement-delivery date and the Offering will be cancelled retroactively. More precisely:

- the OPO, the Global Placement as well as all the orders passed in this context, would be cancelled retroactively;
- neither the Existing Shares, nor the New Shares would be admitted for trading on Euronext Paris;
- all trades on the new shares that may have taken place up to (and including) the settlement-delivery date would be cancelled retroactively and be null and void, each investor being personally responsible for the absence of gains and costs resulting, where applicable, from such cancellation.

In the event of non-signature or termination of the Underwriting Agreement, this information will be announced in a press release issued by the Company and a notice circulated by Euronext. In accordance with section 6801/2 of the harmonised rules of Euronext, Euronext cannot be held liable for any loss, suffered by any person, due to the withdrawal of the Offering by the Company or the consecutive cancellation of transactions.

5.4.4 *Lock-up undertaking*

This information figures in section 7.3 of the Securities Note.

5.4.5 *Settlement-delivery date of the Offered Shares*

The settlement-delivery of the Offered Shares is planned for 31 May 2018.

6 ADMISSION TO TRADING AND TRADING PROCEDURES

6.1 Admission to trading

Admission to Compartment C of Euronext Paris is requested for all shares constituting the share capital of the Company as of the date of the Prospectus and for all New Shares and Additional New Shares in the event of the exercise of the Over-allotment Option.

The terms and conditions of trading for all of the shares will be set in a notice by Euronext, to be published no later than the first trading session for these shares, i.e. 29 May 2018 according to the indicative timetable.

With effect as from 30 May 2018 and up until the anticipated settlement-delivery date scheduled for 31 May 2018 inclusive, trading in these shares will be as provided for in Article L. 228-10 of the French Commercial Code, i.e. on an as-if-and-when-issued basis (*sous la forme de promesses d'actions*), under the listing heading "Voluntis - promesses", and will be subject to the condition precedent that a certificate has been issued by the depositary in relation to the issuance of the New Shares. With effect from 1 June 2018, shares in the Company will be traded under the listing heading "Voluntis".

No other requests for admission to trading on a regulated market have been filed by the Company.

6.2 Listing venue

As of the date of the Prospectus, the Company's shares have not been admitted to trading on any market, whether regulated or unregulated.

6.3 Concurrent share offers

None.

6.4 Liquidity contract

No liquidity contracts relating to the Existing Shares have been entered into as of the date of the Prospectus. It is anticipated that a liquidity contract compliant with the AMAFI Code of Conduct, with an initial term of 12 months and tacitly renewable for periods of one year, will be entered into between Oddo BHF SCA and the Company, in order to promote the liquidity and quotation regularity of the Company's Shares listed on Euronext Paris. This liquidity contract will be implemented in application of the eighteenth resolution of the General Meeting dated 11 April 2018.

The Company will inform the market of any resources allocated to the liquidity contract via a press release. The liquidity contract should in principle be implemented upon completion of the stabilization period.

6.5 Stabilization

According to the terms of the Underwriting Agreement cited in section 5.4.3 of the Securities Note, Oddo BHF SCA (or any entity acting on its behalf), acting as stabilization agent (the "**Stabilization Agent**"), may (but will not under any circumstances be obliged to) carry out stabilization transactions in accordance with all applicable legislative and regulatory provisions, notably those imposed by Regulation EU 596/2014 of 16 April 2014 on market abuse and its Delegated EU Regulation No. 2016/1052 of 8 March 2016 (the "**Delegated Regulation**"). It is hereby stipulated that no guarantee is offered as to the actual completion of such transactions and that, in any event, these may be terminated at any moment and without notice.

The purpose of the stabilization transactions is to support the market price of the shares. They may impact the market price of the shares and can lead to the market price being set at a level higher than that which would have applied in the absence of such transactions. If implemented, such actions may be

carried out at any time during a period of 30 calendar days as from the Offering Price determination date, i.e. according to the indicative timetable, until 28 June 2018 (inclusive).

Relevant market authority and public information will be provided by the Stabilisation Agent in accordance with Article 6 of the Delegated Regulation. During the stabilization period, the Stabilisation Agent will ensure the adequate publication of the details of all stabilization transactions completed by the seventh trading session following the date of execution of such transactions at the latest.

The Joint Lead Managers and Joint Bookrunners may over-allocate in the context of the Offering by the number of shares covered by the Over-allotment Option, increased if applicable by a number of shares representing a maximum of 5% of the total size of the Offering (excluding the exercise of the Over-allotment Option), in accordance with Article 8(b) of the Delegated Regulation.

In accordance with Article 7.1 of the Delegated Regulation, stabilization transactions cannot be completed at a price higher than the Offering Price.

7 HOLDERS OF SECURITIES WISHING TO SELL

7.1 Individuals or entities wishing to sell equity securities or securities giving access to capital of the Company

None.

7.2 Number and class of those securities offered by the holders of securities wishing to sell

None.

7.3 Abstention and share retention undertakings

Abstention undertaking

In the context of this Underwriting Agreement, the Company shall undertake not to proceed with the issuance, offer or assignment, and shall not grant any purchase option, in direct or indirect form (notably in the form of transactions involving derivatives having the shares as the underlying asset), regarding shares or securities granting the right, via conversion, exchange, repayment, presentation of a warrant or in any other manner, to the allocation of shares issued or to be issued and representing a percentage of the Company's share capital, and shall not publicly express any intention to proceed with one or several of the transactions listed above in this same section, as from the date of the signing of the Underwriting Agreement and up until the end of a period of 180 days following the settlement-delivery date for any shares issued in the context of the Offering, except where agreed in advance in writing the Joint Lead Managers and Joint Bookrunners and notified to the Company; it being nevertheless stipulated that (i) any shares issued in the context of the Offering, (ii) shares resulting from the conversion of convertible bonds into shares issued by the Company on 30 June 2017 and 19 January 2018, (iii) any transaction completed in the context of a share buy-back programme in accordance with legal and regulatory provisions and also with applicable market rules, (iv) any shares that could be issued, offered or assigned to the employees or corporate officers of the Company and of any companies within the same group in the context of future plans, authorised as of the date hereof or to be authorised by the Company's General Meeting and (v) the Company's shares that shall be issued in the context of a merger or of the acquisition of the shares or assets of another entity, subject to the beneficiary of such shares agreeing to accept this commitment for the remaining term hereof and subject to the total number of shares issued by the Company in this context not exceeding 5% of the share capital, are excluded from the scope of application of this abstention undertaking.

Lock-up undertakings made by major shareholders

Shareholders (holding jointly 99.57% of the Company's share capital on a non diluted basis as of the date of the Prospectus) have each undertaken towards the Joint Lead Managers and Joint Book Runners not to, without prior approval of the Joint Lead Manager and Joint Bookrunners, directly or indirectly, offer, pledge, lend, assign, sell or grant a sale or transfer Company's shares, or Company's securities granting access, either immediately or in the future, to shares in the Company held thereby, if applicable, as of the date of signature of the undertaking. These shareholders have also made an undertaking not to enter into any other contract or operation having an equivalent economic impact or to express publicly the intention to complete one or several of the operations set out below in this same section, up until the expiry of a period of 360 days following the settlement-delivery date of the shares in the Company.

These retention undertakings exclude (a) all transactions involving the Company's shares in the context of a public takeover bid targeting the Company's shares as well as all transactions involving any merger or any partial contribution of assets related to the Company (b) the granting of pledges or other security interests in the normal course of the activities of the concerned shareholder in the context of financing transactions, provided that the beneficiary of the pledge or security undertakes to comply with the restrictions described in this section, (c) the transfer of any preferential subscription right or allotment right, (d) any loan of shares of the Company that would be set up for the purposes of the Over-Allotment

Option, (e) any transaction of any nature whatsoever on any security subscribed in the context of the Offering or acquired on the market and/or subscribed after the date of admission of the shares on Euronext Paris, and (f) any sale completed by (i) one investment fund to another investment fund managed by the same management company as the transferor, or (ii) any legal entity which, directly or indirectly via one or several entities, controls or is controlled by the assignor, or is controlled, directly or indirectly via one or several entities, by the person or entity that controls the transferor, directly or indirectly via one or several entities, subject in each case to the purchaser making an undertaking to retain said shares in accordance with the same terms and conditions as the assignor and for the remaining term of the undertaking.

It is specified that the Company, CapDecisif and the funds managed by CapDecisif Management, CM-CIC Innovation Santé, Sham Innovation Santé, Bpifrance Participations, Services Innovants Santé et Autonomie (SISA), Vesalius Biocapital II SA SICAR and Pierre Leurent, Romain Marmot, Etienne Vial, Alexandre Capet and Matthieu Plessis have entered into an agreement between them (see section 11.1 of the Securities note) by which each signatory undertakes not to request from the Banks a waiver of their lock-up undertaking, without first informing each of the other signatories.

8 EXPENDITURE LINKED TO THE OFFER

By way of indication, based on a price set at the midpoint of the indicative range of the Offering Price (i.e. 15.00 euros per share):

- the gross proceeds generated by the issuance of the New Shares will be approximately 32 million euros, which could be increased to approximately 37 million euros in the event of the full exercise of the Over-allotment Option;
- the net proceeds generated by the issuance of the New Shares will be approximately 29 million euros, which could be increased to approximately 34 million euros in the event of the full exercise of the Over-allotment Option.

On the same bases, expenses related to the Offering assumed by the Company is estimated at a maximum of approximately 2.86 million euros (excluding the exercise of the Over-allotment Option) and at a maximum of approximately 3.19 million euros (in the event of the full exercise of the Over Allotment Option).

By way of indication, in the event of a reduction to 75% of the total issuance initially planned, on the basis of the lower limit of the indicative range of the Offering Price (i.e. 13.50 euros per share), (i) the gross proceeds generated by the issuance of the New Shares would be 22 million euros and (ii) the net proceeds generated by the issuance of the New Shares would be 20 million euros.

9 DILUTION

9.1 Impact of issuing New Shares on the Company's shareholders' equity

Based on the Company's consolidated shareholders' equity and of the total number of shares constituting the Company's share capital as of the 31 December 2017, the shareholders' equity per share, before and after the completion of the Offering, would be as follows (after deduction of legal and administrative costs and of the global remuneration paid to financial intermediaries (excluding the impact of any potential tax savings):

(in € per share)	Percentage of shareholders' equity as of the 31 December 2017	
	Non diluted basis	Diluted basis ⁽¹⁾
Before the issuance of New Shares	-0.23	1.27
After the issuance of 2.150.000 New Shares ⁽²⁾	3.76	4.38
After the issuance of 2.472.500 New Shares and Additional New Shares (in the event of full exercise of the Over-allotment Option) ⁽²⁾	4.18	4.74
After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%) ⁽³⁾	2.61	3.40

- (1) Taking into account the 561,273 BSPCE, the 161,467 warrants (including the 70,000 BSA_{2018-Kreos}) and 64,270 Options issued and allocated by the Company, whether vested or not, respectively granting the right to subscribe to 561,273, 161,467 and 64,270 new shares and to complete the definitive acquisition of the 25,415 free shares allocated by the Company.
- (2) Based on the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros, and taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, simultaneously with the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.
- (3) Based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros, and taking into account the 638,376 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, simultaneously with the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.

9.2 Amounts and percentage of the dilution resulting from the issuance of New Shares

The impact of the Offering on the investment held in the Company's share capital by a shareholder who, as of the date of the Prospectus, was to hold 1% of Company's share capital and did not subscribe to the Offering (calculations carried out on the basis of the number of shares making up the Company's Share Capital as of the date of the Prospectus) would be as follows:

(in € per share)	Shareholder's investment as a %	
	Non diluted basis	Diluted basis ⁽¹⁾
Prior to the issuance of the New Shares	1.00%	0.86%
After the issuance of 2.150.000 New Shares ⁽²⁾	0.64%	0.58%

(in € per share)	Shareholder's investment as a %	
	Non diluted basis	Diluted basis ⁽¹⁾
After the issuance of 1.612.500 New Shares (in case of the Offering being reduced to 75.0%) ⁽³⁾	0.61%	0.55%
Prior to the issuance of the New Shares	0.68%	0.61%

- (1) Taking into account the 561,273 BSPCE the 161,467 warrants (including the 70,000 BSA_{2018-Kreos}) and 64,270 Options issued and allocated by the Company, whether vested or not, respectively granting the right to subscribe to 561,273, 161,467 and 64,270 new shares and to complete the definitive acquisition of the 25,415 free shares allocated by the Company.
- (2) Based on the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros, and taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.
- (3) Based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros, and taking into account the 638,376 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (using hypothetically a conversion on 31 May 2018, concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.

9.3 Distribution of capital and voting rights

The distribution of the capital and voting rights on a non-diluted basis, before and after the completion of the Offering, would be as follows:

	Before the issuance of New Shares		After the issuance of 2.150.000 New Shares ⁽¹⁾⁽²⁾		After the issuance of 2.472.500 New Shares ⁽¹⁾⁽³⁾		After the issuance of 1.612.500 New Shares ⁽⁴⁾⁽⁵⁾	
	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾
Pierre Leurent*	213,400	4.44%	213 400	3,07%	213 400	2,93%	213 400	3,33%
Other	198,149	4.13%	198 149	2,85%	198 149	2,72%	198 149	3,09%
Total Management	411,549	8.57%	411 549	5,92%	411 549	5,66%	411 549	6,42%
Cap Décisif Management ⁽⁶⁾	315,888	6.58%	315 888	4,54%	315 888	4,34%	315 888	4,92%
CM-CIC Innovation*	734,809	15.30%	869 061	12,50%	869 061	11,95%	883 978	13,78%
SHAM Innovation Santé	879,926	18.32%	1 002 198	14,42%	1 002 198	13,78%	1 015 784	15,84%
Bpifrance Participations*	1,307,395	27.23%	1 750 236	25,18%	1 750 236	24,06%	1 799 441	28,05%
LBO France Gestion ^{(7)*}	523,122	10.89%	670 724	9,65%	670 724	9,22%	687 125	10,71%
Vesalius Biocapital II SA Sicar*	457,600	9.53%	605 169	8,70%	605 169	8,32%	621 566	9,69%

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.

	Before the issuance of New Shares		After the issuance of 2.150.000 New Shares ⁽¹⁾⁽²⁾		After the issuance of 2.472.500 New Shares ⁽¹⁾⁽³⁾		After the issuance of 1.612.500 New Shares ⁽⁴⁾⁽⁵⁾	
	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾	Number of shares	% of share capital and voting rights ⁽⁶⁾
Qualcomm Inc.*	55,297	1.15%	55 297	0,80%	55 297	0,76%	55 297	0,86%
Total - Financial investors	4,274,037	89.00%	116 498	1,68%	116 498	1,60%	116 498	1,82%
Total - other shareholders/consultants/employees	116,498	2.43%	55 297	0,80%	55 297	0,76%	55 297	0,86%
Free Float	-	-	1 155 464	16,62%	1 477 964	20,32%	507 458	7,91%
TOTAL	4,802,084	100.00%	6 952 084	100,00%	7 274 584	100,00%	6 414 584	100,00%

* Member of the Company's Board of Directors.

- (1) Taking into account the 574,538 new shares to be issued following the automatic conversion of the 71,000,000 convertible bonds issued by the Company on 30 June 2017 and on 19 January 2018 (assuming a conversion on 31 May 2018 and based on the midpoint of the indicative range of the Offering Price, i.e. 15.00 euros), concomitantly to the settlement-delivery of the Company's shares on Euronext Paris on 31 May 2018, according to the indicative timetable.
- (2) Excluding the exercise of the Over-allotment Option.
- (3) In the event of the full exercise of the Over-allotment Option.
- (4) Taking into account the 638,376 new shares to be issued upon automatic conversion of the 71,000,000 convertible bonds into shares issued by the Company on 30 June 2017 and 19 January 2018 (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros), concomitantly with the settlement-delivery of the Company's shares on Euronext Paris.
- (5) If the Offering is limited to 75% of the amount of the contemplated capital increase (based on the lower limit of the indicative range of the Offering Price, i.e. 13.50 euros).
- (6) The percentage of voting rights is identical to the percentage of share capital held, it being specified, however, that as from the second anniversary date of the initial listing of the Company's shares on the regulated market of Euronext in Paris, those fully paid-up shares for which evidence is shown of individual registration in the same shareholder's name for at least two years from that date will have double voting rights.
- (7) Through the Cap Decisif, Cap Decisif 2, and G1J funds of which it is the management company.
- (8) Through the Services Innovants Santé et Autonomie (SISA) fund, of which it has been the management company since the acquisition of the management company Innovation Capital.

10 ADDITIONAL INFORMATION

10.1 Advisors having an involvement with the transaction

Not applicable.

10.2 Other information verified by the Statutory Auditors

Not applicable.

10.3 Expert's report

Not applicable.

10.4 Information contained in the Prospectus that originates from a third party

Not applicable.

11 UPDATE TO THE INFORMATION ON THE GROUP

11.1 Investment methods used by certain financial investors

In the context of their investment in the Company, CapDecisif and the funds managed by CapDecisif Management, CM-CIC Innovation, Sham Innovation Sante, Bpifrance Participations, Services Innovants Sante et Autonomie (SISA), and Vesalius Biocapital II, together, the "**Investors**") entered into a shareholders agreement dated 14 May 2018 (the "**Agreement**") with Pierre Leurent, Romain Marmot, Etienne Vial, Alexandre Capet and Matthieu Plessis, pursuant to which:

- Each of the parties to the Agreement undertakes, with effect from the Company's initial public offering completion date and for a term ending following the General Meeting of the Company's shareholders convened to vote on the financial statements for the year ended 31 December 2020, and within the limits of their respective powers as shareholder and/or member of the board of directors, to present, vote and ensure to be voted within all the Company's corporate bodies in favour of all decisions necessary for CM-CIC Innovation, Bpifrance Participations and LBO France (in its quality of management company of SISA) to retain their position as director and Vesalius Biocapital II his position as Observer within the Board of Directors, for as long as the Investor in question continues to hold at least a certain percentage of the number of shares in the Company held by such Investor as of the date of completion of the Company's initial public offering³, it being stipulated that each member appointed in this manner must then resign should the Investor in question cease to hold shares in the Company;
- each of the parties to the Agreement must notify the other parties before requesting any exception to its lock-up undertaking from the Joint Lead Managers and Joint Bookrunners, in order for each of the other Parties to be able, if applicable, to decide to simultaneously send a request for an exception to the Joint Lead Managers and Joint Bookrunners, on a *pari passu* basis; and
- the parties to the Agreement reiterate their intention not to sell any shares which, by creating a market disruption, would have a material adverse effect on the Voluntis share price and, in order to avoid such effects, to favor, for example, the sale of off-market blocks or to limit the amount of such sales to around 20% of the shares sold on the market on the same day.

It is not the purpose of this Agreement or the intention of the parties to act in concert.

As a reminder, on the date of the Prospectus, the Company's board of Directors is composed as indicated in the table below, it being specified that in order to comply with the provisions of Article L.225-18-1 of the Commercial Code, the Company will suggest to shareholders the appointment of a new member of the board of directors as soon as a candidate with the appropriate profile would be identified:

Name	Office	First appointment	Expiry date	Audit committee	Nomination and compensation committee
Eric Elliott	Chairman of the Board of Directors	Board of Directors' meeting of 11 April 2018.	Following the General Meeting of shareholders convened to vote on the financial statements for	-	-
Pierre Leurent	Director and Chief Executive Officer			-	-
Bpifrance Participations represented by Jean Bertin	Director			Member	-

³75% for Bpifrance Participations and 50% for CM-CIC Innovation, SISA and Vesalius Biocapital II.

Name	Office	First appointment	Expiry date	Audit committee	Nomination and compensation committee
LBO France Gestion represented by Franck Noiret	Director		the financial year ending 31 December 2020	-	Member
Nicolas Cartier	Indépendant director			-	Chairman
CM-CIC Innovation represented by Emilie Lidome	Director			-	Member
Viviane Monges	Indépendant director			Chairman	-
Vesalius Biocapital II represented by Alain Parthoens	Observer			-	-
Qualcomm represented by Tim Jackson	Observer			-	-

11.2 Bonds subscribed by Kreos Capital V (UK) Ltd

Under a Venture Loan Agreement and a Bond Issue Agreement entered into by the Company and Kreos Capital V (UK) Ltd on 11 April 2018, the latter paid the nominal amount of €4,000,000 of the bonds issued by the Company. Similarly, Kreos Capital V (Expert Fund) L.P. subscribed 70,000 warrants (the BSA_{2018-Kreos}), allocated by the Company in consideration for these bonds.

11.3 Resolutions adopted by the General Meeting of 9 May 2018

The Company's Ordinary General Meeting held on 9 May 2018 appointed RBB Business Advisors as second Statutory Auditor for a term of six financial years, to expire following the Ordinary General Meeting of Shareholders convened to vote on the financial statements for the year ended 31 December 2023.

This same General Meeting then decided to modify the amount of the attendance fees allocated to the Board of Directors by the Combined General Shareholders' Meeting held on 11 April 2018, raising it from €150,000 to €440,000 for the financial year 2018, it being specified that for subsequent financial years, the amount of the attendance fees has been set at €120,000.

This increase in the amount of the attendance fees is intended to enable the Company to be in a position to appoint directors that are active in the US market. It is indeed common practice in the United States to put in place a directors' remuneration policy comprised not only of attendance fees but also of share purchase options (equity component). The Company therefore intends to allocate warrants to these independent directors, to be subscribed by the beneficiaries at their fair value as of the issuance date. In order to offset all or part of the cost of subscribing for said warrants or to facilitate their payment, any independent directors who may be allocated warrants shall be entitled to subscribe for said warrants by compensation with part of the attendance fees allocated to them. The payment of said attendance fees will constitute part of the remuneration paid to the directors in question, taxable on the basis of each director's personal tax situation, and the subscription price for said warrants will be received by the Company, offsetting to a significant extent the amount paid out by the Company in respect of said attendance fees.

11.4 Agreement with WellDyneRx

On 3 May 2018, the Company entered into an agreement with a US payer, WellDyneRx (Pharmacy Benefit Manager managing approximately 850,000 insured persons in the targeted commercial segment). This agreement covers the promotion, price and reimbursement conditions of its Insulia solution by WellDyneRx in the United States of America. Insulia's terms and conditions of coverage set out in this agreement are in line with standard terms and conditions applied to direct marketing to US payers.

NOT FOR DISTRIBUTION IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN

ANNEX B
FREE ENGLISH TRANSLATION OF THE REGISTRATION DOCUMENT (*DOCUMENT DE*
***BASE*)**

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.



French *société anonyme* with capital of €480,208.40
Head office: 58, Avenue de Wagram, 75017 Paris
RCS number 439 685 850 Paris Trade and Companies Register

DISCLAIMER

The English version of the document de base is a free translation of the official document de base prepared in France and registered with the *Autorité des marchés financiers* on April 17, 2018 under number I.18-016. Certain sections have been intentionally omitted.

All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original version of the document de base in French takes precedence over this translation.

TABLE OF CONTENTS

1.	PERSONS RESPONSIBLE	9
1.1	Person responsible for the <i>Document de base</i>	9
1.2	Statement of the person responsible	9
1.3	Person responsible for the financial information	9
2.	STATUTORY AUDITORS	10
2.1	Principal Statutory Auditor	10
2.2	Alternate Statutory Auditor	10
3.	SELECTED FINANCIAL INFORMATION	11
	Financial year ended 31 December	11
4.	RISK FACTORS	13
4.1	Risks related to the business sector, the markets in which the Group operates and its economic environment	13
4.1.1	Risks relating to the existence of alternative technologies and the emergence of new competing technologies	13
4.1.2	Risks relating to the very significant size of the Group's main competitors in the markets	13
4.1.3	Risks related to the setting of prices and changes in medical device reimbursement policies	14
4.1.4	Risks related to the economic and financial environment	15
4.2	Risks related to the Group's business	16
4.2.1	Risks related to the partnership agreements necessary for the development and/or marketing of the Group's products	16
4.2.2	Risks related to the market launch of the Group's products and their marketing	16
4.2.3	Risks related to the Group's technology	18
4.2.4	Risks related to clinical trials, to which the Group submits its products at its own initiative	19
4.2.5	Risks related to the Group's IT service providers	20
4.2.6	Risks related to the Group's customers	20
4.3	Legal and regulatory risks	21
4.3.1	Risks related to intellectual property	21
4.3.2	Risks invoking liability on account of the products	26
4.3.3	Risks related to various regulatory frameworks	26
4.3.4	Risks related to statutory audits	29
4.4	Risks related to the Group organisation and development strategy	30
4.4.1	Risks related to the implementation of the Group strategy	30
4.4.2	Risks related to the dependence on qualified personnel and key management personnel and the inability to attract new employees that the Group will need for its development	30
4.4.3	Risks related to the management of the Group's internal growth	30
4.4.4	Risks related to the possible realisation of external growth operations	31
4.5	Financial risks	31
4.5.1	Liquidity risks	32
4.5.2	Risks related to indebtedness and restrictive financing clauses	33
4.5.3	Risks related to research tax credit	34
4.5.4	Risks related to the future use of tax losses carried forward	34
4.5.5	Risks related to access to advances and public grants	35
4.5.6	Credit risk	35
4.5.7	Dilution risk	35
4.5.8	Risk of impact of the application of IFRS 9 and IFRS 15 on the Group's reported assets and revenue, respectively	36

4.6	Market risks.....	36
4.6.1	Exchange rate risk.....	36
4.6.2	Interest rate risk	37
4.6.3	Risks related to shares and financial instruments	37
4.7	Insurance and risk coverage	37
4.8	Judicial and arbitration proceedings.....	39
5.	COMPANY INFORMATION	40
5.1	History and evolution of the Company.....	40
5.1.1	Legal and commercial name of the Company.....	40
5.1.2	Location and registration number of the Company.....	40
5.1.3	Date of incorporation and duration	40
5.1.4	Company's head office, legal form, legislation governing its activities.....	40
5.1.5	Important events in the development of the Group's operations	40
5.2	Investments	42
5.2.1	Principal investments made during the last two financial years	42
5.2.2	Principal current investments.....	43
5.2.3	Principal future investments	43
6.	BUSINESS OVERVIEW	44
6.1	Overview – Emergence of therapeutic software.....	44
6.1.1	Digital therapeutics: a new industrial sector	45
6.1.2	Definition of therapeutic software	46
6.1.3	Digital transformation of health: high stakes for public health.....	48
6.1.4	Less-than-optimal treatment efficacy in the real world	48
6.1.5	Voluntis and therapeutic software	49
6.1.6	Business model.....	50
6.2	Digital therapeutics in diabetes: at commercial stage.....	51
6.2.1	Diabetes	52
6.2.2	Voluntis and diabetes: initial trials	54
6.2.3	Diabeo® for diabetes treated on an insulin regimen with multiple injections or pump.....	54
6.2.4	Insulia® for people with type 2 diabetes (noninsulin-dependent diabetes)	56
6.2.5	Business model based on reimbursement from payers	58
6.2.6	Strategic partnerships and dual distribution policy.....	59
6.2.7	Technological partnerships in diabetes.....	63
6.3	Digital therapeutics in oncology: in development.....	63
6.3.1	Cancer	63
6.3.2	Problems associated with symptom management.....	64
6.3.3	A solution targeting a range of different cancers	65
6.3.4	Voluntis and Roche Pharma develop Zemy in breast cancer.....	66
6.3.5	Development of eCO for ovarian cancer with AstraZeneca	67
6.4	The regulatory environment for therapeutic software	68
6.4.1	Regulation of therapeutic software as medical devices	68
6.4.2	French regulation of telemedicine	69
6.4.3	Data privacy regulations	69
6.4.4	Legal and economic framework for e-health and telemedicine solutions.....	70
6.5	Voluntis: organisation and growth trajectory	70
6.6	Technological platform	73
6.7	Priorities in addition to diabetes and oncology	75
6.8	The competitive landscape and key success factors.....	77
6.9	Clinical trials and Scientific Advisory Committees	80
6.9.1	Clinical studies in diabetes	80
6.9.2	Clinical trials in oncology.....	84
6.9.3	Scientific Advisory Boards.....	85
6.9.4	Study list and references	93

6.10	Feasibility assessment of an e-health system (zemy) designed to manage symptoms in patients with breast cancer under anti-cancer treatment.....	93
7.	ORGANISATIONAL CHART.....	94
7.1	Group Organisation.....	94
7.2	List of subsidiaries, branches, and secondary establishments.....	94
7.3	Principal intra-group flows.....	94
7.3.1	International Sale Commission Agreement.....	94
7.3.2	Service and Expertise Agreement.....	94
7.3.3	Credit Facility Agreement.....	94
8.	PROPERTIES, PLANTS AND EQUIPMENT.....	95
8.1	Description of properties.....	95
8.2	Environmental issues.....	95
9.	REVIEW OF THE FINANCIAL POSITION.....	96
9.1	Overview.....	96
9.1.1	Consolidated financial statement.....	96
9.1.2	Group Overview.....	96
9.1.3	Main factors having an impact on business and results.....	96
9.2	Financial position.....	97
9.2.1	Comparison of financial statements for the financial years ended 31 December 2016 and 31 December 2017.....	97
9.2.2	Revenue and operating income from the 2016 and 2017 financial years.....	98
9.2.3	Operating expenses for 2016 and 2017.....	100
9.2.4	Formation of net income.....	102
9.2.5	Net income and net earnings per share.....	102
9.2.6	Presentation and analysis of the balance sheet at 31 December 2016 and 2017.....	103
10.	CASH AND CAPITAL.....	107
10.1	Capital, liquidity, and financing sources.....	107
10.1.1	Capital and quasi-capital financing.....	107
10.1.2	Financing through loans.....	107
10.1.3	Financing through loans since year-end.....	108
10.1.4	Research tax credit.....	108
10.2	Cash flow for the 2016 and 2017 financial years.....	108
10.2.1	Operating flows.....	109
10.2.2	Investment flows.....	Error! Bookmark not defined.
10.2.3	Financing flows.....	Error! Bookmark not defined.
10.3	Information on loan terms and financing structure.....	109
10.4	Restriction on the use of capital.....	110
10.5	Financing sources required for the future.....	110
11.	RESEARCH & DEVELOPMENT, PATENTS, LICENCES.....	111
11.1	Innovation policy.....	111
11.2	Software.....	111
11.3	Patents and patent applications.....	112
11.3.1	Overview.....	112
11.3.2	Details of the four patent families and patent applications.....	113
11.4	Partnership, research, service, and licensing contracts awarded by the Group or to the Group.....	115
11.4.1	Contracts in the field of diabetes treatment.....	115
11.4.2	Other contracts (licensing and partnership).....	116
11.5	Trademarks and domain names.....	116

11.5.1	Trademarks	116
11.5.2	Domain names	118
11.6	Intellectual property rights pledged.....	118
12.	TRENDS	119
12.1	Key trends since the end of the last financial year ended 31 December 2017.....	119
12.2	Known trend, uncertainty, request for commitment, or event reasonably likely to influence the Group's prospects.....	119
13.	PROFIT FORECASTS OR ESTIMATES	120
14.	ADMINISTRATIVE, MANAGEMENT, SUPERVISORY BODIES AND EXECUTIVE MANAGEMENT	121
14.1	Officers and Member of the board of directors	121
14.1.1	Executive management.....	121
14.1.2	Board of Directors	121
14.1.3	Other corporate offices	123
14.1.4	Statements about Management and members of the Board of Directors	126
14.1.5	Profiles of members of Management and the Board of Directors.....	126
14.2	Conflicts of interest in the administrative bodies and executive management	131
15.	COMPENSATION AND BENEFITS	132
15.1	Compensation of corporate officers	132
15.2	Sums provisioned by the Company for the payment of pensions, retirements, and other benefits to corporate officers.....	140
15.3	Securities giving access to the Company's share capital allocated to or subscribed by corporate officers.....	140
16.	FUNCTIONING OF ADMINISTRATIVE AND MANAGEMENT BODIES.....	141
16.1	Company Management.....	141
16.2	Information on contracts between the Company or its subsidiary and the Company's officers	141
16.3	Board of Directors and Special Committees - Corporate Governance	141
16.3.1	Board of Directors	141
16.3.2	Committees	144
16.4	Corporate Governance.....	148
17.	Employees	150
17.1	Human Resources.....	150
17.1.1	Organisational chart as of the date of this <i>Document de base</i>	150
17.1.2	Numbers and breakdown of workforce.....	150
17.1.3	Employee representation.....	150
17.2	Shareholding and stock options of corporate officers	151
17.3	Employee shareholding in the Company.....	151
17.4	Profit-sharing and incentive schemes	151
18.	MAJOR SHAREHOLDERS	152
18.1	Allocation of share capital and voting rights.....	152
18.2	Substantial shareholders not represented on the Board of Directors	154
18.3	Voting rights of the major shareholders	154
18.4	Control of the Company	154
18.5	Agreements that can result in a change in control.....	154
18.6	Status of pledged shares of the Company.....	154
19.	RELATED-PARTY TRANSACTIONS	155

19.1	Intra-group agreements.....	155
19.2	Related-party transactions	155
19.3	Statutory Auditors' reports on regulated agreements.....	155
19.3.1	Special report of the Statutory Auditors on regulated agreements established in relation to the financial year ended 31 December 2016.....	155
19.3.2	Special report of the Statutory Auditors on regulated agreements established in relation to the financial year ended 31 December 2017.....	157
20.	FINANCIAL INFORMATION.....	161
20.1	Consolidated financial statements prepared according to the IFRS accounting standards for the financial years ended 31 December 2016 and 31 December 2017.....	161
20.2	Statutory Auditors' Reports on the consolidated financial statements prepared according to IFRS such as those adopted by the European Union for the financial years ended 31 December 2016 and 2017.....	202
20.3	Dividend distribution policy.....	204
20.4	Judicial and arbitration proceedings.....	205
20.5	Significant change in the financial or commercial position	205
21.	ADDITIONAL INFORMATION	206
21.1	Share capital	206
21.1.1	Amount of the share capital	206
21.1.2	Non-equity securities	206
21.1.3	Acquisition by the Company of its own shares.....	206
21.1.4	Securities giving access to capital.....	207
21.1.5	Authorised capital.....	218
21.1.6	Information on the capital of any member of the Group which is the subject of an option or of a conditional or unconditional agreement to put it under option	221
21.1.7	History of the share capital	222
21.2	Memorandum and Bylaws.....	223
21.2.1	Corporate purpose (Article 3 of the Bylaws).....	223
21.2.2	Statutory regulations or other regulations relating to members of the administrative and management bodies.....	223
21.2.3	Rights, privileges, and restrictions on shares	227
21.2.4	Methods for changing shareholders' rights	228
21.2.5	General Meetings of Shareholders.....	228
21.2.6	Bylaws that may delay, defer or prevent a change in control	230
21.2.7	Crossing of statutory thresholds.....	230
21.2.8	Special provisions governing changes in capital	230
22.	MATERIAL CONTRACTS.....	231
22.1	Partnership agreement with AstraZeneca of 24 November 2015 (eCo Project).....	231
22.1.1	Purpose of the collaboration agreement.....	231
22.1.2	Financial consideration	231
22.1.3	Intellectual property.....	231
22.1.4	Term	231
22.1.5	Termination conditions.....	232
22.2	Partnership and licensing agreement with Sanofi France (Diabeo Project)	232
22.2.1	Purpose of the partnership agreement.....	232
22.2.2	Financial consideration	232
22.2.3	Intellectual property	232
22.2.4	Term	233
22.2.5	Termination conditions.....	233
22.2.6	Other contractual provisions	233
22.3	Non-exclusive license and collaboration agreement with Sanofi (for the distribution of Insulia)	233
22.3.1	Purpose of the license and collaboration agreement	233
22.3.2	Financial consideration	234

22.3.3	Intellectual property	234
22.3.4	Term	234
22.3.5	Termination conditions	234
22.4	Non-exclusive license and services agreement with Verily	234
22.4.1	Purpose of the license and services agreement	234
22.4.2	Financial consideration	235
22.4.3	Intellectual property	235
22.4.4	Termination conditions	235
22.5	Development, licensing and distribution agreement with Roche SAS	235
22.5.1	Purpose of the development, licensing, and distribution agreement	235
22.5.2	Financial consideration	236
22.5.3	Intellectual property	236
22.5.4	Term	236
22.5.5	Termination conditions	236
22.6	Non-exclusive license and services agreement with Onduo	238
22.6.1	Purpose of the licensing and services agreement	238
22.6.2	Financial consideration	238
22.6.3	Intellectual property	238
22.6.4	Term	238
22.6.5	Termination conditions	238
22.7	Bond issue agreement entered into with Kreos Capital V (UK) Ltd	239
22.7.1	Terms of the subscribed Kreos Bonds (Tranche A)	239
22.7.2	Terms of the Kreos Bonds to be subscribed (Tranche B)	239
22.7.3	Terms of the Kreos Bonds to be subscribed (Tranche C)	240
22.7.4	Warrants issued for Kreos Capital V (Expert Fund) L.P.	240
22.7.5	Collateral granted	241
22.7.6	Company undertakings	241
22.7.7	Prepayment	241
23.	INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS, AND DECLARATIONS OF INTEREST	- 243 -
23.1	Name of experts	- 243 -
23.2	Name of third parties	- 243 -
24.	PUBLICLY ACCESSIBLE DOCUMENTS	- 244 -
25.	SHAREHOLDING INFORMATION	- 245 -

This *Document de base* has been prepared in accordance with Appendix XXV of (EC) regulation no. 809/2004 dated 29 April 2004.

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Note

Definitions

In this *document de base*, and unless otherwise specified:

- the term "*Document de base*" refers to this *document de base*;
- the terms "Company" or "Voluntis" refer to the company Voluntis having its head office at 58, Avenue de Wagram, 75017 Paris, registered in the Paris Trade and Companies Register under the number 439 685 850;
- the term the "Group" refers to the group of companies formed by the Company and its subsidiary, Voluntis Inc., the principal establishment whereof is located at 125, Cambridge Park Drive Suite 304, Cambridge, MA 02142, USA, registered in the State of Delaware under the number 73350928.

A glossary defining some of the terms used in the *Document de base* can be found in Chapter 26.

Notice

Information on the market and competition

Chapter 6 of the *Document de base* "*Overview of activities*", contains information on the Group's markets and its competitive position. This information comes from studies carried out by external sources. The publicly available information, which the Company considers as reliable, was not verified by an independent expert, and the Company cannot guarantee that a third party using different methods to assemble, analyse or compute data on these markets would obtain the same results.

Prospective information

The *Document de base* contains information on the Group's prospects and areas of development. Such information is sometimes identified by the use of the future, conditional or prospective terms such as "consider", "envisage", "think", "aim", "expect", "hear", "have to", "ambition", "estimate", "believe", "wish", "be able to" or, where appropriate, the negative form of these terms, or any other similar variant or terminology. This information is not historical data and should not be construed as guarantees that the facts and data set out may actually occur. This information is based on data, assumptions and estimates considered to be reasonable by the Company. They are likely to evolve or be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. This information is mentioned in different sections of the *Document de base* and contains data relating to the Group's intentions, estimates and objectives concerning, in particular, the market in which it operates, its strategy, growth, results, financial position, cash position and forecasts. The forward-looking information mentioned in the *Document de base* is given only on the date of the *Document de base*. The Group operates in a competitive and constantly changing environment. Thus, it cannot anticipate all the risks, uncertainties or other factors that could affect its business, their potential impact on its business or the extent to which the materialisation of a risk or a combination of risks could have significantly different results from those mentioned in any forward-looking information, it being specified that none of this information constitutes a guarantee of actual results.

Risk factors

Investors are invited to read carefully the risk factors described in Chapter 4 "*Risk factors*" of the *Document de base* before taking any investment decision. The occurrence of all or part of these risks is likely to have a material adverse impact on the Company's business, financial position, results or prospects. In addition, other risks, not yet identified or considered insignificant by the Company at the date of the *Document de base*, could also have a material negative impact.

1. PERSONS RESPONSIBLE

1.1 Person responsible for the *Document de base*

Pierre Leurent, Chief Executive Officer.

1.2 Statement of the person responsible

After having taken all reasonable measures to this effect, I certify that the information contained in the *Document de base* is, to the best of my knowledge, true to the facts and does not contain any omission that would affect its import.

[INTENTIONALLY OMITTED]

Issued at Paris,
on 17 April 2018

Pierre Leurent
Chief Executive Officer

1.3 Person responsible for the financial information

Matthieu Plessis

Chief Administrative & Financial Officer

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Fax: + 33 0) 1 41 38 39 26

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2. STATUTORY AUDITORS

2.1 Principal Statutory Auditor

Ernst & Young, simplified joint stock company with variable capital, having its head office at 1-2, Place des Saisons, Paris La Défense 1, 92400 Courbevoie, registered in the Nanterre Trade and Companies Register under the number 438 476 913, represented by Franck Sebag, partner.

Date of commencement of the first term of office: 25 June 2008

Date of expiry of the current term of office: Annual General Meeting approving the financial statements for the year ending 31 December 2019.

2.2 Alternate Statutory Auditor

Auditex, simplified joint stock company with variable capital, having its head office at 1-2, Place des Saisons, Paris La Défense 1, 92400 Courbevoie, registered in the Nanterre Trade and Companies Register under the number 377 652 938, represented by Christian Scholer, partner.

Date of commencement of the first term of office: 25 June 2008

Date of expiry of the current term of office: Annual General Meeting approving the financial statements for the year ending 31 December 2019.

During the period covered by the historical financial information, there has been no resignation or removal of the Statutory Auditor.

3. SELECTED FINANCIAL INFORMATION

The selected financial information presented in this Chapter 3 comes from the Group's consolidated financial statements for the financial years ended 31 December 2016 and 2017 which can be found in Section 20.1.1 "Consolidated financial statements prepared under IFRS norms for the financial years ended 31 December 2016 and 2017" of the *Document de base*.

This financial information should be read in conjunction with (i) the review of the results and financial position of the Company presented in Chapter 9 of the *Document de base* and (ii) the review of the Company's cash and capital presented in Chapter 10 of the *Document de base*.

Extracts of the consolidated financial information for the years ended 31 December 2016 and 2017 (IFRS norms)

Financial information selected from the consolidated income statement

In € millions	Financial year ended 31 December	
	2017	2016
Revenue	7,302	10,272
Other operating revenue	1,095	987
Total operating revenue	8,396	11,258
Personnel expenses	(10,423)	(8,370)
Other operating costs	(6,048)	(6,256)
Depreciation, amortisation and operating provisions	(1,550)	(970)
Operating income	(9,625)	(4,338)
Financial income	(423)	(472)
Taxes	22	(46)
Net income - Group share	(10,026)	(4,857)
EBITDA¹	(8,075)	(3,367)

¹ L'EBITDA (*earnings before interest, taxes, depreciation, and amortization*) is a key indicator for the Group.

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Financial information selected from the consolidated balance sheet:

In € millions	Financial year ended 31 December	
	2017	2016
Assets		
Net intangible assets	2,489	2,676
Net tangible assets	764	277
Other net assets	241	114
<i>Non-current assets</i>	<i>3,494</i>	<i>3,067</i>
Trade and other receivables	299	3,435
Other current assets	2,322	2,257
Cash	1,845	5,831
<i>Current assets</i>	<i>4,466</i>	<i>11,522</i>
Total	7,960	14,589
	2017	2016
Liabilities and shareholders' equity		
<i>Shareholders' equity</i>	<i>(1,127)</i>	<i>2,096</i>
Non-current financial debts	252	541
Non-current provisions and other non-current liabilities	463	452
<i>Non-current liabilities</i>	<i>714</i>	<i>993</i>
Current financial debts	4,003	6,467
Trade and other payables	4,370	5,033
<i>Non-current liabilities</i>	<i>8,373</i>	<i>11,500</i>
Total	7,960	14,589

Financial information selected from the consolidated cash-flow table:

In € millions	Financial year ended 31 December	
	2017	2016
Cash flow generated by operations	(5,396)	(4,610)
Cash flow from investing activities	(1,900)	(1,516)
Cash flow from financing activities	3,339	9,394
CASH FLOW VARIANCE	(3,958)	3,269
Impact of exchange rate fluctuations	(21)	10
OPENING CASH BALANCE	5,824	2,545
CLOSING CASH BALANCE	1,845	5,823

4. RISK FACTORS

Investors are invited to consider all the information included in the *Document de base*, including the risk factors described in this chapter, before deciding to acquire or subscribe to the Company's shares. The latter carried out a review of the risks that could have a material negative impact on the Group, its business, financial situation, results, prospects or its ability to achieve its objectives and considers that there are no other significant risks apart from those presented.

However, the attention of investors is drawn to the fact that other risks, unknown or whose realisation is not considered at the date of the *Document de base*, which may have a material negative impact on the Group, its business, financial situation, results, prospects, can or could exist.

4.1 Risks related to the business sector, the markets in which the Group operates and its economic environment

4.1.1 [Risks relating to the existence of alternative technologies and the emergence of new competing technologies](#)

Many companies are actively involved in the discovery, research, development and marketing of digital healthcare products. This market is marked by intense competition among participants, some of whom are major players in the medical technology sector with significant resources and proven experience in development, manufacturing and marketing (see Section 4.1.2 of the *Document de base* for more details).

Even if the time required for the development of a competing technology and its market launch (clinical studies, obtaining the EC marking and/or the related FDA approval, agreement for the reimbursement of social organisations, private insurance, etc.) may be relatively long, a competitor could develop a technology similar to that of the Group and with characteristics identical or superior in whole or in part to those of the companion solution developed by the Group.

Similarly, although the Group is devoting significant efforts to perfecting its existing technology, there is no guarantee that it will maintain its technological edge over the long term or that it will be able to evolve its products at the pace of market needs. Thus, potentially more effective, alternative technologies under development (such as artificial pancreas or stem cells) or other potentially more effective, safer and/or less expensive techniques not yet known, could be marketed in a more or less near future.

The marketing of any of these products could hinder the Group's development, reduce its market share, or even make its technological platform obsolete, which could have a material negative impact on the Group, its business, financial situation, results, development or prospects.

4.1.2 [Risks relating to the very significant size of the Group's main competitors in the markets](#)

The digital therapeutics sector, particularly in diabetes, is a competitive market where large pharmaceutical companies have established themselves by mobilising internal expertise or by developing multi-stakeholder ecosystems through partnerships (Novo-Nordisk-Glooko), equity participation (Sanofi-Omada), the creation of joint-ventures (Sanofi-Verily) or acquisitions (see Section 6.8 of the *Document de base* for more details). These competitors have resources well above those of the Group and, in particular:

- larger budgets for research and development, clinical studies, marketing of their products and

protection of their intellectual property;

- greater experience in obtaining and maintaining regulatory approvals for their products and improvements to existing products;
- more established distribution networks;
- greater experience and more resources in terms of launching, promoting, marketing and distributing products;
- more established infrastructure; and
- a stronger reputation.

In addition, the significant growth of the digital healthcare products market and its strong development potential are attracting new players looking for growth drivers, whether they are companies specialising in medical devices (such as Roche or Medtronic) or major digital players (such as Google). These major players also attempt to contribute to the building of an ecosystem, notably by establishing partnerships (Glooko-Medtronic), equity participation or acquisitions (Roche-MySugr). The arrival of these new players with solid know-how and significant financial strength encourages companies already present in this market to step up their competitive efforts.

Although the Group considers that it has significant competitive advantages particularly due to its original therapeutic positioning or its Theraxium technological platform, this does not guarantee that competitors will not develop therapeutic, or other, competing or alternative solutions over the same period or later, making those currently developed or preferred by the paying bodies, physicians or patients less attractive or obsolete (see Section 4.1.1 of the *Document de base* for more details).

In addition to its intellectual property protection policy (see Section 11.3 of the *Document de base*) and in order to preserve its technological leadership, the Group puts significant efforts into improving its existing products and developing new solutions adapted to new therapeutic indications. At 31 December 2017, the Group's R&D department had 58 employees split between the development and industrialisation of the Group's products. The Group has also established strategic partnerships with major players in healthcare and technologies to treat various pathologies (such as diabetes or oncology with Sanofi (Diabeo and Insulia), AstraZeneca (Eco) and Roche Pharma (Zemy)) respectively.

4.1.3 Risks related to the setting of prices and changes in medical device reimbursement policies

Part of the Group's commercial strategy lies in the fact that its paying bodies accept its solutions, in the same way as an approved healthcare product, available on prescription and with proof of efficacy. In order to enable the Group to successfully market its products and, as a result, to generate revenue, it is essential for it to achieve acceptable price and reimbursement levels from government authorities and bodies in charge of public or private health insurance plans. The Group is also required to set commercially viable price levels for each of its products that are also acceptable to its partners and third-party payers.

Medical device reimbursement policy

Government authorities and public or private bodies strive to control healthcare expenditure by limiting both the level of coverage and the coverage of certain products or procedures, particularly innovative products or procedures. There is constant economic, regulatory and political pressure to limit the cost of procedures involving medical devices. Third party payers are increasingly questioning the prices of

medical devices and many paying third parties may either refuse to reimburse or reduce the reimbursement rates for certain devices.

Moreover, reimbursement varies from one country to another. However, the digital healthcare applications sector is very new and its therapeutic value is not assessed in the same way in all the countries in which the Group wishes to market its products.

Therefore, despite the certifications already obtained and although the Group relies on clinical studies to prove the safety or therapeutic efficacy of each of its products, it cannot guarantee that it will be eligible under reimbursement conditions in the United States, Europe or in the other main markets in which it wishes to market its products. Also, the Group cannot guarantee the coverage and reimbursement levels of the products it develops, encouraging its customers, healthcare professionals and patients to integrate such software in the treatment of the diseases they target.

The Group also capitalises on experimental reimbursement mechanisms set up by the authorities or paying bodies in different countries to test innovative payer models for covering digital therapies and/or telemedicine solutions. This is notably the case of the ETAPES program in force in France, which establishes, via the Social Security Finance Act, a framework for managing remote medical monitoring solutions for a period of four years. Nevertheless, as the future conditions for reimbursement beyond this period were not yet determined at the date of the *Document de base*, the Group cannot guarantee the sustainability of these financing arrangements.

Moreover, the reimbursement schemes that the Group uses are not necessarily specific to the solutions developed by the Group and other companies are, in this context, able to capitalise on these systems themselves, even when they do not provide the same level of technicality and/or clinical evidence or safety.

Finally, although health policies tend to favour the digitisation of the healthcare organisation and the increasing role of the patient in the management of his/her illness, new legislative or administrative reforms in reimbursement systems, particularly in the United States, could substantially reduce the reimbursement of software developed by the Group (or even result in a refusal to insure these products). Therefore, the Group is, or will not, be in a position to foresee any changes over time in the coverage and reimbursement conditions that it might have obtained.

Setting of product prices by the Group

In addition, the Group's ability to set commercially viable prices for each software programme, enabling it to generate profits, depends on many other factors, including the cost of development, maintenance and price of the product, its characteristics compared to those of competing or alternative medical devices, the prices of these devices and the type of diseases covered by the companion solutions.

If market, reimbursement and competition conditions or any other event that has occurred during the development phases, clinical study and marketing of the products in question were to jeopardise their commercial interest, the Group could decide to abandon the marketing of certain software in all or some of the targeted territories.

The occurrence of one of these risks could have a material negative impact on the Group, its business, financial situation, results, development or prospects.

4.1.4 Risks related to the economic and financial environment

Although the healthcare sector is less sensitive to economic cycles, less favourable economic and

financial conditions could affect the Group's operations and financial performances.

For example, the burden of state debt, rising unemployment, and declining numbers of individuals with private health insurance could put significant pressure on economic activity in the public and private sectors, leading to lower demand for the services that the Group offers to its customers, thus having an adverse effect on its operations.

Moreover, the debt reduction measures that governments might take, as was recently the case in Europe, would increase the pressure on the reimbursement rates of the Group's products (see Section 4.1.3. of the *Document de base* for further details) as well as on the tax burden and as a result may disrupt the operating balance of the Group's activities.

The occurrence of one of these risks could have a material negative impact on the Group, its business, financial situation, results, development or prospects.

4.2 Risks related to the Group's business

4.2.1 Risks related to the partnership agreements necessary for the development and/or marketing of the Group's products

The Group's strategy is partially based on the development and/or marketing of its products in close collaboration with its major partners from the pharmaceutical sector (notably Sanofi, Roche Pharma or AstraZeneca) and the new technologies sector (notably Google via Verily). The mobilisation of its partners, especially in terms of expertise or human or financial resources, is not only crucial to develop and commercialise the Group's therapeutic software that is under development, but also to market those that are already approved.

The Group could suffer from the sluggishness, failure or competitive attitudes of its partners. Any failure on their part could have unfavourable consequences for the Group, its development and prospects.

Moreover, the Group and the partner could decide to unilaterally or jointly terminate the partnership agreement. Such a termination would lead to a delay in the development and marketing of the Group's products and would require it to seek a new partner. The Group cannot guarantee that it would then be able to enter into an agreement with a comparable partner or under similar economic conditions. Finally, the Group could be forced to increase its own R&D, marketing and sales capacity. It cannot guarantee that it will be able to commit the necessary financial and human resources to implement new skills and have the necessary time to put in place the appropriate organisation and structure.

The Group is also developing therapeutic software using its own funds. With regard to these products, the Group cannot guarantee that it will be able to conclude partnership agreements under satisfactory terms in order to be able to continue or accelerate the development of these products over time and at an acceptable cost, or to market them in all countries with sales potential.

The occurrence of one of these risks could have a material negative impact on the Group, its business, financial situation, results, development or prospects.

4.2.2 Risks related to the market launch of the Group's products and their marketing

4.2.2.1 The Group's development will partly depend on the pace of adoption by healthcare professionals and patients of its products.

Even if the Group and/or one or more of its business partners obtain the marketing authorisation allowing them to sell the medical devices developed by the Group, the latter cannot guarantee that they will obtain the support of the medical community, prescribers, patients and third-party payers. Acceptance by the market will thus depend on several factors, including:

- healthcare professionals may not recognise the therapeutic benefits of the Group's products or prefer potential competing and/or alternative products;
- healthcare providers may not adopt the Group's products due to lack of financial incentive mechanisms or integration into their IT organisation;
- patients themselves may not recognise the therapeutic benefits or prefer potential competing and/or alternative products;
- the practitioners' fear of risking liability through the use of new technology;
- the Group's competitors could develop one or more products for the same indication; and
- the cost of the solutions offered by the Group and the level of reimbursement of these products could also limit their acceptance by the market.

Although the Group believes that the software it is developing is likely to provide a therapeutic response to a need that has not been met to date, poor market penetration, as a result of one or more of the factors described above, would have a negative impact on their marketing and on the Group's ability to generate profits through direct marketing but also under agreements entered into with industrial partners (such as Sanofi, Roche Pharma or AstraZeneca - see chapter 22 of the *Document de base*), which would have a negative impact on its activity, prospects, financial situation, results and its development.

4.2.2.2 The Group has limited experience in marketing its products and cannot guarantee that it will be able to effectively market the products it develops.

The Group's development and ability to generate revenue will partly depend on its ability to market its products on a large scale and in new markets. The Group's sales strategy combines direct sales forces for paying and indirect bodies, notably through the conclusion of distribution partnerships with market players (such as Sanofi, Roche Pharma or AstraZeneca - see Chapter 22 of the *Document de base*).

However, despite the experience of its managers, the Group still has limited experience in the areas of marketing and selling digital therapeutics, which represent a new industrial sector. In addition, the size of the Group's sales force remains small compared to the various players in the pharmaceutical market.

The success of marketing the products developed by the Group to third party payers will therefore depend in particular on its ability to develop a marketing strategy, as well as attract, recruit and retain a qualified sales force.

The successful marketing of the Group's products developed in partnership with pharmaceutical companies will depend on the marketing and commercial efforts of these partners as well as their ability to sell the therapeutic solutions developed by the Group (see Section 4.2.1 of the *Document de base* for further details).

The occurrence of one or more of these risks could have a material negative impact on the Group's business, financial situation, results or development.

4.2.2.3 The Group may even have to withdraw from sale one or more of its products because of the unanticipated consequences of their use.

In the absence of adequate training, practitioners and patients may use the software developed by the Group and related services inappropriately or ineffectively. Misuse of a product could limit or even eliminate its therapeutic efficacy, cause discontent among patients, healthcare establishments and third party payers, or even cause bodily injuries.

Such situations could undermine the Group's image and, in certain cases, could lead to amicable or judicial proceedings against it (see Section 4.3.2 of the *Document de base* for further details). The Group may even have to withdraw, temporarily or permanently, from sale one of its products, at its own initiative or at the request of the competent authorities.

The occurrence of one of these risks could have a negative impact on the Group's business, prospects, financial situation, results and its development.

4.2.3 Risks related to the Group's technology

4.2.3.1 The various products of the Group are based on a single technological platform.

The software developed by the Group or under development is based on the same Theraxium technology platform. This infrastructure platform includes features common to all companion solution (algorithmic components, user interface components, security components, etc.). This pooling makes it possible to develop companion solution faster, according to the existing quality processes for medical devices. In addition, the Theraxium platform also operates data flows and ensures the technical operation of the companion solution.

The use of one of these therapeutic software programmes, in a clinical setting or in real life, could reveal security problems related to the platform. These difficulties may require further R&D efforts to address them. Furthermore, they could question the development of the Group's products or the very functioning of the Theraxium technology platform. Finally, such events could result in the suspension and withdrawal of marketing approvals that the Group has obtained and delay or even prevent future approvals. Such a situation would have a material negative impact on the Group's business, its prospects, development, financial situation and results.

4.2.3.2 Access to the Group's products could be significantly restricted due to technical faults or malicious actions.

The Group provides its services via an integrated network. It has faced cyber-attacks in the past, which did not have a material impact to the Company's knowledge, and could face further attacks in the future, aimed in particular at disrupting its services, accessing its network, stealing technology or hacking data from its customers. The Group's services could also be disrupted due to technical faults.

Any disruption in access to the Group's network and systems due to a cyber-attack or technical fault could lead to the suspension or discontinuation of the Group's software and services or, if these faults were recurrent, their partial or total prohibition by competent regulatory authorities. These malfunctions could adversely affect the Group's brand image and commercial reputation, leading to a loss of customers, but also the Group's liability (see Section 4.3.2 of the *Document de base*).

The Group may also incur additional costs to repair its network, correct a technical fault and improve the safety of its products, without guaranteeing the effectiveness of such repairs, corrections or improvements.

Such malfunctions could have a material negative impact on the Group's business, its prospects,

development, financial situation and results.

4.2.3.3 The deterioration, inefficacy or lack of reliability of the mobile or internet networks could restrict or even prevent access to the Group's products.

The Group depends on the availability of reliable and economical internet and mobile networks on the markets where it provides its services through its software to patients and practitioners. In the event that the internet and/or mobile services in one or more markets in which the Group operates were slowed down or interrupted for any reason whatsoever (in particular in case of damage to infrastructure, adverse weather conditions, natural disasters, terrorist attacks, power cuts or legal or regulatory changes), the Group's products may no longer be commercially viable in such market(s).

In addition, the Group's geographic expansion could be limited by territories in which these internet and mobile networks are unreliable and the related infrastructure is not well developed. If the network infrastructure necessary for the provision of the services offered by the Group on a market is not developed or maintained, it would be impossible for it to gain access to this market and, where applicable, to remain there.

The occurrence of one of these risks could have a negative impact on the Group's business, prospects, financial situation, results and its development.

4.2.3.4 The availability of the Group's products depends on the availability and conditions of access to "stores" notably Apple and Android.

The Group's products are distributed via app stores managed by third parties, such as Apple's App Store or Google's Google Play. Its products are then subject to an application developer licence agreement. One or more of the main app store operators could refuse to distribute the Group's products through their store or decide to unilaterally amend the licence agreement in such a way that it would prohibit the Group from distributing its products. Such events could significantly reduce the number of patients using the Group's products and therefore its revenues.

Such events could have a negative impact on the Group's business, its prospects, financial situation, results and development.

4.2.4 Risks related to clinical trials, to which the Group submits its products at its own initiative

The Group develops its products in close collaboration with its partners and healthcare professionals in order to best meet their expectations and those of their patients. The Group also carries out numerous user trials on its products in the R&D phase, either internally or with subcontractors, in order to improve the operation of the software it develops.

Furthermore, in order to market a product for a given indication and territory, the Group is required to obtain the appropriate regulatory approvals for this product and in that territory (see Section 4.3.3.2 of the *Document de base*), including the EC marking within the European Union or the FDA approval in the United States. In this context, in addition to providing proof of the harmlessness of its products, the Group voluntarily carries out clinical studies on each of them in close collaboration with healthcare professionals to demonstrate their therapeutic benefit.

Any failure during one of the different test phases for a given indication could delay the development and marketing of the software concerned or even stop its development. In addition, the Group may not

obtain the regulatory approvals necessary to market its products in the countries concerned. Lastly, if a clinical study on a product fails after obtaining the required regulatory approvals, it might jeopardise the marketing of this product in all or part of the targeted territories.

The occurrence of one of these risks could have a negative impact on the Group's business, prospects, financial situation, results and its development.

4.2.5 Risks related to the Group's IT service providers

The proper functioning of the products developed by the Group depends on certain services provided by IT service providers (including hosting the bulk of the development infrastructure and solutions under production, the maintenance and security of its servers, access to the distribution network or the programming and maintenance of its software and operating systems).

The services provided by these third parties could malfunction or even be abruptly interrupted. Their infrastructure could also be inaccessible for a short or long period. One of these failures could lead to an impairment or even the suspension of the operation of the Group's products. The latter cannot guarantee that its suppliers will then be able to resolve these disruptions within a reasonable period of time.

In addition, although the Group strives as much as possible not to be dependent on its suppliers, if these third parties no longer wished or were no longer able to provide their services to the Group, it would then have to switch suppliers, which could lead to the immobilisation of technical and financial resources necessary for the development of the Group's other projects.

Finally, these malfunctions could adversely affect the Group's brand image and commercial reputation, leading not only to a loss of customers, but also the Group's liability (see Section 4.3.2 of the *Document de base*).

The occurrence of one of these risks could have a negative impact on the Group's business, prospects, financial situation, results and its development.

4.2.6 Risks related to the Group's customers

4.2.6.1 The market in which the Group operates is marked by the presence of major customers with significant market share and bargaining power.

The Group's commercial strategy aims to market its products, either through partnerships (notably with major pharmaceutical companies), or directly to public (such as state health insurance in France) or private players.

The Group's partners are well-established players in the market and have significant financial and human resources and, as a result, considerable bargaining power. The Group cannot therefore guarantee that it will be in a position to conclude partnership agreements that will be favourable to it.

Payers also have a very significant bargaining power, based on the number of patients they represent, all the more so when it comes to public institutions. The Group cannot therefore guarantee that it will be able to market its products under the most favourable conditions, particularly financial conditions.

In addition, as the Group is in the development phase and although its strategy is to diversify its offering as well as the number of its customers, at the date of the *Document de base*, the Group's sales were concentrated on a limited number of customers. One of these customers may not comply with its obligations towards the Group (see Section 4.2.6.2 of the *Document de base*) or may decide to unilaterally terminate the contractual relations that bind it to the Group (see Section 4.2.1 of the

Document de base).

The occurrence of one of these risks could have a negative impact on the Group's business, prospects, financial situation, results and its development.

4.2.6.2 Some of the Group's customers may be facing insolvency problems.

The Group's strategy is to reach out, on the one hand, to major industrial players in the life sciences sector and, on the other hand, to private and public payers and healthcare providers.

Like the payers, large industrial healthcare providers have significant financial resources. Healthcare institutions (hospitals and clinics) operate essentially based on budgets. However, in certain territories, which are currently not targeted by the Group, financial risks may weigh on the payers and affect their capacity to honour the reimbursement of healthcare products.

For the years ended 31 December 2016 and 2017, no impairment charge has been recorded due to the absence of risk identified by the Company. Except in exceptional cases, the settlement period granted does not exceed 60 days.

For these reasons, the Group believes that it should not be facing insolvency problems with its customers.

However, if one or more of the Group's customers are unable to meet their financial obligations, this could have a material negative impact on the Group's financial position and results, and therefore on its business, prospects and development.

4.3 Legal and regulatory risks

The Group manages the legal aspects and compliance with the regulatory framework internally (marketing approvals, insurance, intellectual property, trademarks and domain name applications, etc.). In this respect, the Group may use intermediaries, service providers or specialised advisers to supplement its expertise, or outsource certain tasks to them. Thus, the Group uses an industrial property consultant working closely with its research and development team, quality assurance and regulatory affairs consultants, and more occasionally, specialised lawyers, insurance agents, consultants and local regulatory representatives for the submission of certification files to certain local regulatory authorities.

4.3.1 Risks related to intellectual property

4.3.1.1 The Group's patents and other intellectual property rights have uncertain or limited protection in terms of time.

Intellectual property law varies from country to country and is constantly evolving, thus constituting a source of uncertainties. The success of the Group depends on its ability to obtain, preserve and protect its patents, trademarks, copyrights, designs, models and domain names but especially its other intellectual property rights or similar (such as its trade secrets, software, business secrets and its know-how, including the algorithms created by the Group) or those it is authorised to exploit in the course of its activities. The development and marketing of the technology or product/service concerned could be directly affected or interrupted if one or more patents or trademarks covering a technology or a product/service of the Group were to be invalidated or deemed unenforceable, or if the Group's know-how was to be disclosed.

The Group's strategy is to patent specific features of the software it develops, within the limits permitted by the regulations of each country. Indeed, software is not as such protected by patent law, since the protection of the source code or software architecture is protected by copyright, provided that the software constitutes a creation unique to its author.

That being said, as of the date of the *Document de base*, patents that the Group considers useful for its activity have been issued or have been the subject of a patent application. However, there can be no assurance that these will not be challenged, invalidated or circumvented or that they will provide effective protection against competition and third party patents that would cover similar compositions, processes or products. The absence of sufficiently extensive protection, invalidation or circumvention of patents could have material negative effects on the Group.

The same goes for software; with competitors able, to a certain extent and under certain conditions, to independently build software that fulfils similar functionalities that compete with the Group's and its partners' own software.

In addition, the Group's success will depend on its ability to develop new products or technologies that do not infringe patents or other proprietary rights belonging to third parties. Despite the trademark searches and the monitoring it carries out, the Group cannot be certain that it does not infringe industrial property rights, even if the Group holds a patent or has filed a patent application relating to the products or technologies developed by the Group. Indeed, the Group cannot be certain of being the first to file a patent application. In fact, at the time of filing a patent application, other patents or patent applications may constitute opposable but not yet published prior registrations or, even if published, may not be known to the Group. It should be noted that the publication of patent applications takes place 18 months after the applications have been filed. In addition, a patent application or granted patent does not confer an approval to exploit the product or technology it covers. Thus, products or technologies developed by the Group, while being protected by a patent application or a patent, may infringe industrial property titles held by third parties on specific elements of the technology.

Similarly, when registering one of its trademarks or when registering a domain name in a country where these rights are not covered, the Group may find that the trademark or domain name in question is not available in this country. A new trademark or domain name would then need to be found for the given country or an agreement negotiated with the holder of the previous mark.

In addition, the fact that trademarks have already been registered in some countries does not rule out the risk of third party claims or actions instituted before competent offices and/or courts, which could undermine the validity of acquired rights.

There is therefore no certainty that the Group's current and future applications for patents, trademarks and other intellectual property rights will be subject to issuance/registration and that such rights will be effectively protected, or that acquired rights will not be questioned or cancelled.

In this respect, it should be emphasised that copyright cannot be the subject of searches since the right arises from the date of creation without the formalities of filing. There is therefore no register of existing creations that could potentially constitute relevant prior registrations. Likewise, the risks in the field of unfair and/or parasitic competition are difficult to assess.

The effective protection of software before the courts can be more or less difficult from one jurisdiction to another. Therefore, the Group cannot guarantee that it will be able to systematically pursue third parties who market or exploit similar software.

The Group intends to pursue its patent protection policy by filing new applications as and when it deems appropriate, and by pre-constituting evidence of its software creation. In particular, the Group intends to pursue its policy of protecting the specific patent formulations that it develops.

However, it cannot be ruled out that:

- the Group may fail to develop new patentable inventions or may face difficulties in filing and reviewing some of its applications for future patents, trademarks or other industrial property rights. Indeed, the filing of a patent application or trademark does not in any way preclude the actual obtaining of a title or reduce

the scope of the title obtained during the review. Moreover, the filing of an application for a patent or trademark or the grant of a patent or trademark by an office does not in any way preclude the obtaining of a patent/trademark, even of similar scope, from another office;

- or that the Group's intellectual property rights might be contested and considered invalid or that the Group is unable to enforce them. The issuance of a patent, trademark or other industrial property rights, as well as the filing of a source code, does not guarantee the validity or enforceability, as third parties may question both aspects. Actions in court or at the competent offices and/or courts may be necessary to enforce the Group's intellectual property rights, protect its trade secrets and know-how or determine the validity and extent of its intellectual property rights. Any dispute could result in considerable expenses, negatively impact the Group's results and financial situation and image and not provide the protection sought. The Group's competitors or any third party with an interest in acting could successfully challenge the validity of its patents or trademarks in court or in other proceedings. This could reduce the scope of these patents or trademarks, or even cancel them, and allow competitors to circumvent them. As a result, the Group's rights to patents granted and/or trademarks filed and/or registered may not provide the expected protection against competition;
- there are trademark rights, copyrights, in particular on software, or other prior third party rights that could provide a base for infringement or liability proceedings (including unfair competition) against the Group;
- the extent of patent protection is insufficient to protect the Group against the risks associated with counterfeiting or competition. The question of the patentability of medical devices and software is very complex and raises legal, scientific and factual issues. There are general trends to standardise the approach to the patentability of pharmaceutical inventions by the three major patent offices worldwide in the United States, Europe and Japan. Nevertheless, there are still uncertainties regarding the interpretation of the scope of patent claims, which is a matter of national law. Developments or changes in the interpretation of intellectual property laws in Europe, the United States or other countries could change the Group's legal situation and positioning against its competitors. In addition, some countries do not protect intellectual property rights as efficiently (lack of common regulation or harmonisation) as in Europe or the United States;
- third parties claim rights to patents, know-how or other intellectual property rights owned by the Group, or on which it may benefit from a licence. The Group's collaborations, partnerships, service contracts or outsourcing contracts with third parties expose it to the risk of third parties claiming the benefit of intellectual property rights over the Group's inventions or failing to ensure confidentiality of the Group's innovations, source codes, or non-patented improvements and know-how. In addition, the Group may provide, in various forms, data or information to third parties with which it collaborates (such as academic institutions and other public or private entities) concerning the research, development and marketing of its products;
- partners, including scientists, with whom the Group has entered into cooperation involving intellectual property rights, some of which are held by these partners, are unable to fulfil their contractual obligations, or continue their collaboration with the Group. The latter may itself be required to put an end to or revise the conditions of collaboration with these partners. These different scenarios could have a material impact on the development and/or marketing operations of some of the Group's products/services.

Despite the precautions, including contractual, taken by the Group with these entities, they could claim the ownership of intellectual property rights resulting from tests carried out by their employees. In the case of co-ownership of intellectual property rights, these entities may not grant exclusive operating rights to the Group, in a manner that is acceptable to the latter.

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.

4.3.1.2 Intellectual property rights held by the Group or by third parties could be subject to a dispute, the outcome of which would be uncertain.

Disputes relating to intellectual property are often long, expensive and complex. Some of the Group's competitors have more significant resources and therefore have greater ability to conduct such proceedings. An unfavourable legal decision could seriously affect the Group's capacity to pursue its activity, and more precisely, could compel the Group to:

- stop selling or using some of its products, software or technologies;

- acquire the right to use third party intellectual property rights under on unfavourable terms; or
- redesign some of its products/technologies or, in the case of trademark claims, rename its products so as to avoid infringing third party intellectual property rights, which could prove long and expensive, and could affect the efforts of the Group and/or its partners to market the products.

Group competitors or any third party with an interest in doing so could successfully challenge the validity of its patents or trademarks, the originality of the software, or other intellectual property rights in court or as part of other proceedings, which, depending on the outcome of such disputes, could reduce their scope, result in their invalidity or allow competitors to circumvent them. As a result, the Group's rights on its patents, trademarks or other intellectual property rights might not grant the expected protection against competition.

4.3.1.3 The Group cannot guarantee protection of the information and know-how that it communicates to its partners.

The Group considers it essential to guard against the unauthorised use and disclosure of its confidential information, source codes, know-how and trade secrets. In fact, non-patented and/or non-patentable technologies, procedures, methods, know-how and data are considered as trade secrets that the Group tries to protect in part by means of confidentiality agreements.

Various types of information and/or products may be entrusted to them in order to carry out certain tests and trials, as part of collaboration, partnership, research or other type of cooperation agreements entered into by the Group and consultants, partners, sub-contractors, or any co-contracting third party. In such cases, the Group requires confidentiality agreements to be signed. Furthermore, as a rule, the Group ensures that the collaboration or research contracts that it signs give it access to full or co-ownership of the results and/or inventions resulting from this collaboration or to an exclusive licence for such results and/or inventions. However, as an exception, the Group has entered into certain agreements under which the patents and know-how developed will, in a specific field, be exclusively held by the other party.

It cannot be ruled out that the agreements put in place to protect the Group's technology and trade secrets and/or the know-how put in place do not provide the protection sought or are violated, that the Group does not have any appropriate solutions against such violations, whether its trade secrets are disclosed to its competitors or developed independently by them, especially as some of the Group's partners may, in the longer or shorter term, compete with the Group. As part of the agreements entered into with third parties, the Group sometimes takes the precaution of specifying that the latter are not authorised to use the services of third parties or that they can only do so with the prior approval of the Group. However, the fact it cannot be excluded that some of its co-contracting parties still resort to third parties. In this case, the Group has no control over the conditions, under which the third parties with whom it contracts, protect its confidential information, regardless of whether the Group provides in its agreements with its co-contracting parties that they undertake to pass on these confidentiality obligations to their own co-contracting parties.

Thus, such agreements expose the Group to the risk of seeing the relevant third parties (i) claiming the benefit of intellectual property rights over the Group's inventions, software, or other intellectual property rights, (ii) failing to ensure the confidentiality of non-patented innovations or improvements to the Group's confidential information and know-how, (iii)) disclosing the Group's trade secrets to its competitors or developing these trade secrets independently and/or (iv) violating such agreements, without the Group having an appropriate solution against such violations.

4.3.1.4 Some of the Group's intellectual property rights are pledged

In order to guarantee the repayment of bonds subscribed to by Kreos Capital V (UK) Ltd. ("Kreos") on 13 April 2018 (see Section 22.7 of the *Document de base*), the Company granted Kreos a pledge on some of its assets and in particular on its intellectual property rights in France, Europe and the USA, its bank accounts and receivables (for more details on these pledged intellectual property rights, see Section 11.6 of the *Document de base*). If the Company fails to pay for bonds subscribed to by Kreos or declare the early repayment of the bonds subscribed to by Kreos following the occurrence of a default event provided for in the bond issue agreement, Kreos may acquire ownership of the pledged intellectual property rights.

In the event of such a transfer of ownership, the Group's ability to license and develop its products covered by these intellectual property rights could be affected or delayed, which would consequently have a material negative impact on the Group's business, prospects, ability to achieve its objectives, financial position, cash flow or operating income.

4.3.2 Risks invoking liability on account of the products

Apart from legal guarantees, the Group could be exposed to liability risks on account of the products it develops.

Its liability could therefore be engaged by patients participating in clinical trials as part of the development of the software tested, due particularly to any unexpected adverse effects resulting from the use of these software programmes or more or less serious complications related to a software malfunction (e.g.: in case of a very high insulin dose recommended by this software).

The Group's liability could also be engaged in the marketing phase of its products. Civil or criminal proceedings may be initiated against the Group by patients, practitioners, the relevant regulatory bodies, its industrial partners and payers and/or any other third party using or marketing the Group's products. Such actions may include claims resulting from acts of the Group's partners, licence holders and sub-contractors over which the former has no or little control.

The malfunction of the products marketed by the Group could also lead to expenses related to the replacement of the Group's products as well as new research and development expenses in order to review the design and operation of the defective products. Lastly, it could reduce or even monopolise the technical and financial resources needed to develop other Group projects. The existence of defective products could also adversely affect the Group's brand image and commercial reputation, leading to a loss of customers.

Moreover, although at the date of the *Document de base* the Group has not been the subject of any action for liability or any other complaint related to the implementation of its technology or the use of its products, it cannot guarantee that its current insurance coverage (see Section 4.5.8 of the *Document de base*) is sufficient to respond to actions that might be taken against it, or to respond to an unexpected situation.

If its liability or its partners, licence holders and sub-contractors' liability were challenged, if the Group or its partners, licence holders and sub-contractors were unable to obtain and maintain appropriate insurance cover at an acceptable cost or if the Group were unable to somehow guard against liability actions, it could seriously affect the marketing of its products and more generally adversely affect the Group's business, results, financial situation and development prospects.

4.3.3 Risks related to various regulatory frameworks

4.3.3.1 Risks related to the gathering and use of personal data.

As a rule, the Group collect and retains personal data, particularly relating to the health of the users of its software solutions. However, in some cases, the Group's industrial partners themselves host the software solutions that it develops. On the date of the *Document de base*, the data for the hosting of which the Group is responsible, is hosted in France and the USA on separate servers operated by separate, approved health data hosts. In this respect, the Group does not transfer personal data between the servers located in the USA and those located in France. These approved hosts are responsible for the

maintenance and safety of these servers, in accordance with the local regulation applicable for the protection of personal and health data.

Within the European Union, the processing of personal data carried out by the Group is, on the one hand, subject to the provisions of the general regulation on data protection (EU) 2016/679 (applicable from 25 May 2018) and the French Law No. 78-17 dated 6 January 1978 on data privacy and, on the other hand, likely to be subject to the regulations as per the French Code of Public Health. These laws and regulations set forth obligations relating to the legality of the processing, the obligatory information to be delivered to the persons concerned by the processing and the technical and organisational security measures intended to ensure a level of security adapted to the risks generated by the processing. Non-compliance with these requirements could lead to administrative fines as well as civil or criminal penalties.

In the USA, several federal and local laws protect the confidentiality of the information about some patients' health condition, especially medical files, and reduce the use and disclosure of such protected information. The US Department of Health and Human Services promulgated rules concerning patient privacy pursuant to the 1996 Act (Health Insurance Portability and Accountability Act - US) Department of Health and Human Services -HIPAA). These rules protect medical records and other health information by limiting their use and disclosure, giving individuals the right to access, rectify and track their own medical data, and by limiting most uses and disclosures of health information to the minimum that is reasonably necessary to achieve the intended purpose. The violation of confidentiality rules and patient safety under the HIPAA law or the violation of the Group's protection measures relating to personal data covered by the HIPAA law could lead to civil or criminal penalties.

Although the subcontractors used by the Group are selected after an evaluation and in-depth discussions for the performance and quality of their services, the Group cannot guarantee that they will always be able to comply with the local regulations applicable to the protection of personal and medical data.

Moreover, even if the Group has implemented measures to protect and secure personal data collected using its technology, it cannot be ruled out that the databases and data collected and used by the Group might be the target of piracy, virus, theft, fraudulent use or destruction or other unauthorised uses of personal data (see Section 4.2.3 of the *Document de base* for further details). As a result, the Group could be held liable or its public image could be very significantly affected, which would have a material negative impact on the Group, its business, financial position, results, development and prospects.

4.3.3.2 The medical devices developed by the Group are covered by specific regulations that are likely to change.

The marketing of the Group's products in Europe requires the EC marking to be obtained.

The Group's products meet the definition of medical devices and are governed, among others, by the provisions of the amended European Directive 93/42/CEE which harmonises the conditions for the sale and free circulation of the Group's products within the European Economic Area.

These products can be launched on the market only after obtaining certificates that permit the EC marking, and are valid for a limited period. This EC marking is proof of compliance of the relevant medical device with the essential health and safety requirements set out by the applicable European directive and attests that it has undergone adequate procedures for assessing its compliance.

Further information on the European legislation applicable to the Group's products can be found in Section 6.4 of the *Document de base*.

If some of the Group's products have already obtained the EC marking, the products under development will be

subject to this same regulation. In the event of failure in obtaining the certificates allowing EC marking within the prescribed time, the market launch of these products could be delayed or even abandoned.

Furthermore, applications for the renewal of the EC marking certificates require, among other things, maintenance of compliance of the quality system, consideration of regulatory changes, update of risk management and compliance with the essential requirements of the applicable European directives.

If the Group fails to obtain the renewal of the certificates necessary for the EC marking of its products within the required deadlines, their marketing could be interrupted until these authorisations are obtained, or even rejected.

Such situations, if they occur, could have a material negative impact on the Group, its business, financial position, results, development or prospects.

The marketing of the Group's products in the United States requires prior authorisation of the FDA.

The US market is governed by the federal regulation Title 21 of the US Code of Federal Regulation (CFR) which regulates the market launch of medical devices by imposing pre- and post-marketing requirements for which the control body is the Food and Drug Administration (FDA).

These medical devices are also subject to registration by the establishment manufacturing medical equipment under subsections B, C and D of Section 807 of Title 21 of the CFR. The FDA issues a 510 (k) licence, if it is proven in the application for authorisation that the medical device is largely equivalent to one or more medical devices already approved on the US market, i.e. the medical device subject of the application for authorisation is at least as safe and effective as previously authorised product(s).

Information on the manufacturer, the initial importer and the medical device appear on the FDA's computer databases in lists of licensed medical devices and the register of establishments manufacturing medical equipment.

Further information on the US legislation applicable to the Group's products can be found in Section 6.4 of the *Document de base*.

If the US marketing authorisation applications for the Group's products were to be rejected by the FDA, the marketing of these products on the US market would have to be delayed until new applications for authorisation have been approved, or even rejected. Similarly, if the FDA's authorisations already obtained for some of the Group's products were successfully challenged, this would lead to their withdrawal and the Group would no longer be able to market the products concerned on the American market until they obtain new authorisations. In each of these cases, the FDA may be able to conduct other types of longer, more complex, and more expensive tests that may require clinical reporting.

Such situations, if they do occur, could have a material negative impact on the Group, its business, financial position, results, development or prospects.

Specific steps may be necessary to market the Group's products in other countries.

In addition to the specific rules in Europe and the United States, the market launch of medical products in other countries requires specific steps to obtain the necessary authorisations (especially in Japan, China, Brazil, etc.).

However, there are certification equivalents and recognitions in some countries (notably in Canada, Singapore or Australia). These equivalents or recognitions are important elements in the process of making the decision to market the products developed by the Group in a new country.

If requests for authorisations for Group products were to be rejected by a public authority, or if the authorisations granted were cancelled as a result of appeal (ex gratia or contentious) by third parties, the Group could not market its products on the relevant market or may have to implement other, longer and more expensive procedures to obtain its authorisations, or, if the Group does not obtain any authorisation in any territory, it may not be able to market its products.

Such a situation could have a material negative impact on the Group, its business, financial situation, results, development or prospects.

4.3.4 [Risks related to statutory audits](#)

The French agency for the safety of medicines and health products (ANSM), the FDA and any other authorities periodically carry out audits to ensure that the Group applies the approved quality system, including the EC marking, FDA approval or any other marketing authorisations.

If any of these regulatory authorities detects a critical non-conformity, they may suspend or withdraw the EC certificate or FDA approval after formal notice to the Group to achieve compliance has gone unheeded.

The occurrence of such an event could jeopardise the marketing of the Group's products in the countries concerned and, consequently, significantly affect the Group's business, financial position, results, development and medium and long-term prospects.

4.4 Risks related to the Group organisation and development strategy

4.4.1 Risks related to the implementation of the Group strategy

The Group has positioned itself in the digital healthcare applications market, which, despite strong growth, remains a very young market. The Group has also decided to focus its efforts on indications wherein it believes to be in a position to fulfil needs that have not been met to date.

Furthermore, the Group is currently marketing its products through partnerships with large-scale healthcare companies so as to benefit from their networks with paying bodies, practitioners and healthcare establishments. In view of the characteristics of the market in which it operates, the Group wishes to be able to contact the paying bodies and healthcare providers directly and make the necessary investments to be able to do so.

Further information on the assumptions made to characterise the markets targeted by the Group and to define its marketing strategy can be found in Sections 6.1 and 6.8 of the *Document de base*.

The Group cannot guarantee that these assumptions will be confirmed. Failure to implement all or part of these assumptions could significantly affect the Group's business, financial position, results, development and medium and long-term prospects.

4.4.2 Risks related to the dependence on qualified personnel and key management personnel and the inability to attract new employees that the Group will need for its development

The success of the Group depends largely on the work and expertise of its senior executives and qualified staff. Although the Group has entered into so-called "key person" insurance for some of its senior executives, the temporary or permanent unavailability of one or more of these individuals or other key employees of the Group could lead to:

- loss of know-how and the weakening of certain businesses, all the more so in the case of transfer to competition; or
- shortcomings in terms of technical skills that may slow down the business and may ultimately affect the Group's ability to achieve its objectives.

Furthermore, the Group will need to recruit new executives and sales staff and qualified scientific personnel for the development of its business. It is in competition with other companies, research bodies and academic institutions, particularly to recruit and retain highly qualified scientific, technical and management personnel. If this competition is very intense, the Group would not be able to attract or retain these key personnel under conditions that are acceptable from a financial point of view.

The Group's inability to attract and retain these key persons could prevent it from achieving its overall objectives, especially in the United States, and therefore have a material negative impact on its business, results, financial situation, development and prospects.

Faced with this risk, the Group has set up contractual arrangements specific to its business and compliant with labour laws: non-compete provisions, non-poaching, transfer of intellectual property and confidentiality. It has also set up an incentive and retention policy in the form of performance-based variable compensation and the award of financial instruments giving access to the Company's share capital.

4.4.3 Risks related to the management of the Group's internal growth

As part of its development strategy, the Group will need to recruit additional staff and develop its operational capacities in line with its development and commercial prospects, which could mobilise impose excessive strain on its internal resources.

The Group intends to reinforce its direct sales force to market its products, especially in the USA. Besides the direct costs associated with the development of its sales force.

In order to do so, the Group must:

- train, manage, incentive and retain a growing number of employees;
- anticipate new expenses associated with this growth and corresponding financing requirements;
- forecast as accurately as possible the demand for its products and the revenues they can generate;
- increase the capacity of its existing operational, financial and management IT systems; and
- manage relations with the Group's partners responsible for the continued development and marketing of its products.

If the Group is unable to manage this growth or if it faces unexpected difficulties during its expansion, it could have a material negative impact on its business, financial situation, results or development.

4.4.4 [Risks related to the possible realisation of external growth operations](#)

The Group may have to acquire new (commercial or technological) assets or companies in future. The Group cannot guarantee that it will be able to identify the best opportunities and realise these acquisitions, or that it will be able to successfully consolidate these acquisitions.

In addition, these acquisitions could impose significant costs on the Group. The Group may also have to finance such acquisitions by borrowing, or issuing equity securities, which could cause it to take financial risks and be subject to certain restrictions or have a dilutive impact on its shareholders.

The Group's business, financial situation, results, development and prospects could be significantly affected by the occurrence of one or more of these risks.

4.5 Financial risks

The accounting data mentioned in this section are derived from the consolidated financial statements presented under IFRS for the financial year 2017, included in Section 20.1 of the *Document de base*.

4.5.1 Liquidity risks

Since its creation in 2001, the Group has recorded operating losses. As at 31 December 2017, cumulative net losses amounted to €37,360 thousand, compared to a net loss of €27,836 thousand at 31 December 2016. These losses result in particular from research and development and sales and marketing expenses incurred.

The Group has primarily financed its growth through capital increases and additional funds from research collaborations and research tax credits.

Thus, in 2009, the Company took a repayable advance for commercial prospecting in the United States from Coface. The total amount of this advance still owed at 31 December 2017, as it appears in the consolidated financial statements prepared under IFRS for the financial year ended 31 December 2017, featured in Section 20.1 of the *Document de base*, is €170 thousand; This advance was fully repaid in March 2018.

In 2014, Voluntis contracted a financial loan of €850 thousand. As this loan did not include an early repayment clause, the Company was not exposed to the liquidity risk that could result from the application of such a clause.

In 2017, the Company issued bonds convertible into shares, for a total amount of €7,100 thousand, taken in July 2017 and January 2018, the conversion or repayment date whereof is fixed at 30 June 2018.

In addition, on 11 April 2018, the Company issued non-convertible bonds worth €4 million in favour of Kreos (see Section 22.7 of the *Document de base*).

Voluntis does not have sufficient funds to cover its cash needs over the next twelve months. In any case, the Group will continue to have significant financing needs, as it continues to research and develop current and future products and support its commercial roll-out.

Given its current cash position and cash flow forecast for operations and investments, the Company expects to be able to meet its commitments until September 2018.

Financing needs are difficult to predict with precision and will depend in part on factors that are independent of the Group. Points showing major uncertainty include, but are not limited to:

- the costs and time required for product development and obtaining regulatory approvals in a context of increased regulatory requirements for manufacturing the Group's solutions;
- the need to obtain new approvals to accompany the marketing of the Group's products on new medical indications;
- the costs and time required so that the solutions developed by the Group are marketed and/or reimbursed to generate revenues;
- the balanced allocation of costs and revenues from business partnerships;
- the costs for preparing, filing, defending and retaining patents and other intellectual property rights;

- the competitive intensity and pace of adoption of new digital therapeutic solutions by players from the field of healthcare.

Furthermore, until now, a large portion of the Group's revenue was generated through upfront payments or milestone premiums under various partnerships that it has entered into. As a result, the Group cannot guarantee that it will become profitable, since achieving profitability implies that it must expedite the commercial roll-out of its diabetes management solutions (especially with third party payers) or that it markets other products.

In this context, the increase in the Group's expenses without any correlation to an increase in its revenue could have a material negative impact on the Group, its business, financial situation, results, development and prospects.

In order to cover future cash flow needs and pursue its development efforts, the Group is planning an IPO on the regulated market of Euronext in Paris.

In the absence of such fundraising, the Group would have to review its clinical and commercial development plan and would also have to seek alternative sources of funding.

If the Company raises equity by issuing new shares, the participation of its shareholders could be diluted. Financing through indebtedness, even if available, could also include restrictive conditions for the Company and its shareholders.

The realisation of this liquidity risk could have a material negative impact on the Company, its business, financial position, results, development and prospects.

4.5.2 Risks related to indebtedness and restrictive financing clauses

Under a Venture Loan Agreement and a Bond Issue Agreement entered into on 13 April 2018 between the Company and Kreos, the latter has undertaken to subscribe at latest on 1 May 2018 to bonds issued by the Company for a nominal amount of €4 million. Two additional tranches of €1.5 million each may be issued at the Company's discretion until 13 April 2019, provided that certain conditions are met (see Section 22.7 of the *Document de base*). The Venture Loan Agreement and Bond Issue Agreement require the Group to comply with certain commitments. These commitments on the part of the Group limit, inter alia, its ability to:

- take out any debt or grant guarantees;
- create security interests;
- pay dividends or other unauthorised payments; and
- sell, transfer or dispose of the assets necessary for its business.

These restrictions could affect the Group's ability to conduct business and limit its capacity to react depending on market conditions or even to seize commercial opportunities that may arise. In addition, the Group's ability to comply with these restrictive clauses could be affected by events beyond its control, such as economic or financial conditions.

Failure by the Group to comply with one of these commitments would allow Kreos to claim the early repayment of the loan granted.

Furthermore, to guarantee the repayment of these bonds, the Company granted a pledge on some of its assets (including receivables, bank accounts, and intellectual property rights).

This collateral may be implemented by Kreos in the event of the Company's default on payment or early repayment of the bonds due to the occurrence of any default event as stipulated in the issue agreement. Implementation of any of this collateral would result in a court order, a forced sale, or, as applicable, the transfer of ownership of the pledged asset in question to Kreos.

The realisation of one of these risks would have a material negative impact the Group's business, prospects, ability to achieve its objectives, financial position, cash flow or operating profit.

[4.5.3 Risks related to research tax credit](#)

To finance its activities, the Group also opted for a Research Tax Credit (RTC), which consists of the government offering a tax credit to companies with major investments in research and development. Research expenses eligible for the RTC include, but are not limited to, salaries and wages, depreciation of research equipment, services outsourced to approved research organisations (public or private) and intellectual property costs.

For the years ended 31 December 2016 and 2017, the RTC recorded by the Company amounted to €1,670 thousand and €1,682 thousand respectively.

The Group cannot rule out the possibility that the tax authorities may question the methods used for calculating research and development expenses that it has selected even if the Group complies with the documentation and cost eligibility requirements or that the RTC may be questioned (for past or future years) by a change in the regulations. Such a situation could have a negative impact on the Group's results, financial situation and prospects.

[4.5.4 Risks related to the future use of tax losses carried forward](#)

At 31 December 2017, after taking into account the net loss for the year, the Company has a tax loss carry forward of €41,086 thousand. As of the date of the *Document de base*, this loss can be carried forward indefinitely against future profits.

In France, allocation of these losses is capped at €1 million, plus 50% of the fraction of profits in excess of that cap. The unused balance of the loss can be carried forward to subsequent years and is chargeable under the same conditions without any limitation in terms of time.

The possibility that future tax developments in the area of corporate taxation will call into question all or part of the allocation of these previous losses to future profits or limit it in time cannot be ruled out. For the coming years, France has also decided to gradually reduce the standard rate of corporation tax applicable to the taxable profits to which these losses could be charged.

The occurrence of one or more of these risks could have a material negative impact on the Group, its business, financial situation, results, development and prospects.

4.5.5 [Risks related to access to advances and public grants](#)

As at 31 December 2017, the Group benefits from the following repayable grants and aids:

	Amount granted	Amount disbursed	Amount repaid	Balance as at 31/12/2017	Maturity date
Coface Insurance prospecting —	€400,000	€398,000	€228,000	€170,000	2018 ⁽¹⁾
Total	€400,000	€398,000	€228,000	€170,000	-

(1) This advance was fully repaid in March 2018.

Information on various grants and advances (payments, repayment schedule or specific clauses) are presented in Note 5.8.5 to the consolidated financial statements prepared under IFRS for the year ended 31 December 2017 in Section 20.1 of the *Document de base*.

If the Group fails to comply with the contractual obligations provided for in the aid agreements it has entered into, in particular the repayment schedule agreed between the parties, it may have to repay the advanced sums early.

Such a situation could deprive the Group of some of the financial means required to carry out its research and development projects. Indeed, the Group cannot guarantee that it will then have the necessary additional financial resources, time or the options needed to replace these financial resources with others.

4.5.6 [Credit risk](#)

The Group manages its available cash carefully. Cash and cash equivalents include current cash and financial instruments held by the Company (mainly term deposits). As of 31 December 2017, cash and cash equivalents, amounting to €1,845 thousand, were invested in immediately available products.

The credit risk related to cash, cash equivalents and current financial instruments is not significant given the quality of the financial institutions on which the Group relies.

Regarding the quality of its customers' signature, the Group has not identified any credit risk attached to the customer item.

4.5.7 [Dilution risk](#)

Since its inception, and as part of its policy to incentivise its corporate officers and employees, the Company has granted founders' stock options (BSPCE), warrants (BSA) and stock options (Options).

In addition, in exchange for bonds issued by the Company in favour of Kreos (see Section 22.7 of the *Document de base* for more details), the latter allocated to Kreos Capital V (Expert Fund) L.P.

70,000 warrants (BSA_{2018-Kreos}) entitling to the subscription of 70,000 shares².

Finally, on 30 June 2017 and 19 January 2018, the Company issued 71,000,000 bonds convertible into shares (“OC₂₀₁₇”) under certain conditions (see Section 21.1.4.6 of the *Document de base*). If the planned IPO is completed, the OC₂₀₁₇ holders could convert them into ordinary shares of the Company based on the price per share used for the IPO. Since the latter is unknown at the date of the *Document de base*, the assumption adopted is that these OC₂₀₁₇ will be converted into 690,000 new shares, which is the maximum number of shares that can be issued under the conversion of said OC₂₀₁₇. Dilution of voting rights would be identical.

As a result, and based on this assumption, the maximum potential dilution resulting from the exercise of all the BSPCE, BSA and options and the conversion of all OC₂₀₁₇ would be increased to 31.29% based on the capital existing at the date of the *Document de base* and approximately 23.83% based on the diluted capital.

As part of its policy to incentivise its managers and employees and to attract complementary skills, the Company could, in future, issue or allocate new shares or new financial instruments giving access to the Company's capital, which would lead to additional, potentially significant, dilution for current and future shareholders of the Company.

4.5.8 [Risk of impact of the application of IFRS 9 and IFRS 15 on the Group's reported assets and revenue, respectively](#)

The new IFRS 15 (on revenue from contracts with customers), which is applicable as of 1 January 2018, sets forth the principles for recognising revenue from contracts entered into with customers. This standard replaces the preceding accounting standards and interpretations relating to the recognition of revenue, namely IAS 18.

For each contract that has been classified as a long term contract, the Group has begun identifying the performance obligations relating to the contract, determining the value of said contract and allocating it to the performance obligations. Nevertheless, the Group has not yet finalised its analysis of the application of the new IFRS 15 to its contracts, particularly concerning the principles it intends to apply to development or co-development projects. The Group does not expect any major impact, but the first application may lead the Group to defer revenue recorded in the historical consolidated financial statements.

With regard to IFRS 9 (on financial instruments), the Group has not noted any particular customer loss ratio over recent financial years and it is not implementing a hedging mechanism. Nonetheless, the Group does not expect a material impact on its consolidated financial statements.

4.6 **Market risks**

4.6.1 [Exchange rate risk](#)

A part of the Group's operating income is generated in currencies other than the euro. Due to the Group's geographic presence, the same is true for expenditures that are, for a growing part, denominated in foreign currencies, particularly in US dollars.

As at 31 December 2017, 90% of the Group's cash and other short-term financial assets were denominated in euros.

² Kreos Capital V (Expert Fund) L.P. will subscribe for the totality of BSA_{2018-Kreos} concomitantly to the subscription by Kreos to the bonds issued by the Company on 11 April 2018, meaning at latest 1 May 2018.

However, the Company considers that the change in USD/EUR exchange rates would not have a material impact on the Group's earnings and shareholders' equity (consolidated).

At its current stage of development, the Group has not taken any hedging measures, other than natural hedging, to protect its business against fluctuations in the euro/dollar exchange rate. The Group cannot exclude that a significant increase in its activity, particularly in the United States of America, could result in greater exposure to currency risk and would then consider using a suitable policy to hedge these risks.

4.6.2 [Interest rate risk](#)

Interest rate risk reflects the Group's exposure to fluctuations in interest rates in the market.

The only exposure to interest rate risk relates to the investment of cash in cash equivalents consisting exclusively of term accounts. Given the current low level of remuneration of this type of investment and the level of cash amounts generally held by the Group, the latter believes that any change of +/- 1% would not have a material impact on its net income with respect to the losses generated by its ongoing operations. Furthermore, the Company's policy is not to subscribe to financial instruments for purposes of speculation.

The Group has no floating rate debt. Debt repayment flows are not subject to a risk of rate increases.

A description of the outstanding debt as of 31 December 2017 is provided in Note 5.8 to the consolidated financial statements prepared under IFRS for the year ended 31 December 2017 in Section 20.1 of the *Document de base*.

4.6.3 [Risks related to shares and financial instruments](#)

As of the date of the *Document de base*, the Group does not hold any investments or marketable securities and therefore believes that it is not exposed to the risks related to shares and financial instruments.

4.7 Insurance and risk coverage

The Group has implemented a policy for covering its main insurable risks with amounts of cover that it considers compatible with its cash flows and business needs.

For the financial year ended 31 December 2017, the Company paid a total of €92.5 thousand in insurance premiums.

The Group holds several insurance policies, including the following:

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Insurance policy	Risks covered	Insurance company or broker	Guarantee amount	Deductibles	Expiry
Product/professional civil liability, liability for operations, legal defence	Professional civil liability: i) non-consequential non-material damage and professional liability ii) intellectual property iii) <i>Privacy</i> and communication costs Worldwide coverage	Chubb France	Product/Professional insurance coverage cap: - €10,000,000 per insurance period, including (i) €10,000,000 under <i>Privacy</i> guarantee (including USA/Canada) and (ii) €1,000,000 under intellectual property (including USA/Canada) Operating liability coverage limit: - €8,000,000 per insurance year, including €1,500,000 per claim for material and immaterial damage. Cap on professional legal recourse guarantees :: €15,000 per insurance year and €2,000 per claim	Product/professional civil liability: - €15,000 per claim (€20,000 per <i>Privacy</i> claim) Liability insurance for operations: €3,000 per claim	Renewable every year on 1 January
offices space risks - Suresnes (France)	Office space guarantee: i) damage to professional furniture and equipment ii) post-disaster costs and related financial losses iii) occupant liability/ rental risk/disturbance	Hiscox	Multi-risk guarantee cap: - Movable assets: €625,000 - Professional equipment: €560,000 - Financial loss: €200,000 - Occupant's liability: €1,500,000 per claim	movable assets €200	Renewable every year on 8 February
Office space risks - Cambridge (MA)	<i>Commercial general liability</i>	Chubb	Maximum guarantee for damage to leased premises: USD 2,000,000 per insurance period and USD 1,000,000 per claim	-	Renewable every year in July
Directors & Officers liability insurance	Financial consequences resulting from invoking the civil liability of the de jure or de facto directors of the Company (natural person or legal entity) Defence costs	AIG	€3,000,000 per insurance period	-	Renewable every year in May

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Insurance policy	Risks covered	Insurance company or broker	Guarantee amount	Deductibles	Expiry
Business travel	As part of business trips: i) Accidents involving personal injury ii) Assistance and repatriation iii) Business travel - consequential physical, material and immaterial damage	Chubb France	Maximum limit: - Personal accidents: €200,000 for death or permanent disability - Support and repatriation: unlimited - Business travel - consequential physical, material and immaterial damage: €7,500,000	-	-

Insurance policy	Risks covered	Insurer	Guarantee amount	Excess	Expiry
Key person insurance	Death or total loss of autonomy insurance of three executives of the Company	Sogecap	Maximum capital payment of €500,000 per claim	-	Renewable every year
Employee benefits France	Death and disability insurance for employees in France	Legal & General	Guarantee in the event of death, absolute and permanent disability: - payment of a death benefit to the beneficiaries - payment of compensation in case of permanent disability or in case of temporary incapacity for work - education allowance	90-day deductible for temporary incapacity for work	Renewable every year on 1 January
Worker compensation – employer Liability	Worker compensation and employer liability in the United States	Aon Risk Services Northeast, Inc.	Maximum limit of employer's guarantee: - USD 2,000,000 of overall policy cap - USD 2,000,000 per accident or illness	-	Renewable every year on 1 July

4.8 Judicial and arbitration proceedings

As of the date of the *Document de base*, there is no governmental, judicial or arbitration proceedings, including any proceedings that the Company is aware of, which is pending or that threatens the Group, likely to have or having material effects on the Group's financial position or profitability during the last 12 months.

5. COMPANY INFORMATION

5.1 History and evolution of the Company

5.1.1 [Legal and commercial name of the Company](#)

The Company's name is: Voluntis.

5.1.2 [Location and registration number of the Company](#)

The Company is registered in the Paris Trade and Companies Register under the number 439 685 850.

5.1.3 [Date of incorporation and duration](#)

The Company was incorporated on 19 October 2001 for a period of 99 years from the date of its registration in the Trade and Companies Register on 5 November 2001, i.e. until 5 November 2100, unless extended or terminated early.

5.1.4 [Company's head office, legal form, legislation governing its activities](#)

The Company is a French *société anonyme* with Board of Directors governed by French law, and mainly subject, for its operation, to Articles L. 225-1 et seq. of the French Commercial Code.

The Company's head office is located at 58, Avenue Wagram, 75017 Paris, France.

The contact details of the Company are as follows:

Address of the principal establishment: 22, Quai Gallieni, 92150 Suresnes, France

Telephone: +33 (0) 1 41 38 39 20

Fax: + 33 (0) 1 41 38 39 26

E-mail: investors@voluntis.com

Website: www.voluntis.com

5.1.5 [Important events in the development of the Group's operations](#)

Important events in the development of the Group's operations:

- | | |
|------|--|
| 2001 | Commencement of Company's operations |
| 2003 | Initial contract with a pharmaceutical firm in France |
| 2004 | Development of the first mobile platform |
| 2005 | Signing of the first contract in the United States of America |
| 2006 | Launch of the Diabeo solution's feasibility study in partnership with CERITD |
| 2007 | Launch of the Telediab1 study on the Diabeo solution |
| | First round of private financing (€2 million) |

- 2008 Establishment of a Quality Management System
- Further round of financing (€2.1 million)
- Launch of the Telediab2 study on the VITM Basal solution (previous version of the Insulia solution)
- 2009 Conclusion of a scientific collaboration contract with CERITD
- 2010 Creation of the American subsidiary, Voluntis Inc.
- Initial deployment of products in the United States of America in partnership with the Roche group
- New European regulatory framework for software medical devices
- 2011 Signing of the co-development and licence agreement with Sanofi France and the CERITD
- Publication of clinical results relating to the Diabeo solution (Telediab1)
- 2012 Creation of a medical department within the Group
- Further round of financing (€5.1 million)
- 2013 EC marking obtained for the Diabeo solution, necessary for its marketing
- Creation of the Scientific Committee for Diabetes
- First results of the Telediab2 study
- 2014 Further round of financing (€21 million)
- Relocation of the co-founder and Chief Operating Officer to the United States of America
- Launch of the clinical trial Telesage (Diabeo)
- 2015 Signing of two oncology partnership contracts for the development of medical devices with Roche and AstraZeneca respectively
- Appointment of Eric Elliott as Chairman of the Company's Supervisory Board
- 2016 Signing of major distribution partnerships for the Insulia solution with Sanofi and Verily
- Obtaining of FDA Clearance 510 (k) for the Insulia solution, necessary for its market launch
- Obtaining the EC marking for the Insulia solution
- Favourable opinion of the French health authorities (HAS) of reimbursement status for the Diabeo solution
- End of the recruitment of diabetic patients in the Telesage study (Diabeo)
- Creation of the Scientific Committee for Oncology
- Issue of bonds convertible into Company shares for an amount of €6 million

- 2017 Creation of a commercial force dedicated to insurers ("Payers") in the United States of America
- New regulatory approvals from the FDA for developments of the product Insulia (support for new basal insulins)
- Commercial launch of the Insulia solution in the United States of America
- Publication of decrees necessary for the implementation of remote monitoring experimentation programme in France ("Etapes" programme/ Art. 36 LFSS 2014)
- Relocation of the co-founder and CEO to the United States of America
- Contribution to the creation of the "Digital Therapeutics Alliance" in the United States of America
- ESMO publishes the first results of the feasibility study for the solution developed in collaboration with AstraZeneca for patients treated for ovarian cancer
- Issue of bonds convertible into Company shares for an amount of €3.5 million out of an authorised total of €7.1 million
- 2018 Launch of the Diabeo solution in France
- Launch of the Insulia solution in France
- Signing of a bond with Kreos
- Extension of the partnership with Roche Pharma in oncology

5.2 Investments

The Group's investments consist of:

- investments in intangible assets consisting of software development and purchase costs;
- investments in tangible assets primarily consisting of office equipment and materials and computer equipment; and
- investments in financial fixed assets corresponding to deposits, loans and guarantees.

Development costs are recorded as intangible assets if they fulfil certain criteria described in Note 3.6 to the consolidated financial statements prepared pursuant to IFRS standards for the financial year ended 31 December 2017 found in Section 20.1 of the *Document de base*. Research and development costs that do not fulfil the above-mentioned criteria, are recorded under expenses.

5.2.1 [Principal investments made during the last two financial years](#)

Principal investments (in thousands of euros)	2016	2017
Acquisition of intangible assets	1,221	997
of which: capitalised software development expenses	1,178	997
Other intangible assets	43	0
Acquisition of tangible assets	246	772
Acquisition of financial assets	13	383
TOTAL INVESTMENTS	1,480	2,152

The Group's investments amounted to €2,152 thousand in 2017 (before disposals), compared to €1,480 thousand in 2016.

Intangible investments over the last two years have mainly consisted of capitalised R&D expenses and relate to the functional enhancement of the Theraxium platform on the one hand and the two basal insulin titration solutions for diabetic patients on the other.

The relocation of the Group's main establishment in France in April 2017 made it necessary to invest in fitting out and equipping the new head office, which is unlikely to be repeated in the years to come.

Details of the investments are presented in Section 9.2.6 of the *Document de base* and in Notes 5.1 and 5.2 to the consolidated financial statements established under IFRS for the year ended 31 December 2017 which can be found in Section 20.1 of the *Document de base*.

5.2.2 [Principal current investments](#)

In 2018, the Group intends to pursue its commercial and marketing investments, as well as investment in its products through technological and regulatory developments. New versions of its diabetes and oncology solutions, enhanced with new features to expand the target population of patients who can use its solutions, are under development. This will result in new regulatory clearance requests.

To finance the planned investments, the Group will rely on:

- cash of €1.8 million available at end December 2017;
- the refund of RTC (Research tax credit) due for the year ended 31 December 2017, i.e. € 1.7 million;
- the issue of the second tranche of the bond loan in January 2018 for €3.6 million; and
- a planned IPO of the Company on the regulated market of Euronext in Paris by the end of the first half of 2018. The cash flow generated by this IPO must enable the Company to cover its cash requirements over the medium term.

5.2.3 [Principal future investments](#)

The Company has not made any significant firm investment commitment on the date of the *Document de base*.

6. BUSINESS OVERVIEW

6.1 Overview – Emergence of therapeutic software

Voluntis develops and markets digital therapeutics to help patients with chronic conditions and improve treatment outcomes.

Voluntis' mobile and web-based software deliver personalised recommendations directly to patients and their care teams. Uses include medication dose adjustment, managing side effects, monitoring symptoms and automatic remote analysis of patient results. The recommendations are generated immediately by digitised medical algorithms built on sound medical and scientific intelligence and bound by multiple rules of data security. Voluntis' state-of-the-art solutions are companion devices that aim to increase treatment efficacy and safety, as well as enable telemedicine, therefore strengthening the collaboration between patients and their care teams.

While Voluntis' therapeutic software are next-generation digital health solutions, they are classified as healthcare products. As such, they are the subject to clinical trials and filed for regulatory approval (CE marking in Europe, FDA clearance in the United States), they are available on medical prescription and may be eligible for reimbursement by payers. These solutions meet a need for optimisation of both the efficacy and effectiveness of medicines and treatments and they contribute to the digital enablement of healthcare.

Voluntis operates in the emerging digital therapeutics sector, a market expected to grow from USD 2 billion in 2017 to USD 8.7 billion by 2025, growing at an average annual rate of 21% between 2017 and 2025³. The digital therapeutics segment for diabetes in the United States and Europe is estimated at USD 362 million in 2017 (18% of the global market for digital therapies)⁴. Voluntis is a founding member of the Digital Therapeutics Alliance, an industry representative group formed at the end of 2017.

Voluntis' portfolio of solutions targets diabetes and oncology, the two largest global therapeutic segments, estimated at €58 and €192 billion, respectively⁵.

Voluntis has two therapeutic solutions in diabetes, Insulia® and Diabeo®, both of which are in commercialisation phase, following an extensive clinical trial programme conducted in partnership with Sanofi and the French centre for diabetes research and treatment, CERITD⁶. Insulia® and Diabeo® personalise treatment for the disease by recommending insulin doses and providing support for patients through the related telemedicine device. Insulia® is a dedicated digital therapeutic for people with type 2 diabetes (T2D) treated with basal insulin. It is a regulated healthcare product approved for use in North America and in Europe. Insulia® is now in launch phase through both direct marketing - by approaching payer organisations, and indirect marketing by non-exclusive distribution partners including Sanofi and Onduo (a Sanofi-Verily joint venture). Diabeo® is intended for type 1 and type 2 diabetes (T1D and T2D) patients treated on a multi-injection or insulin pump regimen. It has regulatory approval in Europe and is the first digital medical device in France to be assessed and reviewed favorably by the French National Authority for Health (*Haute Autorité de Santé* or HAS). Diabeo® is eligible for reimbursement as a healthcare product and is distributed by Sanofi.

Our offer in oncology is under development. Our development pipeline in oncology therapeutic software aims to improve patient's adherence to their medication. The personalised patient follow-up and support are an increasingly important challenge for cancer treatment centres, since treatments frequently cause side effects and negatively impact on quality of life. These symptoms can cause patients to temporarily stop or abandon their treatment or lead to unplanned hospital admissions. Voluntis is developing a proprietary solution targeting a range of different cancers, as well as specific solutions under partnership agreements with the pharmaceutical industry. This is the case for eCO for ovarian cancer being developed in partnership with AstraZeneca, while Zemy is under development with Roche for breast cancer. An initial feasibility study of eCO was conducted in a number of hospitals in the United States in close cooperation with the National Cancer Institute (NCI). It demonstrated high treatment compliance rates and patient satisfaction with the solution. Digital therapeutic Zemy is being trialled in

³ Source: Grand View Research 2017

⁴ Source: Grand View Research 2017

⁵ Source: Evaluate – Pharma World Preview 2017

⁶ Centre d'Etudes et de Recherches pour l'Intensification du Traitement du Diabetes

a multi-centre study in collaboration with several stakeholders in breast cancer patient care.

Voluntis receives revenue at two stages. At the pre-commercial stage, the company receives payments at technological, clinical or regulatory milestones, under the terms of agreements with industry partners. At the commercial stage, Voluntis posts revenue from the reimbursement of its solutions by payers. Payments come either directly from payers, or indirectly by way of royalties paid by the industry partners for the use of the therapeutic software.

At the nexus of technological and medical innovation, Voluntis' organisation is built around therapeutic and clinical expertise, combined with software development expertise to ensure compliance with regulations governing medical devices and health data. Moreover, Voluntis is supported by three Scientific Advisory Boards consisting of eminent experts in their field, tasked with making recommendations to the Group. Given the significance of the North American market and the importance of payers in the health system, Voluntis has also opened a Boston based subsidiary and put together a sales team focused on building and developing business with payers in this region.

Theraxium is the technological platform underlying Voluntis digital therapeutics. The core system infrastructure hosts shared functions across all our digital therapies and provides the technical operational platform. Theraxium allows Voluntis to accelerate the development of therapeutic software, in accordance with the stringent quality control procedures for medical devices.

Leveraging Theraxium, Voluntis' goal is to maximise the commercial potential of its diabetes products, round off development and move to marketing its suite of oncology solutions. Medium-term aims include extending the Voluntis software portfolio to new therapeutic areas.

Voluntis is a digital biotech: its product portfolio, its business model and its organisation all fit into this new approach to developing innovative healthcare solutions.

[6.1.1 Digital therapeutics: a new industrial sector](#)

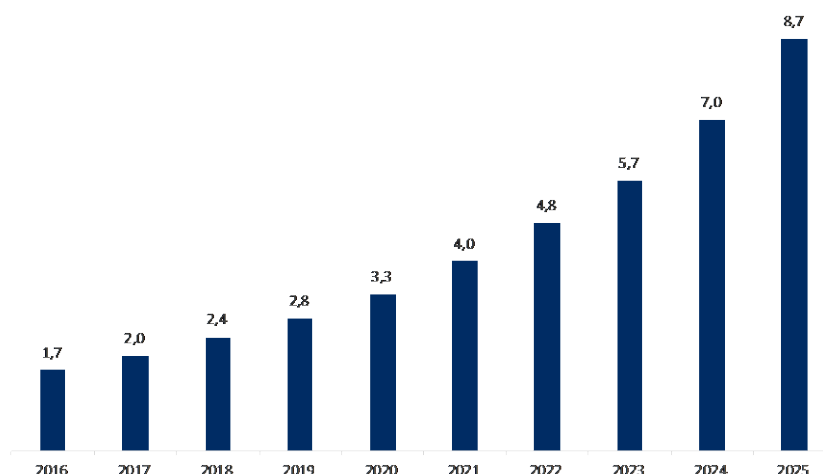
Therapeutic software is part of the emerging digital therapeutics sector.

Digital therapeutics are personalised digital solutions for patients to manage their care, provide everyday support and help them to achieve specific disease prevention or management goals. Built on a solid scientific foundation, clinical testing is carried out on these "digiceuticals" to assess their efficacy, just like for any other medicines or physical medical devices.

Digital therapeutics come in two forms: substitutes for existing treatments and treatment companions. The therapeutics developed by Voluntis fall into the second category.

The digital therapeutics market is considered to be one of the fastest-growing digital health segments. A recent industry study estimates the size of this global market, relative to all therapeutic areas, at USD 8.7 billion by 2025 and puts the average annual growth rate (AAGR) at 21% in the period 2017 to 2025⁷. The digital therapeutics segment for diabetes in the United States and Europe is estimated at USD 362 million in 2017 (18% of the global market for digital therapies)⁸

Digital therapeutics market (in USD billions)



In addition to the benefits offered to patients to self-manage their health, digital therapeutics also play a telemedicine role, facilitating remote patient monitoring by care teams. These new clinical practices are the focus of interest in many national health systems in a bid to improve the quality of care and enhance treatment efficacy, while also rationalising healthcare costs. Telemedicine is a fast-growing field of e-health. This growth trajectory is underpinned by the emergence of new care structures and the introduction of new pricing schemes to advance the continuity of care for chronic conditions.

6.1.2 [Definition of therapeutic software](#)

Therapeutic software refers to mobile and web applications that deliver recommendations to both patients and healthcare professionals to optimise treatment efficacy. These automated recommendations are generated based on digitised clinical algorithms that process patient data according to a rules engine. The algorithms are built on solid scientific foundations in terms of the content of medical interventions and are strengthened by multiple rules of data security to ensure control of patient risk according to the most stringent standards in the industry.

Fully fledged medical products in their own right, therapeutic software solutions automatically provide patients with their care teams' recommendations, while simultaneously providing healthcare professionals with remote access to patient data as well as analyses to pinpoint recommended actions. This form of collaborative remote monitoring also provides information to determine when to contact patients and if dosage adjustments are needed. The ultimate goal is optimisation of efficacy and tolerance and the prevention of avoidable hospital stays.

Therapeutic software is a means of personalising treatment and enhancing real-life outcomes.

Here are some examples to illustrate some of the key functions of digital therapeutics:

⁷ Source: Grand View Research 2017

⁸ Source: Grand View Research 2017

- for the patient, therapeutic software gathers clinical monitoring data and delivers immediate recommendations to adjust dosage, improve management of side effects and monitor symptoms or physical indicators;
- for healthcare professionals, these digital therapeutics provide remote access to patient monitoring data, automatically provide data analysis, identify patients in need of support and recommend possible treatment adjustments.

Data and collaboration between patient and care team are the core of the technology, with information centralised and processed to deliver recommendations: patients and care teams share treatment goals and monitoring indicators, leading ultimately to a deeper understanding of the course of the illness and the actions required. Patients gain valuable reassurance from remote monitoring by their care team. The circulation of data streams is also of benefit for healthcare professionals, as they can share key information and align the teams on shared treatment goals and indicators. Therapeutic software also delivers efficiency gains by managing rights and roles and delegating tasks as needed within the care team. Last but not least, because the software builds in care standards and expert consensus, it can contribute to disseminating best practice and building care protocols to improve quality to the benefit of all.

Therapeutic software generally requires a prescription. The healthcare professional sets the objectives and recommendations to personalise the treatment for the patient when writing the prescription. The prescription stage is also an opportunity to reassure and educate patients.

Therapeutic software is based on medical intelligence and may be treatment- or illness-specific: algorithms inform decisions and relay recommendations based on clinical evaluations and/or expert scientific consensus. Layers of data security rules are built around these algorithms to control independent patient access to the software.

Therapeutic software programmes are classified as medical devices subject to regulation in many countries, especially in Europe and North America. As such, the development process is structured systematically and governed by audited and certified quality control processes. Specific regulatory marketing approval is required for these medical devices.

As the shift to digital in pharma and healthcare gathers pace, the emerging field of digital therapeutics addresses the challenge of improving treatment and diagnosis, optimising clinical efficacy and improving the real-world cost-benefit ratio of medicines.

6.1.3 [Digital transformation of health: high stakes for public health](#)

New technologies, big data and connected devices are helping to transform medicine with a shift to personalised, predictive, participative and preventive healthcare. At the same time, patients now have broad access to medical information and want a more equal relationship with their care team. Their focus is increasingly on collaboration and involvement in medical decision-making.

Digital transformation is also a priority for public health, with three main objectives: better quality of care for patients, improved health performance indicators and cost control, particularly for health insurance providers and payers.

By encouraging patients to take an active role in managing their condition and intensifying coordination between care teams in a patient focused approach, digital therapeutics play their part in helping to achieve these goals.

6.1.4 [Less-than-optimal treatment efficacy in the real world](#)

Drug treatments reach the market after strict and comprehensive clinical trials and are often an important part of the treatment pathway. Yet, real-world experience - especially when it comes to chronic illnesses - shows that efficacy can fall short. In other words, the results achieved in clinical trials are not fully replicated. Real-world care protocols and patient monitoring may not measure up to the same stringent standards that are the norm for clinical trials. For the patient, this means less frequent contact with their care teams and patchier knowledge of the illness, treatment and treatment goals. The outcome can be poorer compliance with the treatment regimen and less patient involvement.

Treatment compliance is a major issue for all healthcare stakeholders.

- For patients, treatment that is not as effective could mean a poorer quality of life and less hope of a cure;
- For healthcare professionals, non-compliance has a negative impact on the quality of the care they provide, which in turn can lead to loss of revenue in value-based care payment systems;
- Insurance providers and payers do not achieve the expected return on the price of the medication and reimburse expenses for care that could have been avoided;
- For the pharmaceutical industry, the variance between real-world efficacy and performance during clinical trials creates downward pressure on prices and on eligibility for reimbursement.

Estimated at €774 billion in 2017, prescription drug sales are expected to increase to €1.06 trillion in the period to 2022⁹.

⁹ Source: EvaluatePharma

6.1.5 Voluntis and therapeutic software

Voluntis has pioneered therapeutic software since 2001. Voluntis is a founding member of the Digital Therapeutics Alliance (DTA), a global industry representative group formed in December 2017. Other members of the Alliance include Akili Interactive, Pear Therapeutics, Omada Health, Propeller Health and Welldoc. Each member company develops leading edge solutions in different therapeutic areas. Voluntis is the first European digital health company to join the Alliance.

The DTA's mission is to create the conditions for the large scale development of digital therapeutics, and to promote their adoption by healthcare professionals and reimbursement by payers. The Alliance's initial initiatives focused on regulation, sector analyses (particularly to draw up a categorisation and classification system for digital therapeutics) and a campaign to create a new, ad hoc reimbursement framework for digital therapeutics. The DTA contributes to the work of the US FDA to support and provide guidance for the development of the FDA's PreCert programme (to certify the companies operating in the digital health sphere and then implement a fast-track market access for their solutions). Pierre Leurent, Chief Executive Officer of Voluntis, is the first Alliance Chairman.

Designed as a companion to treatments for chronic conditions¹⁰, Voluntis' therapeutic software aims to personalise treatment, promote coordination between care teams and enhance real-world outcomes. The Theraxium technological platform has been instrumental in developing solutions targeting diabetes, cancer (oncology), haemophilia and blood coagulation conditions. Voluntis' key priority is diabetes and oncology, the largest therapeutic segments in the world, estimated at €58 and €192 billion, respectively¹¹.

Voluntis' therapeutic solutions for diabetes have received regulatory approval (FDA clearance in the US and CE marking in Europe) following several clinical trials and are now being commercialised in North America and in Europe.

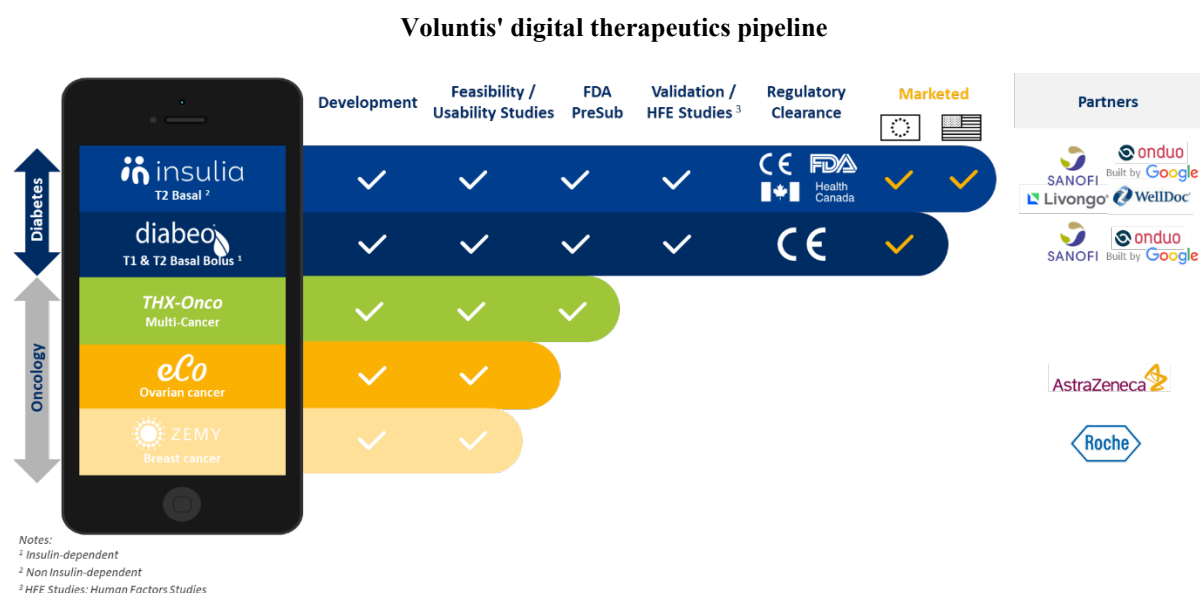
Voluntis' offer in oncology is under development.

The company is based in Paris and Boston and combines regulatory, R&D, medical, IT and commercial expertise. Based on its Theraxium underlying platform and its certified quality management system, Voluntis contemplates extending its reach to other conditions beyond diabetes and cancer.

¹⁰ Management of chronic diseases is a major public health challenge. In the USA, one of every 2 Americans has at least one chronic disease according to the *Centers for Disease Control and Prevention* (CDC).

¹¹ Source: Evaluate – Pharma World Preview 2017

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6.1.6 Business model

6.1.6.1 Pre-launch revenue

Voluntis posts revenue streams during the pre-commercialisation stage, under therapeutic software licensing and co-development agreements with industry partners (pharmaceutical firms mainly).

These revenues are a combination of three payment types:

- upfront payments: access rights to the technology (granting a form of exclusivity where relevant);
- milestone payments: payments received at certain key value creation events during product development (such as the granting of regulatory approval);
- co-development payments: development of products or specific functions under the terms of a partnership agreement.

To date, Voluntis has reported over €20 million in pre-launch revenue for its therapeutic software solutions.

Voluntis is one of the first digital health companies to have implemented a digital biotech business model, transposing biopharmaceutical licencing agreements into the digital space. Voluntis entered into agreements of this type with a number of different pharmas since 2011, including Sanofi, Roche and AstraZeneca, for terms that can exceed ten years. These strategic tie-ups give visibility of the Group's future revenue streams. Voluntis is one of the sector companies with the largest number of licencing and co-development agreements currently in force with some of the world's leading life sciences companies.

6.1.6.2 Post-launch revenue

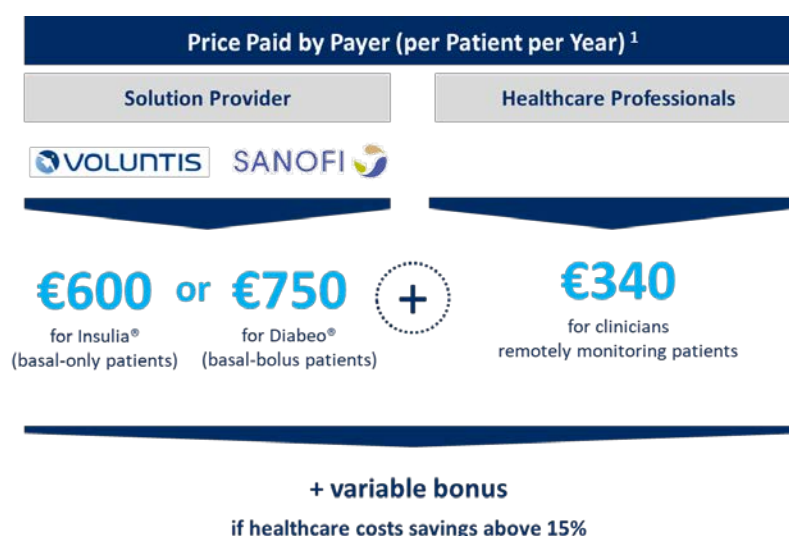
Revenue in addition to these pre-launch income streams is generated by marketing therapeutic software to healthcare professionals as medical products eligible for reimbursement by payers. The Company's digital therapeutics are marketed either directly by Voluntis or through partnerships, depending on the development context of the solution.

The products are reimbursed either on the basis of the medical device's intrinsic value (standalone reimbursement), or as a bundle with another healthcare product or service (bundled reimbursement). In the case of bundled reimbursement, the Voluntis solution is paired with another product (such as a medicine or medical device), under the terms of an agreement with a partner marketing an integrated healthcare solution (in which case, there is a

single reimbursement payment). The partner (a pharmaceutical firm, for example) handles promotion to health professionals as part of the agreement.

Irrespective of the deal configuration, Voluntis' business model is built around royalties for the therapeutic software (licence fees or SaaS subscription model). Fees or subscription amounts may be determined according to actual usage rates (revenue per patient per month/quarter/six-month period/year) and may include a real-world performance-related payment or bonus. Pricing varies by indication and the demonstrated clinical or cost-benefit value.

As an illustration, under the ETAPES (experimental telemedicine programme) standalone reimbursement scheme in France, up to €1,000 per patient per year can be reimbursed for Voluntis therapeutic software applied to diabetes. This reimbursement is composed of fixed half-year amounts (€300 to €375, renewable subject to certain conditions) and variable payments, depending on real-world performance, which is evaluated by the French national health payer based on changes in healthcare costs.



¹ Maximum amounts based on 6-months, renewable telemedicine reimbursement. Eligibility criteria defined according to HbA1c level, duration of insulin treatment

The company has negotiated double-digit royalty rates in its commercial agreements signed with pharmaceutical partners. They range from 11 to 50% of the price received by the distributor, based on factors including the level of investment by Voluntis in product development and marketing. The Group estimates that in the future these indirect commercialization agreements will generate average royalties of approximately 30%.

6.2 Digital therapeutics in diabetes: at commercial stage

Voluntis' diabetes digital therapeutics are designed to support type 1 and type 2 diabetes patients treated with insulin. Two separate solutions have been designed to address two different phases of the insulin therapy pathway. Insulia® is a digital therapeutic for people with type 2 diabetes treated with long-acting basal insulin. Diabeo® is a digital solution for type 1 and type 2 patients treated on a basal-bolus insulin regimen, combining long-acting basal insulin and fast-acting bolus insulin, administered by multiple daily injections (MDI) or pump.

Voluntis is the legal manufacturer of both solutions. Diabeo® is a registered trademark of Sanofi. Insulia® is a registered trademark of Voluntis.

Voluntis' digital therapeutics in diabetes are prescription medical devices.

6.2.1 [Diabetes](#)

Diabetes is a chronic disease that occurs when there is too much glucose in the blood (increase in blood glucose or glycaemia), because the body either cannot produce enough insulin or cannot use it effectively. Insulin is an essential hormone produced in the pancreas. Sugar is absorbed into the bloodstream, where it enters cells with the help of insulin, and is converted into energy. Insulin regulates the metabolism of glucose and reduces blood sugar levels. High glucose levels in the blood over a protracted period of time causes damage to the body's other organs and leads to a range of micro- and macro-vascular complications that can be disabling and possibly fatal.

Diabetes affected 425 million people worldwide in 2017, including 11% in North America, 14% in Europe and 56% in the Asia-Pacific zone¹². The incidence continues to grow inexorably, despite preventive measures, and is expected to hit 629 million by 2045. The number of diabetic patients is estimated at 30 million in the USA, and 20 million in the five main European countries (Germany, France, Italy, UK and Spain)¹³.

Type 2 diabetes is by far the most prevalent form of the disease, accounting for 90% of sufferers. Here, factors such as physical inactivity, poor nutrition and obesity cause the cells to become gradually resistant to the action of insulin. Type 1 diabetes (10% of diabetics) is an auto-immune reaction whereby the immune system attacks and destroys insulin-producing cells in the pancreas, leaving the person with little or no insulin¹⁴.

An estimated 4 million people died from diabetes related causes in 2017. Diabetes accounts for 10.7% of the global mortality rate (all causes)¹⁵.

The disease not only has devastating human consequences in terms of premature death and reduced quality of life, but also creates a massive economic burden: the estimated global health spend on diabetes was USD 727 billion in 2017, as against USD 232 billion 10 years earlier. United States health expenditure on diabetes was USD 348 billion in 2017.

¹² Source: International Diabetes Federation Atlas, 8th Edition – 2017

¹³ Source: International Diabetes Federation Atlas, 8th Edition – 2017

¹⁴ Source: International Diabetes Federation Atlas, 8th Edition – 2017

¹⁵ Source: International Diabetes Federation Atlas, 8th Edition – 2017

Overall, North America and Europe account for 75% of the healthcare expenses related to diabetes¹⁶.

The largest chunk of diabetes expenditure is for the treatment of complications from the disease. USD 44 billion is the estimated cost of treatment (excluding complications)¹⁷, half of which is for insulin. However, it is accepted that significant savings accrue from optimising treatment compliance. In other words, diabetes treatments effectively control blood sugar levels, and in turn reduce the risk of long-term disease related complications; however real-world use by patients falls short of the ideal¹⁸.

The care pathway for type 2 diabetes has been the focus of a large number of studies and recommendations by expert groups, with consensus between the experts in the American Diabetes Association (ADA) and the European Association for the Study of Diabetes (EASD). Put in simple terms, a test for a biological marker glycated haemoglobin (HbA1c) or capillary blood glucose (HPG) test) measures the percentage of glucose in the blood to screen for type 2 diabetes and decide on treatment strategies. Depending on blood sugar levels, recommended treatments will range from oral medications, alone or in combination, with addition of GLP-1 analogue injections, progressing to insulin if blood glucose levels are still not sufficiently controlled (HbA1C level of 7-8% or higher). The insulin makes up for the lack or shortage of insulin produced by the pancreas. In standard treatment regimens, insulin is added in two stages: introduction of a long-acting basal insulin (generally one injection a day), followed by the addition of fast-acting basal-bolus insulin (one injection at each meal). A basal-bolus regimen is used for both T1D and T2D, either through several daily injections or an insulin pump.

For type 2 diabetes patients, insulin therapy is the natural next step when the beta cells in the pancreas are unable to produce enough insulin naturally.

An estimated 28% of patients treated globally for diabetes use insulin. In value terms, the various insulin treatments make up 51% of the cost of diabetes drug therapies. In North America, this proportion accounts for 55% of the spending on medicines¹⁹.

However, despite the accepted need for insulin and its demonstrated clinical efficacy, in real-life more than half of insulin-treated patients do not attain the glycaemic target²⁰. Only 22% of type 2 diabetic patients in the United States lower their HbA1c to the target 7% or lower three months after starting insulin treatment (29% at 24 months). Only 19% on average in five countries in Europe (France, Germany, the UK, Italy and Spain) attain the target HbA1c or lower (rising to 26% at 24 months)²¹. A combination of factors account for this in real-world treatment conditions. Voluntis therapeutic software addresses several of these contributing factors to improve real-world treatment efficacy.

¹⁶ Source: International Diabetes Federation Atlas, 8th Edition – 2017

¹⁷ Source: Evaluate

¹⁸ Source: Diabetes Care Value Program Guarantees More Affordable, Higher-Quality Diabetes Care. Express Scripts, 1 September 2016

¹⁹ Source: Novo Nordisk, Investor presentation First nine months of 2017, p. 38

²⁰ Source: Novo Nordisk, Investor presentation First nine months of 2017, p. 35

²¹ Source: D. Mauricio et al. – “Glycaemic control and hypoglycaemia burden in patients with type 2 diabetes initiating basal insulin in Europe and the USA” – Diabetes Obesity and Metabolism 2017; 19:1155–1164.

6.2.2 [Voluntis and diabetes: initial trials](#)

Developing therapeutic software for diabetes patients has been a core aim of the company since its founding in 2001. Prior to developing Insulia and Diabeo®, Voluntis provided expertise to the French juvenile diabetes association AJD (*Aide aux Jeunes Diabétiques*). This initial collaboration led to the DiabCarnet solution, deployed as part of educational camps for young type 1 diabetes patients. Blood glucose self-monitoring data was gathered from patients daily during their stay and shared with their care teams. The DiabCarnet solution proved effective to support patients' remote monitoring by the care teams. However, the young patients did not continue to use it beyond their camp. Based on an analysis of usage patterns and feedback from the cohort, two main reasons for abandoning the system were identified: i) patients cannot be asked to regularly and accurately enter monitoring data on their disease, without offering some short-term benefit in return, and ii) the patient must have access to the technology at all times, which was not the case for the web-based solution (which required a PC at the time).

Taking into account the learnings of this initial deployment, Voluntis shifted the focus of its development to: i) providing patients with immediate and personalised treatment recommendations, configured in advance by the care team, and ii) mobile smartphone-based solutions.

2005 saw Voluntis kick off the development of its first mobile application based on smart algorithms to help patients optimise insulin dosage. The company formed a partnership with the French centre for research into diabetes treatment, the Centre d'Etudes et de Recherches pour l'Intensification du Traitement du Diabète (CERITD), chaired by Dr Guillaume Charpentier to help develop the clinical algorithms to digitise and clinically assess the impact of these new solutions.

Two initial feasibility studies were conducted with a cohort of several dozen patients in 2005-2006 (PDaphone 1 and PDaphone 2), which demonstrated the value of the proposed model. Randomised multi-centre clinical trials followed.

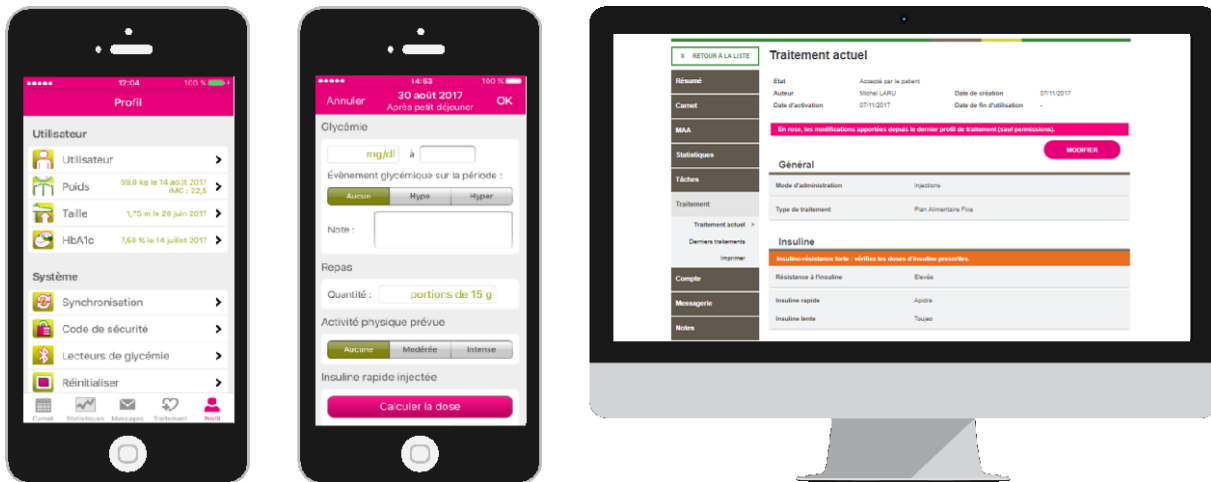
6.2.3 [Diabeo® for diabetes treated on an insulin regimen with multiple injections or pump](#)

Patients with type 1 and type 2 diabetes on a basal-bolus insulin regimen are very actively involved in managing their condition, checking blood glucose (BG) levels and injecting basal and bolus insulin several times a day. Insulin dose adjustment is complex and involves a combination of factors related to glycaemic levels, carbohydrates and physical activity. The dread of hypoglycaemic episodes, sometimes due to excess insulin, is another complicating factor. Lastly, interactions with care teams may not be regular enough to educate patients about their therapy and provide them with sufficient motivation and support. Given these factors, 50% people with type 1 and type 2 diabetes treated on a basal-bolus insulin regimen do not attain the glycaemic target decided on with their care team. However, treatment intensification is no longer possible for these patients already on a basal-bolus multi-injection or pump regimen.

The Company estimates that the number of type 1 and type 2 diabetes patients treated with the basal-bolus insulin regimen totals 3 million in the USA and 2.8 million in the five leading European markets (1 million in Germany, 0.7 million in Italy, 0.4 million in Spain and the UK and 0.35 million in France).

Voluntis' new-generation prescription solution, Diabeo® was developed in response to the need for personalised and collaborative support for adults with type 1 and type 2 diabetes treated on a basal-bolus regimen.

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.



Diabeo® combines:

- a mobile app to harvest patient data and suggest appropriate insulin dosage for the patient's profile;
- with a telemedicine web portal for healthcare professionals.

Diabeo® is a tailored monitoring tool for healthcare professionals. The attending physician enters the patient's personalised treatment profile in the Diabeo® web portal, together with the glycaemic targets and individualised dose adjustment algorithms when prescribing the solution. This personalised information is also a key factor in patient education. The healthcare professional then tracks all the data entered daily by the patient on this web portal: insulin doses, blood glucose, carbohydrate and physical activity readings. The data facilitates remote monitoring, enabling the care team to intervene remotely to adjust the dosage of long- and fast-acting insulin. Automated data analysis flags abnormal conditions and sends an alert to the healthcare professional, simplifying patient supervision. These automatic analysis messages can be calibrated in line with the patient's targets and the practical organisation of the telemedicine service, especially in terms of frequency and the delegation of roles and responsibilities within the care team. In this sense, Diabeo® optimises the medical team's time.

Diabeo® is a personalised support solution with dynamic insulin dosage calculation for type 1 and type 2 diabetes patients. It delivers suggested insulin doses to the patient, based on the parameters configured with the care team and the person's immediate situation. Patients enter their blood glucose, carbohydrate and physical activity levels and the system returns the suggested individualised insulin dose. The information is automatically collated in the Diabeo® patient logbook and sent to the care team to simplify remote support. Glycaemic data can be entered in the Diabeo® log automatically using a compatible reader connected to the device. Patients can also enter the blood glucose readings from a CGM (continuous glucose monitor). Diabeo® provides ongoing support to patients, whatever their meal plan, functional insulin therapy or a fixed meal programme.

Diabeo® is compatible with the majority of therapies available for adult patients with type 1 and type 2 diabetes treated on a basal-bolus regimen.

It is the first digital medical device to be assessed and approved by the French national health authority (HAS). Diabeo® is available under the ETAPES (*Expérimentations de Télémedecine pour l'Amélioration du Parcours En Santé*) pilot telemedicine programme in France. The eligible reimbursement amount is €375 per patient per six-month period, plus a performance bonus calculated according to potential healthcare savings. The performance bonus corresponds to a variable premium which is calculated and paid by the public authorities based on changes in healthcare costs. Therefore, if the reduction in healthcare costs is greater than 15% compared to the previous year, the public authorities agree to repay 50% of the incremental saving to the different players, according to a predefined distribution plan (30% for the technology supplier and 20% for the healthcare professionals).

Diabeo® is marketed by Sanofi.

Diabeo® is a regulated healthcare product that was granted a CE Mark in 2013. Authorised in Europe, Diabeo® is not approved for use in the United States.

6.2.4 Insulia® for people with type 2 diabetes (noninsulin-dependent diabetes)

Insulia® fulfils major unmet medical needs. Patients with type 2 diabetes require insulin when their glycated haemoglobin stays above 7-8%, despite treatment with oral anti-diabetics or GLP-1 analogue. The conventional treatment path is to start insulin treatment with long-acting basal insulin, administered by once-daily subcutaneous injection. But this can be a challenging transition for both the medical team and the patient, and treatment compliance is of paramount importance. Treatment is determined by defining agreed targets and ensuring that the patient can manage their treatment independently. Diabetes patients starting an insulin regimen have to learn to self-inject, adjust the insulin doses, monitor their blood glucose levels and manage episodes of hypoglycaemia (insufficient blood glucose). Naturally, all of these elements are intimately linked: patients check their fasting blood glucose daily with a glucose monitor and adjust their insulin dose according to the reading and their blood glucose targets. If hypoglycaemia (or low blood glucose) occurs - a serious condition that can be aggravated by taking insulin - patients have to know the protocol to follow (taking sugar or glucagon, checking their blood glucose at regular intervals, and avoiding certain activities). The learning curve is steep and calls for ongoing therapeutic support from the care team as well as regular check-ups. In the clinical trial setting, the patients are tightly controlled following specific protocols with high-touch follow-up and support. But in the real-world, the patients do not achieve the same level of independent management of all aspects of their therapy in their daily life. Many patients break off their treatment, neglect to make the necessary adjustments to their insulin dose, become discouraged if their blood glucose levels do not improve or dread having a hypoglycaemic episode. This type of outcome is common and often aggravated by infrequent contact with medical staff and by the fact that hyperglycaemia (abnormally high blood glucose in layman's terms) is often asymptomatic. More than 70% of all insulin-treated patients in the USA and the five major European countries²² do not attain the target blood glucose control level of 7% HbA1c in their normal daily lives, despite the proven clinical efficacy of insulin. This suboptimal outcome must also be seen in conjunction with the high treatment drop-off rate, estimated at 40% of the patients in the USA after one year²³ and, more generally in a range between one-third and half of all patients in different regions.

From a healthcare professional standpoint, support for type 2 diabetes patients during this critical phase of treatment can also be difficult. Resources are generally insufficient (time, people and technology) to provide support for patients being treated with basal insulin with the result that treatment tends to be initiated later when the patient's blood glucose imbalance is already well established. In most countries, this treatment stage is managed by general practitioners for the most part (in the United States, France and Germany), although endocrinologists and specialist centres have a more prominent role in countries like Italy.

From a payer point of view, suboptimal efficiency of basal-insulin treatment represents a substantial financial challenge. Blood glucose control is vital in the short-term to prevent the need for unplanned hospitalisation, caused by low blood glucose, and to prevent diabetes-related complications in the medium-term. The UK Prospective Diabetes Study (UKPDS) demonstrated that lowering HbA1c by 1 point reduced peripheral arteriopathies by 43%, micro-vascular complications by 37%, the occurrence of myocardial infarction by 14% and diabetes related mortality by 21%.

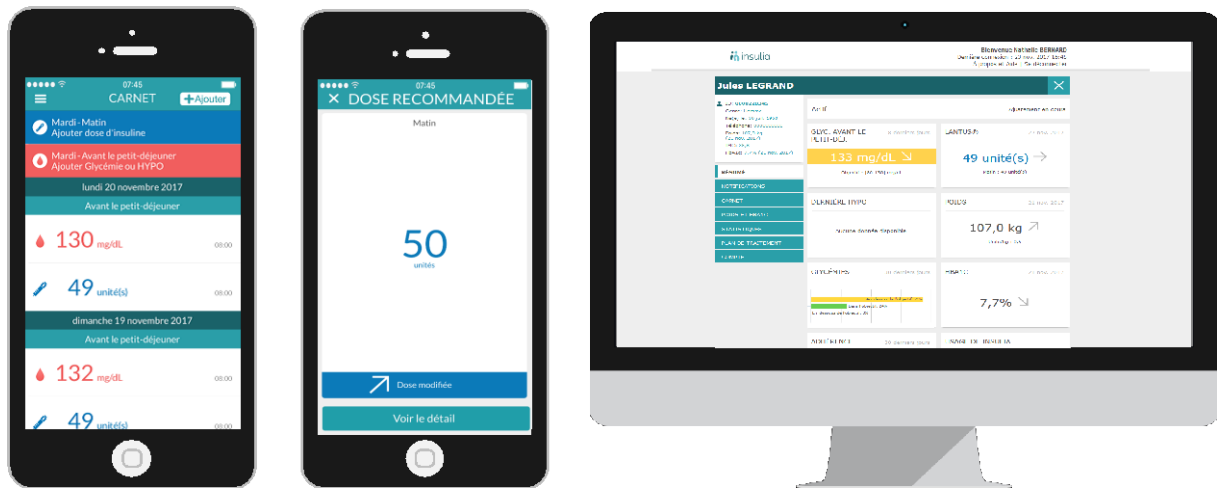
The Company estimates that the number of type 2 diabetes patients treated with long-acting basal insulin (outside a basal-bolus regimen) is 6 million in the USA and 2 million for the five leading European markets (0.6 million in Germany, 0.4 million in Spain and in France, 0.3 million in Italy and 0.2 million in the UK).

The new generation prescription solution, Insulia® provides individualised support for adult type 2 diabetes patients treated with basal insulin.

²² Source: D. Mauricio et al. – “Glycaemic control and hypoglycaemia burden in patients with type 2 diabetes initiating basal insulin in Europe and the USA” – Diabetes Obesity and Metabolism 2017; 19:1155–1164.

²³ Source: Medicare and Commercial Populations. Wei et al. “Benchmarking Insulin Treatment Persistence Among Patients with Type 2 Diabetes Across Different U.S. Payer Segments” – J Manag Care Spec Pharm, 2017 Mar;23(3):278-290

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.



Insulia® combines:

- a mobile or web application for the patient to harvest data and suggest appropriate insulin dosage for their profile;
- with a telemedicine web portal for healthcare professionals to personalise the prescription and provide patients with remote support.

Insulia® is a tailored monitoring tool for healthcare professionals. The attending physician enters the patient's personalised treatment plan in the Insulia® web portal and configures the algorithms to calculate the insulin dosage according to best practice parameters, such as blood glucose targets, initial insulin dose, patient weight, dose adjustment frequency or injection frequency. The solution includes more than 300 possible treatment plans to tailor the regimen to the patient's individual profile. Personalised settings are critical when it comes to defining agreed goals, motivating patients and educating them about their condition and how to manage it. The healthcare professional then tracks all the data entered daily by the patient on this web portal: basal insulin dose injected, blood glucose levels, hypoglycaemic episodes.

Automated analyses and configurable notifications notify the medical team of abnormalities, such as hypoglycaemia, prolonged blood glucose imbalance or failure to follow the dosage recommendations. The data facilitates remote patient monitoring and allows the team to contact the patient or intervene remotely to adjust the dosage of basal insulin if need be.

Insulia® is a personalised support solution with individualised insulin dosage calculation for type 2 diabetes patients treated with basal insulin. It delivers suggested insulin doses to the patient, based on the parameters configured with the care team and the person's immediate situation. Patients enter their blood glucose every day, as well as any symptoms of hypoglycaemia and the system returns the suggested individualised basal insulin dose. The information is automatically collated in the Insulia® patient follow-up log and sent to the care team to enable remote support. Besides the insulin dose recommendations, patients also receive educational coaching messages.

Insulia® is compatible with the majority of therapies available for adult patients with type 2 diabetes treated with basal insulin.

Insulia® is available under the ETAPES (*Expérimentations de Télémédecine pour l'Amélioration du Parcours En Santé*) pilot telemedicine programme in France. The eligible reimbursement amount is €300 per patient per six-month period, plus a bonus calculated according to potential healthcare savings.

Available only on prescription, Insulia® is a regulated healthcare product that was granted the CE marking (in Europe) and FDA clearance (in the US) in November 2016. Insulia® also received Canadian market approval early in 2018. The Group plans to gradually develop the scope of its FDA approval to cover different segments of patients treated with insulin. Therefore, in the second half of 2020, it plans to obtain FDA approval for its solution aimed at patients treated with a basal insulin regimen associated with at least one fast-acting injection.

6.2.5 [Business model based on reimbursement from payers](#)

The economic burden (USD 727 billion globally in 2017) is such that diabetes is unquestionably one of the top concerns for payers as they increasingly focus on improved efficacy, better quality of care and more active patient involvement in managing their condition.

Payers are keen to contemplate the adoption of solutions that enhances clinical efficacy through better blood glucose control, reduced unplanned hospital stays, implementation of protocol-based care pathways and improved organisational productivity of care teams (with information sharing, delegation, and coordination of care).

The economic benefits of Voluntas' digital therapeutics flow from some or all of the impacts below:

- short-term impact on cost savings:
 - fewer hospitalisations (for hypoglycaemic episodes, for example),
 - increased patient empowerment and autonomy, reducing the need for nursing care,
 - delayed treatment intensification to more expensive medicines or devices. For example, optimised treatment of type 2 diabetes with basal insulin alone leads to delaying the need for the patient to progress to an intensified basal-bolus insulin regimen or a combination basal-GLP1 treatment (basal insulin combined with a glucagon-like peptide-1 analogue), which are more costly therapies for the health system,
 - optimised organisational costs: optimised information sharing in the medical team, delegation of responsibilities to nursing staff remotely monitoring patient progress,
 - reduced hospital transport needed (due to remote monitoring);
- medium- to long-term impact: reduced care need as complications are avoided. For example, the total care costs reimbursed in France to diabetic patients with terminal chronic renal failure treated with

dialysis or kidney transplant amounts to more than €65,000 per year, compared with €5,431 on average per diabetes patient per year²⁴.

Recent modelling by US health insurance companies shows a gross reduction of USD 4,690 in annual costs if patients were perfectly compliant with their treatment regimens²⁵.

A simple calculation suffices to calculate the net savings generated by digital therapeutics. We subtract from the gross savings total: the cost of the solutions, the cost of the additional telemedicine activities, and the increased reimbursement amounts associated with optimum use of health products and services by patients (in diabetes: higher use of medicines as per the prescription, more frequent self-monitoring of blood glucose levels, and a larger number of lab tests).

American insurers are increasingly rolling out telemedicine products and services to contain costs and optimise anti-diabetic treatments. Based on an analysis of benchmarks, the payers' willingness-to-pay to reimburse such technological and/or organisational innovations can be estimated between USD 700 and 1,500 on average per patient per year²⁶.

The Company estimates it could allow US payers to benefit from a return on investment of up to 5:1 via, on the one hand, the estimated impact in terms of reduction of medical care expenses²⁷ and, on the other hand, the delay in intensifying treatment towards more expensive drug therapies²⁸. This estimated medico-economic impact²⁹ assumes an Insulia solution list price of USD 900 per patient per year in the USA (for an estimated average price of around €500 per year³⁰).

6.2.6 [Strategic partnerships and dual distribution policy](#)

Insulia® came on the market at the end of 2017 through two complementary channels:

- distribution by leading industry partners (e.g. Sanofi);
- direct approach to payers by Voluntas.

²⁴ Source: Institut de Veille Sanitaire – Échantillon national témoin représentatif des personnes diabétiques, Entred 2007-2010

²⁵ Source: Express Scripts 2016

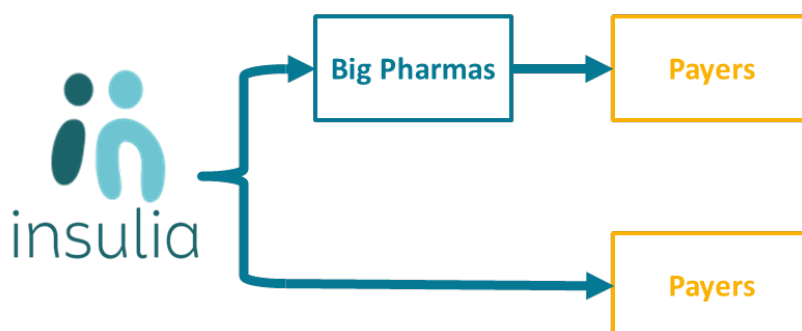
²⁶ Télémédecine 2020 white paper, Syntec Numéric and SNITEM, and company communications

²⁷ A fall in HbA1c by 1 pt generates savings that may go beyond USD 3600 over a 3 year period according to the study of Fitch, K. et al. Journal of Managed Care Pharmacy, 2013. 19(8): 609-620.

²⁸ Taking into account the prices of therapies following basal insulin in the line of treatment: Basal/GLP-1, or Basal-Bolus combos (prices referred to on www.goodrx.com March 2018).

²⁹ The medico-economic assessment also incorporates a projected trend, for payers, of the drug item resulting from the increased dosage of insulin in order to reach optimal dosage for the patient. For example, patients treated with insulin glargine in the USA consume less than 30 units per day in real life, compared to 45 to 70 units per day in clinical studies with forced titration, according to the Diabetes Obes Metab 2017 study; 19(3):375–386. “A real-world study of treatment patterns and outcomes in US managed-care patients with type 2 Diabetes initiating injectable therapies”.

³⁰ The average projected price is lower than the list price due to the fact that different parameters are taken into account: fraction of patients, who discontinue the use of the (churn) solution early or who do not achieve their treatment goal (which impacts performance-related payments), and any reductions granted to payers in contractual negotiations (e.g. in exchange for large user volumes).



The Group began marketing its solutions for diabetes in 2017 in the USA and in France in 2018. The Group is planning a roll-out in Canada, Germany and the UK in the first half of 2019 (where necessary, following pilots), followed by a deployment in other European countries in the first half of 2020.

6.2.6.1 Distribution intermediated by leading partners

In 2017, Voluntis announced the signing of two major distribution partnerships with Sanofi and with Onduo, a joint venture between Sanofi and Verily (formerly Google Life Sciences). These are non-exclusive worldwide distribution agreements for Insulia and Diabeo®, excluding France, for which the exclusive deal signed in 2011 with Sanofi France and CERITD for Diabeo® remains in force.

Under these agreements, Voluntis gains the benefit of its partners' global reach to distribute its digital therapeutics worldwide, while leveraging their therapeutic and commercial expertise to gain access to healthcare professionals and payers.

For Sanofi and Onduo, the tie-up adds insulin dosage to their offering, combining medicines, diagnostic devices and coaching services for a comprehensive approach to diabetes care.

Under the terms of the agreements, Sanofi and Onduo bill payers for the use of these integrated health solutions and pay royalties to Voluntis, calculated by actual use of the software by patients.

Voluntis also agreed a commercial and technology partnership with Welldoc, another digital therapeutics pioneer, to combine Insulia® with one of the most advanced automated coaching solutions in the world and offer healthcare professionals and payers an extensive tool for the management of type 2 diabetes. The offer is intended initially for the United States.

Patients and medical teams have access to the company's therapeutic software solutions, directly or through strategic partners, as separate medical devices or as integrated modules on population health management platforms, alongside other modules (blood glucose monitoring, nutritional and physical activity coaching, for example).

6.2.6.2 Direct distribution to healthcare professionals and payers

Voluntis considers it is strategically compelling to promote Insulia® directly to healthcare professionals and payers, in parallel with the distribution operated through top-ranking industry partners.

The product is marketed directly in regions in which the company has an established presence, namely in the United States and France, as well as in other markets in which the health authorities are very open to digital therapeutics, including the United Kingdom, Scandinavia and Belgium.

In the USA, marketing, price setting and the reimbursement of Insulia® are generally decentralised at the level of each insurer or health provider, on an ad hoc basis. The Voluntis team in the US was strengthened in 2017 so as to commercialize its solution directly to health systems and payers, provide support for roll-out on the ground and

ensure customer satisfaction. The American healthcare system is fragmented; therefore, the company's approach is based on detailed market segmentation and the careful targeting of payers. Integrated Delivery Networks, private payers (Commercial Plans), private payers in charge of public Medicare and Medicaid programmes (Medicare Advantage, Managed Medicaid) and Pharmacy Benefit Managers are the most receptive and have the highest potential.

The table below describes the priority segments targeted by the Company and their potential in terms of number of patients using Voluntis' therapeutic software in diabetes³¹.

Target US payer segments	Total number of accounts	Priority targets and potential addressable population of diabetic users
<i>Integrated Delivery Networks (IDNs)</i> E.g. Kaiser Permanente, Geisinger, Intermountain Healthcare	More than 600	40 accounts, corresponding to 25 million lives covered and potential addressable number of patient users estimated at 450,000.
<i>Commercial Health Plans</i> E.g. United Healthcare, Cigna, Aetna, Blue Cross Blue Shield, Harvard Pilgrim	More than 225	64 accounts, corresponding to 178 million lives covered and potential addressable number of patient users estimated at 3.2 million.

³¹ For an "average" American payer covering 1 million people, given that there is a 9% prevalence of diabetes and that approx. 20% of the patients are treated with basal insulin, the Company estimates that approx. 18,000 insured persons having type 2 diabetes are treated with basal insulin and could potentially use Insulina.

<i>Pharmacy Benefit Managers (PBM)</i> E.g. Express Scripts, CVS, OptumRx, Prime Therapeutics	More than 40	16 accounts corresponding to an extra 62 million lives covered on top of those covered by <i>Commercial Health Plans</i> , and a potential additional number of patient users estimated at 1.1 million.
<i>Medicare Advantage Health Plans</i> E.g. United Healthcare, Cigna, Humana	More than 200	50 accounts, corresponding to 13 million lives covered and potential addressable number of patient users estimated at 520,000.
Employers	This segment is targeted by the Company through distribution partnerships.	

To market these solutions directly to payers and healthcare providers, the Group has undertaken to create a team of seven (7) sales managers to interact with the target portfolio of 170 payers (c. 25 targets per team member). This sales team is itself supported by Medical Sciences Liaisons (MSL) and Customer Success Managers (the team in the USA intends to include 2-3 MSLs and one Customer Success Manager for every ten payers under contract). The Group estimates that it takes on average 6 to 12 months to finalise an agreement with an American payer. On this basis, it anticipates that the first agreements signed directly with American insurers will be executed in the first half of 2018.

More and more American payers cover telemedicine solutions and/or digital therapeutics. Integrated delivery networks are set up to provide both patient care (hospitals, practices and other facilities) and insurance (some of the best-known examples include Kaiser Permanente and Veterans Health Administration). They have frequently led the change when it comes to the large-scale uptake of telemedicine services by their policyholders. The CCHT (Care Coordination/Home Telehealth) programme for army veterans is often referred to as the earliest and most wide-ranging initiative of its kind by the US government. The programme monitors more than 100,000 veterans remotely. More recently, digital therapeutics companies have started marketing their solutions to employers and private payers as a component of public health management programmes. One notable example is Omada Health, a behavioural change programme focused on diabetes prevention. It has been used by in excess of 140,000 employees and is billed according to an outcomes-based pricing model. New partnership models are emerging: digital therapeutics companies are teaming up with Pharmacy Benefit Managers to make a combined approach to employers and private insurers. Examples of such collaborations include the partnership between Propeller Health and Express Scripts in respiratory care and the collaboration between Click Therapeutics and Magellan Health in the area of smoking cessation.

In France, Voluntis also has the organisational infrastructure to canvass and sign agreements with care facilities in the framework of the ETAPES programme, promoted by the French health authorities under the Order of 25 April 2017. ETAPES is a pilot telemedicine initiative for remote monitoring of diabetes, based on Article 36 of the Social Security Budget Act for 2014, No. 2013-1203. ETAPES set the reimbursement by the French authorities for the provision of the software solution by the provider and the remote monitoring and therapeutic support by the care teams. The amount repaid to the supplier for the software was set at i) €300 per patient per six-month period for type 2 diabetes treated with once-daily injection of basal insulin, and ii) €375 per patient per six-month period for type 1 or 2 diabetes on a multi-injection basal-bolus regimen. On top of these flat payments, the health authorities also instituted a system of sharing incremental savings on healthcare costs with the healthcare professionals and companies responsible for the reduction in costs above a fixed threshold. The benefit of these measures is to align the objectives of all actors involved in the treatment and care of diabetes. The programme is one of the most ambitious to be launched in a European country to promote the development of telemedicine on a national scale. ETAPES is part of the French government's National Health Strategy and gives priority to the development of digital health.

Voluntis recognises the full revenue generated from marketing its products to payers under a direct distribution system.

6.2.7 [Technological partnerships in diabetes](#)

Voluntis also has active technology collaborations, in partnership with blood glucose monitor suppliers Livongo and Ascencia to connect solutions by Bluetooth. Interconnectedness enables automatic blood glucose data collection, which optimises and simplifies use by patients and healthcare professionals alike.

6.3 **Digital therapeutics in oncology: in development**

Voluntis oncology solutions aim to improve patient adherence to drug treatments, so as to enable them to draw maximum benefits from their treatment. The therapeutic software offers personalised help to patients in different cancer settings to better manage their symptoms, improve treatment monitoring and provide better care overall. Prescribed by care teams as an extension of treatment, they help patients better manage their symptoms and side effects and facilitate remote monitoring by medical staff.

6.3.1 [Cancer](#)

Cancer is one of the leading causes of morbidity and mortality worldwide. The WHO estimated the incidence of cancer at 14 million cases per year in 2012. The incidence of cancer has risen steadily. Cancer is responsible for almost one in six deaths worldwide. In the USA, cancer is the second cause of death according to the *Center for Disease Control and Prevention* (CDC) and the *National Institutes of Health* projects a 45% increase in its prevalence between 2010 and 2030³².

Cancer is related to the development of abnormal cells in the body. The occurrence may be related to a number of risk factors, such as genetic predisposition or lifestyle (nutrition, smoking, drinking).

³² Source: <https://costprojections.cancer.gov/>

The affected cells divide uncontrollably and first spread locally. As the disease progresses, the cancer spreads to the rest of the body and develops metastases.

Steady therapeutic advances and novel approaches to treatment have improved survival rates for patients. Many new generation anti-cancer drugs are under development, including targeted and immunotherapy agents. In May 2016, there were 631 therapies for cancer in the global R&D pipeline³³. Therapeutic strategies are increasingly personalised with a growing number of options and combinations of molecules, resulting in greater treatment complexity for medical teams.

According to IQVIA, the total global cost of anti-cancer therapies and supportive care drugs increased to USD 113 billion in 2016 from USD 91 billion in 2012. The United States alone accounted for 46% of total global oncology costs in 2016. This trend is expected to continue until at least 2021.

In this sector, payers are faced with tackling the challenge of increased costs, as well as the real-world efficacy of the treatments they reimburse, their side effects and the impact on patients' quality of life. At the same time, healthcare professionals must address the pressure associated with the growing demand for cost effectiveness, even though oncology therapies are increasingly sophisticated. These trends may affect the quality of care and time given to patients during their treatment.

6.3.2 Problems associated with symptom management

A large number of patients with cancer are treated with chemotherapy. In the USA, for example, approx. 22% of the cancer patients are treated with chemotherapy for a year³⁴. 650,000 American patients are treated in outpatient oncology clinics every year³⁵.

Treatments for cancer very often cause side effects for patients. They can have a marked impact on patients' quality of life and ability to stay functional. Symptoms can range in severity and often result in patients stopping their treatment temporarily or definitely or lead to unscheduled hospitalisation. Managing symptoms is therefore a cornerstone of clinical practice in oncology centres. Yet, healthcare professionals generally do not have the tools they need to monitor symptoms and discussions during consultations rarely give the full picture.

Furthermore, a number of new therapies are oral (25 to 30%³⁶) and are taken by the patient on his/her own at home. Adherence to these new therapies is suboptimal: it is estimated that 37% of the patients do not follow the recommended treatment properly³⁷. Finally, up to 60% of the patients express treatment-related discomfort³⁸.

The symptoms linked to these treatments have a significant economic impact. Therefore, the cost of hospitalisation linked to an episode of severe diarrhoea for an American patient is estimated to be USD 8,443. Likewise, an uncontrolled episode of nausea and vomiting can cost up to USD 1,575 more

³³ Source: Global Oncology Trends 2017: Advances, Complexity and Cost

³⁴ Source: Cancer Patients Receiving Chemotherapy: Opportunity for Better Management. Milliman, 2010.

³⁵ Source: CDC, <https://www.cdc.gov/cancer/preventinfections/providers.htm>

³⁶ Source: Geynisman DM. Adherence to targeted oral anticancer medications. *Discov. Med.* 2013; 15(83):231-234

³⁷ Source: Express Scripts "2011 Drug Trend Report" / The Cancer Pill Not Taken Costs Insurers in Long Run http://www.managedcaremag.com/archives/1212/1212.oral_oncologics.html

³⁸ Source: Comparing Health-Related Quality of Life Cancer Patients under Chemotherapy and Their Caregivers. <http://www.hindawi.com/journals/tswj/2012/135283/tab3>.

per month than a controlled episode. Likewise, a severe episode of mucositis (inflammation of the oral mucosa) costs twice as much as it does to handle a more moderate episode (USD 4,100 versus USD 1,936)³⁹.

American payers have launched programmes aimed at providing increased support to patients throughout their course of treatment. This approach, which includes help to manage symptoms, has proven its economic effectiveness in terms of remote interventions by medical personnel. For example, a United Healthcare pilot study indicated an annual saving of USD 13,092 for patients monitored via such a specialty pharmacy programme vs. a standard retail pharmacy follow-up, mainly by preventing avoidable hospitalisations or visits to emergencies (and by taking into account additional expenses related to the drug item, because of better adherence to the treatment)⁴⁰.

The results of a major study on patient-reported outcomes for symptom monitoring during routine cancer treatment were presented during the 2017 ASCO (American Society of Clinical Oncology) international meeting. The trial showed that proactive monitoring by the care team of the symptoms reported on a web platform by patients improved quality of life from 18% (in the standard care arm of the trial) to 34%, reduced unplanned hospitalisations by % (34% vs. 41%), increased treatment duration to 8.2 months from 6.3 months, and increased overall survival by 5 months⁴¹. 75% of patients were still alive after 12 months, compared to 69% on the web platform.

Therapeutic software is an integral component of this collaborative approach, as information on symptoms is continuously shared between patients and their care teams. Smart medical algorithms can be added to automatically sent recommendations to patients to help them to self-manage some symptoms, and to the medical team, to identify and track the progress of these symptoms.

6.3.3 [A solution targeting a range of different cancers](#)

Voluntis' global oncology strategy includes the development of a solution for multiple cancers. It will target a large population of patients receiving both older-generation drug therapy (chemotherapy) and newer-generation targeted therapies and immunotherapy. Voluntis' solution aims to enhance control of the most frequently found reversible symptoms that can be managed according to current practices. It covers a dozen or so symptoms (such as diarrhoea, nausea and vomiting and pain) and is intended for patients with high-incidence cancers, such as lung cancer, colorectal cancer and melanoma. The solution has a modular design to fit individual needs. For example, management of a particular symptom can be disabled or treatment algorithms can be added. It will help to accelerate more targeted solutions specific to a particular type of cancer or a particular treatment regimen.

³⁹ Source: Carlotto, Alan & Hogsett, Virginia & M Maiorini, Elyse & G Razulis, Janet & Sonis, Stephen. (2013). The Economic Burden of Toxicities Associated with Cancer Treatment: Review of the Literature and Analysis of Nausea and Vomiting, Diarrhoea, Oral Mucositis and Fatigue. *PharmacoEconomics*. 31. 10.1007/s40273-013-0081-2.

⁴⁰ Am J Pharm Benefits. 2012;4(4):165-174 "Outcomes of a Specialty Pharmacy Program for Oral Oncology Medications"

⁴¹ Source: Overall survival results of a randomized trial assessing patient-reported outcomes for symptom monitoring during routine cancer treatment. Basch E. et al., 2017

In January 2018, Voluntis held a meeting with the US Food and Drug Administration (FDA) staff under the Medical Devices Pre-Submission Program to clarify the regulatory pathway for obtaining United States market approval for this multiple cancer solution. The company's target timeline is to obtain FDA approval for version 1 in the second half of 2019 and a first CE marking for the solution in the first half of 2020. The company's track record in diabetes regulatory approvals constitutes an important advantage when it comes to implementing a comparable process in oncology.

If FDA clearance is granted, Voluntis plans to distribute the solution directly to both community and academic cancer treatment centres in the United States from the first half of 2020. Voluntis will also apply for CE marking for a similar distribution strategy in Europe.

In addition, Voluntis plans to launch a multi-centre evaluation in the United States in 2019 to assess the clinical benefits and cost effectiveness of its multi-cancer solution. The criteria evaluated relate to improvement in the quality of life, reduction of severe toxicity, reduction in emergency visits and the number of unscheduled hospitalisations, as well as the decrease in health costs. Based on the results of this evaluation, the Group will seek reimbursement of its solution by payers.

The Group anticipates that the first commercialisation of the solution co-developed in partnership with the pharmaceutical industry, as well as the signature of the first direct commercial agreements with US payers will take place in the first half of 2021.

6.3.4 Voluntis and Roche Pharma develop Zemy in breast cancer

The collaboration between Voluntis and the Roche group dates back to a first partnership in 2009 on anticoagulation management. The partnership with the Swiss global oncology leader was expanded in 2015 to focus on developing a solution to improve symptom control in breast cancer patients.

Breast cancer is one of the most prevalent cancers in the world. The most frequent cancer in the United States, the American Cancer Society estimates the number of new cases in 2017 at 255,000. It is the most common form of cancer in women in France, with approximately 54,000 new cases per year, according to the French Institute for Public Health Surveillance (Institut de Veille Sanitaire).

Zemy, the digital therapeutic developed in this partnership, combines a software medical device and, in some cases, a telemonitoring service. Patients report their symptoms in a mobile app, either manually or directly through a connected device. The data are then automatically analysed and sent via Internet to the patient's medical team, which will remotely ensure personalised follow-up. Patients are pushed tailored recommendations to adjust their treatment based on the algorithmic intelligence integrated in the heart of the mobile and cloud solution.

The aim of the collaboration is to provide remote monitoring of patients between appointments to reinforce the link with their care team and improve their overall quality of life.

Development involves all stakeholders at all stages: patients, oncologists, nurses, network coordinators, medical societies, pharmacists, senior hospital management, public and private payers. By bringing together their respective expertise in innovative treatments and digital therapeutics, Roche and Voluntis seek to satisfy the unmet needs of actors in the health sector.

Roche initiated a first multi-centre clinical trial of Zemy in breast cancer in 2018 to evaluate its medical, organisational and economic benefits. This study will measure the number and rate of symptoms declared by patients using the system (main criterion). The relevance and usability of the automated recommendations, user satisfaction, device safety and its impact on quality of life (secondary criteria) will also be evaluated. The medical-economic impacts linked to the use of care, including visits, emergencies and hospitalisations, will be evaluated in an exploratory manner.

In March 2018, Voluntis and Roche announced their intention to extend the scope of this partnership in order to support patients with solid tumours.

6.3.5 [Development of eCO for ovarian cancer with AstraZeneca](#)

Voluntis is developing a companion mobile app for women undergoing treatment for recurrent platinum-sensitive high-grade ovarian cancer with cediranib (a VEGFR1-3 inhibitor) in combination with olaparib (PARP inhibitor), in close collaboration with AstraZeneca and the American National Cancer Institute (NCI). The service is delivered through a smartphone application paired with a web portal that enables clinicians to help patients manage treatment side effects of hypertension and diarrhoea sometimes associated with combination therapy of cediranib and olaparib.

In 2018, there will be over 22,000 new cases of ovarian cancer diagnosed and approximately 14,000 deaths from the disease⁴². It is the fifth most prevalent cancer in women in France with 4,000 new cases per year. The prognosis remains grim, as it is often diagnosed at an advanced stage.

In current medical practice, the process used by patients to describe the symptoms caused by the anti-cancer treatment to their care team is manual and time-consuming. The Voluntis therapeutic software digitises the process with a connected medical device (Bluetooth blood pressure monitor). Patients have real-time access through their smartphones to personalised recommendations, depending on the severity of their symptoms. For healthcare professionals, the innovation provides a tool for monitoring patients on a secure platform with a system of automated alerts.

The eCO application is being tested as a medical device in independent clinical trials sponsored by the NCI under a Cooperative Research and Development Agreement between the NCI and AstraZeneca.

An initial feasibility study was conducted in the United States in a number of leading cancer centres, including the Dana Farber Cancer Institute, Moffitt Cancer Center, Ohio State University Medical Center, and the National Cancer Institute. It demonstrated elevated compliance and patient satisfaction with the solution. Patients entered more than 98% of expected blood pressure readings (*see Annals of Oncology (2017) 28 (suppl_5): v543-v567. 10.1093/annonc/mdx388*).

The application is the first stage in the pharmaceutical company's strategy to use digital technologies as companions to treatment. The aim is to empower patients to give them greater control of their treatment and help them manage their response. By boosting support to patients, AstraZeneca and Voluntis aim to increase treatment adherence, by reducing undesired dose limitation or drug discontinuation, in order to improve clinical outcome.

⁴² Source: American Cancer Society

6.4 The regulatory environment for therapeutic software

6.4.1 [Regulation of therapeutic software as medical devices](#)

Digital therapeutics embed clinical algorithms and deliver real-time recommendations to patients to optimise their treatment. They are classed as medical devices under the regulations. Accordingly, their design and development are managed following certified processes and regulatory approval is required for each solution.

To ensure full compliance with all regulations on medical devices, Voluntis formed a Quality Assurance and Regulatory Affairs team in both France and the United States. It also introduced a quality management system to meet the requirements of the main international regulatory bodies in Europe and the US (FDA 21 CFR part 820 and EU directive 93/42/EEC). Its quality systems and processes have been certified ISO13485 for medical device since 2010. Voluntis is audited on a regular basis to ensure compliance.

Moreover, Voluntis also applies ISO 14971 relative to risk management for medical devices. The company's production process also follow international standard IEC 62304 defining the lifecycle requirements for medical device software, as well as IEC 62366, which specifies the process for the assessment of usability of medical devices.

All our validation engineers are certified by the International Software Testing Qualifications Board (ISTQB).

Voluntis' solutions obtain regulatory approval from the relevant competent local bodies, based on an ad hoc submission. The submission generally includes for each solution: the intended use, technical and clinical characteristics, development process applied, report of each validation and testing stage, risk assessment, labelling elements, usability assessment ("HFE") and clinical assessment. The regulatory approval application file contains all the information required by the competent authorities to rule on the safety and efficacy of the therapeutic software for its claimed use.

The competent regulatory authorities (the FDA in the US and in Europe, a notified body - the LNE-GMED in the Group's case) will grant regulatory approvals once the safety and efficacy of the device has been evaluated with regard to its claimed use.

In the case of Voluntis solutions, the evaluation of these elements in the USA is based primarily on the demonstration of substantial equivalence with a device that has already been approved (510(k) procedure). To support this demonstration, an application is submitted to the regulatory authorities. This submission includes the intended use of the device, its technical and clinical features, the development and validation processes implemented, the risk analysis, HFE studies, labelling items and clinical evaluation. The clinical evaluation includes the review of the scientific literature, such as, for example, all of the existing clinical studies, recommendations from medical societies and expert opinions. The clinical evaluation may also include clinical studies performed by the manufacturer specifically for this device. The manufacturer does not have to perform these studies, unless the data from the scientific literature is insufficient to demonstrate the safety and efficacy of the device. The regulatory approval application contains all the information required by the competent authorities to rule on the safety and efficacy of the therapeutic software for its intended use. This section is optional, unless the device evaluated is not substantially equivalent to an already approved device.

6.4.2 [French regulation of telemedicine](#)

Article L. 6316-1 of the French Public Health Code (*Code de la santé publique*, CSP) provides the basic definition of telemedicine. It is defined as "a form of remote medical practice using information and communication technology. It connects one or more healthcare professionals or healthcare professionals with a patient, which must include a medical professional and, where relevant, other professionals providing care to the patient. Telemedicine activities include making a diagnosis, providing preventive or post-therapeutic monitoring for at-risk patients, seeking a specialist opinion, preparing a treatment decision, prescribing products, prescribing or carrying out services or actions, or monitoring the patient's condition". Decree 2010-1229 of 19 October 2010 defines the legal and regulatory framework for telemedicine by defining the medical procedures and setting out the conditions for their performance and payment.

Telemedicine acts are defined as:

- remote consultation (a medical professional performs a consultation with a patient remotely);
- remote expertise (a medical professional seeks the opinion of one or more medical professionals remotely);
- remote patient monitoring (a medical professional can remotely interpret data to provide medical follow-up to a patient);
- remote medical assistance (a medical professional can provide remote assistance to another health professional during a medical procedure);
- medical response (as part of emergency medical service).

The decree provides the legal framework governing the conditions for providing telemedicine services. The main requirements are:

- to obtain patients' free and informed consent;
- a certain amount of information must be entered in the patient's medical record, such as the report of the actual performance of the medical act or procedure, prescriptions, and all arrangements for subsequent follow-up; and
- payment of the medical acts in accordance with agreed conditions and the CCAM (*Classification Commune des Actes Médicaux*, French medical classification for clinical procedures).

To be legally valid, all telemedicine activities and their organisation must be covered by:

- either a national programme specified by order of the ministers with responsibility for health, the elderly, the disabled and health insurance;
- or a registration in one of the multi-year contracts or in one of the contract aimed at improving care quality and coordination, such as those mentioned respectively in Articles L. 6114-1, L. 1435-3 and L. 1435-4 of the French Public Health Code, and in Articles L. 313-11 and L. 313-12 of the Family and Social Action Code (*Code de l'action sociale et des familles*);
- or by an individual contract signed by the Director General of the regional health agency and the health professional, or where relevant, anybody involved in this activity.

6.4.3 [Data privacy regulations](#)

Voluntis is committed to protecting data privacy. All the company's work is conducted in strict compliance with the principles and requirements of applicable regulations: the French data protection act, known as the "Information Technology, Data Files and Civil Liberty law", European Directive 95/46/CE, and the General Data Protection Regulation (GDPR), as well as Health Insurance Portability and Accountability Act (HIPAA) in America.

Voluntis implements a Privacy by Design model that embeds data protection at every stage of the therapeutic software processes. Voluntis' software medical devices are designed to keep the collection of personal health data to the minimum required for the clinical algorithm processing and to ensure the security of the data. The company always informs and seeks the consent of the users of its digital therapeutics to make sure that individuals' rights are never infringed. Voluntis also provides users with access to their data, as well as the ability to rectify or to oppose the processing of their information. Retention of personal health data is strictly a function of the period of time required for patient care. Data are subsequently archived in accordance with the law. Users have the right to be forgotten and have their data deleted. In addition, Voluntis systematically assesses the impact of its devices on users' private life.

Access to data is restricted to authorised individuals, under the conditions specified in the authorisations received by Voluntis. Any secondary use of the data shall be made in accordance with the requirements of the supervisory authorities, in particular with regard to information to individuals.

All health data collected by Voluntis are hosted by subcontractors in compliance with applicable legislation: Accredited health data hosting (HADS) in France and HIPAA in the United States. In partnership with these hosting providers, the company implements security requirements at every stage of the product's use (strong authentication for healthcare professionals and patients, encryption of stored and transmitted data, data integrity checks at each synchronisation). Voluntis has a cybersecurity team and carries out regular hacking checks.

6.4.4 [Legal and economic framework for e-health and telemedicine solutions](#)

Voluntis' Chief Executive Officer is a key contributor to the development of the e-health sector. As such, he is actively engaged in sector projects to promote digital health.

In France, Pierre Leurent is:

- General Coordinator of the eHealth France Alliance, a partnership between four industry trade associations (LEEM, LESISS, SNITEM, Syntec Numérique) representing a large majority of the companies active in the digital health space in France;
- Chairman of the Healthcare Committee of Syntec Numérique (the trade federation for the digital sector);
- Co-Pilot of the Efficiency Workgroup of the French Healthcare Strategic Committee (CSF Santé);
- Member of the steering committee of MEDEF Healthcare Business Committee; and
- Ambassador of French Tech's Healthtech Network.

Voluntis is a driving force in the sector and actively contributes to the development of e-health projects, through its engagement in market research (the Telemedicine 2020 studies conducted by Syntec Numérique and SNITEM from 2011 to 2014), France's industrial policy plans, Nouvelle France Industrielle (2013-2014 Digital Healthcare Plan, 2015-2016 Medicine of the Future Plan), ministerial strategic committees (strategic healthcare industries council (CSIS) and the Industry Strategy Committee (CSF)), position papers, presidential platform (helping to draw up Syntec Numérique's campaign programme), membership of working groups formed by or with government authorities, promoting dialogue on the policies implemented by government (such as the ETAPES Programme).

Across the Atlantic in the United States, Pierre Leurent has occupied leadership sectorial positions to contribute to advancing the digital therapeutics space since 2017:

- Co-founder and first Chairman of the Digital Therapeutics Alliance;
- Coordinator of the Digital Therapeutics Task Force of the Personal Connected Health Alliance (member of the Healthcare Information and Management Systems Society, HIMSS).

6.5 [Voluntis: organisation and growth trajectory](#)

Voluntis has had a unique growth trajectory – the one of a software company having become a life sciences

company.

Voluntis was founded in 2001 by three graduate engineers from the Ecole Centrale de Paris (now CentraleSupélec) focused initially on technology and software expertise.

It shifted gears in 2002 to market its proprietary software platform Medpassport (precursor of the Theraxium platform), a B2B model to provide patient monitoring and support. Voluntis pioneered SaaS solutions in the healthcare sector and grew its revenue through multi-year subscription contracts to the software platform. Voluntis's first business model is known in the industry as Patient Relationship Management (PRM). The platform's clients included top industry players, such as AstraZeneca, Pfizer, Sanofi, Orkyn (Air Liquide group), Respiroics (since taken over by Philips), Axa Assistance, Mondial Assistance and Bien-Etre Assistance. The business was initially centred in Europe for patient relationship management in c. 20 therapeutic areas: diabetes, cardiovascular, respiratory, oncology, nutrition and rare diseases, amongst others.

Voluntis's installed base grew steadily to 500,000 patients supported in 10 countries through these various programmes.

Voluntis raised €4 million in private equity in the period 2006 to 2011 to fund its growth and reached breakeven in 2011.

But Voluntis's transformative vision led it to go beyond these B2B programmes to develop innovative therapeutic offerings built on medical intelligence. In 2005, in a partnership with CERITD, Voluntis released the first version of the Diabeo® software, one of the global firsts in digital therapeutic development. Well before the launch of the iPhone in 2007, it was one of the first mobile health apps embedding patient decision support algorithms for the management of chronic illnesses.

Three crucial developments between 2010 and 2012 led to significant changes in Voluntis's business model:

- regulatory changes in the United States and in Europe: software like Diabeo® and Insulia®, used as diagnostic and/or treatment tools, became regulated as medical devices (the change took effect in France in March 2010 when the European directive was transposed into French law);

- the results of the TELEDIAB1 multi-centre randomised controlled trial (published in the leading journal Diabetes Care in 2011): the results demonstrated the positive impact of the Diabeo solution on glycemic control in type 1 diabetic patients. TELEDIAB1 was one of the first global examples of a clinical trial on software and ushered in the potential to market the device as a medical product eligible for reimbursement by healthcare payers; and
- the 2011 licensing and co-development agreement with Sanofi, in partnership with CERITD, for Diabeo®. This long-term agreement was the company's first agreement according to the terms of a biopharmaceutical licensing deal, rather than a software licence. It was one of the world's first examples of a partnership between a digital therapeutics (DTx) company and a pharma leader.

Following a strategic review of the growth and potential of its two core business areas, PRM and DTx, senior management decided in 2012 to shift the focus of the company exclusively to the development and commercialisation of digital therapeutics and to gradually phase out its legacy PRM business.

This decision led to a radical transformation of the company's organisation as it shifted from a software company into a healthcare company. To strengthen its talent, Voluntis recruited expert profiles from the pharma industry in 2011-2012 to join its management team.

With the change in business model to a digital biotech came a corresponding increase in capital requirements, compared with the financing previously required by the PRM business. To meet these needs, the company raised an additional €5 million in 2012, followed by €34 million in a number of different tranches as of 2014. Voluntis successfully completed the largest private equity round of funding for a digital health company in Europe in 2014, in a placement with European and North American investors.

Two new departments were formed through the transformation to a health company:

- Quality and Regulatory Affairs department: Voluntis' processes are overseen according to a quality management and control system that meets the requirements of the main regulatory bodies in Europe and United States, with the appropriate teams: Quality Assurance and Regulatory Affairs, engineers specialising in risk management, software verification, approval and human factors engineering. These expert teams now make up c. 40% of the Voluntis workforce. The company has a system of internal standards and procedures, as well as dedicated management and steering tools. The Quality Assurance and Regulatory Affairs teams are the point of contact for notified and audit bodies. They coordinate with external auditors and are responsible for organising internal audits according to the annual audit plan. These teams also fulfil the crucial responsibility of protecting user data. The specialist teams and the certified processes are Voluntis' guarantee that the development and deployment of its solutions meet the highest standards of excellence.
- Medical Affairs Department: The Medical Affairs Department was formed in 2012 to expand the company's therapeutic expertise. It is staffed by physicians and nurses who bring extensive clinical and industry experience to the company. Medical Affairs is structured by therapeutic area and is responsible for the scientific design of the software, clinical trial programmes, medical device vigilance and relationships with health authorities. The department plays a critical role in software development, both upstream (by identifying unmet medical needs, summarising clinical rules for coding by the development teams, organising medical risk analysis or defining indications) and downstream (monitoring the efficacy and security of the software, dialogue with authorities and/or expanding the scope to other indications).

Expert Scientific Advisory Boards support the Medical Affairs department in its work in diabetes and oncology. They provide operational insight on the integration of the software in the care delivery pathway and in clinical practice, and also issue recommendations on development priorities. The Medical Affairs department places the patient at the heart of Voluntis decision-making process.

Two new teams were formed to focus on marketing digital therapeutics following regulatory approval on both sides of the Atlantic in 2016:

- a new sales and marketing team tasked with interacting directly with health insurance and healthcare providers, starting in the United States. This organisational evolution reflects the company's strategic decision to shift to a dual business model that combines direct and indirect commercialisation to healthcare payers and providers. The team is led by a manager with substantial experience in the North American health payer sector. It is also responsible for modelling the cost effectiveness of Voluntis' solutions;
- a team specialising in analysing real-world evidence. This team is composed of experts with responsibility for analysing and exploiting real-world results based on deidentified aggregate data.

To further optimise its operations, the company created internal therapeutic task forces in 2016 to coordinate activities in diabetes and oncology and drive the increasing specialisation in these two fields, which represent the bulk of the company's current investments.

In addition to new departments, the company has continued to intensify technological operations with more personnel and a strengthened skills base. Over the years, the range of competences available in-house has expanded (to include mobile development in addition to web development, for example). Aiming for a leadership position in emerging fields relevant to its core business, Voluntis recently added talent with key competencies in areas such as cybersecurity and artificial intelligence.

The company recognised very early on the need to scale up and make a determined international push, giving priority to the US market, to leverage its pioneering position and establish Voluntis as a global digital therapeutics leader. A subsidiary was established on the East coast in 2011 and two of the company's three co-founders relocated to the US, in 2014 and 2017, respectively. Voluntis beefed up the American component of its governance in both its senior management team and its Board of Directors. 2015 saw a senior executive from the United States payer and PBM industry join the company as non-executive Chairman to further drive this gradual transformation of Voluntis and establish a dual structure with a footprint in Europe and North America. The company is currently assessing the case for deployment in the Asia Pacific region, in response to approaches from the pharma industry, and the potential for creating a local subsidiary. In the medium term, Voluntis' goal is to operate worldwide from three locations, North America, Europe and Asia Pacific.

6.6 Technological platform

Theraxium is the technology platform underlying all the company's digital therapeutics. This infrastructure platform includes features common to all solutions and is designed to accelerate development of therapeutic software, in accordance with the stringent quality control procedures for medical devices. Theraxium manages data flows and underpins the technical operation of the Group's therapeutic software, in strict compliance with privacy, security and safety rules.

Cloud-based, Theraxium is a modular platform that forms the cornerstone of Voluntis' digital therapeutics. It serves to:

- collect patient data, according to a set of strict cybersecurity and data protection rules (authentication, synchronisation, encryption and hosting);
- retrieve data from third party devices, using wireless interoperability and integration management protocols;
- provide access to data and data sharing through configurable roles and delegated authorities in care teams;
- analyse data, using an analytics suite that incorporates automated notification or dashboards to support medical decisions;
- secure clinical algorithms by providing a framework for the prescription process and automating recalls of software medical devices.

The Theraxium platform also speeds up the development of new digital therapeutics building on its algorithm engine and preconfigured functional modules. Its underlying algorithms, built around DSL (domain specific language) methodologies, facilitate the creation of algorithms with the ability to rapidly develop prototypes with medical experts. The web-based and mobile execution engine enables simulation and the more effective and secure deployment facilitates regulatory approval and optimises maintenance.

Theraxium also incorporates layers that are purpose developed for specific therapeutic areas, such as oncology. These layers are built around algorithms defined for the pathology and the components needed to display, store and share the data related to the algorithms.

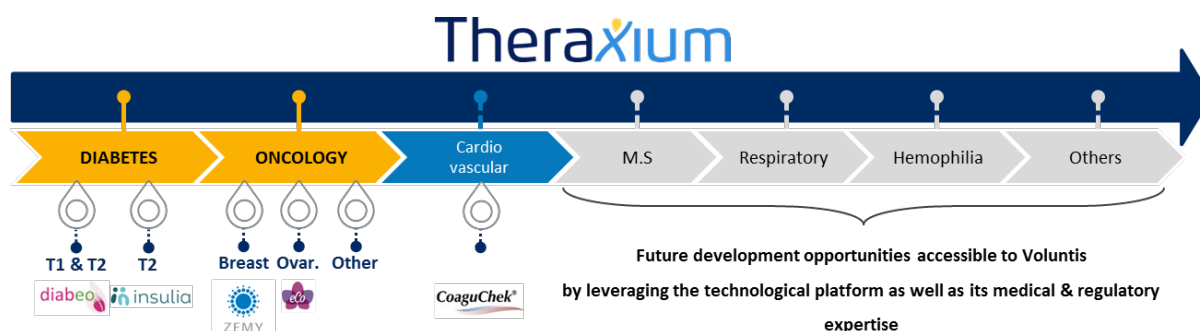
In addition, Theraxium includes preconfigured functional modules designed to be used by most therapeutic software suites. Management of user accounts, user interfaces and data flows on our platform demonstrate Theraxium's agility and ability to be used - and reused - across multiple solutions.

Theraxium is a proprietary platform developed end-to-end by Voluntis, without any third party input, involving more than one million lines of code. Besides its accumulated expertise and know-how, Theraxium is protected by a procedural patent (*Procedure and system to create a virtual platform intended to facilitate the sharing of disease management data* – FR2843215, filed in France). New patent applications have been filed to cover some of the Theraxium modules (*Secure prescription of a medical software device* - WO2016128636 and *Procedure and system for remotely monitoring a medical software device* - WO2014125235)

The Theraxium platform is operated and managed by Voluntis from data centres located in Europe and the United States. Our data centres are secure, duly accredited for the secure hosting of personal health data, highly available and compliant with current regulations applicable to Voluntis in the regions in which it operates (General Data Protection Regulation in Europe and HIPAA in the United States).

Theraxium has proven its reliability through its implementation in 50+ programmes covering more than 20 therapeutic fields. To date, five top 10 pharmaceutical companies have deployed Theraxium (or its predecessor Medpassport) to support patient-centred initiatives. It has provided support and monitoring for over 610,000 patients in 10 countries.

Voluntis may harness the Theraxium platform for other therapeutic areas and develop new software targeting other chronic diseases.

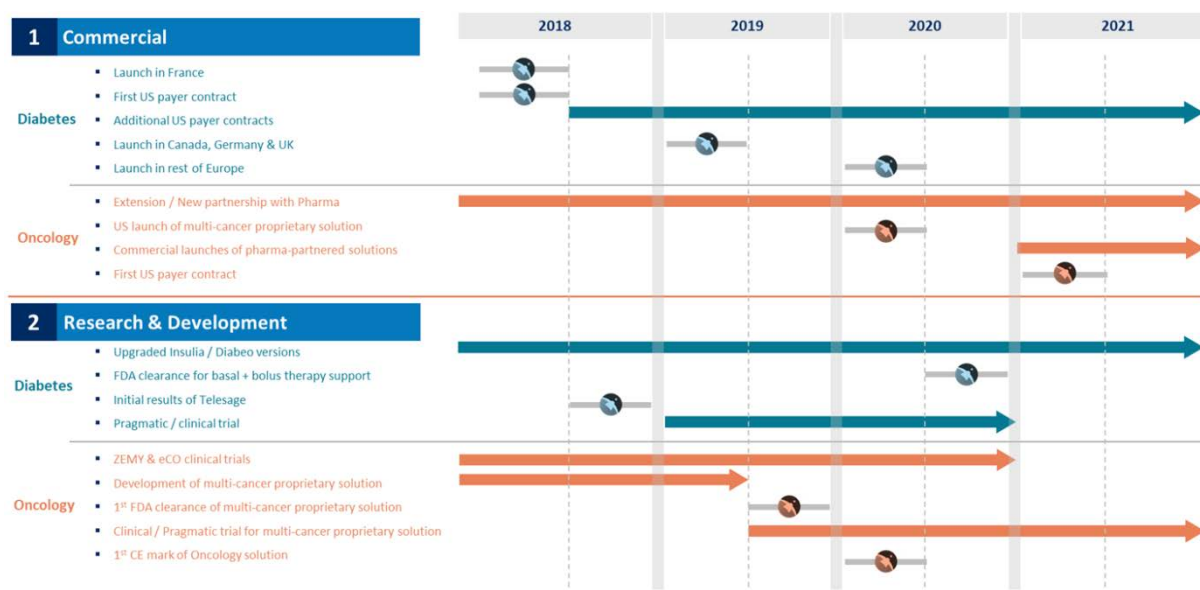


6.7 Priorities in addition to diabetes and oncology

Voluntis' strategic plan prioritises its aims in two stages:

- short term: maximise the commercial potential of diabetes solutions and finalise the development of a suite of solutions in oncology;
- medium term: ramp up the oncology suite to commercial phase and extend the model to other therapeutic areas.

The achievement of these strategic priorities is supported by a R&D and commercial development plan. The main milestones of this plan are summarised below:



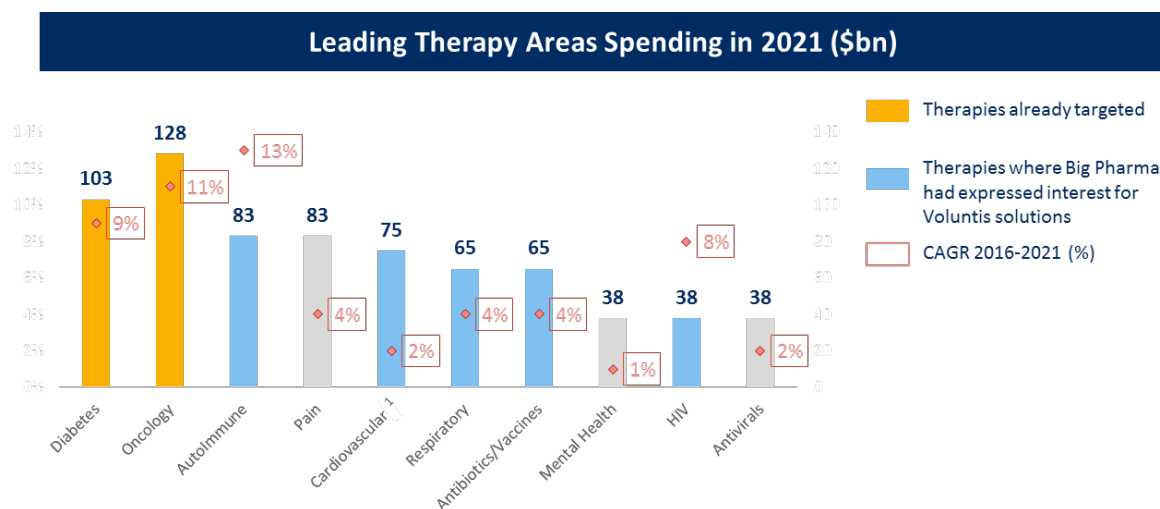
Expanding beyond an initial core focus on diabetes and oncology, therapeutic software has the potential to add value to treatments in many other areas.

Voluntis' strategic priorities by therapeutic area are defined according to an analytical matrix that incorporates the following parameters:

- extent of patient engagement in their illness and treatment, based especially on medication self-management or changes in quality of life for the patient and their loved ones;
- degree of healthcare coordination, based on the level of protocolisation and standardisation of care, and the number of healthcare professionals involved in treatment pathway;

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- payer concern level, based on prevalence, total cost of the condition, cost of medicines, complications and treatment compliance problems;
- market share in value and volume of treatments and the portfolio issues for pharma.



There are a number of key factors that determine the success of digital therapeutics in any given therapeutic area:

- focus the services provided by the solution on unmet patient and healthcare professional needs;
- develop the software according to clearly defined processes, combining agility and speed with reliability and security;
- obtain regulatory market approval, which is dependent on having a certified quality assurance system and preparing an ad hoc approval application filing complete with the required data;
- know how to demonstrate the medical and economic benefit of the software by amassing clinical trial or real-world data.

Voluntis has the required expertise and capabilities to ensure these key success factors are in place and to draw on the experience it has gained in diabetes and oncology to replicate models and develop therapeutic software in other therapeutic areas:

- medical expertise to identify unmet medical needs, ensure a deep and detailed understanding of clinical rules to be digitised, and to demonstrate clinical value;
- software development processes combining agility and quality assurance;
- the Theraxium platform designed to share a number of mobile and web functions;
- regulatory expertise to frame therapeutic software development and obtain regulatory market approvals;
- commercial roll-out experience.

Therapeutic software can bring value for the treatment and the management of many conditions. Voluntis can leverage its expertise and capacity to develop many solutions targeting other medical specialties. There are a number of ways of approaching this new opportunity, including proprietary development and co-development partnerships with biopharmaceutical or medical device firms.

Voluntis is currently focusing its investments on establishing and securing a global leadership position in diabetes and oncology. Looking beyond this, the Group may decide to respond to queries from third parties, on a case-by-case basis, to develop therapeutic software as a companion to specific treatments.

One such collaboration is the CoaguChek Link solution developed for Roche Diagnostics in anti-coagulation treatments. This solution collects, shares and analyses the INR data measured by patients treated with Anti-vitamin K and using the CoaguChek device. The platform was launched in the United States in 2010, only six months after signing the contract, through the use of the Voluntis technology platform, for care teams to monitor large numbers of patients on anticoagulants and aid decision-making and dose adjustment. It has helped Roche Diagnostics to consolidate its global leadership position in a rapidly growing PT/INR self-monitoring market. To date, Roche has more than 1 million CoaguChek devices on the market worldwide.

This type of development (outside of diabetes and oncology) is part of Voluntis' Connected Therapeutics business line.

6.8 The competitive landscape and key success factors

The digital health market is vast and growing at a rapid pace. The large and diverse range of operators in the market can be broken down into the following main categories:

- specialist digital therapeutics/digital biotech firms (notably Omada Health, Welldoc and Pear Therapeutics), which are the closest in profile to Voluntis. Voluntis belongs to this sub-group. Some of these companies – like Voluntis – are members of the Digital Therapeutics Alliance. The solutions developed by Voluntis target relatively late disease stages and are already at an advanced phase in the stringent regulatory approval process. Some products are already on the market after their efficacy was demonstrated in clinical settings. The majority are intended as solutions eligible for reimbursement by payers.

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Voluntis is one of the most advanced digital biotech companies, with the first solutions to have been cleared by regulators (Insulia® and Diabeo®), and to have been passed by the French health authority (HAS) for reimbursement (Diabeo®). These products carry a relatively high price tag. Their target is smaller than the population aimed at by wellness companies (see below) but generally larger than that of pharma, biotechs/medtechs.

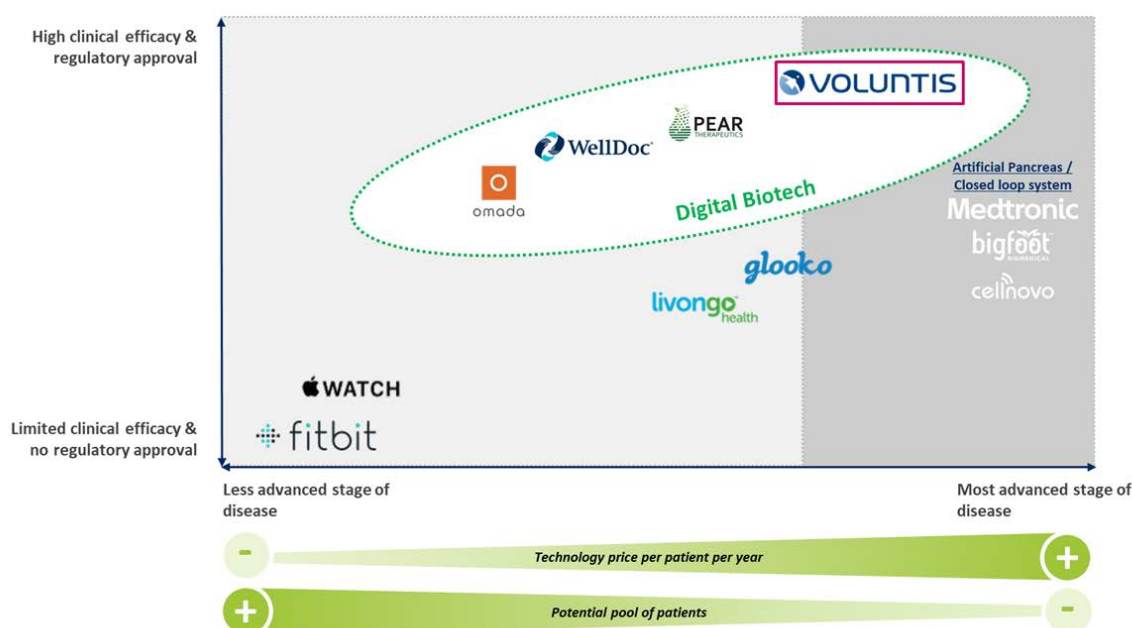
Other major digital health players of note in the diabetes monitoring space are Livongo Health and Glooko. The table below tracks the positioning and maturity of certain flagship companies in digital therapies

	Digital Biotechs / Digital Therapeutics						Other firms in Digital Health	
	VOLUNTIS	omada	WellDoc	AKILI	Propeller	PEAR	glooko	livongo
Member of DTx Alliance	▶	▶	▶	▶	▶	▶		
Key therapeutic Areas targeted	• Diabetes (T1&T2) • Oncology	• Diabetes (T2)	• Diabetes	• ADHD	• Asthma & COPD	• Neurology (Opioid, PTSD, schizophrenia...)	• Diabetes (T1&T2)	• Diabetes (T1&T2) • Hypertension
Multi-TA platform / focus	✓	✗	✗	✗	✗	✓	✗	✓
Regulatory clearances	FDA CE	✗	FDA	✗	FDA CE	FDA	FDA	FDA
Products on the market	✓	✓	✓	✗	✓	✓	✓	✓
Life sciences partnerships	SANOFI AstraZeneca Onduo Roche	✗	Johnson & Johnson	✗	ask NOVARTIS	NOVARTIS	Medtronic Novo Nordisk Ascensia	Lilly
Payer coverage / Reimbursement	• Starting in US • Secured in FR	• Growing in US	• Growing in US		• Growing in US	• Starting in US	• Starting in US	
Last fund raising	€21m (2014)	\$50m (June 2017)	\$30m (March 2016)	\$42m (July 2016)	\$22m (October 2016)	\$50m (January 2018)	\$35m (June 2017)	\$52m (March 2017)
Global footprint	USA Canada France	USA	USA Canada India	USA	USA France	USA	USA France	USA

Notes:
ADHD (Attention deficit hyperactivity disorder)
COPD (Chronic Obstructive Pulmonary Disease)
PTSD (Post Traumatic Stress Disorder)

- medtech companies active in diabetes and developing closed loop / artificial pancreas systems (e.g. Medtronic, Bigfoot and Cellnovo). The medical devices in their pipeline target later disease stages and must undergo a stringent regulatory approval process. The majority are intended as solutions eligible for reimbursement by payers. Their products carry a higher price tag and their target population is smaller than the segment of patients aimed at by Voluntis.
- companies developing connected objects in the wellness segment (including Fitbit, Apple Watch, Nokia Digital Health -Withings)

Their main target is people keen to live a healthier lifestyle who have no (or few) symptoms of any particular condition. Their products are connected objects (fitness tracker for Fitbit, watch for Apple Watch, weighing scales for Withings) to track health data (weight, heart rate, etc.), but they are generally not regulated as medical products. Their products do not go through a strict regulatory approval process and are not reimbursed by payer organisations. Connected objects are priced lower than the healthcare products mentioned above and are marketed to a very large target population. They have a preventive role.



The digital therapeutics and therapeutic software market is still relatively sparsely populated. For example, there are more than 318,000 health and wellness apps available⁴³. Compare this with the much smaller number - around 160⁴⁴ - of solutions approved as medical devices in the United States and/or in Europe, and the even smaller number of solutions whose efficacy has been demonstrated in multi-centre randomised controlled trials. Voluntis is positioned in the high value-added SaMD (Software as a Medical Device) segment. Barriers to entry are high and the company has few competitors (compared with e-health solutions aimed at the wellness market).

Some medical devices companies are indirectly involved in digital therapeutics: healthcare companies that produce medicines or medical hardware (such as blood glucose monitors, insulin injection pens or pumps in diabetes) are part of the market through the trend to build medical intelligence and connectivity into their devices.

Alongside these medtechs, companies similar to Voluntis in size have a pipeline of software solutions to increase real-world treatment effectiveness. Generally speaking, they specialise in a specific therapeutic area.

Diabetes has attracted a large number of solutions, indicative of the challenge of the disease, with varying approaches reflecting the multi-factor complexity of diabetes. Speciality areas include:

- patient coaching (Livongo, Welldoc);
- harmonised data readings from blood glucose monitors (Glooko);
- insulin dosage solutions (AmalgamRx, Hygieia, Glooko, Roche and Sanofi).

Other companies are positioned in the emerging artificial pancreas segment. This type of integrated model incorporates a continuous blood glucose monitor, insulin pump and software to adjust insulin doses in real time. The priority for this automated insulin adjustment system is patients whose condition is not controlled by alternative therapies. The main names in this segment are Medtronic, Bigfoot Biomedical, Dreamed, Diabeloop and Cellnovo. Voluntis' solutions are complementary products rather than directly competing solutions, either because they aim for other diabetic segments (Insulia for type 2 diabetics, Diabeo for type 1 diabetics on multiple daily injections primarily) or because they are indicated at an earlier stage in the care pathway. Diabeo[®] is considered an "open-loop system" as against a "closed-loop" insulin delivery system, inasmuch as it is not a device to directly manage insulin injection. An artificial pancreas system - usually more complex and expensive - can come into play in cases of persistent blood sugar imbalance in users of a system like Diabeo[®].

⁴³ Source: IQVIA, November 2017

⁴⁴ Source: Grand View Research 2017

Medical information systems in oncology have historically been developed for healthcare professionals to support treatment decision-making as part of a wide range of therapeutic protocols. The leading offers in this segment range from electronic medical records (McKesson, Flatiron) and decision-making tools (IBM Watson Oncology). Patient-focused software, which also provides medical staff with decision-making tools, are a much more recent development. There are relatively few players in this emerging segment. No system comparable to Voluntis' therapeutic software has been approved yet as a medical device in the United States.

This is a dynamic market environment and Voluntis has a strong hand:

- a top-notch international team with complementary skills and profiles (technology, medical, regulatory, sales and marketing and market access);
- accumulated expertise in the digitisation of medical algorithms in the course of 15 years of software development;
- clinical data, amassed during a number of randomised clinical trials, and real-world data are compelling factors when it comes to convincing healthcare professionals and payers;
- in-depth knowledge of quality assurance and regulatory processes demonstrated during FDA and CE marking approval applications and numerous audits, which is key to market access;
- robust, agile and speedy development process through its Theraxium platform, which ensures fluid data flows and shared developments, with patent-protected technologies;
- partnerships with global pharma leaders with unrivalled clinical development and commercial distribution capacity (Sanofi, Roche and AstraZeneca in particular);
- market access know-how proven by eligibility for reimbursement by payers for our therapeutic software;
- presence straddling both sides of the Atlantic with established capability for large-scale deployment in Europe and North America;
- operational maturity to manage the data of hundreds of thousands of patients in different therapeutic areas and countries.

6.9 Clinical trials and Scientific Advisory Committees

6.9.1 [Clinical studies in diabetes](#)

Insulia® and Diabeo® were conceived as part of an extensive clinical programme including several randomised multi-centre clinical trials conducted in partnership with CERITD, large pharmas (Sanofi and Novo Nordisk) and telecom groups (Orange) in the past 12 years.

The clinical plan started with two conclusive feasibility studies in the period 2005 to 2006:

- PDAPhone1 feasibility study; and
- PDAPhone2 feasibility study.

6.9.1.1 PDAPHONE1 overview (initial version of Diabeo®):

PDAPhone1 is a three-month feasibility study with a cohort of ten type 1 diabetic patients who received five days' training in functional insulin therapy on starting the study. The primary endpoint of the study was to assess the benefit of the therapeutic software to control patients' blood glucose. The software was made available to patients as a smartphone app with three main functions: electronic logbook, insulin dose decision-making aid and remote telephone monitoring of patients. Six telephone consultations were scheduled for each patient in the three months of the study [Charpentier, CERITD].

The study demonstrated that the functional insulin therapy method delivered improved post-prandial blood glucose control (PPG), which was maintained around 1.40 g/l 2h after starting the meal, regardless of the blood glucose level beforehand and the amount of carbohydrates ingested. Improved blood glucose control trajectory observed at the end of the three-month study, with average HbA1c falling from 8.7% to 7.3% at the end of the study. All patients were very satisfied overall with the functional insulin therapy method and considered the system easy to use.

6.9.1.2 PDAPHONE2 overview (initial version of Diabeo®):

PDAPhone2 is the second clinical trial conducted on the initial version of Diabeo® [France, 2009]. The primary endpoint of the study was to confirm the personalised prandial functional insulin therapy algorithms proposed by Howorka [Howorka, 1990].

This was a four-month open study, with no control group, on a cohort of 35 type 1 diabetic patients who already practised functional insulin therapy (FIT). They received initial one-day training on how to manage the smartphone in a hospital.

The system was configured ahead of time for each patient according to their blood glucose targets and their functional insulin therapy parameters.

The study demonstrated that the personalised functional insulin therapy method delivered improved post-prandial blood glucose control (PPG), regardless of the blood glucose level beforehand and the number of portions of carbohydrates. Blood glucose control improved significantly during the study. HbA1c fell from $7.8 \pm 0.6\%$ to $7.3 \pm 0.9\%$ ($p=0.003$) and a trend towards reduced occurrence of hypoglycaemic events was observed. It is important to note that HbA1c improved, even though these patients were already managing FIT and their average FIT parameters were not changed during the study.

The results point to the system's efficacy. In addition, patients used the system effectively and the rate of data input before meals (around 90%) was excellent at the start of the study and maintained throughout the evaluation period. The majority of patients also accepted, nine times out of ten, the insulin dose proposed by the system. The satisfaction questionnaire showed that the bulk of the study patients wanted to keep the system, even at their own expense, rather than revert to the old paper logbook.

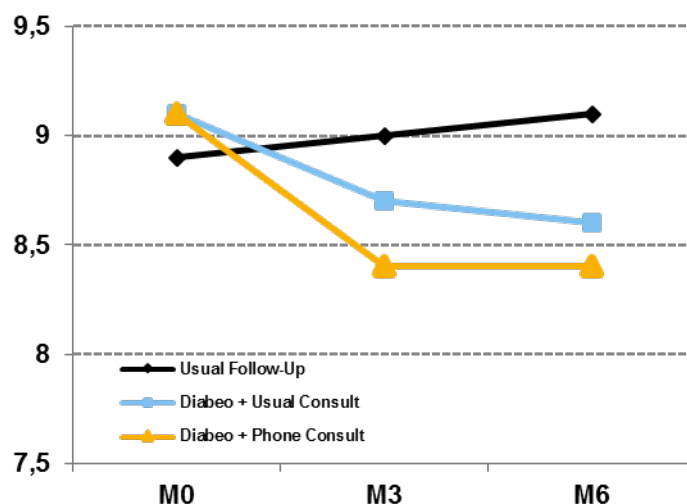
6.9.1.3 Telediab1 study (Diabeo®) – (2006-2010)

The multi-centre randomised Telediab1 (4) trial demonstrated the efficacy of Diabeo® in uncontrolled type 1 diabetic patients [Charpentier, 2011]. The trial was conducted in 17 hospitals in France on 180 chronically poorly controlled type 1 diabetic patients (HbA1c $\geq 8\%$). The patients were randomised into three groups and tracked for six months.

- Group 1 (G1): control group with standard monitoring in quarterly face-to-face consultations;
- Group 2 (G2): Diabeo® alone with quarterly face-to-face consultations;
- Group 3 (G3): Diabeo® combined with short telephone consultations every two weeks.

Patients were assigned homogeneously on enrolment, with an average HbA1c of $9.07 \pm 1.07\%$, average age of 33.8 ± 12.9 years.

The graph below illustrates the results of the trial at six months for the primary objective, comparison of HbA1c between the three groups:



Patients in the group with Diabeo® alone (G2) improved their HbA1c by 0.7% ($p < 0.01$) at six months (primary criterion), compared with the control group (G1). Patients in the group with Diabeo® plus tele-consultations (G3) improved their HbA1c by 0.9% ($p < 0.001$). The drop-off rate was very small across all groups.

The improved HbA1c was not associated with an increase in hypoglycaemic incidents, particularly severe hypoglycaemic incidents. Incidence was neither significantly different between G1 and G3 (5.5% vs. 1.8%, $P = 0.569$), nor linked to increased frequency of blood glucose self-monitoring.

Although the patients in group 3 (G3) did not check their blood glucose levels any more frequently than the participants in the other two trial groups, they nonetheless achieved a significant improvement in HbA1c, which suggests that they made better use of the self-monitoring information than those in the other two groups.

The total medical consultation time throughout the study duration was the same for all groups (1.2 hours). But the hospital consultation time was far longer (0.5 day) for patients in G1 and G2 than in G3.

The economic indicators from the study were encouraging for G3 patients, who saved time and money on sick leave and transport for hospital visits.

The overwhelming majority of patients were keen to keep their electronic logbook after the trial ended. The figures were 66% for G2 (Diabeo® + conventional monitoring); 75% for G3 (Diabeo® + tele-monitoring).

6.9.1.4 Telediab2 trial (previous version of Insulia®) (2008-2013)

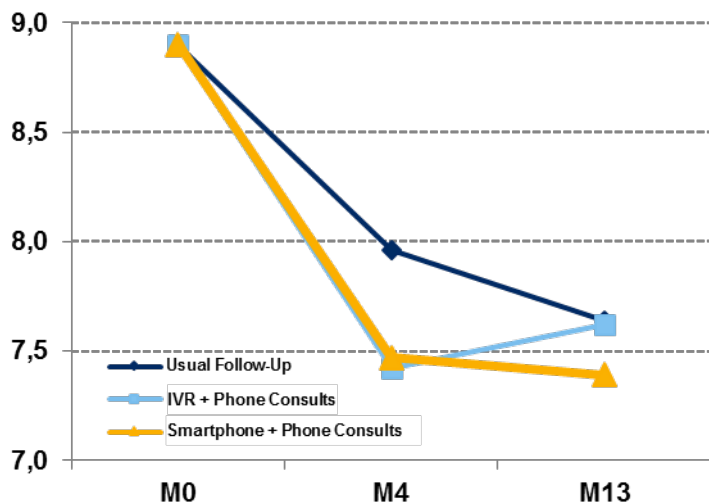
The Telediab2 multi-centre randomised trial demonstrated the efficacy of the VITM basal solution (a previous version of Insulia®) on the management of type 2 diabetes initiating treatment with basal insulin [Daoudi, 2013]. The trial showed a significant improvement in HbA1c at four months, with no concomitant increase in hypoglycaemic risk in the trial arm using VITM Basal.

Conducted in 14 hospitals in France, the trial enrolled 190 poorly controlled type 2 diabetic patients, despite well managed non-insulin treatment ($HbA1c \geq 8\%$). Subjects were randomly assigned to three groups and tracked for four months (M4), subsequently extended to nine months (M13):

- Group 1 (G1): control group with standard monitoring in quarterly face-to-face consultations;
- Group 2 (G2): assigned an interactive voice server (IVS) giving them dose recommendations, plus tele-consultations until M4 (replaced after month four by face-to-face consultations every three months until M13);
- Group 3 (G3): group given VITM Basal smartphone app up to M13, plus tele-consultation every two weeks to M4, and monthly thereafter until M13.

The primary endpoint was the comparison of HbA1c at M4 between G2 and G3 versus G1.

The graph below summarises the results of the trial:



Favourable impact of the device at M4 was observed. Significantly greater reduction in HbA1c for patients in the IVS or smartphone groups, compared to the reference group: [G2 (lower by 1.44%); G3 (lower by 1.48%) and G1 (by 0.92%; $p=0.0017$ for G2 vs. G1 and G3 vs. G1)].

This improvement went along with normalised fasting blood glucose: the number of patients who achieved the target ($< 110\text{mg/dL}$) doubled relative to the control group [(G2) 82.5%; (G3) 82.7% and (G1) 41.8%]. Moreover, efficacy was associated with a good safety profile, with no severe hypoglycaemic event reported. The incidence of mild hypoglycaemic incidents was similar across all three trial groups.

Patients were monitored for an additional nine months (up to M13). At the end of month 13, HbA1c in G2 subjects rose to the same level as G1 patients, whereas it was maintained in the smartphone group (G3). Twice as many G3 patients achieved $\text{HbA1c} < 7\%$ compared with the other two trial groups [(G3)39.6 vs. (G1+G2)18.7%; $p=0.007$]. Insulin doses at M13 were: (44 ± 29 ; 44 ± 30 ; 60 ± 45 U ns) and there was no difference in the number of hypoglycaemic incidents, weight and medical time used.

6.9.1.5 Telesage study (Diabeo®) – Under way as at the date of this Base document

Telesage is one of the largest clinical and medico-economic trials of a telemedicine product in diabetes [Telesage, NCT02287532]. It is currently under way in France in 95 hospitals and doctors' practices. The aim of the study is to confirm the clinical efficacy of Diabeo® over a longer observation time frame and in a more diversified population than in the Telediab1 trial. Telesage will also evaluate the medical-economic and organisational impact of Diabeo®.

667 type 1 and type 2 diabetic subjects treated on a basal-bolus insulin regimen with poorly controlled diabetes ($\text{HbA1c} \geq 8\%$) have been enrolled in the trial and randomly assigned into three treatment groups:

- Group 1: standard monitoring with face-to-face consultations;
- Group 2: Diabeo® software combined with a standard monitoring with face-to-face consultations;
- Group 3: Diabeo® software combined with a tele-monitoring performed by a telemedicine nurse under delegation.

The primary endpoint is the change in HbA1c at 12 months from the baseline initial value. The secondary endpoints will examine the utility scores derived from the EQ-5D health questionnaire at 12 and 24 months, with a particular focus on hypoglycaemia, the use of the Diabeo[®] system by the trial subjects, patient and physician satisfaction with Diabeo[®], and resources used.

An expert Scientific Advisory Committee was formed for the TELESAGE trial, tasked with designing, managing and monitoring the trial. Chaired by Dr Guillaume Charpentier (CERITD), the committee has 12 members from regional coordination centres, all experts in diabetes: S. France (Corbeil), Y. Reznik (Caen), P.Y. Benhamou (Grenoble), H. Hanaire (Toulouse), E. Renard (Montpellier), B. Guercy (Corbeil), A. Penformis (Besançon), D. Raccach (Marseille), L. Chaillous (Nantes), N. Jeandidier (Strasbourg), P. Fontaine (Lille), B. Catargi (Bordeaux); medical economics expert: Bruno Detournay; and telemedicine expert: Pierre Simon.

The Group anticipates that the first results of the TELESAGE study will be published in the second half of 2018 (first results at the end of one year monitoring patients).

6.9.2 [Clinical trials in oncology](#)

6.9.2.1 *Summary of the eCO study*

In ovarian cancer, the eCO application is being tested as a medical device in independent clinical trials sponsored by the NCI under a Cooperative Research and Development Agreement between the NCI and AstraZeneca. An initial feasibility study was conducted in the United States in a number of prestigious cancer centres, including the Dana Farber Cancer Institute, Moffitt Cancer Center, Ohio State University Medical Center, and the National Cancer Institute. It demonstrated elevated compliance and patient satisfaction with the solution [Liu, 2017].

This open, uncontrolled, multi-centre feasibility study evaluated the eCO app which includes algorithms that manage two significant side effects associated with the treatment combining olaparib and cediranib, the frequency of which was determined to be high in previous studies. A total of 18 patients suffering from ovarian cancer included in a phase II study for this combination (NCT02345265) took part in the study; the final patient was included on 30 June 2017. They were equipped with the eCO device which, on top of the therapeutic software, included the use of a Bluetooth blood pressure monitor.

After using the device for four weeks, usability and user satisfaction were evaluated and analysed using the Wilcoxon Rank Sum Analysis method. The results showed that the patients felt connected to their care team, felt involved in their own treatment and were satisfied with the ease of use and the majority of the functions of the eCO ($\alpha < .01$). The eCO facilitated the collection of 98.1% of blood pressure measurements. 13 of the 16 patients reported episodes of diarrhoea lasting on average two days, the majority of which were Grade 1 (29 Grade 1 and 4 Grade II out of 33 inputs).

6.9.2.2 *Summary of the ZEMY study*

The ZEMY app will be evaluated in breast cancer in a clinical trial launched in France early in 2018. It is being conducted in six oncology centers - Unicancer and independent hospitals - and 56 patients to assess its clinical, organisational and economic benefits. The breast cancer patients will be included at early and metastatic stage of the disease, and receive chemotherapy, targeted therapy or combination therapy.

This is an open, uncontrolled and multi-centre study. Intervention based on the ZEMY device will consist of using the app to manage the 10 most frequent symptoms found in these patients. The inclusion of the first patient is scheduled for Q2 2018 - the last in Q4 2018.

The primary endpoints of this study is to assess the number and rate of symptoms reported by patients. The secondary objectives concern the relevance and number of automated messages and recommendations, usability and user satisfaction (patients and healthcare professionals), the safety of the device (software defects, adverse effects related to the device) and the impact on quality of life (EQ5D5L, QLQC30 and BR23 scales). The following will be evaluated: impact on adherence to treatment (e.g. delays, interruptions) and on the use of medical resources (visits to emergency departments, unplanned hospitalisations, time spent by the different categories of medical personnel).

6.9.3 Scientific Advisory Boards

Three Scientific Advisory Boards support Voluntas' work. Reflecting the company's commitment to advancing treatment in its core areas of focus, the boards' main role is to provide expert support and critical insight for our product development, to assess and guarantee the scientific validity of the embedded algorithms, and to guide clinical development, communication and market access plans.

Voluntas' objective in forming these advisory boards was to create a panel of international distinguished multi-disciplinary experts around its key centres of interest. Hence, three committees were formed: the international diabetology Scientific Advisory Board, and two oncology Advisory Boards (one American and one European).

The main committee selection criteria give priority to eminence, relevant medical and healthcare specialisations, dual engineering and medical expertise, as well as fundamental and clinical research work.

6.9.3.1 *Diabetes Scientific Advisory Board*

Diabetes Scientific Advisory Board



Guillaume Charpentier, MD

President
French Center for the Study and
Research of Diabetes Treatment
(CERITD)



Ananda Basu, MD, PhD

Professor of Medicine
Endocrinology, Diabetes, Metabolism and
Nutrition
Mayo Clinic



Rita Basu, MD, PhD

Professor of Medicine
Endocrinology, Diabetes, Metabolism and
Nutrition
Mayo Clinic



Bernard Harris, MD, MBA

Chief Executive Officer and
Managing Partner
Vesalius Ventures, Inc.



Athena Philis-Tsimikas, MD

Corporate Vice President
Scripps Whittier Diabetes Inst.



Eugene Wright, Jr., MD

Sr. Advisor, Medical Affairs
Cape Fear Valley Health System



David Klonoff, MD

Editor-in-Chief,
Diabetes Technology Journal
Medical Director,
Diabetes Research Institute



Roger S. Mazze, PhD

Visiting Professor
Nanjing Medical University



Donna Tomky, CNP, CDE

Past President
AADE
Nurse Practitioner
ABQ Health Partners

The members are:

Dr Guillaume Charpentier

Dr Charpentier is Chairman and founder of CERITD, French centre for research into diabetes treatment (Centre d'Etudes et de Recherches pour l'Intensification du Traitement du Diabète).

In July 2014, he was promoted to Diabetology Consultant at the Centre Hospitalier Sud Francilien, in Corbeil (Essonne, France), from his position of head of the Endocrinology-Diabetology department, which he held since 1983.

Guillaume Charpentier is a medical doctor specialising in endocrinology, diabetology and clinical pharmacology. He completed his residency in Hôpitaux de Paris where he also held the position of Deputy Senior Registrar.

He has contributed to 118 listed papers and main research interests are diabetes treatment, complications and genetics.

Dr Charpentier is very actively engaged in telemedicine and remote monitoring of diabetes patients. He conducted two national multi-centre trials in type 1 and type 2 diabetes and is currently coordinator of the French national Telesage trial, as well as of the French Diabeloop programme to create an artificial pancreas.

Guillaume Charpentier was Secretary General of the International Diabetes Federation (IDF) triennial meeting, held in Paris in August 2003, the editor of Diabetes Education and the *French Diabetes Education Study Group Journal* from 1990 to 2013, Vice President of the Association française des diabétiques and a member of the Board or Directors of the SFD (Société Francophone du Diabète). He is coordinator, with Prof Pierre-Yves Benhamou, of the SFD's Telemedicine and Innovative Technologies study group.

Professor Ananda Basu

Professor of Medicine, University of Virginia, Charlottesville, VA, USA.

Prof Ananda Basu is professor of medicine at the University of Virginia in Charlottesville (Virginia, USA), where he moved from his position as professor of Medicine in the Endocrinology, Diabetes, Metabolism and Nutrition department at the Mayo Clinic in Rochester, USA. He is one of the specialists working on developing an artificial pancreas for type 1 diabetes patients.

Professor Rita Basu

Professor of Medicine, University of Virginia, Charlottesville, VA, USA.

Dr Rita Basu is professor of medicine at the University of Virginia in Charlottesville (Virginia, USA), where she moved from her position as professor of medicine in the Endocrinology, Diabetes, Metabolism and Nutrition department at the Mayo Clinic in Rochester, USA. She was Chairperson of the Human Research Ethics Committee. Her research examines what regulates splanchnic cortisol production, the insulin resistance mechanism in humans, the regulation and counter-regulation of glucose in type 1 diabetes.

Professor David Klonoff

Prof David Klonoff is an endocrinologist specialising in diabetes technologies. He is a Clinical Professor of Medicine at the University of California San Francisco and Medical Director of the Diabetes Research Institute (DRI) in San Mateo, California for the past 12 years.

His research focuses on artificial pancreas, blood glucose measurement systems, new insulin pump models, telemedicine technologies and the use of alternative pathways for insulin administration.

He was a member of the *NIH Diabetes Interagency Coordinating committee*. He is the editor of the JDST and founded the *Diabetes Technology Society* (DTS), a not-for-profit organisation to promote and develop diabetes related technologies.

Roger S. Mazze, PhD

Dr Roger Mazze, PhD is currently serving as an independent consultant and visiting professor at Nanjing Medical University in China. He is working in the fields of programme development, advanced technologies and professional education in diabetes.

He was Senior VP and Chief Academic Officer at the International Diabetes Center (IDC) and Park Nicollet Institute while a professor at the University of Minnesota Medical School.

He is known as the author of Staged Diabetes Management, a systematic evidence based algorithmic approach to clinical decision-making; development of the first SMBG meters with a memory and associated reporting systems software.

Dr Eugene Wright

Dr Eugene Wright graduated from Princeton University with an electrical engineering degree. He decided to pursue a career in medicine and attended Duke University Medical School.

He subsequently practiced and taught medicine at Duke University before returning to Fayetteville as Medical Director, Primary Care and Specialist Practices, at Cape Fear Health System.

Dr Bernard Harris, Jr., MD, MBA, FACP

Dr Bernard Harris currently serves as Chief Executive Officer of Vesalius Ventures, Inc., a venture capital firm that supports and invests in healthcare technologies.

He is also a member of the Board of Directors of U.S. Physical Therapy, e-Cardio, Monebo Technologies and the American Institute of Minimally Invasive Surgery (AIMIS). Bernard Harris earned an MBA from the University of Houston and is a medical doctor.

He completed a residency in internal medicine at the Mayo Clinic and trained as a flight surgeon at the Aerospace School of Medicine, Brooks Air Force Base.

Dr Harris worked at NASA for ten years, where he conducted research in musculoskeletal physiology and disuse osteoporosis. He also conducted clinical investigations of space adaptation and developed in-flight medical devices to extend astronaut stays in space.

Athena Philis-Tsimikas, MD

Athena Philis-Tsimikas, MD, was appointed Corporate Vice President for the Scripps Whittier Diabetes Institute, La Jolla, California in May 2008. She previously led the Institute as Director and Chief Medical Officer.

Dr Tsimikas earned her medical degree at Athens University in 1988 and moved into diabetes and endocrinology research at the University of California San Diego and the Scripps Clinic and Research Foundation. She is certified by the American Board of Internal Medicine in diabetes and endocrinology.

She has spent her career promoting diabetes care, research and teaching, and assisting organisations in drawing up their strategic and clinical guidelines.

Donna Tomky, C-NP, CDE

Donna Tomky is a nurse practitioner and accredited diabetes educator (AADE). She is in the Endocrinology and Diabetology department at ABQ Health Partners in Albuquerque, New Mexico (USA). She has more than 25 years' experience in teaching about diabetes and its clinical management. She has a special interest in intensive insulin therapy, insulin pump treatment and supervision of glucose monitoring.

She holds a degree from the University of Colorado Health Sciences Center.

Donna Tomky was President of the American Association of Diabetes Educators (AADE) in 2011.

6.9.3.2 Oncology Scientific Advisory Committee

American Scientific Advisory Committee

US Oncology Scientific Advisory board



**Deborah Selm-Orr RN, MS, DNP,
AOCN, CRNP**

Doctor of Nursing Practice
Cancer Treatment Centers of America
Philadelphia, PA



Evan Ya-Wen Yu, MD

Seattle Cancer Care Alliance
Seattle, Washington



Melissa Geller, MD, MS

Associate Professor Gynecologic
Oncology
University of Minnesota
Minneapolis



Joseph Kim, MD

Assistant Professor of Medicine
Yale University School of Medicine
New Haven, CT



Krystal Martin RN, BSN

Research Coordinator
Washington University
St. Louis, MO



Wei Ai, MD

Clinical Assistant Professor, Division of
Hematology/Oncology
UCSF
San Francisco, CA



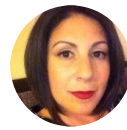
Arvind Dasari, MD

Associate Professor
GI Medical Oncology
MD Anderson Cancer Center
Houston, TX



April Boyd BSN, RN, OCN

MD Anderson Physicians Network
Houston, TX



Sarah Porzig RN, BA, OCN

Director of Case Management
Fox Chase Cancer Center, Philadelphia

Dr Evan Ya-Wen Yu, MD

Seattle Cancer Care Alliance, Seattle, Washington.

Dr Yu is a medical oncologist and treats patients with genitourinary cancer (prostate, bladder and testicular cancer). He is passionate about providing a personalized medicinal approach with a selection of novel therapies, as well as understanding biologic mechanisms of drug sensitivity and resistance. He works with a number of national organisations, including ASCO and the National Cancer Institute (NCI). He provides clinical expertise in the NCI's Genitourinary Cancers Steering Committee and is on the Board of the Society of Urologic Oncology. Dr Yu has published more than 200 papers, summaries and posters and is regularly invited to speak at international conferences.

April Boyd, BSN, RN, OCN

MD Anderson Physicians Network, Houston, Texas.

April Boyd is a certified oncology nurse. She coordinates the quality of care in the Physicians Network of the MD Anderson Cancer Treatment Centre. She is responsible for quality control of medical records, checks that they are part of the QOPI (*Quality Oncology Practice Initiative*), monitors data input and checks that oncology practices are in line with US national standards.

Prior to holding this position, she was the head nurse for research in gastroenterology in the Medical Oncology department at MD Anderson, the nurse practitioner assisting Dr James Yao in providing care for patients with neuroendocrine tumours, and Dr E. Scott Kopetz in providing care for patients treated for metastatic colorectal cancer.

She has contributed to numerous papers and poster presentations, as well as to oral presentations and training sessions.

Joseph Kim, MD

Assistant Professor of Medicine, Yale University School of Medicine, New Haven, Connecticut.

Dr Joseph Kim is a medical oncologist specialising in the treatment of genitourinary cancers. As part of his work for the National Cancer Institute, Dr Kim contributed to the clinical development of novel immunotherapies, such as therapeutic anti-cancer vaccines and checkpoint inhibitors. His honours and awards include the *Young*

Investigator Award from the American Society of Clinical Oncology's (ASCO) Conquer Cancer Foundation. He is a member of the ASCO Society of Immunotherapy of Cancer. He currently sits on the protocol review committee at Yale University. Joseph Kim has been the lead or associate investigator on many clinical trials. He is frequently invited to give presentations at international and national (United States) conferences on cancer and is the author or co-author of 20 or so papers, chapters in books or case studies.

Melissa Geller, MD, MS

Associate Professor, Gynaecologic Oncology, University of Minnesota, Minneapolis, Minnesota.

Dr Melissa Geller completed her residency in the Surgery department, Gynaecology Division at Memorial Sloan Kettering in 2000. She has a Master's in clinical research and specialises in the treatment and post-care of malignant gynaecological tumours.

She has received independent funding for her projects, has published papers in peer-review journals and presented her research at scientific conferences and meetings. She is the lead researcher on a number of clinical trials examining the use of immunotherapy in women with recurring ovarian cancer. She is involved in translational research to transfer scientific theories and laboratory breakthroughs into practical applications to fulfil unmet medical and therapeutic needs. Her research is funded by the American Cancer Society (ACS) and includes a murine-model immunotherapy study (mouse, rat, guinea pig). Dr Geller is currently funded through a US Department of Defense award to create and test a mobile app for genetic information on cancer with the aim of educating ovarian cancer patients about genetic counselling and testing.

Sarah Porzig RN, BA, OCN

Director of Case Management, Fox Chase Cancer Center, Philadelphia, Pennsylvania.

Sarah Porzig is a nurse certified in oncology. She has practiced at Fox Chase Cancer Center since 2005. She was appointed to the position of Director of Case Management in 2009. She is responsible for working with patients and their families, providing assistance with all aspects of case management, helping to resolve problems and ensuring smooth transitions and discharge. She handles authorisations from payers, taking clinical aspects and third party requirements into account. She is well versed in Interqual, a clinical decision-making tool to manage hospital stays. Sarah Porzig takes part in the orientation of new medical and surgical residents, fellows and nurses in their care related roles and responsibilities. She is also responsible for analysing the causes of readmission to hospital, and for setting up and tracking projects aimed at reducing hospital stays.

Krystal Martin, RN, BSN

Barnes-Jewish hospital, Saint-Louis, Missouri.

Krystal Martin is care coordinator nurse in gynaecological oncology at Barnes-Jewish hospital and University of Washington Medical School, a position she has held since 2004. Her primary focus is on patients with gynaecological cancers. Krystal Martin was formerly a member of the St. Louis organising committee to raise awareness about ovarian cancer. She has a wealth of experience in coordinating clinical trials and administering chemotherapy.

Arvind Dasari, MD

Associate Professor, GI Medical Oncology, MD Anderson Cancer Center, Houston, Texas.

Dr Arvind Dasari is a medical oncologist specialising in colorectal, pancreatic, kidney cancers and neuroendocrine tumours at the MD Anderson Cancer Centre in Houston, Texas.

He graduated from the University of Pittsburgh in Human Genetics and received an oncology fellowship at the University of Colorado.

He is actively engaged with a number of scientific organisations, including the South West Oncology Group (SWOG) and NRG, and is also a member of the NCI Neuroendocrine Tumor working group. He is the recipient of several awards from associations such as the AACR and ASCO. Dr Arvind has published more than 50 papers in oncology.

He has presented papers at a large number of international conferences and seminars.

Debra Selm –Orr RN, MS, DNP, AOCN, CRNP

Doctor of Nursing Practice, Medical Oncology/Practice of Dr. Willis/Nurse Practitioner, Cancer Treatment Centers of America, Philadelphia, Pennsylvania

Debra Selm is a state registered nurse qualified in advanced oncology practices. She practices in *Cancer Treatment Centers of America*, where she assesses and treats patients with different forms of cancer.

Prior to taking up this position, Debra Selm worked at the University of Pennsylvania helping to implement and improve oncology skills in the hospital system.

She also worked with the Administration of the Veterans' Medical Centre in Philadelphia and Boston, developing a multidisciplinary hospice programme and coordinating care for veterans undergoing cancer treatment.

She has published numerous papers and worked on scientific research into oncology practices.

Prof Joseph Alvarnas, MD

City of Hope, Duarte, California

Joseph Alvarnas is an oncologist and haematologist, Professor of Clinical Medicine in the Haematology and Haematopoietic Cell Transplantation Department at City of Hope Hospital.

He was appointed to the position of Director of value-based analytics and clinical quality for cellular therapeutics and innovation in 2008. He earned his medical degree at University of California, San Francisco, and completed fellowships in haematology and bone marrow transplantation at Stanford University Medical Center.

A compelling spokesman on topics ranging from haematology to health policy, Dr Alvarnas is also editor-in-chief of the publication, *Evidence-Based Oncology*. (EBM oncology).

Wei Ai, PhD, MD

Assistant Clinical Professor, Department of Medicine, Haematology/Oncology, Stanford, USA

Dr Wei Ai earned her degree in medicine from Stanford University in 2000. She is attached to the UCSF Medical Centres in Mount Zion and Parnassus. She developed and led a collaborative multidisciplinary research programme in cutaneous T cell lymphoma (CTCL), developed translational research and undertakes clinical and epidemiological research. She has published more than 40 scientific papers and regularly presents her research at conferences. Wei Ai enjoys an international reputation in clinical research and the treatment of lymphoma.

European scientific committee

EU Oncology Scientific Advisory board



Matti Aapro, MD
Dean of Multidisciplinary Oncology Institute
Switzerland



**Dame Lesley Fallowfield, Pr
(FMedSci, DPhil, BSc)**
Professor of Psycho Oncology
University of Sussex
Brighton, UK



Karin Jordan, MD, Pr
Leading senior physician Haematology and
Oncology
University of Heidelberg
Germany



Professor Pere Gascón, MD, Pr
Chief of medical oncology, and scientific coordinator
Hospital Clinic
Barcelona-Spain



Paolo Bossi, MD, Pr
Medical Oncologist of Head and Neck Cancer
Department Istituto Nazionale Tumori
Milan, Italy

Dr Matti S. Aapro

Genolier Clinic, Multidisciplinary Oncology Institute in Genolier, Switzerland

Dr Aapro is a member of the executive committee of the Genolier Clinic Oncology Centre (Switzerland). He is also a member of a number of scientific associations and organisations: ECCO (*European CanCer Organization*), SIOG (*International Society for Geriatric Oncology*), and ESO (*European School of Oncology*).

He is Chairman of MASCC (*Multinational Association for Supportive Care in Cancer*), a member of ESMO (*European Society for Medical Oncology*), and Chairman of 2017 ESMO support/palliative care group.

Matti Aapro is the editor of Critical Reviews in Oncology/Haematology and the founding editor of the Journal of Geriatric Oncology. He has authored more than 350 papers and his major centres of interest are the development of new therapeutic agents, breast cancer, cancer in the elderly and support care.

Prof Dr Karin Jordan

Department of Haematology and Oncology University Hospital Heidelberg, Germany

Karin Jordan was appointed to head up the Department of Haematology and Oncology at the University Hospital in Heidelberg, Germany in 2017. Professor Jordan serves as a board member of MASCC (Multinational Association for Supportive Care in Cancer), of ESMO (European Society for Medical Oncology) and of the ASCO Antiemetic Guideline Panel.

She is responsible for coordinating palliative and support care in ESMO, a position she took up in 2017, and coordinates the preparation of ESMO support care guidelines. Professor Jordan has authored and co-authored more than 120 publications and her major area of interest is supportive care with a special focus on antiemetic treatment of chemotherapy-induced nausea and vomiting and side effects of new drugs.

Prof Dame Lesley Fallowfield

Professor of Psycho-Oncology at Sussex Health Outcomes Research & Education in Cancer, University of Sussex, Brighton, United Kingdom

Dame Lesley Fallowfield has published more than 360 papers and books. She lectures throughout the world in psychosocial oncology, quality of life assessment and communication skills. She was the recipient of the Pfizer/BOA Excellence award in Oncology in 2010, in recognition of her life's work. Dame Lesley's research interests include evaluating PROs (*Patient Reported Outcomes*), support care to manage symptoms and side effects of cancer and cancer treatment, as well as innovative processes to enhance communication between healthcare professionals and patients, their families and clinical staff.

Dr Paolo Bossi

IRCCS (Istituto Nazionale Tumori, Head and Neck Medical Oncology) Foundation Milan, Italy

Dr Paolo Bossi is a medical oncologist specialising in head and neck cancer treatment (excluding melanoma).

He is intensively engaged in assessing responses to new treatments and in researching treatment toxicity in older patients.

He is Co-chairman of the MASCC (*Multinational Association for Supportive Care in Cancer*) mucositis study group, a member of the EORTC group and of ESMO (*European Society for Medical Oncology*).

Dr Paolo Bossi is also secretary of the Italian Association for Oncology Support Care (NICSO).

His commitment to support care has led to a large number of research projects, examining mucositis, fatigue, chemotherapy-induced nausea and vomiting and cutaneous toxicity.

Prof Dr Pere Gascon

Hospital Clinic, Barcelona, Spain - Medical Oncology Department

Professor Pere Gascon is Director of the Molecular Oncology Laboratory and Senior Consultant in the Haematology-Oncology Department at the Hospital Clinic in Barcelona.

He also holds the position of Chair of Oncology and Multi-disciplinary Studies in the Barcelona Faculty of Medicine.

He is certified in internal medicine and haematology, as well as medical oncology in the United States.

Professor Pere Gascon is the author of more than 200 papers in specialist scientific journals. He is Editor in Chief of the Journal of Clinical and Translational Oncology. His primary centres of clinical interest are breast cancer, prostate cancer, colorectal cancers and supportive care.

6.9.4 [Study list and references](#)

1) PDAphone1 feasibility study

G. Charpentier. CERITD. Reported in the French ANAP Report "25 projets de télémédecine passés à la loupe" (A detailed look at 25 telemedicine projects) (2012).

2) PDAphone2 feasibility study

Franc S, Dardari D, Boucherie B, et al. Real-life application and validation of flexible intensive insulin-therapy algorithms in type 1 diabetes patients. Diabetes Metab 2009;35:463-468.

3) Algorithmic and educational bases of functional insulin therapy

Howorka K, H. Thoma, H. Grillmayr, E. Kitzler. Phases of functional, near-normoglycaemic insulin substitution: what are computers good for in the rehabilitation process in type 1 (insulin-dependent) diabetes mellitus? Computed method programs Biomed 1990;32:319-23.

4) Telediab1 randomised clinical trial:

Charpentier G et al. The Diabeo Software Enabling Individualized Insulin Dose Adjustments Combined with telemedicine support improves HbA1c in Poorly Controlled Type1 Diabetic Patients. Diabetes Care 2011;34:533-539.

5) Telediab2 randomised clinical trial: NCT00937703

D Daoudi, M Joubert, S Franc, et al. Telediab2 study group A smartphone for the adjustment of basal insulin dose and for coaching: benefit in terms of glycemic control in patients with T2 diabetes Diabetologia EASD 2013, abstract 1061.

6) Telesage randomised clinical trial: NCT02287532

Evaluation of the DIABEO System in Poorly Controlled DM1 or DM2 Patients Treated With a Basal-bolus Insulin Regimen (TELESAGE).

7) eCO feasibility study

J. Liu, et al. A pilot study to evaluate the feasibility, usability, and perceived satisfaction with eCO (eCediranib-Olaparib), a mobile application for side effect monitoring and reporting, in women with recurrent ovarian cancer. Annals of Oncology (2017) 28 (suppl_5): v543-v567. 10.1093/annonc/mdx388).

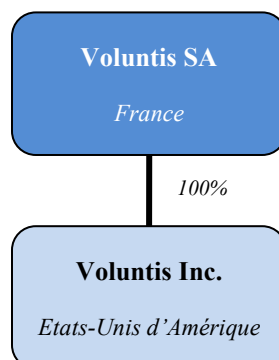
8) Randomised clinical trial to evaluate Zemy

6.10 FEASIBILITY ASSESSMENT OF AN E-HEALTH SYSTEM (ZEMY) DESIGNED TO MANAGE SYMPTOMS IN PATIENTS WITH BREAST CANCER UNDER ANTI-CANCER TREATMENT.

Launch in 2018 to assess the clinical, organisational and economic benefits of the companion digital solution.

7. ORGANISATIONAL CHART

7.1 Group Organisation



7.2 List of subsidiaries, branches, and secondary establishments

The Company's head office is located at 58, Avenue de Wagram, 75017 Paris, France.

The principal establishment of the Company, registered with the Nanterre Commercial Court since 30 November 2004, is located at 22, Quai Gallieni, 92150 Suresnes, France, and includes all of the Company's direct operations.

The Company has no secondary establishment.

Moreover, the Company holds 100% of the share capital of its American subsidiary, Voluntis Inc., registered in the State of Delaware as number 73350928 and having its primary establishment at 125 Cambridge Park Drive Suite 304, Cambridge, MA 02142, USA.

7.3 Principal intra-group flows

7.3.1 [International Sale Commission Agreement](#)

The Company directly markets its products and services in the United States of America. Nonetheless, with some of the Company's customers wanting to contract directly with its American subsidiary, Voluntis Inc., both of the Group's companies entered into a sales commission agreement on 1 April 2015, under which the American subsidiary markets and promotes the products and services in the North American territory in the Company's name and on its behalf. In return, Voluntis, Inc. is paid a commission based on a percentage of its sales.

7.3.2 [Service and Expertise Agreement](#)

Pursuant to a service agreement entered into between the Company and its American subsidiary on 1 April 2015, Voluntis, Inc. provides the Company with services in connection with its business throughout North America (e.g. management of US accounts, compliance with regulatory processes of the Food and Drug Administration (FDA), medical expertise in diabetes and oncology). In return, Voluntis, Inc. is reimbursed for any costs reasonably incurred for services rendered, as well as a commission.

7.3.3 [Credit Facility Agreement](#)

To finance the American subsidiary's business, the Company and Voluntis Inc. have entered into a current account advance agreement for a maximum of USD 1.5 million plus interest payable on 1 January of each year.

8. PROPERTIES, PLANTS AND EQUIPMENT

8.1 Description of properties

The Company's head office is domiciled at 58, Avenue Wagram, 75017 Paris, France.

In addition, the Company leases 1,736 m² of office space at 22, Quai Gallieni, 92150 Suresnes, France.

Voluntis, Inc. leases approximately 190 m² (2,045 square feet) in office space at 125 Cambridge Park Drive Suite 304, Cambridge, MA 02142, USA.

Address	Lease type	Lease effective date	Expiration date	Annual rent (net of tax)
22, Quai Gallieni, 92150 Suresnes, France	Ten-year commercial lease of 1,630 m ² in office space.	1 April 2017	31 March 2017, with early exit option at the end of the 4th and 7th years.	€418,800
125 Cambridge Park Drive Suite 304, Cambridge, MA 02142, USA	5-year 4-month lease of 190 m ² of space	12 December 2016	11 April 2022	USD 96,000

8.2 Environmental issues

The nature of the Group's business does not entail any significant risks to the environment.

9. REVIEW OF THE FINANCIAL POSITION

9.1 Overview

Readers are invited to read the following information on the Group's results together with the consolidated financial statements prepared under IFRS for the financial year ended 31 December 2017, in Section 20.1 of the *Document de base*.

9.1.1 [Consolidated financial statement](#)

The Group first prepared its consolidated financial statements for the financial year ended 31 December 2017. These were prepared in compliance with IFRS as adopted by the European Union.

The consolidated financial statements for the financial years ended 31 December 2017 and 2016 were audited by *Ernst & Young et Autres*, the Statutory Auditors.

9.1.2 [Group Overview](#)

Created in 2001, the Group develops and markets innovative medical solutions, incorporating the latest information technology to improve treatment results and, more generally, the efficiency of healthcare systems.

By relying on investments in the technology platform, these patient-focused medical solutions distributed through long term partnerships with key players in healthcare combine the best of web and mobile technology, recognised expertise in the medical and regulatory field, and certified quality processes.

The Group consists of the parent company registered in Paris and a subsidiary incorporated in Delaware in 2010 and established in Cambridge (US), fully controlled by the Group. This latter is in charge of supporting business, medical, and regulatory activities for the North American market.

On the strength of the regulatory approvals of its therapeutic digital solutions in diabetes, the Company launched its product Insulia in the United States in late 2017 and in France in early 2018, concomitant with the launch of Diablo in France through the distribution partnership with Sanofi.

The Group's activity was financed mainly by:

- capital increases and the issuance of convertible bonds through three main financing rounds since its creation, for a total of €43.5 million;
- partnership agreements that generated cumulative pre-launch revenues of more than €20 million; and
- the Research Tax Credit of €4.6 million paid to the Group.

The Group's operates as one operating single segment: "*Development of therapeutic digital solutions based on its Theraxium platform*".

9.1.3 [Main factors having an impact on business and results](#)

With regard to the stage of the Group's development, the main factors having an impact on the Company's results are:

- the signature of new partnership and distribution contracts for digital therapies developed by the Group and the swift deployment of these partnerships;
- the health insurers' ('payers') acquisition of and level of support for the solutions developed by the Group in the different areas where the product is marketable;
- the pace of development and the success of competing offers;

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- the speed of patient inclusion under the distribution agreements or partnerships in place;
- the ambition of R&D programmes in their technical and clinical dimensions, and the speed of their implementation;
- the geographic concentration of business;
- the tension on the labour market and access to rare expert resources; and
- the existence of tax incentives for companies deploying research & development and innovation activities.

9.2 Financial position

9.2.1 [Comparison of financial statements for the financial years ended 31 December 2016 and 31 December 2017](#)

In thousands of euros	Years ended December 31,	
	2017	2016
Revenue	7,302	10,272
Other operating revenue	1,095	987
Total operating revenue	8,396	11,258
Personnel expenses	(10,423)	(8,370)
Other operating costs	(6,048)	(6,256)
Depreciation, amortisation & operating provisions	(1,550)	(970)
Operating income	(9,625)	(4,338)
Financial income	(423)	(472)
Income tax	22	(46)
Net income – Equity holders of the parent	(10,026)	(4,857)

EBITDA⁴⁵	(8,075)	(3,367)
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9.2.2 Revenue and operating income from the 2016 and 2017 financial years

The main revenue streams generated by the Group are :

- non-recurring revenue generated from items not requiring specific incremental effort. This category includes licensing revenues on existing products, upfront payments, milestones, and exclusivity fees;
- non-recurring revenue that requires the rendering of services. This category includes specific development services, setup and integration revenues, training performed; and
- regular or recurring revenue, which includes periodic licensing fees, Software as a Service (SaaS), and royalty proceeds.

According to this classification, the Group's revenue for the two featured financial years can be analysed as follows:

In thousands of euros	2017	2016	change
Upfront payment, exclusivity fees, perpetual licences	3,701	5,419	(1,718)
Development, set up and integration services	1,163	2,030	(867)
SaaS fees, royalties, maintenance & support	2,438	2,823	(385)
Total revenue	7,302	10,272	(2,970)

The change in revenue between the 2016 and 2017 financial years was due to the non-recurrent nature of the upfront payments for access to the technology, and of the milestones received for the diabetes solution distribution partnerships.

Due to the size of these partnerships, the Group notes a concentration of its revenue: three customers representing 66% and 78% of the Group's revenue for FY 2016 and FY 2017 respectively.

In addition, patient relationship management (PRM) stood at €1,071 k in 2016 and €388 k in 2017. The distribution method for this activity has changed so that the Group can focus on its medical device-centred strategy. Indeed, the Group has decided to no longer actively market PRM services, and instead to continue providing its historical services indirectly through a partner.

Development and integration revenue, which was lower in 2017 than in the previous year, reflects the finalization of technical design and development activities of certain solutions developed under the partnership, and their transitions to pre-launch phases (clinical studies in diabetes and oncology). The indirect distribution of PRM has also affected the Group's revenue by €303 k.

⁴⁵ L'EBITDA (earnings before interest, taxes, depreciation, and amortization) is a key indicator for the Group.

The €380 k decrease in recurring revenue can be attributed to the Group's decision to move distribution of the historic patient relationship management (PRM) offer, a non-strategic development area, into indirect mode via an integration and distribution partner.

The breakdown of the Group's income from the major therapeutic areas is as follows:

In thousands of euros	2017	2016	change
Diabetes	4,141	6,655	(2,514)
Oncology	2,190	2,223	(33)
Other	971	1,394	(422)
Total revenue	7,302	10,272	(2,970)

Revenue from the diabetes product line reflects the reduced amount from upfronts and milestones received in 2017 compared to 2016, resulting from the timetable for reaching these milestones and the negotiated conditions of the partnership contracts.

The change in distribution method for PRM services has impacted the contribution of Diabetes to revenue by €79 k and other therapeutic areas by €605 k.

The contribution of the therapeutic areas beyond diabetes and oncology comes from the fulfilment of a contract in the haematology field (monitoring anticoagulant treatments) and the slowdown in the patient relationship management business.

Part of the Group's revenue is generated overseas, 63% of the amount in 2016 and 39% in 2017. The United States is the top contributor to international revenue, followed by Switzerland. The breakdown for the countries representing a significant part of the revenue is detailed below:

In thousands of €	2017			2016	
	Revenue	% of total		Revenue	% of total
France	4,419	61%	France	3,786	37%
USA	1,976	27%	USA	5,712	56%
Switzerland	807	11%			
Rest of the World	101	1%	Rest of the Word	773	7%
Total	7,302	100%	Total	10,272	100%

The revenue contribution by category and therapeutic areas is presented in the tables below:

In thousands of euros	2017	Diabetes	Oncology	Other
Upfront payment, exclusivity fees, and perpetual licences	3,701	3,500	201	-
Development, set up and integration services	1,163	-	722	442
SaaS fees, royalties, maintenance & support	2,438	641	1,268	530
Total revenue	7,302	4,141	2,190	971

	2016	Diabetes	Oncology	Other
Upfront payment, exclusivity fees, and perpetual licences	5,419	5,178	241	-

Development, set up and integration services	2,030	701	779	550
SaaS fees, royalties, maintenance & support	2,823	776	1,204	844
Total revenue	10,272	6,655	2,223	1,394

For diabetes and the other therapeutic areas, the change in recurring revenue is due to the change in the method of marketing the PRM offer. The growth observed for oncology is caused by the move into the pre-launch operating phase for a new project. The revenue for 2016 and 2017 does not include royalties paid for the *Diabeo* and *Insulia* solutions due to the recent launch of these products.

Other operating income, primarily from the capitalisation of a portion of the software development costs, adjusted from the corresponding Research Tax Credit, rose from €987 k to €1,095 k between 2016 and 2017 (see Section 9.2.3.4 of the Document de base).

9.2.3 [Operating expenses for 2016 and 2017](#)

In thousands of euros	2017	2016	change
Purchases & external expenses	5,764	6,002	(238)
Personnel expenses	(10,423)	8,370	2,054
Taxes & duties	284	254	30
Depreciation, amortisation	1,522	1,208	313
Net provisions	28	(238)	266
Total operating expenses	18,021	15,596	2,425

The €2,425 k increase in operating expenses between 2016 and 2017 embodies the Group's commitment to the continued technical, medical, and regulatory development of the products, on the one hand, and to bringing the developed solutions to its markets in several geographies, on the other.

Operating expenses and their development are itemised by component below.

9.2.3.1 *Personnel expenses*

In thousands of euros	2017	2016
Wages	7,858	6,370
Payroll expenses	3,134	2,627
Share-based payments	351	522
Capitalized development costs	(920)	(1,150)
Total personnel expenses	(10,423)	(8,370)
As a % of total operating expenses	58%	54%

The increase in personnel expenses, the Group's largest item of operational expenses, essentially reflects the increase in the average workforce from 87 to 103 employees (+18.3%) between 2016 and 2017.

The Group has implemented incentive plans for key individuals in order to attract and retain them. In compliance with IFRS, an expense was recognised over the two financial years, to reflect the warrants and stock option plans for corporate officers and certain Group employees. This expense was assessed using the actuarial method and spread over the time the beneficiary is required to be in the company to obtain the benefit of these awards.

The portion of the research tax credit that can be allocated to activities corresponding to operating expenses (as opposed to development spending on capitalisable software) is deducted from the

operating expenses in the amounts of €1,150 k and €920 k in 2016 and 2017 respectively.

9.2.3.2 Other operating costs

Changes and distribution of the Group's other expenses break down over the past two financial years, as follows:

In thousands of euros	2017	2016
Purchases and other external expenses	4,152	4,005
Subcontracting purchases	2,294	2,722
Capitalised development costs	(682)	(725)
Purchases & external expenses	5,764	6,002
Taxes and duties	284	254
Total other operating costs	6,048	(6,256)
As a % of total operating expenses	34%	40%

Occasionally, the Group uses external services providers to deliver specific solutions or provide a technical expertise, either for the development of projects sold to customers or for its own products. The objective is to deliver on a tight deadline or consult with experts upon request. This offers flexibility for handling workload variations that are foreseeable in the medium term. Subcontracting purchases are the leading item in other operating costs, with €2,722k in 2016, falling to €2,294k in 2017.

Purchases and other external expenses remained relatively stable between the two featured financial years. In 2017, they were primarily composed of purchases of external services and fees (€1,247 k), telecommunications, network, and internet (€682 k), rents for main offices in France and the US (€516 k), and travel and transport costs (€642 k).

9.2.3.3 Provisions and reversals

In thousands of euros	Years ended December 31,	
	2017	2016
Depreciation charge - intangible assets	1,184	948
Depreciation charge - tangible assets	338	260
Total net depreciation	1,522	1,208
Net provisions for contingent liabilities and expenses	21	(274)
Net pension provisions	7	48
Reversals of provisions on other current assets		(12)
Total net provisions	28	(238)
Total net reversals	(1,550)	(970)
As a % of total operating expenses	9%	6%

Depreciation charges on intangible assets are essentially composed of capitalised development cost recovery of €1,160k in 2017 and €891k in 2016.

The rise in depreciation on tangible assets is directly related to the increase in tangible assets following the move of the Group's primary establishment to new facilities in Suresnes.

9.2.3.4 Research and Development Expenses

Part of the operating expenses presented above is allocated to research and development (R&D) activities. These R&D costs mainly include personnel costs (excluding share-based payments), general resources used by the personnel (facilities, IT network, telecom), maintenance costs of the IT equipment used for R&D, and the cost of software development tools.

The R&D costs shown below do not include expenses allocated to the selling expenses for specific developments or support services, which are classified as selling expenses.

The Group capitalises a portion of these development costs.

R&D costs are booked net of subsidies received from various public bodies to fund certain R&D activities (essentially the research tax credit in France).

In thousands of euros (except figures expressed as a %)	2017	2016
Gross research and development costs	8,027	5,227
% of total revenue	110%	59%
- Capitalised part of development costs	(1,602)	(1,875)
- Subsidies received (R&D tax credit, government support included in operation income)	(1,078)	(974)
Net R&D costs in operating income	5,347	2,378
Capitalised part of development costs	1,602	1,875
- Subsidies received (R&D tax credit deducted from capitalised R&D)	(605)	(697)
Capitalised development costs adjusted for subsidies received	997	1,178

The stability of the overall research tax credit booked in 2016 and 2017 for €1,670 k and €1,682 k, respectively, reflects the ongoing effort on R&D programmes over the featured financial years.

9.2.4 Net income breakdown

9.2.4.1 Finance income

In € thousands	2017	2016
Cost of net financial debt		(588)
Other finance income and expenses		165
Total finance income	(423)	(472)

Financial income stands at (€423 k) at 31 December 2017 and is composed primarily of interest on convertible bond loans applied in 2016 and 2017 and interest on the loan received from *Bpifrance Financement* (see Note 5.8 to the consolidated financial statements included in Section 20.1 of the Document de base).

Financial income is (€472 k) at 31 December 2016, including the cost of net debt for €788 k. Interest expenses on OC₂₀₁₆ makes up most of this amount.

9.2.4.2 Taxes

Given the net operating losses accrued in recent financial years, the Group has not recorded any corporate income tax expense.

At 31 December 2017, the carry forward of unused tax credits held by the Group amounts to €41,086k. In France, Operating losses can be carried forward without time limitation but with an utilization cap per financial year of €1 million plus 50% of the taxable profit of the current financial year

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the loss can be utilized. Under this principle, no deferred tax asset is booked in the Group's financial statements in excess of deferred tax liabilities

9.2.5 [Net income and net earnings per share](#)

Net loss for the 2017 financial year was €10,026 k compared to a loss of €4,857 k for 2016.

This change from one financial year to the next reflects the reduced level of revenue recognised over the last financial year compared to the previous one for €2,970 k for the reasons explained above. Meanwhile, the Group continued to incur operating expenses that are €2,425 k greater from one year to the next, in order to support the development and market launch of the products.

Basic earnings per share is calculated by dividing the net profit owed to the Group's shareholders by the weighted average number of shares (ordinary and preferred) in circulation during the financial year.

Earnings per share	2017	2016
Weighted number of shares in circulation	4,656,274	4,083,484
Weighted number of diluted shares	5,724,923	5,399,279
Basic earnings per share (€)	(2.15)	(1.19)

9.2.6 [Presentation and analysis of the balance sheet at 31 December 2016 and 2017](#)

In € thousands	Years ended December 31,	
	2017	2016
Assets		
Net intangible assets	2,489	2,676
Net tangible assets	764	277
Other net assets	241	114
Non-current assets	3,494	3,067
Trade and other receivables	299	3,435
Other current assets	2,322	2,257
Cash	1,845	5,831
Current assets	4,466	11,522
Total	7,960	14,589
	2017	2016
Liabilities		
Shareholders' equity	(1,127)	2,096
Non-current financial debts	252	541
Non-current provisions and other non-current liabilities	463	452
Non-current liabilities	714	993
Current financial debts	4,003	6,467
Trade and other payables	4,370	5,033

<i>Non-current liabilities</i>	8,373	11,500
Total	7,960	14,589

9.2.6.1 Non-current assets

Acquisitions of intangible assets in the past two financial years correspond primarily to the capitalisation of software development costs incurred (meeting activation criteria), at €1,178 k and €997 K respectively in 2016 and 2017, to develop digital solutions in the field of diabetes and for the technology platform.

The move from the primary establishment in Suresnes into new premises is the reason for the significant increase in the net value of tangible assets in 2017.

9.2.6.2 Current assets

In € thousands	Years ended December 31,	
	2017	2016
Trade and other receivables	299	3,435
Other non-current assets	2,322	2,257
Cash and cash equivalents	1,845	5,831
Current assets	4,466	11,522

Net current assets stood at €11,552 k and €4,466 k on 31 December 2016 and 2017.

Their reduction stems mainly from the €3,136 k decline in the customer line item by the settlement of significant invoices on the books at end 2016 and the use of €3,986 k in available cash flow during the period.

Other receivables, essentially comprised of social security and tax claims (incl. Research Tax Credit and VAT) are stable overall.

9.2.6.3 Shareholders' equity

At 31 December 2017, Voluntis' share capital stood at €480,208.40, divided into 4,802,084 shares, each with a nominal value of €0.10, and categorised as follows:

	Ordinary shares	A1' shares	B1 shares	B3 shares	C shares	Total shares
Natural persons	71,400	16,874	376,414	32,091	0	496,779
Legal entities and funds	58,566	427,005	5,476	948,879	2,865,379	4,305,305
Grand Total	129,966	443,879	381,890	980,970	2,865,379	4,802,084

The Bylaws stipulate an automatic conversion of preferred shares into ordinary shares at the same time as the Settlement-delivery of the Company's shares on the regulated market of Euronext in Paris (see Section 21.1.1 of the Document de base).

Since its creation, the Group has set up several incentive plans in the form of founders' stock options, warrants, and stock options awarded to executives and employees. The details of these plans are presented in Section 21.1.4 of the Document de base.

The evolution of consolidated equity over the period was as follows:

Change during the financial year	In € thousands
Shareholders' equity at 31 December 2016	2,096
Capital increase	6,301

Net income - 2017	(10,026)
Deferred tax provision	(1)
Share based payment (Warrant / BSPCE /Options)	351
Conversion reserve	152
Shareholders' equity at 31 December 2017	(1,127)

Capital operations recorded in 2016 essentially correspond to the April 2017 conversion of convertible bonds subscribed in 2016 by certain shareholders, along with the subscription of warrants (BSA) by certain Group directors following their allocation.

Shareholders' equity, negative at closing, must be contrasted with convertible bonds in a nominal amount of €3,550 k, classified as current financial liabilities.

9.2.6.4 Non-current liabilities and current liabilities

In € thousands	Years ended December 31,	
	2017	2016
Non-current financial liabilities	252	541
Non-current provisions	141	130
Other non-current liabilities	322	322
Non-current liabilities	714	993
Current financial liabilities	4,003	6,467
Current provisions	77	-
Accounts payable	1,492	1,788
Other creditors	2,801	3,244
Current liabilities	8,373	11,500

The evolution of financial debts is itemised below.

Non-current provisions include the provision for pensions, the valuation of which is itemised in Chapter 20 of the Document de base.

The "other creditors" item primarily includes short term debts to third parties, tax and social security debts (employees and company bodies), and the under one year portion of deferred revenue.

Financial debts underwent the following changes in the 2017 financial year:

In € thousands	2016	Increase	Repayment	Interest payment	Capitalised interest ⁽¹⁾	Conversion / reclassification	2017
Bond loans	6,303	3,550			163	(6,302)	3,715
Bank loans	475		(170)		65		370
Other loans	224		(66)			13	170
Loans	7,002	3,550	(236)		229	(6,290)	4,255
Bank loans and overdrafts	6		(6)				0
Financial debts	7,008	3,550	(242)		229	(6,290)	4,255

(1) Including recognition of financial expenses calculated pursuant to IAS 32 for €125 k.

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The convertible bond loan set up in June 2016 was converted to capital on 2 April 2017 for €6,302 k. This conversion was followed in June 2017 by the issuance of a new bond loan in the nominal amount of €3,550 k, valued at €3,715 k at closing, including accrued interest.

The zero-rate loan with Bpifrance Financement is amortised by €170 k per year and the reduction of other loans corresponds to the repayment of a portion of the refundable advance on prospecting costs implemented with Coface.

The changes recorded during the 2016 financial year were as follows:

In € thousands	2015	Increase	Repayment	Payment interest	Capitalised interest ⁽²⁾	Conversion / reclassification	2016
Bond loans	0	6,000			303		6,303
Bank loans	567		(170)		78		475
Other loans	4,982	309		(119)		(4,948)	224
Loans	5,549	6,309	(170)	(119)	381	(4,948)	7 002
Bank borrowings and overdrafts	7		(1)				6
Financial debts	5,556	6,309	(171)	(119)	381	(4,948)	7,008

(2) Including recording of financial expenses calculated pursuant to IAS 32 for €194 k.

The 2016 financial year saw the conversion of a €4,948 k shareholder loan and the signature of a bond loan with a nominal value of €6,000 k, to finance investments and business development.

The zero-rate loan with Bpifrance Financement is amortised by €170 k per year.

Other non-current liabilities are comprised mainly of the non-current portion of deferred revenue, recognised under distribution partnership agreements, for licences and products to be delivered in the future.

10. CASH AND CAPITAL

See also Notes 5.5, 5.8 and 5.10 to the consolidated financial statements prepared under IFRS for the year ended 31 December 2017 in Section 20.1 of the Document de base.

10.1 Capital, liquidity, and financing sources

Cash and cash equivalents include available cash and current financial instruments held by the Group, composed primarily of bank deposits. At 31 December 2017, cash and cash equivalents held by the Group stood at €1,845 k, compared to €5,831 k at end 2016. Analysis of net financial debt for the two featured years is presented below:

In € thousands	Years ended December 31,	
	2017	2016
+ Non-current financial liabilities	252	541
+ Current financial liabilities	4,003	6,467
- Cash and cash equivalents	1,845	5,831
Total net debt	2,410	1,177

10.1.1 Capital and quasi-capital financing

Since the Company's creation it has received nearly €36.4 million (before deducting costs for capital increases) through the contribution of its founders and successive fundraising via conversions or repayments of bond instruments or capital increases in cash.

The table below summarises the capital increases in value until 31 December 2017.

Financing round	Date of payment	Total in € millions
2014	2017	6.3
	2016	8.4
	2015	2.0
	2014	10.4
2011 – 2012	2012	2.0
	2011	3.1
2006 – 2008	2008	2.1
	2007	1.3
	2006	0.7
2001 – 2002	2001 - 2002	0.2
TOTAL CAPITAL INCREASES		36.4

Moreover, €7.1 million in convertible bonds was issued and subscribed by certain shareholders as of the date of the Document de base.

10.1.2 Financing through loans

The Group has access to bank loans and borrowings to finance its operations. The financing structure as of 31 December 2017 is as follows:

- one bond loan issued on 30 June 2017, of which a first tranche of €3,550 k in nominal value, was subscribed by the Group's main shareholders in July 2017 (the key terms of the Group's convertible bonds

appear in Section 21.1.4.5 of the Document de base). This loan provides the option of payment of a second tranche in the same amount (specifying that this second tranche was subscribed in January 2018) and the deadline for repayment or conversion into shares of both tranches is set at 30 June 2018. The total amount still owed at 31 December 2017, as it appears in the consolidated financial statements prepared under IFRS for the financial year ended 31 December 2017, featured in Section 20.1 of the Document de base, is €3,715 k;

- in 2014, the Group signed a zero-rate loan for innovation with Bpifrance Financement. €340 k of the initial €850 k was repaid at 31 December 2017, after a grace period. It appears in the IFRS consolidated financial statements in the amount of €370 k t end 2017; and
- a repayable advance for sales prospecting in the US, subscribed with Coface, for a maximum of €400 k. The total amount still owed at 31 December 2017, as shown in the IFRS consolidated financial statements, is €170 k.

Total loans still outstanding at 2017 stood at €4,225 k, of which a portion payable at less than one year (€4,003 k) and the balance (€252 k) at less than 5 years.

10.1.3 [Financing through loans since year-end](#)

The second tranche of the convertible bond loan issued in June 2017 was subscribed in January 2018 by certain of the Company's current shareholders for €3,550 k (for more details on the key terms of the Group's convertible bonds, see Section 21.1.4.5 of the Document de base).

In addition, under a Venture Loan Agreement and a Bond Issue Agreement entered into on 13 April 2018 between the Group and Kreos, the latter undertook to subscribe at latest on 1 May 2018 for bonds issued by the Company for a nominal amount of €4,000K. Two tranches of €1,500K may be issued at the Group's discretion until 13 April 2019 provided that certain conditions are met (see Section 22.7 of the Document de base). Bonds are subject to a rate of 11% and are repayable each month over a 30 month period starting 6 months after each drawing. In consideration for these bonds, the Company allocated warrants to Kreos Capital V (Expert Fund) L.P (BSA 2018-Kreos).

10.1.4 [Research tax credit](#)

The Group receives a tax credit for a portion of the research expenses, repayable annually, due to the lack of taxable income and SME status as per the EU definition. (See Note 3.15.2 to the consolidated financial statements prepared under IFRS for the year ended 31 December 2017 in Section 20.1 of the Document de base).

Repayment of the tax credit recognised in 2017, in the amount of €1,682 k, is expected over the second half of 2018.

10.2 **Cash flow for the 2016 and 2017 financial years**

Simplified cash flow statement (in thousands of euros)	Years ended December 31,	
	2017	2016
Net cash flows from/(used in) operating activities	(5,396)	(4,610)
Net cash flows from/(used in) investing activities	(1,900)	(1,516)
Net cash flows from/(used in) financing activities	3,339	9,394
CASH FLOW VARIANCE	(3,958)	3,269

Net foreign exchange difference	(24)	10
OPENING CASH BALANCE	5,824	2,545
CLOSING CASH BALANCE	1,845	5,824

10.2.1 Net cash flows/(used in) operating activities

Cash used in operating activities for the financial years ended December 31, 2016 and 2017 was €4.6 million and €5.4 million, respectively.

Cash used during the 2017 financial year was due to the €9.6 million operating loss, related to investment in technology and medical innovation as well as product marketing efforts. This was partially offset by a €2.3 million reduction in working capital requirements as a result of the reduction in accounts receivable from one year to the next, and the increase in amortisations to €1.6 million, originating mainly from capitalised R&D.

10.2.2 Net cash flows from/(used in) investing activities

Cash used in investment activities rose in 2017 due to the move to the new premises in Suresnes, which is the Group's primary establishment in France. These moving and furnishing expenses of some €0.7 million were financed in large part by the lessor, for €0.3 million in the form of partial reimbursement of the works, in addition to the rent-free period.

Investment in intangible assets, through the capitalisation of software development costs, fell by €1.2 million to €1.0 million between 2016 and 2017.

10.2.3 Net cash flows from/(used in) financing activities

Net cash flows from financing activities rose to €3.3 million in 2017, from the subscription of a tranche of convertible bonds (OC₂₀₁₇) in the amount of €3.6 million and the repayment of loans and repayable advances for €0.3 million. The bonds issued in 2016 were converted to capital with no impact on net flow.

Net flows from financing activities, which stood at €9.4 million in 2016, originated with the last tranche in the 2014 financing round for €3.4 million and the subscription of convertible bonds by certain shareholders for €6.0 million.

10.3 Information on loan terms and financing structure

Information on the terms of the loans appears in Note 5.8 to the consolidated financial statements prepared under IFRS for the financial year ended 31 December 2017 in Section 20.1

of the Document de base, as well as, regarding the bond loan issued to Kreos, Section 22.7 of the Document de base.

10.4 Restriction on the use of capital

For the setup of a Venture Loan with Kreos (see Section 22.7 of the Document de base), the Group pledged bank current accounts, which had a cumulative balance of €1.8 million at 31 December 2017, as collateral. This collateral gives Kreos the right to freeze the free cash flow on this account if the Group does not meet its commitments made under the Venture Loan, specifically in terms of repayment. As long as the Group meets its commitments, it is free to use the free cash flow in this account.

10.5 Financing sources required for the future

As of 31 December 2017, the amount of the Group's cash and cash equivalents was €1.8 million for a net cash flow used in operating activities and investments of €7.3 million for the 2017 financial year.

To finance the planned investments, the Group will rely on existing cash flow at end December 2017 and on:

- the subscription by some shareholders of the second loan tranche of €3.6 million in January 2018;
- the setup of a bond loan with Kreos in a nominal amount of up to €7 million (since bonds can be subscribed in one or more tranches at the Group's request) along with the issuance of warrants (BSA_{2018-Kreos}) to Kreos Capital V (Expert Fund) L.P.;
- repayment of the 2017 CIR and CII (research and innovation tax credits), i.e. €1.7million, expected in September 2018; and
- a planned IPO of the shares on the regulated market of Euronext in Paris in the first half of 2018.

The cash flows generated by this IPO must enable the Group to cover its cash requirements over the medium term.

11. RESEARCH & DEVELOPMENT, PATENTS, LICENCES

11.1 Innovation policy

The Group's business is developing software solutions and platforms in the medical field to improve treatment effectiveness and patient care quality.

The goal of all actions taken by the Group's R&D department is to develop new, innovative solutions in this field.

The Group's R&D activities are focused on three main areas:

- development of finished products, targeting one pathology and one particular context. These finished products are medical devices for which the Group provides regulatory certifications for the countries in which they are intended for use. Next, these products are deployed either directly by the Group to patients and doctors in the target markets, or through partner companies in charge of distribution;
- development of an underlying IT platform, Theraxium, which is the basis for the finished products created by the Group (for more details on the Theraxium platform, see Section 6.6 of the Document de base); and
- setup of tools and methods specific to developing software with the status of a medical device, to build on the acquired expertise for industrialising practices within the Group.

Most of the software developments are carried out by Group employees or by service providers working in the technical environment and according to internal technical procedures.

The products' life cycle is controlled in a procedure defining each step of the design, specification, risk analysis, development, verification, and validation and delivery. The entire development process is encapsulated in a quality assurance system designed to guarantee the greatest product safety and reliability.

According to the intended use of the solutions developed, and the geography of the target markets, the solutions are submitted for regulatory approval in Europe and the United States based on the risk classification of the medical device in question. The Group thus has the EC marking and FDA clearance for its diabetes treatment solutions and plans to undertake approval procedures for its oncology products when the time comes.

The Group has adopted a protection policy for its expertise and software solutions, also filing for and obtaining patents.

The contracts entered into by the Company (see Section 11.4 and Chapter 22 of the *Document de base*) are an essential component of the research & development policy and of realising the value of the Group's intellectual property.

11.2 Software

The Group owns the rights to various software applications and uses them directly or indirectly in its business.

The software incorporates the algorithms developed by the Group or digitised by the Group on the basis of algorithms that are public or that belong to customers and are then integrated into the therapeutic devices and companions marketed by the Group. The software is based partly on third party applications that allow certain functions of the Company's solutions (e.g. database, graphics) for which either the Company has the rights through a licensing contract with the owners of these solutions, or through open-source licences.

In France and the European Union, the software (source codes and documentation) is protected as such by copyright laws; the patent does not protect the software functions except in certain conditions.

Contrary to the patent, copyright is created without having to follow special formalities such as filing with an office. And so, in the European Union, the software is protected for a minimum of 50 years from its release date

if it is original, and more specifically if it is the intellectual creation of its author. These criteria have been harmonised in the European Union since the Council's Directive 91/250/CEE of 14 May 1991 on the legal protection of computer programmes.

Traditionally, the rights to software created by employees fall to the employer, except for contractual provisions more favourable to the employer, as per Article L. 113-9 of the French Intellectual Property Code.

In practice, the Group has completed various software filings with a solely evidentiary scope (i.e. to allow the Group to easily demonstrate that it had control of the software at a given moment). These filings are done via the French Software Protection Agency or the French National Industrial Property Institute by so-called "Soleau" filings.

The Company has made an evidentiary filing and/or owns the following software:

- Medpassport,
- Theraxium,
- Insulia, and
- eCO.

11.3 Patents and patent applications

11.3.1 [Overview](#)

The patents filed by the Company are meant to protect processes and software components that are original and specific to the development of software medical devices.

The policy for filing industrial property documents is aimed at creating a software asset database covering the key components of the solutions developed by the Company.

As of the date of this *Document de base*, the patents and patent applications used by the Group are those that belong to the Company.

When applying for a patent, the Group files a French patent application (setting the priority date), and then within the priority period of 12 months, extends it abroad, benefiting from the priority period of twelve months internationally, by filing for an international patent application under the Patent Cooperation Treaty (PCT)⁴⁶. The Group can, within a further 18 month period,

⁴⁶ PCT (Patent Cooperation Treaty) application: The PCT is a centralised filing system that covers a significant number of territories, simply, and as a precaution. The competent office for reviewing the PCT international application, the Swiss based World Intellectual Property Organisation (WIPO), searches for prior claims and sends the applicant the corresponding report along with a preliminary opinion on the patentability of the invention. At the end of the international phase of a PCT. application (which generally lasts 30 months from the priority date), the countries/regions in which the application must actually be undertaken are chosen.

file nationally and regionally, in select territories covering the countries in which it wishes to have protection.

In most countries, patents, once issued, are protected for twenty years from their filing date, unless yearly fees go unpaid or the patent is cancelled.

The Group's intended geographic coverage, i.e. the United States, Europe, and France is appropriate to its target markets.

11.3.2 Details of the four patent families and patent applications

Details of the various patent families and patent applications was established as of 7 February 2018.

First family: PROCESS AND SYSTEM FOR BUILDING A VIRTUAL PLATFORM INTENDED TO ALLOW OPERATORS TO EXCHANGE INFORMATION ON PATHOLOGY MANAGEMENT

This invention is a process for building a virtual platform to allow operators to exchange information on pathology management. The intended operators are patients, healthcare professionals, and manufacturers looking for or possessing data on pathology management. This invention is mobilised by the Theraxium platform and thus potentially implemented in all medical devices developed by the Group based on the platform.

This process includes:

- a measurement phase - measuring patients' information about pathology management;
- a collection phase - where information on pathology management is collected from operators and stored;
- an information analysis phase - where information on pathology management is analysed; and
- a distribution phase - where analysed pathology management information is distributed to operators.

Thus, the platform's managers can adapt the platform's structure and content to the needs of the operators who consult it.

Country	Priority date	Filing date	Publication number	Issuance date	Expiry date	State
France		30 July 2002	2843215	10 February 2017	30 July 2022	Issued
PCT (International)	30 July 2002	28 July 2003	WO2004013798			The designation of EPO member countries was deemed to be withdrawn in 2005, and likewise for Japan in 2006. The Australian application (AU2003274297) is no longer in force.

There is only one French patent issued for this invention. The PCT procedure stopped at the application phase.

Second family: REMOTE MONITORING OF A SOFTWARE MEDICAL DEVICE: PROCESS AND

SYSTEM

The purpose of the invention is a process for monitoring a medical device provided to a patient, comprising a communications terminal implementing software functionalities to accompany the patient in a predetermined treatment. This invention is mobilised by the Theraxium platform and thus potentially implemented in all medical devices developed by the Group based on the platform.

This process includes:

- a receiving phase: receiving current run data on the software functionalities originating in the medical device;
- a test phase: testing current data by comparison with baseline data according to at least one predetermined monitoring standard associated with a risk for the patient, where the risk is related to running the software functionalities with the current data; and
- a message phase: sending of an alert if such a risk is identified.

Country	Priority date	Filing date	Publication number	Issuance date	Expiry date	State
France		15 February 2013	3002346	6 March 2015	15 February 2033	Issued
PCT	15 February 2013	17 February 2014	WO201412523 5			Filed, entered into national phases in Europe (EP2956878) and the United States (US 14/766 138 – filing number)

Third family: SECURE PRESCRIPTION FROM A SOFTWARE MEDICAL DEVICE

This invention is an information system that activates a software application, suitable for use on a software functionalities communications terminal, for accompanying a patient in a therapeutic treatment determined according to an electronic medical prescription including personal prescription data containing the information associated with the treatment prescribed to the patient. This invention is mobilised by the Theraxium platform and thus potentially implemented in all medical devices developed by the Group based on the platform.

This system comprises:

- a database storing said application and said electronic medical prescription;
- authentication methods that are suitable for cooperating with communications systems to authenticate the patient for said system using said communications terminal; and
- activation methods that are suitable for cooperating with communications systems to remotely activate said application and said prescription data on the communications terminal in order to authorise implementation of the software functionalities.

Country	Priority date	Filing date	Publication number	Issuance date	Expiry date	State
France		12 February 2015	3032815			Filed
PCT	12 February 2015	25 January 2016	WO201612863 6			Filed (entered into national phases in Europe (EP3256971) and the United States (US 15/549 925 – filing number))

Fourth family: BLOOD GLUCOSE MANAGEMENT IN A DIABETIC PATIENT

This invention is a medical device for managing the blood glucose level of a diabetic patient including:

- a memory module to memorise multiple blood glucose levels measured during a phase of balanced blood glucose over a set period of time, where said measured blood glucose levels are relative to a level of a blood component representing said patient's blood glucose level; and
- a treatment circuit implementing a management rule to detect a blood glucose imbalance in the patient by comparing said measured blood glucose levels with a range of threshold values showing an upper blood glucose limit corresponding to a hyperglycaemic state and a lower blood glucose limit corresponding to a hypoglycaemic state, where this circuit is furthermore configured to emit a warning signal when a blood glucose imbalance is detected.

This invention is built into the Insulia solution.

Country	Priority date	Filing date	Publication number	Issuance date	Expiry date	State
France		21 January 2016	3047098			Filed
PCT	21 January 2016	19 January 2017	WO2017125682			Filed (not yet entered into national phases)

11.4 Partnership, research, service, and licensing contracts awarded by the Group or to the Group

11.4.1 [Contracts in the field of diabetes treatment](#)

On 29 July 2011, the Company entered into a partnership agreement with Sanofi-Aventis France and the French research centre for diabetes treatment intensification (“CERITD”) concerning “Diabeo”, a medical software device that uses components of the technology platform developed by the Group (see Section 22.2 of the *Document de base*).

The Company also entered into a partnership with CERITD. The purpose of this contract is to specify the conditions and procedures of the partnership between the parties for the development, release and marketing of Diabeo software or another telemedicine solutions, in France or abroad.

This contract is part of a partnership begun with CERITD in 2009. As such, CERITD developed algorithms and the formalisation of methods; the Diabeo software was then developed by the Group.

The contract has a term of five years and entered into effect on 1 February 2015. It can be cancelled in the event of a breach by either party.

It provides a preferential right, in certain conditions, for CERITD to consider developing a solution different from Diabeo in the field of diabetology with the Company.

The contract is also aimed at providing the procedures for compensating CERITD for marketing the solutions abroad.

In 2016, the Company entered into a non-exclusive licensing contract with Sanofi SA for the "Insulia" medical device (see Section 22.3 of the *Document de base*).

Finally, the Company entered into a non-exclusive licensing and partnership contract with Verily to allow the marketing of some of the solutions developed by the Group, including Insulia, within the platform developed by Verily (see Section 22.4 of the *Document de base*).

11.4.2 [Other contracts \(licensing and partnership\)](#)

In October 2015, the Company entered into a development and licensing contract with Roche SA that led to the development of a specific solution based on algorithms developed by Roche, dedicated to supporting women with breast cancer (see Section 22.1 of the *Document de base*). Based on the Theraxium Oncology platform, for which a user licence was granted to Roche, the specific solution developed is the property of the Roche group.

At end 2015, the Company entered into a partnership contract with AstraZeneca UK Limited that led to the development of a software application dedicated to monitoring women with ovarian cancer (see Section 22.1 of the *Document de base*). The technology solution in development is the property of Voluntis.

11.5 Trademarks and domain names

11.5.1 [Trademarks](#)

The Company holds various trademarks in France, with the European Intellectual Property Office (unit coverage in European Union countries) and international filings (that may name different countries or geographic areas) or national filings (in Canada).

The trademark is a sign designating products and/or services inventoried by class.

The Group strives to designate products and services that match its activity as well as provide protection on its key markets.

As with patents, the Group is assisted by an industrial property consulting firm.

In most countries, a trademark is valid for ten years from its filing and may be renewed as many times as its bearer wishes. The right to the trademark, which is conditional on its genuine use, its defence against third parties, and its lack of expiry, is therefore potentially perpetual.

Trademark	Country	Classes	Date of filing or territorial expansion or renewal	Number of filing, registration or territorial expansion or renewal	Application status
	France	9; 38; 42	14/02/2001 (renewed in 2011)	3082866	Registered

Trademark	Country	Classes	Date of filing or territorial expansion or renewal	Number of filing, registration or territorial expansion or renewal	Application status
	France	9; 38; 42	14/02/2001 (renewed in 2011)	3082864	Registered
	France	9; 35; 38; 41; 42	14/02/2001 (renewed in 2011)	3082865	Registered
MEDPASSPORT	France	9; 35; 38; 41; 42	31/01/2002 (renewed in 2011)	3144747	Registered
MEDPASSPORT	EU	9; 35; 38; 42	25/11/2004 (renewed in 2014)	4135951	Registered
VOLUNTIS	France	9; 38; 41; 42	17/11/2009	3691700	Registered
VOLUNTIS	INTERNATIONAL (EU, UNITED STATES, Canada)	9; 38; 41; 42	01/12/2009 (under priority of French trademark at 17/11/2009)	1029737	Registered in the United States in classes 9 and 42 after limitation Registered in the EU
VOLUNTIS	CANADA	9; 38; 41; 42	04/05/2010 (under priority of French trademark at 17/11/2009)	TMA828554	Registered
MEDPASSPORT	INTERNATIONAL (UNITED STATES)	9; 35; 38; 41; 42	01/12/2009	1030898	Registered in the United States in classes 9, 38 and 42 after limitation
TENSEO	EU	9; 10; 38; 42; 44	16/12/2011	10502458	Registered after changes made in response to opposition proceedings (closed)
CONNECTED THERAPEUTICS	France	9; 10; 38; 42; 44	01/02/2012	3893610	Registered
CONNECTED THERAPEUTICS	INTERNATIONAL (EU, UNITED STATES)	9; 10; 38; 42; 44	27/02/2012 (under priority of French trademark at 1/2/2012)	1110891	Registered in the United States after limitation Registered in the EU
INSULIA	France	9; 10; 38; 42; 44	31/10/2012	3957599	Registered

Trademark	Country	Classes	Date of filing or territorial expansion or renewal	Number of filing, registration or territorial expansion or renewal	Application status
INSULIA	INTERNATIONAL (EU, UNITED STATES)	9; 10; 38; 42; 44	25/3/2013 (under priority of French trademark at 31/10/2012)	1163996	Registered in the United States after limitation Registered in the EU after limitation
THERAXIUM	France	9; 35; 42	06/06/2013	4010175	Registered
THERAXIUM	INTERNATIONAL (EU, UNITED STATES)	9; 35; 42	22/05/2014	1214544	Registered in the United States after limitation Registered in the EU

It is specified that the "DIABEO" trademark was assigned by the Company to Sanofi-Aventis France under the eponymous partnership. Therefore, the trademark is used by the Group under a licence.

11.5.2 [Domain names](#)

Since its creation, the Group has filed several domain names, including the following:

connectedtherapeutics.com	insulia.fr	tenseo.fr
connected-therapeutics.com	breezea.com	tenseo.com
voluntis.com	insulia.eu	theraxium.fr
voluntis.fr	medpassport.com	theraxium.com

11.6 Intellectual property rights pledged

Under an intellectual property pledge agreement entered into on 13 April 2018 between Kreos and the Company, this latter pledged Kreos the following rights to guarantee the sums owed for the bond loan subscribed by Kreos:

- Its software Mepassport, Theraxium, Insulia and eCo
- patents listed in Section 11.3 of the *Document de base*
- brands listed in Section 11.5.1 of the *Document de base* with the exception of the Canadian brand Voluntis, with the specification that pledging of the brands Passeport Médical, Passeport Santé, Medpassport, and Tenseo, which are not being used as of the date of this *Document de base*, will only be registered by Kreos if the Company actually uses them,
- the domain names listed in Section 11.5.2 of the *Document de base*, except for breezea.com, tenseo.fr and tenseo.com;
- and any similar right that becomes Company property in the future.

12. TRENDS

12.1 Key trends since the end of the last financial year ended 31 December 2017

The Group began the commercial launch in France of its Diabeo and Insulia solutions in January 2018, together with its partners.

In the United States, the Group is pursuing the creation of its direct sales team with paying bodies, which is reflected in hiring in the sales, marketing, and medical fields.

At the same time, the Group is extending its marketing partnerships to the United States. It has announced a new partnership with Welldoc.

In oncology, the Group announced in March 2018 that it was extending its partnership with Roche, with a view to developing and marketing a multi-indication solution in France.

Finally, the Group met with the FDA in January for a pre-submission meeting to lay out the regulatory approval process for its multi-cancer monitoring platform.

The Group actively participates in the sectoral work of the Digital Therapeutics Alliance, which has resulted in a contribution to the FDA's work on the preparation of the Pre-Cert programme, a structuring initiative for future regulation of the digital healthcare sector in the United States.

12.2 Known trend, uncertainty, request for commitment, or event reasonably likely to influence the Group's prospects

The Group is aiming for the following targets in the coming years:

- at least €50 million in revenue in 2021, composed primarily of recurrent post-launch revenues;
 - the Group plans to earn about 70% of its revenue in diabetology, and the remaining 30% in oncology and the other therapeutic fields,
 - the Group is also planning a balanced distribution of its post-launch revenue from its direct marketing to healthcare payers and suppliers as compared to its indirect marketing (thanks in particular to its partnerships with the pharmaceutical industry);
- achievement of positive EBITDA⁴⁷ during the 2020 financial year; and
- a population of more than 160,000 patients actively using its solutions in diabetes (90%) and oncology (10%) in 2021.

⁴⁷ EBITDA (*earnings before interest, taxes, depreciation, and amortization*) is a key indicator for the Group.

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13. PROFIT FORECASTS OR ESTIMATES

The Company does not intend to forecast or estimate profits.

14. ADMINISTRATIVE, MANAGEMENT, SUPERVISORY BODIES AND EXECUTIVE MANAGEMENT

Prior to the General Meeting of shareholders held on 11 April 2018, the Company was constituted as a French *société anonyme* with a management board and a supervisory board

This General Meeting approved the change in the Company's administrative and management mode by adopting a structure with a Board of Directors and also adopted new rules of governance. At their meeting held on 11 April 2018, the Board of Directors opted to separate the positions of Chairman of the Board and Chief Executive Officer.

Its articles of association were also amended prior to its initial public offering (certain changes to those rules only take effect when the IPO happens). A summary description of the main stipulations of the Company's new articles of association appears in Section 21.2 of the *Document de base*.

14.1 Officers and Member of the board of directors

14.1.1 [Executive management](#)

As of the date of this *Document de base*, the Company's management is composed as follows:

Name	Office	Main operational functions in the Company	Main operational functions outside the Company	Start and end of appointment
Pierre Leurent	Chief Executive Officer	Chief Executive Officer	Non applicable	<u>First appointment</u> : Board of Directors' meeting of 11 April 2018. <u>Expiry date</u> : on the expiry date of his position as member of the board of directors
Romain Marmot	Deputy Chief Executive Officer	Chief Operating Officer - US, and Oncology Division Coordinator	Non applicable	<u>First appointment</u> : Board of Directors' meeting of 11 April 2018. <u>Expiry date</u> : on the expiry date of the CEO's appointment
Alexandre Capet	Deputy Chief Executive Officer	Chief Strategy & Marketing Officer and Diabetes Division Coordinator	Non applicable	<u>First appointment</u> : Board of Directors' meeting on 11 April 2018. <u>Expiry date</u> : on the expiry date of the CEO's appointment

Management use the Company's head office as their professional address.

Their management expertise and experience come from the different employee and management positions they have previously held (see Section 14.1.3 of the *Document de base*).

14.1.2 [Board of Directors](#)

As of the date of this *Document de base*, the Board of Directors is composed as follows:

Name	Office	Main operational functions in the Company	Main operational functions outside the Company	Start and end of appointment
Eric Elliott	Chairman of the Board of Directors	Non applicable	Chairman of the Board of Directors of WellDyneRx	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
Pierre Leurent	Director	Chief Executive Officer	Non applicable	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018. <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
Bpifrance Participations represented by Jean Bertin	Director	Non applicable	Investment Principal with Bpifrance Large Venture	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
LBO France Gestion represented by Franck Noiret	Director	Non applicable	Managing Director of Innovation Capital	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
Nicolas Cartier*	Director	Non applicable	Member of the Executive Committee of BioMerieux	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
CM-CIC Innovation represented by Emilie Lidome	Director	Non applicable	Deputy CEO of CM-CIC Innovation	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.

Name	Office	Main operational functions in the Company	Main operational functions outside the Company	Start and end of appointment
Viviane Monges*	Director	Non applicable	Non applicable	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
Vesalius Biocapital II represented by Alain Parthoens	Observer	Non applicable	Managing Partner of Vesalius Biocapital	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.
Qualcomm represented by Tim Jackson	Observer	Non applicable	Manager of Finance with Qualcomm Venture	<u>First appointment:</u> General Shareholders' Meeting of 11 April 2018 <u>Expiry date:</u> following the General Meeting of shareholders convened to vote on the financial statements for the financial year ending 31 December 2020.

* Independent director

Those legal entities that are members of the Board of Directors use their respective home office as a business address, and natural persons use the Company's home office.

The management expertise and experience of the members of the Board of Directors come from the different employee and management positions they have previously held (see Section 14.1.3 of the *Document de base*).

14.1.3 Other corporate offices

Other corporate offices currently held outside the Company

Name	Office	Company
Management		
Pierre Leurent	Chairman Chairman	Voluntis Inc. Digital Therapeutics Alliance
Romain Marmot	Secretary	Voluntis Inc.
Alexandre Capet	Non applicable	Non applicable
Board of Directors		
Eric Elliott	Chairman of the Board of Directors Chairman and Chief Executive Officer	WellDyneRx LMK LLC
Bpifrance Participations represented by Jean Bertin	<u>In a private capacity:</u> Observer on the Supervisory Board <u>As representative of Bpifrance</u>	Younited Crédit

Name	Office	Company
	<u>Participations:</u> Member of the Strategy Committee Member of the Board of Directors <u>As representative of Bpifrance Investissement:</u> Member of the Board of Directors Member of the Committee	iAdvize Scality Snips
LBO France Gestion represented by Franck Noiret	<u>In his own name:</u> Observer <i>Member of the Board of Directors</i> <i>Member of the Board of Directors</i> <i>Member of the Board of Directors</i> <u>As representative of LBO France Gestion:</u> Director Director	Ekinops* Omni Orthopaedics, Inc. Omni Life Science, Inc. Zesty Limited Entrepreneurs & Investisseurs Technologies Kayentis
Nicolas Cartier	Non applicable	Non applicable
CM-CIC Innovation represented by Emilie Lidome	<u>As representative of CM-CIC Innovation:</u> Director Member of the Strategy Committee <u>As representative of CM-CIC Investissement:</u> Director Director	Hemarina Inflectis Société Financière Aquitaine de Participations Pays de Loire Développement
Viviane Monges	<u>In his own name:</u> Director Director As permanent representative of Simba Santé: Member of Strategy Committee	UCB Novo Holding Néomedlight
Vesalius Biocapital II represented by Alain Parthoens	<u>In his own name:</u> Officer Officer Managing Partner Managing Partner <u>As representative of Vesalius Biocapital II:</u> Director Managing Partner <u>As representative of A Q Invest BVBA:</u>	A Q Invest BVBA A Q Partners BVBA Vesalius Biocapital II Partners S.àr.L. Vesalius Biocapital Partners S.àr.L. Bienca NV Newton Biocapital Partners SPRL

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.

Name	Office	Company
	Director	NCARDIA S.A.
	Director	Promethera Biosciences S.A.
	Director	Epics Therapeutics S.A.
Qualcomm represented by Tim Jackson	<u>In his own name:</u> Director Observer Observer Observer	YofiMeter Akido Labs Alertwatch Airstrip Technologies

* *Company whose shares are admitted for trading on the Euronext regulated market in Paris*

Other positions held during the past five financial years and now ended

Last name	Type of office	Company
Management		
Pierre Leurent	Member of the Board of Directors	Syntec Numérique
Romain Marmot	Non applicable	Non applicable
Alexandre Capet	Non applicable	Non applicable
Board of Directors		
Eric Elliott	Chairman and Chief Executive Officer Member of the Board of Directors	Prime Therapeutics LLC Main Street America LLC
Bpifrance Participations represented by Jean Bertin	<u>As representative of Bpifrance Participations:</u> Observer on the Board of Directors Observer on the Board of Directors Director	Scality Biom'up* CitéGreen
LBO France Gestion represented by Franck Noiret	<u>In his own name:</u> Vice-Chairman of the Supervisory Board <u>As representative of LBO France Gestion⁽¹⁾:</u> Director Director Member of the Supervisory Board	Tronic's Microsystems** Genoway** Maeglin Software Tronic's Microsystems**
Nicolas Cartier	Non applicable	Non applicable
CM-CIC Innovation represented by Emilie Lidome	<u>As representative of CM-CIC Innovation:</u> Director Director	Immunid Krono-Safe
Viviane Monges	Non applicable	Non applicable
Vesalius Biocapital II represented by Alain Parthoens	<u>As representative of A Q Invest BVBA:</u> Director Director	Ogeda Profibrix

Last name	Type of office	Company
	Director	Bio-Sourcing
	<u>As representative of A Q Promethera Biosciences:</u> Member of the Supervisory Board	SISE
Qualcomm represented by Tim Jackson	Non applicable	Non applicable

* Company whose shares are admitted for trading on the regulated market of Euronext in Paris

** Company whose shares are admitted for trading on Euronext Growth

(1) or the management company Innovation Capital that was the subject of a universal transfer of assets to LBO France Gestion, effective as of 31 October 2016.

14.1.4 Statements about Management and members of the Board of Directors

To the Company's knowledge, there are no family ties between the natural persons listed above.

To the Company's knowledge, in the past five years, none of these natural persons has:

- been convicted of any fraud;
- been associated in their capacity as executive or director or member of a supervisory board with any bankruptcy, receivership, or liquidation⁴⁸
- been prevented by any court from acting as an executive officer, a director or a member of a supervisory body of an issuer or from being involved in the management or business conduct of an issuer;
- been convicted of any official public crimes or sanctions by any statutory or regulatory authorities (including designated professional organizations).

14.1.5 Profiles of members of Management and the Board of Directors

Management

Pierre Laurent – Chief Executive Officer and Director, French national, 40 years old.



Pierre has 20 years of digital health experience in Europe and the United States. Before founding Voluntis, Pierre worked in the Medical Imaging Division of General Electric Medical Systems Europe and then with HealthCenter Internet Services in San Francisco, where he helped develop online cardiology EMR solutions.

In addition to his roles at Voluntis, Pierre is also Chairman of the Healthcare Committee of Syntec Numérique, General Coordinator of Alliance eHealth France (which includes LEEM, LESISS, SNITEM, and Syntec Numérique), Co-chair of the Efficiency Working Group of the French Healthcare Strategic Committee (CSF Santé), Steering committee member of the Medef Healthcare Business Committee, and an Ambassador of French Tech's Healthtech Thematic Network.

²³ With the exception of (1) Franck Noiret, in his capacity as permanent representative of Innovation Capital, Director of (i) the company Maeglin Software, for the opening of this latter's liquidation proceedings ordered on 4 July 2016 by the Montpellier Commercial Court, and (ii) the company Iwedia, for the completion of this latter's liquidation proceedings ordered on 14 September 2015 by the Rennes Commercial Court, and (2) Jean Bertin, as permanent representative of Bpifrance Participations, Director of the company Citégreen, for the voluntary liquidation of this latter completed by the Extraordinary General Meeting of 16 December 2015.

In the United States, where he has lived since mid-2017, Pierre is Chairman of the Digital Therapeutics Alliance.

Pierre is a graduate of the Ecole Centrale Paris engineering school.

Romain Marmot – Deputy Chief Executive Officer, French national, 39 years old.



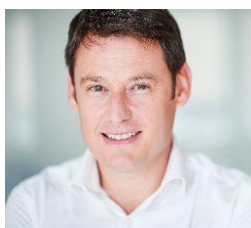
Romain has more than 15 years of experience in digital healthcare and software medical devices.

For over 12 years, he directed research & development and then industrial operations at the Company. In 2014, Romain moved to Cambridge, Massachusetts to oversee Voluntas' operations in North America.

Romain is a Foreign Trade Advisor for France, for which he has headed the Boston-New England Committee since 2018.

Romain is a graduate of the Ecole Centrale Paris engineering school.

Alexandre Capet – Deputy Chief Executive Officer, French national, 45 years old.



Before joining Voluntas in 2012, Alexandre worked for 15 years in the pharmaceutical industry. He held positions of increasing responsibility at Sanofi, where he was Director of Strategic Planning for the Group, then Director of M&A and Diversification in France. As such, he played a large role in developing the three-way partnership on Diabeo with Sanofi, CERITD, and Voluntas.

Alexandre Capet is a graduate of HEC and the Institut d'Etudes Politiques de Paris. He also holds a master's degree in health economics from Paris-Dauphine University.

Board of Directors

Eric Elliott – Chairman of the Board of Directors, US national, 54 years old.



In his most recent roles as Prime Therapeutics' Chairman and Chief Executive Officer, Eric Elliott was responsible for all operating and strategic aspects of the full service pharmacy benefit management company. With approximately \$17 billion in annualised drug spend under management, Prime Therapeutics is the fourth largest pharmacy benefit manager in the United States, servicing 23 health plans, other smaller pharmacy benefit managers (PBMs), and employer direct customers.

Eric was critical to the success of Prime Therapeutics. Eric led the partnership with Blue Cross and Blue Shield Plans to ensure members receive the highest quality of care while managing appropriate pharmaceutical costs and trends. Under Eric's leadership, Prime was recognised locally and nationally by prominent publications and organisations for its employee engagement, healthy workplace, as well as the highest quality and care of service for members, and business growth.

With experience running three integrated PBMs, Eric is skilled in leading and growing businesses to include product line extensions and new segments. He previously served as President at Cigna's Pharmacy Management and has held senior executive level positions at Aetna, PCS HealthSystems, and Rite Aid Corporation.

Eric has served for many years on the board of directors at Prime, The Main Street

America Group, the Pharmaceutical Care Management Association and the Twin Cities American Heart Association. Elliott also serves on The Wall Street Journal CEO Council.

Eric received his bachelor's degree in management and finance, and a Master of Business Administration from Temple University in Philadelphia.

Jean Bertin – Permanent representative of Bpifrance Participations, Director, French national, 32 years old.



Jean Bertin is an Investment Principal at Bpifrance Large Venture, a €1 billion vehicle investing in high-growth tech companies with significant capital requirements (>€20 million) in the Healthcare and Tech fields. At Large Venture, his contribution was in business development beyond the Life Sciences sector, investing in many industrial and software projects like Voluntis.

Jean is Chairman of the Board of Directors of Scalify, iAdvize, Snips, Voluntis, and Younited Crédit. Jean has always supported the growth of start-ups and the marketing of innovation, whether as a venture capital investor specialising in cleantechs at CDC Climat (a subsidiary of the *Caisse des Dépôts* group) or as an operational project manager for a solar developer and business analyst for a new desalinisation technology. Previously, Jean began his career as an analyst at Naxicap Partners.

Jean Bertin holds an MBA from ESSEC Business School (Paris/Singapore).

Franck Noiret – Permanent representative of LBO France Gestion, Director, French national, 52 years old.



Franck Noiret is Managing Director of Innovation Capital at LBO France, a leading private equity firm with over 3 billion euros under management. He joined Innovation Capital in 2005 as General Partner, and LBO France in 2016 when the firms joined forces. He is currently investing in Digital Health companies in Europe through the *Services Innovants Santé et Autonomie* (SISA) fund.

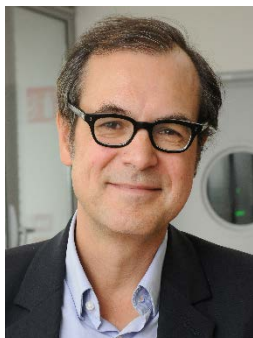
With over 20 years of investment experience in Technology and Healthcare, Franck Noiret is currently a board member of Voluntis, *Entrepreneurs & Investisseurs Technologies*, Kayentis, Omni Orthopaedics (US), Zesty (UK) and Observer at Ekinops (listed on the regulated market of Euronext Paris). He has also carried out many industrial sales and IPOs including Arkadin (acquired by Ardian), Esterel Technologies (acquired by Ansys), Golden Telecom (listed on the NASDAQ, acquired by Vimpelcom), Highdeal (acquired by SAP), Travelprice.com (acquired by Lastminute.com), Tronic's Microsystems (listed on the regulated market of Euronext Paris, acquired by TDK), and Valoris (acquired by Sopra).

Prior to joining Innovation Capital, Franck Noiret was Director at Apax Partners in Paris, one of the leaders in private equity in Europe with several billion euros under management, where he was responsible for investments in Technology and Telecoms ranging from venture capital to growth LBO. From 1995 to 2000, Franck Noiret was Principal Banker at the European Bank for Reconstruction and Development (EBRD) where he was responsible for private and public sector investment projects in Central and Eastern Europe. In these positions, he also served as a transition and privatization advisor to certain governments and operators in the region. De 1989 à 1993, Franck Noiret was a banker in the City of London for Société Générale after starting his career as an auditor at Arthur Andersen in Paris.

Franck Noiret holds an MBA from the Wharton School at the University of Pennsylvania (US) and a master's degree in Corporate Finance from Paris-Dauphine University. He

graduated with the highest distinction from Sciences Po Paris.

Nicolas Cartier – Director, French national, 51 years old.



Nicolas Cartier is Vice President of bioMérieux's Industrial Microbiology Unit and member of bioMérieux's Executive Committee.

Before joining bioMérieux, Nicolas was Chief executive officer of Sanofi France from 2009 to 2013. Prior to that, he held various internal positions within Sanofi, in particular in Thailand, where he was in charge of commercial development for the Southeast Asia region within the Animal Health Division; in Shanghai, where he headed up Sanofi China's Pharmaceutical Division; and in Mexico City, where he was Chief executive officer of Sanofi Mexico. In addition, Nicolas was Chief of Staff of the Chairman and CEO of Sanofi.

Nicolas is a graduate of École Polytechnique, École des Ponts and Institut d'Études Politiques de Paris.

Emilie Lidome – Permanent representative of CM-CIC Innovation, Director, French national, 35 years old.



Emilie Lidome has a dual background in corporate management and bioengineering.

She joined the venture capital field in 2008. As Deputy Chief Executive Officer at CM-CIC Capital Innovation, a subsidiary of the Crédit Mutuel-CM11 group, she leads investments in high technology companies and, more specifically, guides existing holdings in the life sciences sector. She currently represents CM-CIC Innovation within seven companies including Tricare, Hemarina, and Voluntas.

Before joining CM-CIC Capital Innovation, she worked in the biotechnology & pharmaceutical industries. She led fundamental research projects and has carried out missions of departments' coordination consulting in companies such as Novartis or GSK.

Emilie Lidome has a degree in biological engineering from the Université de Technologie de Compiègne and holds a Master Degree in Management of Biotechnology Companies from Grenoble Ecole de Management.

Viviane Monges – Director, French national, 54 years old.



Viviane Monges has 30 years of experience as a Senior Executive in the finance function. She has had a successful career in international companies, holding positions in Europe, Asia and the United States, mostly in the healthcare sector.

After five years at Agence France Presse in Paris and then Hong Kong, she joined the pharmaceutical industry with Wyeth, first in the French subsidiary as director of management control, then at the group's head office in Philadelphia, as Chief Financial Officer of the Europe Region, then of the Pharma Business Unit (USD 6 billion). She took an active role in many projects to transform the company, organisationally, strategically and in mergers & acquisitions and to establish the Sarbanes-Oxley rules on internal control.

In 2006, Viviane joined the OTC Division at Novartis as Chief Financial Officer, Europe. She took part in many key projects, including a reorganisation of the Europe Region as well as the establishment of shared service centres. Next, she served as Global CFO of the OTC Division based in the United States (USD 3.5 billion) during the

Prevacid launch.

In 2010, Viviane was appointed CFO of Galderma, a Swiss pharmaceutical group specialised in dermatology (USD 2.5 billion). This group, a joint venture of Nestlé and L'Oréal, is an industry leader in Rx, OTC, and Aesthetics. In 2014, following Nestlé's acquisition of all of Galderma's shares, the latter became Nestlé Skin Health. In 2015, Viviane joined Nestlé as CFO of the Business Excellence Department, which groups together the worldwide support functions (finance, HR, IT, procurement, digital and property). For three years, Viviane has been responsible for a major programme to transform the group.

In 2018, Viviane decided to focus on directorship. She is a member of the board of directors of UCB and Novo Holdings.

Viviane is a graduate of ESCP, a French national, and a resident of Lausanne.

Alain Parthoens – Permanent representative of Vesalius Biocapital II, Observer, Belgian national, 58 years old.



Alain Parthoens is co-founder and managing partner of Vesalius Biocapital funds I & II. He launched his first pan-European life science venture capital fund end of 2007 (VBC I, €76M raised) invested in 11 life science companies. In 2011, Vesalius raised its second fund (VBC II) of €78 million, invested in 11 companies at present.

Alain Parthoens has 17 years of experience as a venture capitalist with Vesalius Biocapital as well as ING Bank, where he was the life sciences investment director for southwestern Europe. Since 2001, he has invested in almost 30 early stage life science companies, most of the time in a leading role. As board member, he has actively participated in the development of several of them. Additionally, Alain Parthoens has many years of international experience working with food and life science companies, such as Nestlé, Kemira and Monsanto, and as an R&D consultant for pharmaceutical companies with PriceWaterhouseCoopers in London.

In 2017, he founded Newton Biocapital, an investment fund that invests in life sciences start-ups in Europe and Japan. Newton Biocapital has offices in Brussels and Tokyo.

Alain holds an MSc in agronomy and specialty biochemistry from the Université Catholique de Louvain, an MSc in finance and computer sciences from Université Libre de Bruxelles and a management degree from the Solvay Business School.

Tim Jackson – Permanent representative of Qualcomm, Inc., Observer, US national, 36 years old.



Timothy is Manager of Finance at Qualcomm Ventures, specialising in investing funds in early-stage companies.

He is also responsible for market investment analysis, investment audits, and execution of acquisitions and equity investments for Qualcomm Ventures.

Prior to joining Qualcomm Ventures, Timothy worked in Qualcomm's corporate finance division as an FPA (Financial Planning and Analysis) analyst as well as the Legal and Patent organisation.

Timothy earned his BS in finance from Boston College, a JD from the UCLA School of Law, and an MBA from UC San Diego's Rady School of Management.

14.2 Conflicts of interest in the administrative bodies and executive management

Pierre Leurent, Romain Marmot, and Alexandre Capet, as well as Bpifrance Participations, LBO France Gestion, CM-CIC Innovation, Vesalius Biocapital II, and Qualcomm, Inc. are shareholders, directly and/or indirectly, in the Company, as detailed in Section 18.2 of the *Document de base*.

Eric Elliott and Nicolas Cartier are not shareholders but do hold securities giving access to the Company's share capital (see Section 21.1.4 of the *Document de base*).

Related-party agreements are described in Sections 16.2 and 19.2 of the *Document de base*.

To the Company's knowledge, there are no current or potential conflicts of interest between duties carried out for the Group and the private interests and/or other duties of the members of the Company's Management and Board of Directors, as set out in Section 14.1 above.

The Board of Directors has adopted rules of procedure of which an article on Directors' "duty of loyalty" stipulates that any members of the Board of Directors who are in such a situation must fully and immediately inform the Board of Directors of any real or potential conflict of interest that they may have in the context of their duties as members of the Board of Directors, to determine whether they should refrain from voting on the resolutions in question, or must not attend the relevant Board meeting, or, in extreme cases, resign from their positions.

The agreement signed by the Company's key shareholders on 4 April 2014, as amended by addendums dated 12 June 2015, 18 December 2015, 28 January 2016, and 11 April 2018 (the "**Agreement**") will automatically be terminated on the settlement-delivery date of the Company shares to the regulated market of Euronext in Paris.

To the Company's knowledge, there is, as of the date of this *Document de base*, no restriction accepted by persons covered in Section 14.1 above regarding the sale, within a certain time interval, of their holding in the Company's share capital other than the Agreement.

To the Company's knowledge, there is no other pact, arrangement, or agreement of any kind with shareholders, customers, suppliers, or others under which any of the members of the Company's Management or Board of Directors has been named.

15. COMPENSATION AND BENEFITS

15.1 Compensation of corporate officers

The information in this chapter is based on the Corporate Governance Code as published in September 2016 by MiddleNext. The tables in Appendix 2 to the AMF Position-Recommendation No. 2014-14 are presented below.

The Combined General Meeting of the Company on 11 April 2018 has approved the change in the Company's administrative and management mode by adopting a structure with a board of directors. At their meeting held on 11 April 2018, the Board of Directors opted to separate the positions of Chairman of the Board and Chief Executive Officer.

Readers are invited to consult the details provided in the tables below.

Table No. 1: Summary table of compensation and warrants, founders' stock options and options allocated to each corporate officer

	FY 2016	FY 2017
Pierre Leurent- Chief Executive Officer⁽¹⁾		
compensation owed for the financial year ⁽²⁾	€201,541	€224,088
Valuation of multi-year variable compensation allocated during the year	Non applicable	Non applicable
Valuations of warrants, founders' options, and options allocated during the financial year	€106,745	Non applicable
Valuation of free shares allocated for the financial year	Non applicable	Non applicable
Total	€308,679	€224,088

⁽¹⁾ Over the period in question, Pierre Leurent was Chairman of the Management Board of the Company under its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, he was appointed Chief Executive Officer of the Company in its current form as a French *société anonyme* with a board of directors.

⁽²⁾ Including benefits in kind (see Table No. 2 "Summary table of compensation of each corporate officer" below).

	FY 2016	FY 2017
Romain Marmot- Deputy Chief Executive Officer⁽¹⁾		
Compensation owed for the financial year ⁽²⁾	€190,166	€186,777
Valuation of multi-year variable compensation allocated during the year	Non applicable	Non applicable
Valuations of warrants, founders' stock options , and options allocated during the financial year	€46,288	Non applicable
Valuation of free shares allocated for the financial year	Non applicable	Non applicable
Total	€236,453	€186,777

⁽¹⁾ Over the period in question, Romain Marmot was a member of the Management Board and Chief Executive Officer of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, he was appointed Deputy Chief Executive Officer of the Company in its current form as a French *société anonyme* with a board of directors.

⁽²⁾ Including benefits in kind (see Table n° 2 "Summary table of compensation of each corporate officer" below).

	FY 2016	FY 2017
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Alexandre Capet – Deputy Chief Executive Officer⁽¹⁾		
Compensation owed for the financial year ⁽²⁾	€177,254	€160,000
Valuation of multi-year variable compensation allocated during the year	Non applicable	Non applicable
Valuations of warrants, founders' stock options, and options allocated during the financial year	€8,365	€0
Valuation of free shares allocated for the financial year	Non applicable	Non applicable
Total	€185,619	€160,000

⁽¹⁾ Over the period in question, Alexandre Capet was a member of the Management Board of the Company in its form as a *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, he was appointed Deputy Chief Executive Officer of the Company in its current form as a *société anonyme* with a board of directors.

⁽²⁾ Including benefits in kind (see Table n° 2 "Summary table of compensation of each corporate officer" below).

	FY 2016	FY 2017
Eric Elliott – Chairman of the Board of Directors⁽¹⁾		
Compensation owed for the financial year	€54,204	€64,101
Valuation of multi-year variable compensation allocated during the year	Non applicable	Non applicable
Valuations of warrants, founders' stock options, and options allocated during the financial year	€0	€27,736
Valuation of free shares allocated for the financial year	Non applicable	Non applicable
Total	€54,204	€91,837

⁽¹⁾ Over the period under review, Eric Elliott was Chairman of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, he was appointed Chairman of the Board of Directors of the Company in its current form as a French *société anonyme* with a board of directors.

Table No 2: Summary table of compensation of each corporate officer

The following tables show the compensation owed to corporate officers for the financial years ended 31 December 2016 and 2017, and the compensation paid to those same individuals during the same financial years.

	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Pierre Laurent – Chief Executive Officer⁽³⁾				
Fixed compensation ⁽⁴⁾	€140,000	€140,000	€156,499	€156,499
Annual variable compensation ⁽⁵⁾	€35,765	€33,460	€18,332	€35,765
Multi-year variable compensation	Non applicable	Non applicable	Non applicable	Non applicable
Exceptional compensation ⁽⁶⁾	€15,000	€49,500	€8,224	€15,000
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Benefits in kind ⁽⁷⁾	€11,160	€11,160	€41,033	€37,581
Total	€201,925	€234,120	€224,088	€244,845

⁽¹⁾ Compensation owed to the corporate officer during the financial year of which the amount is not likely to change regardless of payment date. Amounts owed in foreign currency are converted at the average rate of the relevant period.

⁽²⁾ Compensation paid to the corporate officer during the financial year. Amounts paid in foreign currency are converted at the

average rate of the payment period.

- (3) See ⁽¹⁾ of Table 1 above.
- (4) Compensation owed for his chairmanship of the Management Board for the period prior to 15 August 2017, then, as from that date, for an employment contract with Voluntis, Inc.
- (5) Pierre Leurent receives annual variable compensation based on achievement of the qualitative and quantitative targets set at the beginning of the year (these targets are mainly related to the progress of product approval and reimbursement, the signature of distribution contracts or licences, and revenue earned by the Company and, for the 2017 financial year, the revenue earned by the Company, the level of patient inclusion, the entry into new contracts, and the accomplishment of certain public affairs initiatives). This variable compensation is capped for some targets (by €17,300 and USD 30,000 respectively for the 2016 and 2017 financial years), and, for the remainder, limited to the Company's revenue (€21,800 and USD 20,000 for the 2016 and 2017 financial years).
- Pierre Leurent may also receive, in respect of the 2018 financial year, annual variable compensation paid subject to the fulfilment of qualitative and quantitative targets comparable in nature to those set for the 2017 financial year; this compensation is capped at USD 112,800.
- (6) For the 2016 financial year, Pierre Leurent received an exceptional bonus due to the signature of major partnerships and, for 2017, the performance of business development. Pierre Leurent could also receive extraordinary bonuses for the 2018 financial year of USD 40,000 for a successful achievement of an IPO under specified conditions.
- (7) Pierre Leurent's housing and travel costs are paid by the Company due to his relocation to the United States, at the Company's request. For the 2016 and 2017 financial years, the Company also took out unemployment insurance for him.

	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Romain Marmot – Deputy Chief Executive Officer ⁽³⁾				
Fixed compensation ⁽⁴⁾	€144,544	€144,705	€144,288	€144,288
Annual variable compensation ⁽⁵⁾	€20,327	€22,701	€22,130	€19,917
Multi-year variable compensation	Non applicable	Non applicable	Non applicable	Non applicable
Exceptional compensation ⁽⁶⁾	€9,034	€34,781	€4,426	€8,852 ⁽⁷⁾
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Benefits in kind ⁽⁸⁾	€16,261	€19,513	€15,934	€15,934
Total	€190,166	€221,700	€186,777	€188,990

- ⁽¹⁾ Compensation owed to the corporate officer during the financial year of which the amount is not likely to change regardless of payment date. Amounts owed in foreign currency are converted at the average rate of the relevant period.
- ⁽²⁾ Compensation paid to the corporate officer during the financial year. Amounts paid in foreign currency are converted at the average rate of the payment period.
- ⁽³⁾ See ⁽¹⁾ of Table 1 above.
- ⁽⁴⁾ Compensation owed under the employment contract with Voluntis, Inc. as Chief Operating Officer.
- ⁽⁵⁾ Romain Marmot receives annual variable compensation based on achievement of the qualitative and quantitative targets set at the beginning of the year (these targets are mainly related, for 2016, to progress on product approval and reimbursement, the signature of new customer contracts or the strengthening of the American organisation and for strategy and, for the 2017 financial year, the level of patient inclusion, and the structuring of operations in the United States, including the achievement of certain hiring targets). For each of the preceding financial years, this variable portion is capped at USD 28,000.

Romain Marmot may also receive, in respect of the 2018 financial year, annual variable compensation paid subject to the fulfilment of qualitative and quantitative targets comparable in nature to those set for financial years 2016 and 2017 as well

as the Company's revenue and EBITDA; this compensation is capped at approximately USD 57,200.

- (6) For the 2016 financial year, Romain Marmot received an exceptional bonus due to the signature of major partnerships. He also received an exceptional bonus for his conduct of the Group's oncology business in 2017. Romain Marmot could also receive extraordinary bonuses for the 2018 financial year of USD 25,000 USD for the successful achievement of an IPO under specified conditions.
- (7) Romain Marmot's extraordinary bonus is paid in USD. The difference between the monies owed and those actually paid to the latter comes from the change in the USD/EUR exchange rate between the date of the decision establishing the compensation and the date on which it is paid.
- (8) Romain Marmot's housing and travel costs are paid by the Company due to his relocation to the United States, at the Company's request.

	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Alexandre Capet – Deputy Chief Executive Officer⁽³⁾				
Fixed compensation ⁽⁴⁾	€140,000	€140,000	€140,000	€140,000
Annual variable compensation ⁽⁵⁾	€27,254	€23,201	€14,000	€27,254
Multi-year variable compensation	Non applicable	Non applicable	Non applicable	Non applicable
Exceptional compensation ⁽⁶⁾	€10,000	€38,500	€6,000	€10,000
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Benefits in kind	Non applicable	Non applicable	Non applicable	Non applicable
Total	€177,254	€201,701	€160,000	€177,254

(1) Compensation owed to the corporate officer during the financial year of which the amount is not likely to change regardless of payment date.

(2) Compensation paid to the corporate officer during the financial year.

(3) See⁽¹⁾ of Table 1 above.

(4) Compensation owed under the employment contract with the Company as Chief Strategy & Marketing Officer.

(5) Alexandre Capet receives annual variable compensation based on achievement of the qualitative and quantitative targets set at the beginning of the year (these targets are mainly related, for 2016, to progress on product approval and reimbursement, the signature of new customer contracts, the strengthening of the marketing department according to the stipulated hiring plan, and the development of the Group's products, and, for the 2017 financial year, the level of patient inclusion, the development of the Group's product portfolio, the Group's communication, and the phases of industrialisation. For each of the preceding financial years, this variable portion is capped at €28,000.

Alexandre Capet may also receive, in respect of the 2018 financial year, annual variable compensation subject to the fulfilment of qualitative and quantitative targets similar to those set for the 2017 financial year as well as the Company's revenue and EBITDA; this compensation is capped at approximately €47,700.

(6) For the 2016 financial year, Alexandre Capet received an exceptional bonus due to the signature of major partnerships and, for 2017, the performance of business development. Alexandre Capet could also receive extraordinary bonuses for the 2018 financial year of €25,000 for the successful achievement of an IPO under specified conditions.

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	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Eric Elliott – Chairman of the Board of Directors⁽³⁾				
Fixed compensation	€54,204	€54,204	€53,112	€53,112
Annual variable compensation	Non applicable	Non applicable	Non applicable	Non applicable
Multi-year variable compensation	Non applicable	Non applicable	Non applicable	Non applicable
Exceptional compensation	Non applicable	Non applicable	€10,989	€10,989
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Benefits in kind	Non applicable	Non applicable	Non applicable	Non applicable
Total	€54,204	€54,204	€64,101	€64,101

⁽¹⁾ Compensation owed to the corporate officer during the financial year of which the amount is not likely to change regardless of payment date.

⁽²⁾ Compensation paid to the corporate officer during the financial year.

⁽³⁾ See⁽¹⁾ of Table 1 above.

⁽⁴⁾ In respect of the 2017 financial year, Eric Elliott received additional compensation due to his exceptional participation in the Company's strategic seminar.

Table No. 3: Attendance fees and other compensation received by corporate officers

Non-executive directors	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Nicolas Cartier ⁽⁴⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable
Valuation of warrants, founders' stock options and Options allocated during the year	Non applicable		65,407	
CM-CIC Innovation (represented by Emilie Lidome) ⁽⁵⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable
Bpifrance Participations (represented by Jean Bertin) ⁽⁵⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable

Non-executive directors	FY 2016		FY 2017	
	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾	Amounts owed ⁽¹⁾	Amounts paid ⁽²⁾
Vesalius Biocapital II Partners sarl (represented by Alain Parthoens) ⁽⁶⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable
Turenne Capital Partenaires SA (represented by Benoît Pastour) ⁽⁷⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable
LBO France Gestion (represented by Franck Noiret) ⁽⁵⁾				
Attendance fees	Non applicable	Non applicable	Non applicable	Non applicable
Other compensation	Non applicable	Non applicable	Non applicable	Non applicable

⁽¹⁾ Compensation owed to the corporate officer during the financial year of which the amount is not likely to change regardless of payment date.

⁽²⁾ Compensation paid to the corporate officer during the financial year.

⁽³⁾ Over the period in question, Nicolas Cartier was Vice-President of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, he was appointed Director of the Company in its current form as a French *société anonyme* with a board of directors.

⁽⁴⁾ Over the period in question, each of these individuals was a member of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, each of them was appointed Director of the Company in its current form as a French *société anonyme* with a board of directors.

⁽⁵⁾ Over the period in question, Vesalius Biocapital II Partners was a member of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Beginning on 11 April 2018, it was appointed observer of the Company in its current form as a French *société anonyme* with a board of directors.

⁽⁶⁾ Over the period in question and until 11 April 2018, Turenne Capital Partenaires was a member of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board.

Table No 4: Warrants, founders' stock options or options allocated during the financial year ended 31 December 2017 to each corporate officer by the Company and by any company in the Group

Name of Corporate Officer	Date of allocation	Nature of BSAs	Valuation of BSAs by the Black & Scholes method	Number of BSAs allocated during the FY	Maximum number of shares likely to be issued when exercising the BSAs	Exercise price	Expiry date
Eric Elliott	17 July 2017	BSA ₂₀₁₇	27,736	6,700	6,700	€11	17 July 2027

Table No 5: Warrants and founders' stock options exercised and options exercised during the financial year ended 31 December 2017 by each corporate officer

Non applicable

Table No 6: Free shares allocated to each corporate officer by the Company

Non applicable

Table No 7: Free shares made available for each corporate officer

Non applicable

Table No 8: Past allocations of warrants, founders' stock options and options allocated

See tables in Sections 21.1.4.1-21.1.4.3 of the *Document de base*.

Table No 9: Warrants and founders' stock options allocated and options granted during the financial year to the top ten non-executive managers, and warrants and founders' stock options and options exercised during the financial year by the latter

	Total number of options allocated - of shares subscribed or purchased	Weighted average price per share	Founders' stock options	Warrants 2016	Options 2017
Number of warrants allocated and options granted during the financial year by the Company, to the top ten non-executive managers of the Company, of which the number of founders' stock options, warrants, or options is highest	28,000	€11	Not applicable	Non applicable	28,000
Number of warrants and/or founders' stock options exercised or options exercised, during the financial year, by the ten employees of the Company, of which the number of warrants and founders' stock options so exercised or options so exercised is the highest	Non applicable	Non applicable	Non applicable	Non applicable	Non applicable

Table No 10: Past allocations of free share allocations

Non applicable.

Table No 11

The following table provides details about the conditions of compensation and other benefits for corporate officers:

Corporate Officers	Employment contract		Supplemental pension scheme		Allowance or benefits owed or likely to be owed due to a termination or change of position		Allowance related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Pierre Leurent - Chief Executive Officer	X ⁽¹⁾			X	X ⁽²⁾		X ⁽³⁾	
Term of office start date:	11 April 2018							

Corporate Officers	Employment contract		Supplemental pension scheme		Allowance or benefits owed or likely to be owed due to a termination or change of position		Allowance related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Term of office end date:	On the expiry date of the directorship, i.e. at the end of the Annual General Meeting approving the financial statements for the year ending 31 December 2020							
Romain Marmot - Deputy Chief Executive Officer	X ⁽⁴⁾			X	X ⁽⁵⁾		X ⁽⁶⁾	
Term of office start date:	11 April 2018							
Term of office end date:	For the term of office of the Chief Executive Officer							
Alexandre Capet - Deputy Chief Executive Officer	X ⁽⁷⁾			X		X	X ⁽⁸⁾	
Term of office start date:	11 April 2018							
Term of office end date:	For the term of office of the Chief Executive Officer							
Eric Elliott - Chairman of the Board of Directors		X		X		X		X
Term of office start date:	11 April 2018							
Term of office end date:	On the expiry date of the directorship, i.e. at the end of the Annual General Meeting approving the financial statements for the year ending 31 December 2020							

⁽¹⁾ Employment contract entered into in August 2017 with Voluntis, Inc. as Chief Executive Officer. The Board of Directors meeting held on 11 April 2018 confirmed that this employment contract would continue.

⁽²⁾ In the event of a breach of Pierre Laurent's employment contract, his costs to relocate to France will be paid by Voluntis Inc. up to the amount of USD 10,000. Moreover, Pierre Laurent has unemployment insurance (social security for corporate heads and executives).

⁽³⁾ Pursuant to his employment contract, Voluntis Inc. could ask Pierre Laurent to respect a non-compete obligation for a period of 12 to 24 months from the date of termination of his employment contract. In consideration for this obligation, Pierre Laurent will receive, after the actual termination of his employment contract and for the duration of his non-compete obligation, a monthly allowance equal to 45% of the remuneration (salary, benefits and bonus) that he would have received for the last 12 months of presence in the Company; this remuneration shall be paid to him on a bi-monthly basis.

⁽⁴⁾ Employment contract entered into on 4 April 2014 with Voluntis, Inc. as Chief Operating Officer. The Board of Directors meeting held on 11 April 2018 confirmed that this employment contract would continue.

⁽⁵⁾ In the event that Romain Marmot's employment contract is breached because of a transfer or change in control of the Company, or if this latter decides to put an end to his activities in the United States without offering Romain Marmot another position, the costs of relocating Romain Marmot and his family to France will be paid by Voluntis Inc. in the amount of USD7,000 maximum (this assessment may be increased by mutual agreement between the parties).

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- (6) Pursuant to his employment contract, in consideration for his non-competition obligation, Romain Marmot will receive, after the actual termination of his employment contract and for a period of 6 months from that date, a monthly allowance equal to his last net monthly salary (including premiums and variable compensation).
- (7) Employment contract entered into on 5 November 2012 with the Company as Chief Strategy & Marketing Officer. The Board of Directors meeting held on April 11th, 2018 confirmed that this employment contract would continue.
- (8) Pursuant to his employment contract, in consideration for his non-compete obligation, Alexandre Capet will receive, after the actual termination of his employment contract and for a period of one year from that date, a monthly allowance equal to 60% of the gross monthly average of his compensation (wages and premiums) that he would have received during the last 12 months of his tenure with the Company.

It is specified that, with the exception of the information included in table 2 above concerning variable compensation, the Company has no short or medium term plans to amend the compensation policy for its executives.

15.2 Sums provisioned by the Company for the payment of pensions, retirements, and other benefits to corporate officers

With the exception of provisions for the retirement allowance of Alexandre Capet, in the amount of €8,158 at 31 December 2017, as permitted by law, the Company has not provisioned any sums for the payment of pensions, retirement, or other benefits for corporate officers.

In addition, in accordance with the decision of the Supervisory Board meeting held on 12 June 2015, the Company paid Eric Elliott a hiring bonus of USD 50,000 upon his appointment as Chairman of the Supervisory Board.

15.3 Securities giving access to the Company's share capital allocated to or subscribed by corporate officers

A detailed description of the terms of each of the plans mentioned above appears in Section 21.1.4 of the *Document de base*. The figures shown are for the number of shares that can be subscribed per exercise of each of the rights or transferable securities giving access to the share capital.

16. FUNCTIONING OF ADMINISTRATIVE AND MANAGEMENT BODIES

16.1 Company Management

The Company is a French *société anonyme* with a Board of Directors. This governance structure was adopted by the Combined Shareholders' General Meeting of the Company held on 11 April 2018 (in a shift of governance, from a supervisory board and management board model to a Board of Directors model). At their meeting held on 11 April 2018, the Board of Directors opted to separate the positions of Chairman of the Board and Chief Executive Officer.

The Company's Board of Directors is chaired by Eric Elliot as Chairman of the Board of Directors. The Company's Executive Management includes Pierre Leurent as Chief Executive Officer and Romain Marmot and Alexandre Capet as Deputy Chief Executive Officers. The Chief Executive Officer and Deputy Chief Executive Officers represent the Company to third parties.

16.2 Information on contracts between the Company or its subsidiary and the Company's officers

Employment contract between the Company or its subsidiary, Voluntis, Inc., and the Company's officers

On 15 August 2017, Pierre Leurent entered into an open-ended employment contract governed by US law with Voluntis, Inc. as Chief Executive Officer.

On 4 April 2014, Romain Marmot entered into an open-ended employment contract governed by US law with Voluntis, Inc., as Chief Operating Officer.

On 5 November 2012, Alexandre Capet entered into an open-ended employment contract as Chief Strategy & Marketing Officer.

16.3 Board of Directors and Special Committees - Corporate Governance

16.3.1 Board of Directors

The composition and information on members of the administrative and management bodies are under the developments described in Chapter 14, "Administrative, Management, Supervisory Bodies, and Executive Management " and Section 21.2, "Memorandum and Bylaws" in the *Document de base*

Members of the Board may be paid by attendance fees, which are allocated among them according to their attendance record at Board meetings and their participation on special committees.

The rules of procedure, which will enter into force as of the effective listing of the Company's shares on the regulated market of Euronext in Paris, were adopted by the Board of Directors at its meeting on April 11th, 2018. These rules can only be amended by a two thirds majority of its members.

These rules of procedure stipulate that the following major decisions must have prior approval from the Board of Directors, it being specified that, within the meaning of these rules of procedure, the Group means all companies which Voluntis controls or may control in the future, directly or indirectly, as per the definition of Article L. 233-3 of the French Commercial Code:

- approval and amendment of the annual budget and multi-year budget of any company in the Group;
- the following decisions regarding any company in the Group if those decisions are not individualised in the budget approved by the Board of Directors;
 - to acquire or lease any business goodwill,
 - to create or stop any branch of operations or significant commercial activity,
 - to take, sell, or increase any equity stake in shares or convertible bonds in any other company or grouping,

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- to assign any significant asset (i) whose assignment value (or historic acquisition cost) is greater than one hundred thousand euros or (ii) if the total amount of assignments over a rolling 12-month period exceeds five hundred thousand euros,
- to acquire any significant asset (i) whose acquisition value would be greater than one hundred thousand euros or (ii) if the total amount of acquisitions made over a rolling 12-month period exceeds five hundred thousand euros,
- debt and provision of sureties and guarantees in the form of bonds, current account or other deposits, in an amount greater than one hundred thousand euros over a rolling 12-month period,
- to grant any subsidies or write off any loans to any third parties for an amount greater than one hundred thousand euros,
- to make loans to employees in an aggregate amount greater than one hundred thousand euros over 12 months,
- to make loans or write off loans to subsidiaries in an amount greater than one hundred thousand euros per rolling 12-month period, not including the current operation of the intragroup treasury agreement,
- to acquire, for a per-unit amount of more than fifty thousand euros or for an aggregate amount greater than one hundred thousand euros over 12 months, or assign industrial rights, patents, know-how licences, or brands,
 - appointment/removal and compensation of key executives, the list of which is recorded and amended by the Nomination and Compensation Committee, or hiring/termination of any employee whose yearly fixed/variable compensation is greater than one hundred and fifty thousand euros, for employees located outside the United States, or two hundred thousand euros, for employees located in the United States,
- to waive all rights against third parties, without compensation, for an amount greater than one hundred thousand euros,
- to make all decisions to undertake, pursue, or put an end to any litigation between a third party and a company in the Group that is in the amount of one hundred thousand euros or more,
- to determine the conditions for the allocation/subscription and vesting, and the recipients, of any shares or transferable securities issued upon delegation of the Extraordinary General Meeting,
- mergers, demergers, contributions, or similar operations,
- any agreements between one of the Group's companies on the one hand, and the shareholders or related parties on the other,
- change or diversification of activity beyond what is set out in the multi-year budget, and
- transfer of the bulk of the R&D workforce outside France.

In addition, these rules of procedure include the principles of conduct and the obligations of the members of the Company's Board of Directors. All members of the Board inform the Board of any conflicts of interest with which they may be faced. Moreover, these rules of procedure include the rules on distributing and using privileged information in force, and stipulate that its members must abstain from carrying out transactions on the Company's securities when they are in possession of privileged information.

All members of the Board of Directors are duty-bound to report to the Company and the AMF any transactions on Company securities that they perform, directly or indirectly.

The Board of Directors considers that, in the person of Nicolas Cartier and Viviane Monges, it has two independent members as per the Corporate Governance Code as published in September 2016 by MiddleNext (the "MiddleNext")

Code") because Nicolas Cartier and Viviane Monges respect all the criteria of independence fixed by the MiddleNext Code (see the table below).

Independence criterion per MiddleNext definition	Nicolas Cartier	Viviane Monges
Has not been, during the past five years, and is not currently an employee or corporate officer of the Company or of a company in its group.	✓	✓
Has not been, during the past two years, and is not currently in a significant business relationship with the Company or its group.	✓	✓
Is not a major shareholder in the Company and does not hold a significant percentage of the voting rights.	✓	✓
Has no close relationship or close family ties with a corporate officer or a major shareholder.	✓	✓
Has not been, in the past six years, a statutory auditor of the Company.	✓	✓

Although the Company complies with the recommendations applicable in the matter, it is considering increasing the proportion of independent directors on the Board of Directors following the listing of its shares for trading on the regulated market of Euronext in Paris.

In addition, the Company has undertaken a process for complying, no later than the General Meeting that will be convened to vote on the financial statements of the financial year ending 31 December 2018, with Article L. 225-18-1 of the French Commercial Code, which stipulates that the minimum proportion of Board members of each gender cannot be less than 40% in companies whose shares are listed on a regulated market. Alternatively, if the Board of Directors is composed of no more than eight members, the discrepancy between the number of members of each gender cannot be greater than two. Therefore, the Company will propose the appointment of one new female member of the Board of Directors as soon as an applicant with a suitable profile has been identified⁴⁹.

The number of Board meetings reflects the different events in the life of the Company. Thus, the Board of Directors meets more often when the Company's affairs require it and at least four times per year.

As of the date of this *Document de base*, the Board of Directors also includes two observers, Vesalius Biocapital II, represented by Alain Parthoens, and Qualcomm Inc., represented by Tim Jackson.

Observers are convened to the Board meetings in the same conditions as Board members, and as such they are entitled to advance information about the Board meetings in the same conditions as the Board members. They attend Board meetings with consultative votes only (see Section 21.2.2.1.3 of the *Document de base* containing the statutory regulations on observers).

⁴⁹ As a reminder, any appointment or nomination of a member of the Board of Directors that is not in compliance with these provisions and would not remedy the irregularity mentioned would be invalid. In addition, non-compliance with these provisions results in suspension of payment of attendance fees which cannot be resumed until the composition of the Board has been resolved.

16.3.2 Committees

The Company has instituted two special committees within its Board of Directors: an Audit Committee and an Nomination and Compensation Committee.

16.3.2.1 *Audit Committee*

By a decision from the Board of Directors dated 11 April 2018, the Company established an Audit Committee for an unspecified period. Audit Committee members have set out the operating rules for their committee in the rules of procedure approved by the Board of Directors on the same date and which will come into force from the effective listing of the Company's shares on the regulated market of Euronext in Paris.

The main terms of the Audit Committee's rules of procedure are described below.

Composition

If possible, the Audit Committee is composed of at least two members appointed, on the recommendation of the Nomination and Compensation Committee, by the members of the Board of Directors, excluding executive corporate officers.

The composition of the Audit Committee may be amended by the Board of Directors and, whatever the case, must be amended if there is a change in the overall composition of the Board.

The members of the audit committee are appointed for a period, which cannot exceed their term of office as member of the Board of Directors and can even be revoked by the Board. Their term is renewable without limitation. At least one member of the Committee (preferably its Chair) must be an independent member according to the criteria defined by the MiddleNext Code, and have special financial or accounting skills, with the specification that all members possess at least minimal skills in finance and accounting.

As of the date of this *Document de base*, the Audit Committee members are:

Viviane Monges, Chairman, and

Bpifrance Participations, represented by Jean Bertin.

Ms. Viviane Monges an independent member, has special financial and accounting skills.

Responsibilities

The Audit Committee is tasked with:

- monitor the process of preparing financial reporting, including reviewing, prior to their presentation to the Board of Directors, the annual or half-year company and consolidated financial statements and quarterly financial presentations, and ensure that accounting methods used in the preparation of these financial statements and/or presentations are relevant and consistent. The Audit Committee will focus on major transactions during which any conflict of interest could have arisen and examine any conflicts of interest that may affect a member of the Board of Directors, and will propose measures to remedy them; generally speaking, the Audit Committee watches over the quality of the financial information supplied to shareholders;
- monitoring the effectiveness of the internal control, internal audit and risk management systems; and to monitor financial and accounting reporting: as such, the Audit Committee must be informed by the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officers and/or Statutory Auditors of the Company:
 - o of any event exposing the Group to a material risk,

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- of the Group's main environmental, social, and societal risks, and
- of any material defect or weakness in internal control and any substantial fraud.

The Audit Committee must review the annual report on governance, internal control, and risk management for the section on internal control and risk management.

The Audit Committee ensures that there is an anti-fraud and anti-corruption system.

- ensure monitoring the Statutory Auditors' legal control of the annual and consolidated financial statements;
- issuing a recommendation on the Statutory Auditors proposed for appointment by the General Meeting and reviewing the terms of their compensation;
- monitoring the independence of Statutory Auditors;
- reviewing the terms of use on derivatives;
- periodically reviewing the status of major litigation;
- generally, providing any advice and making any appropriate recommendations in the above areas.

It must regularly account for the performance of its duties and immediately report any difficulty encountered.

Operating procedures

The Audit Committee meets at least twice per year, according to a schedule set by its chairman, to review the annual, half-yearly, and, as applicable, quarterly financial statements (in each case, consolidated, as applicable), following an agenda drawn up by its Chairman and sent to Audit Committee members at least five days before the meeting date. It also meets at the request of its chairman, two of its members, or the Chairman of the Board of Directors of the Company.

The Audit Committee may consult with any executive or director of the Company and carry out any internal or external audit on any topic that it deems to be within its purview. The Chairman of the Audit Committee notifies the Board of Directors of such in advance. In particular, the Audit Committee has the option of consulting with individuals who are involved in the preparation or inspection of the financial statements, the Chief Operating Officer, the Chief Financial Officer, and the principal managers in the Finance Department.

The Audit Committee consults with the Statutory Auditors. It can consult with them without any Company representative.

Reports

The Chairman of the Audit Committee ensures that the Audit Committee's accountability reports to the Board of Directors allow this latter to be fully informed, thereby facilitating its deliberations.

The annual report includes a briefing on the Audit Committee's activity during the preceding financial year.

If, in the course of its work, the Audit Committee detects a significant risk that it deems not to be adequately handled, the Chairman alerts the Chairman of the Board without delay.

16.3.2.2 Nomination and Compensation Committee

By a decision of the Board of Directors on 11 April 2018, an Nomination and Compensation Committee was established for an unspecified period. The members of this Committee have set out the operating rules of their Committee in rules of procedure approved by the Board of Directors on the same date and which will come into force from the effective listing of the Company's shares on the regulated market of Euronext in Paris.

The primary terms of the Nomination and Compensation Committee's rules of procedure are described below.

Composition

The Nomination and Compensation Committee is composed of at least two members chosen by the Board of Directors from among its members.

The composition of the Nomination and Compensation Committee may be amended by the Board of Directors and, whatever the case, must be amended if there is a change in the overall composition of the Board.

The appointments and remuneration committee members are appointed for a period, which cannot exceed their term of office as member of the Board of Directors and can even be revoked by the Board. Their term is renewable without limitation. The Committee is preferably chaired by an independent member, as per the definition in the MiddleNext Code.

As of the date of this *Document de base*, the members of the Nomination and Compensation Committee are:

- Nicolas Cartier, Chairman,
- LBO France represented by Franck Noiret, and
- CM-CIC Innovation represented by Emilie Lidome.

Responsibilities

The Nomination and Compensation Committee is tasked with:

- with regard to nomination:
 - presenting the Board of Directors with recommendations on the composition of the Board of Directors and its Committees, guided by the interest of the Company's shareholders. The committee must strive to reflect a diversity of experiences and points of view, while ensuring a high level of skills, internal and external credibility and stability of the Company's corporate bodies;
 - each year, giving the Board of Directors the list of its members who may be considered "independent members" with regard to the criteria set out by the MiddleNext code,
 - creating a succession plan for the Company's officers, and assisting the Board of Directors in choosing and evaluating the members of the Board of Directors,
 - preparing the list of individuals they recommend for membership in general management or the Board of Directors, by taking the following criteria into account: (i) the desirable balance in the composition of the board of directors in view of the composition and evolution of the Company's shareholding, (ii) the desirable number of independent members, (iii) the proportion of men and women required by the regulation in force, (iv) the opportunity for renewal of terms of office and (v) the integrity, skill, experience and independence of each candidate;
 - preparing the list of Board members whose nomination they recommend for membership in a Committee; and
 - to prepare the list of key executives each year (i.e. the Chief Executive Officer, Deputy Chief Executive Officers, Chief Financial Officer, Chief Medical Officer, and Chief US Operating Officer, on the date of this *Document de base*).
- with regard to compensation:
 - reviewing the primary objectives proposed by management with regard to the compensation of the

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Company's non-executive managers, and, where appropriate, its subsidiaries, including free share plans and stock subscription or purchase options;

- reviewing the compensation of non-executive managers of the Company and, where appropriate, of its subsidiaries, including free share plans and stock subscription or purchase options, pension and provident schemes, and benefits in kind,
- reviewing the primary objectives of any free share plan under consideration for the benefit of the Company's employees and, where appropriate, its subsidiaries;
- making recommendations and proposals to the Board of Directors regarding:
 - compensation pension and provident schemes, benefits in kind, and other financial entitlements (payment of exceptional bonus), including in the event of closure (compensation related to joining or leaving office, compensatory allowances for a non-compete clause, etc.) for corporate officers of the Company and, where appropriate, its subsidiaries. The committee proposes compensation amounts and structures and, specifically, rules for setting the variable portion, factoring in the Company's and, where appropriate, its subsidiaries' strategy, objectives, and results, as well as market practices; and
 - free share plans, stock subscription or purchase plans, and any other similar profit-sharing mechanisms, particularly individual awards to corporate officers who are eligible for this type of mechanism,
- to ensure that the compensation policy for Executive Corporate Officer and for other senior executives non-directors is consistent,
- to watch over the Company's respect of its transparency requirements with regard to compensation. For the preparation of its proposals and projects, the Nomination and Compensation Committee takes into account market practices in corporate governance.
- reviewing the total amount of attendance fees and the system of their distribution among directors, taking account of the directors' attendance rates and the time they devote to their duties, including, as applicable, on the Committees set up by the Board of Directors, as well as the conditions for reimbursing any costs incurred by Board members,
- preparing and presenting any reports required by the Board of Director's rules of procedure, and
- preparing any other recommendation that the Board of Directors might request of it with regard to compensation.

Generally, the Nomination and Compensation Committee provides any advice and makes any appropriate recommendations in the above areas.

Operating procedures

The Nomination and Compensation Committee meets at least once a year, according to a schedule set by its Chairman, following an agenda drawn up by this latter and sent to Committee members at least five calendar days before the meeting date, except in emergencies as approved unanimously by its members. It also meets whenever it deems necessary, at the request of its chair, two of its members, the Chairman of the Board of Directors, or the Chief Executive Officer.

If the Chairman of the Company's Board of Directors is not a member of the Committee, he or she may be invited to attend the Committee meetings. The Committee invites him/her to present proposals. He or she has no voting rights and does not participate in deliberations regarding his/her own situation.

The Committee may ask the Chairman of the Board of Directors to request the assistance of any management executive in the Company whose skills could facilitate the handling of an item on the agenda. The Committee Chairman or the session chair points out the confidentiality obligation incumbent on any individual participating

in the discussions.

The Committee may ask to consult with outside service providers; such services must be approved by the Board of Directors in advance.

Reports

The Chairman of the Nomination and Compensation Committee ensures that the Committee's accountability reports to the Board of Directors allow this latter to be fully informed, thereby facilitating its deliberations.

The annual report includes a briefing on the Committee's activity during the preceding financial year.

The Compensation Committee reviews the Company's draft report on executive compensation.

16.4 Corporate Governance

For the sake of transparency and public information, specifically the listing of its shares for trading on the regulated market of Euronext in Paris, the Company has undertaken a review of corporate governance practices.

The Company has named the MiddleNext Code as a reference which it intends to turn to once its shares are listed for trading on the regulated market of Euronext in Paris. The code is available on the MiddleNext website (www.middlenext.com).

The Company's aim is to comply with all recommendations in the MiddleNext Code.

The table below shows the Company's position with respect to all recommendations laid down by the MiddleNext code as of the date of this *Document de base*.

Recommendations of the MiddleNext Code	Adopted	To be adopted	Under review
Supervisory power			
R 1: Code of ethics for Board members	X		
R 2: Conflicts of interest	X		
R 3: Board composition - Presence of independent members	X		
R 4: Information to Board members	X		
R 5: Organisation of Board and Committee meetings	X		
R 6: Establishment of Committees	X		
R 7: Establishment of rules of procedure for the Board		X ⁽¹⁾	
R 8: Choice of each Board member	X		
R 9: Term of office for Board members			X ⁽²⁾
R 10: Compensation of Board members	X		
R 11: Establishment of an assessment of the Board's work		X ⁽³⁾	
R 12: Relations with shareholders	X		
Executive power			
R 13: Definition and transparency of the compensation of executive corporate officers	X		
R 14: Succession planning for executives	X		
R 15: Concurrent employment contract and corporate office	X ⁽⁴⁾		
R 16: Severance pay	X		

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Recommendations of the MiddleNext Code	Adopted	To be adopted	Under review
R 17: Supplemental pension schemes	X		
R 18: Stock options and free share allocations		X ⁽⁵⁾	
R 19: Review of focus issues	X		

- ⁽¹⁾ As of the date of this *Document de base*, the Company has not yet made public the rules of procedure which its Board of Directors adopted on 11 April 2018, but will make put all or part of this regulation available to the public on its website following the planned IPO.
- ⁽²⁾ Director reappointments cannot be phased immediately, because current directors were all appointed at the Combined General Meeting of 11 April 2018 which approved the Company's transformation into a French *société anonyme* with a Board of Directors. Their office will expire at the General Meeting to approve the financial statements of the 2020 financial year; the Extraordinary General Meeting could then decide to renew certain offices for an exceptionally shorter term so as to implement phasing.
- ⁽³⁾ In view of the Company's recent transformation into a French *société anonyme* with a Board of Directors, the Board has not, to date, conducted an evaluation of its working methods or operation. The Company intends to set up an assessment of the Board of Director's work during 2018.
- ⁽⁴⁾ In view of the Company's size, its drive to attract and retain highly experienced personnel⁵⁰, and the specific expertise of each member of general management, the Board of Directors has authorised the executive corporate officers to hold an employment contract and a corporate office concurrently.
- ⁽⁵⁾ The exercise of warrants or founders' stock options allocated to some of the Company's executive corporate officers prior to the listing of the Company's shares on the regulated market of Euronext in Paris is not subject to performance conditions. However, the Company does want to ensure that the exercise of dilutive instruments that will be issued to its executive corporate officers in the future is subject to performance conditions.

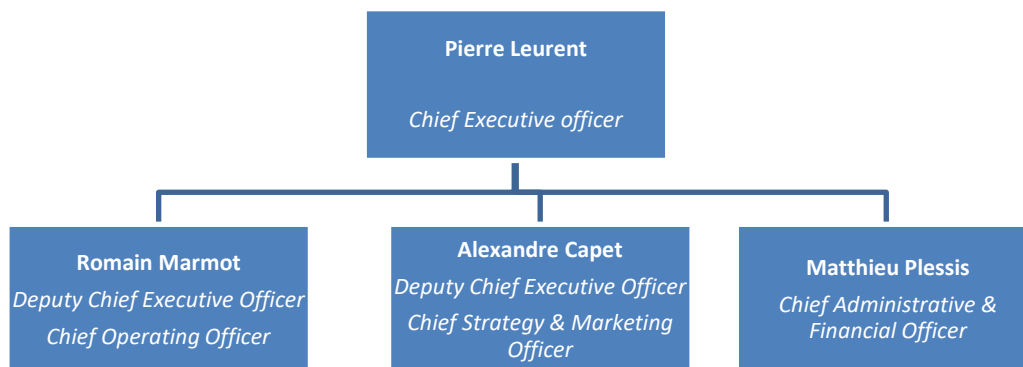
⁵⁰ The protections attached to receiving an employment contract (specifically, dismissal procedure and unemployment benefits) are an important consideration for executive corporate officers, without which they might not have accepted their office.

17. EMPLOYEES

17.1 Human Resources

17.1.1 [Organisational chart as of the date of this *Document de base*](#)

The Company's operational management takes the form of an Executive Committee composed of the Chief Executive Officer, the Deputy Chief Executive Officers, and the Chief Administrative & Financial Officer, as shown in the organisational chart below.



The Executive Committee assists the Chief Executive Officer in the Group's strategic and financial guidance. It sets partnership guidelines, supplies the structural framework for medium-term targets, and supervises mergers & acquisitions as well as relations with the Board of Directors and shareholders. This Committee meets at least monthly.

The Executive Committee is assisted by a Management Committee composed of members of the Executive Committee as well as representatives of all of the Group's departments. This Management Committee is the review and operational decision-making body for the Group's projects. It sets out, monitors, and coordinates the action plans identified in the various departments. It meets weekly, monitors operational and financial performance, and adjusts, if necessary, the Group's operations.

17.1.2 [Numbers and breakdown of workforce](#)

At 31 December 2017, the Group had 105 employees (of which 90 in France and 15 in the United States).

The Group's headcount at the close of the 2017 financial year may be broken down by department as follows:

	2016	2017
Industrial Operations	56	58
Sales & Marketing	19	21
Medical, Quality & Regulatory	12	18
General Management & Administration	9	8
Total	96	105

17.1.3 [Employee representation](#)

After the elections for a new employee representative body intended to renew the single existing delegation, the second round of which took place on 22 March 2018, the Company established an Economic and Social Committee (CSE) based on the new framework set out by the Law of 23 September 2017. The mission of the CSE is to replace all previously-existing employee representative bodies and individual representatives, the Works Council, and the health, safety and working conditions committee in the Company.

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17.2 Shareholding and stock options of corporate officers

See Section 21.1.4.1 of the *Document de base*, "*Transferable securities giving access to the Company's share capital*."

17.3 Employee shareholding in the Company

As of the of this *Document de base*, employee share ownership (with exception of corporate officers) in the Company's share capital stood at 1.41%, on a fully-diluted basis.

17.4 Profit-sharing and incentive schemes

No profit-sharing or incentive schemes had been set up by the Company as of the date of this *Document de base*.

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18. MAJOR SHAREHOLDERS

18.1 Allocation of share capital and voting rights

The shareholding table below shows the breakdown of the share capital and voting rights of the Company as of the date of this *Document de base*.

	Position as of the date of this <i>Document de base</i> , on a non-diluted basis		Position as of the date of this <i>Document de base</i> on a fully-diluted basis ⁽¹⁾						
	Number of shares	% of share capital and voting rights ⁽²⁾	Number of shares likely to be issued upon exercise of the founders' stock options	Number of shares likely to be issued upon exercise of the warrants	Number of shares likely to be issued upon exercise of the options	Number of free shares allocated	Number of shares likely to be issued upon conversion of the OC ₂₀₁₇	Number of shares after exercise of founders' stock options and warrants, exercise of options, and conversion of the OC ₂₀₁₇	% of share capital and voting rights after exercise of founders' stock options and warrants, exercise of options, and conversion of the OC ₂₀₁₇ ⁽²⁾
Pierre Leurent*	213,400	4.44%	133,591	-	23,405	-	-	370,396	5.88%
Other	198,149	4.13%	347,682	83,467	40,865	24,050	-	694,213	11.01%
Total Management	411,549	8.57%	481,273	83,467	64,270	24,050	-	1,064,609	16.89%
Cap Décisif Management ⁽³⁾	315,888	6.58%	-	-	-	-	-	315,888	5.01%
CM-CIC Innovation*	734,809	15.30%	-	-	-	-	97,183	831,992	13.20%
SHAM Innovation Santé	879,926	18.32%	-	-	-	-	106,901	986,827	15.65%
Bpifrance Participations*	1,307,395	27.23%	-	-	-	-	291,549	1,598,944	25.36%
LBO France Gestion ^{(4)*}	523,122	10.89%	-	-	-	-	97,183	620,305	9.84%
Vesalius Biocapital II SA Sicar*	457,600	9.53%	-	-	-	-	97,183	554,783	8.80%
Qualcomm Inc.*	55,297	1.15%	-	-	-	-	-	55,297	0.88%
Kreos	-	-	-	70 000 ⁽⁵⁾⁽⁶⁾	-	-	-	70,000	1.11%
Total - Financial investors	4,274,037	89.00%	-	70,000	-	-	690,000	5,034,037	79.85%
Total - other shareholders / consultants /	116,498	2.43%	80,000	8,000	-	1,365	-	205,863	3.27%

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<i>employees</i>									
TOTAL	4,802,084	100.00%	561,273	161,467	64,270	25,415	690,000	6 304 509	100.00%

* Members of the Company's Board of Directors

- (1) The figures in these columns are disclosed on the basis of fully-diluted capital, i.e. on the assumption that each of the share subscription options in circulation is exercised, each of the warrants and founders' stock options are exercised, and each of the convertible bonds is converted (see Section 21.1.4, "*Transferable securities giving access to the Company's share capital*" of the *Document de base*). The total number of shares to be issued upon conversion of the convertible bonds depends on the price per share used for the IPO (see Section 21.1.4.5 of the *Document de base*). Since the latter was not known as of the date of the *Document de base*, the scenario used in this table is the conversion of these OC₂₀₁₇ into 690,000 new shares, the maximum number of shares that can be issued under the conversion of said OC₂₀₁₇.
- (2) As of the *date of this Document de base*, the percentage of voting rights is identical to the percentage of share capital held, it being however specified, that as from the second anniversary date of the initial listing of the Company's shares on the regulated market of Euronext in Paris, the fully paid-up shares for which evidence is shown of individual registration in the same shareholder's name for at least two years from that date will have double voting rights.
- (3) Through the Cap Decisif, Cap Decisif 2, and G1J funds of which it is the management company.
- (4) Through the Services Innovants Santé et Autonomie (SISA) fund, of which it has been the management company since the acquisition of the management company Innovation Capital.
- (5) assuming a subscription of the BSA _{2018-Kreos} by Kreos Capital V (Expert Fund) L.P. no later than 1 May 2018;
- (6) It being specified that in the event of a financing round or an IPO of the Company under which a subscription price per share (including the issue premium) of less than €11 is applied, the number of new shares issued by exercise of the BSA _{2018-Kreos} may be adjusted upward (see Section 21.1.4.3 of the *Document de base*).

18.2 Substantial shareholders not represented on the Board of Directors

As of the date of this *Document de base*, SHAM Innovation Santé and Cap Décisif Management, through the funds that each company manages, hold more than 5% of the Company's share capital and are not represented on the Board of Directors.

18.3 Voting rights of the major shareholders

As of the date of this *Document de base*, the voting rights of each shareholder are equal to the number of shares held by each of them, with the clarification, however, that as from the second anniversary date of the initial listing of the Company's shares on the regulated market of Euronext in Paris, those fully paid-up shares for which evidence is shown of individual registration in the same shareholder's name for at least two years from that date will have double voting rights.

18.4 Control of the Company

As of the date of this *Document de base*, no shareholder has control over the Company as defined in Article L. 233-3 of the French Commercial Code.

With the exception of the presence of Nicolas Cartier and Ms. Viviane Monges, independent members of its Board of Directors, and the procedure of regulated agreements, the Company has not put any measures in place with a view to ensuring that any control over it is not improperly exercised.

18.5 Agreements that can result in a change in control

To the Company's knowledge, there is no agreement whose implementation could result in a change in control over the Company, with the exception of the agreement signed between the major shareholders of the Company on April 4th, 2014, as modified by amendments dated of June 12th, 2015, December 18th, 2015, January 28th, 2016, and April 11th, 2018, which will automatically be cancelled on the settlement-delivery date of the Company's shares on the regulated market of Euronext in Paris.

18.6 Status of pledged shares of the Company

To the Company's knowledge, none of its shares have been pledged.

19. RELATED-PARTY TRANSACTIONS

19.1 Intra-group agreements

See Section 7.3 of the *Document de base*.

19.2 Related-party transactions

Regulated agreements entered into during the 2016 and 2017 financial years are listed in the special reports of the Statutory Auditors in Section 19.3 of the *Document de base*, below.

In addition, Pierre Leurent, Romain Marmot, and Alexandre Capet have entered into an employment contract, for the first two, with Voluntis, Inc., and for the latter, with the Company (see Section 16.2 of the *Document de base*).

19.3 Statutory Auditors' reports on regulated agreements

19.3.1 [Special report of the Statutory Auditors on regulated agreements established in relation to the financial year ended 31 December 2016](#)

Voluntis

Annual General Meeting approving the financial statements for the year ended 31 December 2016

Special Report by the Statutory Auditor on regulated agreements

ERNST & YOUNG et Autres

Voluntis

Annual General Meeting approving the financial statements for the year ended 31 December 2016

Special Report by the Statutory Auditor on regulated agreements

To the Shareholders,

In our capacity as Statutory Auditors of your company, we present you with our report on regulated agreements.

It is our responsibility to inform you, based on the information we were given, of the key features and procedures of the agreements we were advised of or which we discovered during our audit, as well as the reasons why they are in the company's interest; however, we are not required to take a stand on their benefit or merit, nor to search for the existence of other agreements. It is your responsibility under Article R. 225-58 of the French Commercial Code to assess what benefit there was in entering into these agreements in order to approve them.

In addition, where appropriate, it is our responsibility to share with you the information set out in Article R. 225-58 of the French Commercial Code on the execution over the past year of the agreements already approved by the General Meeting.

We have followed the procedures that we determined to be necessary with regard to the professional guidance issued by the French national auditing body (Compagnie nationale des commissaires aux comptes) relative to this audit. These procedures consisted of matching the information given to us against the *documents de base* from which they were taken.

Agreements submitted for approval by the General Meeting

We wish to inform you that we were given no notice of any agreement authorised during the past financial year to be submitted for approval by the General Meeting pursuant to Article L. 225-86 of the French Commercial Code.

Agreements already approved by the General Meeting

Pursuant to Article R. 225-57 of the French Commercial Code, we were informed that the execution of the following agreements, already approved by the General Meetings in previous financial years, continued during the past financial year.

With Bpifrance, CM-CIC Innovation, Sham, Sisa, and Vesalius Capital, shareholders in your company

Type and purpose

Shareholder Credit Facility Agreement.

Procedures

The shareholder credit facility agreement for a maximum of €5 million, entered into on 24 June 2015, continued until 29 February 2016, the date of the capital conversion upon payment of the T2 tranche of the capital increase

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approved in April 2014.

The interest expense recognised in the financial statements of the 2016 financial year for this agreement is €49,000.

Paris-La Défense, 15 June 2017

The Statutory Auditors
ERNST & YOUNG et Autres

Franck Sebag

Voluntis
Financial year ended 31 December 2016

19.3.2 [Special report of the Statutory Auditors on regulated agreements established in relation to the financial year ended 31 December 2017](#)

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Voluntis

General Meeting to approve the financial statements for the financial year ended 31 December 2017

Special Report by the Statutory Auditor on regulated agreements

ERNST & YOUNG et Autres

Voluntis

General Meeting to approve the financial statements for the financial year ended 31 December 2017

Special Report by the Statutory Auditor on regulated agreements

To the General Meeting of Voluntis,

In our capacity as Statutory Auditors of your company, we present you with our report on regulated agreements.

It is our responsibility to inform you, based on the information we were given, of the key features and procedures of the agreements we were advised of or which we discovered during our audit, as well as the reasons why they are in the company's interest; however, we are not required to take a stand on their benefit or merit, nor to search for the existence of other agreements. It is your responsibility under Article R. 225-58 of the French Commercial Code to assess what benefit there was in entering into these agreements in order to approve them.

In addition, where appropriate, it is our responsibility to share with you the information set out in Article R. 225-58 of the French Commercial Code on the execution over the past year of the agreements already approved by the General Meeting.

We have followed the procedures that we determined to be necessary with regard to the professional guidance issued by the French national auditing body (Compagnie nationale des commissaires aux comptes) relative to this audit.

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Agreements submitted for approval by the General Meeting

We wish to inform you that we were given no notice of any agreement authorised or entered into during the past financial year to be submitted for approval by the General Meeting pursuant to Article L. 225-86 of the French Commercial Code.

Agreements already approval by the General Meeting

We wish to inform you that we were given no notice of any agreement already approved by the General Meeting of which the execution continued during the past financial year.

Paris-La Défense, 27 March 2018

The Statutory Auditors
ERNST & YOUNG et Autres

Franck Sebag

Voluntis
Financial year ended 31 December 2017

20. FINANCIAL INFORMATION

20.1 Consolidated financial statements prepared according to the IFRS accounting standards for the financial years ended 31 December 2016 and 31 December 2017

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Consolidated statement of profit or loss

In thousands of euros	Note	Years ended December 31,	
		2017	2016
Revenue	4.1	7,302	10,272
Other operating income		1,095	987
Total operating income		8,396	11,258
Purchases & external expenses	4.2	(5,764)	(6,002)
Personnel expenses	4.3	(10,423)	(8,370)
Taxes & duties		(284)	(254)
EBITDA		(8,075)	(3,367)
Depreciation and amortisation, net	4.5	(1,522)	(1,208)
Provisions, net	4.5	(28)	238
Current operating income		(9,625)	(4,338)
Other non-recurring operating income and expenses		-	-
Operating income		(9,625)	(4,338)
Finance costs	4.6	(588)	(788)
Finance income		165	316
Income tax (expense)	4.7	22	(46)
NET INCOME		(10,026)	(4,857)
Net income – Equity holders of the parent		(10,026)	(4,857)
Net Income - non-controlling interests			-
Earnings per share (in €)	4.8	(2.15)	(1.19)

Consolidated statement of other comprehensive income

In thousands of euros	Years ended December 31,	
	2017	2016
Net income	(10,026)	(4,857)
Other comprehensive income/loss to be reclassified to profit or loss	(1)	(12)
Remeasurment gains (losses) on defined benefit plans	(1)	(12)
Income tax effect		
Other comprehensive income/loss to be reclassified to profit or loss	152	(42)
Exchange differences on translation of foreign operations	152	(42)
TOTAL COMPREHENSIVE INCOME	(9,875)	(4,910)

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Consolidated statement of financial position

Assets (in € thousands)	Note	Years ended December 31,		January 1,
		2017	2016	2016
Intangible assets, net	5.1	2,489	2,676	2,404
Tangible assets, net	5.2	764	277	290
Non-current financial assets	5.3	241	114	63
Other non-current assets			0	0
Non-current assets		3,494	3,067	2,757
Trade and other receivables	5.4	299	3,435	755
Other current assets	5.4	2,322	2,257	1,992
Cash and cash equivalents	5.5	1,845	5,831	2,552
Current assets		4,466	11,522	5,299
Total assets		7,960	14,589	8,056

Liabilities and shareholders' equity (in € thousands)	Note	Years ended December 31,		1 January
		2017	2016	2016
Capital		480	423	347
Share premium		35,752	29,508	21,209
Retained earnings		(27,334)	(22,979)	(23,448)
Income/(loss) of the year		(10,026)	(4,857)	
Equity attributable to equity holders of the parent		(1,127)	2,096	(1,892)
Non-controlling interest				
Total equity	5.6	(1,127)	2,096	(1,892)
Interest-bearing loans and borrowings	5.8	252	541	711
Provisions	5.7	141	130	69
Other non-current liabilities		322	322	
Non-current liabilities		714	993	778
Interest-bearing loans and borrowings	5.8	4,003	6,467	4,778
Provisions	5.7	77		274
Trade and other payables	5.9	1,492	1,788	1,014
Other current liabilities	5.9	2,801	3,244	3,101
Current liabilities		8,373	11,500	9,170
Total liabilities and equity		7,960	14,589	8,056

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Statement of consolidated cashflow

In thousands of euros	Note	Years ended December 31,	
		2017	2016
Net income		(10,026)	(4,857)
Depreciation, amortisation and provisions	4.5	1,550	982
Share-based payment transaction expense	4.3	351	522
Other non-cash adjustments		(177)	(336)
Finance costs	4.6	588	788
Deferred taxes, net	4.7	(22)	46
Income tax paid		11	(426)
Net change in operating working capital requirements		2,329	(1,330)
Change in trade and other receivables	5.4	3,065	(2,562)
Change in trade and other payables	5.9	(737)	1,232
Net cash flows from/(used in) operating activities		(5,396)	(4,610)
INVESTMENT ACTIVITIES			
Proceeds/(purchase) from/(of) tangible and intangible assets	5.1 and 5.2	(1,769)	(1,467)
Proceeds/(purchase) from/(of) non-current financial assets		(383)	(13)
Proceeds/(purchase) from/(of) non-current financial assets		251	(36)
Net cash flows from/(used in) investing activities		(1,900)	(1,516)
FINANCING ACTIVITIES			
Proceeds from capital increase		25	3,375
Proceeds from borrowings	5.8	3,550	6,309
Repayment of borrowings	5.8	(236)	(170)
Interests paid			(119)
Net cash flow from/(used in) financing activities		3,339	9,394
CASH FLOW VARIATION		(3,958)	3,269
Net foreign exchange difference		(21)	10
OPENING CASH BALANCE		5,824	2,545
CLOSING CASH BALANCE	5.5	1,845	5,824

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Consolidated statement of changes in equity

In thousands of euros	Capital	Share premium	Retained earnings	Foreign currency translation reserve	Profit (loss) for the year	Attributable to equity holders of the parent	Non-controlling interests	TOTAL
Equity at 1 January 2016	347	21,209	(23,424)	(24)		(1,892)		(1,892)
Issue of share capital	76	8,299				8,375		8,375
Profit/(loss) of the year – 2016					(4,857)	(4,857)		(4,857)
Provision			(12)			(12)		(12)
Share-based payments			522			522		522
Conversion reserve				(42)		(42)		(42)
Equity at 31 December 2016	423	29,508	(22,914)	(65)	(4,857)	2,096		2,096
Issue of share capital	57	6,244				6,301		6,301
Profit/(loss) of the year – 2016			(4,857)		4,857			
Profit/(loss) of the year – 2017					(10,026)	(10,026)		(10,026)
Provision			(1)			(1)		(1)
Share based payments			351			351		351
Conversion reserve				152		152		152
Equity at 31 December 2017	480	35,752	(27,421)	87	(10,026)	(1,127)		(1,127)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Contents

1.	Note 1 : Description of the Group and its business	177
1.1.	The Voluntis Group	177
1.2.	Key events during the year	178
	Note 2 : Scope of consolidation	179
2.1.	The Voluntis Company	179
2.2.	List of consolidated entities	179
2.3.	Consolidation methods	179
	Note 3 : Accounting principles applied by the Group and declaration of conformity	180
3.1.	Presentation of the first IFRS consolidated financial statements	180
3.2.	Declaration of conformity	180
3.3.	Going concern	183
3.4.	Accounting judgements and estimates used to prepare the financial statements	184
3.5.	Functional currencies and currency in which the consolidated financial statements are presented	

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail.

184

3.6.	Intangible assets	185
3.7.	Tangible assets	186
3.8.	Impairment of tangible and intangible assets	186
3.9.	Financial assets	187
3.10.	Capital	187
3.11.	Share-based payments	187
3.12.	Financial liabilities	187
3.13.	Conditional advances	188
3.14.	Provisions	188
3.15.	Revenue	189
3.16.	Leases	191
3.17.	Income tax	191
3.18.	Segment reporting	192
3.19.	Other operating income and expense	192
Note 4 :	Notes to the consolidated income statement	194
4.1.	Operating income	194
4.2.	External expenses	195
4.3.	Personnel expenses	195
4.4.	Share-based payments	195
4.5.	Depreciation, amortisation	198
4.6.	Finance costs	198
4.7.	Income tax	198
4.8.	Net earnings per share	199
Note 5 :	Notes to the consolidated statement of financial position	200
5.1.	Intangible assets	200
5.2.	Tangible assets	201
5.3.	Non-current financial assets	202
5.4.	Trade and other receivables	202
5.5.	Cash and cash equivalents	203

5.6.	Share capital	203
5.7.	Provisions	204
5.8.	Interest-bearing loans and borrowings	205
5.9.	Current liabilities	208
5.10.	Fair value of financial assets and liabilities	209
Note 6 : Management and measurement of financial risks		210
6.1.	Interest rate risk	210
6.2.	Liquidity risk	210
6.3.	Credit risk	211
6.4.	Exchange rate risk	211
Note 7 : Other information		211
7.1.	Off-balance sheet commitments	211
7.2.	Commitments linked to operating leases	211
7.3.	Headcount	211
7.4.	Related party transactions	212
7.5.	Compensation of senior executives	212
7.6.	Post-closing events	212

NOTE 1 : DESCRIPTION OF THE GROUP AND ITS BUSINESS

1.1. The Voluntis Group

The Voluntis Group ("the Group") includes the Voluntis S.A. Company, established in 2001, and its US subsidiary, Voluntis Inc, incorporated in September 2012. The Group develops and markets innovative medical solutions, incorporating the latest information technology to improve treatment outcomes and, more generally, the efficiency of healthcare systems.

By relying on investments in its technology platform, these patient-focused medical solutions distributed through long term partnerships with key players in the Healthcare sector combine the best of web and mobile technology, recognised expertise in the medical and regulatory field, and certified quality processes.

Digital Therapeutics solutions are based on medical intelligence and may be treatment - or illness-specific: algorithms inform decisions and transpose recommendations based on clinical evaluations and/or expert scientific consensus. Layers of data security rules are built around these algorithms to control independent patient access to the software.

Digital therapeutic software companions are classified as medical devices subject to regulation in many countries, especially in Europe and North America. As such, the development process is systematised and governed by audited and certified quality control processes. They must obtain regulatory marketing approval.

Our diabetes solutions are designed to support type 1 and type 2 diabetes patients throughout the insulin therapy pathway. Insulia® is a digital therapeutic for people with type 2 diabetes treated with long-acting basal insulin. Diabeo® is a digital solution for type 1 and type 2 patients treated on a basal-bolus insulin regimen, combining long-acting basal insulin and fast-acting insulin injection (bolus), administered by injection or pump (Diabeo® is

a registered trademark of Sanofi. Insulia® is a registered trademark of Voluntas. Insulia® and Diabeo® were conceived as part of an extensive clinical programme including several randomised multi-centre clinical trials.

The oncology solutions developed by the Group aim to help those afflicted with various cancers to better manage their medical care in their day-to-day lives. Prescribed by care teams as an extension of treatment, they aim to help patients better manage their symptoms and side effects.

Theraxium is the platform underlying all of our companion digital therapeutics. This infrastructure platform includes features common to all the therapeutic software and operates data flows.

1.2. Key events during the year

After being granted, at the end of 2016, marketing approval for the US and European markets for its Insulia product, a digital solution for patients with type 2 diabetes treated with basal insulin, respectively through FDA clearance obtained in November 2016 and EC marking in December 2016, 2017 was spent preparing for the launch of these products.

In France, the publication of the Order of 25 April 2017, including specifications for experiments relating to the remote management of diabetes, on the basis of Article 36 of Law No. 2013-1203, the Social Security Act for 2014, established a relevant framework for marketing the solutions developed by the Group.

The launch of Insulia was initiated in France as part of this initial experimentation. In the same context, the launch of Diabeo was initiated, with the Group supporting the efforts of Sanofi. Diabeo®, co-developed in partnership with Sanofi and CERITD (*Centre de Recherche pour l'Intensification de Traitement du Diabète*, Research Centre for Accelerating the Treatment of Diabetes), and distributed by Sanofi, is a solution for patients with type 1 or type 2 diabetes under intensified treatment (basal-bolus regimen).

In the United States, distribution partnerships, with Sanofi and Onduo in particular - on the one hand and direct initiatives - pilot projects with diabetology centres and/or the Insulia Saving Program - on the other hand, were the vectors for launching Insulia.

At the same time as the deployment of launch plans, investment was continued in research and development. Focused on the two main therapeutic fields of diabetes and oncology, this investment extended the field of insulins covered by Insulia and Diabeo and strengthened the development platform. The Télésage clinical study, which focuses on the Diabeo solution and includes 667 patients, was conducted in partnership with Sanofi and CERITD.

The Company's main establishment in France moved to new premises, also located in Suresnes, thus accommodating future growth of the workforce.

Funding of R&D, clinical assessment and marketing resulted in the Company reinforcing its own funds, recording on 3 April 2017 the conversion by holders of bonds issued in June 2016 of all of their bonds, for the amount of €6,276k.

Further, by virtue of the new convertible bonds contract (CB2017), approved by the Combined General Meeting of 30 June 2017, the Management Board issued a first tranche of 35,500,000 2017 convertible bonds for which subscription totalled €3,550 K.

NOTE 2 : SCOPE OF CONSOLIDATION

2.1. The Voluntis Company

Voluntis is a French Société Anonyme company with a Board of Directors and a Supervisory Board under French Law, subject to the regulations applicable to commercial companies, whose registered office is at 58, Avenue de Wagram, 75017 Paris.

Voluntis is the ultimate parent company of the Group. The sole subsidiary under the exclusive control of Voluntis is fully consolidated. The Company and its Subsidiary make up the Group.

The main shareholders of the company at 31 December 2017 were:

Shareholders (in number of shares)	Total	%
Funds managed by Cap Décisif Management	315,888	6.6%
CM-CIC Innovation	734,809	15.3%
SHAM Innovation Santé	879,926	18.3%
Bpifrance Participations	1,307,395	27.2%
LBO France Gestion	523,122	10.9%
Vesalius Biocapital II SA Sicar*	457,600	9.5%
Other shareholders (representing less than 5% of rights to capital and voting rights)	583,344	12.2%
Total	4,802,084	100%

2.2. List of consolidated entities

Entities	Head office	% of control 31/12/2017	% of interest 31/12/2017	% of control 31/12/2016	% of interest 31/12/2016
Voluntis SA	58, Avenue de Wagram, 75017 Paris	Holding	100%	Holding	100%
Voluntis Inc.	125 Cambridge Park Drive, Cambridge, MA 02140	100%	100%	100%	100%

2.3. Consolidation methods

Entities in which Voluntis S.A. exercises, or has the power to exercise directly or indirectly are fully consolidated. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date it ceases.

The financial statements of the Group and the consolidated entities were prepared on the same reporting period, i.e. 31 December 2017. If necessary, adjustments are made to the subsidiaries' financial

statements so that their accounting methods are in line with the Group's accounting principles.

NOTE 3 : ACCOUNTING PRINCIPLES APPLIED BY THE GROUP AND DECLARATION OF CONFORMITY

Values presented in the consolidated financial statements are expressed in thousands of euros, unless otherwise stated.

3.1. Presentation of the first IFRS consolidated financial statements

As a result of the Group's expected growth and information requirements with regards to its financial partners, the Voluntis Group decided to prepare its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS).

Consolidated financial statements were not previously prepared by the Group. These first consolidated financial statements are prepared, voluntarily, in accordance with the standards and interpretations of the standards published by the IASB (International Accounting Standards Board) and the IFRIC (International Financial Reporting Interpretations Committee), as adopted by the European Union. They have been prepared in application of IFRS 1 "First-time adoption of the international financial reporting standards", using a transition date of 1 January 2016.

The comparative consolidated accounts for the year ended 31 December 2016 are presented accordingly. Besides, a balance sheet as at 1 January 2016 has been prepared in application of IFRS 1. The Group made use of the following exemptions permitted by IFRS 1:

- the Group determined the amount of foreign exchange differences from 1 January 2016;
- actuarial gains on retirement commitments were fully consolidated as of 1 January 2016.

Since this is a first-time consolidation, no comparison with financial statements prepared according to another accounting standard is provided.

3.2. Declaration of conformity

In application of European Regulation No. 1606/2002 of 19 July 2002 on international standards, the Group's consolidated financial statements have been prepared according to the standards and interpretations published by the International Accounting Standards Board (IASB) adopted by the European Union and mandatory at the closing of accounts.

This standard, which is available on the European Commission website (http://ec.europa.eu/internal_market/accounting/ias_fr.htm), incorporates the international accounting standards (IAS and IFRS), the Standing Interpretations Committee - SIC and the International Financial Interpretations Committee - IFRIC).

The general principles and accounting methods and options retained by the Group are described below.

3.2.1. [New standards adopted by the European Union and applicable at 31 December 2017:](#)

No new standard, standard amendment or interpretation is of mandatory application for the financial years closed on 31 December 2017.

3.2.2. [New standards adopted by the European Union and for early application at 31 December 2017:](#)

The Group studies the scope of the impacts of these new standards on its future consolidated financial statements. At 31 December 2017, the Group has chosen not to adopt the early application of these texts:

IFRS 15 – Revenue from Contracts with customers.

IFRS 15 sets out the accounting principles for revenue from contracts with customers. It replaces the preceding standards and interpretations relating to the recognition of revenue.

The standard provides a single, principle-based, five-step model to be applied in order to define the timing and the amount of revenue arising from a contract with a customer.

It includes a guide to applying the standard, notably regarding the licenses and specific provisions for how to recognize incremental costs of obtaining or fulfilling a contract, that are not addressed by other standards. The standard requires the disclosure of new qualitative and quantitative information in the notes to the consolidated accounts.

The Group intends to apply the IFRS 15 standard for its consolidated financial statements as of 1 January 2018 using the modified-retrospective transition method. According to this method, the effect of the first-time application of the standard will be accounted for in shareholders' equity as of 1 January 2018 without any restatement of comparative periods.

The Group has begun assessing the impact of the first application of the standard. This adoption will include an update of its accounting rules and policies with regard to the recognition of revenue and possible adaptations of the management system to include the records required to implement it and prepare the required information in the notes to the financial statements.

IFRS 15 will lead to a more refined identification of Voluntis's different supply and performance obligations under its customer contracts and a specific analysis of the nature of the rights granted under licence agreements. As a result, the IFRS 15 application could change the date on which the revenue for certain contracts is recognised.

The main impacts identified concern license contracts or specific developments for which part of the revenue relating to financial years 2015 to 2017 could be either:

- offset against future periods for performance obligations relating to licences that grant rights to use relating to intellectual property rights that have not yet been marketed or used by the recipient of the licence; or

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- offset against the period of the agreement for performance obligations relating to licences granting rights to use to recipients or relating to specific developments which cannot be separated from such licence in the absence of unique functionality.

Based on current work, the Group does not expect any major impact on the reading of the financial statements presented.

IFRS 9 - Financial instruments.

The standard replaces IAS 39 "Financial instruments: recognition and measurement" and relates to classification and measurement, as well as impairment and hedge accounting for financial assets and liabilities. The new standard is applicable from 1 January 2018. Early application is permitted.

The Group intends to apply the IFRS 9 standard to its consolidated financial statements as of 1 January 2018.

3.2.3. [New Standards and interpretations not yet adopted by Europe but applicable early as of 31 December 2017:](#)

IAS 12 relates to the accounting and measurement of deferred taxes, assets or liabilities.

The published amendments aim to clarify the provisions concerning the accounting of deferred tax assets relating to debt instruments measured at fair value, in order to respond to the diversity of the practice.

Subject to their adoption by the European Union, these amendments apply as of 1 January 2017.

IFRIC 23 clarifies the application of the provisions of IAS 12 "Income tax" relating to accounting and measurement when there is uncertainty relating to the treatment of income tax.

Subject to their adoption by the European Union, these amendments apply as of 1 January 2019.

3.2.4. [The standards, amendments and interpretations adopted by the IASB or IFRIC but not yet adopted by the European Union as of 31 December 2017 were not applied early. These concern:](#)

IFRS 16 - Leases

This standard represents a major change in how leases are recognised and sets out a single lessee accounting model requiring lessees to recognise assets and liabilities for all leases except for those of less than 12 months or for which the underlying asset is of low value.

IFRS 16 is of mandatory application as of 1 January 2019. The Group does not plan an early application of this standard, it has identified its leases and intends to begin the measurement phase in 2018.

3.3. Going concern

The going concern assumption was retained by the Group's Management based on the following items:

Based on a large experience in the development of solutions for diabetes patients, the Group has

managed to develop an essential asset, proven the clinical efficiency of its medical devices and has obtained the regulatory approvals required to market its products.

Further, the Group has a large potential market through its initial focus on two therapeutic areas (diabetes and oncology) each of which represent a major public health challenge and whose management generates very significant and increasing costs for global healthcare systems. The Group has also built long term partnerships with global leaders in the pharmaceutical industry that have a strategic interest in these solutions.

The Group has obtained capital to finance its activities thus far and has cash that amounts to €1.8 million at the end of December 2017. Current investors also subscribed to a convertible bond issue in the amount of €3.6 million in January 2018.

Management has forecast the future cash flows required to market its products. These forecasts show that the Group currently has short term financing but will need new cash injections to continue with its development and marketing plan in the coming months.

To cover the financing requirements of its development over the 12 months following the closing date of the present financial statements, the Group will look to obtain future funding by means of new revenue from commercial agreements, in particular via an IPO of the Group. However, it may also obtain extra funding from current investors as well as from new investors.

By preparing the financial statements according to the going concern principle, Management has taken into account the following probable funding sources:

- the subscription of convertible bonds in January 2018;
- the planned implementation of a supplementary bond loan with the Kreos company for an amount which may be up to €7 million;
- the planned IPO of the Group's shares during the first half of 2018.

In the event that the IPO does not take place, the Group may propose that new investors take part in a private placement, in which existing shareholders may participate. In such circumstances, the Group could approach its industrial partners as new investors.

Thus, the Group believes that it has sufficient resources to pursue its activities for the foreseeable future. For this reason, it has prepared its consolidated financial statements according to the going concern principle.

3.4. Accounting judgements and estimates used to prepare the financial statements

The preparation of financial statements requires Management to exercise judgement, and use estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date as well as on items of profit (loss) for the period. These estimates take into account the economic data that are subject to changes over time and entail uncertainties. The underlying estimates and assumptions are made based on past experience and other factors which are considered reasonable in light of the circumstances. Therefore, they serve as a basis for exercising the judgement required to determine the accounting values of assets and liabilities, which may be obtained directly from other sources. Actual values may differ from the estimated values.

The measurement of certain balances of the balance sheet and the income statement requires the use of assumptions, estimates or evaluations that have an impact on the application of the accounting methods and on the declared amounts of assets, liabilities, income and expenses. These estimates and assumptions are reviewed regularly. Changes to accounting estimates are recognised in the period during which the changes took place.

The areas for which assumptions and estimates are significant with regards to the Group's financial statements primarily include: estimation of the allocation of the contractual revenues in return for the Group's obligations under its customer contracts, the lifecycle of the products and improvements developed internally, estimation of the feasibility and the resources required to complete the products or projects, fair value of share-based payments and the current and non-current provisions.

3.5. Functional currencies and currency in which the consolidated financial statements are presented

The consolidated financial statements are presented in thousands of euros, the euro is the presentation and functional currency of Voluntis SA, the parent company of the Group. The functional currency of Voluntis Inc. is the US dollar.

Expenses and income in a foreign currency are converted at for their corresponding value on the date of the transaction. Loans and receivables are included in the balance sheet for their corresponding value at the end of the financial year.

The assets and liabilities of companies included in the scope and expressed in foreign currencies are converted into euros using the exchange rate on the closing date, with the exception of the net position which remains at its historic value. The income and expenses of these companies are converted into euros using the average exchange rate over the period. Exchange differences resulting from these conversions are recognised in other comprehensive income under "Foreign currency differences".

The exchange rate for the US dollar used to convert the financial statements of Voluntis Inc. into euros over the 12 months period to 31 December 2017 and 31 December 2016 are as follows:

Currency	2017 opening rate	2017 average rate	2017 closing rate	2016 opening rate	2016 average rate	2016 closing rate
Euro (EUR)	1	1	1	1	1	1
US dollar (USD)	0.948677	0.885206	0.833820	0.918527	0.903421	0.948677

3.6. Intangible assets

3.6.1. [Research and development](#)

Research costs are expensed as incurred.

Software development expenditure is recognised as intangible asset when the Group can demonstrate that the criteria are met.

The part recognised as intangible asset is related to the costs allocated to detailed specification activities, programming, testing and software documentation during active marketing that are likely to generate revenue for Voluntis.

The software created is amortised over the useful life of the asset, taking into account the estimated rate of obsolescence and renewal of the functions developed in one year.

The amortisation period for each software is estimated individually. At 31 December 2017, all of the software recorded as an asset was subject to amortisation over three years. Capitalised developments costs are amortised when one of the following occurs:

- signature of a D.O. (Design Output) for products already marketed and covered by a regulatory approvals for the such version;
- when the first regulatory approval is obtained;
- recognition of the first euro in revenue.

The tax saving linked to the Research Tax Credit, on the basis of the eligible portion of the research costs, will reduce the amount of the assets recorded.

3.6.2. [Other intangible assets](#)

Other intangible assets correspond essentially to the software acquired and amortised over periods estimated between 1 and 3 years depending on the expected useful life time. Intangible assets acquired are recognised as an asset on the balance sheet at the acquisition cost.

3.7. Tangible assets

Tangible assets are valued at their acquisition cost (excluding current maintenance costs), less the accumulated depreciation and impairment. Depreciation is calculated using the straight-line and declining balance method depending on the asset class over the useful life of the asset in accordance with the taxation legislation in force in France.

The average terms and methods of depreciation for each asset class are the following:

- fixtures and technical facilities: 5-year straight line;
- computer equipment: 3-year declining balance;
- office equipment and furniture: 5-year straight-line.

3.8. Impairment of tangible and intangible assets

The carrying amounts of the Group's assets are reviewed at each reporting date to assess whether there is any indication that those assets have suffered an impairment loss. If such an indication exists (reduction in value on the market or accelerated obsolescence for example), an impairment test is performed.

The impairment test consists of comparing the carrying amount of the asset or group of assets concerned and its recoverable amount. The recoverable amount of an asset is the highest value between its selling price net of disposal costs and its value in use. The value in use is the discounted value of the estimated future cash flow from the use of the asset and its disposal at the end of its useful life.

Impairment loss is recognised whenever the carrying value of the asset is higher than its recoverable amount.

The recoverable amount must be estimated for each asset taken individually. If this is not possible, IAS 36 requires that a company determines the recoverable amount of the cash generating unit to which the asset belongs.

The assets are then allocated to cash generating units (the smallest identifiable group of assets whose continued use generates cash flows which are largely independent of the cash flows from other assets or groups of assets). The Group has not carried out any growth transaction by means of the acquisition of a company or business and does not present any goodwill on its balance sheet. It is considered as a single cash-generating unit.

An impairment loss recognised for another asset is reversed if there is a change in the estimates used to determine the recoverable amount.

The carrying value of an asset, increased through reversal of an impairment loss, should not be higher than the carrying value which would have been determined, net of depreciation, if no impairment loss had been recognised.

3.9. Financial assets

3.9.1. [Non-current financial assets](#)

The non-current financial assets mainly include security deposits made as part of the activity.

3.9.2. [Trade and other receivables](#)

Trade and other receivables are measured at their nominal value, less allowance for doubtful accounts.

Impairment losses are recognised in the income statement when there is objective evidence that the asset has lost its value. The factors taken into account to identify these potential impairment losses are mainly proven financial difficulties of a creditor or late payments.

3.9.3. [Cash and cash equivalents](#)

Cash and cash equivalents include short term investments (term of investment generally 3 months or less), highly liquid (sale possible at any time without any impact on the asset value), which are readily convertible into known amounts of cash and which are subject to a negligible risk of change in value (with a history that attests to the consistency of their performance).

3.10. Capital

Ordinary and preferred shares are classified in shareholders' equity. The costs of capital operations directly attributable to the issue of shares or new options are recorded in shareholders' equity less the proceeds from the issue, net of tax.

3.11. Share-based payments

Since 2011, the Company has issued share warrants (BSA), founders' stock options (BSPCE) and stock options (OSA).

IFRS 2 indicated, among others, that all equity-settled transactions must be recorded in the financial statement at the time when the corresponding service is rendered.

The Group applied IFRS 2 to all of the equity instruments granted to employees or executives.

The fair value of options and free shares allocated is recognised in personnel expenses in consideration for an increase in equity under the item "Retained earnings". Fair value is measured on the allocation date and spread over the period during which the employees exercise their options.

3.12. Financial liabilities

A financial liability is either:

(a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the

entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

3.12.1. [Financial liabilities at amortised cost](#)

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs, where appropriate. After initial recognition, interest bearing loans and borrowings, are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts future cash flows until their expiry, to obtain the net value of the loan on the date it was initially recognised. To calculate the effective interest rate of a financial liability, future cash flows are determined based on the maturity of contractual repayments.

3.12.2. [Liabilities measured at fair value through profit or loss](#)

Changes in liabilities measured at fair value through profit or loss are recognised under "Net borrowing costs".

3.13. **Conditional advances**

The Group may receive financial aid in the form of conditional advances, which are interest free advances, repayable in full or in part based on the recognition by the source of finance of a technical or commercial success of the related project by the financing entity.

The amount resulting from the benefit of having no interest is considered as a grant for the preparation of IFRS financial statements.

Liability was calculated at fair value by discounting, at the estimated market rate, the future flow of disbursements.

3.14. **Provisions**

3.14.1. [Provisions for liabilities and expenses](#)

Provisions for liabilities and disputes correspond to commitments resulting from various disputes, for which the due date and amount are not known.

A provision is recognised when the Group has a present obligation towards a third party as a result of a past event, when it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised is the best estimate of the expenditure needed to settle the obligation.

3.14.2. [Employee commitments: employee benefits](#)

The Group recognises a liability when an employee has provided service in exchange for employee

benefits to be paid in the future and an expense when the entity consumes the economic benefit arising from the service provided by an employee in exchange for employee benefits.

a) *Defined contribution plans*

Contributions made to a defined contribution plan are recorded in expenses when they are incurred.

b) *Retirement benefits*

The Group's commitments with regard to retirement consist of the benefits paid when the employee retires. In accordance with revised IAS 19 "Employee benefits" as part of the defined contributions plan, the commitment is calculated taking into account actuarial assumptions. The Company complies with the Syntec Collective bargaining agreement (engineering offices and consultancy firms). Further, the Group's defined contributions plans are limited to the legal and collective agreement framework in France. The cost of current services (i.e. the period) is presented as employee expenses.

3.15. Revenue

3.15.1. [Revenue recognition](#)

Revenue mainly consists of user licencing fees, set up services , subscriptions (SaaS licenses and hosting), support and maintenance services as well as the amounts linked to the operational achievement of contract milestones: Upfront payments, regulatory milestones or clinical success fees.

Revenue from the sale of products and services is recognised according to IAS 18 - income from ordinary activities when the risks and rewards of ownership have passed to the buyer.

The rule applied by category is detailed below:

a) *General cases:*

Licensing revenue is recognised to the extent the following conditions have been fulfilled: there is proof of a formalised agreement through a contract or a signed order, the delivery of the product was accompanied by a delivery note or a signed record of receipt for the installation, the price is determined or determinable, the recovery of the liability is probable. Licences invoiced in instalments, which have been delivered over the period, may lead the Company to recognise the invoices to be issued for the outstanding amount on the closing date.

When the provision of services involves a substantial modification to the licensed software or has a degree of complexity that is greater than the projects usually performed and likely to involve specific risks linked to their completion, the revenue generated from the licence is recognised according to the stage of completion.

Revenue from licences granted for a given period is recognised taking into account the proportion of this period over the reporting period.

Revenue from set up services is recognised by reference to the stage of completion. As a result, the

Group recognises deferred income for the services invoiced but not rendered on the reporting period. Likewise, unbilled revenue is recognized for the share of services rendered but not invoiced, considering the stage of completion.

Subscription (licensing in Software as a Services or hosting) and maintenance revenue is spread over the contract period. As a result, the Group recognises deferred income for the services invoiced but not rendered on the reporting period.

The Group recognises revenue for a usage-based royalty promised in exchange for a licence of intellectual property based on the terms of the agreement, and only when (or as) the later of the following events occurs: (a) the subsequent usage occurs; and (b) the performance obligation to which some or all of the usage-based royalty has been allocated has been satisfied (or partially satisfied).

b) Collaboration and distribution agreements

The Group concludes collaboration agreements for development and marketing which include several combined obligations (such as a licence, service provisions, hosting and support), which may be the object of a single contract or different contracts, but which in substance constitute the same contract.

These agreements may embed a non-repayable upfront payment, technology licensing revenue, milestone payments (regulatory, clinical, linked to marketing, performance, etc.) and user licencing fees.

Upfront payments are recognised in revenue when the collaboration agreement is signed, or deferred and spread out based on the nature of the underlying items.

Milestone payments represent the amounts, received from the co-contractor, the payment of which depends on the completion or success of certain technical, clinical, regulatory or commercial milestones. These milestone payments are recognised when the trigger event is confirmed, when there is no residual risk regarding the milestone and when the Company has no more services to provide with regards to this event or obligation to the co-contractor, including the obligation of subsequent repayment. The trigger events may be commercial or clinical performances obtained by the Company or the other party to the agreement, regulatory authorisation or the marketing of the products developed under the agreement.

Licensing and subscription revenue from the agreements is recognised according to the general case presented above.

Revenue from setup, assistance or advisory services rendered under the contract is recorded according to the general case presented above.

3.15.2. [Other revenue](#)

Subsidies and grants

Due to its innovative activities, the Group receives subsidies or government grants. Subsidies and grants related to income are presented as part of profit or loss under the “Other operating income section”.

Subsidies and grants related to assets are presented in the statement of financial position by deducting the subsidies and grants in calculating the carrying amount of the assets. .

Research tax credit

The research tax credit (CIR) is granted to companies by the tax authorities to promote technical and scientific research. The expenses incurred by the Group which fulfil the required criteria benefit from a tax credit that can be offset against income tax returns. Under specific conditions, the unused portion of the CIR can be refunded.

The portion financing research expenditure is recognised under "Other operating income" on the reporting period during which the eligible expenses are incurred. The portion financing development expenditure eligible for capitalisation is deducted in calculating the carrying amount of the assets

3.16. Leases

Leases for which a significant part of the risks and benefits inherent to ownership are effectively handled by the lessor are classified as operating leases. The payments made under these contracts are recognised in expenses of the reporting period.

3.17. Income tax

The income tax recognised in the consolidated statement of profit and loss includes taxes payable and deferred taxes. Both current and deferred income tax are recognised in the income statement, except when they are related to items directly recognised in equity.

3.17.1. Current income tax

Current income tax assets and liabilities of the reporting period are measured at the amount expected to be recovered from or paid to the taxation authorities. Tax rates and tax laws used to compute these amounts are those that are enacted, or substantially enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Company Value Added Contribution (CVAE) was recognised in tax expenses as permitted by IAS 12.

3.17.2. Deferred tax

Deferred tax is provided using the liability method on the temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognised for all temporary differences, the carry forward of unused tax credits and unused

tax losses, to the extent that it is probable that a taxable profit will be available, against which the deductible temporary differences, carry forward of tax losses and unused tax credits can be utilised.

The carrying amount of deferred taxes is reviewed at each closing date and reduced to the extent that it no longer appears probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised.

Deferred taxes and liabilities are measured based on the expected tax rates for the financial year during which the asset will be realised or the liability settled, based on the tax rates (and tax rules) which were adopted or substantially adopted on the closing date.

The deferred taxes relating to items recognised directly in shareholders' equity are recognised in shareholders' equity and not in the income statement.

Deferred assets and liabilities are offset when there is a legally enforceable right to set off tax assets and liabilities and when they relate to income taxes levied by the same taxation authority and the Group intend to settle its current tax assets and liabilities on a net basis.

For 2016 and 2017 reporting periods, the tax rate used to calculate stocks of deferred taxes for Voluntis SA was 28%. With regards to Voluntis Inc. the tax rate used was 35%.

3.18. Segment reporting

The Group operates in a single industry segment: development of digital therapeutic solutions based on its Theraxium platform. The assets, liabilities and operating losses made are primarily located in France.

3.19. Other operating income and expense

These concern a very small amount of income or expense, unusual, abnormal, and uncommon - of significant amounts - disclosed separately in the income statement to improve the understanding of the current operational performance.

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NOTE 4 : NOTES TO THE CONSOLIDATED INCOME STATEMENT

4.1. Operating income

In € thousands	Years ended December 31,	
	2017	2016
Revenue	7,302	10,272
Subsidies	1,087	976
Other income	7	11
Total operating income	8,396	11,258

Subsidies primarily concern the research tax credit, for the portion financing research expenditures.

The Group's revenue embeds user licensing fees, setup services, subscriptions, support and maintenance services, as well as amounts linked to contractual milestones.

Revenue by geographic sector breaks down as follows:

In € thousands	Years ended December 31,	
	2017	2016
Europe	5,244	4,461
North America	1,976	5,712
Rest of world	82	99
Total revenue	7,302	10,272

Revenue by therapeutic field breaks down as follows:

In € thousands	Years ended December 31,	
	2017	2016
Diabetes	4,141	6,655
Oncology	2,190	2,223
Other	971	1,394
Total revenue	7,302	10,272

4.2. External expenses

External expenses recognised over the last two years break down as follows:

In € thousands	Years ended December 31,	
	2017	2016
Outside services	(925)	(968)
<i>Fees and external personnel</i>	<i>(1,247)</i>	<i>(1,242)</i>
<i>Advertising</i>	<i>(134)</i>	<i>(65)</i>
<i>Travel and transportation costs</i>	<i>(642)</i>	<i>(763)</i>
<i>Telecoms, internet and postal expenses</i>	<i>(682)</i>	<i>(387)</i>
<i>Banking services</i>	<i>(16)</i>	<i>(12)</i>
<i>Other miscellaneous external expenses</i>	<i>(265)</i>	<i>(278)</i>
Other external expenses	(2,986)	(2,747)
Other operating expenses	(165)	(218)
Subcontracting purchases	(2,294)	(2,722)
Purchases of equipment and supplies not held in inventory	(76)	(72)
Capitalised development costs	682	725
External expenses and other operating expenses	(5,764)	(6,002)

4.3. Personnel expenses

Personnel expenses, including share-based payments (see Note 4.4 Share-based payments) are shown in the table below:

In € thousands	Years ended December 31,	
	2017	2016
Wages	(7,858)	(6,370)
Payroll expenses	(3,134)	(2,627)
Share-based payments	(351)	(522)
Capitalised development costs	920	1,150
Total personnel expenses	(10,423)	(8,370)

The average number of employees was 103 and 87 people respectively, in 2017 and 2016.

4.4. Share-based payments

Some employees and corporate executives, subject to the employee's presence in the Group, receive compensation in the form of equity instruments, including share-based payments. Since 2011, the Company has issued warrants, founders' stock options and stock options.

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4.4.1. [Warrants \(BSA\)](#)

Last name	Date of issue	Subscription price per share	Number issued at 31/12/2017	Number of warrants cancelled or subscribed at 31/12/2017	Number of warrants outstanding at 31/12/2017	Maximum number of shares to be issued
BSA ₀₉₁₁	09/09/2011	€7.33	8,000	(4,000)	4,000	4,000
BSA ₀₉₁₂	18/09/2012	€7.33	2,000		2,000	2,000
BSA ₀₃₁₃	08/03/2013	€7.33	4,100	(2,100)	2,000	2,000
BSA ₀₆₁₄	05/06/2014	€8.07	2,000		2,000	2,000
BSA ₀₇₁₅	02/07/2015	€8.07	28,284	-	28,284	28,284
BSA ₀₇₁₅	30/07/2015	€11.00	32,683		32,683	32,683
BSA ₀₇₁₇	17/07/2017	€11.00	22,500		22,500	22,500
TOTAL			99,567	(6,100)	93,467	93,467

The warrants are convertible into ordinary shares of the Company at the rate of one ordinary share per share purchase warrant. All warrants plans are transferable. Warrants are financial instruments that entitle holders to subscribe to ordinary shares of Voluntis SA, at a given price and on a given date, in a fixed proportion.

To estimate the benefit provided, the fair value of the shares is measured on the allocation dates.

4.4.2. [Founders' stock options \(BSPCE\):](#)

Last name	Date of issue	Subscription price per share	Number issued at 31/12/2017	Number of warrants cancelled or subscribed at 31/12/2017	Number of warrants outstanding at 31/12/2017	Maximum number of shares to be issued
BSPCE ₀₉₁₁	09/09/2011	€7.33	60,000	(60,000)		
BSPCE ₀₉₁₂	14/09/2012	€7.33	33,000	(33,000)		
BSPCE ₀₃₁₃	08/03/2013	€7.33	70,900	(17,400)	53,500	53,500
BSPCE ₀₆₁₄	05/06/2014	€8.07	132,671	(8,898)	123,773	123,773
BSPCE ₀₆₁₅	01/06/2015	€8.07	15,000		15,000	15,000
BSPCE ₀₇₁₅	30/07/2015	€11.00	206,000	(16,000)	190,000	190,000
BSPCE ₀₉₁₅	30/09/2015	€11.00	38,000		38,000	38,000
BSPCE ₀₆₁₆	13/06/2016	€11.00	75,000		75,000	75,000
BSPCE ₀₆₁₆	22/06/2016	€11.00	128,500	(9,000)	119,500	119,500
TOTAL			759,071	(144,298)	614,773	614,773

Founders' stock options are essentially convertible into ordinary shares with the exception of plans issued on 09/09/2011 and 13/06/2016 which are convertible into type A3 preferred shares.

Each warrant for subscription to business creator shares entitles the holder to one ordinary share or one type A3 preferred share.

All of the founders' stock options are non-transferable. A discount for non-transferability will therefore be applied to value the plans issued up to the end of 2014.

To estimate the benefit provided, the fair value of the shares is measured on the allocation dates.

4.4.3. Stock options (OSA):

Last name	Date of issue	Subscription price per share	Number issued at 31/12/2017	Number of options cancelled or subscribed at 31/12/2017	Number of options outstanding at 31/12/2017	Maximum number of shares to be issued
Stock options ⁰⁷¹⁷	17/07/2017	€11.00	28,000		28,000	28,000
TOTAL			28,000		28,000	28,000

The 28,000 stock options may be exercised by the beneficiaries, on the condition that the employee is still working at the company, at the rate of 25% of the number of options allocated per year counting from when they joined the company and at the latest within ten (10) years of the grant date.

4.4.4. Measurement of BSAs, BSPCEs and OSAs

Costs relating to share-based payments are recognised in expenses for the period of service required for employees to earn rights.

BSAs, BSPCEs and stock options are measured at fair value on the grant date based on a mathematical model commonly used by option markets specialists. This model is based on volatility assumptions relating to the share price, the expected life of the options and the distribution of future dividends, determined by Management.

Warrants (BSAs)

Plan name	BSA ⁰⁹²⁰¹¹	BSA ⁰⁹²⁰¹²	BSA ⁰³²⁰¹³	BSA ⁰⁶²⁰¹⁴	BSA ⁰⁷²⁰¹⁵	BSA ⁰⁷²⁰¹⁵	BSA ⁰⁷²⁰¹⁷
Grant date (Management Board or General Meeting)	09/09/2011	18/09/2012	08/03/2013	05/06/2014	02/07/2015	30/07/2015	17/07/2017
Vesting period (year)	exercisable as of subscription to the warrants	exercisable as of subscription to the warrants	exercisable as of subscription to the warrants	exercisable as of subscription to the warrants	4	4	4
Plan expiry date	09/09/2021	18/09/2021	08/09/2021	05/06/2024	02/07/2025	30/07/2025	17/07/2027
Number of BSA allocated	8,000	2,000	4,100	2,000	28 284	32,683	22,500
Exercise price (€)	7.33	7.33	7.33	8.07	8.07	11.00	11.00
Valuation method used	Black and Scholes						
Underlying price (€)	7.33	7.33	7.33	8.09	7.76	7.76	11.20
Expected volatility	45.24%	53.42%	50.99%	49.11%	47.77%	48.39%	53.72%
Discount rate	2.53%	2.26%	2.12%	1.83%	1.31%	0.94%	0.79%
Fair value of the option (€)	3.12	3.52	3.38	3.59	3.21	2.52	5.24

Founders' stock options (BSPCEs)

	BSPCE ⁰⁹²⁰¹¹	BSPCE ⁰⁹²⁰¹²	BSPCE ⁰³²⁰¹³	BSPCE ⁰⁶²⁰¹⁴	BSPCE ⁰⁶²⁰¹⁵
Grant date (Management Board or General Meeting)	09/09/2011	14/09/2012	08/03/2013	05/06/2014	01/06/2015
Vesting period (year)	3	3	3	4	
Plan expiry date	09/09/2015	14/09/2017	08/03/2018	05/06/2024	
Number of BSPCE allocated		4,400	53,500	123,773	15,000
Exercise price (€)	7.33	7.33	7.33	8.07	
Valuation method used					
Underlying price (€)	7.33	7.33	7.33	8.09	
Expected volatility	45.24%	55.39%	50.99%	49.11%	

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Discount rate	2.53%	2.26%	2.12%	1.83%
Fair value of the option (€)	2.22	2.62	2.43	3.59

Stock options (OSAs)

Plan name	Stock options ₀₇₂₀₁₇
Grant date (Management Board or General Meeting)	17/07/2017
Vesting period (year)	4
Plan expiry date	17/07/2027
Number of stock options allocated	28,000
Exercise price (€)	11.00
Valuation method used	Black and Scholes
Underlying price (€)	11.20
Expected volatility	53.72%
Discount rate	0.79%
Fair value of the option (€)	5.24

At 31 December 2017, the total expense recognised in relation to incentive plans for executives and employees (BSPCE, BSA and Options) amounted to €351k, compared to €522k for the year ended 31 December 2016.

The projected amounts of share-based payments spread over the next three financial years is as follows:

In € thousands	2018	2019	2020
Annual amount	206	85	24

4.5. Depreciation, amortisation

In € thousands	Years ended December 31,	
	2017	2016
Depreciation charge - assets	(1,522)	(1,208)
Total net depreciation	(1,522)	(1,208)
Provisions against current assets	-	-
Provisions for liabilities and expenses	(77)	-
Pension provisions	(7)	(48)
Provision reversals - liabilities and expenses	56	274
Reversals of provisions on other current assets		11
Total net provisions	(28)	238
Total net reversals	(1,550)	(970)

The amount of depreciation and amortisation linked to the capitalisation of development costs totalled €1,160k for 2017 and €891k for 2016.

4.6. Finance costs

Finance costs consist of loans and borrowings expenditures, in the amount of €588k for 2017 and €788k for 2016.

4.7. Income tax

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4.7.1. [Tax expense](#)

In € thousands	Years ended December 31,	
	2017	2016
Current income tax	22	(46)
Deferred tax		
Income tax	22	(46)

4.7.2. [Tax proof](#)

Reconciliation between the amount of income tax presented in the income statement and the theoretical income tax that would arise from the tax rate in force in France is analysed as follows:

In € thousands	Years ended December 31,	
	2017	2016
Pre-tax income	(10,047)	(4,810)
Normal tax rate applicable in France (%)	28.00%	33.33%
(Expense) theoretical tax income	2,813	1,603
Impact of:		
- differences in tax rates;	0	(69)
- permanent differences	(61)	(45)
- allocation of profits w/o previous deficits;	37	
- adjustment for activation of deficits;	0	0
- unused tax losses;	(3,151)	(1,146)
- impact of consolidation adjustments;	343	(396)
- other;	(11)	3
- tax credit.		5
(Expense) Tax income effectively recognised	22	(46)

Voluntis SA's unused tax losses for financial years 2016 and 2017 amount to €3,440k and €11,256k respectively.

4.8. Net earnings per share

	Years ended December 31,	
	2017	2016
Weighted number of shares in circulation	4,656,274	4,083,484
Weighted number of diluted shares	5,724,923	5,399,279
Basic earnings per share (€)	(2.15)	(1.19)

⁽¹⁾ At 31 December 2017, instruments giving deferred access to capital are considered anti-dilutive since the Group recorded a loss for the year. Therefore, diluted earnings per share is identical to basic earnings per share.

NOTE 5 : NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1. Intangible assets

For the two years presented, the additions of intangible assets primarily corresponds to the capitalisation of development costs incurred to develop digital solutions in the field of diabetes and for the technological platform, adjusted by the corresponding research tax credit.

In € thousands	2016	Additions	Disposals	Reclassification	2017
Patents and licenses	273				273
Development costs	4,026	606		84	4,716
Other intangible assets	305	391		(84)	612
Gross values	4,604	997			5,600
Patents and licenses	(245)	(24)			(268)
Development costs	(1,683)	(1,160)			(2,843)
Other intangible assets					
Depreciation	(1,927)	(1,184)			(3,111)
Patents and licenses	29	(24)			5
Development costs	2,343	(555)		84	1,873
Other intangible assets	305	391		(84)	612
Net values	2,676	(187)			2,489

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In € thousands	2015	Additions	Disposals	Reclassification	2016
Patents and licences	231	43			273
Development costs	1,503	873		1,649	4,026
Other intangible assets	1,649	305		(1,649)	305
Gross values	3,383	1,221			4,604
Patents and licences	(188)	(57)			(245)
Development costs	(792)	(891)			(1,683)
Other intangible assets					
Depreciation	(979)	(948)			(1,927)
Patents and licences	43	(14)			29
Development costs	712	(18)		1,649	2,343
Other intangible assets	1,649	305		(1,649)	305
Net values	2,404	272			2,676

5.2. Tangible assets

For the two presented reporting periods, additions primarily correspond to fixtures, constructions and computer equipment and hardware. The relocation of the primary establishment to new premises in Suresnes explains the significant increase in tangible assets in 2017, as well as the decrease due to the disposal of furniture and fixtures in the previous premises.

In € thousands	2016	Additions	Disposals	Currency translation	2017
Property, plant and equipment	986	772	(328)	(4)	1,426
Other tangible assets	-	-	-	-	-
Gross values	986	772	(328)	(4)	1,426
Property, plant and equipment	(709)	(338)	383	1	(662)
Other tangible assets	-	-	-	-	-
Depreciation	(709)	(338)	383	1	(662)
Property, plant and equipment	277	434	56	(2)	764
Other tangible assets	-	-	-	-	-
Net values	277	434	56	(2)	764

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In € thousands	2015	Additions	Disposals	Currency translation	2016
Property, plant and equipment	739	246	-	1	986
Other tangible assets	-	-	-	-	-
Gross values	739	246	-	1	986
Property, plant and equipment	(449)	(260)	-	(0)	(709)
Other tangible assets	-	-	-	-	-
Depreciation	(449)	(260)	-	(0)	(709)
Property, plant and equipment	290	(14)	-	0	277
Other tangible assets	-	-	-	-	-
Net values	290	(14)	-	0	277

5.3. Non-current financial assets

Non-current financial assets mainly consist of security deposits paid to the lessor. The increase in deposits during the 2017 reporting period is due to the relocation of the main establishment in Suresnes.

In € thousands	Years ended December 31,	
	2017	2016
Deposits and guarantees	241	114
Other financial assets	241	114

5.4. Trade and other receivables

Trade and other receivables break down as follows:

In € thousands	Years ended December 31,	
	2017	2016

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Trade receivables	360	3,495
Provisions for impairment	(61)	(61)
Net trade receivables	299	3,435
Years ended December 31,		
In € thousands	2017	2016
Downpayments	30	0
Social security and tax claims	432	384
Prepaid expenses	144	164
Other receivables	1,716	1,709
Other receivables	2,322	2,257

Trade receivables were impaired in the amount of €61K at 31 December 2016 and 31 December 2017.

At the end of the last two reporting periods, the ageing analysis is as follows:

	In € thousands	Not due	Due since			
			less than 30 days	30 to 60 days	60 to 90 days	more than 90 days
2017	299	188	99	-	-	11
2016	3,435	3,369	56	-	-	11

5.5. Cash and cash equivalents

		Years ended December 31,	
Detail of cash (in € thousands)	Note	2017	2016
Cash		1,845	5,831
Cash equivalents			
Cash and cash equivalents reported in consolidated statement of financial position		1,845	5,831
Bank borrowings and overdrafts	5.8.2		(6)
Closing cash on the statement of cash flow		1,845	5,824

5.6. Share capital

Share capital, at 31 December 2017, amounts to €480,208.40 (four hundred and eighty thousand, two hundred and eight euros and forty cents). It is divided into 4,802,084 fully subscribed and paid up shares

of a nominal amount of €0.10.

This number excludes warrants, founders' stock options and stock options.

Share capital consists of several categories of shares:

5.6.1. [Ordinary shares:](#)

Ordinary shares of which 129,966 are issued at a nominal price of €0.10. There are no shares with double voting rights.

5.6.2. [Preferred shares:](#)

The Voluntis Group issued 4 types of preferred shares, broken down as follows at 31/12/2017:

	A1' shares	B1 shares	B3 shares	C shares	Total preferred shares
Total	443,879	381,890	980,970	2,865,379	4,672,118

Preferred shares grant their beneficiaries pre-emptive subscription rights at the sale price in the event of a transfer of the Company's securities that leads to a change in control.

5.7. Provisions

Provisions are detailed below:

In € thousands	2016	Provisions	Unused reversals	Used reversals	Actuarial gains	2017
Provisions for employee benefits	130	9			1	141
Provisions for disputes		77				77
Total	130	86			1	218
<i>Current</i>		77				77
<i>Non-current</i>	130	9			1	141

In € thousands	2015	Provisions	Unused reversals	Used reversals	Actuarial gains	2016
Provisions for employee benefits	69	50			12	130
Other provisions	274			(274)		
Total	343	50		(274)	12	130
<i>Current</i>	274			(274)		
<i>Non-current</i>	69	50			12	130

The reversal of provisions for operating expenses in the amount of €274K in 2016, followed the completion during the 2016 reporting period of additional developments, the costs of which were accrued at the end of 2015.

The main actuarial assumptions used to determine the provision for employee benefits are summarised in the table below:

	2017	2016
Discount rate	1.70%	1.75%
Rate of salary increase	2%	2%
Social security rates	50%	50%
Turnover	20%	19%

5.8. Interest-bearing loans and borrowings

The breakdown and changes in interest-bearing loans and borrowings over the two reporting periods under review are presented below:

5.8.1. [Changes during the reporting periods](#)

In € thousands	2016	Increase	Repayment	Interest payment	Capitalised interest ⁽¹⁾	Conversion / reclassification	2017
Convertible bond loans	6,303	3,550			163	(6,302)	3,715
Bank loans	475		(170)		65		370
Other loans	224		(66)			13	170
Loans	7,002	3,550	(236)		229	(6,290)	4,255
Bank borrowings and overdrafts	6		(6)				0
Interest-bearing loans and borrowings	7,008	3,550	(242)		229	(6,290)	4,255

(1) including recognition of financial expenses calculated pursuant to IAS 32 for €125K

In € thousands	2015	Increase	Repayment	Interest payment	Capitalised interest ⁽²⁾	Conversion / reclassification	2016
Convertible bond loans	0	6,000			303		6,303
Bank loans	567		(170)		78		475
Other loans	4,982	309		(119)		(4,948)	224
Loans	5,549	6,309	(170)	(119)	381	(4,948)	7,002
Bank borrowings and overdrafts	7		(1)				6
Interest-bearing loans and borrowings	5,556	6,309	(171)	(119)	381	(4,948)	7,008

(2) including recognition of financial expenses calculated pursuant to IAS 32 for €194K

5.8.2. [Breakdown by due date](#)

In € thousands	2016	2017	Current 31/12/2017	Non-current from 1 to 5 years	Non-current more than 5 years
Convertible bond loans	6,303	3,715	3,715		
Bank loans	475	370	118	252	
Other loans	224	170	170		
Loans	7,002	4,255	4,003	252	0
Cash current accounts	6	0			
Interest-bearing loans and borrowings	7,008	4,255	4,003	252	0

5.8.3. [Convertible bond loans](#)

Convertible bonds (2016 convertible bonds), with 9-month maturity, were issued on 13 June 2016. The initial amount of €6,000k breaks down into 60,000,000 bonds with a nominal value of €0.10. Remuneration is 6% per year, payable at maturity and capitalised annually.

The 2016 convertible bonds were fully subscribed for by five existing shareholders. These bonds and the interest incurred at the conversion date were convertible into C shares at latest by 31 March 2017.

All of the 2016 convertible bonds were converted, through the issue of 570,000 new shares during a capital increase recorded on 2 April 2017.

On 30 June 2017, the Company authorised the issue of 71,000,000 convertible bonds (2017 convertible bonds) for a nominal value of €0.10. Remuneration on the convertible bond is 6% per year, payable on maturity and capitalised annually.

Only half of the 2017 convertible bonds, i.e. 35,500,000 were issued in 2017 and were fully subscribed by five existing shareholders.

These bonds and the interest incurred at the conversion date were convertible into C shares at latest by 31 December 2017.

The Voluntis 2016 and 2017 convertible bonds are bonds that may be converted into a number of preferred shares of the Group, consisting of the two following liability components:

- a derivative liability with the entity's own share as the underlying asset (in our case the derivative is incorporated into the host instrument, both of which are classified as financial liabilities);
- a host instrument (the liability), measured based on the difference between the nominal and fair value of the liability derivative.

Flows were discounted at a rate of 15%. This rate corresponds to the market rate accessible for the Group for a classic bond loan without the option to convert as part of a venture loan and including other benefits for the lender such as warrants.

5.8.4. [Interest free loan](#)

On 24 June 2014, the Group was granted an interest free loan for innovation in the amount of €850k with Bpifrance Financement. The funds were made available in full in one single drawdown. The term of amortisation of the loan is five years, and the first repayment is due on 06/01/2016.

The term of the loan includes a grace period, followed by a straight-line amortisation period, with a first deadline, at the end of the term, paid on 31/12/2015.

To measure the fair value of this loan, the Group used a discount rate of 15%, deemed to be representative of the debt ratio accessible to the Company.

The difference between the discounted value at market rate (i.e. the capital ultimately paid back in the absence of interest flows, discounted at market rate) and the amount received in cash from the public body constitutes a subsidy, within the meaning of IAS 20. This difference is recognised as a subsidy and not as a decrease in expenses, to the extent that these were completely depreciated in the financial statements at the end of 2015.

During financial years 2016 and 2017, the Group recognised, respectively, an interest expense of €78k and €65k for this loan. At 31 December 2016 and 2017 the balance on the balance sheet was, respectively, €475k and €370k.

BPI FR loan	
Date of issue	12/06/2014
Start date	31/12/2015
First closing date	31/12/2014
Nominal	850,000
Annual rate	0%
Annual market rate	15%
End date	30/09/2020
Period (Repayment T)	3 months

5.8.5. [Miscellaneous interest-bearing loans and borrowings](#)

Miscellaneous interest-bearing loans and borrowings consist of an insurance-prospecting agreement in the form of a COFACE advance totalling €236k at the end of 2016 and €170k at the end of 2017.

The Group received a repayable advance from COFACE for its development in North America, which is interest-free. The guarantee period is fixed for five years (from 01/06/2009 to 31/05/2013) and the depreciation period is fixed for five years (from 01/06/2013 to 31/05/2018).

The advance will be paid back through payments determined based on the revenue made in North America, the operation of the products or services resulting from the project. Based on revenue generated at the end of 2017, the advance balance will be paid back in Q1 2018.

5.9. Current liabilities

Current liabilities break down as follows:

In € thousands	Years ended December 31,	
	2017	2016
Interest-bearing loans and borrowings	4,003	6,467

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Provisions	77	
Accounts payable and related accounts	1,492	1,788
Advances and prepayments received/recognised	138	
Social security debts	1,826	1,752
Tax debts	315	479
Other debts	523	1,013
Other current liabilities	2,801	3,244
Current liabilities	8,373	11,500

5.10. Fair value of financial assets and liabilities

In € thousands	At 31/12/2017				
	Book value	Fair value through profit or loss	Available-for-sale financial assets	Loans and other receivables	Financial liabilities at amortised cost
Non-current financial assets	241			241	
Non-current financial assets	241	0	0	241	0
Trade receivables	299			299	
Current financial assets				0	
Cash	1,845	1,845			
Current financial assets	2,144	1,845		299	
Total financial assets	2 385	1,845	0	540	0
Non-current financial liabilities	252				252
Other non-current liabilities	322				322
Non-current financial liabilities	574	0	0	0	574
Current financial debts	4,003				4,003
Accounts payable	1,492				1,492
Current financial liabilities	5,495	0	0	0	5,495
Total financial liabilities	6,068	0	0	0	6,068

In € thousands	At 31/12/2016				
	Book value	Fair value through profit or loss	Available-for-sale financial assets	Loans and other receivables	Financial liabilities at amortised cost
Non-current financial assets	114			114	
Non-current financial assets	114	0	0	114	0
Trade receivables	3,435			3,435	
Cash	5,831	5,831			
Current financial assets	9,266	5,831		3,435	
Total financial assets	9,380	5,831	0	3,549	0
Non-current financial liabilities	541				541
Other non-current liabilities	322				322
Non-current financial liabilities	863	0	0	0	863
Current financial liabilities	6,467				6,467
Accounts payable	1,788				1,788
Current financial liabilities	8,255	0	0	0	8,255
Total financial liabilities	9,118	0	0	0	9,118

NOTE 6 : MANAGEMENT AND MEASUREMENT OF FINANCIAL RISKS

The Voluntis Group could be exposed to different types of financial risks: market risks, credit risks and liquidity risks. Where necessary, the Group implements simple methods adapted to its size to limit the potentially negative impacts of these risks on its financial position.

The Group specifies that it does not subscribe to financial instruments for the purposes of speculation.

6.1. Interest rate risk

The Group is exposed to interest rate risk. The Group's main financial instruments comprise bank loans and overdrafts with banks and cash. The Group also holds financial assets and liabilities such as commercial debts and receivables generated by its activities.

6.2. Liquidity risk

The management of liquidity risk aims to ensure that the Group has sufficient financing facilities to fulfil its current and future commitments. Management closely monitors rolling forecasts of liquidity reserves and the Group's cash and cash equivalents based on expected cash flows.

On the closing date, taking into account the available cash and the Company's development plan, a financing round is planned for the first half of 2018.

6.3. Credit risk

Credit risk derives from the following elements: - cash and cash equivalents, non-current financial assets, derivative financial instruments and exposure to customers' credit risk, in particular through overdue receivables and transactions completed.

If customers have been rated by an independent entity, this rating is used. In the absence of this rating, the credit risk control department measures their solvency by taking into account their financial position and history as well as other factors.

6.4. Exchange rate risk

The operating exchange rate risks on operating flows or of a financial nature not paid in the functioning currency of the entities are not significant with regard to transactions in a foreign currency other than the euro.

The Group is therefore mainly exposed to exchange rates linked to conversion, for the preparation of the consolidated financial statements, of financial statements in the currencies of the consolidated subsidiaries with a functional currency that is not the euro.

NOTE 7 : OTHER INFORMATION

7.1. Off-balance sheet commitments

A first demand guarantee was granted to the lessor of the principal establishment for the amount of €209k. This guarantee is counter-guaranteed to the benefit of the issuing bank in the form of a cash bond totalling €104k.

7.2. Commitments linked to operating leases

In € thousands	Operating lease
2018	499
2019	501
2020	501
2021	501
2022	442
2023 and beyond	1,780
Total future rent ⁽¹⁾	4,224

(1) Includes a minimum of €3,874k of future rent payments for the Group's headquarters in Suresnes in France (over the remaining term of the lease) and a minimum of €350k in future rent payments for the premises of the US subsidiary in Cambridge close to Boston in the United States.

7.3. Headcount

The Group's consolidated average headcount (full-time equivalent) was as follows in 2016 and 2017:

2017	2016

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Engineers and managers	101	86
Employees and technicians	2	1
Workforce	103	87

The average 2017 headcount consist of 91 employees in France and 12 in the United States.

7.4. Related party transactions

The Group's related parties are executives of the Group and major shareholders (see transactions with BPI in Note 5.8.3 and Compensation of executives in Note 7.5).

7.5. Compensation of senior executives

The amount of gross compensation received, excluding share-based payments, by the Group's administrative and management bodies (Board of Directors and Supervisory Board) totalled €822k and €778k respectively with respect to 2017 and 2016.

in €	Years ended December 31,	
	2017	2016
Compensation and benefits	600,477	577,927
Share-based payments	177,689	243,666
Total compensation	778,166	821,593

7.6. Post-closing events

Under the terms of a decision of 19 January 2018, the Group opened the subscription period for the second tranche of convertible bonds approved by the Combined General Meeting of 30 June 2017. All of the 35,500,000 bonds were subscribed for the amount of €3,550k.

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20.2 Statutory Auditors' Reports on the consolidated financial statements prepared according to IFRS such as those adopted by the European Union for the financial years ended 31 December 2016 and 2017.

Voluntis

Financial years ended 31 December 2016 and 2017

Statutory Auditor's report on the consolidated financial statements

ERNST & YOUNG et Autres

Voluntis

Financial years ended 31 December 2016 and 2017

Statutory Auditor's report on the consolidated financial statements

To the Chairman,

In our capacity as Statutory Auditors of the Voluntis company and in response to your request in application of (EC) Regulation No. 809/2005 regarding the planned IPO and/or listing of capital or debt securities for trading on the Euronext Paris market, we have conducted an audit of the consolidated financial statements of Voluntis relating to the financial years ended 31 December 2016 and 2017, as attached to this report.

The consolidated financial statements have been prepared under the responsibility of the Management Board. Our role is to express an opinion on these financial statements, based on our audit.

We have conducted our audit in accordance with the professional standards applicable in France and the professional guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) relating to this work. These standards require that we perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit consists of verifying, on a test basis or through other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. It also consists of appreciating the accounting principles used and the significant estimates retained and appreciating their overall presentation. We believe that our audit has provided us with sufficient relevant information on which to base our opinion.

In our opinion, the consolidated financial statements prepared for the purpose of prospectuses, present a true and fair view, in all material respects and with regard to the IFRS standards adopted by the European Union, the assets and liabilities and financial position as at 31 December 2016 and 31 December 2017 and the results of the group consisting of the persons and entities included in the scope of consolidation for each of the financial years ending on these dates.

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Without qualifying our opinion, we draw your attention to Note 3.3 "Going concern" which outlines the financial position of the Voluntis company at 31 December 2017 as well as the measures planned by your company to cover its cash requirements.

Paris-La Défense, 27 March 2018

The Statutory Auditors
ERNST & YOUNG et Autres

Franck Sebag

20.3 Dividend distribution policy

Since its creation, the Company has not distributed any dividend. Given its stage of development, it does not plan

to initiate a dividend policy in the short term.

20.4 Judicial and arbitration proceedings

As of the date of the Document de base, the Company is not aware of any governmental, judicial or arbitration procedure, which is pending or that threatens the Group, which is likely to have or has had major effects on the Group's financial position or profitability over the last 12 months.

20.5 Significant change in the financial or commercial position

With the exception of what is described in the Document de base, there has not been, to be Company's knowledge, any significant change in the Group's financial or commercial position since 31 December 2017.

21. ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 [Amount of the share capital](#)

On the date of the *Document de base*, the Company's share capital amounts to €480,208.40 divided into 4,802,084 shares each with a nominal value of €0.10, fully paid up, including:

- 129,966 ordinary shares;
- 443,879 series A1' preferred shares (the "[A1' Shares](#)");
- 980,970 series A3' preferred shares (the "[A3' Shares](#)");
- 381,890 series B1 preferred shares (the "[B1 Shares](#)"); and
- 2,865,379 series C preferred shares (the "[C Shares](#)").

Subject to the settlement-delivery of the Company's shares in the context of their listing on the regulated market of Euronext in Paris:

- all of the A1' Shares, A3 Shares and C Shares will be automatically converted into ordinary shares; and
- the holders of all of the B1 Shares have requested, in accordance with the terms of the aforementioned B1 Shares, that they be converted into ordinary shares.

at the same time as the settlement-delivery of the Company's shares on the regulated market of Euronext in Paris. The entire Company's share capital will then be constituted of ordinary shares.

21.1.2 [Non-equity securities](#)

On 13 April 2018, the Company and Kreos entered into a bond issue agreement (taking the form of a Venture Loan Agreement and a Bond Issue Agreement) under the terms of which Kreos agrees to subscribe to bonds issued by the Company for total maximum amount of €7 million (for further details on the characteristics of these bonds, see Section 22.7 of the *Document de base*).

21.1.3 [Acquisition by the Company of its own shares](#)

On the date of the *Document de base*, the Company does not hold any of its shares and no shares of the Company are held by a third party on its behalf.

The Combined General Meeting of the Company of 11 April 2018 authorised the Board of Directors to implement, for an eighteen (18) months-period from the meeting, a share buyback program regarding the Company shares pursuant to the provisions of Articles L. 225-209 et seq. of the French Commercial Code and the market practices admitted by the Financial Markets Authority (AMF) under the condition precedent of the prior listing of the Company's shares on the regulated market of Euronext in Paris.

The principal terms of this authorisation are as follows:

- **maximum number of shares that can** be purchased: 10% of the total number of shares, it being specified that (i) if the shares are acquired with the aim of encouraging the liquidity of the Company's shares, the number of shares taken into account to **calculate** this limit will correspond to the number of shares purchased less the number of shares sold during the term of this authorisation and (ii) if the shares are acquired with a view to conserving them and subsequent transferring them as payment or in exchange as part of a merger, split or contribution, the number of shares acquired cannot exceed 5% of the total number of shares;

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- **purpose of share buy-backs:**
 - to ensure the liquidity of the Company's shares as part of a liquidity contract agreed with an investment service provider, in accordance with a code of ethics recognised by the Financial Markets Authority,
 - to fulfil the obligations linked to stock options, free share or employee savings plans or any other share allocations to employees and executives of the Company or its affiliated companies,
 - to allocate shares upon the exercise of rights attached to securities giving access to capital,
 - to purchase shares for conservation and subsequent delivery in exchange or as payment under possible external growth transactions, in accordance with market practices allowed by the Financial Markets Authority, or
 - more generally, operate for any other purpose that is authorised by French law or any market practice which is allowed by the market authorities, it being specified that in such circumstances, the Company informs its shareholders by means of a press release;
- **maximum share price (excluding fees and commission):** 300% of the price per share used for the IPO on the regulated market of Euronext in Paris (such as this price will be indicated in the Company's press release outlining the definitive characteristics of the public offering of the Company's shares and their listing on this market).
- **maximum amount of funds that may be used for share buy-backs:** €3,000,000

The shares purchased may be cancelled.

21.1.4 [Securities giving access to capital](#)

At the date of this *Document de base*, the securities and other instruments that are valid and give access to a share of the capital are of four different types (founders' stock options, warrants, stock options and convertible bonds).

Information on these securities is provided below.

21.1.4.1 Warrants for subscription to business creator shares (BSPCE):

The principal characteristics of the founders' stock options (the "BSPCE") issued by the Company are described in the table below:

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	BSPCE ₂₀₁₄				BSPCE ₂₀₁₆₋₀₆	BSPCE ₂₀₁₆
Date of General Meeting	4 April 2014				13 June 2016	
Date of the Management Board's decision to allocate BSPCE	5 June 2014	1 June 2015	30 July 2015	30 Sep 2015	-	22 June 2016
Maximum number of BSPCE authorised	545,415				-	128,500
Total number of BSPCE allocated	132,671	15,000	206,000	38,000	75,000	128,500
Total number of shares to which the BSPCE are likely to give access on the date of their allocation	132,671	15,000	206,000	38,000	75,000 (1)	128,500
<i>Total number of shares that may be subscribed by the Company's corporate officers</i>	<i>93,426</i>	<i>0</i>	<i>120,000</i>	<i>0</i>	<i>58,500 (1)</i>	<i>29,000</i>
<i>Officers concerned:</i>						
- <i>Pierre Leurent</i> ⁽²⁾	35,591	-	45,000	-	42,000 (1)	11,000
- <i>Romain Marmot</i> ⁽³⁾	31,142	-	40,000	-	16,500 (1)	9,000
- <i>Alexandre Capet</i> ⁽⁴⁾	26,693	-	35,000	-	-	9,000
Number of beneficiaries who are not corporate officers	4	2	5	7	1	25
Starting date to exercise BSPCE	5 June 2015	(7)	(8)	30 Sep 2016	13 June 2017	22 June 2017
Expiry date for BSPCE	5 June 2024 (5)	1 June 2025 (5)	30 July 2025 (5)	30 Sep 2025 (5)	13 June 2026 (5)	22 June 2026 (5)
Share subscription price on exercising BSPCE	€8.07	€8.07	€11	€11	€11	€11
Exercising procedures	(6)	(7)	(8)	(9)	(10)	(11)
Number of shares subscribed on the date of the <i>Document de base</i>	0	0	0	0	0	0
Cumulated number of BSPCE expired or cancelled on the date of the <i>Document de base</i>	8,898	0	16,000	0	0	9,000
Outstanding BSPCE on the date of the <i>Document de base</i>	123,773	15,000	190,000	38,000	75,000	119,500
Total number of shares that may be subscribed on the date of the <i>Document de base</i> (taking into account the conditions for exercising BSPCE)	92,829	11,555	127,014	19,000	75,000 (1)	29,875
Total maximum number of shares that may be subscribed on exercising all of the BSPCE outstanding on the date of the <i>Document de base</i> (provided that the conditions for exercising said BSPCE are fulfilled) for the requirements of the table included in Section 18.1: 561,273	123,773	15,000	190,000	38,000	75,000 (1)	119,500

Not for distribution, directly or indirectly, in Australia, Canada, Japan or the United States

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- (1) The BSPCE₀₆₋₂₀₁₆ give the right to preferential rights of subscription on A3 category shares, it being specified, however, that in the event of the first listing of the Company shares on the regulated market of Euronext in Paris, the BSPCE₀₆₋₂₀₁₆ will give the right to subscribe to ordinary shares rather than preferred shares.
- (2) Until 11 April 2018, Pierre Leurent was Chairman of the Management Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Following the transformation of the Company into a French *société anonyme* with a Board of Directors by the Combined General Meeting of 11 April 2018, he was appointed as a director and Chief Executive Officer of the Company.
- (3) Until 11 April 2018, Romain Marmot was a member of the Management Board and Chief Executive Officer of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Following the transformation of the Company into a French *société anonyme* with a Board of Directors by the Combined General Meeting of 11 April 2018, he was appointed Deputy Chief Executive Officer of the Company.
- (4) Until 11 April 2018, Alexandre Capet was a member of the Management Board of the Company under its form as a French *société anonyme* with a management board and a supervisory board. Following the transformation of the Company into a French *société anonyme* with a Board of Directors by the Combined General Meeting of 11 April 2018, he was appointed Deputy Chief Executive Officer of the Company.
- (5) In any case, the BSPCE that can be exercised must be exercised, or risk expiry, (i) within the 3 months following the holder of the BSPCE ceasing all salaried functions or corporate offices within the Group, (ii) at the latest immediately prior to a merger or change in control of the Company to the benefit of a third party, or (iii) within the 6 months after the holder of the BSPCE becomes incapacitated or deceased.
- (6) BSPCE allocated on 5 June 2014 can be exercised by each of the beneficiaries according to the following schedule:
 - 25% of the BSPCE counting from the first anniversary date of their allocation, i.e. 5 June 2015;
 - 25% of the BSPCE counting from the second anniversary date of their allocation, i.e. 5 June 2016;
 - 25% of the BSPCE counting from the third anniversary date of their allocation, i.e. 5 June 2017;
 - the balance, i.e. 25% of the BSPCE counting from the fourth anniversary date of their allocation, i.e. 5 June 2018.

As a result, on the date of the *Document de base*, 75% of BSPCE are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

- (7) The BSPCE allocated on 1 June 2015 are exercisable for each of the beneficiaries up to 25% of the BSPCE on expiry of each year counting from the date on which the employee started at the Company. As a result, on the date of the *Document de base*, 11,555 BSPCE are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.
- (8) The BSPCE allocated on 30 July 2015 are exercisable for each of the beneficiaries up to 25% of the BSPCE on expiry of each year counting from the date on which the employee started at the Company. As a result, on the date of the *Document de base*, 127,014 BSPCE are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.
- (9) The BSPCE allocated on 30 September 2015 can be exercised by each of the beneficiaries according to the following schedule:

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- 25% of the BSPCE counting from the first anniversary date of their allocation, i.e. 30 September 2016;
- 25% of the BSPCE counting from the second anniversary date of their allocation, i.e. 30 September 2017;
- 25% of the BSPCE counting from the third anniversary date of their allocation, i.e. 30 September 2018;
- the balance, i.e. 25% of the BSPCE counting from the fourth anniversary date of their allocation, i.e. 30 September 2019.

As a result, on the date of the *Document de base*, 50% of BSPCE are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

(10) The BSPCE₂₀₁₆₋₀₆ are all exercisable on the date of the *Document de base*.

(11) The BSPCE allocated on 22 June 2016 can be exercised by each of the beneficiaries according to the following schedule:

- 25% of the BSPCE counting from the first anniversary date of their allocation, i.e. 22 June 2017;
- 25% of the BSPCE counting from the second anniversary date of their allocation, i.e. 22 June 2018;
- 25% of the BSPCE counting from the third anniversary date of their allocation, i.e. 22 June 2019;
- the balance, i.e. 25% of the BSPCE counting from the fourth anniversary date of their allocation, i.e. 22 June 2020.

As a result, on the date of the *Document de base*, 25% of the BSPCE are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

The principal characteristics of the warrants (the “BSA”) issued by the Company that are valid (with the exception of the BSA_{2018-Kreos} whose characteristics are outlined in Section 21.1.4.3 below) are included in the following table:

	BSA ₂₀₁₁			BSA ₂₀₁₄		BSA ₂₀₁₇
Date of shareholders meeting	9 Sep 2011			4 April 2014		30 June 2017
Date of the Management Board's decision to allocate the BSA	-	14 Sep 2012	8 March 2013	2 July 2015	30 July 2015	17 July 2017
Maximum number of BSA that have been authorised	-	110,000	110,000	545,415		100,000
Total number of BSA that have been allocated	8,000	2,000	4,100	28,284	32,683	22,500
Total number of shares to which the BSA are likely to give access on the date of their allocation	8,000	2,000	4,100	28,284	32,683	22,500
<i>Total number of shares that may be subscribed by the Company's corporate officers</i>	0	0	0	28,284	32,683	22,500
<i>Officers concerned:</i>						
- Eric Elliott ⁽¹⁾	-	-	-	28,284	20,483	6,700
- Nicolas Cartier ⁽²⁾	-	-	-	-	12,200	15,800
Number of beneficiaries who are not corporate officers	2	1	2	0	0	0
Starting date to exercise BSA	9 Sep 2011	18 Sep 2012	8 March 2013	28 Dec 2015	(6)	17 July 2017
Expiry date for BSA	9 Sep 2021 (3)	9 Sep 2021 (3)	9 Sep 2021 (3)	2 July 2025 (3)	30 July 2025 (3)	17 July 2027 (3)
Issue prices of the BSA	€0.50	€0.50	€0.50	€0.81	€1.10	€1.10
Strike price of the BSA	€7.33	€7.33	€7.33	€8.07	€11	€11
Exercise method	(4)	(5)	(6)	(7)	(8)	(9)
Number of shares subscribed as of date of the <i>Document de base</i>	4,000	0	0	0	0	0
Cumulated number of cancelled or voided BSA as of the date of the <i>Document de base</i>	0	0	2,100	0	0	0
Outstanding BSA as of the date of the <i>Document de base</i>	4,000	2,000	2,000	28,284	32,683	22,500
Total number of shares that may be subscribed as of the date of the <i>Document de base</i> (taking into account the conditions for exercising BSA)	4,000	2,000	2,000	14,142	22,241	0

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	BSA ₂₀₁₁			BSA ₂₀₁₄		BSA ₂₀₁₇
Total maximum number of shares that can be subscribed by exercising all of the BSA outstanding as of the date of the <i>Document de base</i> (assuming that the conditions for exercising said BSA are fulfilled) for the requirements of the table included in Section 18.1: 91.467	4,000	2,000	2,000	28,284	32,683	22,500

(1) Until 11 April 2018, Eric Elliott was Chairman of the Supervisory Board of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Following the transformation of the Company into a French *société anonyme* with a Board of Directors by the Combined General Meeting of 11 April 2018, he was appointed Chairman of the Company's Board of Directors.

(2) Until 11 April 2018, Nicolas Cartier was a member of the Board of Directors of the Company in its form as a French *société anonyme* with a management board and a supervisory board. Following the transformation of the Company into a French *société anonyme* with a Board of Directors by the Combined General Meeting of 11 April 2018, he was appointed a Company director.

(3) In any case, the warrants that can be exercised must be exercised, or risk expiry, (i) within the 3 months following the holder of the warrants ceasing all salaried functions or corporate offices within the Group, (ii) at the latest immediately prior to a merger or change in control of the Company to the benefit of a third party, or (iii) within the 6 months after the holder of the warrants becomes incapacitated or deceased.

(4) (5) (6) The warrants are all exercisable on the date of the *Document de base*

(7) Warrants allocated on 2 July 2015 can be exercised by each of the beneficiaries according to the following schedule:

- 25% of the warrants counting from the first anniversary date of their allocation, i.e. 2 July 2016;
- 25% of the warrants counting from the second anniversary date of their allocation, i.e. 2 July 2017;
- 25% of the warrants counting from the third anniversary date of their allocation, i.e. 2 July 2018;
- 25% of the warrants counting from the fourth anniversary date of their allocation, i.e. 2 July 2019.

As a result, on the date of the *Document de base*, 50% of the warrants are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

(8) The warrants allocated to Nicolas Cartier on 30 July 2015 are all exercisable on the date of the *Document de base*.

The warrants allocated to Eric Elliott on 30 July 2015 are exercisable up to 25% of the warrants on expiry of each year ended counting from 12 June 2015. As a result, on the date of the *Document de base*, 50% of the warrants are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

(9) The warrants allocated on 17 July 2017 are exercisable up to 25% of the warrants on expiry of each year ended counting from 17 July 2017. As a result, on the date of the *Document de base*, none of the warrants are exercisable, it being specified that they will become exercisable in the event of a merger or change in control of the Company to the benefit of a third party.

21.1.4.3 BSA_{2018-Kreos}

In consideration of a bond loan for the maximum amount of € 7 million granted to the Company by Kreos, the Company will allocate 70,000 warrants to Kreos Capital V (Expert Fund) L.P (the "BSA_{2018-Kreos}") it being stipulated that Kreos Capital V (Expert Fund) L.P. will subscribe for the BSA_{2018-Kreos} at latest on 1 May 2018. The characteristics of the BSA_{2018-Kreos} are as follows:

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	BSA _{2018-Kreos}
Date of shareholders meeting	11 April 2018
Date of the board of directors meeting	
Maximum number of warrants authorised	70,000
Total number of warrants allocated	70,000
Total number of shares to which the warrants are likely to give access on the date of their allocation	(1)
Starting date to exercise warrants	(2)
Expiry date for warrants	(3)
Issue price of the warrant	€1 for all the BSA _{2018-Kreos} (4)
Share subscription price on exercising warrants	(1)
Exercising procedures	(2)
Number of shares subscribed on the date of the <i>Document de base</i>	0
Cumulated number of warrants expired or cancelled on the date of the <i>Document de base</i>	0
Outstanding warrants on the date of the <i>Document de base</i>	70,000
Total number of shares that may be subscribed on the date of the <i>Document de base</i> (taking into account the conditions for exercising warrants)	40,000 ⁽¹⁾
Total maximum number of shares that may be subscribed on exercising all of the warrants outstanding on the date of the <i>Document de base</i> (provided that the conditions for exercising said warrants are fulfilled) for the requirements of the table included in Section 18.1: 70,000	70,000 ⁽¹⁾

The BSA_{2018-Kreos} will entitle the bearer to subscribe 70,000 series C preferred shares in the Company with a nominal value of €0.10 each, at a price per share equal to €11, it being specified (i) that in the event the Company creates a new category of preferred shares in the context of a financing round, the BSA_{2018-Kreos} will entitle the bearer to subscribe to ordinary shares instead of preferential shares and (ii) that if the Company comes up with an IPO, the BSA_{2018-Kreos} will entitle the bearer to subscribe to ordinary shares instead of preferential shares.

In the event of a financing round or an IPO under which a subscription price per share (including the issue premium) of less than €11 is applied, the number of new shares issued by exercise of the BSA_{2018-Kreos} may be adjusted upward and the exercise price of the BSA_{2018-Kreos} may be adjusted downward.

(2) The BSA_{2018-Kreos} can be exercised as per the following schedule:

- 40,000 2018-Kreos warrants can be exercised on the completion date of the *Document de base*,
- a total of 15,000 additional BSA_{2018-Kreos} will be exercisable subject to and starting from the issue of the first additional tranche of Kreos bonds (Tranche B) for an amount of €1.5 million; and
- the balance, i.e. 15,000 BSA_{2018-Kreos}, will be exercisable subject to and starting from the issue of a second additional tranche of Kreos bonds (Tranche C) for an amount of €1.5 million.

(3) The BSA_{2018-Kreos} will be automatically void as from the earliest of the following dates:

- 11 April 2028;
- the expiry date within five (5) years from the Company's IPO, and
- the date on which all of the shares are sold.

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- (4) Kreos Capital V (Expert Fund) L.P. will subscribe to all the BSA_{2018-Kreos} concurrently with the subscription by Kreos of the bonds issued by the Company on 11 April 2018, i.e. no later than 1 May 2018 (see Section 22.7 of the *Document de base*).

21.1.4.4 Stock options

The principal characteristics of the valid stock options (the “Options”) issued by the Company are included in the table below:

	Options ₂₀₁₇	Options ₂₀₁₇
Date of shareholders meeting	30 June 2017	11 April 2018
Date of the Management Board's or Board of Directors' decision to issue the Options	17 July 2017	11 April 2018
Maximum number of Options authorised	100,000	100,000 ⁽¹⁾
Total number of Options granted	28,000	36,270
Total number of shares to which the Options are likely to give access on the date of their allocation	28,000	36,270
<i>Total number of shares that may be subscribed by the Company's corporate officers</i>	0	36,270
<i>Corporate officers concerned:</i>		
- <i>Pierre Leurent</i>	-	23,405
- <i>Romain Marmot</i>	-	12,865
Number of beneficiaries that are not corporate officers	1	0
Starting date to exercise Options	17 July 2017 (2)	11 April (3)
Expiry date for Options	17 July 2027 (4)	11 April 2028 (4)
Share subscription price on exercising Options	€11	(5)
Exercising procedures	(2)	(3)
Number of shares subscribed on the date of the <i>Document de base</i>	0	0
Cumulated number of Options expired or cancelled on the date of the <i>Document de base</i>	0	0
Outstanding Options on the date of the <i>Document de base</i>	28,000	36,270
Total number of shares that may be subscribed on the date of the <i>Document de base</i> (taking into account the conditions for exercising the Options)	7,000	36,270
Total maximum number of shares that may be subscribed by exercising all of the Options outstanding on the date of the <i>Document de base</i> (providing that the conditions for exercising said Options have been fulfilled) for the requirements of the table included in Section 18.1: 64.270	28,000	36,270

(1) This amount was increased, under the non-retroactive condition precedent, of the IPO, to 350,000 shares.

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- (2) The Options₂₀₁₇ are exercisable up to the amount of 25% of the stock options on their date of allocation then up to 1/12 of 25% of the Options₂₀₁₇ on the expiry of each month ended counting from 30 September 2017. As a result, on the date of the *Document de base*, 25% of the Options₂₀₁₇ may be exercised, it being specified that they are all exercisable in the event of a merger or change in control of the Company.
- (3) Subject to the retroactive condition precedent, of the effective listing of the Company shares on the regulated market of Euronext in Paris market before 31 July 2018.
- (5) In any case and unless otherwise decided by the Board of Directors, the Options may be exercised, or will otherwise become void, (i) within the three months following the holder of the Options ceasing all employee's functions or corporate offices within the Group, (ii) at the latest immediately prior to a merger or change in control of the Company to the benefit of a third party, or (iii) within the 6 months after the incapacity or the death of the Options'holder.
- (6) The subscription price for one share on exercising a Options₂₀₁₈ is equal to the price that will be used for the effective listing of the Company shares on the regulated market of Euronext in Paris.

21.1.4.5 Free share allocations

The main characteristics of the allocations by the Company of free shares (the "Free Shares") that are still valid are included in the following table:

	Free Shares ₂₀₁₈
Date of meeting	11 April 2018
Date of the decision of the Board of Directors allocating the Free Shares	11 April 2018
Maximum number of Free Shares that may be allocated	26,000 ⁽¹⁾
Total number of Free Shares allocated	25,415
<i>Total number of Free Shares allocated to corporate officers of the Company</i>	9,620
<i>Officers concerned</i> - <i>Alexandre Capet</i>	9,620
Number of beneficiaries who are not corporate officers	4
Number of Free Shares allocations in the course of being acquired	25,415
Acquisition date	11 April 2019
Methods of acquisition	(2)
End date of the retention period	11 April 2020
Number of Free Shares acquired on the date of the <i>Document de base</i>	0
Accumulated number of Free Shares expired or cancelled on the date of the <i>Document de base</i>	0
Outstanding Free Shares on the date of the <i>Document de base</i>	25,415

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- (1) This amount was increased, under the non-representative condition precedent, of the IPO, to 100,000 shares.
- (2) The shares are vested at the end of a one year period.

21.1.4.6 Convertible bonds

The principle characteristics of the outstanding bonds converted into shares (the “OC”) issued by the Company are included in the table below:

	OC ₂₀₁₇	
Date of General Meeting	30 June 2017	
Date of Management Board meeting which issued the OC	30 June 2017	19 Jan 2018
Number of OC authorised	71,000,000	
Number of OC issued	35,500,000	35,500,000
Total number which may be subscribed by the Company's corporate officers	25,000,000	25,000,000
Corporate officers concerned		
<i>Bpifrance Participations</i>	15,000,000	15,000,000
<i>CM-CIC Innovation</i>	5,000,000	5,000,000
<i>Vesalius Biocapital II Partners⁽¹⁾</i>	5,000,000	5,000,000
<i>SHAM Innovation Santé</i>	5,500,000	5,500,000
<i>LBO France Gestion⁽¹⁾</i>	5,000,000	5,000,000
Beneficiaries who are not officers	-	-
Issue price of one OC	€0.10	€0.10
Annual interest rate for one OC	6%	6%
Maturity date of OC	29 June 2018	29 June 2018
Methods of repayment/conversion	(2)	(2)
Number of shares subscribed on the date of the <i>Document de base</i>	0	0
Accumulated number of OC expired or cancelled on the date of the <i>Document de base</i>	0	0
Outstanding OC on the date of the <i>Document de base</i>	35,500,000	35,500,000
Total number of shares that may be subscribed on the date of the <i>Document de base</i> (taking into account the conditions for repayment/conversion of the OC)	0	0

	prevail.	OC ₂₀₁₇
Total maximum number of shares that may be issued as repayment/conversion of all of the outstanding OC on the date of the <i>Document de base</i> (providing that the repayment/conversion conditions for said OC have been fulfilled) for the requirements of Section 18.1: 690,000	690,000 ⁽³⁾	

(1) By means of a fund that it manages.

(2) The OC₂₀₁₇ will be automatically converted into "N" ordinary shares of the Company in the event of the initial listing of the Company's shares on the regulated market of Euronext in Paris before 31 December 2018 ("IPO") under the non-retroactive condition precedent and concomitantly with the settlement-delivery of the Company's shares on this market as part of the IPO, "N" being determined as follows:

$$N = (A+P+I) / X$$

where:

"A" is equal to the total amount (excluding interest) due by the Company to the bondholder concerned under these OC₂₀₁₇ on the date of the initial listing;

"I" is equal to the amount of interest due on the date of the settlement-delivery of the IPO;

"P" is the premium equal to $A * 17.64\%$; and

"X" is equal to the price per share used under the IPO,

it being specified that in the event that the conversion of the OC₂₀₁₇ entitles holders to the subscription of a number of shares forming odd lots, this number will be rounded down to the next whole number below and that the Company will pay, in cash, the outstanding claim resulting from the possible odd lots to the holder of a OC₂₀₁₇.

The terms of the convertible bonds specify other cases of conversion or repayment that shall not be triggered by first listing of the Company's shares on the regulated Euronext Paris market.

(3) Since the total number of shares to be issued on conversion of the OC₂₀₁₇ depends on the price per share used for the IPO, the assumption used in this table is that of the conversion of the OC₂₀₁₇ into 690,000 new shares, the maximum number of shares that can be issued under the conversion of the OC₂₀₁₇.

21.1.4.7 Summary of dilutive instruments

On the date of the *Document de base*, the total number of ordinary shares likely to be created by the full exercise of all of the rights giving access to the Company's capital (including the 70,000 shares that may be issued on the exercise of all of the BSA_{2018-Kreos}), amounts to 812,425 shares, i.e. a maximum dilution of approximately 16.92% based on the capital existing on the date of the *Document de base* and of approximately 12.89% on the basis of the diluted capital. Dilution of voting rights would be identical

Further, on 30 June 2017 and 19 January 2018, the Company issued 71,000,000 bonds convertible into shares (OC₂₀₁₇) under certain conditions (see Section 21.1.4.5 of the *Document de base*). If the planned IPO goes ahead, the bearers of these 2017 bonds could convert them into ordinary shares of the Company based on the price per share considered as part of the IPO. Since the latter was not known as at the date of the *Document de base*, the assumption is that of the conversion of these 2017 bonds into 690,000 new shares, the maximum number of shares that can be issued under the conversion of said 2017 bonds. Dilution of voting rights would be identical

As a result, and based on this assumption, the maximum potential dilution resulting from the exercise of all the founders' stock options and warrants, exercise of stock options and conversion of all OC₂₀₁₇ would be taken to 31.29% based on the capital existing on the date of the *Document de base* and approx. 23.83% based on the diluted capital.

21.1.5 [Authorised capital](#)

The table below summarises the different financial delegations granted to the Board of Directors by the Combined General Meeting of shareholders of the Company on 11 April 2018:

	Term of validity/ Expiry	Limit (nominal value)	Methods for determining price
Delegation of authority to be granted to the Board of Directors in order to increase the capital by issuing ordinary shares and/or any securities giving immediate or future access to the share capital, with preferential subscription rights (31 st resolution)*	26 months	€385,000(1)	-
Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares or any securities giving immediate or future access to the share capital, with cancellation of preferential subscription rights of shareholders and public offering as well as with the option to create priority rights (32 nd resolution)	26 months	€385,000 (1)	Please refer to (2)
Delegation of authority granted to the Board of Directors in order to increase the capital by issuing ordinary shares and/or any securities giving immediate or future access to the capital, with cancellation of preferential subscription rights in favour of qualified investors or a limited circle of investors referred to in article L. 411-2 II of the French Monetary and Financial Code (33 rd resolution)*	26 months	€385,000 (1) within the limit of 20% of the share capital per 12 month period	Please refer to (3)
Delegation of authority granted to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with or without preferential rights performed under the above delegations (34 th resolution)	26 months	within the limit of 15% of the IPO (1) (4)	Same price as the IPO
Authorisation to be granted to the Board of Directors in the event of the issue of shares or any securities without preferential subscription rights for shareholders, to set the issue price (35 th resolution)*	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered	Please refer to (5)
Delegation of authority granted to the Board of Directors to issue ordinary shares and securities giving access to the Company's share capital, in the event of a public offering initiated by the Company involving an exchange component (36 th resolution)*	26 months	€48,000 (1)	

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	Term of validity/ Expiry	Limit (nominal value)	Methods for determining price
Delegation of power to be granted to the Board of Directors for the purpose of increasing the share capital to remunerate contributions in kind of equity securities or securities giving access to the share capital of third-party companies without a public exchange offer. (37 th resolution)*	26 months	€48,000 up to the limit of 10% of share capital as existing on the date of the transaction considered	
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital through the incorporation of premiums, reserves, profits or other items, the issue and allocation of free shares or by raising the par value of existing shares or by a combination of both these procedures (39 th resolution)*	26 months	€1,000,000	-
Authorization to be granted to the Board of Directors to grant stock options under the provisions of Articles L. 225-177 et seq. of the French Commercial Code. (41 st resolution)	38 months	100,000 shares (6)(7)	Please refer to (8)
Authorization to be granted to the Board of Directors to allocate free shares, existing or to be issued, as part of the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code. (42 nd resolution)	38 months	26,000 shares (7) (9)	-
Delegation of authority for the Board of Directors to issue and allocate warrants to the benefit of (i) members and non-voting members of the Company's Board of Directors in office on the allocation date of said warrants and who are neither employees nor executives of the Company or one of its subsidiaries, (ii) persons connected to the Company under a service or consultancy contract, or (iii) members of any committee set up or that may be set up in future by the Board of Directors, who are neither employees or executives of the Company or one of its subsidiaries (43 rd resolution)	18 months	10,000 shares (7) (10)	Please refer to (11) and (12)

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	Term of validity/ Expiry	Limit (nominal value)	Methods for determining price
Authorization to be granted to the Board of Directors in order for the Company to purchase its own shares (18 th resolution)*	18 months	10% of the share capital	10% of share capital
Authorization to be granted to the Board of Directors in order to reduce the share capital by cancelling shares pursuant to the authorization to buy-back the Company's own shares (30 th resolution)*	18 months	10% of the amount of share capital per period of 24 months	10% of the amount of share capital per period of 24 months

* Under the non-retroactive condition precedent, of the completion of the planned IPO

- (1) These amounts are not cumulative. The maximum ceiling authorised by the General Meeting for capital increases in nominal terms is fixed at €385,000. The global amount of issues of securities representing claims against the Company giving access to the Company's capital cannot, for its part, exceed €50,000,000. This limit does not apply to the debt securities if the issue has been decided or authorised by the Board of Directors in accordance with Article L. 228-40 of the French Commercial Code.
- (2) The issue price will be determined as follows:
 - as part of the capital increase to be performed at the time of the IPO and the listing of the Company's shares on the regulated Euronext Paris market, the subscription price for a new share will be the result of the comparison between the shares offered and the subscription requests issued by investors as part of the process known as "order book construction",
 - subsequent to the IPO and first listing of the Company's shares on the regulated Euronext Paris market, the issue price of the shares will be at least equal to the weighted average price by volumes over the last three preceding trading sessions, reduced, where appropriate, by the discount authorised by law (i.e. currently 5%) and corrected in the case of a different vesting date, it being specified that securities giving access to the capital will be the sum immediately received by the Company, increased, where necessary, by that sum which may be subsequently received, i.e. for each share issued as a result of the issue of these securities, at least equal to the issue price defined above;
- (3) The issue price of shares will be at least equal to the weighted average price by volumes during the last three preceding trading sessions, reduced, where appropriate by the discount authorised by law, i.e. currently 5%, it being specified that the issue price of securities giving access to capital will be that of the sum immediately received by the Company, increased, where necessary, by that which may be subsequently received by the Company for each share issued as a result of the issue of these securities, at least equal to the issue price defined above.
- (4) 15% or any other part that may have been determined by the regulations in force.

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- (5) Within the limit of 10% of the Company's capital (as it exists on the date of the transaction) per period of 12 months, to waive the conditions of price setting specified in the aforementioned resolutions and to fix the issue price of the ordinary shares and/or securities giving immediate or future access to the capital issued, according to the following methods:
- the issue price of ordinary shares will be at least equal to the weighted average by volumes of listed prices on the three trading sessions prior to the price setting, possibly reduced by a maximum discount of 15%, under no circumstances can it be lower than the nominal value of a Company share on the issue date of the shares concerned,
 - the issue price of securities giving access to the capital will be the sum immediately received by the Company, increased, where appropriate, by that likely to be subsequently received by it, or, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the above paragraph;
- (6) This amount was increased, under the non-retroactive condition precedent, of the IPO, to 350,000 shares;
- (7) These amounts are not cumulative; the maximum accumulated number authorised by the General Meeting likely to result from the exercise of stock options and warrants and the allocation of free shares is 350,000 shares;
- (8) As of the listing of Company shares on the regulated Euronext Paris, the purchase or subscription price per share will be fixed by the Board of Directors on the day when the option is granted within the legal limits; this price cannot fall below ninety five per cent (95%) of the average price listed during the 20 trading days prior to the day of the Board's decision to allocate the options, rounded up to the nearest euro cent, nor in the case of purchase options, 80% of the average purchase price of treasury shares, rounded up to the nearest euro cent.
- (9) This amount was increased, under the non-retroactive condition precedent, of the IPO, to 100,000 shares;
- (10) This amount was increased, under the non-retroactive condition precedent, of the IPO, to 150,000 shares;
- (11) As of the listing of the Company shares on the regulated Euronext Paris market, the issue price of a warrant will be determined by the Board on the date on which the warrants are allocated, based on the characteristics of the warrants and at least equal to 5% of the weighted average price by volumes over the last three (3) trading sessions on said market or stock exchange preceding the allocation of said warrants by the Board.
- (12) As of the listing of the Company shares on the regulated Euronext Paris market, the exercise price of a warrant will be set by the Board on the date of allocation and must be at least equal to the average of the prices listed on the 20 trading sessions prior to the decision of the Board of Directors to allocate the warrants.

21.1.6 Information on the capital of any member of the Group which is the subject of an option or of a conditional or unconditional agreement to put it under option

To the Company's knowledge, there is no option or conditional or unconditional agreement to implement such an option, on the Company's capital, with the exception (i) of the agreement signed between the Company's major shareholders on 4 April 2014, as modified by the amendments of 12 June 2015, 18 December 2015, 28 January 2016 and 11 April 2018, which will be cancelled on the date of settlement-delivery of the Company's shares on the regulated Euronext Paris market.

21.1.7.1 Change in share capital

The Company was entered in the Trade and Companies Register on 5 November 2001, with capital of €40,000.

The share capital then increased on several occasions and reached, on 3 June 2015, €347,016.30 through the issue resulting from the exercise of warrants on 247,832 Category C preferred shares, with a nominal value of €0.10 each, at the price of €8.07 each (issue premium included), representing a cash contribution for a total amount of €2,000,0004.24 (issue premium included).

The table below presents a summarised form of the changes in capital since this date.

Date of transaction	Type of transaction	Number of shares issued or cancelled	Nominal amount (€)	Issue premiums or contributions (€)	Cumulated nominal amount of the share capital (€)	Cumulated total of outstanding shares	Nominal value (€)
22 March 2016	Capital increase by issuing C shares resulting from the exercise of warrants	761,364	76,136.40	8,298,867.60	423,152.70	4,231,527	0.10
3 April 2017	Capital increase by issuing C shares, resulting from the conversion of stock options	570,557	57,055.70	6,219,071.30	480,208.40	4,802,084	0.10

21.1.7.2 Changes in the distribution of the Company's capital during the last two financial years

	Situation as of 31 December 2016		Situation as of 31 December 2017	
	Number of shares	% of share capital and voting rights ⁽¹⁾	Number of shares	% of share capital and voting rights ⁽¹⁾
Pierre Leurent*	213,400	5.04%	213,400	4.44%
Other	178,842	4.23%	178,842	3.72%
Total Management	392,242	9.27%	392,242	8.17%
CAPDECISIF MANAGEMENT ⁽²⁾	315,888	7.47%	315,888	6.58%
CM-CIC Innovation*	621,462	14.69%	734,809	15.30%
SHAM Innovation Santé	775,441	18.33%	879,926	18.32%
Bpifrance Participations*	1,105,938	26.14%	1,307,395	27.23%
LBO France Gestion ^{(2)*}	442,375	10.45%	523,122	10.89%
Vesalius Biocapital II SA Sicar*	387,079	9.15%	457,600	9.53%
Qualcomm Inc.*	55,297	1.31%	55,297	1.15%
Total Investors	3,703,480	87.52%	4,274,037	89.00%
Total - other shareholders/consultants/employees	135,805	3.21%	135,805	2.83%
TOTAL	4,231,527	100.00%	4,802,084	100.00%

* Member of the Company's Board of Directors

(1) The percentage of the voting rights is identical to the percentage of capital held.

(2) Through the Cap Décisif, Cap Décisif 2, and G1J funds of which it is the management company.

(3) Through the Services Innovates Santé et Autonomie (SISA) fund, of which it has been the management company since

21.1.7.3 Distribution of capital and voting rights

See Section 18.1 of the *Document de base*.

21.2 Memorandum and Bylaws

The attached description takes into account certain amendments to the bylaws approved by the Combined General Meeting of Shareholders held on 11 April 2018, some of which were under the non-retroactive condition precedent, of the first listing of the Company's shares on the regulated Euronext Paris market.

21.2.1 Corporate purpose (Article 3 of the Bylaws)

The purpose of the Company, in France and in all other countries is to:

design, publish and develop software, purchase, sell and lease software and in general all IT-related operations,

- research, assist, train, promote, provision of consultancy and other services to companies, in particular in relation to IT, office automation, robotics, multimedia and electronics, and for this purpose, the design, production, purchase, sub-contracting, sale, import, export of all related products and materials, as well as all related or ancillary activities;
- all of which directly or indirectly on its own behalf or on the behalf of others, either alone, or with a third party, by means of creating new companies, contributions, sponsorships, purchase of securities or corporate rights, mergers, collaboration, joint venture or by obtaining the use of any property or rights under a lease, lease management agreement or by acceptance in lieu, or otherwise,

and generally, all financial, commercial, industrial transactions and transactions in movable property and real estate that may be directly or indirectly linked to the specified purposes or any similar or connected purpose or one that its likely to promote the development of the social capital.

21.2.2 Statutory regulations or other regulations relating to members of the administrative and management bodies

21.2.2.1 Board of Directors

The main provisions of the rules of procedure relating to the functioning of the Board of Directors are the subject of the developments presented in Section 16.3.1 of the *Document de base*.

21.2.2.1.1 Composition of the Board of Directors (Article 11.1 of the Bylaws)

The Company is administered by a Board of Directors composed of minimum three members and maximum twelve members.

Directors are appointed, renewed or revoked by the Ordinary General Meeting. They are always eligible for re-election.

Each legal entity must, at the time of their appointment, designate a natural person as a permanent representative to the Board of Directors. The term of office for the permanent representative is the same as that of the legal entity director that he or she represents. When the legal entity revokes its permanent representative, it must replace them as soon as possible. The same provisions apply in the case of the death or resignation of the permanent representative.

The term of office for directors is three (3) years. A director's term of office ends following the General Meeting of shareholders convened to vote on the financial statements for the year ended and held in the year during which the office of said director expires.

If one or several directors' seats become vacant due to death or resignation, the Board of Directors may, between two General Meetings, make temporary appointments.

Appointments made by the Board under the preceding point, are subject to the ratification of the next Ordinary General Meeting.

Failing ratification, the deliberations and acts carried out previously by the Board will nonetheless be valid.

If the number of directors falls below the legal minimum, the remaining directors must immediately convene an Ordinary General Meeting, with a view to making up the Board's members.

A Company employee may be appointed as a director only if their employment contract corresponds to active employment. In this case, the employee is still covered by their employment contract.

The number of directors linked to the Company by an employment contract cannot exceed one third of the directors currently in office.

The number of directors aged 70 or more cannot exceed one third of directors in office. If this limit is exceeded during a term of office, the oldest director is deemed to have automatically resigned at the end of the next General Meeting of Shareholders.

21.2.2.1.2 Chairmanship (Article 11.2 of the Bylaws)

The Board of Directors elects from among its members a Chairman who must be a natural person. The Chairman determines the term of office, which cannot exceed their own office as director, and they may be revoked at any time. The Board sets the Chairman's compensation.

The Chairman organises and directs the Board's work and reports on this work to the General Meeting. They oversee the proper functioning of the Company and ensures in particular that the directors are able to fulfil their duties.

The Chairman of the Board must be aged 70 or younger. If the Chairman reaches this age while in office, he is deemed to have resigned from office. His term of office is extended until the next meeting of the Board of Directors during which his successor will be appointed. Notwithstanding this provision, the Chairman is always eligible for re-election.

21.2.2.1.3 Observers (Article 15 of the Bylaws)

The Ordinary General Meeting may, on the proposal of the Board of Directors, appoint observers. The Board of Directors may also appoint these directly, subject to ratification by the next General Meeting.

The observer members form an advisory board. The number of observer members may not exceed five. Observer members are selected freely based on their competence.

They are appointed for a term of three (3) years ending following the General Meeting of shareholders convened to vote on the financial statements for the year ended and held in the year in which their term of office expires.

The observers study issues submitted by the Board of Directors or its Chairman for examination. The observers attend Board meetings and take part in deliberations in a consultative capacity only and their presence does not affect the validity of the deliberations.

They are convened to Board meetings under the same conditions as the directors. Their right to information and communications is the same as that of directors. They are subject to the same confidentiality obligations as directors.

The Board of Directors can compensate observers out of the attendance fees allocated to directors by the General Meeting.

The Board of Directors meets as often as required in the interests of the Company.

Directors are convened by the Chairman of the Board. They may be convened in writing.

The Chief Executive Officer may also request that the Chairman convene the Board of Directors on the basis of a predetermined agenda.

Moreover, at least one fourth of directors may request that the Chairman convene the Board on the basis of a predetermined agenda.

When a Works Council is established, the representatives of this council, appointed in accordance with the provisions of the French Employment Code, must be convened to all meetings of the Board of Directors.

The Chairman is bound by the requests submitted to him by virtue of the preceding two paragraphs.

Meetings of the Board take place either at the registered office or in any other location inside or outside France.

To ensure the validity of the Board's deliberations, the number of members present must be equal to at least half of the members.

Decisions of the Board of Directors will be taken by majority vote; in the event of a tie, the meeting's Chairman does not have the casting vote.

Rules of procedure to be adopted by the Board of Directors may provide that directors participating in the Board meeting by means of video-conferencing or telecommunications in accordance with the regulations in force will be deemed present for the calculation of quorum and majority. This provision does not apply to the adoption of the decisions outlined in Articles L. 232-1 and L. 233-16 of the French Code of Commerce.

The President or CEO of the Company must communicate to each director the information required to fulfil its duties and mandate and as many documents as each director deems useful for this purpose.

Any director may assign authority to another director, by means of a letter, fax, e-mail or any other means of teletransmission, to represent them at a Board meeting. However, each director shall have, during the same session, only one single power of attorney.

Copies or extracts of the Board's deliberations are validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, the director temporarily assigned to the functions of Chairman or a power of attorney duly authorised for this purpose.

21.2.2.1.5 Powers of the Board of Directors (Article 13 of the Bylaws)

The Board of Directors determines the strategic orientation of the Company and oversees its implementation. Notwithstanding the power expressly allocated to the shareholders' meetings and within the limit of the corporate purpose, the Board handles all matters relating to the efficient running of the Company and regulates the Company's affairs through its deliberations.

With respect to relationships with third parties, the Company remains bound by the acts of the Board of Directors that are not within the Company's purpose, unless it can prove that the third party knew that the act was outside the purposes or could not have been unaware of it in view of the circumstances; disclosure of the Bylaws shall not of itself be sufficient proof thereof.

The Board of Directors performs the controls and checks that it deems necessary.

The Board of Directors also exercises the special powers granted to it by law.

The general management of the Company is assumed, under its responsibility, either by the Chairman of the Board of Directors, or by a natural person appointed by the Board of Directors as the Chief Executive Officer.

The Chief Executive Officer is invested with the most extensive powers to act in all circumstances on behalf of the Company. It exercises these powers within the limits of the corporate purpose and subject to the powers expressly attributed to shareholders' meetings and the Board of Directors.

It represents the Company in its relations with third parties. The Company is also bound by the acts of its Chief Executive Officer which are outside the corporate purpose, unless it can prove that the third party knew that the act was not in line with this purpose or could not have been unaware of it given the circumstances; disclosure of the Bylaws shall itself be sufficient proof thereof.

The Chief Executive Officer must be 70 or younger. If the Chief Executive Officer reaches this age limit, he is deemed to have resigned from his office. His term of office will be extended until the next meeting of the Board of Directors during which the new Chief Executive Officer will be appointed.

When the Chief Executive Officer is also a director, the term of his functions cannot exceed his term of office as director.

The Board of Directors may revoke him at any time. If the revocation is without just cause, it may give rise to damages, except when the Chief Executive Officer is also the Chairman of the Board of Directors.

By simple deliberation taken by a majority of votes by the directors present or represented, the Board of Directors chooses between the two modes of general management outlined in the first part of this paragraph.

Shareholders and third parties are informed of this choice under the legal and regulatory conditions.

The Board of Directors' choice remains in effect until the Board decides otherwise or, at the Board's choice, for the term of office of the Chief Executive Officer.

If the general management of the Company is assumed by the Chairman of the Board of Directors, the provisions applicable to the Chief Executive Officer are applicable to him.

In accordance with the provisions of Article 706-43 of the French Code of Criminal Procedure, the Chief Executive Officer may legally grant power of attorney to any person of his choice to represent the Company in criminal proceedings that may be filed against it.

On the proposal of the Chief Executive Officer, the Board of Directors may grant a mandate to one or several natural persons to assist the Chief Executive Officer in his capacity as Deputy Chief Executive Officer.

In agreement with the Chief Executive Officer, the Board of Directors determines the extent and term of the powers granted to the Deputy Chief Executive Officers. The Board of Directors sets their compensation. If a Deputy Chief Executive Officer is also a director, the term of his functions cannot exceed his term of office as director.

With respect to third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer; the Deputy Chief Executive Officers have in particular the power to act in legal proceedings.

The number of Deputy Chief Executive Officer cannot exceed five (5).

The Deputy Chief Executive Officer or Officers may be revoked at any time by the Board of Directors, on the proposal of the Chief Executive Officer. If the revocation is without just cause, it may result in damages.

A Deputy Chief Executive Officer must be 70 or younger. If a Deputy Chief Executive Officer reaches this age limit while in office, he is deemed to have resigned. His term of office will be extended until the next meeting of the Board of Directors during which a new Deputy Chief Executive Officer will be appointed.

When the Chief Executive Officer ceases or is prevented from exercising his duties, the Deputy Chief Executive Officer or Officers retain, unless otherwise decided by the Board of Directors, their functions and powers until the new Chief Executive Officer is appointed.

21.2.3 Rights, privileges, and restrictions on shares

21.2.3.1 Form of securities (Article 7 of the Bylaws)

Under the non-retroactive condition precedent, of the first listing of the Company's shares on the regulated Euronext Paris market, fully paid up shares will be held in registered or bearer form, at the choice of each shareholder, subject to the application of legal provisions relating to the form of shares held by certain legal entities or moral persons. Shares that are not fully paid up will be held in registered form.

The shares are recorded in an account under the terms and conditions provided for under the legal and regulatory provisions in effect.

Ownership of shares held in registered form results from their registration in registered accounts.

21.2.3.2 Voting rights (Article 9 of the Bylaws)

The voting right attached to shares is in proportion to the share of the capital that they represent and each share gives right to one vote.

Pursuant to Article L. 225-123 of the French Code of Commerce, a double voting right is automatically applicable to all fully paid-up shares for which proof is provided of registration in the name of the same shareholder for at least two years.

The calculation of the holding period does not take into account the holding period for the Company shares prior to the listing of the Company shares on the regulated Euronext Paris market.

In accordance with Article L. 225-123 of the French Code of Commerce, in the event of a capital increase through incorporation of reserves, profits or issue premiums, a double voting right is conferred, as of their issue, to shares registered by name and attributed free of charge to a shareholder as a result of old shares for which they were entitled to this right.

Any share converted to a bearer share or the ownership of which is transferred loses the double voting right granted in accordance with Article L. 225-123. However, transfer resulting from inheritance, the separation of assets between spouses or a living gift to a spouse or close relative does not result in the loss of rights acquired nor interrupt the qualifying period indicated above. This is also the case in the event of a transfer following a merger or split of a shareholder company.

The merger or split of the Company does not affect the double voting right that may be exercised within the beneficiary company or companies, if these exist.

The double voting rights in third party companies held by the absorbed or split company are maintained, in the event of a merger or split, to the benefit of the absorbing company or the beneficiary company of the split, or, depending on the case, to the benefit of the new company resulting from the merger or split.

Any shareholder can, by recorded delivery with acknowledgement of receipt addressed to the Company, temporarily or definitively renounce all or part of their double voting rights. Said renunciation takes effect on the third working day following the Company's receipt of the renunciation letter.

21.2.3.3 Rights to dividends and profits (Article 9 of the Bylaws)

Each share will give rise to the ownership of the company's assets, a share of the profits and liquidating rights, in proportion to the number and nominal value of existing shares.

The Company shares benefit from a preferential subscription right to capital increases under the conditions set out in the French Code of Commerce.

21.2.3.5 Limitation of voting rights

There is no clause in the Bylaws which restricts the voting rights attached to shares.

21.2.3.6 Identifiable bearer shares (Article 8 of the Bylaws)

Under the non-retroactive condition precedent, of the first listing of the Company's shares on the regulated Euronext Paris market and insofar as the Company's shares are admitted on a regulated market, the latter may also, under the legal and regulatory conditions in force, request at any time, at its expense, from any duly authorised body the name, or, in the case of a legal entity, the company name, nationality, year of birth or year of constitution and the postal address and where applicable, email address of the holders of securities granting immediate or future voting rights at its shareholders' meetings, as well as the number of shares held by each one and, where appropriate, the restrictions that may apply to these securities.

21.2.3.7 Purchase by the Company of its own shares

See Section 18.1 of the *Document de base*.

21.2.4 Methods for changing shareholders' rights

Shareholders rights as presented in the Company's Bylaws can only be modified by the Extraordinary General Meeting of the Company's shareholders.

21.2.5 General Meetings of Shareholders

21.2.5.1 Holding of meetings (Article 19 of the Bylaws)

Collective shareholder decisions are taken at Ordinary, Extraordinary or Special General Meetings according to the nature of the decisions that they are convened to make. The Ordinary and Extraordinary General Meetings exercise their respective powers under the legal conditions in force.

General Meetings are convened and meet under the conditions, forms and deadlines set by law.

If the Company wishes to convene meetings by e-mail rather than postal letter, it must first of all obtain the approval of those shareholders interested who will provide their e-mail address.

Meetings take place at the registered office or any other location specified in the meeting notice.

Each shareholder, regardless of the number of shares they hold, may attend General Meetings and participate in deliberations, personally, by proxy or by remote voting, under the conditions and within the time periods provided by the regulations in force.

Shareholders may, under the conditions set by the regulations in force, send their postal voting form relating to any General Meeting, either in paper form or, on the decision of the Board of Directors, included in the meeting notice, by e-mail.

The Board of Directors may organise, under the legal and regulatory conditions in force, the attendance and voting of shareholders by video-conference or other means of telecommunication that ensures the identification of the attendees. If the Board of Directors decides to exercise this power for a given meeting, it must inform of this decision in the meeting notice. Shareholders participating in meetings by video-conference or the other means of

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail. If the Board of Directors, are deemed present for the calculation of quorum and majority.

The postal voting forms and the proxies granted to represent a shareholder at a meeting may include the electronic signature of the shareholder or their legal representative by means of a process that is compliant with the requirements of Article 1316-4 paragraph 2 of the French Civil Code, i.e. a reliable identification process guaranteeing the signature's connection with the instrument to which it is attached.

Each shareholder has the right to the documents required to allow them to vote with full knowledge of the issue with regards to the management and functioning of the Company.

The nature of these documents and the conditions of their dispatch and availability are determined by law and regulations.

Meetings are presided by the Chairman of the Board of Directors or, in his absence, the Chief Executive Officer, by a Deputy Chief Executive Officer if they are also a director, or by a director specially appointed by the Board for this purpose. Otherwise, the meeting elects its own Chairman.

The functions of tellers are performed by the shareholders present, and who accept these functions, who have, on their own and as representatives, the largest number of votes. A secretary will be appointed, who can be chosen outside the shareholders.

An attendance sheet is kept under the legal conditions in force.

When first convened, the Ordinary General Meeting, may only deliberate validly if the shareholders present or represented hold at least one fifth of the shares with voting rights. When convened for the second time, the Ordinary General Meeting may deliberate validly regardless of the number of shareholders present or represented.

The deliberations of the Ordinary General Meeting are taken by the majority of votes of the shareholders present or represented.

When first convened, the Extraordinary General Meeting, may only deliberate validly if the shareholders present or represented hold at least one fourth of the shares with voting rights. When convened for the second time, the Extraordinary General Meeting, may only deliberate validly if the shareholders present or represented hold at least one fifth of the shares with voting rights.

The deliberations of the Extraordinary General Meeting are taken by the majority of votes of the shareholders present or represented.

When first convened, the Special General Meeting may only deliberate validly if the shareholders present or represented hold at least one third of the shares with voting rights. When convened for the second time, the Special General Meeting, may only deliberate validly if the shareholders present or represented hold at least one fifth of the shares with voting rights. The deliberations of the Special General Meeting are taken by the majority of votes of the shareholders present or represented.

Minutes are taken in accordance with the law. Copies or extracts of the meeting minutes are validly certified by the Chairman of the Board of Directors, by a director exercising the functions of Chief Executive Director or by the meeting secretary.

The Ordinary and Extraordinary General Meetings exercise their respective powers under the legal conditions in force.

21.2.5.2 Powers of the Meetings

The Ordinary and Extraordinary General Meetings exercise their respective powers under the legal conditions in force.

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21.2.6 [Bylaws that may delay, defer or prevent a change in control](#)

The Company's Bylaws do not contain any bylaws that may delay, defer or prevent a change in control.

21.2.7 [Crossing of statutory thresholds](#)

Non applicable

21.2.8 [Special provisions governing changes in capital](#)

The Bylaws do not contain any provisions governing changes to capital.

22. MATERIAL CONTRACTS

Except for the agreements described below, the Group has not entered into any material contracts other than those entered into in the normal course of its business.

22.1 Partnership agreement with AstraZeneca of 24 November 2015 (eCo Project)

The Company has entered into a collaboration and option agreement with AstraZeneca UK Limited (“AstraZeneca”) for a software device developed by the Company. The agreement is governed by English law and submits any dispute to arbitration.

22.1.1 Purpose of the collaboration agreement

Under the terms of this agreement, the Company is developing a software device (the “Device”) in accordance with specifications established by AstraZeneca. The Device is intended to be used to optimise the management and improve the tolerability of a therapy (the “Product”) composed of Cediranib (in Phase II/III of development by AstraZeneca) and Olaparib (marketed by AstraZeneca and Merck under the brand name LYNPARZA) (the “Compounds”), for the treatment of ovarian cancer (the “Field”).

For a period due to end once the clinical evaluation data cease to be available (the “Option Period”), the Company grants AstraZeneca an exclusive worldwide licence to use the Device solely for the purposes of research and development of the Compounds and of the Product in the Field, AstraZeneca being entitled to sub-license the Device to any third party.

During the ergonomic and clinical evaluation phase of the Device, the Company agrees to provide AstraZeneca with services such as hosting, maintenance, support and medical device vigilance.

22.1.2 Financial consideration

If the agreement is successful, AstraZeneca agrees to pay the Company, in consideration of the rights of use and distribution of the Device, different amounts that could potentially total a maximum of €7.8 million subject to following conditions being achieved:

- upon signing the partnership agreement, payment having already been made for this stage;
- during different phases of the design and development of the Device;
- upon reaching regulatory milestones; and
- on an annual basis regarding the costs associated with procedures carried out during the usability pilot phase and clinical evaluation phase of the Device.

Moreover, the parties undertake to negotiate in good faith the amount of royalties periodically due following the marketing of the Product.

22.1.3 Intellectual property

Each party retains ownership of the intellectual property rights protecting its technology and the improvements made in connection with this. It is also provided that, irrespective of the originating party:

- the intellectual property rights protecting the Compounds and/or the Product belong to AstraZeneca; and
- the intellectual property rights protecting the Device belong to the Company.

AstraZeneca is working with the US National Cancer Institute (NCI) on this project, via a cooperative research and development agreement (CRADA).

22.1.4 Term

The partnership agreement entered into force on 24 November 2015 for a term of five years.

22.1.5 [Termination conditions](#)

Either party may terminate the agreement in the event of (i) a material breach of the obligations of the other party, not remedied within 60 days of notification of the breach sent to that party by the first party, and (ii) suspension of payments of the other party, commencement of insolvency proceedings against it, an assignment for the benefit of creditors or the appointment of a trustee for all or a substantial portion of the assets of that other party.

In addition, AstraZeneca may terminate the agreement at any time, without explanation, subject to payment in full to the Company of the proportional amount due under the agreement (corresponding to the costs of procedures carried out prior to the marketing of the Device).

22.2 **Partnership and licensing agreement with Sanofi France (Diabeo Project)**

On 29 July 2011, the Company entered into a partnership agreement with Sanofi-Aventis France (“Sanofi France”) and the *Centre d’Études et de Recherches pour l’Intensification du Traitement du Diabète*, a French research centre for diabetes treatment intensification (“CERITD”). The partnership agreement concerns “Diabeo”, a medical software device that uses components of the technology platform developed by the Group (the “Diabeo Solution”). This partnership agreement has been amended several times. This agreement is governed by French law and any dispute is subject to the jurisdiction of the Paris Courts.

22.2.1 [Purpose of the partnership agreement](#)

The aim of the partnership agreement is to define the operational, commercial and legal conditions for the development, certification, registration, promotion and marketing of the Diabeo Solution between the parties.

Under the terms of this agreement, Sanofi France undertakes to assist in the scientific and technological development of the Diabeo Solution, particularly through studies and certification.

In return, the Company grants Sanofi France an exclusive right to market the Diabeo Solution in France. On that basis, the Company and CERITD agree not to develop for marketing purposes or to market in France a competing solution to the Diabeo Solution without the prior written consent of Sanofi France. Sanofi France is responsible for promoting the Diabeo Solution.

The Company also agrees to host the data relating to the Diabeo Solution and to ensure that its design and production meet the essential health and safety requirements. The Company is also required to obtain the necessary approvals for the CE marking of the Diabeo Solution and to register the solution

with the French National Agency for Medicines and Health Products Safety (ANSM) as a medical device.

CERITD is responsible for the medical and scientific content of the Diabeo Solution.

22.2.2 [Financial consideration](#)

Sanofi France

Upon signing the partnership agreement and during the subsequent development and regulatory phases, Sanofi France paid various fixed amounts to the Company and CERITD, with the Company receiving a total of €6.95 million.

Furthermore, Sanofi France commits to pay the Company and CERITD, following the commercial launch of the Diabeo Solution:

- two milestone payments contingent on achieving the sales targets calculated over a period of 12 consecutive months; and
- quarterly royalties calculated on the basis of a percentage of the net revenue generated by the Diabeo Solution, this double-digit percentage varying according to the amount of revenue actually earned.

Lastly, Sanofi France is covering the cost of “*Telesage*”, a study aimed at proving the therapeutic efficacy of the Diabeo Solution.

Company

If the Diabeo Solution is marketed outside France, the Company agrees to pay Sanofi France royalties equal to a single-digit percentage of the net revenue earned by the Company (subject to a maximum set amount).

22.2.3 [Intellectual property](#)

The intellectual property rights on the *Telesage* study are jointly held by Sanofi France and CERITD worldwide;

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall prevail. The Company also has a worldwide licence to exploit the results of this study.

The Company owns the software component of the Diabeo Solution and the modules from the technology platform, except for (i) the specific developments it co-owns with Sanofi France and (ii) the functional insulin therapy programme and the algorithmic component of the Diabeo Solution developed and owned by CERITD. The Company and CERITD have licensed the exploitation rights to the Diabeo Solution in France to Sanofi France.

The source codes of the Diabeo Solution must be filed with the French copyright protection agency (Agence de Protection des Programmes). Sanofi France may access these in certain conditions, such as in the event of termination of the partnership agreement at any time by the Company, compulsory administration, or if the Company breaches its obligations. If Sanofi France accessed the source code of the Diabeo Solution on that basis, the Company would have to grant it a license to use the Diabeo Solution, including, subject to the payment of royalties, the Medpassport platform for France.

Under the terms of the partnership agreement, ownership of the “Diabeo” trademark for certain countries and classes was assigned to Sanofi France. In return, Sanofi France granted the Company a right to use the trademark in the conditions stipulated in the partnership agreement. In the event of termination, and if Sanofi France does not want to continue to use the brand, the Company has a right of first refusal to acquire the trademark if it wishes to use the Diabeo Solution.

[22.2.4 Term](#)

The partnership agreement was entered into for an initial term due to expire on 31 December 2020. At the end of this initial term, the agreement will continue indefinitely.

[22.2.5 Termination conditions](#)

During the initial term, the partnership agreement may be terminated if one of the parties breaches its obligations, or if certain events or conditions occur, in particular if the intermediate results of the *Telesage* study are unsatisfactory.

In addition, at the end of the initial term, either party may decide to unilaterally terminate the partnership agreement subject to reasonable notice.

Lastly, each party may unilaterally terminate the agreement in the event of a force majeure event lasting more than two months.

In any event, the party that initiates the termination or the party at fault may not continue to develop or market the Diabeo Solution.

[22.2.6 Other contractual provisions](#)

Sanofi France must be informed of any proposed change in control of the Company. Sanofi France may decide at its discretion to (i) terminate the agreement or (ii) continue the performance of the agreement subject to certain major amendments if the change of control benefits specific competitors named in the agreement.

22.3 Non-exclusive license and collaboration agreement with Sanofi (for the distribution of Insulia)

The Company has entered into a non-exclusive license and collaboration agreement with Sanofi S.A. (“Sanofi”) for the distribution of two digital medical devices, one for patients with type 1 and 2 diabetes treated with basal and bolus insulin (the “ITA 1 Solution”) and the other for patients with type 2 diabetes treated with basal insulin (the “ITA 2 Solution” and, together with the ITA 1 Solution, the “ITA Solutions”). The agreement concerns the solution developed by the Company under the Insulia trademark on the basis of the Theraxium technology platform, both of which are owned exclusively by the Company. This agreement is governed by French law and any dispute is subject to the jurisdiction of the Paris Commercial Court.

[22.3.1 Purpose of the license and collaboration agreement](#)

Under the terms of this agreement, the Company grants Sanofi a non-exclusive worldwide licence (except for France as regards the ITA 1 Solution) with the option of granting sub-licences to develop and market products and services including one of the ITA Solutions, and to use the development and hosting platform developed by the Company (the “Theraxium Technology”) to the extent necessary for the development and marketing of products and services including the ITA Solutions. The Company is also adapting the ITA Solutions to the titration (“titration”) of U300 insulin glargine owned and marketed by Sanofi under the brand name “Toujeo” (“Toujeo”).

In addition, the Company must provide Sanofi with access to anonymised end user data. The Company is also

This English-language translation of the French-language original was prepared for your convenience. In the event of any inconsistencies between this document and the French-language original, the latter shall be responsible for (i) obtaining all necessary approvals for the manufacture, promotion, import and sale of the ITA 2 Solution in all countries and (ii) notifying the regulatory authorities of any safety-related event concerning the ITA 2 Solution.

Lastly, the Company undertakes to provide Sanofi with corrective maintenance, hosting, server availability, backup, management and technical support services (excluding technical support for end users).

22.3.2 Financial consideration

Prior to the commercial launch of any ITA Solution, Sanofi agrees to make various lump-sum payments to the Company which could potentially reach a maximum of €5 million. It is specified that as of the date of this *Document de base*, all such payments had already been made.

Following the commercial launch of any ITA Solution, Sanofi further agrees to pay the Company:

- monthly royalties calculated according to the number of active users each month for each of the ITA Solutions and their usage period of the ITA Solution concerned, the royalty varying by increments of active users and their place of residence;
- a performance bonus for each active user who achieves the treatment goals defined for a specified period.

22.3.3 Intellectual property

The Company and Sanofi each retain their respective intellectual property rights protecting the elements created before 23 March 2016 or created separately during the term of the agreement. As such, the Company owns the ITA Solutions and the Theraxium technology platform. The intellectual property rights to jointly created elements will be jointly owned. Sanofi grants the Company, for the term of the agreement, a non-transferable licence to utilise user data for the purposes of supplying, improving and assessing the performance of the ITA Solutions, as well as maintaining the related regulatory approvals.

The agreement provides the option for Sanofi to access the source codes of the ITA Solutions if the Company discontinues its activity in relation to the ITA Solutions and has no successor to take over all of the Company's obligations under this agreement.

22.3.4 Term

The partnership agreement entered into effect on 23 March 2016 and will remain in effect until terminated according to the conditions set out below.

22.3.5 Termination conditions

The agreement may be terminated by the Company in the event of (i) a force majeure event affecting Sanofi for a period of more than 90 days, (ii) a material breach of Sanofi's obligations, not remedied within 60 days of notification of the breach sent by the Company to Sanofi, and (iii) suspension of payments of Sanofi, commencement of insolvency proceedings against it, an assignment for the benefit of creditors or the appointment of a trustee for all or a substantial portion of Sanofi's assets or any other similar action.

Furthermore, Sanofi may terminate this agreement at any time.

22.4 Non-exclusive license and services agreement with Verily

On 26 February 2016, the Company entered into a non-exclusive licensing and services agreement with Verily Life Sciences LLC ("Verily"). This agreement is governed by the law of the State of Delaware (United States) and any dispute is subject to the jurisdiction of the courts of the State of Delaware.

Verily has indicated to the Company that it intends to explore the use of Company technology in connection with its development of innovative treatments for patients with diabetes, mainly via Onduo, a joint venture Verily established with Sanofi in 2016. The Company has also entered into an additional agreement directly with Onduo (see Section 22.5 of the *Document de base*).

22.4.1 Purpose of the license and services agreement

Under the terms of this agreement, the Company grants Verily a non-exclusive, non-transferable, worldwide

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The Company is responsible for (i) obtaining all necessary approvals for the manufacture, promotion, import and sale of the ITA Solutions in all countries (CE marking in the European Union and 510(k) clearance in the United States), and (ii) notification of the regulatory authorities of any safety-related event concerning the ITA Solutions.

Under the terms of this agreement, the Company undertakes to provide Verily with corrective maintenance, hosting, server availability, backup, management and technical support services (excluding technical support for end users).

Verily has the option of developing, obtaining a license for, and/or marketing other insulin titration applications as well as related services, even if its products and services are in competition with the ITA Solutions.

22.4.2 Financial consideration

Verily has already paid various fixed amounts to the Company based on achievement of certain goals.

Verily also undertakes to pay the Company service fees in consideration for Company’s performance of certain support services, which are calculated according to the number of new active users of each of the ITA Solutions each quarter (i.e. having obtained at least one insulin dose recommendation during the two consecutive weeks following the activation by the user of an ITA Solution), the service fees varying by increments of active users, and limited to a one-time payment for each active user.

22.4.3 Intellectual property

The Company and Verily each retain their respective intellectual property rights protecting the elements created before 26 February 2016 or created separately during the term of the agreement. The intellectual property rights to jointly created elements will be jointly owned (although no joint development is contemplated by the agreement). Verily retains right in the user data and grants the Company, for the term of the agreement, a non-transferable licence to utilise user data for the purposes of supplying, improving and assessing the performance of the ITA Solutions, as well as maintaining the related regulatory approvals.

The agreement provides the option for Verily to access the source codes of the ITA Solutions if the Company discontinues its activity in relation to the ITA Solutions and has no successor to take over all of the Company’s obligations under this agreement.

22.4.4 Termination conditions

The license and services agreement may be terminated by either party in the event of (i) a force majeure event affecting the other party for a period of more than 90 days, (ii) a material breach of the obligations of the other party, not remedied within 30 days of notification of the breach sent to that party by the first party, and (iii) suspension of payments of the other party, commencement of insolvency proceedings against it, an assignment for the benefit of creditors or the appointment of a trustee for all or a substantial portion of the assets of that other party.

Furthermore, this agreement may also be terminated at any time by Verily, subject to thirty (30) days’ notice.

22.5 Development, licensing and distribution agreement with Roche SAS

On 28 September 2015, the Company entered into a joint development and exclusive distribution agreement with Roche SAS, under which terms the parties agree to cooperate in developing, obtaining regulatory authorisations for, and marketing, under one of the Roche brands, an innovative breast cancer solution currently named “ZEMY” (the “Zemy Solution”). This solution is based on Theraxium Technology. This agreement is governed by French law, and any dispute is the jurisdiction of the commercial courts of the Paris Court of Appeals.

22.5.1 Purpose of the development, licensing, and distribution agreement

Under the terms of the agreement, the Company is bound to produce deliverables (including medical algorithms), and their related documentation, and host the Zemy Solution, with regard to the specifications and a timetable, determined by mutual agreement between the parties. The Company thus bears the responsibility of manufacturing this solution, classified as a medical device, and the applicable regulatory procedures. Lastly, it must provide medical support services to Roche.

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For its part, Roche undertakes:

- the promotion, marketing, and exclusive distribution of the Zemy Solution in France;
- the role of promoter of a clinical trial of the Solution; and
- the support of the Company in its regulatory procedures.

22.5.2 Financial consideration

Roche undertakes to pay various lump sums to the Company of up to a maximum of approximately €3 million under the following conditions:

- at various phases in the Company's development of the Zemy Solution, a portion of the payment for this phase having already been paid;
- in consideration for the hosting and medical support services performed before the commercial launch phase of the Zemy Solution; and
- when moving into various phases in the development of the Zemy Solution (obtaining CE Marking, positive results on clinical studies, obtaining the reimbursement price).

Roche furthermore undertakes to pay the Company a royalty, on a quarterly basis, calculated on the basis of a percentage of the revenue generated by the Zemy Solution during the quarter in question, where the double-digit percentage of that royalty varies by increments of active users.

22.5.3 Intellectual property

The Company grants Roche a non-exclusive operating licence to Theraxium Technology and non-specific developments realised by the Company, in order to use it in the Zemy Solution pursuant to the agreement.

Each party remains the owner of its prior developments. Specific developments (especially medical algorithms) will be the property of Roche; the Company cannot use them except as under the agreement.

In addition, Roche is given the right to access the Zemy Solution including its sources in the event of (i) interruption of the Company's activity for more than 60 days, (ii) the Company's breach of its support and maintenance obligations during that same period, (iii) the sale of the Theraxium Technology or change in control of the Company by a third-party competitor of Roche, or (iv) the wrongful breach of the agreement by the Company.

The Company has granted a right of priority:

- to Roche to implement its additional solutions based on the Zemy Solution for new cancer indications (haematology, lung cancer, dermatology) in France; or
- to Roche and its affiliates to implement the Zemy Solution - or its versions extended to other cancer indications - in Germany, the United Kingdom, Italy, and Spain.

22.5.4 Term

The development, licensing, and distribution agreement was entered into on 28 September 2015 for a term of five years.

22.5.5 Termination conditions

The agreement may also be terminated by either party in the event of (i) a force majeure event affecting the other party for a period of more than 90 days, (ii) a breach of obligations incumbent on the other party, which have not been remedied within 30 days from notice of the breach sent to that party by the first party, and (iii) suspension of payments by the other party, initiation of insolvency proceedings against it, a disposal benefiting its creditors, or appointment of a trustee to all or a substantial portion of the assets of this other party.

Under certain conditions, the agreement may also be terminated unilaterally by either party if that party finds that the Zemy Solution presents a safety hazard for the patients' health.

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Finally, against payment to the Company of compensation or a lump-sum amount, Roche may terminate the agreement unilaterally at three different phases in the Zemy Solution's development, namely:

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- within 10 days from Roche's acceptance of the Company's delivery of the Zemy Solution;
- within 20 days from release of the clinical study report on the Zemy Solution; or
- within 20 days after CE Marking is obtained on the Zemy Solution.

22.6 Non-exclusive license and services agreement with Onduo

On 14 March 2018, the Company entered into a non-exclusive license and services agreement with Onduo LLC⁵¹ ("Onduo"). This agreement is governed by the law of the State of Delaware (United States), and any dispute is to be referred to the competent courts of the State of Delaware.

22.6.1 Purpose of the licensing and services agreement

Under the terms of this agreement, the Company grants Onduo a non-exclusive, non-transferable, worldwide licence excluding France, with the option of granting sub-licences, (i) to incorporate the ITA 1 and/or ITA 2 solutions into the platform developed by Onduo (the "Platform"), (ii) to market and distribute ITA Solutions under the Company's brand names and/or under its own brand names, and (iii) to use the Theraxium technology platform to the extent necessary to incorporate the ITA Solutions into the Platform and to market the ITA Solutions.

The Company is responsible for (i) obtaining all necessary approvals for the manufacture, promotion, import and sale of the ITA Solutions in all countries (CE marking in the European Union and 510(k) clearance in the United States), and (ii) notification of the regulatory authorities of any safety-related event concerning the ITA Solutions.

Pursuant to this agreement, the Company undertakes to provide Onduo with corrective maintenance, hosting, server availability, backup, management, and technical support services (excluding technical support for end users).

Onduo has the option of developing, obtaining a license for, and/or marketing other insulin titration applications as well as related services, even if its products and services are in competition with the ITA Solutions.

22.6.2 Financial consideration

During the first year of the agreement and once the ITA Solutions have been activated by a certain number of active users (*i.e.* having obtained a recommendation regarding the insulin dose during two consecutive weeks following the user's activation of an ITA Solution), Onduo undertakes to pay the Company a lump sum per active user of the ITA Solution, with this amount decreasing per increment of active users.

The parties undertake to negotiate in good faith in order to set the compensation, before the end of the first year, that will be owed by Onduo to the Company for each active user of the ITA Solution owed by Onduo at the end of that first year.

22.6.3 Intellectual property

The Company and Onduo each retain their respective intellectual property rights protecting the elements created before the agreement was entered into or created separately during the term of the agreement. The intellectual property rights to the items created jointly will be held in co-ownership. Onduo grants the Company, for the term of the agreement, a non-transferable license to use the users' data for the purposes of supplying, improving, and assessing the performance of the ITA Solutions, as well as maintaining the related regulatory authorisations.

The agreement provides the option for Onduo to access the ITA Solutions' source codes if the Company discontinues its activity in relation with the ITA Solutions and has no successor to take over all of the Company's obligations under this agreement.

22.6.4 Term

The licensing and cooperation agreement was entered into for an initial term of one year. It is automatically renewable on every anniversary date for an additional one-year term.

22.6.5 Termination conditions

The licensing and cooperation agreement may be terminated on any anniversary date by either party as long as 60 days' advance notice is given for Onduo and 120 days for the Company.

⁵¹ Onduo is the *joint venture* between Sanofi and Verily.

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22.7 Bond issue agreement entered into with Kreos Capital V (UK) Ltd

On 13 April 2018, the Company entered into a dry bond issue agreement (in the form of a Venture Loan Agreement and a Bond Issue Agreement) with Kreos Capital V (UK) Ltd ("**Kreos**"), a company under English law, pursuant to which Kreos undertook to subscribe to bonds issued by the Company for an amount issued in three tranches of €4 million (Tranche A) and € 1.5 million (Tranche B) and €1.5 million (Tranche C) (together the "**Kreos Bonds**"). From the date of drawing Tranche C, Kreos could subscribe to an additional tranche of €5 million, subject to an agreement to be found between the parties under the terms and conditions of this additional drawing.

Under the terms of a share warrant issue agreement dated the same day, the Company undertook to allocate, in exchange for the Kreos Bonds, 70.000 share warrants to Kreos Capital V (Expert Fund) L.P. (the "**BSA_{2018-Kreos}**").

In addition, to guarantee the Kreos Bonds, the Company granted Kreos a collateral pledge on some of its assets (particularly its receivables, bank accounts, and intellectual property rights).

22.7.1 Terms of the subscribed Kreos Bonds (Tranche A)

Tranche A of the Kreos Bonds issued by the Company on 11 April 2018 has the following terms:

Nominal amount of the subscribed Kreos Bonds (Tranche A): €1

Subscription date: at latest 1 May 2018

Amortisation: by monthly instalments starting from the 6th month after the issue of the Kreos Bonds concerned

Maturity: 36 months after the issue of the Kreos Bonds concerned

Interest rate: 11% per year as well as an end-of-loan fee of 2% to be paid on the final maturity date

Prepayment fee: If the Kreos Bonds are voluntarily repaid before their final maturity date, the Company shall pay a fee equal to the sum of the interest that would have accrued as from the prepayment date until the final maturity date if the Kreos Bonds had not been repaid, minus (i) 10% if prepayment is made within 12 months from the settlement date, (ii) 15% if prepayment is made between the 12th and the 24th month from the settlement date, and (iii) 20% if prepayment is made more than 24 months after the settlement date.

Proceeds from Tranche A of the Kreos Bonds are allocated to the Group's general cash requirements.

22.7.2 Terms of the Kreos Bonds to be subscribed (Tranche B)

Kreos has also undertaken to subscribe, if the Company requires, to additional bonds (Tranche B) to be issued by the Company subject to this latter meeting certain conditions. This Tranche B has the following terms:

Nominal amount of Kreos Bonds to be issued (Tranche B): €1

Subscription date: within 12 months of 13 April 2018

Conditions precedent to the subscription: Conversion of OC₂₀₁₇ into capital of up to €3,550,000 and no default

Amortisation: by monthly instalments starting with the 6th month after the issue of the Kreos Bonds concerned

Maturity: 36 months after the issue of the Kreos Bonds concerned

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Prepayment fee: If Kreos Bonds are voluntarily repaid before their final maturity date, the Company shall pay a fee equal to the sum of the interest that would have accrued as from the prepayment date until the final maturity date if the Kreos Bonds had not been repaid, minus (i) 10% if prepayment is made within 12 months from the settlement date, (ii) 15% if prepayment is made between the 12th and the 24th month from the settlement date, and (iii) 20% if prepayment is made more than 24 months after the settlement date.

Proceeds from Tranche B of the Kreos Bonds were allocated to the Group's general cash requirements.

22.7.3 Terms of the Kreos Bonds to be subscribed (Tranche C)

Kreos has also undertaken to subscribe, if the Company requires and provided there is no default, to additional bonds (Tranche C) to be issued by the Company.

The terms, amount and drawing period of Tranche C shall be same as those of Tranche B.

22.7.4 Warrants issued for Kreos Capital V (Expert Fund) L.P.

The Company has allocated to Kreos Capital V (Expert Fund) L.P. 70,000 BSA_{2018-Kreos} for a total issue amount of €1, it being stipulated that the latter will subscribe for the totality of BSA_{2018-Kreos} concomitantly to the subscription by Kreos for Tranche A, meaning at latest on 1 May 2018.

22.7.3.1 Terms of the shares that can be subscribed to by exercising the BSA_{2018-Kreos}

The BSA_{2018-Kreos} will entitle the bearer to subscribe 70,000 C category preferential shares in the Company with a nominal value of €0.10 each, at a price per share equal to €11, with the specification (i) that in the event the Company creates a new category of preferential shares as part of a financing round, the BSA_{2018-Kreos} will entitle the bearer to subscribe to this new category preferential shares instead of category C preferential shares and (ii) that if the Company comes up with an IPO, the BSA_{2018-Kreos} will entitle the bearer to subscribe to ordinary shares instead of preferential shares; and

In the event of a financing round or IPO under which a per share subscription price (including the issue premium) of less than €11 is applied, the number of new shares issued by exercise of the BSA_{2018-Kreos} may be adjusted upward and the exercise price of the BSA_{2018-Kreos} may be adjusted downward.

22.7.3.2 Conditions for the exercise of BSA_{2018-Kreos}

The BSA_{2018-Kreos} can be exercised as per the following schedule:

- 40,000 BSA_{2018-Kreos} can be exercised upon subscription,
- 15,000 additional BSA_{2018-Kreos} will be exercised subject to and as of the date of drawing of Tranche B, and
- the balance, i.e. 15,000 BSA_{2018-Kreos} will be exercised subject to and as of the date of drawing of Tranche C.

The BSA_{2018-Kreos} will be automatically void closer to the following dates:

- 11 April 2028;
- the date of expiry of a 5-year period from the date of the Company's IPO; and
- the date of completion of the disposal of all of the Company's shares.

22.7.3.3 Terms of the BSA_{2018-Kreos}

The BSA_{2018-Kreos} are fully transferable to any entity in the Kreos group or their affiliates.

It is specified as needed that listing of the BSA_{2018-Kreos} will not be requested.

The other terms of the BSA_{2018-Kreos} are detailed in Paragraph 21.1.4.3 of the *Document de base*.

To guarantee repayment of the Kreos Bonds, the Company granted Kreos a collateral pledge on some of its assets:

- any Company receivable with regard to any third party resulting from the Company's usual business,
- the credit balance of all the bank accounts opened by the Company, and
- the Company's intellectual property rights (for more information on these pledged intellectual property rights, see Section 11.6 of the *Document de base*).

The purpose of this collateral is to guarantee all of the Company's payment obligations for a total principal amount of €7 million (€7,000,000) which is the amount of the Kreos Bonds, as may be reflected after adding interest and any penalty interest, fees, costs, compensation, and related charges.

This collateral may be implemented by Kreos in the event of the Company's default on payment or the acceleration of the Kreos Bonds due to the occurrence of any default event as stipulated in the issue agreement and default of sums due. Implementation of any of this collateral would result in a court order, a forced sale, or, as applicable, the transfer of ownership of the pledged asset in question to Kreos.

[22.7.6 Company undertakings](#)

Under the terms of the bond issue agreement, the Company has undertaken to comply with the following obligations to Kreos:

- not to contract any financial debt other than the Kreos Bonds, subordinated bonds, or current debt for an amount greater than €100,000, financial loan and lease for current equipment of the Company, day-to-day bank facilities for an individual amount of less than €50,000, research tax credit factoring for an amount greater than €1,300,000, and subordinated credit not backed by guarantees that may be agreed with the European Investment Bank for an amount greater than €20,000,000 at any time; and,
- not to grant any new collateral or guarantee in consideration for a debt;
- not to substantially change activities;
- not to make any asset disposals other than in the normal course of business, nor any acquisitions, nor to create any *joint ventures* without the prior approval of Kreos;
- not to distribute dividends or fees to its shareholders;
- to comply with all of the laws and regulations applicable to it;
- not to carry out any restructuring or merger; and
- to preserve the assets required for its activity and not to enter into any transactions other than in normal business conditions.

Any non-compliance by the Company (or any of its subsidiaries) with any of these undertakings would enable Kreos to declare the acceleration of the Kreos Bonds and lead to implementation of the collateral as described in Paragraph 22.7.4 above.

Kreos Bonds carry no obligation to comply with financial ratios.

Finally, Kreos was given the right to request that an observer be appointed to the Company's Board of Directors.

[22.7.7 Prepayment](#)

Kreos may seek the prepayment of all of the sums (principal and accrued interest) due for the Kreos Bonds in the event of:

- payment default by Kreos of any amount at its maturity;
- default on another financial debt in an amount greater than €100,000;
- violation of the Company's undertakings as listed in Paragraph 22.7.5 above, insofar as this violation is not settled within 10 business days from the date on which Kreos notifies the Group of the violation or knowledge of the violation;
- occurrence of a change in the control of the Company, it being particularly specified that the Company's IPO will not be considered as a change of control;
- insolvency or collective proceedings of a Group member;

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- trigger of a pledge granted by a member of the Group to any other creditor, or seizure of any of its assets; or
 - occurrence of any event or circumstance that results in or may result in a material adverse effect (as deemed by Kreos) on the Company's financial position or assets.

23. INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS, AND DECLARATIONS OF INTEREST

23.1 Name of experts

Non applicable

23.2 Name of third parties

Non applicable

24. PUBLICLY ACCESSIBLE DOCUMENTS

Copies of the *Document de base* are available free of charge at the Company's head office at 58, avenue de Wagram, 75017 Paris, France.

The *Document de base* can also be viewed on the Group website (www.voluntis.com) or the AMF website (www.amf-france.org).

The Company's articles of association, minutes of the general meetings, and other company documents, as well as historical financial information and any assessment or statement made by an expert at the Group's request that must be made available to shareholders, pursuant to applicable law, may be consulted free of charge at the Company's head office.

As from the listing of the Company's shares for trading on the regulated Euronext market in Paris, regulated information within the meaning of the AMF's General Regulation will also be available on the Group's website (www.voluntis.com).

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25. SHAREHOLDING INFORMATION

Information on the companies in which Voluntis holds a fraction of the capital likely to have a material impact on the appraisal of its asset base, financial position, or income is shown in Chapters 7 "*Organisational Chart*" and 20 "*Financial Information*" of the *Document de base*.