A French public limited company with registered capital of €480,208.41
Registered office: 11, Cours Jacques Offenbach, Valence (26000)
Trade and Companies Register of Romans No. 533 149 688

UNIVERSAL REGISTRATION DOCUMENT

2020/2021 ANNUAL REPORT

The French version of the Universal Registration Document was filed on 28 October 2021 with the Autorité des Marchés Financiers (the “AMF”), in its capacity as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

The Universal Registration Document may be used for the purpose of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by an issue note and, where applicable, a summary and all amendments made to the Universal Registration Document. All of the above is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of this Universal Registration Document are available free of charge at the registered office of Amplitude Surgical, 11, Cours Jacques Offenbach, Valence (26000), and an electronic version is published on the Amplitude Surgical website (www.amplitude-surgical.com) and on the website of the French Financial Markets Authority (www.amf-france.org).

This document is a free translation into English of the original document, which was prepared in French. In all matter of interpretation, views or opinions expressed in the original language of the document in French take precedent over the translation.

GENERAL REMARKS

In this Universal Registration Document, unless indicated otherwise, the term “Company” means Amplitude Surgical, a public limited company having its registered office at 11, Cours Jacques Offenbach, Valence (26000), registered in the Trade and Companies Register of Romans under number 533 149 688 and the term “Group” means the Company together with its consolidated subsidiaries.

Shareholders’ meeting

The Company’s ordinary and extraordinary shareholders’ meeting will be held on 16 December 2021. The documentation for the shareholders’ meeting is set forth in Chapter 8, “*Ordinary and Extraordinary Shareholders’ Meeting of 16 December 2021*” of this Universal Registration Document.

Financial information

In order to provide accounting information that will allow understanding the Group’s financial position, this Universal Registration Document includes the financial statements of the Company for the financial year ended 30 June 2021 prepared in accordance with the French accounting standards as well as the Company’s consolidated financial statements for the financial year ended 30 June 2021, prepared according to International Financial Reporting Standards (“**IFRS**”) as applicable on said dates.

Pursuant to Article 19 of EU Regulation No 2017/1129 of 14 June 2017, this Universal Registration Document incorporates by reference, the following information to which readers are invited to refer:

- for the financial year ended 30 June 2020: the consolidated financial statements and the Statutory Auditors’ Report thereon, set forth in Chapter 6 of the Universal Registration Document filed with the AMF on 30 October 2020 under number D.20-0911

- for the financial year ended 30 June 2020: the corporate accounts and the Statutory Auditors’ Report thereon, set forth in Chapter 7 of the Universal Registration Document filed with the AMF on 30 October 2020 under number D.20-0911

- for the financial year ended 30 June 2019: the consolidated financial statements and the Statutory Auditors’ Report thereon, set forth in Chapter 6 of the Universal Registration Document filed with the AMF on 19 November 2019 under number D.19-0962;

- for the financial year ended 30 June 2019: the corporate accounts and the Statutory Auditors’ Report thereon, set forth in Chapter 7 of the Universal Registration Document filed with the AMF on 19 November 2019 under number D.19-0962.

The parts of these documents that are not included are either without relevance for investors or covered elsewhere in the Universal Registration Document.

The information incorporated by reference should be read in accordance with the table of concordance at the end of this Universal Registration Document. Any information not listed in this table of concordance but forming part of the documents incorporated by reference is provided for information purposes only.

Forward-looking information

This Universal Registration Document sets out information on the Company's objectives and projections, specifically Section 5.3 "Outlook" of this Universal Registration Document. This information is on occasion identified by use of the future and conditional tenses and forward-looking statements, such as "think", "aim", "expect", "mean", "should", "with the ambition of", "estimate", "belief", "desire", "could", etc. This information is based on data, assumptions and estimates considered reasonable by the Company. The information may evolve or be modified given uncertainties associated with the risks inherent in any activity and also the economic, financial, competitive, regulatory and climatic environment. The Company does not undertake to publish updates of the objectives, projections and forward-looking information set out in this Universal Registration Document, except in connection with any legal or regulatory obligation that may be applicable to it. In addition, the actual occurrence of certain risks described in Chapter 2 "*Risk Factors*" of this Universal Registration Document may adversely affect the Group's businesses and its ability to achieve its objectives. Moreover, the achievement of such objectives assumes the success of the strategy presented in paragraph 1.3.5 "*Group strategy*" of this Universal Registration Document. The Company does not undertake to and gives no guarantees on the achievement of the objectives set forth in this Universal Registration Document.

Risk factors

Investors are urged to carefully consider the risk factors described in Chapter 2 "*Risk Factors*" of this Universal Registration Document before making an investment decision. The actual occurrence of all or some of these risks may adversely affect the businesses, the positioning, and the financial results of the Group or its objectives. In addition, other risks not yet identified or considered as insignificant by the Company may have the same adverse effect and investors may lose all or a portion of their investment.

Information on the activities

This Universal Registration Document includes, notably in Section 1.3 *"Activity",* information on the business sectors in which the Group is present and its competitive positioning. Some of the information set out in this Universal Registration Document is derived from studies performed by external parties, including the Global data 2019, Avicenne and Millennium reports on data for the lower limb prosthesis market. Other information set out in this Universal Registration Document is available to the public. The Company considers all the information to be reliable, but it has not been verified by an independent expert. The Company cannot guarantee that any third party using different methods to combine, analyse or calculate the data on these business sectors would obtain the same results. The Company and its shareholders do not give any guarantees concerning the accuracy of such information. Considering the rapid pace of change typical in the Group's business sector in France and worldwide, it is possible this information could prove erroneous or out of date. The Group's businesses may, as a consequence, evolve differently from what is described in this Universal Registration Document. The Group does not undertake to publish updates of this information, except in connection with any applicable legal or regulatory obligation.

Third-party information, declarations by experts and declarations of interest

This Universal Registration Document contains information on the Group's markets and its competitive positioning, including information on the size of its markets. In addition to the estimates performed by the Group, the information on which the Group's declarations are based is taken from studies and statistics of independent third parties and professional organisations, in particular the Global data 2019, Avicenne and Millennium reports. To the Company's knowledge, this information has been accurately reproduced and no fact has been omitted that would render said information inaccurate or misleading. However, the Company cannot guarantee that a third party using different methods to combine, analyse or calculate data on the business sectors would obtain the same results.

Glossary

A glossary incorporating the definitions and the main scientific and technical terms used is set forth in the annexes to this Universal Registration Document.

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CHAPTER 1
PRESENTATION OF THE GROUP

1.1 KEY FIGURES

The tables below present various selected financial information for the financial years ended 30 June 2019, 30 June 2020 and 30 June 2021. The financial information set forth below was taken (i) from the Group's consolidated financial statements for the financial year ended 30 June 2020, prepared according to the IFRS standards, set forth in Chapter 6 of this Universal Registration Document and (ii) the Group's consolidated financial statements for the financial years ended 30 June 2020 and 30 June 2019, prepared according to the IFRS standards, incorporated by reference in this Universal Registration Document, and which were audited by the Company's Statutory Auditors.

The selected financial information set out in Chapter 1 must be read in conjunction with (i) the full financial data shown in Chapter 6 "*Consolidated Financial Statements*" and Chapter 7 *"Financial Statements*" of this Universal Registration Document, (ii) the examination of the Group's financial position and results given in Section 5.1 "*Examination of the Financial Position and results*" of this Universal Registration Document, and (iii) the examination of the Group's cash flow and capital presented in Section 5.2 "*Cash and Capital* Equity" of this Universal Registration Document.

Principal key data from the Group's consolidated income statement

Income statement (in thousands of euros)	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Revenues	102,559	88,286	95,502
Inventories and capitalised production	10,606	499	4,946
Current operating result	2,279	(6,062)	181
Financial result	(7,032)	(8,482)	(10,474)
Net result (1)	(9,402)	(14,642)	(14,667)
Of which:			
- Group share	(8,889)	(14,198)	(14,099)
- Minority interests	(413)	(443)	(568)

Performance level indicators (in thousands of euros)	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Revenues	102,559	88,286	95,502
EBITDA	21,740	17,608	20,621
EBITDA Margin	21.2%	19.9%	21.6%
Net result excluding financial charges for Bonds and extraordinary items	(4,495)	(13,057)	(8,021)

EBITDA and EBITDA Margin

The EBITDA is equivalent to the current operating result to which is added the allocations for amortisation/depreciation after deduction of non-recurring items. The EBITDA margin is equivalent to the EBITDA in relation to Group revenues. The EBITDA and EBITDA margin are not standardised accounting aggregates, having a unique and generally accepted definition. They must not be considered as a substitute for the operating result, the net result, the cash flow generated by operating or as a measurement of liquidity. The EBITDA and the EBITDA margin may be calculated differently by different companies operating similar different businesses. Hence, the EBITDA and the EBITDA margin calculated by the Company may not be comparable to those used by other companies.

Performance level indicators (in thousands of euros)	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Current operating result	2,279	(6,062)	181
+ Allocations to amort./deprec.	19,078	18,857	16,310
+ Non-recurring items (1)	382	4,814	4,130
EBITDA	21,740	17,608	20,621
EBITDA Margin	21.2%	19.9%	21.6%

(1) The main non-recurring items include:

For the financial year ended 30 June 2019: fees related to pending litigation and indemnities (€0.6 million), the free share plan (€0.5 million) and income from the variable portion of a patent (€0.7 million).

For the financial year ended 30 June 2020: fees related to pending litigation and indemnities (€1.7 million), the free share plan (€0.2 million), the discontinuation of the use of a patent (€0.2 million) and scrapping (€2.6 million).

For the financial year ended 30 June 2021: non-recurring severance payments (€1.8 million), non-recurring fees and miscellaneous allowances (€1.5 million), non-recurring bonuses (€0.6 million), free share plan (€0.2 million), miscellaneous items (€0.1 million)

Net result excluding extraordinary items

The Group posted its net result excluding extraordinary items. This aggregate is equivalent to the net result to which is restated for extraordinary items. This aggregate is not a standardised accounting aggregate having a unique and generally accepted definition. It should not be considered as a substitute for the operating result, the net result, the cash flow generated by operating or as a measure of liquidity.

Performance level indicators (in thousands of euros)	Financial year ended 30 June		
	2019	2020	2021
Net result	(9,402)	(14,642)	(14,667)
+ other extraordinary items:			
• Provision for URSSAF dispute	+2,347	- 6,774	+ 1,893
• Other non-recurring items (1)	+2,101	+ 8,359	+ 4,753
- Tax (2) (3)	+ 459		
Net result excluding extraordinary items (2)	**(4,495)**	**(13,057)**	**(8,021)**

(1) Other non-recurring items include:

At 30 June 2019

- Non-recurring items restated for EBITDA: €382k
- Operational improvement audit and action plan: €620k
- Patent allocations: €1,083k
- Impact of changes in tax rates on IDAs: €459k

At 30 June 2020

- Non-recurring items restated for EBITDA: €4,814k
- Impairment of ongoing R&D projects: €2,791k
- Losses on bad debts: €615k
- Miscellaneous exceptional expenses: €139k

At 30 June 2021

- Non-recurring items restated for EBITDA: €4,130k
- Change in provisions for impairment of R&D projects in progress: €456k
- Miscellaneous exceptional expenses: €166k

(2) At a theoretical rate of 33 1/3%.

(3) This adjustment does not include the impact of the adjustment of financial expenses on the tax losses eligible for carry-forward.

Principal key data from the Group's consolidated balance sheet

Balance sheet (in thousands of euros)	Financial year ended 30 June		
	2019	2020	2021
ASSETS			
Total non-current assets	195,468	182,144	174,644
Total current assets	84,456	93,061	94,428
Total of assets	**279,923**	**275,205**	**269,072**
LIABILITIES			
Total equity capital	85,496	70,913	56,866
Total non-current liabilities	160,142	158,061	173,824
Total current liabilities	34,285	46,230	38,383
Total liabilities	**279,923**	**275,205**	**269,072**

Principal key data from the Group's consolidated cash flow table

Cash flow (in thousands of euros)	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Cash flow gross margin (before changes in working capital requirement)	14,412	6,399	6,261
Changes in working capital requirement	(4,977)	+ 7,026	(3,370)
Net cash flow generated by operating activities (1)	+ 8,242	+ 12,507	+ 2,344
Net cash flow for investments	(13,781)	(9,704)	(9,164)
Net cash flow for finance	(24,305)	+ 14,755	(736)
Changes in cash flow	(9,844)	+ 17,557	(6,084)

1.2 HISTORY AND DEVELOPMENT OF THE GROUP

1.2.1 Company name

The name of the Company is "**Amplitude Surgical**".

1.2.2 Registration place and number

The Company is registered with the Trade and Companies Register of Romans, France, under number 533 149 688.

The legal entity identifier (LEI) is 9695006Q1VL1OHK06336.

1.2.3 Date of incorporation and term of the Company

The Company was incorporated on 26 July 2011 and registered on 19 August 2011. The term of the Company is 99 years, unless it is wound up by anticipation or extended as decided by the Extraordinary General Meeting of Shareholders in accordance with the law and the Company's articles of association.

The financial year ends on 30 June each year.

1.2.4 Registered office, legal form, applicable law and website

The Company's registered office is located at 11, Cours Jacques Offenbach, 26000 Valence, France (Telephone number: +33 (0)4 75 41 87 41).

The Company is a public limited company (*société anonyme*) with a Board of Directors governed by French law, in particular by the legal and regulatory provisions of Book II of the French Commercial code.

Website: www.amplitude-surgical.com

The information on the issuer's website is not intended to be part of the Universal Registration Document, as defined by Regulation (EU) 2017/1129, except for information incorporated by reference in this Universal Registration Document.

1.2.5 Background of the Group

The Group was established in 1997 by Olivier Jallabert. PAI Partners acquired a stake in the Company's capital in 2020, following the investments by *Initiative et Finance Investissement* in 2004, Weinberg Capital Partners in 2008 and Apax Partners in 2011.

Since it was established, the Group has been designing and marketing a range of high-end products – prostheses, instrumentation and computer-assisted surgery (CAS) systems – for orthopaedic surgery on the lower limb joints.

Between 1999 and 2000, the Group initially targeted the hip replacement sector, launching cementless femoral stems (in particular, the INTEGRALE® product line associated with the HORIZON® acetabular cup). The product range was complemented by a full line of cemented stems (INITIALE® stems).

In the 2000s, the Group extended its range of hip prostheses with the addition of its SATURNE® dual-mobility acetabular cup and a line of revision stems. In 2002, the Group also diversified its business by marketing the SCORE® knee prosthesis as well as a computer-assisted surgery system: AMPLIVISION®, a system adapted for hip and knee arthroplasty.

At the end of the 2000 decade, the Group complemented its knee product range by offering unicompartmental prosthesis (UNISCORE®) and a revision prosthesis (REVISION SCORE®).

For a global offer for knee surgery, the Group launched its first patient-specific cutting guide (Patient Specific Instruments (PSI)): the i.M.A.G.E.® system, which uses additive manufacturing technology (3D printing). The Group now offers a new generation (faster and small-sized) of the AMPLIVISION® system as well as the E.T.O.I.L.E.® technology platform.

the Group has continued to leverage its capacity for innovation to introduce new products by adding a posterior stabilised, fixed bearing prosthesis to its knee product line: the, ANATOMIC® prosthesis. The ANATOMIC® prosthesis was approved by the FDA in January 2017, thus opening the US market to the Group.

Over the last five years, the Group has significantly expanded its hip range, introducing more international products such as the EVOK® stem, the C2 / Austral acetabular cup and the E2 stem. It has also developed its flagship products to keep them competitive, notably with the introduction of the SATURNE II® acetabular cup.

In 2021, the group obtained CE certification for 3 new hip femoral stems, which will be launched during the 2021/2022 financial year: the FAIR® stem, which completes the range with a product dedicated to anterior and/or minimally invasive hip surgery, and the EVOK® cemented and ACOR® cemented stems, which reinforce the EVOK® and ACOR® ranges with an option that is particularly in demand in calls for tenders.

Since 2013, the Group has also established a foothold in the extremities sector together with its Novastep subsidiaries, some of whose products have received FDA approval.

After moving to Germany in 2010, the Group initiated its international expansion and established a presence in a number of different countries. The Group is active in 28 countries, notably via 14 operational sales subsidiaries (6 in France and 8 worldwide).

For a detailed description of the Group, see paragraph 1.4 *"Organisation"* of this Universal Registration Document.

1.3 ACTIVITY

1.3.1 General description of the Group

The Group is one of the leading French players in the international market for surgical technology for lower limb orthopaedics (hips, knees and extremities).

Established in December 1997, the Group brought its first products to market during the course of 1999. The Group designs and markets a comprehensive, innovative range of orthopaedic products for surgeons, addressing the main lower limb disorders that can affect the hip, knee and extremities (foot and ankle). In particular, the Group offers the SCORE® range of mobile-bearing knee prostheses and the ANATOMIC® fixed-bearing knee prosthesis range. Hip prostheses include the INTEGRALE® stem, the SATURNE® and SATURNE®2 cup (dual-mobility acetabular cup) and the HORIZON®2 cup (acetabular cup in Biolox® Delta® ceramic). The Group is also active in the extremities segment via its subsidiaries, Novastep SAS and Novastep Inc. The prostheses for extremities include the LYNC® intramedullary implant for bunions treatment.

For the financial year ended 30 June 2021, the Group sold 71,069 prostheses, including 18,994 hip prostheses, 22,127 knee prostheses and 29,948 foot prostheses.

This product range is enhanced by innovative, high value-added services (training, instruments, computer-assisted surgery and clinical follow-up). The Group has developed the AMPLIVISION® computer-assisted surgery system, the i.M.A.G.E.® patient-specific cutting guide system and the E.T.O.I.L.E.® technology platform (providing a complete package for an anterior approach to hip surgery).

The Group's products are used in 654 facilities in France and over 600 facilities elsewhere in the world. The Group strives to meet the needs of patients, surgeons and health care facilities. Its main objectives are to increase fitting accuracy, post-operative patient safety and time saving in the operating room, as well as reducing the time for patient rehabilitation and providing surgeons with ergonomic instruments for the least invasive surgical approach. The Group distributes its products either directly, through its subsidiaries, or indirectly, through agents or exclusive distributors, or both, using its own sales force and a distributor.

In order to develop innovative technologies and ensure clinical follow-up on implanted prostheses, the Group has developed close relationships with surgeons who are opinion leaders in France and abroad.

The Group generated revenues of €88.3 million and €95.5 million and EBITDA of €17.6 million and €20.6 million for the financial years ended 30 June 2020 and 30 June 2021 respectively.

As of 30 June 2021, the Group had 443 employees in France and abroad, including 58 engineers involved in research and development activity.

1.3.2 The Group's markets

1.3.2.1 The global market for orthopaedic prostheses

Market description

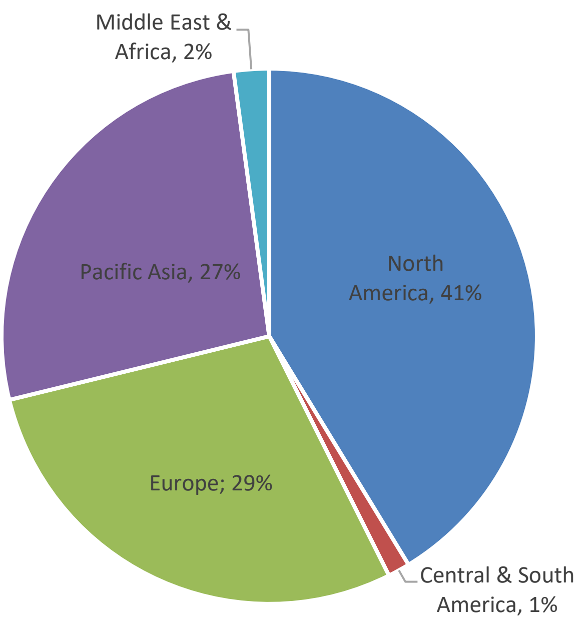
In 2018, the global market for orthopaedic prostheses generated revenues of approximately $44 billion. *(Source: Avicenne European Orthopaedic Market 2018-2023 Summary)*

The market for orthopaedic prostheses comprises the markets for knee prostheses (accounting for approximately 23% of the market) and hip prostheses (approximately 16% of the market), and the market for implants for extremities (i.e. shoulder, elbow, ankle, foot, hand, etc.) surgery (approximately 6% of the market). *(Source: Avicenne European Orthopaedic Market 2018-2023 Summary)*

The market for hip prostheses generated approximately $7 billion in 2019, with average annual growth since 2015 of 3.9%, and the knee prostheses market generated almost $10 billion in 2019, with average annual growth since 2015 of 2.9%. The hip prostheses market is expected to reach $8.7 billion in 2028, and the knee prostheses market 12.9 billion. *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

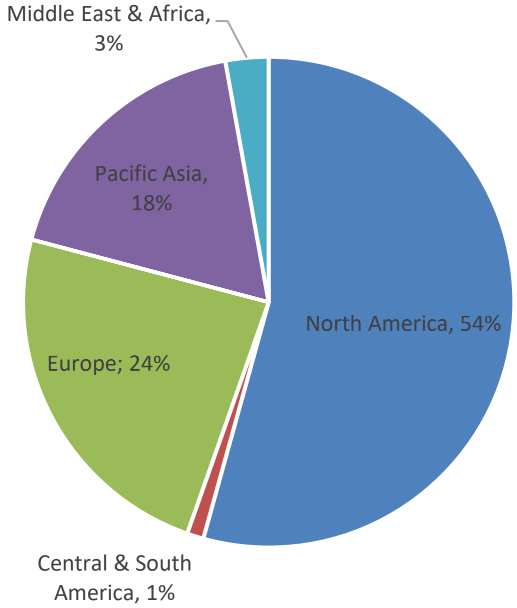
In 2019, the geographic distribution of the hip prostheses market was as follows:

(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC)



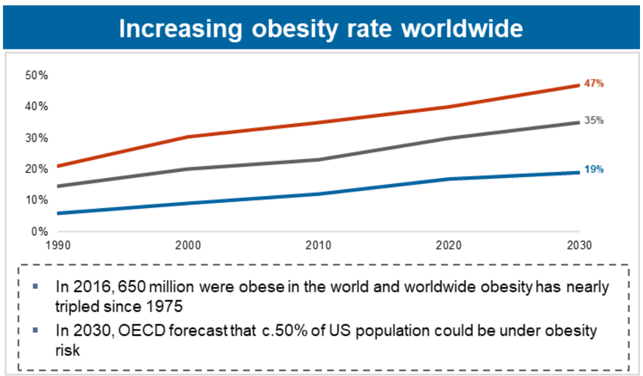
In 2019, the geographic distribution of the knee prostheses market was as follows:

(Source: Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC)



The main growth of this market pertains to:

- world population ageing: as of 2015, there are approximately 901 million people aged over 60 and their number is expected to exceed 1.4 billion by 2030, representing 16.5% of the world population, and 2 billion in 2050, representing 21.5% of the world population;
- the increase in the global obesity rate: In the United States, from 1999-2000 to 2017-2018, the age-adjusted prevalence of obesity increased from 30.5% to 42.4%, and the prevalence of severe obesity increased from 4.7% to 9.2%. *(Sources: OECD, NCHS Data Brief ■ No. 360 ■ February 2020 – Prevalence of Obesity and Severe Obesity Among Adults United States, 2017–2018);*



- sporting activity: injuries and "wear and tear" to knees and hips due to high-impact sports;
- the democratisation and expansion of the product ranges available from manufacturers enabling patients to be treated in larger numbers, and in particular the development of outpatient surgery;
- the development of the revision surgery market, and products and techniques associated with these indications;

- innovation of products and/or associated technologies, resulting in a higher product mix, stimulates the market.

In parallel, the orthopaedics market is seeing the following changes: progress has been made on many fronts in the anaesthetics and analgesics segment, surgery is now suitable for a younger population, doctors are making increasing use of the surgery that hospitals have to offer, and outpatient surgery is developing in many countries.

On the technology side, surgical navigation is booming again and some market players are launching a robotic arm coupled with navigation to assist the surgeon in performing surgical procedures. Augmented reality is also appearing in training or assistance programmes for the fitting of prostheses.

Prospects for growth: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

Industry consolidation is endemic in the global knee and hip reconstruction market, slowing overall market growth. Zimmer's mega-merger with Biomet in 2015 was an attempt to lock in their dominance of the hip and knee joint implant market. In the United States, Medicare's Completive Care for Joint Replacement (CJR) model has introduced value-based care initiatives to improve outcomes and reduce the costs of hip and knee replacement procedures, leading companies to create programmes that help providers meet these requirements. In emerging markets, companies are pushing "mid-level" products designed to meet the growing demand for affordable healthcare.

Major players, such as Smith & Nephew with the acquisition of Blue Belt Technologies, Zimmer Biomet with its ROSA robot and Stryker's Mako, are focusing on robotic assistance and guidance technology for knee replacement procedures.

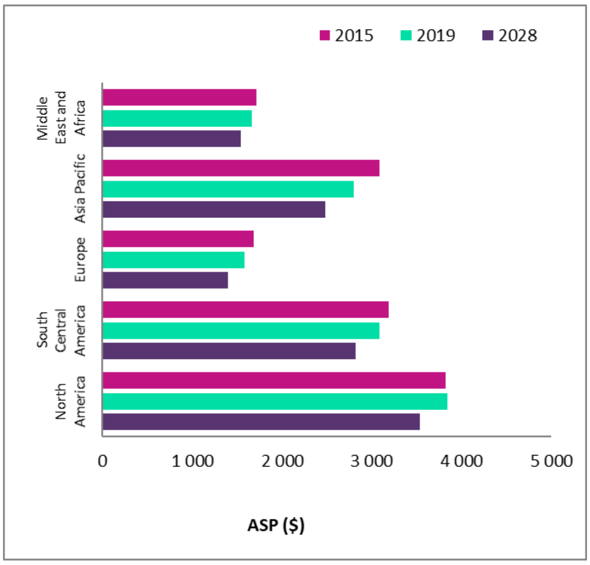
In the coming years, the launch and marketing of a broad joint portfolio with a clear value proposition will remain essential to the success of companies as they compete for market position. Meanwhile, a long-term position in the global knee prostheses market depends on the companies' ability to provide cost-effective, first-class care.

The hip and knee replacement markets are mature markets that are expected to grow moderately due to an increasingly ageing population, a trend towards earlier surgery among younger patients and further improvements in insurance coverage in emerging countries. However, as health officials scrutinise purchasing and use multiple channels to obtain orthopaedic devices at very competitive prices, revenue growth slows as average selling prices erode.

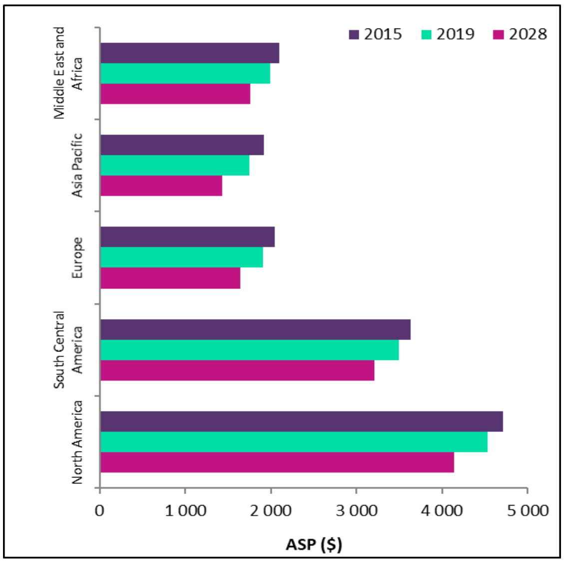
Evolution of prices:

Price erosion for mature orthopaedic products has been a constant over the past 20 years. This trend is expected to continue, but some countries are experiencing greater price declines than others, particularly premium markets such as the United States.

Evolution of average selling prices (ASPs) in the different regions of the world:



Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC



Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC

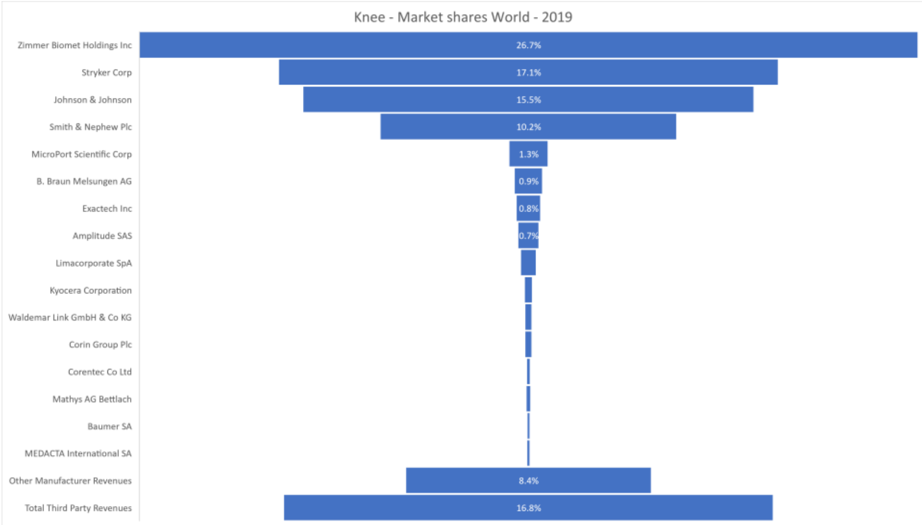
Competitive environment

The Group's main competitors are primarily major groups with a global presence, it being specified that further to the merger-absorption of Biomet by Zimmer in 2014/2015, Zimmer Biomet is the leading player on the market.

In the knee prostheses segment:

After the 2015 mega-merger of Zimmer and Biomet, the competitive landscape in the global knee reconstruction market is relatively stable, with Zimmer Biomet, the market leader, accounting for approximately one third of the global market. DePuy Synthes, Stryker and Smith and Nephew have long been the second, third and fourth largest players respectively. The remainder of the market is occupied by several small and medium-sized orthopaedic companies. It is expected that the global market share for knee implants will remain in the hands of the four orthopaedic giants as they continue to improve their product range and optimise their operational efficiency. However, it is likely that there will be changes in market share among the other players over the forecast period. *(Source: Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC)*

In 2019, in terms of market share, by revenue, of knee replacement, the main players in the global market were as follows:

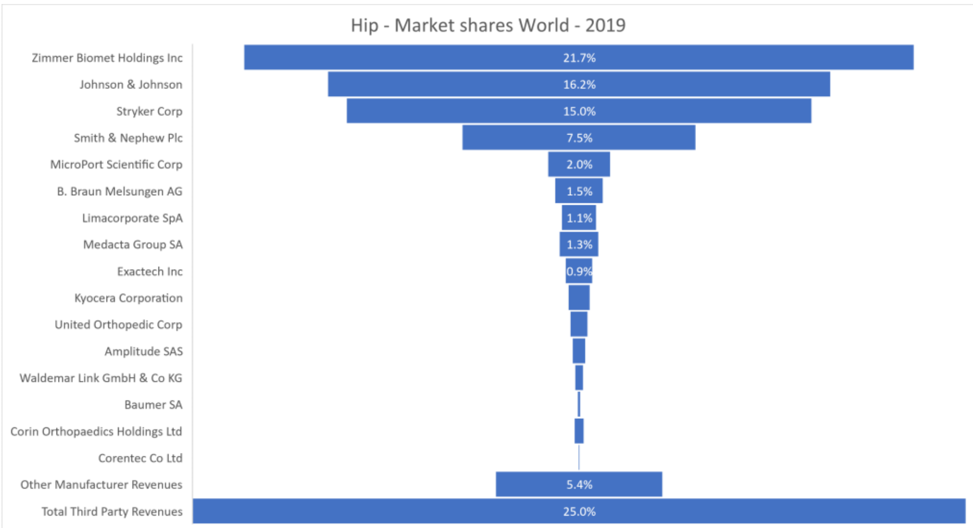


(Source: Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC, corrected with internal Amplitude data)

In the hip prostheses segment: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC, corrected with Amplitude data)*

After the 2015 mega-merger of Zimmer and Biomet, the competitive landscape in the global hip reconstruction market is relatively stable, with Zimmer Biomet, the market leader, accounting for about a quarter of the global market. DePuy Synthes, Stryker and Smith and Nephew have long been the second, third and fourth largest players respectively. The rest of the market is occupied by several small and medium-sized orthopaedic companies. It is expected that the global market share for hip replacement implants will remain in the hands of the four orthopaedic giants as they continue to improve their product range and optimise their operational efficiency. However, it is likely that there will be changes in market share among the other players over the forecast period.

In 2019, in terms of market share, by revenue, of hip replacement, the main players in the global market were as follows: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC, corrected with Amplitude data)*



1.3.2.2 The Group's markets

i. France

Market description

In 2019, France represented, in Europe, a 14.9% share of the market for the hip (representing €242 million) and 11% for the knee (representing €168 million). (*Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

In France, joint replacement prostheses are medical implants which are fully reimbursed on the basis of the "**LPPR**" (*Liste des Produits et Prestations Remboursables* (list of reimbursable products and services)) pricing policy. Private health care facilities purchase prostheses at this reimbursement price, while public hospitals arrange invitations to tender in accordance with France's current Public Contracts Code. After 25 years of stability, the government changed this reimbursement rate in 2012, in order to control health expenditure, with a 10.5% drop (for hip prostheses) and a 5.5% drop (for knee prostheses) over three years (in 2013, 2014 and 2015) (*Source: Avicenna, Strategic Report – European Orthopedic Market 2016-2021 – Hip, Knee & Shoulder – May 2017).*

By a decision dated 3 December 2015, the French *Conseil d'Etat* annulled a decision reducing the prices initiated in 2013. Moreover, the French Economic Committee for Healthcare Products (*Conseil économique des produits de santé*), in a decision dated 19 February 2016, reduced the prices imposed on 14 March 2016 by 12.30% for hip prostheses and 7.40% for knee prostheses. Finally, in an order of 18 April 2016, the *Conseil d'Etat* cancelled the reduction for some hip implants only.

In June 2017, the French economic committee for healthcare products (CEPS) suggested a new plan for price reductions over 2 years.

On 21 August 2017, a 3.5% decrease on average was applied to hip and knee implants.

In July 2018 an average decrease of 2.25% was applied to hip and knee implants. This decrease has been applied in a product-specific manner. Finally, a further decrease occurred between May and June 2019, resulting in an average decrease of 2.93%.

The draft law on the financing of social security for 2021 provided for actions in the order of €150 million on the tariffs of medical devices. These actions were to consist of LLPR tariff reductions. The COVID-19 pandemic halted the implementation of the planned actions.

Prospects for growth

France follows global and regional trends for Europe.

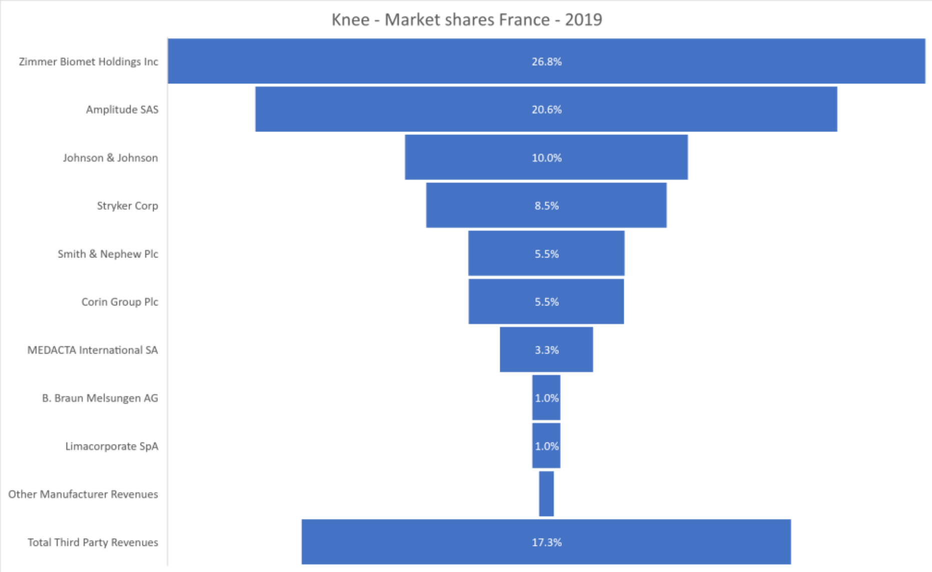
The hip reconstruction market in France is mainly driven by easy access to healthcare and the growth of the ageing population.

In France, over the 2018-2023 period, the growth in volume of marketed products is expected to reach 3.2% in the hip segment and 4.2% in the knee segment (*Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

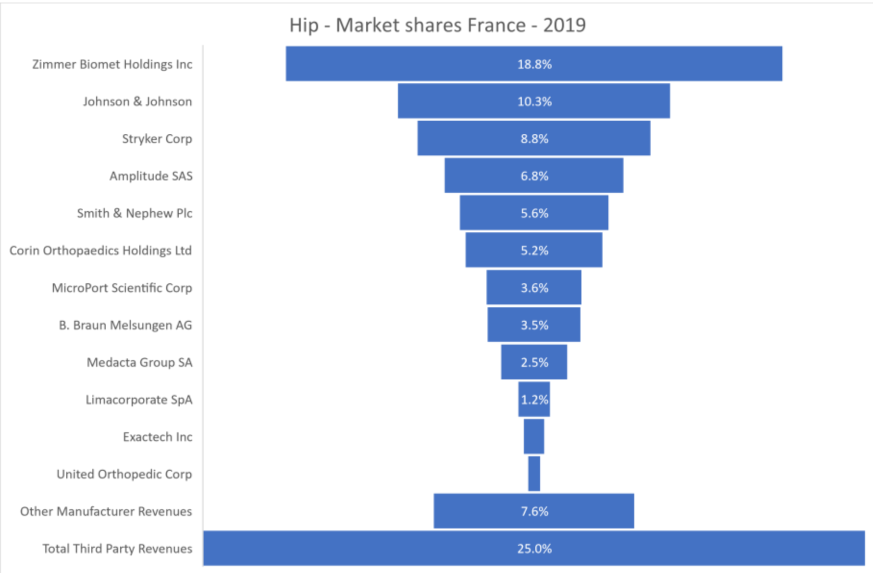
Competitive environment

The Group's main competitors in the French market include major groups with a local presence.

In 2019, the main players in the French market for orthopaedic prostheses[1] in terms of market share were as follows:
In the knee prostheses segment, in revenue: *(Source: Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC)*



In the hip prostheses segment, in revenue: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC, corrected with Amplitude data)*



[1] Calculated in terms of revenue

ii. Europe

- **European market**

Market description and prospects for growth

In 2019, the European market (including France) for knee prostheses generated approximately €2 billion, and is expected to reach €2.4 billion in 2023. The hip prosthesis sector generated a turnover of around €1.7 billion in 2019 and is expected to reach €1.9 billion in 2023 *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

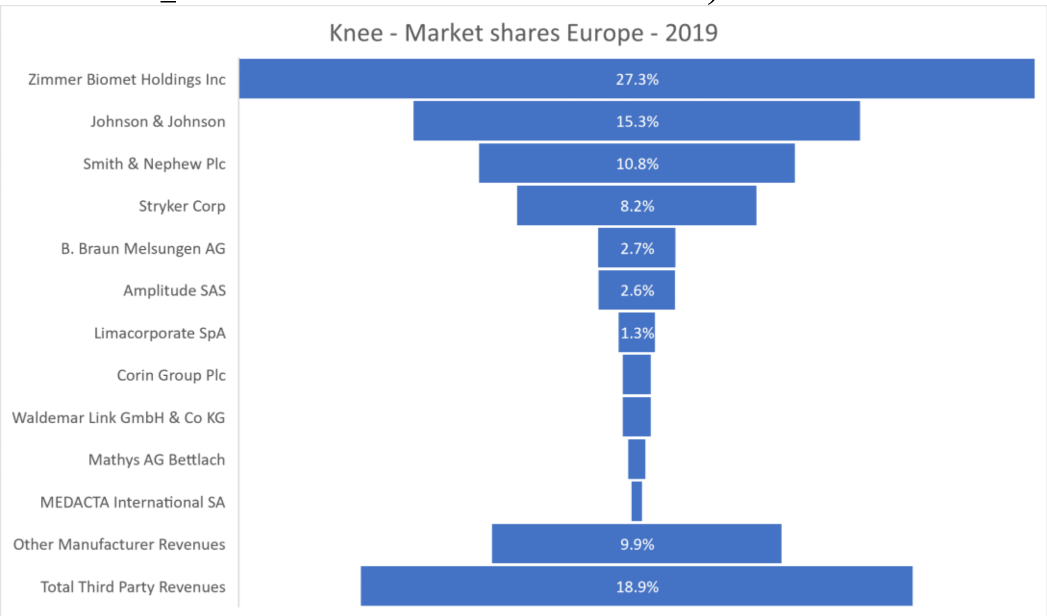
Europe's ageing population is fuelling the demand for hip and knee reconstruction procedures. In most European countries, patients have access to knee and hip replacement procedures in public hospitals, which require a small financial contribution from the patient. However, austerity measures are pushing many European markets to reduce funding for advanced hospital technologies, such as computer-assisted knee replacement procedures. In addition, cost containment efforts are likely to limit the use of premium products in favour of cheaper generic products, and some countries are limiting the number of knee or hip replacement procedures, forcing patients to postpone elective knee replacement procedures.

Overall, the European market is expected to remain stable due to some of these price and reimbursement factors. Even if the number of procedures continues to increase, revenues are not expected to increase as strongly in the future due to continued downward pressure on prices.

(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)

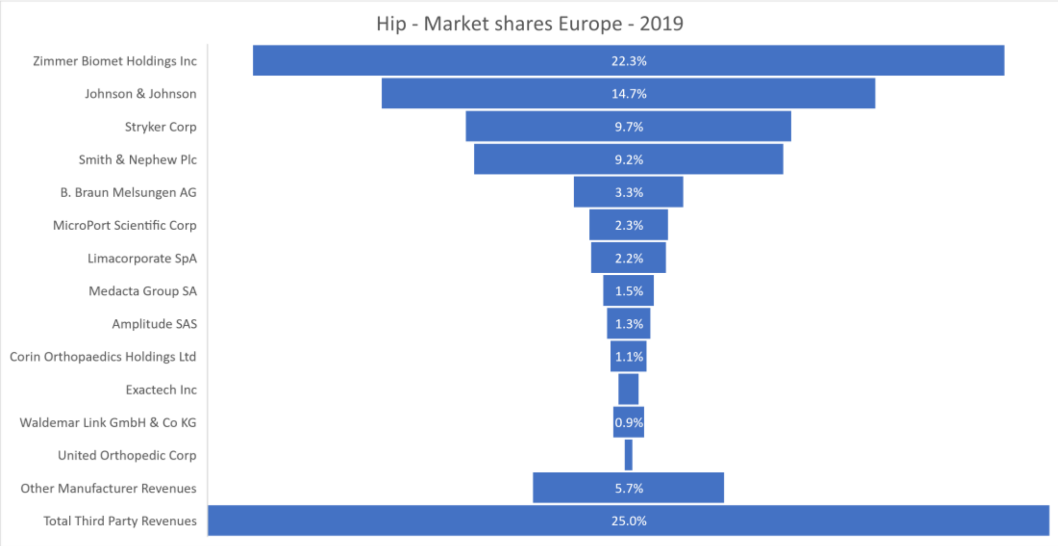
Competitive position

In 2019, the main players in the European market for orthopaedic prostheses[2] in terms of market share were as follows: In the knee prostheses segment, in revenue: *(Source: Global data 2019 – Orthopedic Devices Knee_Reconstruction Global 2015-2028 MedicalIC)*



[2] Calculated in terms of revenue

In the hip prostheses segment, in revenue: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC)*



iii. *International (outside Europe)*

- **North America (United States, Canada and Mexico)**

Market description

In 2019, the North American market for orthopaedic prostheses in which the Group operates generated sales of approximately $5.3 billion for knee prostheses and $2.8 billion for hip prostheses *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

In North America, the world’s largest market for reconstruction, the main growth driver for the knee and hip replacement market has been the increase in the aging population and the desire of these patients to maintain an active and productive lifestyle. This has led to a continued, albeit slow, growth in the market, which is expected to continue over the coming years. However, the downward pressure on prices that has offset the increase in the number of procedures and cost containment initiatives is having a direct impact on the adoption of higher priced products and technologies, which will continue to slow market growth.

The United States follows global and regional trends for North America. A recent significant change in the market is the Completive Care for Joint Replacement (CJR) programme, launched by the CMS Innovation Center in 67 randomly selected U.S. metropolitan areas in April 2016. CJR is a new payment model for episodes of care related to total knee and hip replacements under Medicare from the start of surgery through 90 days after discharge that aims to reward or penalise hospitals based on clinical outcomes and costs. Although the CJR does not threaten implant prices in the short term, hospitals are working on ways to reduce the cost of care. In the long term, hospitals may demand lower-cost implants if they are unable to meet the cost of care targets, which would require them to pay a penalty to the CMS to cover the excess cost.

Medicare’s Completive Care for Joint Replacement (CJR) model has introduced value-based care initiatives to improve outcomes and reduce the costs of hip and knee replacement procedures, leading companies to create programmes that help providers meet these requirements.

Canada follows global and regional trends for North America. Reimbursement can be difficult to obtain for knee replacement surgery due to high government eligibility criteria, leading many patients to seek other options.

Mexico follows global and regional trends for North America. Due to the growing elderly population and the high involvement in sports, leading to an increase in sports injuries, Mexico is experiencing a growing market for knee replacement. The market is expected to continue to experience healthy growth.

Prospects for growth

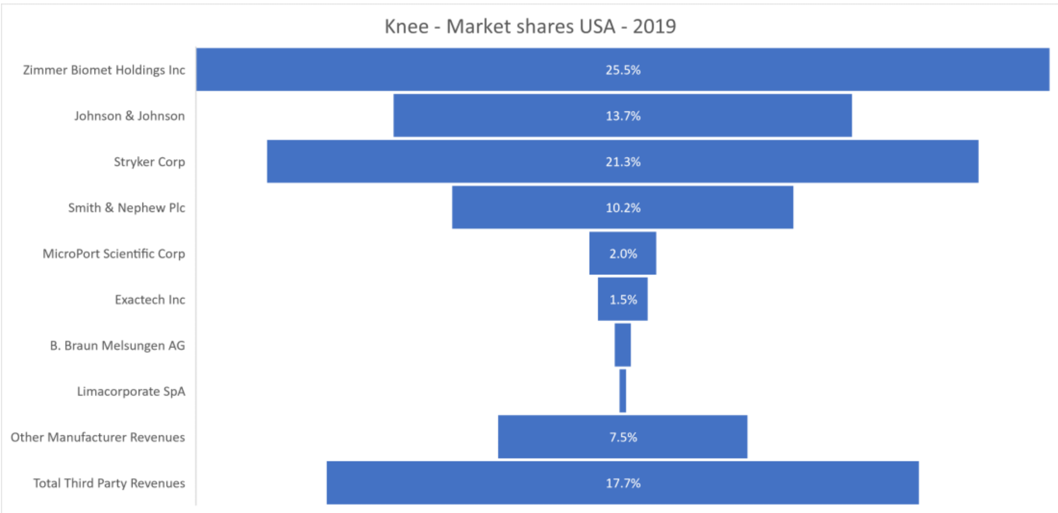
Over the next few years, the growing obesity rate and US population ageing are expected to have a positive impact on demand for orthopaedic prostheses (with increased demand for knee prostheses in particular).

The prospects for annual growth of the market for knee prostheses in the USA, in revenue, are expected to be in the order of 1.6% until 2023, that of the market for hip prostheses in the USA, in revenue, of 1.9% until 2023. (*Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

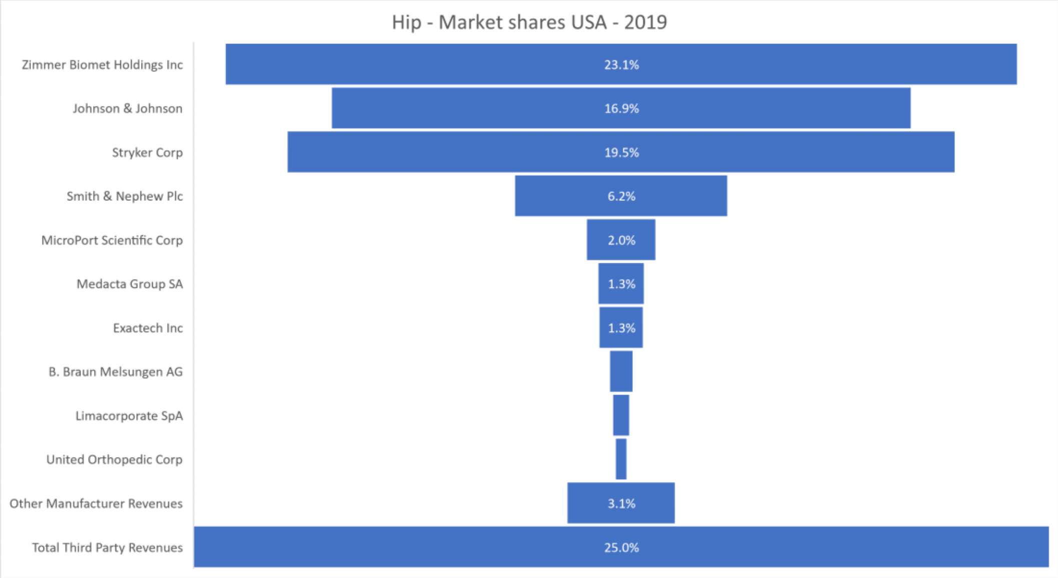
Competitive environment

The Group's main competitors include major international groups.

In 2019, the main players in the US market for hip and knee prostheses[3] in terms of market share were as follows: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*



[3] Calculated in terms of revenues



- **Asia – Pacific**

Market description

In 2019, the Asia-Pacific (Australia, China, India, Japan, New Zealand, South Korea and Taiwan) knee prostheses market generated revenues of approximately $1.8 million, and the hip prostheses market generated revenues of approximately $1.8 million. *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

The Asia-Pacific stability of orthopaedic prosthesis market is explained by the fact that the Japanese market experienced a slowdown in growth during the 5 past years given that the public healthcare policies were driven by the lower reimbursements and the fall in the yen. China represented, in 2015, 31.8% of this market. (*Source: GlobalData, Hip and Knee Reconstruction – Global Analysis and market forecast – July 2016*).

Prospects for growth

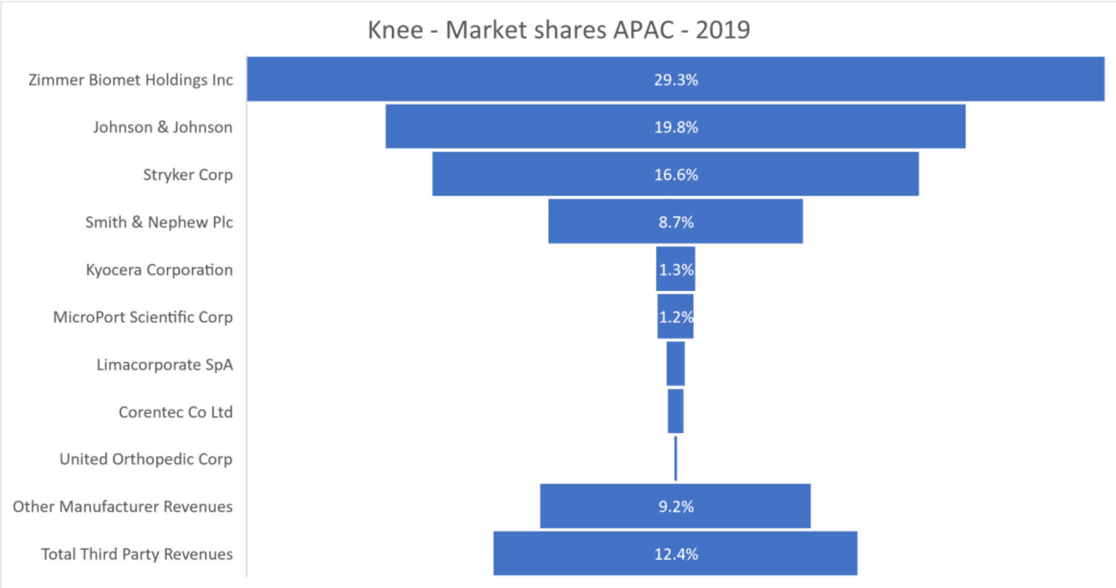
In a society that continues to seek a more westernised way of life, Asia's aging population is growing rapidly. With the growth of the Chinese and Indian economies, the disposable income of the average family has increased over the years. This means that orthopaedic surgeries, such as hip and knee replacements, will now be within the incomes of more families and will be affordable. In addition, there has been a slow and steady change in the mentality of patients, and more older people are now willing to undergo the required joint replacement surgeries, essentially opening up a new demographic on the market. *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

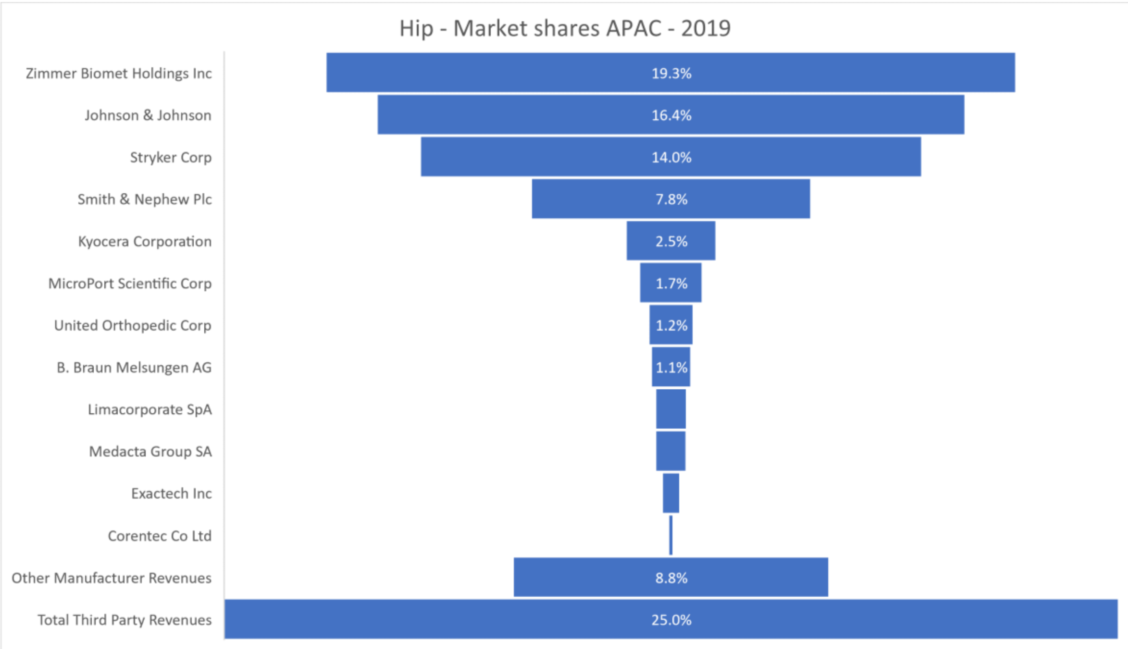
The Asia-Pacific market for orthopaedic prostheses in which the Group operates is expected to generate approximately $6 million in revenues in 2028. (*Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

Competitive environment

The Group's main competitors include major international groups.

In 2019, the main players in the Asia-Pacific market for hip and knee prostheses[4] in terms of market share, in revenue, were as follows: *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*





In 2019, in Australia, where the Group is present with a subsidiary, the market share for knee prostheses was 5.1% and 1.9% for hip prostheses.

4 Calculated in terms of revenues generated

- **Brazil**

Prospects for growth

As South America modernises, healthcare spending is increasing, resulting in a steady growth in procedures for musculoskeletal disorders. The knee replacement market is expected to grow faster than the global average as adoption increases. However, as the cost of implants can make up the majority of the operating room supply cost in an orthopaedic procedure, hospitals are engaging in cost-cutting measures, which will reduce revenues. *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

Brazil follows global and regional trends for South America. Despite continued uncertainty about reimbursement, growth in the large Brazilian common market will be fuelled by several factors, including the improving economic situation in Brazil, an aging population and increasing demand for advanced medical care. However, accessibility remains a barrier for many potential patients. This is particularly the case in rural areas, given the extent to which healthcare financing in Brazil has been concentrated in urban areas with fiscal constraints. *(Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)*

The demand for orthopaedic prostheses in the Brazilian market is expected to increase in the next few years in response to a combination of factors:

- a general increase in life expectancy;
- an improvement in the population’s quality of life and their purchasing power;
- the development of public health policies and governmental commitment to providing local populations with access to a public or private health system;
- the development of a form of medical tourism; and
- the growing and increasingly widespread use of surgery and orthopaedic prostheses.

Competitive environment

The market for implants in Brazil comprises an “entry-level” segment (public hospitals and contracts) essentially geared towards local players, and a high-end segment (private clinics) where the players are the same as those in every other country where orthopaedic products and services offer high added value.

The Group’s main competitors include major international groups.

In 2019, the main players in the Brazilian market for hip and knee prostheses[5] in terms of market share were as follows: (Source: Global data 2019 – Orthopedic Devices Hip_Reconstruction Global 2015-2028 MedicalIC & Orthopedic_Devices Knee Reconstruction Global 2015-2028 MedicalIC)

[5] Calculated in terms of revenues generated

For knee prostheses, market share in terms of revenue:

- Zimmer Biomet[6], with a market share of approximately 26%;
- DePuy Synthes, with a market share of approximately 25.2%;
- Smith and Nephew, with a market share of approximately 12.8%;
- Baumer SA, with a market share of approximately 8.5%; and
- Stryker, with a market share of approximately 10.3%.

For hip prostheses, market share in terms of revenue:

- DePuy Synthes, with a market share of approximately 22.1%;
- Zimmer Biomet[7], with a market share of approximately 14.9%;
- Smith & Nephew, with a market share of approximately 11.5%;
- Baumer SA, with a market share of approximately 7.7%; and
- Stryker, with a market share of approximately 6.2%.

The group is present on the Brazilian market with a market share in 2019 of 4.6% for knee prostheses and 4% for hip prostheses.

1.3.3 Group business activities

1.3.3.1 An innovative, extensive product range

Research and Development (R&D) activity is central to the Group's strategy. As at 30 June 2021, 3.5% of its revenues, i.e. €3.3 million, had been devoted to R&D. Research and Development expenditure amounted to 4.6% of revenues as at 30 June 2020, i.e. €4.1 million.

At the date of this Universal Registration Document, the Group has been using 52 patent families.

The Group has a dedicated, experienced R&D team comprising some 50 engineers and/or doctors in charge of developing and industrialising implants, instruments and associated technologies. The Group has also set up a "technology watch" system that allows it to monitor technical and medical advances on an on-going basis, so that it remains permanently at the forefront of progress. The Group has established partnerships with renowned professors, surgeons, clinical facilities and universities.

This helps the Group to develop its innovations and regularly launch new products: implants and/or associated technologies (software for 50% of the Group's turnover comes from navigation, personalised guides, applications for products launched in the last five years, augmented reality, etc.).

See Section 1.8 "Research and Development" of this Universal Registration Document for further details.

[6] The Zimmer Group (USA) merged with the Biomet Group (USA) in 2015
[7] The Zimmer Group (USA) merged with the Biomet Group (USA) in 2015

1.3.3.2 A complete product range

i. Range of disorders addressed

The Group's products are intended to correct the occurrence of a variety of disorders. This is primarily the case for osteoarthritis (of which there are a number of forms, such as osteoarthritis of the hip and arthritis of the knee), osteonecrosis, femur head fracture, bunions on the feet, polyarthritis, meniscal lesions and cruciate ligament tears, along with disorders connected with sporting activity. For example, nearly 30% of French women aged over 50 suffer from bunions, resulting in the largest number of operations in connection with a deformity of the foot or ankle. (*Source: Améli Santé*)

For more information on these various disorders, see the section on ": DEFINITIONS" in the annex to this Universal Registration Document.

To address these disorders, the Group provides knee and hip prostheses and implants for the foot and ankle. To support the fitting of these implants it provides special instruments and related ancillary services.

As at 30 June 2021, the Group had developed 4 ranges of primary knees, including a single-compartment range, a range of revision knees, 7 ranges of primary hip femoral implants, 5 ranges of hip acetabular implants and 5 ranges of revision hip femoral implants.

For the financial year ended 30 June 2021, sales of knee prostheses and associated instrumentation accounted for 55.78% of Group revenues, sales of hip prostheses accounted for 30.38% of revenues and sales of foot and ankle prostheses, for 13.84% of Group revenues.

ii. Knee prostheses

The Group offers a comprehensive range of knee prostheses. In the financial year it sold 22,127 knee prostheses, generating revenues of €50.3 million at 30 June 2021 (compared to €48.5 million at 30 June 2020).

The fitting of all the Group's knee prostheses is compatible with the AMPLIVISION® computer-assisted surgery system offered by the Group.

Similarly, all the primary prostheses (UNISCORE®, SCORE®, SCORE® II and ANATOMIC®) and the UNISCORE® prosthesis can be fitted using the i.M.A.G.E.® technique (made-to-measure instruments based on scan or MRI images).

The Group offers the following products:

- **The UNISCORE® single-compartment knee prosthesis:**

This is single-compartment knee prosthesis for primary surgery which comprises various prostheses for replacing the internal or external femorotibial compartments of the knee. There are three parts to this implant: (i) the femoral condyle which replaces the distal end of the femur; (ii) the tibial base which replaces the proximal end of the tibia; and (iii) the mobile or fixed inlay for connecting the femur and the tibia.

The Group offers this prosthesis in 7 different sizes, in cemented and cementless versions. Approximately 12,025 prostheses were fitted throughout the world between the launch of the product in 2008 at 30 June 2021.

- **The Group offers 3 total knee prosthesis ranges: the SCORE® prosthesis, the SCORE® II prosthesis and the ANATOMIC® prosthesis.**

  - **The SCORE® prosthesis:**

This mobile-bearing total knee prosthesis for primary surgery comprises various prostheses for replacing the knee joint without preserving the posterior cruciate ligament. It comprises three sections: (i) the femoral condyle which replaces the distal end of the femur; (ii) the tibial base which replaces the proximal end of the tibia; and (iii) the patellar button, a mobile inlay for connecting the femur and the tibia, to "resurface" the kneecap.

This prosthesis is available in cemented and cementless versions and is compatible with the SCORE® revision surgery system (see paragraph below). As at 30 June 2021, approximately 163,124 prostheses had been fitted throughout the world since the product was launched in 2002.

Following the onset of hypersensitivity in a proportion of the population to some of the materials used in the SCORE® prosthesis design, the Group now offers a hypoallergenic version, the SCORE® AS (Allergie Solution) prosthesis. This has the same properties as the Score prosthesis, but is coated with a layer of titanium nitrate which acts as a barrier between the body and the chromium cobalt, thus limiting the release of allergenic metal ions.

  - **The SCORE® II prosthesis:**

Designed to adapt to different morphologies, this prosthesis is based on the design and clinical success of the first version in order to improve patient satisfaction and to take into account the requirements of surgeons during surgery. The range of instrumentation offered with this version has thus evolved and been diversified.

Since its launch in 2018 by the Group, approximately 10,694 prostheses have been fitted worldwide as of 30 June 2021.

  - **The ANATOMIC® prosthesis:**

This fixed-bearing total knee prosthesis for primary surgery comprises various prostheses for replacing the knee joint without preserving the posterior cruciate ligament. As with the SCORE® prosthesis, there are three parts to this implant: (i) the femoral condyle which replaces the distal end of the femur; (ii) the tibial base which replaces the proximal end of the tibia; and (iii) the patellar button a fixed inlay for connecting the femur and the tibia, which replaces the joint surface of the kneecap.

The Group offers this prosthesis in 9 different sizes and 6 different inlay thicknesses, in cemented and cementless versions. As at 30 June 2021, approximately 81,554 prostheses had been fitted throughout the world since the launch of the product in 2013. In January 2017, the Group obtained 510(k) approval from the FDA (Food and Drug Administration) for the sale of such prosthesis in the United States.

- **The SCORE® revision prosthesis:**

This mobile-bearing total knee prosthesis for revision surgery is intended to replace and/or reconstruct the knee joint without preserving the posterior cruciate ligament in cases of revision surgery for a single-compartment knee prosthesis, osteotomy or total knee prosthesis and in case of major deformity in primary prostheses. There are three parts to the implant: (i) the femoral condyle which replaces the distal end of the femur; (ii) the tibial base which replaces the proximal end of the tibia; and (iii) the patellar button, a mobile inlay for connecting the femur and the tibia, which replaces the joint surface of the kneecap.

The Group offers this prosthesis in 4 different sizes. It is only supplied in cemented form. As at 30 June 2021, approximately 8,930 prostheses had been fitted throughout the world since the launch of the product in 2005.

iii. Hip prostheses:

The Group offers a comprehensive range of hip prostheses for primary, revision and reconstructive surgery. In the financial year, it sold 18,994 hip prostheses, generating revenues of €29.0 million at 30 June 2021 (compared to €27.5 million at 30 June 2020).

This total hip prosthesis for primary surgery comprises various prostheses for replacing the hip joint. There are two parts to the implant: (i) the femoral stem which is fixed into the femur and (ii) the acetabular implant, which is fixed into the acetabulum of the natural joint, with the prosthetic femoral head providing the functional connection.

- **The INTEGRALE® stem:**

The Group offers this prosthetic stem in 8 different sizes. Highly ergonomic instruments provide various types of rasp handles to address practitioners' needs, with versions available in straight and curved-handle forms, for use in manual or navigated procedures via anterior or posterior approaches. There is no requirement to cement this prosthesis as its self-stabilising form provides its primary means of fixing and hydroxyapatite coating promotes osteoinduction. As at 30 June 2021, 63,043 stems had been fitted throughout the world since the launch of the product in 1999.

This stem has the advantage of using a neck with a finer diameter, reducing impingements and thereby reducing post-operative dislocations. Its ovoid form maximises the filling of the femoral medullary canal, ensuring long-term attachment for the implant. Placement of this prosthesis is compatible with the Group's AMPLIVISION® computer-assisted surgery system.

- **The EVOK® stem:**

The Group offers this straight femoral stem with a quadrangular cross-section in a wide range including 3 types of offsets, each declined in different sizes (8 to 12 sizes depending on the versions). The global range is thus composed of 54 stems. The highly ergonomic instruments offer several types of broach handles to adapt to the different approaches used by surgeons. The prosthesis is intended for cementless fixation, its fixation being ensured by a self-locking design, and a press-fit effect provided by a hydroxyapatite coating acting as an osteo-inductive element. The EVOK® stem differs in particular by its evolutive lateralised version, as well as by the design of its collar. Since its launch in April 2018, 6,814 stems have been sold worldwide as of 30 June 2021.

A cemented version of the EVOK stem was CE marked in spring 2021, and will be launched in the 2021/2022 fiscal year. This option will provide a complementary solution for patients with insufficient bone quality for cementless fixation.

- **The FAIR® stem:**

The Group offers this new range of femoral stems specifically dedicated to minimally invasive hip surgery, and in particular to the anterior approach. This product was CE marked in spring 2021 and launched in October 2021. This range includes 9 sizes of prostheses, available in two types of offset: standard and lateralised. It is accompanied by instrumentation dedicated to minimally invasive and anterior surgery. The prosthesis is intended for cementless fixation, its fixation being ensured by a self-locking design, and a press-fit effect provided by a hydroxyapatite coating acting as an osteo-inductive element.

- **The SATURNE® acetabular:**

This acetabular is categorised as part of a total hip prosthesis and comprises a steel cup that can be fixed with or without cement and a mobile inlay inside the cup. It is designed to replace the acetabular cavity, in primary or revision surgery. These dual-mobility acetabular implants are designed for use with other Group prostheses (stems and heads), to provide a total hip prosthesis.

The range comprises 4 product families: SATURNE®, SATURNE® to be cemented, SATURNE® for reconstruction and SATURNE®II, and the Group offers them in different sizes. As at 30 June 2021, approximately 106,066 SATURNE® acetabular implants had been fitted since the launch of the product in 2000.

The Dual-Mobility acetabular was invented in France by an orthopaedic surgeon, to eliminate post-operative dislocations. Taking this basic concept, the Group has improved it by further developing the materials and surface treatments, as well as the form of the implant and the instruments that it uses. As this type of product remains little known on the international stage, the Group intends to promote it widely and win over numerous surgical teams, all of whom are concerned about post-operative dislocation, one of the main complications further to fitting a prosthetic hip. The fitting of this prosthesis is compatible with the Group’s AMPLIVISION® computer-assisted surgery system.

- **HORIZON® 2 acetabular (with Biolox® delta ceramic inlay):**

As a total hip prosthesis, this acetabular makes use of a ceramic-on-ceramic bearing. It is used with certain inlays and ceramic femoral heads developed by the Group (the Biolox® delta Amplitude range). It is intended to be fitted without cement. The fitting of this prosthesis is compatible with the Group's AMPLIVISION® computer-assisted surgery system.

The Group offers this acetabular in 2 different versions and 9 different sizes.

The HORIZON® 2 cup with holes allowing secondary fixation with screws, and the HORIZON® 2 cup without a hole with a preassembled ceramic insert (in a clean room), facilitating and securing the surgery.

As of 30 June 2021, the Group had fitted 20,192 HORIZON® 2 acetabular implants since the launch of the product in 2013. The main advantage of this acetabular lies in the use of Biolox® delta ceramic. This ceramic is much more durable than the ceramics used in the past and has the particular characteristic of on-going wear resistance.

iv. Ligament reconstruction

- **ACLip®**

ACLip® is an implant for graft fixation during anterior cruciate ligament reconstruction. The ACLip® consists of a male implant, a female implant and a dedicated instrumentation. Its design offers the surgeon great simplicity and reproducibility of placement while allowing fixation as close as possible to the graft's healing zone.
Since its launch by the Group in 2018, more than 6,582 implants have been carried out with over 80 surgeons.

v. Ankle and foot prostheses

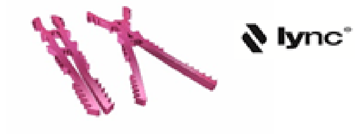
Novastep offers a comprehensive, innovative range for surgery of the forefoot, midfoot an hindfoot, to provide a response to the disorders associated with this area (bunions, arthritis of the big toe, hammer toes, metatarsalgia, etc.)

This product range has been developed to be reliable and straightforward and to reduce operating time. As such, it offers scored compression screws, superelastic compression staples, locking or non-locking screw osteosynthesis plates or intramedullary implants.

NEXIS® screws have a wide range of indications for use in both the forefoot, midfoot and hindfoot. They have a self-drilling, self-tapping, inverse self-tapping design that includes Torx impression and a self-perforating conical head.

The Nexis® MIS screw has an additional bevel to preserve soft tissue while optimising cortical anchorage.

PECA® screws are indicated for the osteosynthesis of small bones in extremity surgery, especially for the correction of hallux valgus with Percutaneous Chevron and Akin osteotomy. This range of bevelled head screws preserves soft tissue while providing stable fixation. The Exact-T® impression allows a very precise positioning of the screw during its percutaneous insertion under radiographic control.



LYNC® intramedullary implants have been designed to treat hammer toe deformities. Designed to expand within the bone, the implant is placed in the medullary canal of the phalanges using specific instruments to attach it and to fix bony fragments.

ARCAD® compression staples have been designed to fix osteotomies and arthrodeses in treating deformities of the forefoot and midfoot. The superelastic properties of nickel titanium alloy give the staples compression capabilities that maximise bony consolidation performance.

The AIRLOCK® osteosynthesis plate system provides a complete range of monoaxial locking screw or polyaxial non-locking screw anatomical plates specifically for fixing arthrodeses and osteotomies in corrections to the forefoot, midfoot and hindfoot and designed to maximise stability.

The new plates in the range incorporate the unique Presslock® technology, a locked compression pin.

The CENTROLOCK® is an implant dedicated to the correction of bunions by a guided system around a transverse osteotomy. Its hybrid design combines an intramedullary cannulated stem, stabilised by cortical screws, with a plate fixed by screws locked to the head of the first metatarsal.

The cleanSTART® technology is a packaging and specific distribution system for use in the operating room. With intuitive storage, the system makes it easy to identify a device, reduces storage space and maximises traceability at the same time as allowing for “first in, first out” (FIFO) management. The cleanStart® system is proposed for the packaging of implants and single-use instrumentation.

The forefootCOMPLETE® system provides surgeons with a unique kit with all the instruments that are needed to fit the Nexis, Lync and Arcad implants for treating the full range of disorders of the forefoot.

The forefootEXACT® system is a tailor-made kit solution offering the specific instruments required to fit a range of implants, in kit form.

This range has received the CE mark and has been registered by the FDA.

A combined total of 29,948 of these prostheses have been fitted since 1 July 2020, at 30 June 2021, generating revenues of €13.2 million within the same period.

1.3.3.3 Related services

The Group has developed and manufactured specific instruments for every type of prosthesis. These instruments are made available to surgeons. These instruments are compatible with all surgical practices and fitting techniques. The Group offers four categories of instruments: (i) standard mechanical instruments; (ii) computer-assisted surgery (AMPLIVISION®); (iii) made-to-measure disposable instruments (i.M.A.G.E.®); and (iv) instruments for the anterior approach (E.T.O.I.L.E.®).

i. Standard instruments

Standard instruments include all instruments developed specifically for fitting implants and are the focus of numerous innovations (the E.T.O.I.L.E.® platform, for example). They are also used in conjunction with the i.M.A.G.E.® and AMPLIVISION® systems.

ii. Computer-assisted surgery and the AMPLIVISION® system

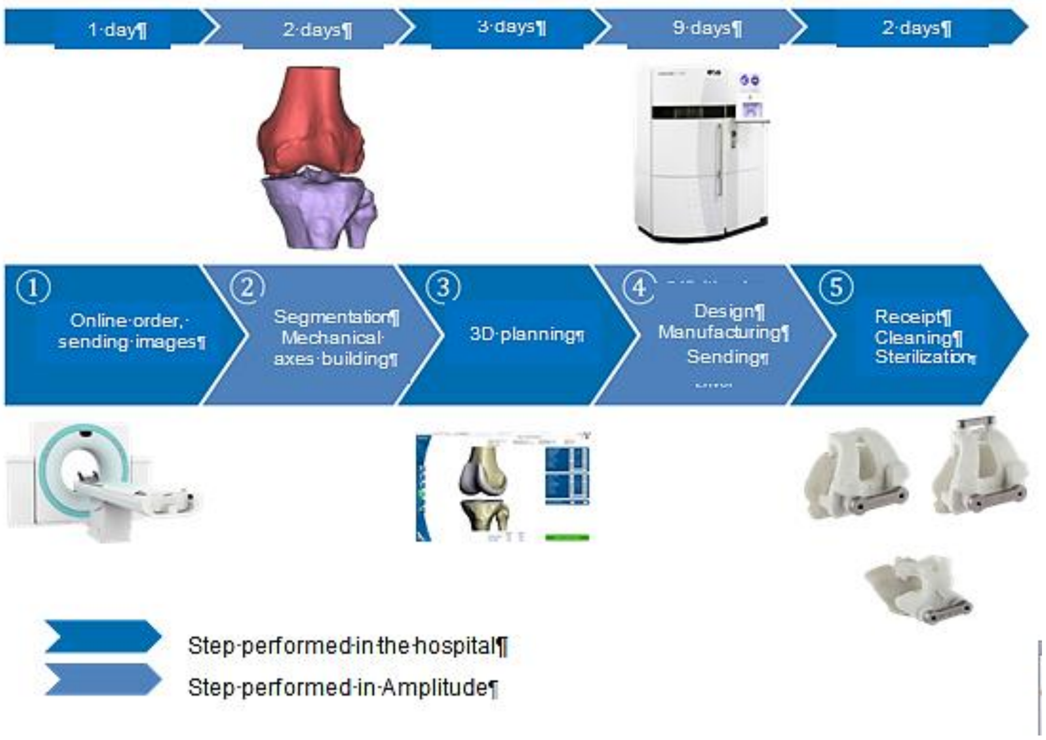
The Group offers a navigation system known as AMPLIVISION®. It is an electronic tool that helps the surgeon to visualise and therefore to prepare for the surgical procedure with greater accuracy. The tool is easy for the surgeon to use and is applicable for both hip and knee prostheses. A navigator comprises an infra-red camera and special software, both developed in-house. Sensors are fixed to the patient's bone during the procedure, providing dynamic, real-time visualisation on the navigator screen (as computer-generated images) of the various calibrations that the surgeon can make in fitting the prosthesis. It provides a means of controlling the positioning of the prosthesis, the axes, extension gaps and ligament tensions. The AMPLIVISION® system can be adapted to different approaches and can also be used to visualise the surgical instruments.

Using this technology, the Group can (i) provide the patient with better prosthesis positioning and alignment and guarantee an implant that is suitable for their body shape and size; (ii) with knees, reduce the risk associated with "*hip-knee-ankle*" (HKA) alignment by offering increased accuracy, improve ligament balance and be confident about the final post-operative outcome; (iii) with hips, reduce the risk of dislocation (through better management of prosthesis orientation), provide better management of differences in leg length, reduce wear and the risk of limping ("offset") and navigate the range of movement.

iii. The i.M.A.G.E.® system

The i.M.A.G.E.® system provides made-to-measure instrumentation for knees, using additive manufacturing technology (3D printing). The Group produces a made-to-measure guide for use in making incisions when implanting knee prostheses. The design of the guide begins with MRI or scan images of the patient in the first instance, to which are added technical data selected by the surgeon during pre-operative preparatory work on computer-generated images (the Group has created a dedicated website for this purpose). The cutting guide is then produced on a 3D printer and is delivered (non-sterile) to the surgeon a few days before the procedure.

This system helps to achieve ideal implant positioning based on the individual patient, at the same time as limiting the associated blood loss. Correspondingly, the risk of embolism falls as a result of the limitation in tourniquet time and the reduced incision, both anaesthetic time and nosocomial infections are also reduced. For the surgeon, this type of system allows them to plan for the surgical intervention, thus reducing the operating time (which represents time saving for the surgeon and cost saving for the facility), the volume of ancillaries required and the cost of sterilisation.



iv. Instrumentation for procedures using the anterior approach (E.T.O.I.L.E.®)

The aim of this overall concept is to promote the minimally invasive fitting of hip prostheses via the anterior approach, in contrast to the posterior approach. The anterior approach to the hip allows cutting less into the muscles and offers quicker rehabilitation for the patient, with some operations being conducted as ambulatory procedures. This concept necessitates training for the surgical team and specific equipment for the operating room. To meet these aims, the Group offers:

- *an E.T.O.I.L.E.® operating table extension and specific instrumentation*: this equipment facilitates the surgical procedure and the Group offers specific instruments for use with this technique;

- *training in this new operating technique*: the Group provides special training for surgical teams to help them to master the anterior approach. Managed by a dedicated product lead within the Group, this "Keep Moving Forward" training relies on various pilot sites in France and elsewhere, and on theoretical and practical application in the anatomy lab. Personalised support for surgeons allows them to adjust to this technique under conditions of maximum safety.

- *A new range of femoral stems and instrumentation dedicated to this anterior surgical technique*: the FAIR® range

The new technique offers numerous advantages for the various stakeholders involved:

- for the patient: anterior hip surgery is less invasive and post-operative management is more straightforward. Patient rehabilitation is swift and significantly different from the rehabilitation required after posterior surgery. The Group's aim is for patients using this technique to have their operations on an ambulatory basis;

- for the surgeon: performing the anterior approach is a significant differentiating factor between professional peers; and

- for the facility: it offers a means of reducing the length of patients' stays.

1.3.3.4 Products and services under development

The Company is pursuing its development strategy to complete its product lines and related instrumentation. It is continuing to expand its range of implants, in particular by developing products for the Australian and American markets, and is developing new navigation software to adapt to the latest trends in terms of surgical techniques, including software for hip navigation that will allow an anterior approach.

The "Technologies" development team is also studying new technologies to improve the pause of implants, in particular by using augmented reality systems and surgical robotics.

1.3.3.5 Suppliers

The Group has a network of approximately 39 suppliers at its disposal, of which approximately 87% are located in France.

The production/supply department has a number of sources for each of the following services:

- smelting;

- machining;

- polishing; and

- packaging.

This allows the Group to (i) distribute the workload evenly amongst them; (ii) optimise delivery deadlines; (iii) compensate for any in-house issues that the subcontractor may have; (iv) handle peaks in activity; and (v) ensure a more flexible working relationship with suppliers. Additionally, some of these suppliers, who have particular importance for the Group (such as in the areas of polishing and machining) are located close to the company's head office in Valence, which improves turnaround times, encourages well-organised interaction and helps in maintaining good technical relationships.

Every agreement with a supplier is a real partnership, with a technical specification being agreed along with the contract. All of the Group's subcontractors are ISO 13485-compliant or are audited by the Group with reference to this quality framework. The Group's quality and purchasing department conducts a regular review to monitor the management of and adherence to the contract, compliance with standards and technical specifications. It formulates corrective actions to be taken if required.

Between 1 July 2020 and 30 June 2021, the Group paid its top 10 and top 20 suppliers €12.4 million and €16.6 million respectively (compared to €12.4 million and €15.6 million respectively for the financial year ended 30 June 2020).

1.3.3.6 Manufacturing

i. Sofab Orthopédie

The Sofab Orthopédie Group was founded in 2007 in the Valence region, near Amplitude's head office, and consists of three companies all ISO 13 485 certified. It specialises in the manufacturing of implants and instruments for orthopaedics, with machining, engraving and manual or robotic polishing workshops. This group is fully owned by Amplitude SAS.

In 2019 the group invested in new equipment at Sofab Orthopédie to increase its manufacturing capacity, such as machining centres, a polishing robot and a drag-finisher.

In order to simplify the legal organisation of the group, SOFAB Orthopédie absorbed its 3 operational subsidiaries: Poli-Alpes, Poli-Tech and Firm Industries, on 30 June 2021.

ii. Cleaning - conditioning

In order to better control its processes, the Group has decided to integrate cleaning and conditioning of the majority of its implants production.

The construction works lasted for 5 months, to build 3 rooms:

- a technical room of 115 m²;
- a 180 m² cleaning room; and
- a 130 m² clean room, class ISO 7.

The clean room has been audited by a notified body and obtained certification. Production started on 20 July 2018. Eventually, more than 100,000 implants will be able to be processed in this room.

1.3.3.7 Organisation of logistics and transport

Central stock is stored at the Group's head office location in Valence, in the Drôme department of France, in a warehouse of approximately 4,000 m².

This location includes stock of implants of the Group. Stock is monitored and replenished by the purchasing departments, based on purchase requests from the ERP system, based on sales forecast. The Group also owns and manages a stock of ancillaries which is made available to its customers, either on loan or for purchase. The Group's ability to produce a new ancillary at any time from its stock of parts, means that it can be responsive to each and every customer request, both in France and elsewhere. Every international subsidiary has a central storage resource for distribution in the country in question.

In France, the sales administration department forwards orders to the logistics department and they are processed the same day, with delivery before 9 a.m. the following day.

The Group makes use of transport service providers for all deliveries and returns on French soil. Delivery requests are allocated on the basis of the following criteria:

- required delivery deadlines: before 8 a.m., before 9 a.m., before midday or during the day;
- related services: delivery straight to the operating room, acceptance of heavy items (such as computer-assisted surgery stations or orthopaedic table extensions, etc.); and
- the ability to provide high quality service in sometimes remote regions.

On the international front, delivery to the end customer is handled in exactly the same way as in France, but is overseen by the subsidiary or distributor representing the Group in the country in question. Upstream, supplies for export are delivered weekly, monthly or quarterly from the Group's central stock in France, based on customer requirements or requests.

An assistant in the sales administration/operations department forms the interface between the customer and the Group's logistics and sales departments (in France or for export). This guarantees near real-time tracking of transport services and, if required, the provision to customers of specific information on the progress of their delivery.

1.3.3.8 Marketing

i. The Group's customers

The Group's customers in France

As of 30 June 2021, the Group's customers included (i) 459 private sector facilities and (ii) 195 hospitals (departmental, regional, university and military) (compared to 493 and 218 on 30 June 2020, respectively).

The Group works with the main health care companies.

The Group's top ten customers in France make up 0.88% of the total number of customers and are responsible for 19% of the Group revenues in France as of 30 June 2021, while the top twenty customers make up 1.75% of the total number of customers and generated 29% of the Group revenues.

The Group's international customers

Depending on the distribution channels (see paragraph *ii below*, *"Distribution channels"*, of this Universal Registration Document), the Group works with a variety of contacts (subsidiaries, distributors and sales agents) but is also in touch with surgical teams throughout the world who use the Group's products.

The Group's top ten international customers make up 1.74% of the total number of customers and are responsible for 31% of the Group revenues internationally as of 30 June 2021, while the top twenty customers make up 3.48% of the total number of customers and generated 43% of the Group's international revenues.

ii. Distribution channels

Distribution in France

The Group relies, on the one hand, on a network of exclusive, independent agents who provide a local, technical and commercial service, and on the other hand on direct subsidiaries that carry out the technical services with the practitioners. Approximately 63 people (distributors and sales agents) work in the field, including overseas departments and territories and 25 people through its French subsidiaries, making it one of the largest technical and commercial teams in France devoted entirely to hip and knee surgery.

As of 30 June 2021, the Group was generating 60.9% of its revenues in France through sales agents and 39.1% through its French subsidiaries.

Only 2 historical distributors remain active, generating less than 1% of revenues in France as of 30 June 2021 (compared to less than 1% at June 30, 2020).

The Group’s specialist subsidiary for the extremities, Novastep, also makes use of a sales force that comprises 6 staff members, and is currently building a territorial grid including both exclusive agents and experienced employees.

International distribution

The Group often arranges international distribution through its subsidiaries. Having established its first subsidiary in Germany in 2010, it has deployed 8 new foreign operational subsidiaries over the last two years. The table below sets out the Group’s subsidiaries and their status as of the date of this Universal Registration Document.

Country	Name of subsidiary	Date established	Nature of organisational structure	Method of distribution	Status
Germany	Amplitude GmbH	2010	Wholly owned subsidiary	Direct	Active subsidiary
Australia	Amplitude Australia Pty	2013	Wholly-owned subsidiary	Direct and short channel	Active subsidiary
Belgium	Amplitude Benelux	2015	Wholly owned subsidiary	Direct	Active subsidiary
Brazil	Amplitude Latin America	2014	Wholly-owned subsidiary	Short channel	Active subsidiary
India	Amplitude India Ltd	2013	Wholly owned subsidiary	Deployment on stand-by	Registered products
Switzerland	Amplitude Suisse SA	2014	Wholly owned subsidiary	Direct	Active subsidiary
United States	Novastep Inc.	2014	85% subsidiary	Direct and short channel	Active subsidiary
United States	Amplitude Orthopedic Corp.	2015	Wholly owned subsidiary	Direct	Active subsidiary
South Africa	Amplitude South Africa Pty Ltd	2015	Wholly owned subsidiary	Direct	Active subsidiary

In countries where the Group does not directly market its products, it relies on a network of distributors, most of them exclusive; in particular: Algeria, Argentina, Denmark, Spain, Iraq, Italy, Malaysia, Morocco, the Middle East, the Netherlands, the Philippines, Poland, the Serb Republic of Bosnia, Senegal, Geneva, and Vietnam).

As of 30 June 2021, the top ten distributors accounted for 4% of Group revenues and the top twenty distributors for 5% of the Group revenues (compared to, respectively, 7% and 10% of the Group revenues at 30 June 2020).

iii. The Group's distribution models

The Group makes use of two distribution models, which have a direct impact on its overall income.

The Group may use its direct sales forces, i.e. its salaried technical sales staff or sales agents. In this case, the Group's customers are public and private health care facilities. The revenues recognised by the Group are derived by adding the price of the implants (i.e. the unit price of an implant as set locally by public or private health insurance bodies multiplied by the number of implants) to the revenues generated by the Amplivision® computer-assisted surgery systems (i.e. the hire or sale price of the software, depending on the country, multiplied by the number of copies of the software supplied).

The Group recognises revenues when the implant is used by the surgeon and comes out of the Group's customer consignment stock.

In exchange for revenues, the Group covers the costs of:

- associated operating expenses, such as commission paid to sales agents (i.e. a percentage of the sale price), and sales and marketing expenses;
- investment expenditure incurred by the Group with a distinction being drawn between "growth" investments which are recognised when ancillaries and associated services are first made available (calculated on the basis of a percentage of the additional revenues generated) and "maintenance" investments relating to the replacement of ancillaries; and
- costs of inventories.

The Group also makes use of distributors to sell its products; in this case, the distributors are the Group's customers. The revenues recognised by the Group are derived by adding part of the price of the implants multiplied by the number of implants to the revenues generated by ancillaries and the provision of other services (i.e. the unit cost of the Group's products and services as invoiced to the distributor, multiplied by the number of products and services provided).

Revenues are recognised by the Group when the implants and ancillaries are dispatched to distributors.

In addition, investment expenses for ancillaries are covered by the distributor directly, as is the cost of carrying the inventory that is made available to customers and distributors.

iv. Organisation and marketing policy

Group pricing policy

The Group has introduced an appropriate pricing policy in each country.

In France, implantable joint prostheses are medical devices which are fully reimbursed on the basis of the “LPPR” (*Liste des Produits et Prestations Remboursables* (list of reimbursable products and services)) price structure.

Private health care facilities purchase prostheses at this reimbursement price, while public hospitals arrange invitations to tender in accordance with France’s current Public Contracts Code. Instrumentation are loaned to health care facilities and surgeons in France.

For international business, there are two approaches. When the Group uses subsidiaries, they buy the products and then resells them, either through direct distribution channels or through indirect sales channels or using mixed models that combine direct and indirect sales. When the Group uses distributors, they benefit from purchase prices that are set when the contract is signed, and their pricing policy in respect of the end customer is then managed independently. On the international stage, instrumentation and navigators are sold to sales partners (both subsidiaries and distributors).

Quality management system

The Group has also implemented a quality system for its products. The Group’s products are classified as medical devices and, as such, are subject to specific standards and regulatory requirements in all the countries where they are designed, manufactured, tested and marketed. To meet these requirements, the Group has set up a quality management system certified by a third party (a “**Notified Body**”), in accordance with the applicable regulatory requirements and the ISO 13485 standard. The quality management system covers the full range of activities for the devices, from design to distribution. This system applies to all products without distinction and is audited annually by a Notified Body, to ensure that it remains effective.

The Group’s quality and regulatory system already complies with the requirements of the new European regulation EU MDR, which has been in force since May 2021. The Group’s Notified Body is already approved by the European Commission for this new regulation

The quality system is based on documented procedures for the following activities in particular:

- quality management;
- design;
- product manufacture, inspection and quality assurance;
- conduct of clinical studies;
- control of subcontracting;
- detection and handling of any non-compliant internal or external product;
- identification and implementation of corrections or corrective and preventive actions;
- product labelling;
- product storage and distribution;

- product identification and traceability;
- data storage and quality record procedures; and
- post-marketing surveillance and reporting of incidents and risk of incidents resulting from the use of medical devices after launch.

The Group has a dedicated 20-strong team who check all the stages of manufacturing of the Group's products on a daily basis. These inspections are conducted in compliance with the Group's procedures.

Marketing resources

The Group's marketing team comprises 23 members and is organised by product division: knee, hip and ligament reconstruction, complemented by a clinical monitoring division.

Management of product ranges

The product management team attends design meetings and arranges and manages product launches. The product managers also provide technical responses to the sales team and directly to surgeons in the operating room.

Management of training

The training cluster is responsible for training programmes for product users and all Group staff. One of its objectives is to design and deliver courses on surgical techniques and the use of instrumentation, as well as on the technical solutions intended for the sales teams.

In 2020, the Group set up a digital training programme for sales teams, surgeons and OR staff: Amplitude Academy, which complements the existing training programme.

Management of communications tools

In 2021, the Group will participate in the major conferences in France and abroad when possible, where appropriate through its local representatives. Electronic means of communication have been developed to allow the remote communication necessary to promote the products (surgical technique, video and technical fact sheets).

Managing clinical monitoring

The Group has to demonstrate that its medical devices are reliable and effective. Demonstrations based solely on bibliographic comparisons with previous products are increasingly unacceptable.

Data from clinical trials are the rule for obtaining and renewing the CE mark in Europe and equivalent approvals throughout the world. To support this, the Group has developed its own "CLINIRECORD®" software and website for all user surgeons to collect clinical data. The clinical monitoring software developed by Amplitude has been declared compliant with the methodology of the CNIL.

The clinical department is structured to accomplish the following:

- Arrange for data collection through investigators in accordance with the CNIL requirements;
- Archive and restore clinical data on all Amplitude products in accordance with the CNIL requirements;
- Encourage and support scientific publication and communication on the key products; and

- Arrange for collection, storage and review of medical literature.

1.3.4 The Group's competitive strengths

1.3.4.1 One of the leading French players in the global market for orthopaedic lower limb prostheses

Established in December 1997, the Group began to market its first products in France during the course of 1999. Since then, the Group has progressed to become one of the leading players in France in the market for orthopaedic lower limb prostheses.

In 2016, it was ranked second and fourth in terms of its share of the French market for knee and hip prostheses, respectively. The Group is also ranked sixth and ninth in terms of its share of the European market for knee and hip prostheses, respectively. (*Source: Avicenne, Strategic Report – European Orthopaedic Market 2016-2021 – Hip, Knee & Shoulder – May 2017)*

The Group has achieved this position by building on (i) the development of a comprehensive range of high value-added products that are appropriate to the needs of patients, surgeons and health care facilities; (ii) the variety of services that it offers; and (iii) research and development activity geared to leading-edge technical innovation.

i. An extensive, comprehensive range of high-end products appropriate for all surgical philosophies

The Group has chosen to develop high end products. This position is reflected in a product and instrument range that comply with high standards of quality, as well as ergonomics that meet the needs and demands of the most complex surgical techniques.

The Group offers a comprehensive, innovative range of orthopaedic products, along with ancillaries and a variety of innovative related services, including its AMPLIVISION® computer-assisted surgery system, i.M.A.G.E.® system and E.T.O.I.L.E.® technology platform.

The products offered by the Group cover the main lower limb disorders that affect the hip, knee, foot and ankle. For the financial year ended 30 June 2021, the Group sold 71,069 prostheses, including 18,994 hip prostheses, 22,127 knee prostheses and 29,948 foot prostheses.

The Group's products are appropriate for all surgical philosophies. They include prostheses for both primary and revision surgery, offered in all sizes with and without cement.

The ANATOMIC® fixed-bearing knee prosthesis launched by the Group in April 2013 illustrates the Group's focus on the needs expressed by different surgical practices. The Group has developed this to meet demand from surgeons for fixed-plate, postero-stabilised knee prostheses. The product complements the Group's historic SCORE® range, which employs mobile-bearing technology that is less widespread on international markets. The ANATOMIC® knee implant is registered in Europe, Australia, Brazil and the United States.

The design reflects the latest advances and surgical philosophies in prostheses, ancillaries and materials. The ANATOMIC® knee implant has helped the Group to increase the addressable proportion of markets where it can offer its products and services. The success of this product is reflected in an increase in the number of products sold by the Group, which rose from 9,769 ANATOMIC® knee prostheses in 2016, to 10,244 prostheses in 2021. Total sales of knee prostheses totalled 22,127 over the last financial year.

The Group is also building on its related services, which add significant value to its product lines. In particular, these include the AMPLIVISION® computer-assisted surgery system, the i.M.A.G.E.®

system and the E.T.O.I.L.E.® technology platform (which includes a table extension, sophisticated instruments, computer-assisted surgery capabilities and a training programme, dedicated to anterior approaches; see paragraph 1.3.3.3 of this Universal Registration Document, *"Related services"*). The range of related services helps to attract and build loyalty amongst surgeons and health care facilities.

As an example, the Group was able to take advantage of an opportunity in the high value-added and high-growth extremities segment through its French subsidiary, Novastep SAS, and its US subsidiary, Novastep Inc. Novastep develops innovative solutions for foot and ankle surgery. Thus, the Group is positioned in key geographic regions in a rapidly expanding market. As of the date of this Universal Registration Document, Novastep markets a comprehensive range of products with CE and FDA marking (LYNC® implants, ARCAD® staples, AIRLOCK® plates and NEXIS® and PECA® screws) for disorders affecting the foot, including hallux valgus.

ii. The Group has established a distinct identity built on the breadth and depth of its product and service offering

The Group offers high-end products and services. The company is ISO 13485 certified. ISO 13485 specifies the quality management system (QMS) requirements for the medical devices industry. All medical devices developed by the Company comply with Regulation 2017/745 concerning medical devices.

The Group has developed its products in collaboration with teams of renowned surgeons and in consideration of different surgical philosophies and different technologies. The Group also considers the particularities of different geographic regions (particularly those associated with individuals' heights, disorders that may be local and the format of training for surgeons). The Group strives to offer products that meet surgeons' demands, regardless of the surgical technique in which they are trained or the disorder in question.

The Group provides technical support for health care facilities and surgeons, either directly or via a sales agent, giving operating room-specific technical guidance during the surgical procedure (for example, the individual present in the operating room advises the surgeon on the use of instruments or on fitting the implant). This day-to-day support is also available at the pre- and post-operative stage, both for surgeons and for staff (technicians, nurses, sterilisation staff, etc.). The Group offers a wide range of products and services, as well as tools that help in planning for and facilitating surgery (e.g. i.M.A.G.E.® technology, AMPLIVISION®, and the E.T.O.I.L.E.® platform).

The Group has a clinical follow-up department which is responsible for analysing pre-, per- and post-operative medical and surgical data. To this end, the Group has developed the CLINIRECORD® software, which is available to surgeons. To date, the database includes information over 38,000 files of knee and hip prostheses, providing the Group with a tool for tracking its products. Scientific studies have been conducted and published by the surgical teams who contribute to research in partnership with the clinical follow-up department, using the CLINIRECORD® software.

Whether managed directly or via sales agents, the Group's close day-to-day relationship with surgeons provides it with access to almost immediate feedback on the products and services that it provides. The Group can adapt as effectively as possible to customer requirements. By continually enhancing its products, the Group can provide surgeons with solutions that save time and offer increased efficiency and accuracy (see paragraph 1.3.3.2 "A complete product range" in this Universal Registration Document). This responsiveness is a real advantage for both surgeons and patients, reducing recovery time and the risk of post-operative complications.

iii. Research and development activity geared to leading-edge technical innovation

Research and development are central to the Group's business.

The Group strives to meet the needs of patients, surgeons and health care facilities. With regard to innovation, the objective is to increase fitting accuracy, provide a minimally invasive surgical approach, save time in the operating room and minimise cost, while giving patients a more rapid rehabilitation and optimising post-operative safety.

The Group's research and development activity is conducted entirely in-house by three structured research clusters, in mechanics, software development and electronics. A dedicated, highly qualified team of 58 employees.

The Group exploits approximately 52 patent families. The Group has ownership or joint ownership of a number of patents. It also works in close collaboration with renowned surgical teams to develop new products and innovations that will help maintain its position at the forefront of technological advances. In these instances, the corresponding patents are registered in the names of the relevant surgeons. The Group is then granted exclusive operating licences for the term of these patents by the groups of surgeons with whom it has developed the products and services in question.

These innovations are a contributory factor in fostering loyalty to the Group amongst existing customers as well as attracting new customers, thereby helping it to gain market share. The AMPLIVISION® computer-assisted surgery systems are offered to surgeons either by agents or distributors, or directly by the Group itself. As of the date of this Universal Registration Document, the Group thus installed over 220 AMPLIVISION® machines (computer-assisted surgery systems).

The Group devotes a significant proportion of its budget to its research and development activity. As a result, research and development expenditure amounted to 3.5% of revenues for the financial year ended 30 June 2021, i.e. approximately €3.3 million, compared to 4.6% of revenues for the financial year ended 30 June 2020, or approximately €4.1 million. Accordingly, the Group can adapt to the specific requirements of patients, surgeons and health care facilities and provide them with new technologies.

iv. Renowned expertise provided by experienced teams

The Group's management team has proven experience in research, innovation and business development. The members of the Group's management team have extensive experience in the area of orthopaedic surgery and more specifically, in the design and marketing of joint prostheses. Several members of the management team previously held a variety of roles with competitors of the Group. Prior to co-founding the Group in 1997, Olivier Jallabert was R&D Manager Europe at Biomet. Dimitri Borchtch (Deputy Chairman of Finance) was previously Chief Financial Officer of a service company. He joined the Group in 2019. Bruno Jugnet (Vice-President of International Marketing and Sales for France) was Marketing Manager for knees at Tornier before joining the Group in 2005. Mireille Lemery was previously Director of International Regulatory Affairs at Tornier before joining the Group in 2015. Muriel BENEDETTO (Director of Operations) was previously Global Director of a major product line at Zimmer Biomet and has more than 20 years of experience in the orthopaedic medical device industry.

The Group is able to recruit highly qualified staff who receive on-going training, which means that it can respond to the specific regulatory and technical requirements for its business sector.

1.3.4.2 A rapidly consolidating market creating opportunities for the Group

i. Consolidation of the markets for hip and knee prostheses

The market for orthopaedic prostheses is currently undergoing a period of consolidation amongst the various players in the sector. In 2015, the Zimmer Group (United States) announced plans to merge with the Biomet Group (United States). Similarly, Tornier (France) announced plans to merge with US-based Wright Medical Group. The main transactions over the last few years include the following:

Date	Purchaser	Target company	Main market segments
09/2019	Globus Medical	StelKast	Hip - Knee
03/2019	Smith & Nephew	Brainlab ortho	Hip-knee navigation
03/2019	Permira	OSI	Hip-knee navigation
02/2019	Colfax	DJO Global	Hip - Knee
10/2018	Permira	GLOBAL	Hip - Knee
05/2018	Permira	Corin	Hip - Knee
04/2018	AK Medical	JRI Orthopaedics	Hip and shoulder
01/2018	EKKIO	FX Solutions	Shoulder
10/2016	Corin	Tornier	Hip - Knee
07/2016	Zimmer	Medtech	Robotics
06/2016	Medtronic	Responsive Orthopedics	Hip - Knee
05/2016	Stryker	Stanmore Implants	Hip - Knee
04/2015	Zimmer	Biomet	Hip – Knee-extremities – Trauma – biomaterials – sports medicine

The Group may be able to add value to its R&D activity, given that the reduced competition resulting from consolidation amongst the major players could slow the pace of innovation.

Furthermore, consolidation in the sector could create additional business opportunities for the Group. Indeed, mergers could lead to some products being abandoned as a result of the coexistence of several similar product lines. Surgeons may not wish to use the product range that is retained and could thus look to competitor solutions. In addition, in some geographic regions, mergers could result in the duplication of sales networks (salaried sales staff, sales agents or distributors), leading the operators in question to abandon one of the overlapping networks. Lastly, these mergers could create recruitment opportunities for the Group, as they may lead to the duplication of staff in some areas (including R&D, marketing and sales). Since consolidation reduces the number of players in the market, the Group's position in some markets could be strengthened, making it even more attractive as an alternative to the major consolidated groups.

ii. The market for extremities

The market for extremities (foot and ankle) is a new, developing market in which there are few operators as of the date of this Universal Registration Document, partly due to the degree of specialisation required to operate in this market. The Group therefore considers that it presents significant opportunities for innovation and gaining market share.

Over the last few years, there have been numerous consolidations in the extremities area. In fact, operators without a presence in this market are looking to acquire smaller players already operating within it.

The main transactions to have taken place over the last few years have been as follows:

Date	Purchaser	Target company	Main market segments
01/2021	DJO	Trilliant Surgical	Extremities, Foot and Ankle
11/2020	Stryker	Wright Medical	Extremities, Foot and Ankle, biological products
05/2019	Exacteh	Epic Extremity	Extremities, Foot and Ankle
08/2018	Wright Medical	Cartiva	Extremities, Foot and Ankle
09/2016	Stryker	Instratek	Extremities, Foot and Ankle
05/2016	Depuy Synthes	BME	Extremities, Foot and Ankle
06/2014	Stryker	SBI	Extremities, Foot and Ankle
02/2014	Wright Medical	Orthopro	Extremities, Foot and Ankle
01/2014	Wright Medical	Solana Surgical	Extremities, Foot and Ankle
10/2013	Wright Medical	Biotech International	Extremities, Foot and Ankle

The extremities market is a niche market with highly specialised surgeons who are sensitive to the quality and appropriateness of the products and services on offer.

The Group has thus established Novastep, creating two subsidiaries, Novastep SAS in France (2013) and Novastep Inc. in the United States (2014). Novastep develops innovative solutions for foot and ankle surgery: LYNC® implants, ARCAD® staples, AIRLOCK® plates, NEXIS® and PECA® screws, cleanSTART® technology, the ForefootComplete® configuration and the ForefootExact® configuration. The Group has shown its ability to adapt by developing innovative products with renowned surgeons and an experienced team. Novastep products obtained CE marking in 2014 and, as of the date of this Universal Registration Document, over 132,836 surgical procedures have been carried out Worldwide using products offered by Novastep. In the US, Novastep products obtained FDA approval in 2015. The Group is also building its sales network in the United States with a highly experienced US sales team.

The extremities business (ankle and foot), for which marketing began in July 2014, generated revenues of €13.2 million for the Group during the financial year ended 30 June 2021 (compared to €9.1 million for the financial year ended 30 June 2020) including €6.9 million in the United States (where activity began in December 2014) and €4.1 million in France.

1.3.4.3 A strong competitive position in the markets for hip and knee prostheses

The Group was ranked in 2013 at the fifth place in terms of its share of the French market for knee and hip prostheses and is now in the second place.

Group market share for knee prostheses in France went from 13.3% in 2015 and 20.6% 2019. Group market share for hip prostheses in France went from 6% in 2015 and 6.7% in 2019 (*Source: GlobalData, Hip and Knee Reconstruction – Global Analysis and market forecast – June 2016 and Avicenne, Strategic Report – European Orthopaedic Market 2016-2021 – Hip, Knee & Shoulder – May 2017)*

In addition, over the period from 2005 to 2021, Group sales in the French market increased by an average of 9.55% a year.

There are various barriers to market entry and expansion of new competitors in orthopaedic prostheses.

Firstly, a new entrant must invest heavily in research and development to create a range of products and services that meet the expectations of patients, surgeons and health care facilities. To achieve this, it must also find experienced surgical staff with a track record of innovative ideas.

Before product marketing can begin, marketing authorisation is required. In recent years, the applicable legislation has become more complex and the time required to obtain authorisations has increased significantly. On average, it requires one year in the United States, between one and two years in Europe, three in Australia and Brazil to obtain marketing authorisation for new products. Applicable product quality and safety standards are increasingly exacting. Outside Europe, notified bodies and local governments to whose authority the Group is subject are also increasingly demanding, as demonstrated, for example, by the increase in the number of alerts notified each year to the Health and Safety Authority regarding non-compliance with quality standards. Furthermore, there are local variations from country to country in the specifics of these procedures. This growing complexity of standards and the increase in requirements have the effect of driving up costs as well as the time required to bring a product to market.

There is also a need to patent products in order to protect them or to secure licences for other patents. Most innovations available on the market are already patented. It will be even more difficult for a research and development team that does not have an established intellectual property rights base to offer patentable products.

A new market entrant will also be faced with a clinical barrier: to persuade surgeons and health care facilities to use its products, it must be able to prove their quality and reliability. To demonstrate long-term product quality requires a clinical follow-up team. The Group has clinical data for most of the products that it markets, as well as a number of scientific publications.

New competitors often encounter a purely technical barrier insofar as the development of new products is a collaborative effort involving engineers and surgeons. It is especially difficult for a new market entrant to persuade renowned surgical teams to participate in the development of a new product. A new entrant would also be forced to develop a comprehensive product range across all segments within a limited timeframe. In the Group’s view, market penetration depends on offering a comprehensive range of products and services in terms of surgical philosophy and implant type (primary and revision), joint (hip and knee), available in all sizes and with the backing of opinion leaders.

Finally, a new entrant will have to build a sales network, either by recruiting experienced staff or by establishing commercial relationships with agents or distributors.

Given the authorisations that it already holds, its international presence and the technical and human resources at its disposal, the Group considers that is it well positioned to expand its activities in countries where it already operates as well as continuing to develop into international markets.

1.3.4.4 A targeted international presence

Building on the success of its strategy in France, the Group is experiencing significant international expansion. As a result, the proportion of Group revenues from international business grew by 212% over the period 2013-2021, increasing from €10.6 million as of 30 June 2013 to €33.1 million as of 30 June 2021.

The Group’s internationalisation policy is based on offering quality products and an alternative, “high-end” option, combined with technologies to facilitate the installation of implants. In the countries where the Group is established, the major international groups are present with a similar product offering. The Group has been able to adapt to the specific features of some local markets, such as in Brazil and Australia, both of which are markets with characteristics (such as the operators present, the products available and the market’s maturity) that make them comparable to the US market. As such, the Group has demonstrated its ability to compete with major international groups and local players.

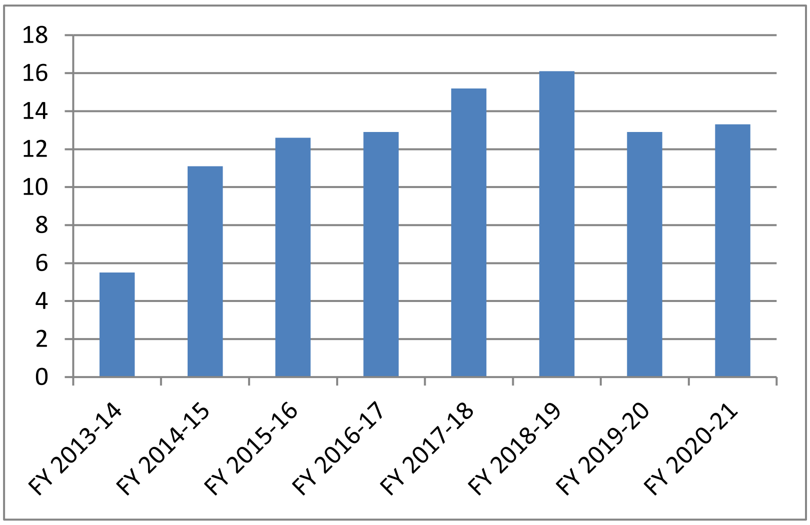
The Group specifically identifies the countries in which it seeks to establish a presence. It only selects markets that it considers to have good potential and which have similar characteristics to markets where it is already present. This strategy is based on an analysis of market characteristics, such as the size of the market in question, the expected margin, pricing policies and the levels of reimbursement under local social security health insurance schemes. The Group also looks at objective external factors, such as a country's demographics and its growth (both with regard to its GDP, where growth is indicative of an increase in the standard of living in the country in question, and the growth of the market for orthopaedic prostheses in that country). Lastly, the Group analyses its competitors' positions in the local market. The major international groups have a worldwide presence, but their range is highly standardised, giving the Group the opportunity to differentiate itself through innovation and its tailored service offering for the local market. Since local competitors are not necessarily positioned in the high-end market, the Group differentiates itself through its range of innovative products and services, placing the surgeon at the heart of its strategy to make rapid gains in market share.

The Group may employ a variety of strategies to gauge the new market's interest in its products and services. Where management has particular experience and specific knowledge of the market, a subsidiary is created. In other markets, the Group generally takes a two-stage approach. In the first instance, it enters into an exclusive distribution contract locally, which allows it to test the market and the depth of demand, and to identify the specific characteristics of that market. Assuming that this foothold proves successful, it then acquires the distributor or its business so as to sell its products directly, energise the marketing effort and establish direct personal relationships with local surgeons. It can thus sustain its existing market share and increase efforts to win new market share. This has been the case in Germany, Australia, Brazil and Switzerland in particular.

This was how the Group expanded directly into Australia and Brazil in 2014, acquiring local distributors (Austofix in Australia and Unimplant in Brazil) and reproducing its strategy of excellence, both in terms of product quality and the relationship that it developed with its customers. The group established in South Africa in 2015.

Australia accounted for approximately 8.7% of Group revenues for the financial year ended 30 June 2021 (compared to 8.9% for the financial year ended 30 June 2020). Further to the acquisition of Austofix in July 2013, Group revenues have changed as follows:

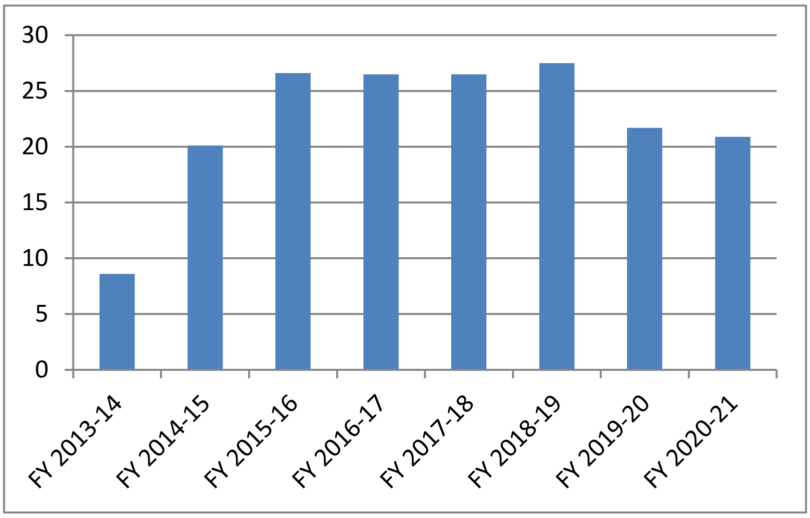
Australia Sales (millions of Australian Dollars)



The Group sells through its subsidiary, either directly (via the subsidiary's employees or via sales agents) or indirectly (via distributors). The hip products of Joint Research have been implemented in February 2015 in Australia.

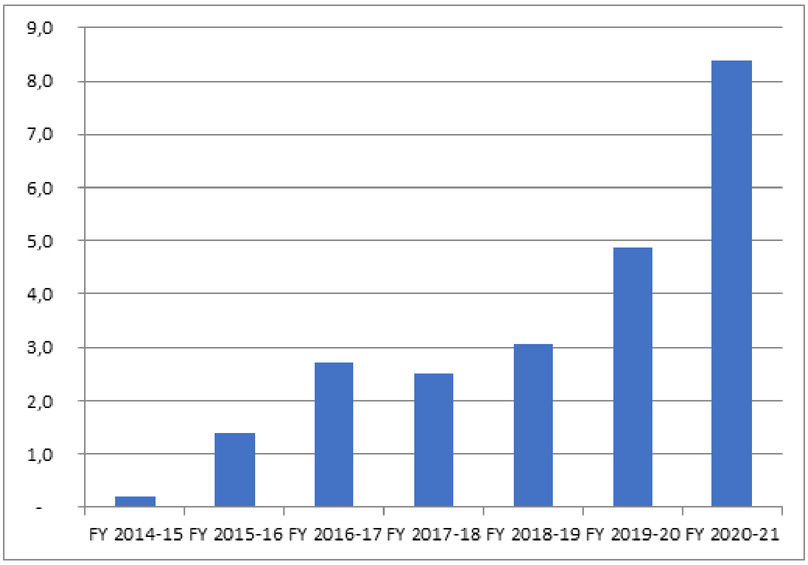
Brazil accounted for 3.4% of Group revenues for the financial year ended 30 June 2021 (compared to 5.2% for the financial year ended 30 June 2020). Further to the acquisition of Unimplant in January 2014, Group revenues in Brazil have increased as follows:

Brazil Sales (millions of Reals)



Following the Unimplant acquisition, the Group has developed its network of local distributors.

USA sales (millions of dollars)



1.3.4.5 A proven operational and financial model

i. An appropriate, efficient business model

The Group had opted for a "fabless" business model. For the last few years, the Company has intended to vertically integrate certain manufacturing operations in order to guarantee product quality as well as reproducibility, aiming in particular to develop the US market. Thus, this allows the Group to control manufacturing process-critical functions and ensure high product quality. It also allows the Group to reduce cost price and to improve profitability.

The Group's core business is the research, development, marketing and sale of its medical devices. The Group also makes use of a network of subcontractors to manufacture part of its products. It has concluded more than thirty subcontracting agreements. Subcontractors located in France accounted for 87% of the Group's subcontracting expenditure, with subcontractors in Europe (excluding France) accounting for 13% of its subcontracting expenditure. The Group does not only subcontract the supply of raw materials to its subcontractors: they also make the parts required to create the Group's products and assemble the various components under the on-going supervision of the Group. Each stage of manufacture is managed by the Group, with the subcontractors' objective being to complete just a part of each stage of the manufacturing process.

The Group handles all quality and dimensional inspections of its implants and ancillaries in-house and uses its team of quality engineers to monitor production. To achieve this, the Group has an in-house metrology laboratory which inspects 100% of the implants and instruments produced, using three-dimensional measuring machines. The purpose of this is to guarantee advanced process reliability while meeting cost objectives. For every part sourced from a subcontractor that is found to be non-compliant on inspection, the Group demands a credit against the invoice, thereby reducing the cost of non-quality in manufacturing. The Group monitors production. A number of audits are undertaken at subcontractors' premises each year so that it can guarantee a high level of quality. The term of the supply framework agreements that the Group entered into with subcontractors means that the subcontractor turnover rate is low.

ii. A dense, extensive network of commercial relationships

In France, the Group has developed a grass-roots sales network through a large network of independent but exclusive salespeople who are paid on commission, based on the revenues generated. The agent establishes and develops the commercial relationship with the medical practitioner and contributes to building a relationship of trust between medical personnel and the Group.

In partnership with the Group's product leads, the agent provides surgeons and health care facilities with information about the Group's products and services. The agent may be present in the operating room to provide technical expertise.

In addition, the Group acquired two sales agent companies in France, in the Eastern region and in Ile-de-France, respectively Duotech-Amplitude and Amplitude Ile-de-France. Finally, Amplitude SAS has incorporated Amplitude Sud and Amplitude Nord to consolidate its technical and commercial operations within a sole entity for the Southern and Northern France areas.

Internationally, the Group has expanded by establishing subsidiaries and creating dedicated sales or marketing teams within these companies. The Group now comprises 8 foreign operating subsidiaries (in Germany, Australia, Brazil, Belgium, Switzerland, South Africa and 2 in the United States) and is present in 28 countries throughout the world. The methods used to distribute the Group's products are described in detail in paragraph 1.3.3.8.ii of this Universal Registration Document, entitled *"Distribution channels"*.

iii. Maintaining close relationships with opinion leaders

The Group works closely with surgical personnel to develop new products and technologies in order to maintain its leading position in innovation. In France and abroad (including Australia and the United States), the Group has established technical partnerships with internationally recognised expert surgeons who act as opinion leaders for the Group's products. This partnership results in the surgeons in question contributing to the development of implants and instruments, to a variety of technical design tests and to post-market analysis. These surgeons often direct research efforts and publish their findings in respect of the Group's products in France and abroad (see paragraph 1.3.3 *"Group business activities"* of this universal registration document.

The Group also collaborates with other surgeons with the purpose of feeding the clinical databases. As part of this collaborative effort, surgeons provide the Group with data on the prostheses that they have fitted. To enable it to exploit this data, the Group has developed a dedicated clinical monitoring application, CLINIRECORD®. All data is anonymous, confidential and encrypted. Surgeons can use the data that is input into this application for comparative analysis for the purpose of scientific publications. As of the date of this Universal Registration Document, over 38,000 knee and hip prostheses files are being monitored through the use of the CLINIRECORD® database developed by the Group.

iv. Financial indicators that demonstrate the Group’s success

In recent years, the strategy developed by the Group has been reflected in results and growth that support its choice of business model.

The Group has experienced 18 years of continuous growth. Between 30 June 2005 and 30 June 2019, before the impact of the COVID-19 pandemic, revenues rose from €16.3 million to €102.6 million, with profitable growth of approximately 14% per year on average. Over the same period, EBITDA rose from €3.7 million to €21.7 million. Performance during the 2019/2020 and 2020/2021 was affected by the COVID-19 pandemic and is not representative of the Group's growth.

This international growth has been matched by the recruitment of staff to provide a local presence for the Group.

1.3.5 Group strategy

The Group’s vision is to become a leading international player in the market for orthopaedic prostheses. Building on its experience in France and abroad, the Group’s strategy is geared around the following themes. The financial objectives are presented in Section 5.3 “OUTLOOK”.

1.3.5.1 Expanding its presence in the United States

The Group aims to continue its expansion in the strategic countries in which it has a presence, such as Brazil and Australia, but also to initiate large-scale business in the United States.

The Group has developed its strategy of excellence in every country in which it has a presence, both in terms of product quality and the quality of the relationships it has developed with surgeons and health care facilities, to compete with major international groups and local players alike. This strategy is supported by the success achieved in countries in which the Group is present, and the Group plans to transpose this model to the United States, focusing in particular on the NOVASTEP range.

i. United States

Competition in the United States is comparable to that of Europe, Australia, Brazil and all the countries where the Group is present. The requirements of surgeons and patients are also similar. The Group’s management team has experience in the characteristics of this country and already has numerous established contacts.

The Group has a presence in the United States in particular through its subsidiary Novastep Inc. (for the extremities), which was established on 7 November 2014 and began trading on 1 December 2014, and Amplitude Orthopedics Corp (for the hip and knee), established in May 2015, the commercial activity of which started in August 2018 with the first implantation of an ANATOMIC® knee.

Since the end of 2014, the Group secured the FDA registrations for its range of foot surgery products, following the 510(k) procedure. The products in question are: LYNC® and CENTROLOCK® implants, ARCAD® staples, AIRLOCK® plates and NEXIS® and PECA® screws. The Group’s strategic commercial launch of implants for foot surgery in the United States was an immediate success. As a result, the Group implanted 1,944 prostheses over the first financial year, 1,995 prostheses over the 2018/2019 financial year, 3,347 over the 2019/2020 financial year and 6,195 over the last financial year.

The Group has also brought its expertise to bear in supporting the growth of its Novastep Inc. subsidiary, particularly in connection with the marketing of its products, by handling logistics and stock management directly and developing business synergies between Group staff and the staff at Novastep Inc. The Group offers its full range of products for the treatment of bunions available in the United States.

For its foot surgery products, the Group has also entered into an agreement with distributor American Extremity Medical LLC, acting as an original equipment manufacturer ("**OEM**").

In February 2020, the Group announced the signature by Novastep Inc. of an exclusive distribution contract with Carbon22, an American company specialising in the development of innovative solutions for foot and ankle implants.

At 30 June 2021, sales in the United States amounted to €6.8 million, solely for foot surgery and €0.2 million for hip and knee surgery.

In 2017, the Group obtained 510(k) approval from the FDA for its ANATOMIC® implant, addressing knee degenerative disorders.

The Group also intends to maintain and further develop its close ties with practitioners and opinion leaders in the US scientific community. Its plans to launch a number of products including a knee with preserved cruciates. It also plans to establish partnerships with companies supplying products for the Ambulatory Surgical Centers (ASC), private establishments dedicated to fitting orthopaedic prostheses, which are currently experiencing strong growth. It also intends to continue to register its existing products and technologies in the United States in order to expand the portfolio of products available in the United States.

1.3.5.2 Strengthening its competitive position in the market for extremities

The Group has a presence in the extremities market via two subsidiaries, Novastep SAS in France and Novastep Inc. in the USA. Through these subsidiaries, the Group provides innovative solutions for foot and ankle surgery. These businesses employ a total of 62 members of staff, with 46 at Novastep SAS and 16 at Novastep Inc.

Novastep's foot surgery products have obtained the CE mark and FDA 510(k) clearance.

In the US, foot implants are fitted not only by orthopaedic surgeons, but also by podiatrists. The Group plans to develop a presence in both segments through an exclusive distribution network managed by its Novastep Inc. subsidiary.

The Group plans to capitalise on the strong prospects for growth that the extremities market offers. A swathe of acquisitions of small, specialist companies by major international groups take place on this market. This represents a significant opportunity for the Group in this sector.

As there is a strong demand from surgeons for innovation, the Group aims to make its mark through its technological advances in this area. In particular, the Group's implants are simple to use and minimally invasive with percutaneous systems.

1.3.5.3 Designing the innovations of tomorrow

The Group plans to continue innovating and developing new technologies for its core business, orthopaedic implants for the lower limbs.

The initial purpose of research conducted by the Group to expand its product range is to seek constant satisfaction of its customers' needs, while as adapting to specific local characteristics and surgical philosophies and maintaining product and service quality.

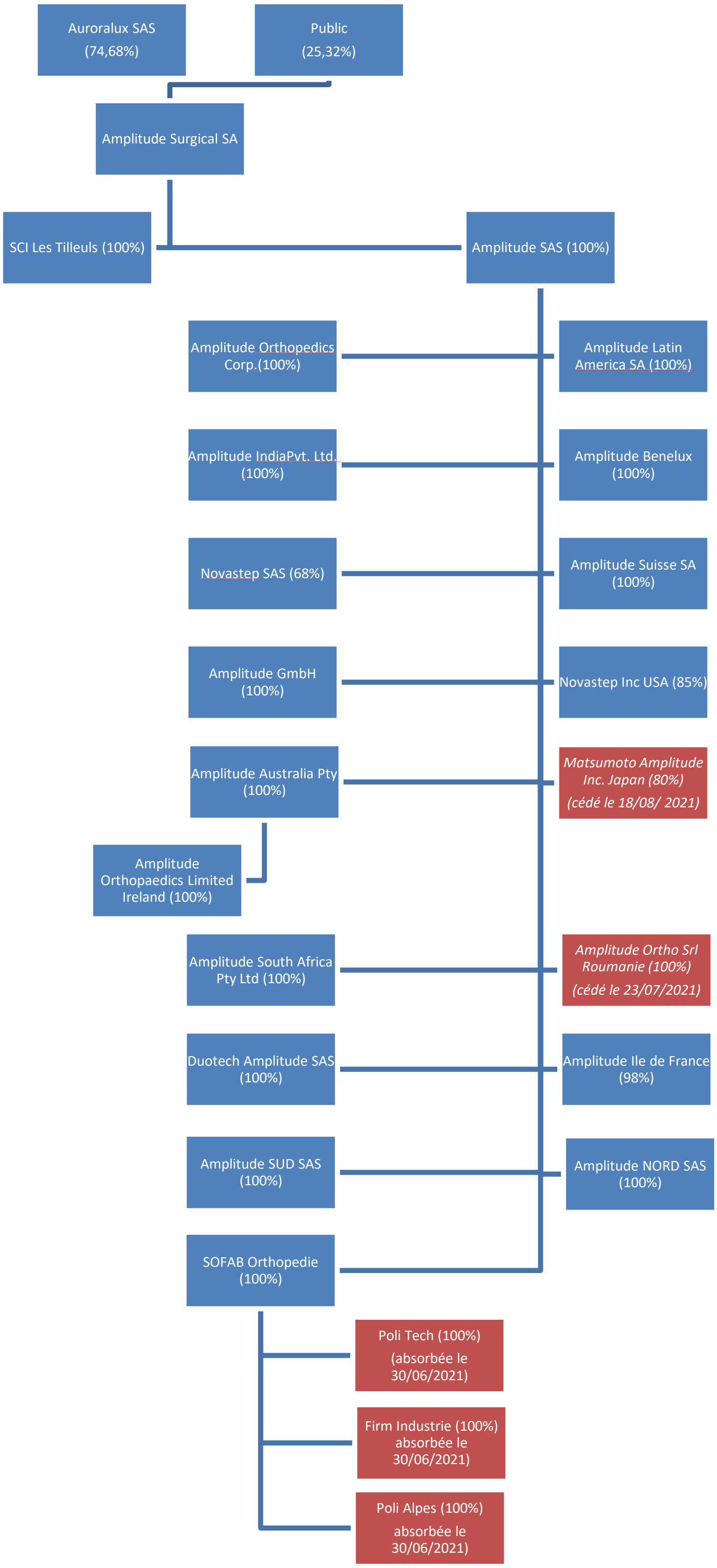
Amongst the various research topics currently being addressed by the Group, the AMPLIVISION® system is of particular strategic interest.

The Group plans to maintain its technological lead in computer-assisted surgery by developing new surgical techniques. In comparison with a conventional technique, the superiority of a computer-assisted surgery technique in the accuracy and repeatability of implant positioning has already been proven through numerous publications.

1.4 ORGANISATION

1.4.1 Group organisational legal chart

The organisational chart presented below represents the legal organisation of the Group on 30 June 2021:



The percentage of capital holdings and voting rights in the above organisational chart are identical.

The securities in Amplitude SAS held by the Company are subject to first-rank collateral as detailed in paragraph 5.2.2.2 *"Debt"* of this Universal Registration Document.

1.4.2 Main subsidiaries

The main direct or indirect subsidiaries of the Company on 30 June 2021 are described below.

None of the Group's subsidiaries are listed companies.

- **Amplitude SAS** is a simplified joint-stock company incorporated under French law with a share capital of €10,600,000, having its registered office at 11, Cours Jacques Offenbach, Valence (26000), France and registered under number 414 448 464 in the Trade and Companies Register of Romans . It is the company responsible for the manufacturing, distribution, import, export, sales and preparation of all medical products of the Group worldwide. The Company directly holds all the share capital and voting rights of Amplitude SAS.

  On 23 March 2021, the Board of Directors of the Company noted that the shareholders' equity of Amplitude SAS had been negative and less than half of its share capital for the last two financial years. It was therefore decided to increase the capital of Amplitude SAS. On 21 June 2021, a capital increase of €17,040,000 was carried out by raising the nominal value of the 2,000 shares from €30 to €8,550 each. A capital reduction of €6,500,000 was then carried out to bring it down to 10,600,000 by absorption of losses on 30 June 2020, with a nominal value of each share that fell from €8,550 to €5,300.

  As of 30 June 2021, Amplitude had generated revenue of €71,701,397 with a loss of €5,792,079.

- **SCI Les Tilleuls** is a civil law real estate partnership incorporated under French law with a share capital of €1,530, having its registered office at 11, cours Jacques Offenbach, Valence (26000), France and registered under number 439 216 748 in the Trade and Companies Register of Romans. It is the company holding all rights concerning the Group's real estate at the Valence registered office. The Company directly holds all the share capital and voting rights of SCI Les Tilleuls.

  SCI Les Tilleuls closes its accounts on 31 December of each year. For the financial year ended 31 December 2020 it had generated revenue of €928,876 and a profit of €130,458.

- **Amplitude Benelux** is a private limited liability company incorporated under Belgian law with a share capital of €18,550, having its registered office at rue de la Maîtrise, 5A, Nivelles (1400), Belgium, and registered under number 0549 982 971 in the Brussels Trade and Companies Register. It is responsible for the distribution, of all medical products of the Group in Belgium and Luxembourg. The Company indirectly holds all the capital and voting rights of Amplitude Benelux.

  Amplitude Benelux in its financial year ended 30 June 2021 generated revenue of €1,820,304 and a loss of €254,902.

- **Amplitude India Private Ltd** is a company incorporated under Indian law with capital of 876,730 rupees, having its registered office at S No-38, Koregaon Park, Near Westin, Pune (411006), Maharashtra, India, and registered under number U74900PN2013FTC148594 in the Pune Trade and Companies Register. The Company indirectly holds all the capital and voting rights of Amplitude India Private Ltd. This subsidiary does not carry out any activities on the date of this Universal Registration Document.

  On the date of this Universal Registration Document Amplitude India has no business activity.

- **Amplitude Latin America** is a public limited company under Brazilian law with a share capital of 2,516,494.31 *reals*, having its registered office at 1460, Rua 06, sala 45, Rio Claro (CEP 13500-190), Brazil, and registered under number 10 978 692/0001-09 in the Trade and Companies Register of the State of São Paulo. It is the company responsible for the distribution of all medical products of the Group in Latin America. The Company indirectly holds all of the share capital and voting rights of Amplitude Latin America.

  Amplitude Latin America closes its accounts on 31 December of each year. For the financial year ended 30 December 2020, the company generated revenue of 19,452,064 reals (€3,241,317) and a loss of 1,242,726 reals (€207,077).

- **Matsumoto Amplitude Inc**. is a company incorporated under Japanese law with a share capital of 10,000,000 yen having its registered office at 1-11-4 Yushima, Bunkyo-ku, Tokyo, Japan, and registered under number 0100-01-157777 in the Trade and Companies Register. It is the company responsible for the distribution of all medical products of the Group in Asia.

  The Board of Directors of the Company noted that Matsumoto Amplitude Inc. was not performing at the expected level. It was therefore decided to proceed with its sale, which took place on 13 August 2021.

  In the financial year ended 30 June 2021, Matsumoto Amplitude Inc. generated revenues of 23,855,975 yen (€190,291) and a loss of 176,914,495 yen (€1,411,183).

- **Amplitude Australia PTY Ltd** is a company incorporated under Australian law with a share capital of AU$136, having its registered office at Suite 402, Level 4, 44 Miller Street, North Sydney NSW 2060, Australia, and registered under number ACN 161 470 622 in the Trade and Companies Register of the State of Victoria. It is the company responsible for the distribution of all medical products of the Group in Australia. As of the date of this Universal Registration Document, Amplitude Australia Pty is wholly owned directly and indirectly by Amplitude Surgical.

  Amplitude Australia Pty generated revenue of AU$13,273,232 (€8,301,114) and a loss of AU$688,864 (€430,818) in the financial year ended 30 June 2021.

- **Amplitude Suisse** is a public limited company incorporated under the laws of Switzerland with a share capital of CHF 100,000, having its registered office at Rue de la Corraterie 14, c/o Fiduciaire de la Corraterie SA, 1204 GENEVA, Switzerland, and registered under number CHE 100 103 729 in the Geneva Trade and Companies Register. It is the company responsible for the distribution of all medical products of the Group in Switzerland and abroad. The Company indirectly holds all the capital and voting rights of this company.

  Amplitude Suisse generated revenue of CHF 964,072 (€886,838) and a loss of CHF 57,360 (€52,765) during the financial year ended 30 June 2021.

- **Amplitude GmbH** is a company incorporated under German law with a share capital of €25,000, having its registered office at Nieder-Olm (55268), Germany, and registered under number HRB 734791 in the Stuttgart Trade and Companies Register. It is the company responsible for the distribution of all medical products of the Group in Germany. The Company indirectly holds all the capital and voting rights of this company.

  Amplitude GmbH generated revenue of €1,671,108 and a profit of €98,126 in the financial year ended 30 June 2021.

- **Novastep SAS** is a simplified joint-stock company incorporated under French law with a share capital of €146,112, having its registered office at 2 allée Jacques Frimot, ZAC Atalante Champeaux, Rennes (35000), France and registered under number 752 292 797 in the Rennes Trade and Companies Register. It is the company responsible for the distribution, import, export, sales and preparation of all medical products of the Group in France and abroad. As at the date of this Universal Registration Document, Novastep SAS is 68% owned by Amplitude SAS and 32% in particular by its founders.

Novastep generated revenue of €8,757,002 and a profit of €477,046 in the financial year ended 30 June 2022.

- **Novastep Inc.** is a company incorporated under the laws of the State of Delaware, with a share capital of USD 100,000, having its registered office at 30 Rambland Road, Suite 200, Orangeburg, United States, and registered under number 37 - 1769377 in the Trade and Companies Register of the State of New Jersey. It is the company responsible for the distribution, import, export, sales and preparation of all medical products of the Group in the United States. As of the date of this Universal Registration Document, Novastep Inc. is 85% owned by Amplitude SAS and 15% by its chief executive officer and director.

  Novastep Inc. generated revenue of US$8,127,768 (€6,798,408) and a loss of US$249,662 (€208,828) in the financial year ended 30 June 2021.

- **Amplitude Orthopedics Corp.** is a company incorporated under the laws of the State of Delaware, having its registered office at 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808, County of New Castle. As at the date of this Universal Registration Document, Amplitude Orthopedics Corp. is wholly owned by Amplitude SAS.

  Amplitude Orthopedics Corp. generated revenues of US$223,826 (€189,159) and a loss of US$2,075,423 (€1,753,972) during the financial year ended 30 June 2021.

- **Amplitude South Africa Pty Ltd** is a company incorporated under the laws of South Africa, having its registered office at 983 Unit 4 Meadow Brook Business Pk, Jacaranda Road Olivedale, Johannesburg, 3194. On the date of this Universal Registration Document, Amplitude South Africa is wholly owned by Amplitude SAS.

  Amplitude South Africa generated revenues of 37,072,169 South African Rand (€2,043,187) and a loss of 6,798,611 South African Rand (€374,697) for the financial year ended 30 June 2021.

- **Amplitude Ortho SRL** is a company incorporated under the laws of Romania having its registered office at Bucuresti Sectorul 6, Splaiul Independentei, nr 202, Partner, Camera C10C, Corp de Proprieta 2.

  The Board of Directors of the Company noted that the development of the company was limited and decided to sell the company to its Moldovan distributor. The sale took place on 23 July 2021. The Group will continue to market its products in the Romanian market through a distribution model.

  Amplitude Ortho SRL generated revenues of 327,832 Ron (€67,100) and a loss of 93,001 Ron (€19,035) for the financial year ended 30 June 2021.

- **SOFAB Orthopédie** is a French simplified joint stock company, with a share capital of €3,339,854, having its registered office at 12, rue Laurent de Lavoisier, 26800 Portes-lès-Valence, and registered with the trade and companies register of Romans under number 822 921 383. This company is a historical and strategic subcontractor of the Group. As of the date of this Universal Registration Documents, SOFAB Orthopédie is fully held by Amplitude SAS.

  In order to simplify the legal organisation of the group, SOFAB Orthopédie absorbed its 3 operational subsidiaries, Poli-Alpes, Poli-Tech and Firm Industries, on 30 June 2021.

For the financial year ended 30 June 2021, SOFAB Orthopédie generated revenues of €4,099,126 and a loss of €3,738,522.

- **Amplitude Orthopaedics Limited Ireland** is a company wholly owned by Amplitude Australia Pty, which holds the EC mark of a hip product range. This company did not conduct any activity during the financial year ended 30 June 2021.

- **Amplitude Ile de France** is a French simplified joint stock company with a share capital of €515,000, having its registered office at 11 cours Jacques Offenbach, 2600 Valence, and registered under number 447 869 496 in the trade and companies register of Romans. This company, formerly known as DMP, is a long-standing distribution partner in the Ile de France area. As at the date of this Universal Registration Document, the company is 98% owned by Amplitude SAS.

  For the financial year ended 30 June 2021, Amplitude Ile de France generated revenues of €2,275,132 and a profit of €784,440.

- **Duotech Amplitude** is a French simplified joint stock company with a share capital of €7,500, having its registered office is located at 11 cours Jacques Offenbach, 26000 Valence, and registered under number 488 772 963 in the trade and companies register of Romans. This company is a long-standing distribution partner in the eastern French region. As at the date of this Universal Registration Document, the company is wholly owned by Amplitude SAS.

  For the financial year ended 30 June 2021, Duotech Amplitude generated revenues of €1,048,508 and a profit of €360,975.

- **Amplitude Sud** is a French simplified joint stock company with a capital of €10,000, having its registered office at 11 cours Jacques Offenbach, 26000 Valence, and registered under number 843 256 322 in the Trade and companies' register of Romans. This company was created and is fully owned by Amplitude SAS in order to take over the marketing activities in the South of France.

  For the financial year ended 30 June 2021, Amplitude Sud generated revenues of €981,854 and a profit of €111,511.

- **Amplitude Nord**, a simplified joint stock company with a capital of 10,000 euros, whose registered office is located at 11 cours Jacques Offenbach, 26000 Valence, and registered under number 882 949 977 in the Romans Trade and Companies Register. This company was created and is 100% owned by Amplitude SAS in order to take over the marketing activities in the North of France.

  For the financial year ended 30 June 2021, the company posted revenues of €1,467,439 and a profit of €104,531.

Contribution by significant subsidiaries as of 30 June 2020 and 30 June 2021 are presented in the tables below:

30 June 2020						
Consolidated values (excluding dividends) **(in thousands of euros)**	**Fixed assets**	**Current assets**	**Shareholders' equity (Group share)**	**Financial debt**	**Cash flow**	**Dividends paid and recovered by the Company**
Amplitude (Surgical)	113,775	91,870	101,931	100,017	567	
Amplitude SAS	69,796	93,657	(3,227)	47,092	30,749	

Amplitude GmbH	95	2,020	(153)	0	474	
Amplitude Benelux	26	716	130	0	211	
Amplitude Suisse	667	1,313	(201)	0	130	
Amplitude Australia PTY Ltd	3,011	7,414	(8,736)	591	1,732	
Amplitude Latin American	313	3,951	1,430	1,954	1,040	208
Novastep SAS	2,417	9,288	1,814	440	196	
Novastep Inc.	823	4,820	(5,122)	194	555	
Matsumoto Amplitude Inc.	487	686	(4,081)	0	1	
Amplitude South Africa	673	1,534	(1,712)	974	231	
SCI Les Tilleuls	194	1,892	94	216	138	134
Amplitude ortho SRL	27	193	196	0	106	
Firm Industrie	241	559	(1,277)	23	97	
Poli Alpes	182	1,849	1,112	52	140	
Poli Tech	163	495	150	1	49	
Sofab	3,343	854	3,430	0	42	
Amplitude Duotech	4	811	516	0	105	
Amplitude IDF	763	2,467	2,496	1	80	
Amplitude Corp	1,274	1,718	(2,847)	0	44	
Amplitude Sud	22	142	(272)	0	49	
Amplitude Nord	4	166	(221)	0	2	
Intermediary holdings and consolidation adjustment	(23,883)	(158,857)	(12,931)	(7,111)	(87)	
Consolidated totals	**174,417**	**64,131**	**72,517**	**144,443**	**36,657**	**342**

30 June 2021						
Consolidated values (excluding dividends) **(in thousands of euros)**	**Fixed assets**	**Current assets**	**Shareholders' equity (Group share)**	**Financial debt**	**Cash flow**	**Dividends paid and recovered by the Company**
Amplitude (Surgical)	131,531	75,712	93,301	110,025	590	
Amplitude SAS	68,040	97,867	8,061	46,390	24,658	
Amplitude GmbH	48	1,132	-55	0	500	
Amplitude Benelux	34	1,135	-125	0	111	
Amplitude Suisse	385	1,161	-246	0	100	
Amplitude Australia PTY Ltd	1,946	5,872	-9,426	372	1,720	
Amplitude Latin American	236	3,176	2,179	1,329	1,118	

Novastep SAS	2,945	10,749	1,337	278	141	
Novastep Inc.	1,257	6,432	-5,063	29	280	
Matsumoto Amplitude Inc.	107	105	-5,098	0	19	
Amplitude South Africa	573	1,728	-2,371	1,196	321	
SCI Les Tilleuls	169	1,872	108	216	185	130
Amplitude ortho SRL	20	95	79	0	10	95
Sofab	470	838	-309	33	644	
Amplitude Duotech	4	1,278	884	0	116	
Amplitude IDF	764	3,603	3,281	1	195	
Amplitude Corp	615	649	-4,447	0	19	
Amplitude Sud	15	304	-110	1	40	
Amplitude Nord	86	382	-116	1	14	
Intermediary holdings and consolidation adjustment	-41,383	-143,554	-22,945	-13,011	-106	
Consolidated totals	**167,862**	**70,536**	**58,919**	**146,860**	**30,675**	**225**

1.4.3 Shareholders' agreements and minority interests

1.4.3.1 Novastep SAS

The shareholders' agreement entered into on 11 October 2013 between Amplitude SAS and the managers of Novastep SAS, amended on 2 July 2015 and 5 June 2019 includes, inter alia, the following provisions:

Reciprocal pre-emptive right:

Amplitude SAS and each of its managers, should they wish to transfer their securities, must have first offered them on a priority basis to the other shareholders (i.e. the other managers and Amplitude SAS, excluding Olivier Jallabert) who will have a pre-emptive right to acquire them.

Tag-along right (full and partial):

In the event of any transfer of shares or transaction of any nature whatsoever resulting in the loss by Amplitude of its control over Novastep SAS, this may give rise to exercise of a full tag-along right for each of the managers.

Drag-along right:

(i) *In the event of an offer of acquisition made to one of the parties for all shares of Novastep SAS*: in the case of an agreement among parties representing more than 50% of the share capital of Novastep SAS on said offer, all shareholders shall transfer all their shares to the person making the offer under the same terms and conditions.

(ii) *In the event of a change of control of the Group for the benefit of a third-party industrial company*: from 11 October 2015, in the event of an offer of acquisition by a third-party industrial company resulting in a change of control of the Group, the Group may require that other shareholders of Novastep SAS transfer all their shares to said third-party industrial company making the offer of acquisition.

The price at which the beneficiaries of the undertaking will acquire the underlying shares shall be determined on the basis of the financial conditions of the acquisition offer or with reference to the valuation of the Group's shares, as determined on the basis of revenues or revenues and EBITDA.

It is expressly specified that a change of control to an entity operating in the venture capital field does not constitute a change of control of the Group to a third-party industrialist. In this way, the acquisition by Auroralux SAS of a majority stake in the capital of Amplitude Surgical has no influence on the drag-along right clause.

Liquidity clause:

The members shall periodically examine together the financial and strategic procedures for their exit, undertaking to make their best efforts to achieve a successful outcome. In default of total assignment of their securities on 31 December 2018, the managers shall be entitled to confer an exclusive assignment mandate for all the securities.

Managers' undertaking of sale:

Each of the managers irrevocably and unreservedly undertakes to other managers and to Amplitude SAS to sell them all of their shares in the event of their departure from the company. The price shall be calculated on the basis of the Group EBITDA and the Net Financial Debt of the Group (as defined in the agreement).

Amplitude undertaking of purchase:

Amplitude irrevocably undertakes to acquire all shares held by managers as from 11 October 2015 throughout the entire residual term of the shareholders' agreement. This undertaking may be enforced by the managers in the event of a change of control of the Group for the benefit of a third-party industrial company within a deadline of six months from occurrence of the change of control of the Group. The transfer price shall be based on the valuation of securities (aligned notably with a multiple of revenues for the last financial year ended or the revenues of the last financial year ended and the EBITDA).

Possibility of a contribution of shares held by the managers in Novastep to the Company:

From 11 October 2015, the managers may contribute one third of their shares as a capital contribution on the basis of the valuation of the Company calculated according to a multiple of EBITDA. This capital contribution may be made to a company dedicated to management.

Since the admission of the shares of the Group on the Regulated market of Euronext Paris, and from 1 January 2019, the managers are entitled to contribute up to 100% of the securities of the company Novastep which they hold, against shares in the listed company. The valuation of shares thus contributed shall be made on the basis of a multiple of revenues and EBITDA, as demonstrated by the stock market valuation of the Group.

1.4.3.2 Novastep Inc.

The shareholders' agreement entered into on 19 December 2014 between Amplitude SAS and the chief executive officer of Novastep Inc., includes the following:

Pre-emptive right:

Novastep Inc. and Amplitude SAS shall successively have a pre-emptive right in the event of transfer of securities held by the chief executive officer of Novastep Inc.

<u>Drag-along right:</u>

In the event of an offer of acquisition for all shares held by Amplitude SAS, Amplitude SAS may require that the chief executive officer transfer all of his shares to the purchaser under the same terms and conditions.

<u>Tag-along right:</u>

Should Amplitude SAS decide to conduct a transaction involving more than 50% of the share capital of Novastep Inc., the minority shareholder must be informed of such transaction and will be entitled to sell a certain portion of its shares under the same terms and conditions.

<u>Undertaking of sale by the chief executive officer and call option by Amplitude SAS:</u>

During a period of six months following departure of the chief executive officer or in the event of a change of control of Novastep Inc., Amplitude SAS shall benefit from a call option on all shares held by the chief executive officer. The change of control expressly excludes cancellation of an initial public offering.

Also, during a period of six months following a departure classified as a *"good leaver departure"* or in the event of change of control of Novastep Inc., the chief executive officer shall have the benefit of an undertaking to purchase by Amplitude for all the securities he holds.

In the event that Amplitude's call option is exercised, the exercise price will be equal (i) to the higher of the cost of acquisition of its shares by the chief executive officer and the fair market value in the event of a change of control or a *"good leaver departure"*, and (ii) the lower of the costs of acquisition of its shares by the chief executive officer and the fair market value in the case of a *"bad leaver departure"*. In the event that an undertaking of sale held by the chief executive officer is exercised, the exercise price of the undertaking will be equal to the higher of the cost of acquisition of the shares by the chief executive officer and the fair market value. The fair market value is determined on the basis, according to the case, of the revenue, the gross margin, EBITDA and the debt of Novastep Inc.

1.4.3.3 Amplitude Ile de France

The shareholders' agreement between Amplitude SAS and the managers of Amplitude Ile de France, entered into on 20 April 2018, includes the following provisions:

<u>Inalienability clause:</u>

The managers of Amplitude Ile de France have undertaken not to transfer the shares they hold in the company for a period of 4 to 5 years, unless otherwise agreed in writing by Amplitude SAS.

<u>Managers' commitments (exclusivity, non-compete and non-solicitation):</u>

The managers of Amplitude SAS have entered into exclusive agreements during the performance of their respective duties and non-compete and non-solicitation undertakings.

<u>Pre-emption right:</u>

Amplitude SAS shall have a pre-emptive right in the event of a sale of shares held by the company's managers (subject to events of unrestricted transfers, for example a transfer of Amplitude SAS to its affiliates).

Joint total and proportional tag-along rights:

In the event of a change of control of the company and Amplitude SAS, the managers will benefit from a full joint tag-along right.

In the event of a transfer of shares that does not result in a change of control of the company's shareholding structure or of Amplitude SAS's shareholding structure, the managers will benefit from a proportional tag-along right.

Drag-along right:

In the event of an offer to acquire all the shares of Amplitude Ile de France and in the event of an agreement of Amplitude SAS, each shareholder has undertaken to sell its shares to the third party that made the total offer to acquire.

Undertaking to sell from managers:

Each of the managers has granted an irrevocable undertaking to sell their shares in the event of their departure.

Undertaking to purchase from Amplitude SAS:

Amplitude SAS has undertaken to purchase from the managers all the shares they hold as from the fourth or fifth year following the date of signature of the shareholders' agreement.

1.5 REAL ESTATE ASSETS, PLANT AND EQUIPMENT

1.5.1 Existing or Planned Major Tangible Fixed Assets

The Group companies do not own any real estate assets.

During the financial year ended 30 June 2021, the Group dedicated €1,990,919 to rent and rental expenses and €287,004 to maintenance of the real estate assets. Most of this expenditure is for lease agreements. The Group considers these real estate assets are adequate to cover its existing needs and that additional appropriate space could be made available should it prove necessary.

1.5.1.1 France

i. SCI Les Tilleuls

SCI Les Tilleuls holds a financial leasing agreement for its registered office and that of Amplitude SAS, located in Cours Offenbach in Valence (Land Register section EL: numbers 389 to 391, 396, 397 and 446), entered into on 4 April 2011 for a term of 15 years.

This site comprises:

- a building used as offices of a surface area of approximately 1,563 m^2 constructed on a plot of land of 5,000 m^2;
- a second building used as offices of a surface area of approximately 3,780 m^2 constructed on a plot of land of 8,797 m^2; and
- a third building used as offices of a surface area of approximately 3,690 m^2 built on a plot of land of 4,850 m^2.

The amount of investments in financial leasing is €5,240,300 spread over three tranches, the first corresponding to the price and acquisition costs (€3,274,600), the second to the cost of works on fitting-out and building a connection between the two buildings (€725,400) and the third, to the cost of refurbishment of the historic building (€1,240,300).

The rent is payable quarterly and incorporates a portion for reimbursement of the capital and a portion for interest calculated on the outstanding capital at a nominal rate of the three-month EURIBOR + 1.50%.

SCI Les Tilleuls has a call option on the building that is the subject of the financial leasing agreement. This option may be exercised either on maturity of the financial leasing agreement, i.e. 3 April 2026 for a price of €1.00 or in advance after expiry of the 7th year. In the latter case, the purchase price will be equal to the outstanding capital on the date of exercise of the option plus (i) 3% until the end of the 10th year, (ii) 2% from the start of the 11th year to the end of the 12th year, (iii) 1% from the start of the 13th year to the end of the 14th year (iv) without any increase thereafter.

The building dedicated to business and offices of an approximate surface of 3,690 m² was financed by a financial leasing agreement in August 2016, of an amount of €4 million or for a term of 15 years.

ii. Amplitude SAS

Amplitude SAS is the lessee of the two sites which it occupies, located at Neyron (Ain) and Valence (Drôme) mainly used as offices.

The premises located at Neyron used exclusively as offices, having a surface area of 679 m^2, are occupied under a commercial lease entered into for a nine-year term from 19 March 2015.

Amplitude SAS subleases the premises leased by SCI Les Tilleuls under the financial leasing agreement described above, under a commercial subleasing agreement for use for the manufacture and marketing of all medical-surgical devices and products and for provision of medical-surgical services.

Amplitude SAS is also the lessee of storage premises located in Valence under a commercial lease from 9 July 2015.

The occupancy of the premises occupied by Amplitude SAS is 95% as of the date of this Universal Registration Document.

iii. Novastep SAS and Sofab

Novastep and Sofab Orthopaedics are tenants of their offices or production sites under commercial leases.

1.5.1.2 International locations

The Group also has international locations in the following countries, where the subsidiaries occupy office or storage space as tenants:

> Australia, Belgium, Brazil, Germany, South Africa, Switzerland and the United States (states of New York and Texas).

1.6 INVESTMENTS

1.6.1 Investments in the last three financial years

The table below sets out the total amount invested by the Group in the last three full financial years:

(In € thousands)	**Financial year ended 30 June 2021**	**Financial year ended 30 June 2020**	**Financial year ended 30 June 2019**
Intangible assets	857	994	2,177
Tangible fixed assets	5,136	5,956	9,216
Total	**5,993**	**6,950**	**11,393**

Investments made during the financial year ended 30 June 2021 mainly concerned, for the intangible part, the development of new technological products for €0.9 million and, for the tangible part, ancillary equipment made available to new customers in France for €2.0 million, at Novastep for €1.4 million, in Australia for €0.3 million, in South Africa for €0.1 million, the validation of the clean room for cleaning and packaging implants for €0.5 million and investments in IT equipment and office fittings for €0.5 million.

Investments made during the financial year ended 30 June 2020 mainly concerned, for the intangible part, the development of new technological products for €1.0 million, and for the tangible part of ancillary equipment made available to new customers in France for €2.0 million, at Novastep for €0.8 million, in Australia for €0.2 million, in Switzerland for €0.2 million, in Brazil for €0.2 million and in the United States (at Amplitude Corp) for €0.1 million, the validation of the clean room for cleaning and packaging implants for €0.5 million and industrial investments at Sofab for €0.6 million.

Investments made during the financial year ended 30 June 2019 mainly concerned, for the intangible part, the development of new technological products for €1.2 million, as well as software expenses for €0.4 million and for the tangible part of ancillary equipment made available to new customers in France for €1,0 million, at Novastep for €1.0 million, in Australia for €1.4 million, in South Africa for €0.3 million, in Japan for €0.2 million and in the United States (at Amplitude Corp) for €0.8 million, the validation of the clean room for cleaning and packaging implants for €1.0 million and manufacturing tools for €0.8 million.

1.6.2 Main investments in progress

The Company is currently setting up a clean room, with the full completion of the entire infrastructure. Of the three installation tranches, two have already been validated: coated metal in Q2 2018 and polyethylene in Q4 2019. Finalisation of the validation of the last tranche is planned for the 2021-2022 financial year with an investment of €1.3 million.

1.6.3 Main future investments

The company plans to acquire, via SCI Les Tilleuls, a plot of land of 13,550 m^2 opposite the Valence registered office, to accommodate the infrastructure necessary for future subcontracting operations carried out by Sofab. The financial commitment for the land is approximately €0.7 million. The costing of infrastructure investments has not yet been finalised.

The Group will start the implementation of a new ERP (Enterprise Resource Planning) in the 2021-2022 financial year. The implementation for the whole Group will be spread out until the end of 2024 for a total estimated investment of €2.0 million.

As at the date of this Universal Registration Document, the Company has not entered into any significant firm commitments other than those concluded in relation to the shareholder and minority interest agreements described in Section 1.4.3 of this Universal Registration Document, *"Shareholders' agreements and minority interests"*.

1.7 LEGISLATION

As a manufacturer of medical devices, the Group must satisfy regulatory requirements in each of the countries where it markets its products. Regulations for the Group's "key" markets, i.e. those where it has a subsidiary, are set out below.

1.7.1 Legislation applicable to medical devices

1.7.1.1 Europe

i. Applicable legislation

General overview:

The European Union has established a legal framework for the inspection of medical devices within the European Union. The regime obliges manufacturers to ensure that their devices are safe and suitable for their intended purpose before they are marketed in Europe. The aim of the regime is to harmonise the European standards in place to protect against the risks associated with the design, manufacture, packaging and distribution of medical devices and enable free movement of these devices in the European internal market.

The European Regime is laid down by a number of Directives and Regulations, including (i) Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices, amending Directive 2001/83/EC, Regulation (EC) No 178/2002 and Regulation (EC) No 1223/2009 and repealing Council Directives 90/385/EEC and 93/42/EEC.

This Regulation enshrines a number of aspects of medical devices, including in particular:

- Product design, development and manufacture;
- Product testing;
- Storage and distribution;
- Marketing;
- Product certification and CE marking;
- Clinical investigations of products;
- Data storage procedures; and
- Post-marketing monitoring (medical device vigilance).

Manufacturer:

The main obligations under the Directives apply to "manufacturers" of medical devices, namely, the individuals or legal entities responsible for the design, manufacture, packaging and labelling of a device before it is marketed under their own name, regardless of whether these operations are carried out by these individuals or entities or by a third party on their behalf. The key provision that qualifies a medical device manufacturer as such is the fact of placing the medical device on the market "under its own name".

The definition of a manufacturer in Regulation 2017/745 refers to the natural or legal person who manufactures or refurbishes a device or has a device designed, manufactured or refurbished, and markets the device under its name or trademark. A manufacturer is an "economic operator" within the meaning of Regulation 2017/745. When certain activities are carried out by a distributor, importer or any other person, the latter must comply with the manufacturer's obligations.

<u>Classification of devices</u>:

The regulations applicable to Medical Devices dictate a hierarchy of control such that the level of control over a medical device corresponds to the level of potential risk identified as inherent in the type of device. As a result, a "risk-based" classification system has been set up to determine levels of risk based on the vulnerability of the human body and considering the potential risks associated with devices. A medical device may be determined as falling within one of the following four classes of products, from low risk to high risk: Class I, Class IIa, Class IIb and Class III.

As an example, basic adhesive dressings generally fall within Class I, while hip replacements would generally be considered Class III devices. Orthopaedic surgery instruments are considered Class I or IIa, based on their characteristics.

<u>Compliance assessment</u>:

Before products are marketed in the European Union, they must obtain CE marking to prove their compliance with European legislation. This CE marking provides legal authorisation for the manufacturer to distribute their products within the European Union. It is also a guarantee of safety for users and indicates that the manufacturer has made every effort to ensure compliance with European requirements.

To be able to affix the CE mark to one of its medical devices, the manufacturer's products must comply with the *"General Safety and Performance Requirements"* laid down by the European Regulation. This comprises a clinical investigation of the device and conformity with the harmonised European standards and shared specifications for a number of medical devices.

The nature of the compliance assessment depends on the classification of the medical device (and reflects the perceived risk associated with the device). As a general rule, compliance assessment procedures for Class I devices may be carried out by the manufacturer itself by means of self-certification: once the manufacturer considers that the product meets all the *"General Safety and Performance Requirements"* of the European Regulation, it declares that the product complies with the Regulation and must register with the competent authority of the Member State in which the device is marketed.

All other classes of device (and sterile or reusable Class I devices) require a level of involvement from a "**Notified Body**". Class IIa, IIb and Class III devices must be audited or examined, and in the case of Class III devices, the technical documentation for the device must be submitted and approved by the Notified Body. Notified Bodies, which number approximately 20 throughout Europe, are appointed and supervised by Member States and act under the supervision of the Competent Authority.

Notified Bodies are initially selected by the manufacturer. Having been under the authority of German Notified Body DEKRA, the Group has chosen the British Notified Body, the British Standards Institution, with regard to its quality certification. The EC certificates for its devices are issued by one of the two Notified Bodies chosen by the group: the BSI division in the Netherlands or the KIWA division in Turkey. As a French manufacturer, the Group is also supervised by the competent French authority, the French National Agency for Medicines and Health Products Safety (ANSM).

ii. Structure and control of the quality management system

Since it was established, the Group has set up a quality management system covering all of its activities, from product design to distribution. This system applies to all the Group's activities and is audited annually by British Notified Body BSI to ensure that it is effective.

As such, the Group has the ISO 13485:2016 certification, an essential quality system certification for medical device manufacturers, helping to meet various requirements of the Medical Devices Regulation.

Since 2018, the Group has also held an MDSAP certificate obtained following an audit of the BSI, which guarantees that the quality management system complies with the legal and regulatory requirements applicable to medical devices in Australia, Brazil, Canada, Japan and the United States of America.

<u>Post-marketing surveillance and vigilance reports:</u>

Post-marketing activity may be considered proactive (post-marketing surveillance (PMS)) or reactive (medical device vigilance). Manufacturers must establish and maintain a procedure for systematic analysis of the data acquired on devices in the production and post-production phases and implement appropriate means to apply the corrective or preventive measures that are required to ensure the performance and safety of the product. PMS processes generally seek information on the safety and quality of the device which is then used to determine whether the risk assessments conducted previously demand revisions to the device, if the instructions for use necessitate a revision and if a product quality issue needs attention and to be addressed.

In addition, medical device vigilance under the regulations requires manufacturers to publish reports for the Competent Authority immediately it becomes aware of: (i) any malfunction or degradation in the characteristics and/or performance of a device, as well as any inadequacy in the labelling or the instructions for use which might lead or which might have led to the death of a patient or a serious deterioration in their state of health; and (ii) any technical or medical reason connected with the characteristics or performance of a device leading to systematic recall of devices of the same type by the manufacturer for the reasons described in (i).

Manufacturers are also required to inform the Competent Authorities of any field safety corrective actions (FSCA) that they are undertaking. FSCAs are generally carried out in response to problems raised by the manufacturer through the vigilance of PMS programmes and are actions implemented to reduce the risk of death or serious deterioration in the state of health associated with the use of a medical device already on the market. As an example, FSCAs can include modifications to a device, review of the advice pertaining to the use of the device or the return of the device to the manufacturer.

<u>Implementation:</u>

The Competent Authorities in all Member States have a range of powers for handling and withdrawing from the market products that do not comply with the applicable requirements, and may institute criminal proceedings if legislation governing medical devices is not enforced. As an example, some of the powers granted to the Competent Authorities of Member States include the ability to:

- enter premises, inspect goods, examine manufacturing procedures and arrange tests, and demand that all files be produced for examination;
- seize and hold certain goods or restrict or prohibit the supply of certain goods;
- issue a series of opinions requiring the suspension of deliveries, the restriction of supply, the confiscation of goods, the provision of warning notices and/or the completion of corrective measures to rectify a non-conformity;

- issue recall notices requiring the manufacturer to arrange for return of the product by consumers; and

- bring criminal proceedings, including convictions with fines and prison sentences.

iii. Specific features of the different European Union member countries

The regulatory environment applicable to the Group is set by the European Regulation. The Group must also consider the specific national characteristics that complement regulatory statutes. Some Member States have added requirements relating to the terms of reimbursement of devices or to advertising. These requirements vary considerably between Member States, with French requirements in respect of advertising under the Bertrand Law being particularly strict (and very similar to the rules that apply to medicinal products).

1.7.1.2 United States

i. Applicable regulations

In the United States, the legislation applicable to medical devices was defined by the Medical Device Amendments Act of 28 May 1976 which amended the federal Food, Drug and Cosmetics Act ("**FDCA**"). This legislation was transposed into Sections 800 to 1299 of the Code of Federal Regulations ("**CFR**") which defines medical devices, creates a classification scheme for them and describes the necessary standards for a product to be registered.

Product and manufacturer registration is directly controlled by the Food and Drug Administration ("**FDA**").

The basic regulatory requirements with which manufacturers of medical devices distributed in the United States must comply are: (i) registration of the company; (ii) registration of the medical devices; (iii) pre-market notification 510(k), unless exempt, or pre-market approval (PMA); (iv) Investigational Device Exemption (IDE) for clinical trials; (v) legislation on the quality system; (vi) labelling; and (vii) reports on medical devices.

ii. Medical device registration and inspection procedure

In the US market, as with most other national markets, medical devices are categorised into classes (on a scale from I to III based on the level of hazard). Depending on the product class, there are two procedures to be used:

The pre-market notification 510(k) procedure: This procedure entails filing a technical submission to demonstrate that the product covered by the submission is substantially equivalent to a product already present on the US market (concept of "Substantial Equivalent"). To demonstrate substantial equivalence, the applicant must demonstrate that their device has the same "intended use" and is as safe and effective as the predicated device. This procedure applies to most Class II (moderate risk) devices. The time-scale for review of a submission by the FDA is a minimum of 90 days. However, the FDA may suspend the time-scale if it considers that the responses with which it has been provided are inadequate. The time-scale may therefore be protracted and may even culminate in failure of the submission. The applicant must pay a small user fee for the submission.

The "pre-market approval" procedure ("**PMA**"): If the products submitted are Class III (high risk) products with no Substantial Equivalent on the market, the FDA then requires the "Pre-market approval" procedure. This procedure is significantly longer and more complex. The PMA must include information on the manufacture, components and principles of operation of the device; on the proposed labelling; and comprehensive reports on all information relating to surveys conducted to evaluate the safety and efficacy of the device. The PMA must include clinical data, and the applicant must pay a substantial user fee.

Class I devices, which present the lowest risk, are generally exempt from any pre-market scrutiny (as mentioned above).

1.7.1.3 Brazil

The National Health Surveillance Agency (ANVISA) is responsible for the control and regulation of medical devices manufactured or marketed in Brazil under the supervision of the Minister for Health.

i. Applicable legislation

The legislation applicable to medical devices is amended resolution RDC No. 185 of October 2001. This resolution describes the procedure applicable to the registration of medical products and lists the documents that are necessary. Products are also grouped into 4 different classes.

ii. Medical device registration and inspection procedure

For a medical device to be manufactured or marketed in Brazil, proof must be provided of its compliance with resolution RDC No. 185. Products must have been subject to testing by an accredited laboratory (ILAC, EA or IAAC).

In addition, electrical medical devices must obtain INMETRO certification, issued by a certifying body, and must then be registered directly with the National Health Surveillance Agency.

1.7.1.4 Australia

i. Applicable regulations

Medical devices are regulated by the Therapeutic Goods (Medical Devices) Regulations adopted in 2002. This legislation is technically very close to the Medical Device Directive in its requirements and its application procedures. As such, there is a quality system certification procedure in the Australian market that is comparable to the procedure used in the European Union and is based on ISO 13485:2016 certification.

The authority responsible for monitoring and enforcing this legislation is the Therapeutic Goods Administration (TGA). This Administration is also the compliance assessment body for medical device manufacturers.

ii. Medical device registration and inspection procedure

The registration procedure for the Australian market is known as a "Pre-market assessment". This procedure is based on filing a technical submission which must demonstrate that the proposed device complies with the Australian regulations, and in particular with the essential requirements of the Therapeutic Goods (Medical Devices) Regulations 2002 amended.

1.7.2 Liability for defective products

The concept of liability for defective products was established by the European Directive of 25 July 1985 and transposed into French law by Law No. 98-389 of 19 May 1998, reinserted in articles 1245 et seq. of the French Civil Code by Order No. 2016-131 of 10 February 2016. In European countries, this legislation establishes the automatic liability of producers for losses caused by product defects.

Any producer within the meaning of Article 1245-5 of the French Civil Code is liable, regardless of whether they are contractually bound to the victim or whether the victim has professional status, provided that the injury has been caused by a product defect and that the product has been put into circulation.

The concept of producer is extremely broad, since it covers any entity acting in a professional capacity and manufacturing a product, producing a raw material or manufacturing a component part, as well as any entity acting in a professional capacity and purporting to be a producer by placing their trade mark or other distinctive sign on the product. Use of the fabless model does not exempt the Group from this liability, and it therefore fits the definition of a producer and is automatically liable for defective products.

The trial judges decide on the defect at their sole discretion pursuant to Article 1245-5of the French Civil Code according to which a product is defective when it does not provide the level of safety that can legitimately be expected.

The principle of compensation is the principle of full compensation for all harm, with no indemnity ceiling.

Health care products and devices used in this context, including orthopaedic prostheses, are thus products within the meaning of French law.

However, when the loss is caused by a defect in such a product when it is used to provide a service, particularly a service provided by a hospital facility, the Court of Justice of the European Union ("**CJEU**") considers that the Directive does not cover the service provider's liability because it does not contribute to the manufacturing/distribution chain and is therefore excluded from the scope of persons whose liability is defined by the Directive, provided that there is a means of redress against the producer (CJEU 21 December 2011, Case C.495/10).

The French *Conseil d'Etat* supplemented this decision in a ruling of 9 July 2003, considering that the public hospital service is liable on a no-fault basis for injury caused by the failure of the health care products and devices that it uses. The CJEU does not prosecute this solution when the service provider's redress from the producer is expressly upheld. However, this distinction does not apply if the service provider is acting as the product supplier, when it can be held liable only on the basis of Articles 1245 et seq. of the French Civil Code, i.e. its liability is not subsidiary. This is the case for the supply of prostheses in particular (French Court of Cassation, first civil division 12 July 2012, No. 11-17510).

The Group is also subject to equivalent liability in all countries where it distributes its products.

1.7.3 Management of relationships with prescribing professionals and managers in public hospitals awarding public contracts

1.7.3.1 France

In France, relations between device manufacturers and distributors and healthcare professionals are governed by the laws referred to as "anti-gift law" and "transparency law".

The anti-gift law lays down the principle of a general prohibition on controlling the relations between certain professionals providing health benefits and students for the medical professions and companies manufacturing or distributing health products covered by compulsory social security schemes or providing benefits. The law provides for certain exclusions and derogations and any interaction must strictly comply with the conditions laid down for each type of exclusion or derogation.

The purpose is to ensure that healthcare professionals, in their choice of a medical product, equipment or service covered by compulsory social security schemes, are guided only by medical considerations.

The transparency law allows citizens to access certain information so that they can more objectively assess the relationships between healthcare stakeholders and companies producing, marketing or providing services associated with healthcare products.

For the purpose of conforming to the restrictions stipulated by these provisions, the Group applies ethical rules based on the following major principles:

- relationships between the Group and persons providing health services must not influence purchasing decisions through direct or indirect benefits;

- relationships between the Group and persons providing health services must be transparent and comply with the current legislation applicable in this area; and

- relationships between the Group and persons providing health services must, in compliance with current applicable provisions, be subject to written agreements, for which templates have been adopted by the Group (with every agreement being submitted to the relevant *ordre des médecins* (French governing body for doctors) or the ARS).

Furthermore, a significant proportion of the Group's business derives from public supply contracts awarded by public health care facilities covered by the scope of application of the French Code of Public Contracts.

In France, businesses that participate in public contracts are exposed to the risk of criminal sanctions if their behaviour in respect of an awarding authority has the effect of distorting competition conditions in relation to the award procedure.

The main risk of criminal sanction is connected with the offence of favouritism, defined by Article 432-14 of the French Criminal Code as the act of procuring or attempting to procure undue advantage by means of an act contrary to the laws and regulations designed to guarantee freedom of access and equality of candidates in public contracts. A company may, under certain conditions, be exposed to aiding and abetting the offence of favouritism and therefore incur (i) criminal penalties and (ii) the cancellation of the public contract by the administrative judge.

There are also other offences, as laid down in Articles 433-1 et seq. of the French Criminal Code, with which a bidder for a public contract may be charged, such as active corruption, which includes offering undertakings, gifts or benefits of any kind to a representative of the public authority in exchange for an official duty or for forbearance, or active trading in influence, which includes offering undertakings, gifts or benefits of any kind to a representative of the public authority for them to abuse their influence for the purpose of obtaining public contracts or any other favourable decision from a public procurement authority.

This criminal law framework for public contracts requires the Group to abide by strict ethical rules and principles when it participates in public procurement procedures.

For this purpose, in respect of public health care facilities and their representatives, the Group ensures that it complies with the recommendations of the codes of ethics published by public purchasers and, in particular, that:

- it neither offers (nor accepts) any direct or indirect benefit from (or on the behalf of) the public entity;

- it ensures that the other candidates benefit at the same time from any inside information that is granted (adherence to the principle of equal treatment of candidates);

- it refrains from giving any gifts, particularly during the consultation period (during execution of the contract, only ordinary gifts with token value – such as pens or promotional items – may be given);

- it refrains from taking representatives of the public customer to a restaurant, particularly during the consultation period; and
- it refrains from inviting its contacts to professional events (such as trade fairs and workshops) or recreational events (such as sporting or cultural events), at the Group's expense.

1.7.3.2 Throughout the world

Mechanisms for transparency and regulation of conflicts of interest exist in other countries where the company is present. Local regulations have often been constructed with reference to the American system, the Physician Payment Sunshine Act (the "**Sunshine Act**").

In the United States, it was adopted in March 2010 in connection with the US law on Patient Protection and Affordable Care and implemented through various regulations adopted by the US Centers for Medicare and Medicaid Services (the body which sets the terms and conditions for health care reimbursement in the US, the "**CMS**") in February 2013. The Sunshine Act demands that drugs, medical devices and biological and medical materials manufacturers covered by the three US health care regimes (Medicare, Medicaid and the health insurance scheme for children, the "**SCHIP**") disclose any payment or item of value given to doctors or university hospitals to the CMS. The CMS also requires certain manufacturers and group purchasing organisations to disclose any contribution to or investment in these bodies by doctors. The information reported is published on the Open Payment Program website managed by the CMS.

The Sunshine Act defines "payments or other items of value" as any item of any value, such as meals, fees or the reimbursement of travel expenses. However, certain payments are expressly excluded from this definition, including educational material and contributions in kind to charity.

The information that must be disclosed to the CMS for each payment or transfer of value must include (i) the name and address of the recipient; (ii) the amount and the date of the payment or the transfer; (iii) the form of the payment or the transfer (monetary or in shares); and (iv) the nature of the payment or the transferred value (fees, gifts or entertainment).

Failure to provide this information in due time is punishable by financial penalties. As such, failure to forward the information required is punishable by a civil fine of an amount ranging from $1,000 to $10,000 (the total may not exceed $150,000) for each undisclosed payment, transfer of value, holding or investment, as required by the Sunshine Act. Knowledge of a failure to provide information to the CMS is also punishable with a civil fine of an amount ranging from $10,000 to $100,000 (the total may not exceed $1,000,000). Failure to provide information and knowledge of such failure to provide information are accounted for separately.

The disclosure of a payment, an transfer of value, a holding or an investment in the public database in accordance with the Sunshine Act is not necessarily an indication that the individuals in question have engaged in improper or unlawful conduct. However, disclosure of a payment in accordance with the **Sunshine Act** does not protect them from legal liability under other laws, including the Anti-Kickback Statute and the False Claims Act.

Indeed, it is considered a crime under the Anti-Kickback Statute to make an offer, make a payment, solicit or receive valuable item in order to promote or reward the use, recommendation, order or purchase of medical equipment or services funded by a federal medical coverage programme. Violation of this Anti-Kickback Statute is punishable by a fine of up to $25,000 and/or imprisonment of up to 5 years for each violation. There are "safe harbours", exceptions, when conditions are met. In addition, companies distributing health products in which a health professional has a direct or indirect interest are subject to special surveillance, since they are considered as inherently suspicious.

In addition, a violation of the Anti-Kick Back Statute is deemed a violation of the False Claims Act, which provides civil penalties for any undue demand for payment from the federal government. The civil fines are three times the amount of the undue request plus a penalty ranging from $5,500 to $11,000 per request.

1.7.4 Advertising restrictions on medical devices

As a manufacturer and distributor of medical devices, the Group is subject to restrictions in France on advertising for its products, in accordance with the provisions of Articles L.5213-1 and R.5213-1 et seq. of the French Public Health Code transposing the Bertrand Law.

Advertising is defined as all forms of information (including door-to-door), canvassing activity or inducement designed to promote:

- the prescription;
- the supply;
- the sale;
- or the use of medical devices.

To the exclusion of the following forms of information:

- labelling and instructions for use;
- correspondence, possibly accompanied by material of a non-promotional nature, needed to answer a specific question about a device;
- information relating to warnings, precautions for use and adverse effects identified as part of medical device vigilance and in vitro diagnostic medical device vigilance;
- sales catalogues and price lists if they do not feature any information about the device;
- information on human health or human diseases, provided that it does not make reference – even indirectly – to a medical device.

With regard to medical devices that are reimbursable, including those devices that are partly reimbursable, by compulsory health insurance schemes, advertising to the public is prohibited in principle (Article L.5213-3 of the French Public Health Code). However, the list of devices for which advertising to the general public is permitted (Class I and IIa medical devices) is set by decree. This advertising is subject to ex-post checking by the ANSM and there is no requirement to file it with the ANSM. Advertising to the general public is strictly prohibited for reimbursable Class IIb and III devices.

Non-reimbursable medical devices may be advertised to the general public (Article L.5213-4 of the French Public Health Code). It is subject to *ex-ante* checking by the ANSM if the medical devices are on the list of devices presenting a significant risk to human health (which are authorised for a renewable term of five years). Advertising for other non-reimbursable devices is subject to ex-post checking by the ANSM and there is no requirement to file it with the ANSM.

For all medical devices, both reimbursable and non-reimbursable, advertising to health care professionals for devices on the list of medical devices presenting a significant risk to health is subject to ex-ante checking by the ANSM. Advertising to health care professionals for other medical devices is subject to ex-post checking by the ANSM and there is no requirement to file it with the ANSM.

In all cases where advertising is permitted, its form and content must comply strictly with the obligations and prohibitions prescribed by the French Public Health Code and in particular, by Articles L.5212-3 and R.5213-1 to R.5213-3.

The ANSM monitors and sanctions failure to comply with these constraints and may add daily penalties to its formal demands and prohibit the continuation or distribution of an advertisement.

1.7.5 Environmental legislation

Due to the non-hazardous nature of the substances present in the products that it markets (which consist entirely of metals such as titanium), the Group is subject to limited standards and constraints with regard to environmental law.

Given the Group's business and the integration of certain manufacturing steps, the provisions applicable to it in France relate to the regulations applicable to electrical and electronic equipment waste and the disposal of waste water used in the manufacturing process.

1.7.5.1 Legislation applicable to explosive atmospheres

In France, the Group has an industrial site in Valence, the operation of which is subject to compliance with particular environmental constraints. Although this site is used largely as office premises and storage facilities taking delivery of non-hazardous products, it includes a powder sintering workshop subject to the regulations applicable to explosive atmospheres (Directive 1999/92/EC on minimum requirements for improving the safety and health protection of workers potentially at risk from explosive atmospheres, the so-called "ATEX" Directive, transposed by Articles R.4227-42 et seq. of the French Employment Code).

In the presence of "ATEX" zones, the employer is subject to various obligations involving the implementation of necessary risk prevention measures or measures to limit the propagation of explosions based on an examination of the risks associated with explosive atmospheres, or the creation and updating of a document relating to protection from explosions, as part of the single risk assessment document. The classification of "ATEX" zones and the legislation that applies to these zones are specified in two decrees dated 8 and 28 July 2003.

1.7.5.2 Regulations applicable to electrical and electronic equipment waste

In addition, the Group markets AMPLIVISION® computer-assisted surgery systems, which contain electronic components that require the Group to adhere to the regulations on electrical and electronic equipment waste applicable to the French market. On this basis, the Group is included in the national register of electrical and electronic equipment producers.

European Directive 2012/19/EU on waste electrical and electronic equipment ("**WEEE**") and European Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment (recasting Directive 2002/96/EC and Directive 2002/95/EC) impose obligations on producers of electrical and electronic equipment that govern design, marketing and waste processing for these products. The transposition into French law took place in 2014 by decree, supplemented by various decrees and adapted by decree number 2016-288 of 10 March 2016).

Producers and distributors of electrical and electronic equipment are subject to various obligations in terms of equipment compliance, marketing, declaration, and the collection and processing of waste equipment. Producers may make use of specialist service providers to fulfil their collection obligation for WEEE. Failure to comply with the applicable provisions will incur administrative and criminal sanctions.

The Group collects the WEEE from navigation systems itself, to reuse the parts, and entrusts the disposal of this WEEE to waste reprocessing organisations.

1.8 RESEARCH AND DEVELOPMENT

1.8.1 Research and Development

Research and development ("**R&D**") is the source of Group innovation and is essential for improving existing technology and also, developing new products.

1.8.1.1 Key stages in the R&D process

The organisation and design of a medical device, from expression of the need by the requesting party through to validation followed by declaration of CE conformity and controlled placing on the market, takes approximately 48 months. This detailed procedure allows defining the preliminary stages of a project, those relating to its development, as well as those associated with modification of the design. The development procedure and any associated studies, also applies to requests for design of new products or to modify the design of existing products in the range.

The person initiating the design of a medical device is, in general, a person from the Product Management team, who develops this request based on the following elements:

- Requests from one or more design or user surgeons who are experts in the field of the product to be designed and developed

- Requests from the sales force

- Analysis of the market, its trends, technology watch

- Analysis of our product portfolio versus competition and adaptation to market trends

The design process for a medical device is based on three main stages: (i) the development stage: development is steered by the R&D Director who guarantees, at his level, general organisation and coordination of the various studies for the development to provide a global response to customers' general needs; (ii) the study stage: the needs expressed by its customers are manifested by more specific technical specifications (functional, of performance and safety); these specifications are processed in the form of studies at the design offices concerned; (iii) the release: for verification of the design (development data deliverables and data from associated studies), validation of the design, the CE declaration of conformity and controlled placing on the market of the devices concerned.

1.8.1.2 R&D teams

The R&D activity is conducted entirely and internally by the Group to foster close relationships with surgeons and offer a rapid response to their needs. This also allows constant upgrading of the range of products offered.

The Group's R&D department is structured as three design offices: mechanical, computer-assisted surgery (software) and electronics. These three design offices are assisted by three support departments, namely (i) the Methods department with three centres: validation of special processes, industrialisation and follow-up of technical files; (ii) the Inspection department; and (iii) the I.M.A.G.E.® process centre. A highly qualified, dedicated R&D team focuses daily on R&D activities. The team incorporates 58 engineers and highly qualified experienced technicians.

The Group has formed strong partnerships with many networks of surgeons (some forty groups comprising from 6 to 12 surgeons) hence access to extensive practical information. During the design process for a device, at least three meetings a week are organised between the Group and the surgeons.

1.8.1.3 Group investment in R&D activities

Significant resources are deployed to guarantee satisfactory operation and effectiveness of R&D. The Group dedicates a significant proportion of its budget to R&D activities. The R&D expenses represent 3.5% of revenues for the financial year ended 30 June 2021, i.e. €3.3 million and 4.6% of the revenues for the period ended 30 June 2020, i.e. €4.1 million.

1.8.1.4 Key technology

The Group offers a wide range of products in the domain of high-end orthopaedic prostheses for the entire lower limb (hip, knee, ankle and foot), with emphasis on knee and hip prostheses.

For hip prostheses, the products offered by the Group are adapted to all surgical practices and all operating approaches, whether posterior or anterior. The Group was able to identify a specific demand on the hip market and, in consequence, to mobilise its R&D teams to offer new technologies such as navigation, which the Group can exploit to win new market share.

For knee prostheses, the Group is present in two markets existing in France, i.e. (i) the mobile inlay market, with its SCORE and SCORE II knee prosthesis, and (ii) the fixed inlay market, with its ANATOMIC® knee prosthesis. The Group developed the ANATOMIC® knee to meet the demand of surgeons, with the assistance of its R&D teams. The ANATOMIC® knee prosthesis launched by the Group in April 2013 is an illustration of the constant attention paid by the Group to the needs expressed by the various players with whom it collaborates closely in developing its products. The success of this new product was manifested by the increase in the number of products sold by the Group from 1,342 ANATOMIC® knee prostheses in 2013 to 10,244 ANATOMIC® knee prostheses in 2021. Total sales of knee prostheses rose from 14,837 to 22,127 over the same period, i.e. an increase of more than 49% in the volume of products sold during the first year of the product launch, mainly in France. The SCORE® II prosthesis, which was launched in 2018, was developed using a database of 1,200 digital knees on the AMPLIVISION® navigation platform. It is an evolution of the SCORE range that has received a very positive market response and 10,694 knees fitted by 30 June 2021. Finally, the Group has also designed two software programmes for the SCORE® and ANATOMIC® prostheses: the 4 in 1 software and the 5 in 1 software.

The Group is also supported by associated departments which confer high added value on its product offer, notably its AMPLIVISION® computer-assisted surgery system (on which all its software operates), its i.M.A.G.E.® system and its E.T.O.I.L.E.® technical platform (extension of tables and associated services) for the anterior operating approach (see paragraph 1.3.3.3 "*Related services*" of this Universal Registration Document).

1.8.2 Intellectual property

The Group's activity is dependent on effective protection of its intellectual and industrial property rights and rights under licences granted by third parties to the Company or its subsidiaries.

Industrial property incorporates significant know-how protected by a portfolio of patents. It is also important for the Group to protect itself against the unauthorised use and disclosure of its confidential information and its commercial secrets which are not necessarily the subject of any formal registration. The Group may be required to disclose in various forms, information, technology, processes, know-how, data or information which is not patented and/or patentable to third parties with whom it cooperates on research, development, manufacture and marketing of its products. In these cases, the Group requires the conclusion of confidentiality undertakings, notably in the framework of expert or consultancy agreements.

1.8.2.1 Patents

i. Description of the patents portfolio:

The patents portfolio is an essential aspect in the Group's expansion. It provides protection from future competitors and demonstrates its technological advance on the high-end product market for orthopaedic surgery of lower limb joints (implants, instrumentation and computer-assisted surgery system).

As at the date of this Universal Registration Document, 52 patent families are operated by the Group, including (i) 33 families of which it is the owner, (ii) one family of patents which it owns jointly with a third party and (iii) 18 families of patents licensed to it.

PATENTS and PATENT applications	Amplitude Group	Third Parties
Number of families of patents, of which	**34**	**18**
• Implants, of which	9	15
- Hip prostheses	0	8
- Knee prostheses	2	6
- Foot prostheses	7	1
• Instrumentation and ancillaries, of which	18	2
- Hip instrumentation	2	0
- Knee instrumentation	7	2
- Foot instrumentation	9	0
• Navigation and evaluation systems	6	1
• Packaging	1	0
Number of patents and patent applications, of which:	**111**	**48**
• Implants, of which	26	44
- Hip prosthesis	0	13
- Knee prosthesis	10	30
- Foot prosthesis	16	1
• Instrumentation and ancillaries, of which	62	3
- Hip instrumentation	17	0
- Knee instrumentation	16	3
- Foot instrumentation	29	0
• Navigation and evaluation system	20	1
• Packaging	3	0
Countries where application filed:	Countries where patent applications are filed are different depending on patent families and adapted depending on marketing goals	

The term of validity of the patents is 20 years from the date of filing the application.

Patent applications are filed in France each time a patentable invention can be protected without disclosing know-how for which protection by industrial secrecy would be more appropriate. International protection is examined on a case by case basis, preferring the countries where the Company may have markets on a 20-year horizon (term of a patent) and countries in which competitors are located. The majority of these patents were filed in Europe, and some have been extended outside Europe, i.e. to Brazil, Australia and the United States.

The filing of each patent application is preceded by research on the prior art carried out by industrial property consultants to ensure the invention the subject of the technology concerned satisfies the criteria for patentability and that the patent can be issued by the corresponding offices and maintained as such, on conclusion of any opposition proceedings.

The costs for filing and maintaining the validity of patents in the various countries where they are filed requires a budget of approximately €190,772 for the financial year ended 30 June 2021, compared with an amount of €162,591for the financial year ended 30 June 2020.

As at the date of this Universal Registration Document, no objection has been filed against the patents held or operated by the Company.

ii. Jointly owned patents

Some patents and/or patent applications are owned jointly with third parties. On the one hand, the family of patents "LCA cortex fixing" with priority of the French patent filed on 28 July 2011 under number FR20110056911 is jointly owned with COUSINS BIOTECH. No royalty for use of the patents is paid by the Group or by COUSINS BIOTECH.

In the absence of a joint ownership agreement, the additional provisions provided in Article L.613-29 of the French Intellectual Property Code will apply to the French patent: each joint owner may use the patent for its own purposes and grant non-exclusive licence (subject to indemnifying the other joint owner for unilateral personal use or unilateral granting of a non-exclusive licence). The proposed concession must, however, be notified to the other joint owners together with an offer for transfer of the quota for a fixed price; on the other hand, a unanimous decision is required to grant an exclusive licence.

It is important to note that the French provisions apply exclusively to patents under French law, including a patent resulting from French validation following proceedings before the European Patents Office (EPO). Thus, given EPO proceedings, including the designation of various validation territories for a jointly owned patent the joint ownership of each of the patents is subject to the regime in each of the validating States.

iii. Patents for which the Group holds an operating licence

Certain patents that are essential to Group activity, are not held directly by the Company but were developed in partnership with one or more surgeons and licensed to the Company under an exclusive licensing agreement by one or more surgeons who generally combine to form a civil partnership, for a term of twenty years, i.e. the term of validity of the underlying patents. In this framework, the Group has undertaken to comply with certain conditions. These notably consist in development and marketing initiatives for products incorporating the licensed technology or the payment of (i) inclusive fees during performance of predefined stages or (ii) fees proportionate to the revenues generated by sales achieved by the Group in the territories where the patent was filed.

Some licensing agreements were not registered with the competent industrial property offices. The only consequence of absence of registration of the licensing agreements is that the latter are not enforceable against third parties, but exclusively against parties to the agreement. The registration formalities for the various licensing agreements at the various competent industrial property offices, for the purpose of rendering the Company's rights enforceable against third parties, are in progress.

1.8.2.2 Trademarks

The trademarks filed by the Group are essential for identification of its products (notably the trademarks ANATOMIC®, AMPLIVISION®, i.M.A.G.E.® and E.T.O.I.L.E.®, AIRLOCK®, ARCAD®). The Company holds a portfolio comprising 79 trademarks (171 registrations).

These trademarks were almost all exclusively filed in class 10 of the Nice Classification, i.e. for surgical, medical or dental instruments and devices and artificial limbs; orthopaedic articles; suture materials, prostheses, artificial implants, knee prostheses, hip prostheses and their component parts, orthopaedic prostheses, special fittings for medical use, operating tables, scalpels, ancillary equipment for computer assisted surgery, ancillaries for total knee prostheses, osteotomy plates, bone screws and bars used in surgery, acetabulums.

Some of these trademarks, such as the AMPLITUDE®, AMPLIFIX®, AMPLIRENT®, AMPLITUDE MOVEMENTS FOR AN ACTIVE LIFE®, AMPLIVISION® and E.T.O.I.L.E® trademarks, were also filed in class 5 (for pharmaceutical products, medical hygiene products, chemical preparations for medical use, plasters, equipment for bandages, bone cement for surgery and orthopaedics, surgical fabrics, alloys of precious metals for surgical, orthopaedic or dental use, disinfectants); in class 9 (for information technology hardware and software for use in surgery and orthopaedics, equipment for processing information and computers, computer peripherals, magnetic recording support media, optical discs, devices for recording, transmitting, reproduction or processing sound or images); in class 42 (scientific research services in the field of surgical instruments and devices, surgical prostheses, design and development of prostheses and implants); in class 44 (for surgical and medical services, surgical and medical assistance, leasing of medical devices, leasing of medical appliances and machinery, leasing of appliances and facilities in the field of medical technology, leasing of operating tables, orthopaedic tables, making available of information on surgical instruments and appliances, surgical prostheses, the fitting of artificial limbs, prosthetic appliances, prostheses and implants).

The countries covered by the registrations are as follows; France, Argentina, Brazil, European Union, Australia, Switzerland, Algeria, Japan, Morocco, Mexico, Norway, Tunisia, Turkey, Vietnam, Benelux, Germany, Italy, Lichtenstein, Sweden, United Kingdom, United States, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Spain.

Like patents, trademarks are the subject of major free availability searches prior to filing. The Company policy is to secure trademarks as soon as possible once an upstream need has been identified. In addition, managers of the Company's intellectual property are particularly vigilant concerning defence of trademark rights and regularly oppose the filing of trademarks which may infringe the trademarks held by the Company.

1.8.2.3 Domain names

Amplitude SAS uses five domain names "amplitude-ortho.fr", "amplitude-ortho.com", "amplitude-ortho.ch", "amplitude-ortho.be" and "amplitude-ortho.ro" of which it is the owner. It also owns the domain name amplitude-ortho.eu.

The following product-specific domain names also belong to Amplitude SAS:

- amplitude-oart.fr
- amplitude.oart.com

The following domain names are registered on behalf of its subsidiaries:

- “amplitude-ortho.com.au” registered in the name of its subsidiary Amplitude Australia Pty Ltd
- “novastep-ortho.com” registered in the name of its subsidiary Novastep SAS and "novasteportho.com" registered in the name of its subsidiary Novastep Inc.
- "amplitude-ortho.de" registered in the name of its subsidiary Amplitude GmbH,
- "amplitude-ortho.co.za" registered in the name of its subsidiary Amplitude South Africa Pty Ltd,
- "amplitude-latam.com" registered in the name of its subsidiary Amplitude Latin America SA,
- "firm-industrie.com", "firm-industrie.fr", "firm-industrie.com", "firmindustrie.fr", "polialpes.com", "polialpes.fr", "polialpes.fr", "politech.fr", "sofab-orthopedie.com", "sofab-orthopedie.fr", registered to its subsidiary Sofab Orthopedie SAS

1.9 KEY CONTRACTS

1.9.1 Shareholders’ agreement

The main Group shareholders’ agreements are described in Section 1.4.3 *“Shareholders’ agreements and minority interests”* of this Universal Registration Document and include notably:

- a shareholders’ agreement between Amplitude SAS and Novastep SAS entered into on 11 October 2013, and its subsequent amendments;
- a shareholders’ agreement between Amplitude SAS and the chief executive officer of Novastep Inc. concerning the company Novastep Inc.; and
- a shareholders' agreement between Amplitude SAS and the managers of Amplitude Ile de France, entered into on 20 April 2018, relating to Amplitude Ile-de-France, and its subsequent amendments.

1.9.2 Real estate agreements

The key real estate agreements are described in Section 1.5 *“*Real Estate Assets, Plant and Equipment*”* of this Universal Registration Document and include notably:

- a real estate financial leasing agreement entered into on 4 April 2011 for a term of fifteen years for the registered office of the company SCI Les Tilleuls and the company Amplitude SAS;
- a commercial lease entered into on 19 March 2015 by Amplitude SAS for two sets of premises located in Neyron;
- a commercial lease entered into on 1 May 2015 for storage premises of Amplitude SAS;
- a commercial lease entered into on 12 August 2016 with SCI Les Tilleuls, for a term of 15 years for the logistical building of Amplitude SAS.

In addition to these agreements, the agreements described hereunder entered into with its suppliers CeramTec and Marle are also key agreements for the Group.

1.9.3 Factoring programme

A factoring programme with Natixis Factor was established on 29 June 2004 by Amplitude SAS and amended by a first amendment dated 17 September 2013, a second amendment dated 2 September 2014 and then a third amendment dated 25 June 2016 as described in Section 5.2 *"Cash and Capital* Equity*"* of this Universal Registration Document).

1.9.4 Marle

On 6 September 2016, Amplitude SAS and Etablissements Maurice Marle (Marle) entered into a framework subcontracting agreement entitled "Cooperation agreement" which stipulates the conditions and procedures according to which Amplitude SAS subcontracts to Marle the manufacturing, and more specifically, the forging of implants and ancillary parts. Under the terms of this agreement, Marle undertakes to manufacture the contractual products exclusively on behalf of Amplitude SAS and to refrain from making them available to any other person. Amplitude is the sole owner of all intellectual property rights for the subcontracted product. The understanding of the two parties on the price and deadlines for the services is confirmed with each order. The contract was amended in January 2018 to update the Marle Group's various production sites.

This agreement was entered into for a term of one year, renewable by tacit agreement for periods of the same duration, unless either of the parties was to cancel it subject to at least two months' notice prior to expiry of the current period.

1.9.5 Ceramtec

On 10 September 2019, Amplitude SAS signed the amendment to a procurement agreement with German company CeramTec GmbH (CeramTec) which produces high performance ceramics used as components in Amplitude SAS hip prostheses. The contract is supplemented by a quality assurance agreement, signed in 2017.

The procurement agreement defines the commercial aspects of cooperation between the companies. It is entered into for an indeterminate term and may be cancelled by either of the parties subject to three months' prior notice. The sale price for all CeramTec products is fixed in this agreement. Under certain conditions, Amplitude may be required to pay compensation to CeramTec in the event of cancellation of the agreement prior to expiry of its term in the absence of any fault by CeramTec or in the hypothesis where product orders by Amplitude are significantly reduced for reasons beyond the control of CeramTec. The purpose of the quality assurance agreement is to define technical aspects on quality and safety and in the scope of liability of each party. It is entered into for an indeterminate term and may be cancelled by either of the parties subject to six months' notice prior to the end of the year.

CHAPTER 2
RISK FACTORS

2.1 RISK FACTORS

The Group conducts its business in an environment which poses a number of risks, some of which are beyond its control.

Before deciding to purchase or subscribe Company shares, investors are invited to examine carefully each of the risks described below, as well as all the information set out in this Universal Registration Document. These risks are, as of the date of this Universal Registration Document, those which the Company considers could, should they occur, have a significant unfavourable effect on the Group, its business, its financial position, its results, its expansion or its prospects; consequently, knowledge of such risks is important when making any investment decision. The Company draws investors' attention to the fact that the risks and uncertainties set out below are not the only ones confronting the Group. Other risks and uncertainties of which the Company is currently unaware or which it considers insignificant as of the date of this Universal Registration Document could also have a significant unfavourable effect on the Group, its business, its financial position, its cash flow, its results, its expansion or its prospects. The Company has conducted a review of risks that could have a significant unfavourable effect on its business, its financial position or its results (or on its ability to achieve its objectives) and considers no significant risks other than those described, exist.

In accordance with the provisions of Regulation (EU) 2017/1129 and Delegated Regulation (EU) 2019/980, only risks specific to the Company and which are important for making an informed investment decision are presented in this chapter.

The main risk factors are grouped into six categories below, incorporating since the Universal Registration Document relating to the 2019-2020 financial year a health risk to take account of the COVID-19 pandemic and its impact on the Group.

In each of the six categories referred to above, risks have been classified according to a dual approach combining:

- the criticality for the Group's operations, ranked into three levels: critical, significant or not very significant; and

- the probability of the risk occurring, also ranked into three levels: high, moderate or low.

it being specified that the risks with the highest probability of occurrence and the highest potential criticality are placed first in each category.

The combination of criticality and probability makes it possible to determine the impact of each risk. Risks were assessed as "net risk", i.e. taking into account the risk management measures implemented within the Company, and are presented in the summary table below:

Type of risk	Description	Impact[1]	Managing the risk
COVID-19 pandemic	Risk linked to the COVID-19 pandemic	□ □ ■	Teleworking and anticipating the resumption of activity Careful management of costs and investments
Market	Dependence of the Group on developments in public health policies in terms of the pricing and marketing of its products	□ ■ □	Monitoring and anticipation
Activities & products	Group responsibility in the event of a defective or non-compliant product	□ ■ □	Quality controls – Legal monitoring to prevent breaches of compliance obligations-Civil liability insurance
	Outsourcing of manufacturing and dependence on subcontractors	□ ■ □	Selection and monitoring of suppliers according to their level of quality and reliability, - Dual sourcing
	Protection of intellectual property rights	□ ■ □	Filing of patents, trademarks and monitoring- Prior art searches
	Dependency on key individuals	■ □ □	Loyalty- Introduction of salary benefits and the like
Legal	Regulation of medical devices developed by the Group	□ ■ □	Monitoring and anticipation
	Litigation involving the Group	■ □ □	Compliance with legislation and support from legal advisers – Recording of provisions where necessary
Financial	Indebtedness	□ ■ □	Contract monitoring, discussions with creditors
	Impairment of goodwill and deferred taxes	■ □ □	Forecasting and monitoring of tax regulations
Financial markets	Exchange rate risk	■ □ □	Monitoring and evaluation

Key: ■ □ □ low impact □ ■ □ medium impact □ □ ■ high impact

[1] *The notion of impact as referred to in this table encompasses both the potential impact of the risk and the probability of its occurrence.*

2.1.1 Risk linked to the COVID-19 pandemic

In early January 2020, the discovery of a new coronavirus was announced by the Chinese health authorities and the WHO. The health crisis linked to COVID-19, which the world and our country are going through, inevitably hinders the Group's ambitions and requires it to take essential measures to ensure the safety of all.

The requisitioning of operating theatres in France and other European countries, leading to the halt of many scheduled operations, considerably reduced Amplitude Surgical's activity in the fourth quarter of the 2019-2020 financial year.

The successive waves of the COVID-19 pandemic in various of the Group's markets led the authorities of these countries to continue restriction and containment measures that affected the activities of the group in 2020/2021 and continue to do so as of the beginning of the 2021/2022 financial year.

The global COVID-19 pandemic continues to evolve rapidly. The extent to which COVID-19 is likely to affect the Group's future business will depend on future developments, which cannot be predicted with certainty, such as the ultimate geographical distribution of the disease, its duration, continued travel restrictions and social distancing measures in the European Union, the United States and other countries. Moreover, the extent of the negative impact of this pandemic on the financial markets remains unknown to date. As of the date of this Universal Registration Document, the global economy is still heavily impacted by the pandemic.

Risk management measures: The Group carefully studies and monitors each of the measures put in place by the authorities and institutions in all the countries where it operates. In order to ensure the continuity of its business while guaranteeing the safety of its employees during government restrictions, the Group has implemented the various regulatory and financial measures available to adapt to the reduction in activity.

On the financial side, the Group continued to carefully manage costs and investments in order to cope with fluctuations in the business and to meet its financial commitments.

As the risk is proven, the Company assigns by default a **high probability** to this risk.

The Company considers that the criticality of this risk is **significant**.

2.1.2 Risk relating to markets on which the Group operates

2.1.2.1 Risk relating to the dependence of the Group on developments in public healthcare policies in terms of the pricing and marketing of its products

The Group's activities in the healthcare sector are influenced by the associated regulatory and economic environment. Levels of expenditure on healthcare and of reimbursement exert a direct impact on the Group's business. The Group may be obliged to reduce its prices to win tenders issued by public sector hospitals or to remain competitive in an environment of controlled healthcare expenditure.

In many countries, notably in France, the Group's activities are subject to regulated prices insofar as its products are provided in the framework of public healthcare schemes which are fully or partially funded by governments and the Group has no control over their levels, creating real dependency on public healthcare policy. Prices may be revised at any moment, notably downwards, resulting in significant reductions.

Taxes may also increase the Group's expenses. This is the case with the safeguard clause introduced in Article L.138-19-8 and Articles D.138-3 to D.138-4 of the Social Security Code. This safeguard clause introduces the payment of a contribution if the reimbursed amount exceeds a threshold set by the Social Security Finance Act for each year (Amount Z). For 2020, the safeguard clause has not been triggered.

In other countries, notably Germany, there is a "price per activity" system (T2A). In a "price per activity" based system the allocation of resources within healthcare establishments and, in consequence, product pricing depends on the nature and volume of activities in the hospitals and health establishments concerned. In consequence, product prices may vary according to the healthcare establishment, the speciality concerned or the volume of activity. The Group cannot exclude that countries currently basing pricing on products and services may increasingly move to "price per activity" systems, which could affect price or reimbursement levels for the Group's products.

In addition, in some countries, notably France, budgets allocated to public hospitals may vary and impact invitations to tender for orthopaedic prostheses. Allocations from the budget available to each hospital per speciality are decided by the establishment and the Group cannot influence a preferential allocation from the budget to the orthopaedic field.

Moreover, the Group cannot guarantee that it will be capable of obtaining the same price and reimbursement levels in all the countries in which it wishes to market its products, nor will it be capable of foreseeing any changes in the funding and reimbursement conditions in the different countries. Nor can the Group rule out that countries operating a private healthcare system will decide to adopt public policies that affect the prices or reimbursement of Group products.

The adoption of more restrictive reimbursement measures or the absence of government cover for Group products will result in patients incurring new or additional costs, which may limit the number of surgical operations and consequently the number of products purchased from the Group, leading to a down turn in Group business.

Finally, in some countries, the Group's products are approved by public health bodies or by private mutual funds. These may modify the approval granted for Group products (and therefore reduce the associated reimbursement rate), call into question such approvals for existing Group products or refuse to grant approval for new products offered by the Group. Consequently, the reimbursement rate for Group products may be decreased, or Group products may be excluded from reimbursement schemes, resulting in a reduction in demand for Group products and leading to a direct impact on the margins and results achieved by the Group.

Risk management measures: The Group has implemented legal monitoring to keep an eye on changes in public health policies and to anticipate the consequences of these changes.

The Company assigns to this risk a **high probability.**

The Company considers that the criticality of this risk is **not very significant.**

2.1.3 Risk relating to Group business and products

2.1.3.1 Risk relating to the enforcement of the Group's liability in the event of a defective or non-compliant product

The Group could be exposed to risks of liability when developing or during commercial exploitation of its products, in particular, product liability. Indeed, although the Group operates partly according to the *"fabless"* model, it retains the status of manufacturer and the associated liability. Civil or criminal charges or judicial proceedings could be filed or brought against the Group by users (patients, practitioners, researchers and other professionals in the healthcare or research industries), regulatory authorities, certain distributors or any third party using or marketing its products, e.g. in relation to the quality of materials used for its products, the unsatisfactory functioning of its products or the Group's inability to deliver them at the desired time.

Where a defect occurs during the product manufacturing stage, the Group may be exposed to a *"serial"* risk, i.e. that a batch of products manufactured at the same time will present the same defects and constitute (i) either a direct loss for the Group if it identifies the defect prior to commercialisation, (ii) or a major risk that the defective products will be the subject of judicial or administrative proceedings brought by the victims. This risk is multiplied in the United States and in France given the possibility of initiating *"class actions"*.

In addition, each Notified Body has the power to conduct several inspections on site and on each item, which may reveal defects during the product manufacturing stages. These defects are then published in a local register. Cooperation between the various notified bodies is currently increasing and identification of a defect in a Group product will be made public in the majority of countries in which the Group operates. Moreover, if a significant volume of the Group's products presenting a defect that is made public, this could trigger the recall of products manufactured by the Group or even withdrawal of a previously granted certification, which would have an adverse impact on the Group's image in such countries.

Finally, any breach of the compliance obligations could incur penalties including fines, injunctions, civil penalties, refusal to award CE marking or any other authorisation, delay in production, seizure or recall of products, restrictions on their use and criminal proceedings, which would significantly increase the costs sustained by the Group, delay its expansion and the marketing of new devices.

Risk management measures: The Group conducts regular checks as part of its product design and has implemented legal monitoring to prevent breaches of its compliance obligations. In addition, the Group has taken out civil liability insurance for delivered products providing coverage of up to a maximum amount of €15 million per claim and year of insurance (subject to certain limitations or exclusions).

The Company assigns to this risk a **low probability.**

The Company considers that the impact of this risk would be **critical**.

2.1.3.2 Risk relating to outsourcing manufacturing of products and dependency on subcontractors

For part of its production, the Group operates according to a *"fabless"* model, which consists in outsourcing all the various operations for the manufacture of its products and markets exclusively the "finished product". As a result, the Group is dependent on third parties for the manufacture of all its products, notably CeramTec for its ceramic procurement, and its commercial success relies, in part, on its ability to identify, build up and maintain on-going relationships with its subcontractors and to obtain high quality manufactured products which comply with the regulatory provisions in the quantities and by the deadlines required, while generating a profit (see paragraph 1.3.3.5 "*Suppliers*" of this Universal Registration Document).

Dependency on third-party manufacturers exposes the Group to additional risks, which it would not bear if it manufactured the products itself, including:

- non-compliance with the regulations and quality control standards of products manufactured by third parties;
- default or non-fulfilment by the subcontractor;
- violation by subcontractors of their agreements with the Group; and
- the termination or non-renewal of agreements for reasons beyond the Group's control.

Manufacture of the Group's products is complex and demanding, particularly given the applicable regulations and the specifications imposed by the Group.

All manufacturing processes for prostheses fall within the scope of application of the certification obtained by the Group. Thus, the CE marking certification applies to the products sold by the Group as well as the entire manufacturing process, including sterilisation, polishing, etching, coating, cleaning, assembly and packaging.

In the hypothesis in which the Group changes its product suppliers, it would be required to identify a supplier satisfying the regulations for maintaining CE marking or other regulatory authorisations. The Group must also repeat the procedure for qualification of the subcontractor, which could be extremely expensive, time consuming and require the attention of the Group' most highly qualified staff. Finding a new supplier could also delay the production, development and marketing of products and increase their manufacturing cost given the requalification process to be performed.

In addition, registration of the Group's products may require that all manufacturing stages are performed by ISO certified subcontractors. Loss of certification by one or more subcontractors could have an impact on the manufacture, registration or marketing of the products concerned and the Group could be obliged to identify and conclude agreements with new subcontractors holding ISO certification, which could require significant time and generate additional costs.

Problems could occur during the manufacture and distribution of Group products, in the event of the default or failure of a subcontractor or supplier for whatever reason, which could prevent subcontractors and suppliers from complying with their obligations toward the Group, generating delays in the procurement of the products concerned. This could give rise to increased costs, a reduction in sales, jeopardise customer relations and, in some cases, require product recalls which could prove damaging to the Group's reputation, in particular if the defective products are only discovered subsequent to their sales and marketing.

In addition, the Group cannot guarantee that its subcontractors, suppliers and representatives comply with and will continue to comply with the regulations, authorisations and standards in force. If products manufactured by suppliers fail to comply with the regulatory provisions or standards in force, penalties could be imposed on the Group. These penalties could include fines, injunctions, damages, rejection by the regulatory authorities of tests in progress, suspension or withdrawal of authorisation or certificates obtained, the revoking of licences, seizure or recall of products, operating or use restrictions and criminal proceedings. Such measures could have a significant negative impact on the Company's business.

Finally, the Group cannot guarantee it will be capable of retaining the subcontracting agreements in existence or of concluding new agreements under acceptable commercial conditions, given the restricted number of specialist companies in possession of the infrastructure, experience, approvals and/or certifications to manufacture this type of medical device. In addition, the Group could be confronted by competition from other players in the markets in which it operates, who may seek to solicit the subcontractors with whom the Group currently works. Finally, the subcontractors and suppliers with whom the Group works may be acquired by the Group's competitors. In the event of termination or deterioration of its relationships with its subcontractors or if its needs increase, the Group may find it impossible to form relationships with other subcontractors, which could adversely affect its capacity successfully to produce, develop, market and sell its products.

Risk management measures: To prevent this risk, the Group selects and monitors its suppliers according to their level of quality and reliability, and implements, as far as possible, a "dual sourcing" policy in order to be able to substitute one supplier for another in the event of difficulties.

The Company assigns to this risk a **moderate probability.**

The Company considers that the criticality of this risk is **significant.**

2.1.3.3 Risk relating to the protection of intellectual or industrial property rights held by the Group

The Group's business depends on effective protection of its intellectual and industrial property rights and those under licences granted by third parties to the Company or its subsidiaries.

i. Intellectual and industrial property rights

Of the 52 families of the primary patents on which the Group's business is based and which are vital for its activities, the majority is not owned directly by the Group but was developed in partnership with one or more surgeons. Exclusive operating licences are then granted to the Group by one or more surgeons who generally form a company, for a maximum term of twenty years, which is the term of validity of the underlying patents (see section 1.8.1 of this Universal Registration Document).

Some licensing agreements provide for early cancellation of the agreement in the event of violation of the contractual provisions or of Company's insolvency or bankruptcy.

Any violation by the Company or one of its subsidiaries of the conditions for retaining the right to a patent may result in the loss of use of the technology or rights covered by such patents. If the Group should lose one or more licences for one or more of these patents, or if it is unable to obtain rights similar to those held under the licensing agreements under reasonable conditions, it may be unable to develop, manufacture or market its products.

ii. Protection of intellectual or industrial property rights

The patents held or used by the Group are generally filed locally and not necessarily on a wider scale (e.g. European or world scale). Therefore, the protection attached to such patents is reduced and they may be infringed in countries in which they are not protected. In addition, although certain technologies are protected by patents, comparable technology may be reproduced by other players in markets in which the Group operates.

Finally, all products marketed by the Group are not necessarily subject to patent protection. Approximately 32% of the Group's turnover is achieved by Group products that are not, or no longer protected and could therefore be used by third parties.

iii. Use and disclosure of confidential information

It is essential for the Group to protect itself against unauthorised use or disclosure of its confidential information and commercial secrets which are not necessarily officially registered. The Group may be required to provide information, technologies, processes, know-how, data or information in various forms which is not patented and/or patentable to third parties with which it collaborates, on research and development and the manufacturing and marketing of its products. In these scenarios, the Group generally imposes confidentiality agreements. However, these provide only limited protection and may not prevent unlawful use or disclosure by a third party of confidential information and know-how held by the Group.

The Group cannot guarantee that the third parties concerned will protect the confidentiality of its unpatented innovations or developments which are not patented and its know-how and that such third parties will not disclose commercial secrets of the Group to its competitors or that they will not themselves further develop such commercial secrets.

iv. Trademarks

The trademarks registered by the Group are important assets for the identification of its products (notably the Amplitude trademark). Despite the registration of the Group's trademarks, third parties could use or attempt to use them. These infringements could generate a commercial loss and jeopardise the Group's image.

v. Violations of the intellectual or industrial property rights of third parties

The Group cannot guarantee that the employment contracts of Group employees systematically incorporate a clause on mandatory complementary compensation due to any employee creating a patentable invention in the framework of their missions under their employment contract and more generally, which comply with French law. In consequence, there is a risk that Group employees who have created patentable inventions and who are not awarded additional compensation as a result could request additional compensation, incurring significant expense and unfavourable consequences for the Group's results.

The Group cannot give any assurance that its products do not and will not infringe or violate other patents or intellectual property rights held by third parties and that there are no other intellectual property rights covering certain Group products owned by third parties that could initiate proceedings for infringement or violation of their rights. Such third parties could claim damages and interest from the Group and also demand the cessation of manufacture or marketing of such products or use of the trademarks in question.

In particular, proceedings brought against the Group on the basis of an asserted violation of an intellectual or industrial property right, notably in the United States, irrespective of the outcome, could generate significant costs and compromise the Group's reputation, operations, development and financial position.

Risk management measure: The Group ensures that the patents and trademarks it uses have been registered, or renewed where appropriate, and carries out prior art searches before any registration in order to prevent possible infringement of third-party rights.

The Group also seeks advice on intellectual property law and ensures that any action is taken to prevent, stop and punish any infringement of its intellectual property rights or those of a third party for which it is responsible.

The Company assigns to these risks a **moderate probability.**

The Company considers that the criticality of these risks is **significant.**

2.1.3.4 Risk of dependency on key individuals

The Group's success largely depends on the work and expertise of members of its top management and key scientific employees, in particular its Chief Executive Officer, Olivier Jallabert. His departure or that of other key individuals from the Group could result in:

- the loss of know-how and increased vulnerability of certain businesses, all the more so in the event of a transfer to a competitor; or
- a lack of technical skills which could slow down activities and, in the medium term, compromise the Group's capacity to achieve its objectives.

The departure of key individuals, in particular subsidiary managers, could affect the Group's capacity to implement its strategy.

The Group could then be required to recruit new management executives and qualified scientific staff to expand its activities, which could impose significant costs on the Group, both for locating new staff and winning their loyalty.

Finally, the Group competes with other companies, research organisations and academic institutions for the recruitment and retention of highly qualified scientific, technical and management staff. Insofar as such competition is very intense, the Group could fail to attract or to retain key staff under economically acceptable conditions.

Risk management measure: The Group implements a series of measures to attract and retain its employees, in particular through various salary-related and similar benefits. In this regard, the Company has allocated free shares to certain members of its key management (employees and corporate officers). In addition, the Combined General Meeting of 20 December 2018 authorised the allocation of free shares to employees or corporate officers and this authorisation may be used to attract key personnel.

The Company assigns to this risk a **low probability.**

The Company considers that the criticality of this risk is **significant.**

2.1.4 Legal risk, litigation and tax risk

2.1.4.1 Risk relating to the regulations applicable to medical devices developed by the Group and their amendment

The Group's products are classified as medical devices and are subject to specific regulations in all countries where they are manufactured, tested or marketed. Such regulations impose obligation, in particular, in relation to matters of design, manufacture, quality control and quality assurance of products, labelling of products, including their use instructions, storage of products, identification and traceability of products, procedures for retaining data, and post-market supervision and notification of incidents associated with use of the products (death, serious injury, malfunction, etc.)

These regulations apply to the Group in its capacity as manufacturer of such products.

Moreover, the inspection, manufacture and sale of Group products are subject to obtaining and retaining the legal and regulatory authorisations and certifications necessary to market medical devices. As a result, Group products are subject to strict regulations subject to constant change. Compliance with this regulatory framework could require following long and complex procedures as well as significant costs and no guarantee can be given that such authorisations will be obtained and maintained or by the expected deadlines.

The applicable regulations on medical devices are generally country-specific. Given the nature of its activities, the Group is therefore exposed, to the requirements of multiple national and international standards with which it must comply. It must adapt to the various requirements and specific deadlines, notably for market authorisation (in particular the deadlines and conditions for registration, the absence of a single authority tending to increase the time-scales) and the associated transparency obligations.

Thus, within the European Economic Area (EEA), the Group's products are included in the category of medical devices and are governed, inter alia, by the provisions of European Directive 93/42/EEC which harmonises the conditions for the sale and free circulation of the Group's products within the EEA. These products may notably not be placed on the market until certificates allowing CE marking have been obtained.

In addition, the American market is governed by the regulations established by the *U.S. Food and Drug Administration* (FDA), which regulates the quality of testing, manufacture, labelling, drawings and design of products and equipment, the certification, quality assurance, storage, transportation, packaging, distribution and promotion of medical devices.

More generally, in other countries in which the Group operates, placement on the market of medical devices imposes following specific procedures to obtain the necessary authorisations. Obtaining these authorisations is possible only on completion of a very long and expensive process.

The Group's incapacity to obtain authorisation or renewal of the certificates necessary for its products could delay marketing of its products by the Group, or even prevent their sale. The materialisation of one or more of these risks is likely to have a significant unfavourable effect on the Group, its businesses, financial position, results, expansion or prospects.

The Group is also subject to other specific regulations, notably concerning conflicts of interest and independence. For example, in France, the French Public Health Code imposes significant restrictions in this respect. Furthermore, surgeons are subject to the control of the French Medical Association which monitors the fulfilment by all of its members of their professional duties and their compliance with the rules in the Code of Ethics applicable in this respect, specifically to guarantee independence of the medical profession. In particular, Articles L.1453-3 et seq. of the French Public Health Code prohibit people who provide health services from receiving, and companies offering services or manufacturing or marketing products covered by the social security compulsory regimes from procuring or offering benefits in kind or in cash, in any form whatsoever, whether directly or indirectly.

The interaction between the Group and its practitioner customers facilitates the access of the Group's authorised staff to operating rooms, allowing the Group to innovate and improve its range of products better to meet the needs of the profession. The special relationship between the Group and its practitioner customers is also manifested by their participation in seminars and conferences organised by the Group. The regulations or the position of the French Medical Association could change and restrict the future participation of practitioners at such seminars. The Group is subject to equivalent regulations in other countries (for example, the *U.S. Foreign Corrupt Practices Act of 1977* and the *Sunshine Act* in the United States, the *Bribery Act 2010* in the United Kingdom or the *Sunshine Act* in Belgium).

A tightening in the regulations described above or a failure by the Group to meet its obligations under them could have a significant unfavourable effect on the Group, its business, financial position, results, expansion or prospects.

More generally, the Group is subject to a strict standardised set of regulations and compliance therewith is extremely expensive. It could be unable to comply with all these standards or incapable of adapting to new standards entering into force which could have a significant unfavourable effect on the Group

Moreover, the Group cannot guarantee that its suppliers or subcontractors comply with and will in the future comply with the applicable regulations. The Notified Body during a certification or follow-up audit, the regulatory authorities during an inspection or any other regulatory process could identify breaches of applicable regulations or standards and require these to be remedied by corrective action, which could interrupt the manufacture and supply of Group products.

Risk management measure: The Group constantly monitors compliance with applicable laws and regulations and identifies any new applicable regulations.

The Company assigns to this risk a high **probability.**

The Company considers that the criticality of this risk is **not very significant.**

2.1.4.2 Risk relating to litigation to which the Group is a party

During the normal course of their business, Group companies could be party to a number of judicial, administrative, criminal or arbitral proceedings, notably having regard to third-party liability, product liability, competition law, intellectual property law, tax, industrial and environmental law and discrimination.

The most significant litigations in progress or of which the Group has received notice is detailed below. In the framework of some of these proceedings, significant financial claims have been made or are likely to be made against one or more Group companies.

The corresponding provisions, if any, which the Group may be required to establish in its accounts could prove inadequate. In addition, it cannot be excluded that in future new proceedings, related or otherwise to existing ones or to risks identified by the Group or new risks could be brought against one of the Group companies.

As of the date of this Universal Registration Document, there are no administrative, criminal, judicial or arbitration proceedings other than those referred to below, including any pending or threatened proceedings known to the Group which could have, or has had during the last twelve months, a significant unfavourable effect on the Group, its business, financial position, results, expansion or prospects.

i. Dispute between Amplitude SAS and Zimmer Biomet France

By subpoena dated 15 June 2017, Zimmer Biomet France brought proceedings before the Commercial Court of Romans against (i) B.R.A., with whom it had entered into a commercial agent's agreement dated 20 February 2006 which expired on 30 June 2016, in breach of the non-compete clause contained in such agreement, and (ii) Amplitude SAS for being complicit in the breach of such agreement and thus having committed acts of unfair competition in respect of Zimmer Biomet France.

Zimmer Biomet seeks joint and several sentencing of Amplitude and of B.R.A. to pay damages in an amount of €9,800,000 in compensation for the damage suffered. Amplitude SAS denies the existence of acts unfair competition.

Zimmer Biomet caused a procedural incident to request Amplitude SAS to provide certain documents relating to the company's revenues under penalty payment. Amplitude SAS objected to this request. The procedural incident was heard on 13 June 2018 before the Commercial Court of Romans.

The Commercial Court of Romans, in its decision of 11 October 2018, ordered Amplitude SAS to communicate in the form of accounting certificates duly certified by an accountant or a statutory auditor the annual revenues achieved by Amplitude SAS for the years 2014-2015 and 2016-2017 for customers requested by Zimmer Biomet. The case was heard on the merits on 13 February 2019 and by judgment of 29 May 2019, the court found that B.R.A. had breached its non-compete undertaking and ordered it to repay its non-compete compensation and to pay the penalty clause set forth in the agent's contract. The Judgment dismissed Zimmer Biomet's claims for damages and compensation for the damage. Amplitude SAS was sentenced on the basis of a misconduct intended to divert customers.

On 4 July 2019 Amplitude SAS appealed against this decision. B.R.A. and Zimmer Biomet have also filed an appeal. A pre-trial hearing was scheduled before the Grenoble Court of Appeals on 19 November 2020.

The case was argued on 30 June 2021, with deliberation to take place on 4 November 2021.

ii. Dispute between Amplitude SAS and S.E.R.F.

By writ of summons dated 20 April 2018, Société d'Etudes et de Recherches et de Fabrication (S.**E.R.F.**) brought an action for patent infringement before the First Instance Court of Paris against Amplitude SAS.

S.E.R.F. claims that Amplitude SAS manufactures and markets a model of a cup for hip prosthesis which it claims reproduces the claims of a French patent belonging to it, and seeks compensation for the damage it claims to have suffered.

S.E.R.F. requests that Amplitude SAS be ordered to pay an amount of €239,641 in damages.

Amplitude SAS has filed its submissions in response on two occasions. In its latest submissions, S.E.R.F. requests a stay of proceedings pending the INPI's decision on an application for the limitation of its patent that it claims to have filed. The limitation procedure is an administrative procedure, which takes place before the INPI, which allows the holder of a French or European patent to limit its scope. It is possible to request the limitation of a patent, while an infringement action based on the patent is pending, as in this case. The limitation was accepted, but the infringement proceedings have been resumed on the basis of the limited patent.

S.E.R.F. has filed new pleadings in which it seeks €534,081.86 for economic loss, €50,000 for non-material loss and €40,000 under Article 700.

The pre-trial hearing was set for 9 February 2021 and then postponed to 7 December 2021 for imperative closure and the setting of a date for oral argument on the merits.

iii. Dispute between Amplitude SAS and URSSAF on the contribution on promotion expenses of medical devices, specific to commercial agents' fees.

Amplitude SAS markets its products notably through independent agents, mandated according to commercial agreements with payment of commission.

In July 2009, URSSAF initiated an audit of Amplitude SAS' compliance with the social security legislation for the period 1 January 2006 to 31 December 2008. Following said audit, URSSAF notified Amplitude SAS, by registered mail dated 21 December 2010, of a reassessment of €881,315. The reassessment concerned exclusively contributions on commission paid by Amplitude SAS to its commercial agents for implantable medical devices of 10% (increased to 15% at the end of 2009) provided by Articles L.245-5-1 and L.245-5-2 of the French Social Security Code.

The Company challenged these reassessments and seized the French Arbitration Committee ("**CRA**") in order to state its position. It objects in particular the method of calculation established based on the argument that the provisions of the French Social Security Code referred to above do not refer to the amounts paid to commercial agents (who have the status of freelance workers) but only compensation granted to persons having an employee status. In October 2011, the CRA rejected the challenge and maintained the URSSAF reassessment in its entirety.

Amplitude SAS then seized the French Social Security Affairs Court (the "**TASS**") for cancellation of the reassessment. On 7 November 2013, the TASS of Valence rejected Amplitude SAS' claims and sentenced it to pay the amount of €981,315 under the reassessment. Amplitude SAS appealed the decision.

A first hearing was held on 2 December 2014 during which Amplitude filed a request for a **QPC** (priority preliminary ruling on the issue of constitutionality). The case was the subject of a new hearing on 9 June 2015. On 8 September 2015, Grenoble Appeal Court held that the formal demand sent on 21 December 2010 was null and void since it was irregular and subsequently granted tax relief for the adjustments. The Appeal Court however was of the opinion that it was not appropriate to transmit the priority question of constitutionality which had been filed. The URSSAF Rhônes appealed against this decision on 9 November 2015.

By a judgment dated 15 December 2016, the second civil division of the *Court of Cassation* (i) quashed and rescinded, in all its provisions with the exception of those stating that there is no need to transmit the QPC, the judgment issued on 8 September 2015 by the Grenoble Appeal Court of and (ii) remitted the case to the Appeal Court of Chambéry. The Appeal Court of Chambéry, in a ruling dated 12 September 2017, upheld the judgment of the Valence TASS.

Amplitude SAS appealed against this decision. The French Cassation Court rendered a judgment on 29 November 2018 by which it reverses and cancels the judgment issued on 12 September 2017 and refers the case back to the Grenoble Court of Appeals, ordering URSSAF to pay the costs.

The Grenoble Court of Appeals was referred to and the parties exchanged their submissions and documents and the case was heard on 2 July 2019.

In addition, Amplitude SAS was the subject of a formal notice from URSSAF Rhône Alpes dated 5 April 2018 to pay the additional late payment increases for 2007 and 2008, i.e. an amount of €276,269. By application dated 6 June 2018, Amplitude SAS brought an action before the CRA for a stay of proceedings pending a final decision on the main relief. Since the CRA has not issued a decision within the one-month time limit, Amplitude SAS referred the matter to the Valence TASS by request filed on 26 September 2018. Since the judgment of the 2nd Civil Chamber of the French Cassation Court of 29

November 2018 quashed the judgment of the Court of Appeals of Chambery, the order to pay the late penalties due for the recovery became irrelevant, which is why the court found that the proceedings had been abandoned.

In parallel with this dispute, the Amplitude SAS was once again the subject of an URSSAF (Rhône Alpes) audit in July 2014 covering the period from 1 January 2011 to 1 June 2014. URSSAF notified Amplitude SAS of an adjustment in a total amount of €5,500,610 (including increase for late payment as of 19 December 2014) on the same basis and for the same reasons as set out during the first audit. Amplitude SAS challenged the second adjustment by letter dated 23 January 2015 sent to the CRA.

By a ruling dated 28 April 2017, the CRA partially rejected Amplitude SAS's challenge, with the exception of the reduction in the amount of the adjustment from €4,947,676 to €4,938,905 (excluding the late payment penalty).

On 10 August 2017, Amplitude SAS filed an appeal against this decision with the TASS of Valence. The hearing took place on 20 June 2019 before the Social section of the Valence First Instance Court. The matter was reserved until 12 September 2019. This deadline was postponed twice until 10 October 2019.

The decision rendered by the Court of First Instance on 10 October 2019 granted Amplitude SAS's request and rescinded the adjustment relating to the period from 1 January 2011 to 1 June 2014.

The first two disputes are therefore closed.

Amplitude SAS was the subject of a formal notice from URSSAF (Rhône Alpes) dated 17 December 2018, to pay the contribution referred to in Article L.245-5-1 et seq. of the Social Security Code and the increases for the years 2015, 2016 and 2017, i. e. a total amount of €5,778,721. By request dated 18 February 2019, Amplitude SAS referred the matter to the CRA, which decided on 13 December 2019 to reject the application.

Amplitude challenged the CRA's decision before Valence Regional Court. The hearing took place on 8 September 2020. By decision dated 3 November 2020, notified on 2 December 2020, the Valence Court of First Instance dismissed Amplitude SAS's application to cancel the reorganisation. Amplitude SAS has decided to appeal this decision.

Amplitude SAS has filed a QPC before the Grenoble Court of Appeal.

The oral hearing is scheduled for 23 November 2021 before the Grenoble Court of Appeal.

Amplitude SAS is subject to a fourth audit for the period from 1 July 2017 to 30 June 2020. The observation letter of 21 September 2021 leads to a reminder of contributions of €5,460,743. As in previous disputes, the Group will make its observations and refer the matter to the CRA.

On 30 June 2021, the Group set aside a provision of €14,073,871, representing 100% of the risk in respect of this disagreement.

Risk management measures:

In order to anticipate as well as possible the consequences of disputes that may arise for the Group, it records the appropriate provisions and monitors and manages disputes through dedicated advisors in close collaboration with General Management. On 30 June 2021, the total amount of provisions for the Group’s disputes is €14,074 thousand (see note 25 to the consolidated financial statements).

In addition, the Group has taken out the necessary insurance to cover its civil liability.

The Company assigns to this risk a **low probability.**

The Company considers that the criticality of this risk is **significant.**

2.1.5 Financial risk

2.1.5.1 Risk relating to the Group's debt

The Group currently carries significant debt. On 30 June 2021, total Group debt amounted to €146.8 million (see paragraph 5.2.2.2 and Note 5 "Management of financial risk" of Chapter 6 "Consolidated Financial Statements" of this Universal Registration Document). This debt includes in particular:

- Senior Tranche A Bonds in the amount of €106.1 million (nominal amount of €110 million);
- State Guaranteed Loans (PGE) subscribed with 4 banks for a total amount of €12 million;
- a "Prêt Atout", a medium-term loan, taken out with BPI for €7.5 million;
- two medium-term loans taken out with BPI for €4.5 million;
- financial lease and rental agreements for €15.5 million: and
- a factoring agreement for €0.4 million
- sundry financial debts totalling €0.7 million.

The Group's significant debt could have negative consequences, such as:

- the allocation by the Group of a significant proportion of cash flow generated by its operational businesses to the remuneration and reimbursement of its debt, such as reducing the Group's capacity to allocate available cash flow to finance its organic growth, make investments and satisfy other general needs of the company;
- an increase in the Group's vulnerability to any slowing down in business or deterioration of economic conditions, and
- the limitation of the capacity of the Group and of its subsidiaries to borrow additional funds or to raise capital in the future and increase the costs of any additional finance.

Finally, the restrictions set out in the Term and Conditions of the financing agreements concluded by the Group could affect its capacity to operate its business and limit its capacity to react to the market or seize commercial opportunities, which may arise. This is particularly the case for the Terms and Conditions of the Non-Convertible Bonds (see Section 5.2.2.2 (i) of this Universal Registration Document), which provide in certain cases that the Group may not grant certain security interests over its assets. In addition, the Group's capacity to respect the restrictive covenants could be influenced by events beyond its control, such as economic, financial and industrial conditions. Any default by the Group on its commitments or covenants could result in default under the terms of the aforementioned agreements.

In the event of a default which is not remedied or waived, the relevant creditors could terminate their commitments and/or demand immediate repayment of all outstanding amounts. This could result in cross-defaults under other Group loans. It is specified in this respect that in the context of the acquisition by Auroralux SAS of a majority stake in the capital of the Company, the Company obtained the agreement of the two banks with which it had taken out State-guaranteed loans, on the resulting change of control.

Risk management measures:

The Group regularly performs cash flow and debt forecasts to ensure that there are no future defaults on commitments given, and if necessary, take steps to prevent them.

The Company assigns to this risk a **low probability.**

The Company considers that the criticality of this risk is **significant**.

2.1.5.2 Risk relating to debt collection and the write-down of goodwill and deferred taxes

At 30 June 2021, goodwill totalled €95.7 million (see note 16 of the consolidated financial statements for the financial year ended 30 June 2021 included in Section 6.1 "*Group Consolidated Financial Statements for the financial year ended 30 June 2021*" in this Universal Registration Document). Given the significant amount of intangible fixed assets and goodwill posted in the Group's financial statements, any significant write-down could have a significant unfavourable effect on its business, results and financial position in the financial year in which said charges were recorded.

At 30 June 2021, deferred taxes posted as assets in the Group's consolidated financial statements totalled €7 million (see note 15 of the consolidated financial statements for the financial year ended 30 June 2021 included in Section 6.1 "*Group Consolidated Financial Statements for the financial year ended 30 June 2021*" in this Universal Registration Document). These deferred taxes are posted as assets in the Group's financial statements in an amount that the Group estimates it could collect within a reasonable deadline and in any event, prior to possible expiry of deficits concerning the proportion of deferred taxes included as assets relating to the tax deficits eligible to be carried forward. Nevertheless, the Group could be unable to realise the anticipated amount of deferred taxes if its future taxable revenues and the associated taxes are less than anticipated. The Group also based its forecasts on the use of deferred taxes on its understanding of the application of tax regulations, which, however, could be called into question either by changes in such tax and accounting regulations or tax audits or litigation that could affect the amount of deferred taxes.

Risk management measures:

The Group performs annual impairment tests to ensure that the carrying amount of goodwill does not exceed its recoverable amount and that there is no risk of impairment.

The Group updates its tax planning annually to ensure that deferred tax assets relating to capitalised tax loss carryforwards can reasonably be utilised within the next five years.

The Company assigns to this risk a **low probability.**

The Company considers that the criticality of this risk is **significant.**

2.1.6 Exchange rate risk

In general, the Group manufactures its products and incurs the corresponding expenses in euros, except for a few manufactures in Australia and the United States, for non-material volumes. Conversely, the Group sells in local currency when marketing its products through its foreign subsidiaries and invoices in euro when selling products to distributors located abroad.

Furthermore, the Group prepares its financial statements in euros. As a result, when it prepares its financial statements, the Group must convert the assets, liabilities, revenues and expenses evaluated in foreign currency to euros by adopting the applicable exchange rates. As a result, changes in exchange rates could affect the value of these items in its financial statements (and therefore have an impact on its margin) even if their intrinsic value remains unchanged.

The main monetary fluctuations affecting the Group's results are those of the euro, on the one hand, and of the Australian dollar, the US dollar, the Swiss franc, the South African rand and the Brazilian real, on the other.

As of 30 June 2021, 23% of the income from the Group's ordinary business was realised in currencies other than the euro, mainly US dollars, Australian dollars, Swiss francs, South African rands and Brazilian *reais*, representing respectively 7.5%, 8.7%, 0.9%, 2.1% and 3.4% of the income from the Group's ordinary business.

Risk management measures:

The Group assesses its currency hedging needs based on forecasted currency flows and the feasibility of the hedges required to decide whether to implement a hedge. For the 2020-2021 financial year, no currency hedging was implemented.

The Company assigns to this risk a **moderate probability.**

The Company considers that the criticality of this risk is **not very significant**.

2.2 INSURANCE

The Group has established a policy for covering the main insurable risks with coverage it considers compatible with the nature of its business.

The expenses posted by the Group in its financial statements for all insurance policies was €0.683 million, €0.628 million and €0.598 million for the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019 respectively.

No significant claim was made by the Group during the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019. These insurance policies were not the subject of any significant actions against the Group during the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019.

Since 1 July 2016, the Group has had civil liability insurance with the insurance company HDL.

Insurance	Assurer	Risks covered	Amount of guarantee	Excess	Date of entry into effect and expiry
Insurance for transportation of merchandise **(Worldwide)**	Helvetia	Air, road, maritime transport, on own account, by post Trade fairs and exhibitions	€150,000	N/A	Contract of 01/07/2012 then renewal by tacit agreement
Business use vehicle insurance	AXA	Insurance of staff vehicles	€400,000	N/A, except €500 for: Fire, storm, theft, all accident damage	Contract of 01/01/2019 then renewal by tacit agreement
Delivered product liability insurance **(Worldwide)**	HDI	International programme with: 1) a Master policy that comes into play at the 1st euro for certain subsidiaries	From €200,000 to €15,000,000	Between €5,000 and €75,000 depending on the claim	Contract of 01/07/2016, then renewals until 30/06/2022

Insurance	Assurer	Risks covered	Amount of guarantee	Excess	Date of entry into effect and expiry
		2) local policies integrated into HDI GLOBAL			
Vehicle fleet insurance	AXA	Third-party liability and all-accident damage	€100 million to unlimited	N/A	Contract of 01/01/2019, renewal by tacit agreement
Third-party liability of corporate executives **(Worldwide)**	CHUBB Insurance	Liability guarantees for executives:	€8,000,000	$45,000 in the USA	Contract of 01/07/2020, renewal by tacit agreement
Mission Accidents **(Worldwide)**	CHUBB Insurance	Capital on death and total or partial permanent disability			Renewed on 01/01/2019 renewal by tacit agreement
Multi-risk industrial and commercial damages insurance **(Worldwide)**	Generali (co-insurance with Zurich)	Guarantee for damage to property and financial loss	€90,000,000	€10,000	Contract of 01/07/2010 renewal by tacit agreement
Key individual insurance	AXA	Capital guaranteed in the event of death of Mr Jallabert	€5,000,000	N/A	Contract of 03/12/2014

2.3 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

2.3.1 Internal control

The Group views internal control and risk management as a set of policies intended to provide a reasonable degree of assurance that the operating objectives will be achieved, that financial information is reliable and also, that there will be compliance with the laws and regulations in force. These functions are supported by:

- the organisation and functioning of the corporate management bodies as described above;
- a “quality” system implementing controls, with indicators and risk assessments; and
- procedures and an organisational structure for the preparation of accounting and financial information.

Internal Control is under the responsibility of the Vice President, Finance. He supervises the analysis, upgrading and evaluation of the risk control systems in place within the Group.

Reporting to the Chief Executive Officer with direct access to the Board of Directors, he co-ordinates his mission with the operating and functional top management in the scope of all Group business. With his teams, he also co-ordinates deployment of the Ethics Charter and reinforces actions to prevent the risk of fraud.

2.3.1.1 *The "quality" system*

The Group implements its quality initiatives pursuant to the legislation governing medical devices, notably to meet the challenges of regular reinforcement of the regulations applicable to manufacturing and the sale of its products, whether in Europe, Brazil, Australia or the United States.

The Group, through all its subsidiaries, is committed to a continuous improvement process which seeks to foster individual responsibility to:

- safeguard the health and safety of men and women contributing to its business;
- guarantee the safety of its establishments and reduce their impact on the environment, to protect the natural world;
- comply, wherever it conducts its business, with the applicable quality, safety and environmental laws;
- maintain relationships based on transparency and dialogue with all stakeholders.

All divisional Directors (Vice-Chairman) or Directors of subsidiaries are responsible for the establishment and follow-up of the quality, safety and environment programmes within their respective remits and for ensuring the information and active contribution of all staff.

The Company's quality system guarantees:

- formalising of activities in a documentary system defining the methods and responsibilities;
- regular staff training;
- upstream and downstream traceability of all product batches;
- the conducting of internal audits; and
- implementation of corrective actions to remedy non-conformities detected and to meet needs for improvements to activities. The quality system is regularly inspected by ANSM (*Agence Nationale de la Sécurité du Médicament et des Produits de Santé*) and by its foreign equivalents in countries where the Company's products are marketed.

2.3.1.2 *Internal control procedures regarding preparation and processing of financial and accounting information*

Internal control procedures regarding preparation and processing of financial and accounting information seek to ensure that within the Group, all financial and accounting information complies with the laws and regulations. Internal control also aims to ensure implementation of the instructions and priorities decided by top management.

The activities of the Group's top management, finance management and management control executive bodies are centralised at Amplitude Surgical. Some Group subsidiaries have administrative and finance departments or outsource their accounts management.

Solely the Company has capacity to enter into undertakings on deposits and guarantees or market instruments; these are reviewed periodically by the Audit Committee and regular reports are made to the Board of Directors.

The Group top finance management has established an accounting plan and procedures applicable for all French entities of the Group and uses standard local accounting plans in countries in which the Group is located.

The procedures cover budget control and information feedback.

The Group's consolidated accounts are prepared by teams at the parent company.

2.3.1.3 Risk Management

Risks to which the Company is exposed are identified, assessed and ranked.

Each process, project and business area regularly analyses its risks to allow putting in place prevention and risk exposure level reduction measures.

The actions put in place are followed up in the continuous improvement plans.

The Group's safety and environmental policy is founded on two main priorities:

- preserving health and safety at Group subsidiaries; and
- controlling the impacts of our activities on the environment.

CHAPTER 3
CORPORATE GOVERNANCE

This report was prepared by the Board of Directors in collaboration with the Senior Management.

3.1 ADMINISTRATIVE AND MANAGEMENT BODIES

3.1.1 The Company's administrative, supervisory bodies and senior management

3.1.1.1 Members of administrative, supervisory bodies and of senior management

As of the date of this Universal Registration Document, the Company is a French public limited company with a Board of Directors governed by the laws and regulations in force and by its articles of association.

This governance structure is intended to simplify the decision-making process and strengthen the accountability of the Board of Directors.

Until 10 November 2020, Mr Olivier Jallabert was Chairman of the Board of Directors and Chief Executive Officer. As of 10 November 2020, the Board of Directors has chosen to separate the functions of Chairman of the Board and Chief Executive Officer. Mr Stefano Drago will act as Chairman of the Board of Directors and Mr Olivier Jallabert as Chief Executive Officer.

A description of the main provisions of the articles of association and the internal regulations on the Board of Directors, its committees and senior management of the Company, in particular their operating and powers, are given in Section 3.5 ("Founding Deeds and Articles of Association") of this Universal Registration Document.

i. Board of Directors

Directors

To take into account the new shareholding structure of Amplitude Surgical following the acquisition by Auroralux SAS of a majority stake in the Company, the composition of the Board of Directors was modified on 10 November 2020. The Board of Directors is composed as follows:

- Stefano Drago, Chairman of the Board of Directors;
- Olivier Jallabert (Chief Executive Officer);
- Daniel Caille (independent); and
- Charlotte Pennec.

In accordance with the Company's articles of association, the Board of Directors comprises between three and 18 members appointed for a term of four years (or any other maximum number resulting from an amendment of the legal provisions in force), it being specified that directors representing employees are not taken into account when determining the minimum and maximum number of directors. The Board of Directors is composed of 4 directors, including 1 independent director (Mr Daniel Caille), whose information updated to the date of the Universal Registration Document is provided below.

<table>
<tr><td>Mr Stefano DRAGO

(48 years)</td><td>PROFESSIONAL ADDRESS:

232, rue de Rivoli, Paris (75001)</td><td>NUMBER OF SHARES HELD: 1 share</td></tr>
</table>

EXPERIENCE AND EXPERTISE

Chairman of the Board of Directors, Director, member of the Audit Committee, member of the Appointments and Compensation Committee

Mr DRAGO is a founding partner of the Mid-Market Fund team at PAI MMF. Previously, he was Partner responsible for investments in the healthcare sector for the flagship fund. He started his career in the R&D department of France Telecom (now Orange) for three years, then spent four years at McKinsey & Company in their Italian and Singapore offices, before joining PAI in 2005.

TERM OF OFFICE

First appointment: 10 November 2020

Current term: from 10 November 2020 until the Shareholders' Meeting of the Company called to approve the financial statements for the financial year ended 30 Jun 2022

LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE BUSINESS YEARS

<table>
<tr><th>Corporate mandates and duties at the Group</th><th>Corporate mandates and duties outside the Group</th></tr>
<tr><td><u>Current:</u>

In France
– Amplitude Surgical (Chairman/Director)
– Ampliman 1 (Chairman)
– Ampliman 2 (Chairman)
– Auroralux SAS (member of the Supervisory Board)

Abroad
N/A

<u>During the last five financial years:</u>

In France
N/A</td><td><u>Current:</u>

In France
– Ethypharm SAS (Director)
– Financière Verdi III (member of the Supervisory Board)
– Financière Lys (member of the Supervisory Board)
– PAI Community (member)
– PAI Mid Market SAS (Chairman)
– SARI 2 (Manager)

Abroad
– TecBid Sarl (Manager)
– TecFin Sarl (Manager)
– TecInvest Sarl (Manager)
– Shooting Star Holding SARL (Manager)
– Z1 Gruppe GmbH (Director)

<u>During the last five financial years:</u>

In France</td></tr>
</table>

	– Cerba European Lab (CEO/member of the Supervisory Board) – Cerberus Nightingale 2 SA (Director) – Financière Gaillon 0 SAS (member of the Supervisory Board) – Financière Gaillon 13 SAS (member of the Supervisory Board) – CasaVita SAS (CEO/Director) – FinVita SAS (CEO) – HomiVi (Chairman) – MaisonVi (CEO) – ManControl SAS (Chairman) – ManVita SAS (Chairman) – Financière Verdi I (CEO) – Financière Verdi II (CEO) – Financière Verdi III (CEO) – Financière Kilinvest SAS (Director) – Financière Lys (Chairman)
Abroad N/A	*Abroad* N/A

<table>
<tr><td>Mr Olivier JALLABERT
(54 years)</td><td>PROFESSIONAL ADDRESS:
11, Cours Jacques Offenbach, Valence (26000)</td><td>NUMBER OF SHARES HELD:
95,702 shares</td></tr>
<tr><td colspan="3">EXPERIENCE AND EXPERTISE</td></tr>
<tr><td colspan="3">Chief Executive Officer, Director

Olivier Jallabert founded the Amplitude Group in 1997, he formerly worked for major American groups (in particular Biomet as Europe R&D Manager). He has more than 25 years' experience in the orthopaedics industry.</td></tr>
<tr><td colspan="3">TERM OF OFFICE</td></tr>
<tr><td colspan="3">First appointment: 10 June 2015

Current term: from 20 December 2018 until the Shareholders' Meeting of the Company called to approve the financial statements for the financial year ended 30 June 2022</td></tr>
<tr><td colspan="3">LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE BUSINESS YEARS</td></tr>
<tr><td colspan="2">Corporate mandates and duties at the Group
<u>Current:</u>
In France
– Amplitude Surgical (CEO, Director)
– Amplitude SAS (Chairman)
– Novastep SAS (Director)
– SCI Les Tilleuls (Manager)
– Duotech-Amplitude (legal representative of Amplitude SAS, Chairman)
– Amplitude Ile de France (legal representative of Amplitude SAS, Chairman)</td><td>Corporate mandates and duties outside the Group
<u>Current:</u>
In France
– SCI Olisa Lyon
– SCI Olisa Ermitage
– SCI Olisa Carnot</td></tr>
</table>

– Amplitude Sud (legal representative of Amplitude SAS, Chairman) – Amplitude Nord (legal representative of Amplitude SAS, Chairman) – Sofab Orthopédie SAS (legal representative of Amplitude SAS, Chairman)	
Abroad – Amplitude Benelux (Manager) – Amplitude GmbH (Chairman) – Amplitude India Pvt Ltd (Chairman) – Amplitude Australia (Director) – Amplitude Suisse (Chairman) – Novastep Inc. (Director) – Amplitude Orthopaedic Ltd (formerly Joint Research Ltd.) (Director) – Amplitude South Africa PTY LTD (Director)	*Abroad* N/A
During the last five financial years: *In France* – Firm Industrie SARL (Manager) – Poli Tech SAS (legal representative of Amplitude SAS, Chairman) – Poli Alpes SAS (legal representative of Amplitude SAS, Chairman)	During the last five financial years: *In France* N/A
Abroad – Amplitude Ortho SRL (Director)	*Abroad* N/A

<table>
<tr><td>Ms Charlotte PENNEC

(36 years)</td><td>PROFESSIONAL ADDRESS:

232, rue de Rivoli, Paris (75001)</td><td>NUMBER OF SHARES HELD:

1 share</td></tr>
<tr><td colspan="3">EXPERIENCE AND EXPERTISE</td></tr>
<tr><td colspan="3">Director

Ms PENNEC joined PAI in 2019 as a member of the finance team and General Counsel. She has more than eight years' experience in corporate law, specialising in mergers and acquisitions and private equity. Prior to joining PAI, she worked as an associate for law firms such as Paul Hastings for six years, and before that, Latham and Watkins.</td></tr>
<tr><td colspan="3">TERM OF OFFICE</td></tr>
<tr><td colspan="3">First appointment: 10 November 2020

Current term of office: from 10 November 2020 until the Shareholders’ Meeting of the Company called to approve the financial statements for the financial year ending 30 June 2022</td></tr>
<tr><td colspan="3">LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE FINANCIAL YEARS</td></tr>
</table>

<table>
<tr><td>Appointments and duties in the Group
<u>Current:</u>
In France

– Amplitude Surgical (Director)
Abroad

N/A
<u>During the last five financial years:</u>
In France

N/A
Abroad

N/A</td><td>Appointments and duties in the Group
<u>Current:</u>
In France

– SCI Avela (Partner)
Abroad

N/A
<u>During the last five financial years</u>
In France

N/A
Abroad

N/A</td></tr>
</table>

Mr Daniel CAILLE (70 years)	**PROFESSIONAL ADDRESS:** 61, Avenue Victor Hugo, 75116 Paris	**NUMBER OF SHARES HELD: 10 shares**
EXPERIENCE AND EXPERTISE		
Director, member and Chairman of the Audit Committee, member and Chairman of the Appointments and Compensation Committee		
Daniel Caille was in turn the deputy CEO of Vivendi Universal, the CEO of La Poste, the chairman and founder of Générale de Santé and currently, is an independent director, a member of ad hoc committees and a consultant on behalf of French and foreign companies in the environment, health, home care services, service employment checks, home services and care home sectors.		
TERM IN OFFICE		
First appointment: 10 June 2015 Current term of office: from 20 December 2018 until the Shareholders' Meeting of the Company called to approve the financial statements for the financial year ended 30 June 2022		
LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE BUSINESS YEARS		

Corporate mandates and duties at the Group	**Corporate mandates and duties outside the Group**
Current: *In France* – Amplitude Surgical (Director, member of the Audit Committee, Member of the Appointments Committee and member of the Compensation Committee)	Current: *In France* – Canne Trotter (permanent representative of Sinequanon France, member of the Strategic Committee) – Vivalto Vie Holding (permanent representative of Vivalto, member of the Supervisory Board) – Holding Pasteur (Manager) – INVIVA (Chairman) – Association Vivalto (Vice-President) – Clé Immobilière (Manager) – Clinique Générale (Permanent representative of Vivalto Santé Investissement, President) – Clinique Pasteur Lanroze (Director) – Fidès (Permanent representative of Vivalto Vie, manager) – Flex Industrie (Chairman) – GSC Vivalto Santé Enseignement, Recherche, Innovation (Chairman of the Select Committee, member of the Select Committee, Alternate Director) – GIE Robotique médicale Vivalto Santé (Director) – GIE Vivalto Santé Services Partagés (Director, Chairman of the Board of Directors) – Institut Vivalto Santé pour la Recherche Clinique, l'Innovation et la Formation Médicale (Chairman and member of the Board of Directors) – SARL Château Beaumel (Manager) – SCI Château Beaumel (Manager) – SCI Clotibeo (Managing Partner)

                          Abroad – N/A	– SCI du Domaine de Saint Pry (Manager) – SCI Du Petit Essart (Manager) – SCI Juliette Drouet (Managing Partner) – SCI Les Feuillantines (Permanent representative of Vivalto Vie, Manager) – SCI Mabrisa (Manager) – SCI Palm Beach (Manager) – SCI SPV (Manager) – SCI Villa Lerins (Manager) – Société civile immobilière du Fief (Permanent representative of Vivalto Vie, Manager) – Société civile immobilière Laugier (Permanent representative of Vivalto Vie, Manager) – Vivalrec (Chairman) – Vivalto Dom (Chairman) – Vivalto Partenaires (Permanent representative of Vivalto Vie, President) – Vivalto Santé Holding (Chairman and Member of the Strategic Committee) – Vivalto Santé Investissement (Chairman and CEO and Director) – Vivalto Santé SA (Chairman and CEO and Director) – Vivalto SAS (Chairman – Vivalto Vie Management Chairman and member of the Supervisory Board) – Vivalto Vie SAS (permanent representative of Vivalto, member of the Supervisory Board) – Abroad – Vivalto Canada (Chairman, Director) – Vivalto International Entreprise Sarl (Manager) – Vivalto International Partners (Manager) – Canne Trotter (member of the Strategic Committee) – Maisons Vivalto (Chairman, Director) – Sinequanon Health Care SA (Chairman of the Board of Directors and Director) – Sinequanon Invest SARL (Manager) – Sinequanon Partners SA (Chairman of the Board of Directors and Director) – Vivalto Ambiente SGPS SA (Director)

	– Vivalto Home Belgium (Permanent representative of Vivalto Home Partners, Chairman of the Board of Directors and Director) – Vivalto Home Partners (Chairman of the Board of Directors and Director and Deputy Chairman) – Vivalto International SARL (Manager) – Sagesse santé holding (member of the Supervisory Board)
<u>During the last five financial years:</u> *In France* – N/A	<u>During the last five financial years:</u> – In France – Vivalto Vie SAS (Chairman) – 5 Santé (member of the Supervisory Board) – Vivalto Vie Management (Chairman and Member of the Monitoring Committee) – DOMCO 2 SAS (Vice-Chairman of the Supervisory Board, Member of the Supervisory Board) – Vivalto Santé SA (CEO and Director) – Vivalto Santé Investissement (Chairman) – Armor Vision (Chairman) – Centre Hospitalier Privé de l'Europe Permanent representative of Vivalto Santé Group SAS. Director) – Centre Hospitalier Privé Saint-Grégoire (Chairman) – Centre Médico-Chirurgical Privé de Saint-Germain (Permanent representative of Europe Santé Gestion, Director) – CHP Ste Marie (Permanent representative of Vivalto Santé Investissement, Director) – Clinique de l'Europe (Chairman) – Clinique Générale (Chairman, Permanent representative of Vivalto Santé SAS, Chairman; Permanent representative of Foncière Vivalto Santé, Chairman – Clinique Sourdille SAS(Chairman) – Cliniques Privées Associées (Director) – CMC de la Baie de Morlaix (Permanent representative of Vivalto Santé SAS, Director) – Domiserve + SA (D) – Domiserve Holding SAS (Chairman and Member of the Strategic Committee) – Domiserve SA (Director) – Essart Grand Couronne (Chairman) – Europe Santé gestion SA (Director, Managing Director, Chairman of the Board of Directors) – Foncière Vivalto Santé (Chairman and CEO and Manager)

- GIE Cliade (Permanent representative of Clinique Générale SAS, Director)
- GIE Vivalto Santé Management (Chairman of the Board of Directors and Director)
- Hôpital Privé Sévigné (Chairman and permanent representative of Vivalto Santé Investissement, Director)
- Immobilière Clinique de Bretagne (Permanent representative of Vivalto Santé SAS, Manager)
- Immobilière Ouessant SAS (Chairman)
- Kéraudren Grand Large (Director)
- Khéops SARL (Manager)
- La Bretèche SA (Chairman and CEO and Director)
- La Bretèche SARL (Manager)
- La Clé de Sol (Manager)
- La Picaudrie (Manager)
- La Rêverie (Manager)
- La Roseraie (Manager)
- Laurad Management (Manager)
- Les Feuillants (Manager)
- Les Hyades SARL (Manager)
- Les Jardins de Montplaisir (Manager)
- Maisons de Retraite des Tamisiers (Manager)
- New Sourdille SAS (Chairman of the Board of Directors and Director)
- Participations Services Investissements Immobiliers (Chairman)
- Pasteur Participations (Director)
- PMG Holding SAS (Member of the Strategic Committee)
- Résidence Bellevue (Manager)
- Résidence Le Bocage SARL (Manager)
- Rillieux Santé (Chairman and Permanent representative of Vivalto Santé Group SAS, Director)
- SCI Cigogne (Permanent representative of Foncière Vivalto Santé, manager)
- SCI Clorbeau (Permanent representative of Foncière Vivalto Santé, manager)
- SCI de la Baie du Mont Saint-Michel (Permanent representative of Foncière Vivalto Santé, manager)
- SCI du Val d'Or (Permanent representative of Foncière Vivalto Santé, manager)

	– SCI Polyclinique de la Baie (Permanent representative of Foncière Vivalto Santé, manager; Permanent representative La Bretèche, manager) – Services Immobiliers Participations (Chairman) – SIS Holding (Chairman) – UFFI Participations SAS (Chairman) – UFFI Real Estate Asset Management (Permanent representative of UFFI Participations SAS, Director) – Urbania Adyal (Permanent representative of Services Immobiliers Participations, Chairman) – Vivalrec (Chairman of the Monitoring Committee and member of the Monitoring Committee) – Vitalvo Partenaires SAS (Chairman) – Vivalto Santé Groupe SAS (Chairman and Member of the Supervisory Board) – Vivalto Santé Ile de France (Chairman) – Vivalto Santé Investissement (Permanent representative of Vivalto, Chairman) – Vivalto Santé SAS (Chairman and Chairman of the Board of Directors) – Vivalto Sport (Chairman) – Vivra (Chairman) – Zur Ile de France Nord-Ouest (Permanent representative of Laurad Management, Chairman)
Abroad – N/A	*Abroad* – DC Lux SARL (Manager) – DS Care Italia (Director) – DS Care SA (Chairman of the Board of Directors and Director and Deputy Chairman) – Laurad Groupe Holding SARL (Manager) – Laurad Management Participations SARL (Manager) – Sinequanon Capital Partners Belgium (Director and Deputy Chairman) – Vivalto Bel SA (Director and Chairman of the Board of Directors and Deputy Director) – Vivalto Home SA (Director and Chairman of the Board of Directors) – Vivalto Home SA (Luxembourg) (Director and Chairman of the Board of Directors) – Zur Ile-de-France Sud-Est (Permanent representative of Laurad Management, Chairman)

	– Zur Sud-Est (Permanent representative of Laurad Management, Chairman)

Observers

As of the date of this Universal Registration Document, two observers, whose information is provided below, participate in the meetings of the Board of Directors.

Mr Augustin GRANDCOLAS **(38 years)**	**PROFESSIONAL ADDRESS:** 232, rue de Rivoli, Paris (75001)	**NUMBER OF SHARES HELD: 0** shares
EXPERIENCE AND EXPERTISE		
Observer Mr GRANDCOLAS is a Senior Advisor at PAI. He joined the healthcare team in 2011 and has been involved in several investments, including B&B Hotels, DomusVi, ELITechGroup, Ethypharm, FTE, IPH, Global Closure Systems and SGD Pharma. He started his career at Credit Suisse, where he worked for five years in the Investment Banking department in Paris.		
TERM IN OFFICE		
First appointment: 17 December 2020 Current term of office: from 17 December 2020 until the Shareholders' Meeting of the Company called to approve the financial statements for the financial year ended 30 June 2024		
LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE BUSINESS YEARS		

Corporate mandates and duties at the Group	**Corporate mandates and duties outside the Group**
Current: *In France* – Amplitude Surgical (Observer) *Abroad* – N/A During the last five financial years:	Current: *In France* – Ethypharm SAS (Director) – Financière Verdi III SARL (member of the Supervisory Board) – PAI Community (representative member of the founder) – Oryom18A8 (partner with unlimited liability) – JFM Conseil (Chairman) *Abroad* – TecBid SARL (Manager) – TecFin SARL (Manager) – TecInvest SARL (Manager) – Care Participations SARL (Chairman) During the last five financial years: *In France*

In France – N/A	– HomeVi SAS (CEO) – MaisonVi SAS (Chairman) – ManControl SAS (CEO) – ManVita SAS (CEO) - Eliman 2 SAS (Chairman) – Eliman SAS (Chairman) – Financière Verdi I SAS (CEO) – Financière Verdi II (CEO) – Financière Verdi III (CEO) – Care Participations Bidco (Chairman) – Care Participations Midco (Chairman) – Care Participations Topco (Chairman)
Abroad – N/A	*Abroad* – Neptune Topco Sarl (Manager) – CasaVita SAS (CEO/observer) – FinVita SAS (CEO) – PAX (member of the Supervisory Board)

Mr Mateo PANIKER **(44 years)**	**PROFESSIONAL ADDRESS:** 232, rue de Rivoli, Paris (75001)	**NUMBER OF SHARES HELD: 0** shares
EXPERIENCE AND EXPERTISE		
Observer Mr PANIKER joined PAI in 2020 as one of the founding partners of the Mid-Market Fund team. He has extensive experience in the Spanish and international private equity markets, having previously worked at Ventura Equity Partners, where he was a founding partner, and spent almost 12 years at Investindustrial, where he was a senior manager in the Spanish office and a member of the investment committee.		

TERM IN OFFICE	
First appointment: 17 December 2020 Current term of office: from 17 December 2020 until the Shareholders' Meeting of the Company called to approve the financial statements for the financial year ended 30 June 2024	
LIST OF CORPORATE MANDATES AND OTHER DUTIES IN FRENCH AND FOREIGN COMPANIES DURING THE LAST FIVE BUSINESS YEARS	
Corporate mandates and duties at the Group	**Corporate mandates and duties outside the Group**
Current: *In France* – Amplitude Surgical SA (Observer) – Auroralux SAS (Observer) *Abroad* N/A	Current: *In France* N/A *Abroad* – Mavericks Directorship (Manager/Director) – Vicuna Directorship (Manager/Director) – PAI Mid Market SL (Director)
During the last five financial years: *In France* N/A *Abroad* N/A	During the last five financial years: *In France* N/A *Abroad* N/A

Departure, appointment and renewal of directors

At its meeting of 10 November 2020, the Board of Directors noted the resignation of Mr Bertrand Pivin and Apax Partners (represented by Ms Annick Bitoun), following the acquisition by Auroralux SAS, a company controlled by PAI Partners, of 52.3% of the Company's capital. At the same meeting, the Board of Directors appointed Mr Stefano Drago (partner at PAI Partners) and Ms Charlotte Pennec (Legal Counsel at PAI Partners) as replacement directors for the remaining term of office of the resigning directors. Mr Stefano Drago and Ms Charlotte Pennec were appointed at the request of Auroralux SAS.

At the same time, the Board of Directors decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer of the Company, which had previously been held by Mr Olivier Jallabert. The Board of Directors noted the resignation of Mr Olivier Jallabert from his duties as Chairman of the Board of Directors and appointed Mr Stefano Drago in this capacity.

Finally, the Board of Directors confirmed the appointment of Mr Olivier Jallabert as Chief Executive Officer of the Company.

The biographies of Mr Stefano Drago, Mr Olivier Jallabert, Ms Charlotte Pennec and Mr Daniel Caille are presented at the beginning of this chapter.

Succession planning

The Board of Directors, on the proposal of the Appointments and Compensation Committee, is reviewing a succession plan for the Company's executive corporate officers in order to be able to plan succession solutions, particularly in the event of unforeseeable vacancies.

Diversity policy within the Board of Directors

The Board of Directors is committed to ensure diversity among its members.

The policy pursued by the Board of Directors is therefore to recruit a variety of profiles with sufficient experience and expertise to ensure cohesion between directors and to enable the Board of Directors to carry out its duties in a thorough and effective manner in line with the Group's activities.

The Board of Directors' diversity policy is based on the following principles:

- presence of members with skills in the medical but also extra-medical field;
- presence of independent members; and
- presence of female members.

At its meeting on 19 October 2021, the Board of Directors discussed the diversity policy within the Board of Directors and noted that, given the small size of the Board of Directors and the presence of directors appointed at the request of the Company's majority shareholder, its composition in terms of independent and female members did not change during the past financial year.

The Board of Directors nevertheless ensured compliance with the principles laid down in its diversity policy when co-opting new directors at the request of the majority shareholder on 10 November 2020.

Also at its meeting on 19 October 2021, the Board of Directors set the following targets for its diversity policy for the financial year beginning 1 July 2021:

- Ensure compliance with the minimum legal representation of women on the Board of Directors;
- Maintain, and where possible improve given the size of the Board of Directors, the number of independent members on the Board;
- Maintain and, where appropriate, increase the diversity of directors’ skills.

Appointments of new profiles are submitted by the Board of Directors to the Shareholders’ Meeting, after recommendations from the Appointments and Compensation Committee.

The Appointments and Compensation Committee examines the skills and experience of each director and ensures that they are in line with the policy set by the Board of Directors.

Skills of the directors

The Board of Directors considers that, in its current composition, it benefits from the complementary and recognised skills of its members. Directors have the practical and sectorial skills to enable the Board to carry out its work in a thorough and effective manner.

Similarly, in its work on the evolution of its composition, the Board of Directors takes into account the current skills of its members and identifies the skills to be sought among candidates.

As at 30 June 2021, the skills represented on the Board of Directors were as follows:

Directors' Skills Matrix

	INTERNATIONAL EXPERIENCE	MANAGERIAL EXPERIENCE	FINANCE	STRATEGY	HEALTH SECTOR	REGULATORY	SOCIAL AND ENVIRONMENTAL RESPONSIBILITY
Stefano Drago	√	√	√	√	√		√
Olivier Jallabert	√	√	√	√	√	√	
Daniel Caille	√	√	√	√	√	√	√
Charlotte Pennec	√		√	√		√	

Independent directors

In accordance with the principles and best practices of corporate governance set out in its internal regulations, the Board of Directors has set itself the objective of including independent directors and that the Committees of the Board of Directors include independent directors.

As at 30 June 2021, the Board of Directors, the Audit Committee and the Appointments and Compensation Committee had one independent director, Mr Daniel Caille.

Definition and criteria of independence

The definition and criteria of independence are set by reference to the principles of corporate governance laid down by AFEP and MEDEF in their corporate governance code for listed companies as updated in January 2020.

Thus, in analysing the situation of each director, the Board of Directors examines the following criteria:

- not to be an employee or executive corporate officer of the Company, nor an employee, executive corporate officer or director of a company it consolidates or of its parent company or a company that it consolidates, and not to have been so within the preceding five years;
- not to be an executive corporate officer of a company in which the Company directly or indirectly holds a director's mandate or in which an employee designated as such or an executive corporate officer of the Company (current or having been so for less than five years) holds a director's mandate;
- not to be a customer, supplier, investment banker, commercial banker, commercial banker, consultant:
    - material to the company or its group,
    - or for which the company or its group represents a significant part of the business.

    As part of the analysis of this criterion, the Board of Directors reviews, on the one hand, the weight of the customer, supplier, investment banker or investment banker in the Group's turnover or expenditure and, on the other hand, the weight that the Group represents in the activity of the customer, supplier, investment banker or investment banker.
- not to have a close family relationship with a corporate officer;
- not to have been the Company's Statutory Auditor within the previous five years; and

- not to have been a director of the company for more than twelve years. The loss of the status of independent director occurs on the date of the twelfth anniversary.

In addition, a non-executive corporate officer cannot be considered independent if he or she receives variable compensation in cash or securities or any compensation linked to the performance of the company or the Group.

Directors representing significant shareholders of the company or its parent company may be considered independent insofar as these shareholders do not participate in the control of the company. However, above a threshold of 10% in capital or voting rights, the Board of Directors, on the basis of a report from the Appointments Committee, systematically examines the qualification of independent, taking into account the structure of the Company's capital and the existence of a potential conflict of interest.

The Board of Directors may consider that a director, although meeting the independence criteria defined by the guidelines of the AFEP and the MEDEF, should not qualify as independent in view of his or her particular situation or that of the Company, having regard to his or her shareholding or for any other reason. Conversely, the Board of Directors may consider that a director who does not meet the criteria detailed above is nevertheless independent.

Qualification procedure for independent directors

The qualification of independent director is discussed when necessary by the Appointments and Compensation Committee, which draws up a report on this subject for the Board of Directors. The Board of Directors reviews, in light of this report, the situation of each director with regard to the independence criteria.

The Board of Directors must inform shareholders of the findings of its review in the annual report.

The findings of the Board of Directors' report are set out below.

As at 30 June 2021:

- 1 out of 4 directors was considered independent: Mr Daniel Caille;
- 1 out of 3 members of the Audit Committee was considered independent: Mr Daniel Caille;
- 1 out of 3 members of the Appointments and Compensation Committee was considered independent: Mr Daniel Caille.

Gender Balance

As of 30 June 2021, the Board of Directors had one female director out of a total of four directors and was therefore in compliance with the provisions of Article L.225-18-1 of the French Commercial Code.

Nationality of directors

Just one director is currently a foreign national, namely Mr Stefano Drago, who is Italian.

Combination of corporate mandates

Regarding the combination of corporate mandates, the Company intends to comply with the recommendations of the AFEP-MEDEF Code.

The Board of Directors reviews, when appointing a director and when proposing the appointment of a director to the Board of Directors of another listed company, the consequences that this appointment could have on the plurality of corporate offices held in accordance with the recommendations of the AFEP-MEDEF Code.

ii. *Statements relating to corporate officers*

To the knowledge of the Company, there are no family ties between members of the Board of Directors of the Company identified above.

To the knowledge of the Company, during the last five years, none of the Company's corporate officers:

- has been sentenced for fraud, indicted or the subject of an official public penalty pronounced against him by the statutory or regulatory authorities;
- has been implicated in bankruptcy, receivership or liquidation proceedings or placement of companies under judicial administration as a director or corporate representative; nor
- has been deprived by a court of the right to act in the capacity as member of an administration, management or supervisory body, or participating in the management or conduct of an issuer's business.

iii. *Senior management*

Oliver Jallabert is the Chief Executive Officer of the Company.

The decision to separate the positions of Chairman of the Board of Directors and of Chief Executive Officer was taken at the meeting of the Board of Directors of 10 November 2020. The Board decided to confirm the appointment of Olivier Jallabert as Chief Executive Officer given his substantial contribution and the results achieved under his leadership at the head to the Group.

3.1.1.2 *Conflicts of Interests in Administration Bodies and Senior Management*

Some members of the Board of Directors and the Senior Management are shareholders of the Company. On the date of this Universal Registration Document and to the Company's knowledge, subject to the relationships described in this paragraph, there is no existing or potential conflict between duties vis-à-vis the Company of the persons listed in Paragraph 3.1.1.1 of this Universal Registration Document and their private interests or other duties.

Mr Stefano Drago and Ms Charlotte Pennec are respectively partner and legal counsel at PAI Partners, the company controlling Auroralux SAS, which holds a majority stake in the Company. Mr Stefano Drago and Ms Charlotte Pennec were appointed at the request of Auroralux SAS.

3.1.2 Functioning of the management and supervisory bodies of the Company

The functioning of the Company's Board of Directors is determined by the statutory and regulatory provisions, the Company's articles of association and the internal regulations of the Board of Directors of which the main stipulations are given in this Section 3.1.2 of this Universal Registration Document.

The articles of association and the internal regulations of the Board of Directors described in this Universal Registration Document are those of the Company on the date of this Universal Registration Document.

The internal regulations of the Board of Directors described in this Universal Registration Document are those of the Company in force on the date of this Universal Registration Document.

3.1.2.1 Operation of the Management of the Company

The Company is managed by Mr Olivier Jallabert in his capacity as Chief Executive Officer.

3.1.2.2 Operating of the Board of Directors

i. Powers of the Board of Directors

The Board of Directors determines the orientations of the Company's business and monitors their implementation. Subject to powers expressly reserved to the shareholders' meetings and in the limit of the corporate purpose, all issues regarding the satisfactory performance of the Company and its business affairs are resolved by decisions of the Board of Directors. In addition, it conducts all the checks and inspections it deems appropriate.

In connection with its mission but on a non-exhaustive basis, the following matters fall within the purview of the Board of Directors:

- Adoption of annual budget and strategic plan;
- Appointment, dismissal of key executives and establishing the compensation policy;
- Adoption of significant changes in accounting policies;
- Distributions (in particular of dividends or reserves) to shareholders;
- Issue of shares and securities giving entitlement to Company capital or that of a company of which it owns directly or indirectly more than one half of the share capital;
- Allocation of share subscription or purchase options, free shares or other plans for the benefit of employees of the Company or of its subsidiaries;
- Share buyback programmes;
- Acquisition and assignment of business divisions, of equity interests, assets and all investment expenditure, up to a value threshold determined by the Board of Directors;
- Creation of a business division or subsidiary, investment in or acquisition of an equity interest in a country in which the Company does not conduct any business;
- Borrowing or assumption of liabilities up to a value threshold determined by the Board of Directors;
- Merger, spin-off or partial contribution of assets;
- Any transactions causing a significant change in the scope of the business of the Company and of its subsidiaries; and
- Any settlement or compromise, up to a value threshold determined by the Board of Directors, in relation to any dispute.

ii. Operating procedures of the Board of Directors

Board Meetings are convened by the Chairman or any of its members by any means, including orally. The party calling the meeting shall indicate the agenda.

The Board shall meet as frequently as required by the best interest of the Company. Members of the Board of Directors may participate in Board of Directors meetings by videoconference or using any other means of telecommunications guaranteeing their identification and actual participation under the conditions provided by the applicable laws and regulations.

A proposed schedule of Board of Directors' meetings is prepared several months in advance to facilitate Directors' attendance at the meetings.

Attendance at Board of Directors meetings is recorded in an attendance register and its business in minutes in accordance with the legal and regulatory conditions.

iii. Works of the Board of Directors during the financial year ended 30 June 2020

During the financial year ended 30 June 2021, the Board of Directors met 10 times.

The Board of Directors resolved, inter alia, on the following matters:

- Review and approval of the interim consolidated financial statements at 31 December 2020;
- Review and approval of the Company and consolidated financial statements for the financial year ended 30 June 2020;
- Review and approval of the provisional management documents and in particular of the business plan;
- Review and approval of the proposal for allocating the result for the financial year ended 30 June 2020;
- Review and approval of the management report for the financial year ended 30 June 2020;
- Review and approval of the Board of Directors' report on corporate governance;
- Review and approval of the list of related-party agreements;
- Review of the work of the Board of Directors' Committees;
- Review and approval of the compensation of the Chief Executive Officer;
- Amount of compensation allocated to directors;
- Preparation and convening of the mixed shareholders' meeting of 17 December 2020;
- Financial disclosure; and
- Self-assessment works by the Board of Directors.

Lastly, the Board of Directors was informed of changes in the main structural projects conducted by subsidiaries of the Amplitude Group.

The directors' fees for Board of Director's meetings and of specialised committees during the financial year ended 30 June 2021, for the period from 1 July 2020 to 10 November 2020, was as follows:

Directors	**Board of Directors**		**Audit Committee**		**Compensation Committee**		**Appointments Committee**	
	Number of meetings	**Percentage attendance**	**Number of meetings**	**Percentage attendance**	**Number of meetings**	**Percentage attendance**	**Number of meetings**	**Percentage attendance**
Olivier Jallabert	4	100%	-	-	-	-	-	-
Apax Partners, represented by Annick Bitoun	4	100%	1	100%	1	100%	1	100%
Bertrand Pivin	4	100%	1	100%	1	100%	1	100%
Daniel Caille	3	75%	0	0%	1	100%	1	100%
Average Rate		94%		67%	-	100%	-	100%

From 11 November 2020 to 30 June 2021, the attendance rate at meetings of the Board of Directors and the specialised committees was as follows:

Directors	**Board of Directors**		**Audit Committee**		**Appointments and Compensation Committee**	
	Number of meetings	**Attendance rate**	**Number of meetings**	**Attendance rate**	**Number of meetings**	**Attendance rate**
Olivier Jallabert	6	100%	-	-	-	-
Stefano Drago	6	100%	1	100%	-	-
Charlotte Pennec	6	100%	1	100%	-	-
Daniel Caille	3	50%	1	100%	-	-
Average rate	88%		100%		-	

iv. Assessment of organisation and operation of the Board of Directors

The Board of Directors of the Company carries out on a regular basis and at least once per year, a self-assessment of its performance.

The assessment shows that the operation of the Board of Directors and of its committees seems appropriate, that their duties are adequately determined and that the directors can easily have access to the management team.

v. Information on service agreements binding corporate officers to the Company or one of its Subsidiaries

To the knowledge of the Company, there are no service agreements binding corporate officers to the Company or one of its subsidiaries and providing for the granting of benefits**.**

3.1.2.3 Board of directors' committees

Pursuant to Article 15 of the Company's articles of association and Article 8 of the Board of Directors' internal regulations, the Company's Board of Directors may decide to establish Committees tasked to examine questions which the Board or its Chairman submits to them.

The Committees have been tasked to notify the Board of Directors of their opinions, proposals or recommendations. They have exclusively consultative powers and exercise their duties under the responsibility of the Board of Directors.

Since the meeting of the Board of Directors on 23 March 2021, the Compensation Committee and the Appointments Committee have been combined into one committee, the Appointments and Compensation Committee.

As of the date of this Universal Registration Document, the Board of Directors has established an Audit Committee and an Appointments and Compensation Committee.

i. Audit Committee

Members (Article 2 of the internal regulations of the Audit Committee)

The Audit Committee comprises at least three members, one of which is appointed from among the independent members of the Board of Directors pursuant to applicable regulations.

The Audit Committee will seek to include a number of independent directors in accordance with the recommendations in the AFEP-MEDEF Code. The membership of the Audit Committee may be amended by the Board of Directors acting at the request of its Chairman, and in any event its amendment is mandatory in the event of a change in the general membership of the Board of Directors (Article 2 of the internal regulations of the Audit Committee).

Notably, pursuant to the applicable legal provisions, members of the Audit Committee must possess specific skills in finance and/or accounting.

All members of the Audit Committee, when appointed, will be provided with details on specific aspects of the Company's special accounting, financial and operational methods.

The term of office of members of the Audit Committee coincides with that of their term of office as member of the Board of Directors. This term may be renewed at the same time as the latter.

The Chairman of the Audit Committee is appointed, after a specific review by the Board of Directors, upon proposal of the Appointments Committee from among the independent members. The Audit Committee shall not include any executive directors.

The secretariat services for the Committee's work will be provided by any person appointed by the Chairman of the Committee or with the latter's agreement.

As at 30 June 2021, the Audit Committee was composed of Mr Daniel Caille, Mr Stefano Drago and Ms Charlotte Pennec. The Chairman of the Audit Committee is Mr Daniel Caille.

Responsibilities (Article 1 of the internal regulations of the Audit Committee)

The mission of the Audit Committee is to follow up questions on preparation and auditing of accounting and financial information and to ensure effectiveness of the system for monitoring risks and operational internal controls, in order to facilitate the fulfilment by the Board of Directors of its associated missions of control and verification.

In this framework, the Audit Committee shall notably carry out the following main missions:

- monitoring the processes for preparing financial information;
- monitoring the effectiveness of internal control, audit systems and for risk management having regard to the financial and accounting information;
- monitoring the independent auditing of the corporate and consolidated financial statements by the Company's Statutory Auditors; and
- monitoring the independence of the Statutory Auditors.

Operation (Article 3 of the internal regulations of the Audit Committee)

The Audit Committee may validly resolve, either during a meeting or by telephone or videoconference, under the same conditions as the Board, when convened by the Chairman or the secretary of the Committee provided at least one half of members participate in the work of the Committee.

Notices of meetings shall include an agenda and may be sent orally or by any other means.

The Audit Committee shall adopt decisions by majority vote of members attending the meeting, each member holding one vote. In the event of a tied vote, the Chairman shall have a casting vote.

The Audit Committee shall meet whenever necessary and in any event, at least twice a year when preparing the annual and half yearly financial statements and, if possibly, quarterly.

Meetings will be held before Board of Directors meeting and, insofar as possible, at least two days prior to said meeting when the agenda for the Audit Committee includes examining the half yearly and annual financial statements prior to their examination by the Board of Directors.

During the financial year ended 30 June 2021 the Audit Committee met on two occasions, with an attendance rate of 84%.

ii. Appointments and Compensation Committee

Members (Article 2 of the internal regulations of the Appointments and Compensation Committee)

The Appointments and Compensation Committee comprises at least three members, of which one is an independent member of the Board of Directors. They are appointed by the latter from among its members considering notably their independence and competence in the matter of selection or compensation of executive directors of listed companies. The Compensation Committee will seek to include a number of independent directors in accordance with the recommendations made by the AFEP-MEDEF Code. The Compensation Committee shall not include any executive directors (Article 2 of the internal regulations of the Compensation Committee).

The membership of the Compensation Committee may be amended by the Board of Directors at the request of its Chairman, and in any event, it will be modified in the event of any change in the general membership of the Board of Directors.

The term of office of members of the Compensation Committee coincides with that of their term of office as member of the Board of Directors. This term may be renewed at the same time as the latter.

The Chairman of the Compensation Committee is appointed from among the independent members of the Board of Directors.

The secretariat services for the Compensation Committee's work will be provided by any person appointed by the Chairman of the Committee or with the latter's agreement.

As at 30 June 2021, the Compensation Committee was composed of Mr Daniel Caille, Mr Stefano Drago and Ms Charlotte Pennec. The Chairman of the Compensation Committee is Mr Daniel Caille.

Responsibilities (Article 1 of the internal regulations of the Appointments and Compensation Committee)

a) Missions relating to compensation

With regard to compensation, the main mission of the Committee is to assist the Board of Directors in determining and regularly assessing all compensation and benefits for executive directors or senior managers of the Group, including all deferred benefits and/or all severance indemnities for voluntary or forced departure from the Group.

In this framework, the Compensation Committee shall notably carry out the following main missions:

- Examination and proposal to the Board of Directors on all aspects and conditions for compensation of the Group's key executives

The Committee draws up proposals that include fixed and variable compensation, but also, where applicable, stock options, performance shares, pension and welfare plans, severance pay, benefits in kind or special benefits and any other direct or indirect compensation (including long-term) that may constitute the compensation of members of the Senior Management.

The Committee is informed of the same elements of the compensation of the Group's main executives and the policies implemented within the Group in this respect.

In preparing its proposals and work, the Committee takes into account the market practices in terms of corporate governance to which the Company adheres, and in particular the following principles:

(i) The amount of the total compensation of the members of the Senior Management submitted to the Board of Directors for approval takes into account the general interest of the company, market practices and the performance of the members of the Senior Management.

(ii) Each of the elements of the compensation of the members of the Senior Management is clearly motivated and corresponds to the general interest of the company. The appropriateness of the proposed compensation must be assessed in the context of the Company's business and by reference to French and international market practices.

(iii) The compensation of the members of the Senior Management should be determined fairly and consistently with that of the other senior managers of the Group, taking into account in particular their respective responsibilities, skills and personal contribution to the performance and development of the Group.

(iv) The Committee proposes criteria for defining the variable part of the compensation of the members of the Senior Management, which must be consistent with the annual evaluation of the performance of the members of the Senior Management and with the Group's strategy. The performance criteria used to determine the variable part of the compensation of the members of the Senior Management, whether it is compensation by bonus or allocation of stock options or performance shares, must be simple to establish and explain, must satisfactorily reflect the Group's performance and economic development objectives at least in the medium term, must allow for transparency with regard to shareholders in the annual report and at general meetings and must correspond to the company's objectives as well as to the company's normal practices with regard to the compensation of its executives.

(v) The Committee monitors the evolution of the fixed and variable parts of the compensation of the members of the Senior Management over several years with regard to the performance of the Group.

(vi) Where applicable, especially with regard to the granting of stock options or performance shares, the Committee shall ensure that they are motivated by the objective of strengthening the convergence over time of the interests of the beneficiaries and the Company. All members of the Senior Management shall undertake not to hedge their risk in respect of such options or performance shares.

(vii) The same methodology applies to the assessment of the compensation and benefits of the Company's key non-executive Group officers and, more generally, to the policies implemented in this respect.

(viii) In all the above matters, the Committee may, on its own initiative or at the request of the Board of Directors or the Senior Management, make any proposal or recommendation.

- Examination and proposal to the Board of Directors on the method of distributing the compensation paid to members of the Board of Directors

The Committee shall propose to the Board of Directors a breakdown of the compensation of the directors and the individual amounts to be paid to the members of the Board of Directors in this respect, taking into account, in particular, their effective participation in the Board and in the Committees of which it is composed, the responsibilities they incur and the time they must devote to their duties.

The Committee also makes a proposal on the compensation of the Chairman of the Board of Directors of the Company.

- Extraordinary missions

The Committee is consulted for recommendation to the Board of Directors on all extraordinary compensation for special missions entrusted, if applicable, by the Board of Directors to some of its members.

b) <u>Missions relating to appointments</u>

With regard to appointments, the main mission of the Committee is to assist the Board of Directors in determining the composition of management bodies of the Company and the Group.

In this framework, the Committee shall notably carry out the following main missions:

- Proposals on appointing members of the Board of Directors, Senior Management and the Advisory Committees

The Committee's missions include making proposals to the Board of Directors for the appointment of members of the Board of Directors (by the General Meeting or by co-option) and members of the Senior Management, as well as members of the Audit Committee, including the Chairman.

To this end, it makes reasoned proposals to the Board of Directors. These are guided by the interests of the shareholders and the Company. In general, the Committee must strive to reflect a diversity of experience and viewpoints, while ensuring a high level of competence, internal and external credibility and stability of the Company's corporate bodies. In addition, it establishes and maintains a succession plan for the members of the Board of Directors as well as for the Company's and the Group's main executives in order to be in a position to rapidly propose succession solutions to the Board of Directors, particularly in the event of unforeseen vacancies.

With regard specifically to the appointment of the members of the Board of Directors, the Committee takes into account in particular the following criteria: (i) the desirable balance of 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 regulations in force, (iv) the appropriateness of renewing mandates and (v) the integrity, competence, experience and independence of each candidate. The Committee must also organise a procedure to select future independent members and carry out its own research on potential candidates before approaching them.

In making its recommendations, the Committee must seek to ensure that the independent members of the Board of Directors and the Board Committees, including the Audit Committee, comprise at least the number of independent members required by the governance principles to which the Company refers.

The Committee draws up a succession plan for executive directors. The Chairman may be a member of the Committee or be associated with its work in carrying out this task.

- Annual evaluation of independence of members of the Board of Directors

Each year, before the publication of the Company's annual report, the Appointments and Compensation Committee examines the situation of each member of the Board of Directors with regard to the independence criteria adopted by the Company, and submits its opinions to the Board with a view to the latter's examination of the situation of each person concerned with regard to these criteria.

Operation (Article 3 of the internal regulations of the Appointments and Compensation Committee)

The Appointments and Compensation Committee may validly resolve, either during a meeting or by telephone or videoconference, under the same conditions as the Board, when convened by the Chairman or the secretary of the Committee provided at least one half of members participate in the work of the Committee. Notices of meetings shall include an agenda and may be sent orally or by any other means.

The Appointments and Compensation Committee adopts decisions by a majority of members attending the meeting, each member being entitled to one vote.

The Appointments and Compensation Committee shall meet whenever necessary and in any event, at least once a year, prior to the Board of Directors meeting pronouncing on the situation of members of the Board of Directors having regard to the independence criteria adopted by the Company and, in any event, prior to any meeting of the Board of Directors deciding on the compensation of members of the Senior Management or the Board of Directors.

the Appointments and Compensation Committee did not meet between its constitution on 10 November 2020 and 30 June 2021.

However, before they were combined by decision of the Board of Directors on 10 November 2020, the Compensation Committee and the Appointments Committee each met once, with an attendance rate of 100%.

3.1.2.4 Gender balance in higher positions of responsibility

40% of the Group’s most senior positions are held by women.

At its meeting on 19 October 2021, the Board of Directors deliberated on the Company's policy on gender balance in positions of greater responsibility and set the following targets for gender balance in management bodies for the current financial year:

- Maintain and, where possible, increase the proportion of women in governing bodies;
- Continue the efforts made throughout the recruitment process (choice of candidates), as well as in terms of training, compensation and promotion, in order to ensure a balanced representation of men and women in the management bodies.

3.2 COMPENSATION OF CORPORATE OFFICERS

The purpose of this section is to present the compensation policy as determined by the Board of Directors, on the advice of the Appointments and Compensation Committee, in accordance with the provisions of Article L.22-10-8 of the French Commercial Code and the information relating to the compensation of corporate officers for the past financial year in accordance with the provisions of Article L.22-10-9 of the French Commercial Code.

Under the terms of Article L.22-10-8 of the French Commercial Code, the compensation policy for corporate officers must be submitted to a vote of the shareholders.

3.2.1 Compensation policy applicable to non-executive corporate officers (directors)

The Shareholders’ Meeting of Amplitude Surgical may allocate compensation to directors.

On 10 June 2015, the Shareholders’ Meeting of Amplitude Surgical shareholders allocated a total amount of €200,000 in respect of this compensation, formerly known as “directors’ fees”, which has not been amended since that date.

The Board of Directors distributes said compensation package among directors at its discretion, may allocate exceptional compensation for missions or corporate mandates entrusted to directors, and may authorise the reimbursement of travel costs and expenses incurred by Board members in the interest of the Group.

Rules for the allocation and amounts of compensation to be paid in respect of the financial years ended 30 June 2020 and 30 June 2021

At its meeting of 16 October 2015, the Board of Directors decided that from the financial year ended 30 June 2016, independent directors would receive compensation (formerly “directors’ fees”) of a maximum amount of €15,000 per independent director per year, calculated according to effective attendance of independent directors at Board of Directors meetings.

On this basis, the compensation received by non-executive corporate officers for the financial years ended 30 June 2020 and 30 June 2021 was as follows:

Compensation received by non-executive corporate officers (in €)		
Non-executive corporate officers	Amounts paid for the financial year ended 30 June 2020	Amounts paid for the financial year ended 30 June 2021
Apax Partner (represented by Annick Bitoun)		
Compensation paid under the mandate of director	-	-
Other remuneration	-	-
Bertrand Pivin		
Compensation paid under the mandate of director	-	-
Other remuneration	-	-
Daniel Caille (independent)		
Compensation paid under the mandate of director	-	-*
Other remuneration	-	-
Charlotte Pennec		
Compensation paid under the mandate of director	-	-
Other remuneration	-	-

** No compensation paid to Mr Daniel Caille in respect of his shareholdings.*

Rules for the allocation and amounts of compensation to be paid for the financial year ending 30 June 2022

The Board of Directors has decided to renew the rules for the allocation of compensation as defined above for the financial year ending 30 June 2022.

3.2.2 Compensation policy applicable to executive corporate officers, subject to shareholder approval (Article L.22-10-8 of the French Commercial Code)

Under Article L.22-10-8 of the French Commercial Code, the policy governing compensation paid to the corporate officers of the Company must be subject to the vote of the shareholders.

3.2.2.1 General principles

In accordance with the governance structure, the only two executive corporate officers of the Company are, as of the date of this Universal Registration Document, the Chief Executive Officer (executive corporate officer) and the Chairman of the Board of Directors.

The compensation of the Chief Executive Officer and the Chairman of the Board of Directors is determined by the Board of Directors after consulting the Appointments and Compensation Committee. The Appointments and Compensation Committee ensures that all applicable principles are properly applied.

The Company's compensation policy consists of applying fixed annual compensation. Executive corporate officers may also receive variable compensation. Executive corporate officers may receive exceptional compensation or benefits in kind. Finally, executive corporate officers may receive medium- or long-term compensation (notably in connection with the allocation of free shares).

3.2.2.2 Compensation policy for the Chief Executive Officer

The Compensation of the Chief Executive Officer is determined by the Board of Directors after hearing the opinion of the Appointments and Compensation Committee. The compensation includes a fixed element and a variable element.

It is reviewed periodically with other compensation and the performance of the Group's executives.

- **Fixed compensation**

The Chief Executive Officer receives fixed annual compensation.

This fixed annual compensation is determined by the Board of Directors at the beginning of the corporate mandate. Its amount is determined based on criteria specific to the relevant person (experience, length of service, duties) and on business sector-based criteria.

This fixed annual compensation is then regularly reviewed according to the Company's compensation policy. The regular evolution of the fixed compensation is moderate; it is evaluated in the context of the evolution of the business and scope of the Group, market evolutions and similar companies in the same business sector, and is determined consistently with the duties attached to the position of Chief Executive Officer.

- **Short-term variable compensation**

The Chief Executive Officer also receives annual variable compensation.

This variable compensation is intended to correlate compensation of the Chief Executive Officer with the results of the Group's business.

This variable compensation is calculated according to whether or not Group and personal targets are met. The targets are both qualitative and quantitative. The individual targets are quantitative targets determined according to the person concerned, the duties exercised in the Group and the missions entrusted to the employee. The Group-related targets are quantitative targets based on Group results and aggregates used in the framework of analysing its financial situation.

Variable compensation is based for 70% on quantitative criteria (achievement of turnover, EBITDA and Operational Cash Flow in relation to the budget) and for 30% on qualitative criteria.

- **Long-term variable compensation**

In order to involve the management in the Group's development and performance and to align their interests with those of the shareholders, the Board of Directors may grant performance shares free of charge.

The Chief Executive Officer is eligible for free performance share plans.

The shares granted to the Chief Executive Officer are fully subject to performance conditions assessed over periods of at least two years. The performance criteria are the achievement of a 3-year business plan in terms of sales and the achievement of a 3-year business plan in terms of EBITDA.

The shares allocated to the Chief Executive Officer are also allocated on a presence basis.

The regulations for the free performance share allocation plans provide for the loss of any unvested shares in the event of a departure from the Group (excluding in the event of death or disability).

The Chief Executive Officer is subject to a minimum retention requirement of 25% of the shares acquired under these plans until the termination of his duties.

In accordance with the AFEP-MEDEF Code, beneficiaries must formally undertake not to use hedging mechanisms in respect to the stock options and performance shares received from the Company.

The criteria are detailed in section 3.7.4 ("Free shares allocation") of this Universal Registration Document.

- **Other compensation items**

Exceptional compensation and allowances on taking up duty

The Chief Executive Officer may receive bonuses, the allocation and amount of which depend on the constraints related to the performance of his duties or the performance of exceptional missions or work.

The Board of Directors considers that, in the interest of the Group and its stakeholders, it should not be ruled out in principle that exceptional compensation may be granted to executive corporate officers in very specific circumstances, as provided for in the AFEP-MEDEF Code (Article 25.3.4), in particular in the event of transactions that are material to the Group because of their scale or nature, or changes in the Group's organisation or activities, the involvement required or the difficulties they present, or transactions that do not fall within the scope of the usual duties of executive corporate officers. The allocation of such compensation must be justified and the reasons for its implementation explained.

Similarly, while the Board of Directors intends to focus on the internal development of talent in succession plans, it also considers that the payment of an allowance for taking up duties for an executive corporate officer should be considered, if the Group's interest so warrants, to attract a new talented executive (Article 25.4 of the AFEP-MEDEF Code).

In any event, these compensation items would meet the requirements of the AFEP-MEDEF Code and would in particular comply with the principles of reasonableness and fair balance between the various interests involved. These compensation items must be appropriately disclosed and precisely justified.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of exceptional compensation items (exceptional compensation or duties take-up pay as described above) could only be made after approval of the compensation items of the relevant person by a Shareholders' Meeting.

Multi-year compensation

The Board of Directors has not provided for any multi-year compensation for the benefit of executive corporate officers.

Severance benefits

The Chief Executive Officer receives a severance payment in the event of departure, under the following conditions:

- In the event of termination of his corporate office, the Chief Executive Officer will receive a gross termination indemnity corresponding to 24 months of monthly reference compensation.

- The monthly reference compensation is defined as the gross annual fixed compensation plus the average gross amount of the last two variable bonuses received, excluding any exceptional bonuses, divided by 12 months.

- The termination indemnity is only applicable in the event of a forced departure linked to a change of control or strategy. The termination indemnity is not applicable in the event of dismissal for serious or gross misconduct, or in the event of departure or retirement.

The severance payments of the Chief Executive Officer are subject to the following performance criteria:

- the payment of half of the indemnity would depend on the Group's revenue. This payment would be 100% if the level of revenue, calculated on the basis of the Group's audited consolidated financial statements for the last two financial years preceding the date of termination of the corporate office (reference financial years), reaches at least 100% of the budgeted values on average for these two financial years. If, during one or both of the two financial years, the Group's economic and financial situation and/or the economic and financial conditions of the market deteriorate, this average level to be achieved could be reviewed by the Board of Directors, upon proposal from the Compensation Committee, and submitted for approval to the Annual Shareholders' Meeting in order to ensure that the target is consistent with its implementation difficulties;

- the payment of half of the indemnity would depend on the Group's EBITDA level. This payment would be of 100% if the level of EBITDA, calculated on the basis of the Group's audited consolidated financial statements for the financial year preceding the date of termination of the corporate office (reference financial year), reaches a minimum of 70% of the EBITDA target, as set out in the approved budget for the reference financial year. If the EBITDA target could not be achieved due to circumstances external to the company (i.e. circumstances that are not directly or indirectly the consequence of management decisions), this performance condition will not be applicable.

The Chief Executive Officer is not subject to any non-compete clause.

Pension plan

The Chief Executive Officer benefits from a supplementary defined-contribution pension plan for a maximum amount equal to eight times the social security ceiling.

Compensation paid to directors

The Chief Executive Officer may receive compensation for any director's mandate within a Company of the Group, to the exclusion of the Company.

Benefits in kind

The Chief Executive Officer may also be awarded benefits in kind resulting from duties exercised in the Group, such as in relation to pension benefits or a company car.

Incentive contract

The Chief Executive Officer may also benefit from the interest rate contract resulting from the functions exercised within the Group, and set up within the Company.

3.2.2.3 Compensation policy for the Chairman of the Board of Directors

The compensation of the Chairman of the Board of Directors is set by the Board of Directors after consultation with the Appointments and Compensation Committee. This compensation includes a fixed part and a variable part, if applicable.

It is reviewed periodically with the compensation and performance of the Group's senior managers.

It should be noted, however, that upon his appointment on 10 November 2020, Stefano Drago informed the Board of Directors of his wish to waive his right to receive any compensation for his duties as Chairman of the Board of Directors, a request which the Board of Directors granted.

3.2.2.4 Resolutions submitted to the ordinary and extraordinary Shareholders' Meeting of the Company on 16 December 2021

SIXTH RESOLUTION

(*Approval of the compensation policy for the Chairman of the Board of Directors)*

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings,

Having reviewed the report on corporate governance prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in Chapter 3 of the Company's Universal Registration Document for the financial year ended 30 June 2021, and more particularly Section 3.2.2 'Compensation policy applicable to executive corporate officers for the financial year ending 30 June 2022, subject to shareholder approval (Article L.22-10-8 of the French Commercial Code)',

Approved, pursuant to Article L.22-10-8 II of the French Commercial Code, the compensation policy, including the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind as presented in the Universal Registration Document and attributable to the Chairman of the Board of Directors by virtue of his corporate mandate.

SEVENTH RESOLUTION

(Approval of the remuneration policy for the Chief Executive Officer)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings,

Having reviewed the report on corporate governance prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in [Chapter 3] of the Company's Universal Registration Document for the financial year ended 30 June 2021, and more particularly [Section 3.2.2 'Compensation policy applicable to executive corporate officers for the financial year ending 30 June 2022, subject to shareholder approval (Article L.22-10-8 of the French Commercial Code)',)

Approved, pursuant to Article L.22-10-8 II of the French Commercial Code, the compensation policy, including the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind as presented in the Universal Registration Document and attributable to the Chief Executive Officer by virtue of his corporate mandate.

3.2.3 Compensation and benefits of any form awarded to corporate executive directors for the financial years ended 30 June 2021 and 30 June 2020

The compensation items of Olivier Jallabert as the Company's Chairman and Chief Executive Officer until 10 November 2020, then as the Company's Chief Executive Officer from this same date, were fixed by the Board of Directors on 10 June 2015, then amended by the Board of Directors' meetings of 14 December 2016, of 17 October 2017, of 16 October 2018, of 22 October 2019 then of 20 October 2020.

The compensation elements of Stefano Drago as Chairman of the Board of Directors of the Company were fixed by the Board of Directors on 10 November 2020.

No compensation in any form has been granted by any Group companies to another corporate executive, director or other member of the Company's administration bodies for the financial years ended 30 June 2021 and 30 June 2020.

Nevertheless, it should be noted that all employees and managers of Amplitude Surgical are beneficiaries of the defined-contribution additional pension scheme.

The compensation elements of Olivier Jallabert in his capacity as Chief Executive Officer and of Stefano Drago in his capacity as Chairman of the Board of Directors for the financial years ended 30 June 2020 and 30 June 2021 were as follows.

Fixed Compensation

Olivier Jallabert's fixed gross annual compensation amounted to €330,000 from 1 July 2020 to 31 December 2020, and €345,000 since 1 January 2021.

At the Board meeting of 10 November 2020, Stefano Drago waived his right to receive any remuneration in respect of his duties as Chairman of the Board of Directors, a request which was granted by the Board.

Variable annual compensation

Olivier Jallabert's variable gross compensation amounts to a maximum of €170,000 gross if 100% of targets are achieved and to €200,000 gross if the quantitative targets are exceeded. It is subject to performance criteria (including quantitative criteria based on the Group's revenue and EBITDA as well as qualitative criteria), within the terms described below.

Quantitative targets: the quantitative targets govern payment of 88% of the variable compensation and are calculated as follows:

Criterion	100% of targets achieved	Attribution rule
Amount of bonus based on sales	€50,000	- If the turnover is less than 90% of the 2020-2021 target: 0 euros - Capping of the bonus at 120% if more than 120% of the annual sales target is achieved - Between 90% and 120% target achievement: % achievement applied to target bonus amount
Amount of bonus based on EBITDA	€50,000	- If EBITDA is less than 90% of the 2020-2021 target: 0 euros - Capping of the bonus at 120% if more than 120% of the annual EBITDA target is achieved

		- Between 90% and 120% target achievement: % achievement applied to target bonus amount
Amount of bonus based on Operational Cash Flow (OCF)	€50,000	- If the OCF is less than 90% of the 2020-2021 target: 0 euros - Capping of the bonus at 120% if more than 120% of the annual OCF target is achieved - Between 90% and 120% target achievement: % achievement applied to target bonus amount

Qualitative objectives: development and marketing of new products, the registration of new products in key territories, expansion of the Group's geographical locations and development of the extremities business. The qualitative objectives are a condition for the acquisition of 12% of the variable compensation amount, i.e. €20,000. If 100% of the qualitative objectives are achieved, the entire 12% of the variable compensation will be acquired.

For the financial year ended 30 June 2021, the objectives achieved led the Board of Directors to set Olivier Jallabert's variable remuneration at €65,000, of which €45,000 was for quantitative objectives and €20,000 for qualitative objectives.

This may only be paid after approval by the General Meeting of 16 December 2021 of the variable and exceptional compensation awarded to Olivier Jallabert for the financial year ending 30 June 2021.

Stefano Drago has no variable compensation.

Other compensation items

Olivier Jallabert also benefits from the following compensation elements:

- a benefit in kind by the making available of a company car and representing €16,032 in respect of the financial year ended 30 June 2021;

- the benefit of a profit-sharing agreement set up within the Company on 22 July 2016, eligible for payment onto the Company Savings Plan. In respect of the financial year ended 30 June 2021, profit-sharing of €20,568 is due and will be paid in November 2021; and

- a defined-contribution additional pension scheme for the benefit of the Company's Chief Executive Officer of a maximum amount equal to eight times the social security cap (i.e. approximately €27,424 per annum calculated based on the 2020/2021 Social Security ceiling) and for which the contributions for the year ended 30 June 2021 amounted to €12,671.

- extraordinary compensation of €200,000 granted by decision of the Board of Directors in respect of the results of the first half of 2021 despite a difficult economic and health context, followed by extraordinary compensation of €35,000 granted in addition to the variable compensation in respect of the results of the financial year ending 30 June 2021.

The Chairman of the Board of Directors has no other compensation element.

The Company has not provisioned any amounts for payment of allowances, pensions or similar other benefits to executives, including Olivier Jallabert.

Long-term compensation: options for share subscription or share purchase, allocation of free performance -related shares

Options for share subscriptions or share purchase awarded during the financial year to each executive director by the issuer and by any Group Company

During the financial year ended 30 June 2021, no option for share subscriptions or share purchase was awarded whether gratuitously or for consideration to the executive directors of the Company.

Options for share subscriptions or share purchasing exercised during the financial year by each executive director

During the financial year ended 30 June 2021, no option for share subscriptions or share purchase was exercised by the executive directors of the Company.

Performance Shares allocated during the financial year to each executive director by the issuer and any Group Company

During the financial year ended 30 June 2021, no performance shares were allocated to the executive directors of the Company.

Free shares granted to each corporate officer

At its meeting on 24 July 2018, the Board of Directors allocated 540,000 free shares to the Chief Executive Officer of the Company, whose definitive acquisition was subject to compliance with performance and attendance criteria for the 2019, 2020 and 2021 financial years and split into three Tranches (see section 3.7.4 of this Universal Registration Document).

On 19 October 2021, the Board of Directors noted the non-fulfilment of certain performance conditions relating to the financial years ended 30 June 2019 and 30 June 2020. As a result, the Board of Directors noted that 20% of the free shares granted under Tranche A have definitively vested, i.e. 36,000 shares out of the 180,000 shares granted under Tranche A, that 20% of the free shares granted under Tranche B have definitively vested, i.e. 36. 000 shares out of the 180,000 shares issued under Tranche B and that 20% of the free shares granted under Tranche C have definitively vested, i.e. 36,000 shares out of the 180,000 shares issued under Tranche C.

Consequently, out of the 540,000 free shares granted to the Company's Chief Executive Officer on 24 July 2018, 108,000 will vest definitively on 19 October 2021 due to compliance with the presence and performance conditions.

As of the date of this Universal Registration Document, Stefano Drago is not a beneficiary of any free share plan.

Free shares allocated available to each executive director

During the financial years ended 30 June 2020 and 30 June 2021, no free shares allocated became available to the executive directors of the Company.

History of allocation of share subscriptions or share purchase options

The Group has not implemented any granting of share subscription or share purchase options.

History of free shares allocated

Awards of free shares are described in paragraph 3.7.4 of this Universal Registration Document.

Options for share subscriptions or share purchase allocated to the top ten employees who were not executive directors and exercise of said options by the latter

During the financial year ended 30 June 2021, no option for share subscriptions or share purchase was allocated to the top ten employees who were not executive directors and the latter did not exercise any options.

Elements of compensation, indemnities or benefits due or which may be due given the acceptance, termination or change of duties of the company's chief executive officer.

On 10 June 2015, the Company's Board of Directors resolved to grant Olivier Jallabert, in his capacity as Chief Executive Officer, a severance indemnity in the event of involuntary departure decided by the Company's Board of Directors equivalent to 24 months' salary (currently the amount of €827,500) subject to performance conditions (quantitative criteria based on Group revenue and EBITDA).

Stefano Drago does not receive any compensation, indemnities or benefits that may be due as a result of taking up, leaving or changing his duties.

A detailed description of these items is given in paragraph 3.2.2 of this Universal Registration Document.

Summary tables of the executive directors' compensation items

Summary table of compensation, options and shares granted		
(In euros)	Year ended 30 June 2021	Year ended 30 June 2020
Olivier Jallabert (Chairman and CEO until 10/11/2020 – CEO since 10/11/2020		
Compensation due for the financial year (*detailed in Table 2*)	653,532	411,032
Valuation of multi-year variable compensation granted during the financial year	0	0
Valuation of options granted during the financial year (*detailed in Table 4*)	0	-
Valuation of free shares granted (*detailed in Table 6*)	0	-
Valuation of other long-term compensation plans	0	-
Stefano Drago (Chairman of the Board of Directors since 10/11/2020)		
Compensation due for the financial year (*detailed in Table 2*)	0	N/A
Valuation of multi-year variable compensation granted during the financial year	0	N/A
Valuation of options granted during the financial year (*detailed in Table 4*)	0	N/A
Valuation of free shares granted (*detailed in Table 6*)	0	N/A
Valuation of other long-term compensation plans	0	N/A

Summary table of compensation, options and shares granted		
TOTAL	653,532	411,032

Summary table of compensation (in euros)				
Olivier Jallabert (Chairman and CEO until 10/11/2020 – CEO since 10/11/2020)	**Year ended 30 June 2021**		**Year ended 30 June 2020**	
	Amounts due	**Amounts paid out**	**Amounts due**	**Amounts paid out**
Fixed compensation	337,500 51.64%	337,500 79.22%	322,500 78.46%	315,000 80.56%
Annual variable compensation	65,000 9.95%	72,500 17.02%	72,500 22.48%	60,000 15.34%
Multi-year variable compensation	0	0	-	-
Exceptional compensation	235,000 35.96%	0 0%	-	-
Directors' fees	0	0	-	-
Benefits in kind	16,032 2.45%	16,032 3.76%	16,032 3.90%	16,032 4.10%
Stefano Drago (Chairman of the Board of Directors since 10/11/2020)	**Year ended 30 June 2021**		**Year ended 30 June 2020**	
	Amounts due	**Amounts paid out**	**Amounts due**	**Amounts paid out**
Fixed compensation	0	0	N/A	N/A
Annual variable compensation	0	0	N/A	N/A
Multi-year variable compensation	0	0	N/A	N/A
Exceptional compensation	0	0	N/A	N/A
Directors' fees	0	0	N/A	N/A
Benefits in kind	0	0	N/A	N/A
TOTAL	653,532	426,032	411,032	391,032

Summary table concerning the employment contract, the supplementary pension scheme, termination benefits and non-competition clause benefits

Executive directors and corporate officers	Employment contract		Supplementary pension plan		Indemnities or benefits due or likely to be due as a result of the termination or change of duties		Indemnities relating to a non-compete clause	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Olivier Jallabert Chief Executive Officer Start of mandate: 10 June 2015 Renewal: 16 October 2018		X	X		X			X
Stefano Drago Chairman of the Board of Directors Start of mandate: 10 November 2020		X		X		X		X

Equity ratio between the level of compensation of the Chief Executive Officer and the Chairman of the Board of Directors and the average and median compensation of employees

In accordance with the provisions of Article L.22-10-9 I. 6° and 7° of the French Commercial Code, the level of compensation of the Chief Executive Officer and the Chairman of the Board of Directors in relation to the average and median compensation of the Company's employees, on a full-time equivalent basis, as well as the change in this ratio over the last five years, is indicated below.

For the purposes of calculating the equity ratio, the compensation of the Chief Executive Officer taken into account corresponds to the latter's compensation and benefits in kind for the given financial year.

The compensation used to calculate the ratios corresponds to the total compensation paid during the financial years indicated (fixed compensation, variable compensation and number of shares definitively granted for the same periods).

This presentation was made in order to comply immediately with the new requirements of Article L.225-37-3 of the French Commercial Code regarding transparency in terms of executive compensation, and will be subject to change depending on any subsequent clarifications and official positions for the attention of issuers.

Table of ratios under I. 6° and 7° of Article L.22-10-9 of the French Commercial Code					
	2016/2017 financial year	2017/2018 financial year	2018/2019 financial year	2019/2020 financial year	2020/2021 financial year
Evolution (in %) of the compensation of the CEO	-56%	0%	329%(1)	-75%	9%
Evolution (in %) of the compensation of the Chairman of the Board of Directors	N/A	N/A	N/A	N/A	N/A
Evolution (in %) of the average compensation of employees(2)	-1%	-1%	-1%	-13%	9%
Evolution (in %) of the median compensation of employees(2)	-13%	-5%	22%	-10%	9%
Ratio in relation to the average compensation of employees	9,1	9,1	39,5	11,3	11,3
Evolution of the ratio (in %) compared with the previous financial year	-55%	1%	332%	-71%	0%
Ratio in relation to the median compensation of employees	13,5	14,2	49,6	13,7	13,6
Evolution of the ratio (in %) compared with the previous financial year	-49%	5%	250%	-72%	0%
Performance of the Company					
Evolution of consolidated turnover	16%	7%	2%	-14%	8%
Evolution of consolidated net result	-6977%	22%	2%	-56%	0%

(1) Including 382,806 shares valued at €3 each
(2) The employees taken into account in the calculation of the ratio are those of Amplitude Surgical and Amplitude SAS, i.e. the Group's most representative workforce in France. This reference population is made up of the persons continuously present for each financial year concerned.

3.2.4 Fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or allocated to the Chairman of the Board of Directors and the Chief Executive Officer for the 2020/2021 financial year and subject to shareholder approval (Article L.22-10-34. II of the French Commercial Code)

In accordance with the provisions of Article L.22-10-34. II of the French Commercial Code, the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or allocated to Mr Olivier Jallabert, Chairman and Chief Executive Officer until 10 November 2020 then Chief Executive Officer since this same date, and to Mr Stefano Drago, Chairman of the Board of Directors since 10 November 2020, for the financial year ended 30 June 2021, are submitted to the shareholders for approval at the Shareholders' Meeting of 16 December 2021:

Olivier Jallabert (Chairman and Chief Executive Officer until 10 November 2020 – Chief Executive Officer since 10 November 2020)		
Compensation items due or granted in respect of the financial year ended 30 June 2021	**Amount or accounting valuation submitted to a vote**	**Description**
Fixed annual compensation	€345,000	Olivier Jallabert was appointed as Chairman and Chief Executive Officer of Amplitude Surgical on 10 June 2015. On 10 November 2020, Olivier Jallabert was appointed as Chief Executive Officer following the decision to separate the general management of the Company from the chairmanship of the Board of Directors. The Board of Directors meeting held on 10 June 2015, on 17 October 2017, then on 16 October 2018 fixed his fixed gross annual compensation as (i) €290,000 from 1 July 2017 to 31 December 2017, then (ii) €300,000 as from 1 January 2018, (iii) €315,000 as at 1 January 2019, (iv) €330,000 as at 1 January 2020 and finally €345,000 as at 1 January 2021..
Variable annual compensation	€65,000	See paragraph 3.2.3 ("*Compensation and benefits of any form awarded to corporate executive directors for the financial years ended 30 June 2021 and 30 June 2020*") of this Universal Registration Document.
Extraordinary compensation	€235,000	See details in paragraph 3.2.3, *"Other compensation elements"*.
Deferred variable compensation	Not applicable	Not applicable
Multiannual variable compensation	Not applicable	Not applicable

Olivier Jallabert (Chairman and CEO until 10 November 2020 – CEO since 10 November 2020)		
Compensation items due or granted for the financial year ended 30 June 2021	**Amount or accounting value submitted to a vote**	**Description**
Share subscription or purchase options	Not applicable	Not applicable
Free share allotment	0 euros	See paragraph 3.7.4 ("Free shares allocation") of this Universal Registration Document
Other long-term compensation items	Not applicable	Not applicable
Profit-sharing	€20,568	The profit-sharing related to the results for the 2020-2021 financial year will be paid in November 2021.
Compensation paid under the mandate of director	Not applicable	Not applicable
Valuation of benefits of any kind	€16,032	See paragraph 3.2.3 ("*Compensation and benefits of any form awarded to corporate executive directors for the financial years ended 30 June 2021 and 30 June 2020*") of this Universal Registration Document.
Severance payments	No payment	On 10 June 2015, the Board of Directors decided to grant Olivier Jallabert, as Chairman and Chief Executive Officer of the Company, a gross severance payment in an amount equal to 24 monthly salary payments (i.e. currently €827,500) subject to performance conditions (criteria based on the level of turnover and EBITDA of the Amplitude Group). The Board of Directors of the Company decided, on 16 October 2018, to renew by anticipation the corporate mandate as Chairman and Chief Executive Officer of Olivier Jallabert, subject to the approval of his mandate as member of the Board by the Shareholders Meeting of 20 December 2018. Upon such renewal, the Board also approved the undertaking granted to the benefit of Olivier Jallabert. The Company's Board of Directors decided, on 22 October 2019, to confirm the terms and conditions applied to severance payments. See paragraph 3.2.2 of this Universal Registration Document.
Non-competition indemnity	Not applicable	Not applicable

Additional retirement scheme	€12,671	This amount corresponds to the contributions paid by the Company during the financial year ended 30 June 2021 for Olivier Jallabert, who benefits from an additional contribution-based retirement scheme limited to the annual social security threshold multiplied by eight (approximately €27,424 per annum). See paragraph 3.2.3 "Summary table concerning the employment contract, the supplementary pension plan, the indemnities related to the termination of employment and the indemnities related to a non-competition clause".
Stefano Drago (Chairman of the Board of Directors since 10 November 2020)		
Compensation items due or granted for the financial year ended 30 June 2021	**Amount or accounting value submitted to a vote**	**Description**
Fixed annual compensation	0	Stefano Drago was appointed Chairman of the Board of Directors on 10 November 2020. At the meeting of the Board of Directors on 10 November 2020, Stefano Drago waived his right to receive any compensation for his duties as Chairman of the Board of Directors, a request which the Board of Directors granted.
Variable annual compensation	0	Not applicable
Deferred variable compensation	0	Not applicable
Multiannual variable compensation	0	Not applicable
Share subscription or purchase options	0	Not applicable
Free share allotment	0	Not applicable
Other long-term compensation items	0	Not applicable
Profit-sharing	0	Not applicable
Compensation paid under the mandate of director	0	Not applicable
Valuation of benefits of any kind	0	Not applicable
Severance payments	0	Not applicable

Non-competition indemnity	0	Not applicable
Additional retirement scheme	0	Not applicable

3.3 TRANSACTIONS WITH RELATED PARTIES

There are no agreements between the Company and related parties, i.e. members of the Company's top management, members of the Company's Board of Directors and the subsidiaries of the Company of the kind referred to in Article L.225-38 of the French Commercial Code, in force on 30 June 2021.

By decision of the Board of Directors dated 19 October 2021, and in accordance with the provisions of Article L.225-39 of the French Commercial Code, the agreements previously reported in this section, entered into by the Company with its subsidiaries in which it holds 100% of the capital, are no longer examined as regulated agreements.

In addition, the commitments to the Chief Executive Officer granted during previous financial years and previously authorised by the Board of Directors, namely the basic "Article 83" pension plan and the supplementary defined-contribution pension plan, as well as the severance pay, are no longer subject to the control procedure for regulated agreements, following the repeal of Article L.225-42-1 of the French Commercial Code. This type of commitment is now included in the compensation policy for executive directors and is therefore subject to an annual vote by shareholders.

In addition, it is specified that the Board of Directors carries out an annual review of agreements entered into between the persons mentioned in Article L.225-38 of the French Commercial Code but not subject to the prior authorisation procedure provided for in Article L.225-38 because they related to ordinary transactions and were concluded under normal conditions, in order to assess whether these agreements do indeed meet these conditions.

Pursuant to Act No. 2019-486 on the growth and transformation of companies of 22 May 2019, known as the Pact, the Board of Directors, at its meeting on 19 October 2021, established an internal procedure (hereinafter the "Procedure"), for the use of the Company's employees and the members of the Board of Directors, aimed at:

- Describing the criteria used by the Company to qualify an agreement as ordinary and entered into under normal conditions;
- Describing the procedure in place for the regular evaluation of ordinary agreements concluded under normal conditions.

The procedure does not apply to agreements concluded between the Company and Group companies in which it holds, directly or indirectly, all of the capital, which are by nature excluded from the regime of regulated agreements by Article L.225-39 paragraph 1 of the French Commercial Code.

The Finance Department conducts a review to assess, on a case-by-case basis, whether a proposed agreement falls within the scope of the regulated agreements procedure, whether it is an agreement with a wholly-owned subsidiary or whether it meets the criteria of ordinary agreements entered into under normal conditions in light of the criteria described above.

In addition, a report on the various ordinary agreements concluded under normal conditions during the financial year is drawn up annually by the Finance and Legal Departments and sent to the Audit Committee called upon to examine the accounts for the financial year. This report also contains, if necessary, recommendations aimed at modifying the internal evaluation procedure for ordinary agreements, in particular its evaluation criteria and/or reclassifying one or more agreements.

The Audit Committee is responsible for assessing, on an annual basis, whether these agreements meet the criteria for qualifying as ordinary agreements entered into under normal conditions.

If, on the occasion of the annual review, the Audit Committee considers that an agreement previously considered to be ordinary and concluded under normal conditions no longer satisfies the aforementioned criteria, it refers the matter to the Board of Directors. The Board of Directors shall, if necessary, reclassify the agreement as a regulated agreement, ratify it and submit it to the next General Meeting for ratification, on the basis of a special report by the Statutory Auditors, in accordance with the provisions of Article L.225-42 of the French Commercial Code.

Persons directly or indirectly interested in an agreement shall not participate in its evaluation and, where appropriate, may not take part in the deliberations or vote on its authorisation.

3.3.1 Special reports of the Statutory Auditors on regulated agreements

3.3.1.1 Special report of the Statutory Auditors on regulated agreements for the financial years 2020 and 2019

The special reports of the Company's Statutory Auditors on regulated agreements for the financial years ended 30 June 2020 and 30 June 2019 are included respectively in the Universal Registration Document filed with the *Autorité des marchés financiers* on 30 October 2020 under number D.20-0911 and in the Universal Registration Document filed with the *Autorité des marchés financiers* on 19 November 2019 under number D.19-0962.

3.3.1.2 Special report of the Statutory Auditors on regulated agreements for the financial year ended 20 June 2021

This is a free translation into English of the Statutory Auditors' report on regulated agreements issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby present our report on regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the main characteristics, terms and conditions as well as the purposes, in respect of the best interest of the company of the agreements of which we have been informed. It is not our role to determine whether these agreements are beneficial or appropriate; nor are we required to ascertain whether any other agreements exist. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code, to assess the benefits arising from the entry into these agreements in view of their approval.

Furthermore, it is our duty, where applicable, to communicate to you the information provided in Article R.225-31 of the French Commercial Code in connection with the performance, during the past financial year, of the agreements already approved by the shareholders' meeting.

We have performed those procedures which we considered necessary in accordance with professional guidance issued by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) in relation to this mission.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

We inform you that we have not been notified of any agreement entered into during the past financial year to be submitted to the approval of the shareholders meeting pursuant to the provisions of article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

We inform you that we have not been notified of any agreement already approved by the Shareholders' Meeting, the execution of which has continued during the past financial year.

Lyon, 20 October 2021

The Statutory Auditors

MAZARS	DELOITTE & ASSOCIES
Séverine HERVET	Jean-Marie LE JÉLOUX

3.4 APPLICATION OF THE AFEP-MEDEF GOVERNANCE CODE FOR LISTED COMPANIES – PARAGRAPH 27.1 OF THE AFEP-MEDEF CODE

The Company will refer to the recommendations in the Code of Governance for Listed Companies of the *Association Française des Entreprises Privées* (AFEP - French Association for Private Companies) and of the *Mouvement des Entreprises de France* (MEDEF - French Companies Movement), (the "**AFEP-MEDEF Code**") in particular for preparing the report of the Board of Directors on corporate governance provided by Article L. 225-37 of the French Commercial Code on the membership of the Board on application of the principle of gender balance on the Board, the conditions for preparing and organising the work of the Board and the internal control and risk management procedures established by the Company.

The Company intends, in particular to guarantee the presence of independent members on the Board of Directors and to confer on the specialised Committees responsible for making recommendations on the strategy for auditing the financial statements and the compensation of executives and the prior approval of the Board of Directors of the implementation of a number of decisions which may have significant consequences on the Group's business or that of a Group Company, their assets or results.

The AFEP-MEDEF Code to which the Company refers may be consulted on the Internet at the following address: http://www.medef.com. The Company shall permanently keep copies of the Code available to members of its corporate bodies.

For aspects of its corporate governance known at the date of this Universal Registration Document, the Company complies with most of the recommendations in the AFEP-MEDEF Code, insofar as the principles established are compatible with the Company's organisation, size and resources, with the exception of the following elements:

AFEP-MEDEF Code	**Position of the Company**
Independent directors	
The proportion of independent directors must be at least half of the members of Board of Companies with a widely-spread share capital without any controlling shareholder. In controlled companies (pursuant to Article L.233-3 of the French Commercial Code), the proportion of independent directors must be at least a third. The directors who represent employee shareholders as well as those directors representing the employees are not taken into account for establishing such percentages.	On the date of this Universal Registration Document, taking into account the small size of the Board of Directors (4 directors) and the presence of a controlling shareholder in the Company's capital, one member in four of the Board of Directors of the Company is an independent director.
Board Committees	
<u>Audit Committee</u> The proportion of independent directors on the audit committee must be at least two thirds and the Committee must not include any executive directors.	On the date of this Universal Registration Document, taking into account the small size of the Board of Directors and therefore of its Committees, and the presence of a controlling shareholder in the Company's capital, one member in three of the Audit Committee is an independent director and in addition, no executive corporate officer sits on this committee.
<u>Appointments and Compensation Committee</u> The Appointments and Compensation Committee must not include any executive director and be composed of a majority of independent directors.	On the date of this Universal Registration Document, taking into account the small size of the Board of Directors and therefore of its Committees, and the presence of a controlling shareholder in the Company's capital, one member in three of the Appointments and Compensation Committee is an independent director and in addition, no executive corporate officer sits on this committee.
Holding of shares in the Company by members of the Board of Directors	

The Board of Directors determines a minimum number of shares that must be held in the registered form by the corporate officers until the termination of their duties. This decision is reviewed at least at each renewal of their term of office.	Taking into account the small size of the Board of Directors, on the date of this Universal Registration Document, its internal regulations do not require that directors should hold other than a minimum of one share in the Company, which must be registered to them until the end of their mandate. The internal rules of the Company will, if applicable, be revised to provide for an obligation to hold a significant number of shares if the Board of Directors were to increase in size.
Compensation of executive corporate officers and award of share options and performance shares	
Performance shares The award of share options and performance shares does not benefit all employees; hence an alternative plan to ensure other staff benefit from the Company's performance is required (incentive scheme, special profit sharing agreement, award of free shares, etc.). Ensure that the share options and performance shares are evaluated according to IFRS standards and do not represent a disproportionate percentage of all compensation, options and shares awarded to each corporate executive. To avoid an excessive focussing on awards to management and executive directors	Staff incentive schemes were put in place at Amplitude Surgical and its subsidiaries from 1 July 2016. The Company's Board of Directors undertook at in the Company's Initial Public Offering to establish a plan for the award of free shares for the benefit of the Chairman and Chief Executive Officer and incentive schemes and profit sharing agreements have been put in place by the Group for the benefit of employees.
Succession of executive directors	
The Appointments Committee must establish a succession plan for the corporate officers. This is one of the main tasks of this committee, although it may be entrusted by the Board to an ad hoc committee. The Chairman may be part of all of the associated with the works of the committee for the performance of this duty.	The Board of Directors, through the work of the Appointments and Compensation Committee, has continued elaborating a succession plan for the corporate officers of the Company in order to be in a position to provide for succession solutions, in particular in case of unpredictable vacancy. The finalisation and validation of this succession plan should take place before the end of the financial year in progress on the date of this Universal Registration Document.

3.5 FOUNDING DEEDS AND ARTICLES OF ASSOCIATION

The main provisions described below stem from the Company's articles of association adopted by the shareholders' meeting on 10 May 2015 and entered into force on 29 June 2015, amended on 20 December 2018.

3.5.1 Corporate purpose (Article 3 of the articles of association)

The purpose of the Company, in France and abroad is:

- the manufacture and marketing, in all forms, of any and all surgical products and equipment; the provision to individuals and to all types of business of any and all services in the medical-surgical sector; the Company's participation, by any means, directly or indirectly, in any transaction potentially relating to its corporate purpose, through the creation of new companies, contribution, subscription or purchase of shares and associated rights, merger or other transaction, creation, acquisition, rental, leasing of any business of place or business, the takeover, acquisition, use or assignment of all processes and patents concerning its activities; completion of any and all industrial, commercial and financial, and movable and real property transactions potentially relating, directly or indirectly, to the corporate purpose and to all similar and related purposes;

- any and all transactions, on its own behalf, for the purchase, sale and management of French and foreign securities of any nature and of all companies, the purchase, subscription, management, sale, exchange of said securities and all corporate rights, the acquisition of holdings and equity interests, whether direct or indirect, in all companies established or that may be established by any means (by the incorporation of new companies, capital contributions, subscriptions, acquisition or exchange of securities, bonds, warrants, corporate assets or rights, mergers, partnerships, economic interest groupings or otherwise, as well as through shareholder current accounts or loans, in the short and long term); the acquisition and allocation for its benefit of all movable and immovable assets, the operation of said assets, their sale and capital contribution to a company; participation in all operations for the operation, management and administration of all businesses or companies; the purchase or leasing of real estate necessary for the corporate purpose;

- the provision of all services, whether administrative, financial, accounting, commercial, relating to information technology or management, for the benefit of (i) subsidiaries of the Company or any other companies in which it holds an equity interest and (ii) any other company having an equity interest in the Company;

- and generally, directly or indirectly, any and all operations of any nature whatsoever, whether legal, economic and financial, civil and commercial, which may relate directly or indirectly, either on its own behalf or that of third parties, alone or with third parties, to achieving the corporate purpose or any similar, related or complementary purposes, or which may be instrumental to achieving said purposes or which may promote their development or fulfilment, in particular through the lending or borrowing or granting of guarantees and securities covering its obligations or those of affiliate companies.

3.5.2 Provisions in the articles of association on administration and management bodies – Internal regulations of the Board of Directors

The description hereunder summarises the main provisions of the articles of association and the internal regulations of the Board of Directors, in particular its operating procedures and its powers.

The internal regulations specify, in addition to provisions on the Board of Directors referred to above, the procedures for organisation and operation, remits and powers of committees which the Board of Directors has established internally (see paragraph 3.1.2.3 in this Universal Registration Document).

3.5.2.1 Board of Directors (Articles 14 to 20 of the articles of association)

i. Composition of the Board of Directors (Article 14 of the articles of association)

The Company is administered by a Board of Directors comprising at least three members and at most eighteen members.

The limit of eighteen members may be increased if necessary by directors representing shareholding employees, appointed pursuant to the provisions of Article 14.8. The limit may also be increased, if applicable, by directors representing employees appointed pursuant to the provisions of Article 14.9 or in the event of a merger, pursuant to Article L. 225-95 of the French Commercial Code.

The directors may be natural persons, or legal persons. In this case, at the time of appointment, the legal person directors must appoint a permanent representative who will be subject to the same conditions and obligations and incur the same liabilities as if a director in his/her own name, without prejudice to the joint and several liability of the legal person represented.

During the term of the Company, directors are appointed, re-appointed or removed from office under the conditions provided by the regulatory and legislative provisions in force and these articles of association.

Each director, as well as the representatives of shareholding employees and employees' representatives must hold shares in the Company under the conditions and according to the methods provided by the stipulations in the Board of Director's internal regulations. Should a director cease to hold the required number of Company shares, he/she will be granted a deadline, according to the provisions in the internal regulations; to remedy the situation otherwise he/she shall be deemed to have resigned.

Directors are bound by the legislative and regulatory provisions on the combination of corporate mandates.

Pursuant to the legislative and regulatory provisions in force and subject to compliance with the conditions on combining duties as director with a contract of employment, the number of directors bound to the Company by an employment contract (disregarding directors representing shareholding employees and directors representing employees or a collective investment fund created by an companies holding shares in the Company) shall not exceed one third of directors in office.

The contracts of employment between directors who are removed from office or whose corporate mandates expire shall not be terminated by said removal from office or expiry.

If the report presented by the Board of Directors to the shareholders' meeting pursuant to Article L. 225-102 of the French Commercial Code states that shares held by company employees as well as by related companies (as defined in Article L.225-180 of the French Commercial Code) represent more than 3% of the share capital, a director representing the shareholding employees is appointed by the shareholders' meeting according to the procedures established by the legislative and regulatory provisions in force and by these articles of association, provided the Board of Directors does not already include as members, one or more directors appointed from among members of the supervisory boards of corporate collective investment funds representing employees, or one of more employees elected pursuant to Article L.225-27 of the French Commercial Code.

Prior to the shareholders' meeting called to appoint a director representing shareholding employees, the Chairman of the Board of Directors shall notify the supervisory board of corporate collective investment funds created in the scope of a corporate employees' savings scheme and that of associate companies defined pursuant to Article L.225-180 of the French Commercial Code, which are invested predominantly in Company shares and consult the shareholding employees according to the conditions established by these articles of association.

Candidates for appointment are nominated under the following conditions:

- when the voting right attached to shares held by employees is exercised by members of the supervisory board of a corporate collective investment fund, the supervisory board may appoint two candidates selected from its permanent members who represent employees. If there are several corporate collective investments funds, the supervisory boards of the funds may agree, by identical resolutions, to present two joint candidates selected from all the permanent members who represent employees;

- when the voting right attached to shares held by employees is exercised directly by the latter, candidates may be nominated during consultation sessions organised by the Company. These consultations are preceded by a call for candidates and may be held by the Company availing itself of any technical means, guaranteeing the reliability of voting, including electronic or postal systems. To be admissible, the candidates must be nominated by a group of shareholders representing at least 5% of shares held by employees who exercise their voting rights individually.

An *ad hoc* electoral committee, constituted by the Company, may be tasked to monitor due conduct of this process.

The shareholders' meeting will then vote exclusively on the two candidates presented either by the supervisory boards of corporate collective investment funds or by groups of shareholding employees.

The minutes prepared by the corporate collective investment fund supervisory board(s) or by the *ad hoc* electoral committee presenting the candidates must be forwarded to the Board of Directors at the latest, eight days prior to the Board meeting called to prepare the resolutions that will be voted on at the shareholders' meeting to appoint directors representing shareholding employees.

To be admissible, each proposal must nominate a candidate permanent director and a candidate alternate director. The candidate alternate director, who shall satisfy the same eligibility conditions as the candidate permanent director, will be co-opted by the Board of Directors to succeed the permanent director appointed by the shareholders' meeting should the latter be unable to fulfil his/her mandate, until the date fixed for expiry of the original appointee's mandate. Co-option of the alternate director by the Board of Directors is subject to ratification at the next shareholders' meeting.

In order to guarantee continuity of representation of shareholding employees until expiry of the permanent director's mandate and in the eventuality of the alternate director being unable of fulfilling the mandate until its expiry, the Chairman of the Board of Directors shall notify the body which initially appointed the candidate (supervisory board of corporate collective investment funds or group of shareholding employees) so that the latter may nominate a new candidate, whose appointment will be put to vote at the next shareholders' meeting.

The procedures for appointing candidates which are not defined by the legal and regulatory provisions in force, or by the articles of association, shall be determined by the Chairman of the Board of Directors, notably having regard to the timetable for nominating candidates.

The director representing shareholding employees is appointed by the shareholders' meeting under the conditions applicable to any appointment of a director.

Said directors are not included when calculating the minimum and maximum number of directors provided by paragraph 1 above.

The term of office of the director representing shareholding employees is four years. His/her duties shall cease after the shareholders' meeting called on to approve the accounts for the previous financial year in the year in which the mandate expires.

However, the mandate shall end *ipso jure* and the director representing shareholding employees shall be deemed to have resigned automatically on loss of the status of Company employee (or that of employee of a related company or economic interest grouping defined pursuant to Article L.225-180 of the French Commercial Code), or of shareholder (or of member of a corporate collective investment fund holding shares in the Company).

Should a vacancy arise as a director representing the shareholding employees for any reason whatsoever, a replacement will be appointed under the foregoing conditions, the new director being appointed by the shareholders' meeting for the remaining term of office of his/her predecessor.

Until the date of replacement of the director (or if applicable, the directors) representing shareholding employees, the Board of Directors may meet and validly resolve.

The provisions of subparagraph one of paragraph 8 shall cease to apply if, at the end of a financial year, the percentage of capital held by Company employees and employees of associate companies defined pursuant to pre-cited Article L.225-180, in the framework of the provisions of pre-cited Article L.225-102, represents less than 3% of capital, it being specified that the mandate of any director appointed in application of the first sub-paragraph of paragraph 8 shall expire on reaching its term. The provisions of paragraph 14.5 on the number of shares which a director must hold do not apply to directors representing shareholding employees. Nevertheless, each director representing shareholding employees must hold, either individually or through a corporate collective investment fund created in the framework of the group employee savings scheme, at least one share or a number of units in said fund which is equivalent to at least one share.

Directors representing shareholding employees are not counted for application of the provisions in paragraph Article 16 below.

In the hypothesis where the provisions of Article L.225-27-1 of the French Commercial Code are applicable, the Board of Directors must include one or two directors representing the Group's employees depending on the number of directors.

The number of directors representing employees is two if the number of directors exceeds twelve on the date of appointment of directors representing employees and one if the number of directors is equal to or less than twelve on the date of appointment of the director representing employees (without counting, in both cases, directors representing shareholding employees and directors representing employees).

The reduction of the number of directors to twelve or less (discounting directors representing shareholding employees and directors representing employees) has no effect on the term of the current corporate mandates of directors representing employees, which shall continue until their expiry date.

However, on expiry of the corporate mandates of directors representing employees and in the hypothesis where the number of directors remains equal to or less than twelve on the date of appointment of the directors representing employees (without counting the directors representing shareholding employees and directors representing employees), the number of directors representing employees is reduced to one.

If subsequently, the number of directors exceeds twelve (without counting the directors representing shareholding employees and directors representing employees), a second director representing employees is appointed pursuant to the provisions below, within a deadline of six months from co-option by the Board of Directors, or from the appointment by the shareholders' meeting, of the new director.

Directors representing employees are elected under the conditions provided by Article L.225-28 of the French Commercial Code and according to the procedures described below.

The directors representing employees are elected by all employees having the status of voter, voting as a single body.

Pursuant to Article L.225-28 of the French Commercial Code, the elections shall be conducted as a single-round vote on the list of candidates according to proportional representation and without any combinations. Each list shall incorporate a number of candidates double that of the positions to be filled with a strict balance of men and women. No alternates are elected.

The list of candidates will be presented exclusively by one or more trade union organisations which are representative at Group level.

The elections are organised by top management. The timetable (notably the date for registering candidates and the date of voting) and the procedures for electoral procedures not stipulated in the legislative or regulatory provisions in force or in these articles of association (notably, the choice of voting methods) shall be established by top management after consultation with the representative trade union bodies.

The timetable is established so that the announcement of the election results is made at the latest fifteen days prior to the expiry of the mandate of outgoing directors. Having regard to the first election held, pursuant to Law No. 2013-504 of 14 June 2013, the timetable is established so that the announcement of results of the elections may be made at the latest prior to expiry of the deadline of six months following the extraordinary shareholders' meeting which amended the articles of association as provided by Article L.225-27-1 III of the French Commercial Code.

For each election, top management shall establish the list of the Company's direct or indirect subsidiaries with registered offices located in France pursuant to Articles L.225-27-1 and L.225-28 of the French Commercial Code.

Votes may be cast electronically, by a paper ballot, by post or a by combination of these means.

When votes are cast electronically, the election may be conducted at the workplace or remotely and may extend over a period not exceeding fifteen days. The design and the setting-up of the electronic voting system may be outsourced to an external service provider. The system must guarantee confidentiality of the data sent, a secure means of authentication, completion of attendance sheets, registration and counting of votes.

If the collegiate body presents no candidates, the corresponding seats shall remain vacant until the next elections renewing the mandate of directors representing employees.

In the event of a permanent vacancy of a seat for a director representing employees, the vacant seat shall be filled pursuant to Article L.225-34 of the French Commercial Code, i.e. by the candidate on the same list with the number of votes immediately following the candidate elected.

Status of directors representing employees:

Directors representing employees are not included when calculating the maximum and minimum number of directors provided by paragraph 1 above.

The term of office of directors representing employees is five years.

In the event of termination of a contract of employment, the director representing employees is deemed to have resigned automatically. He/she is replaced under the conditions defined above.

Directors representing employees who are newly elected enter into office on expiry of the mandate of the outgoing directors representing employees.

Directors representing employees are not included for application of the provisions of paragraph 3 of Article 16 below.

In the hypothesis where the legal conditions governing the obligation to appoint one or more directors representing employees are no longer satisfied, the mandate of directors representing employees expires on conclusion of the meeting during which the Board of Directors formally acknowledges the lapsing of said obligation.

ii. Organisation of the Board of Directors (Article 15 of the articles of association)

The Board of Directors appoints, from among its members, a Chairman and at the case may be a Vice-Chairman who is, on penalty of invalidity of appointment, a natural person.

The Chairman of the Board of Directors determines the compensation of the Chairman and the Vice-Chairman, which is added to his/her share in the overall amount of directors' fees.

Chairman and the Vice-Chairman are appointed for a term which shall not exceed that of their mandate as directors. They are eligible for re-election.

The Chairman and the Vice-Chairman may be removed from office at any time by the Board of Directors.

The age limit for serving as Chairman and Vice-Chairman of the Board of Directors is seventy (70) years, so that:

- no director may be appointed as Chairman or Vice-Chairman of the Board of Directors if he/she has attained the age of seventy (70) years; and
- on reaching the age of seventy (70) years during his/her mandate, the Chairman or Vice-Chairman of the Board of Directors is deemed to have resigned automatically from office after the ordinary shareholders' meeting following his/her seventieth (70) birthday.

The Chairman of the Board of Directors organises and directs the work of the Board of Directors and reports on its actions to the shareholders' meeting. The Chairman is responsible for proper working of the corporate bodies and in particular, ensuring that directors are capable of fulfilling their missions. Should the Chairman be impeded in fulfilment of his duties, the Vice-Chairman fulfils said duties and enjoys the same prerogatives as the Chairman.

The Board of Directors may appoint a Secretary to the Board who need not be a director or a shareholder.

The Board of Directors may decide to establish any Board of Directors' committee with responsibility for examining questions submitted to it for said purpose by the Board of Directors or its Chairman, notably having regard to the preparation and auditing of accounting and financial information, appointments and compensation, strategy and major projects.

The composition, the procedures and powers of the committees are established by the internal regulations of the Board of Directors.

iii. Term of office – age limits (Article 16 of the articles of association)

Subject to the legislative and regulatory provisions applicable in the event of temporary appointments by the Board of Directors, directors are appointed for a term of four years.

Their mandate ends after the ordinary shareholders' meeting called to approve the accounts for the previous financial year held in the year during which their mandate expires.

Directors are eligible for re-election.

Notwithstanding the provisions of paragraphs 1 and 2 above:

- the number of directors (natural persons or the representatives of legal persons) who have reached the age of seventy (70) years shall not exceed one-quarter of directors in office, rounded, if applicable, up to the next whole number;
- no-one may be appointed as a director if having attained the age of seventy (70) years, his/her appointment would increase the number of directors having exceeded this age to more than one quarter of the directors in office, rounded, if applicable, up to the next whole number; and
- if the number of directors exceeding the age of seventy (70) years represents more than one quarter of directors in office, in default of resignation of a director aged over seventy (70) years, the oldest director is deemed to have resigned automatically.

By exception, the shareholders' meeting may provide, when appointing certain members of the Board of Directors, that their mandate shall be less than four years to allow for the rolling renewal of corporate mandates of members of the Board of Directors.

iv. Compensation (Article 17 of the articles of association)

The shareholders' meeting allocates an annual fixed amount to directors in the form of directors' fees, of which it determines the amount for the current and subsequent financial years, until a new decision is pronounced.

The Board of Directors may freely distribute the directors' fees among its members pursuant to the rules in the Board of Director's internal regulations.

Notably, it may allocate a higher proportion thereof to the Chairman and members of the committees provided for in paragraph 4 of Article 15 above and in the Board of Director's internal regulations, than to other directors.

The Board of Directors may allocate special compensation to directors for specific missions or corporate mandates conferred on them.

The Board of Directors may authorise the reimbursement of travel, subsistence and other expenses incurred by directors in the Company's interest.

v. Operation of the Board of Directors (Article 18 of the articles of association)

The Board of Directors prepares internal regulations which stipulate and supplement its operating procedures, of which the principles are set out in this article.

The Board of Directors shall meet as many times as required in the interests of the Company and at least once a calendar quarter as a minimum, it being understood that at least one meeting per annum must be held with the physical presence of participants.

Meetings are called by any means by the Chairman or by at least two (2) Board members. Notices of meetings are sent out at least three (3) business days in advance of the meeting. Notices of meetings state the date, time and venue for the meeting (or the means of communication if the meeting is not held in person), as well as the agenda. Prior to each meeting, concomitantly with its calling, the author of the notice of the meeting sends every Board member information on the agenda items for the meeting (specifically, documentation on the transactions which must be submitted for prior approval of the Board of Directors during the meeting).

As an exception to the foregoing, no deadline or formality for calling a meeting is required if all members of the Board of Directors are present or represented (including by video-conference or teleconference).

A member of the Board of Directors may be represented by another member of the Board of Directors to the exclusion of any other person by conferring a written power of attorney. A member of the Board of Directors may be vested with several powers of attorney.

Meetings of the Board of Directors may occur by any means (including personal attendance, video-conference or telephone link) which allows holding discussions.

The Board of Directors may validly resolve only if at least one half of directors are present.

An attendance record is kept of each Board of Director's meeting. The attendance sheet is duly signed in the margin by members of the Board of Directors who are personally present or represented at the time they enter the meeting (or by fax, by members of the Board of Directors not personally present or represented at the meeting, but who participate therein using any appropriate means of communication). The powers of attorney vested in each representative or copies thereof, as well as the faxes referred to above, are appended to the attendance record.

Board of Directors meetings are chaired by the Chairman or by the Board member appointed by the latter. In the absence or impediment of the Chairman and if the latter has not appointed a member to replace him/her, the Board of Directors will appoint a Chairman of the meeting. The Board of Directors may appoint a Secretary who need not be a Board member. Meetings of the Board of Directors are conducted in French.

All decisions of the Board of Directors are taken by a simple majority vote of members present or represented. In the event of a tied vote, only the permanent Chairman of the Board of Directors shall have a casting vote. It is specified that if the permanent Chairman of the Board of Directors does not attend the Board of Director's meeting, the ad hoc acting Chairman of the meeting shall not have a casting vote.

Decisions of the Board of Directors are recorded in minutes prepared by the Secretary and signed by the Chairman and at least one director attending the meeting. The minutes are kept in a special initialled and numbered register. Certified copies and excerpts of the minutes are validly certified by the signature of the Chairman and that of one other member of the Board of Directors.

vi. Powers of the Board of Directors (Article 19 of the articles of association)

The Board of Directors determines the orientations for the Company's activities and ensures they are implemented. Without prejudice to powers expressly reserved for the shareholders' meetings and within the limits of the corporate purpose, the Board of Directors is competent to address any issues having regard to the satisfactory conduct of the Company and to pass resolutions settling Company business.

In particular, and without the list being exhaustive, the Board of Directors, pursuant to the legislative and regulatory provisions in force and under the conditions and according to the procedures established, if applicable, by the Board of Director's internal regulations:

- is competent to convene the Company shareholders' meeting and establish the agenda; approves the Group's annual budget presented by the Chief Executive Officer and any amendment of said budget;
- prepares the medium-term finance plan for the Group;
- prepares the individual company and consolidated accounts and prepares the annual management report;
- authorises the agreements referred to in Article L.225-38 of the French Commercial Code;
- decides on the procedure for general management of the Company, pursuant to paragraphs 1 and 4 of Article 21 of these articles of association;
- appoints or removes from office the Chairman of the Board of Directors, the Chief Executive Officer and if applicable, following a proposal by the Chief Executive Officer, any Deputy Chief Executive Officer(s);
- defines the powers of the Chief Executive Officer, and if applicable, in consultation with the latter, those of any Deputy Chief Executive Officer(s);
- may co-opt a director;
- sets the compensation of the Chairman of the Board of Directors, of the Chief Executive Officer and, if applicable, of any Deputy Chief Executive Officer(s);
- appoints members of the Board of Director's committees established pursuant to the legislative and regulatory provisions in force, these articles of association and the internal regulations of the Board of Directors;
- distributes the directors' fees among Board members pursuant to the provisions of the Board of Director's internal regulations;
- decides on the award of any indemnification for observers (non-voting members of the Board of Directors);
- approves the report of the Board of Directors on its own operations, internal auditing and risk management;
- may decide to issue debt securities that do not give entitlement to capital;
- authorises the Company's Chief Executive Officer, with a right of sub-delegation, to grant security deposits, endorsements and guarantees; and
- grants prior authorisation for any transaction which does not fall within the scope of ordinary Company business, including disposals of assets, transactions on intellectual property rights and external growth operations, according to the criteria defined in the internal regulations.

The Board carries out any checks and monitoring operations deemed opportune and included in its remit.

In particular, the Board must confirm:

- satisfactory operation of the internal auditing bodies and the satisfactory nature of the conditions for fulfilment of the board of statutory auditors' mission;

- satisfactory operation of the committees it has established.

In addition to the legislative and regulatory obligations on prior authorisation of the Board of Directors, certain transactions listed in the Board of Director's internal regulations are, within the framework of the Group's internal organisation, subject to the express approval of the Board of Directors prior to implementation by the Company's Chief Executive Officer or if applicable, by a Deputy Chief Executive Officer.

Each director will receive all information necessary for fulfilment of his/her mission and may, within said limit, call for communication of all documents or information he/she considers instrumental to said purpose.

vii. Observers (Article 20 of the articles of association)

The shareholders' meeting may appoint as members of the Board of Directors, observers selected from among shareholders.

The number of observers shall not exceed three.

The observers are appointed for a term not exceeding four (4) years, it being specified that the ordinary shareholders' meeting of the Company may remove them from office at any time. Their duties end after the ordinary shareholders' meeting called to approve the accounts for the previous financial year held in the year during which their mandate expires.

Observers are eligible for re-election

Any observer reaching the age of seventy (70) years is deemed to have automatically resigned.

The missions and, if applicable, the method for indemnifying observers falls within the remit of the Board of Directors and is defined by the Board of Director's internal regulations.

3.5.2.2 Executive Management (Articles 21 to 26 of the articles of association)

i. Choice of executive management operating procedures (Article 21 of the articles of association)

Executive management is performed under the Company's responsibility:

- either by the Chairman of the Board of Directors,

- or by another natural person, appointed by the Board of Directors from among or outside its members, with the title of Chief Executive Officer.

The term of office of the Chief Executive Officer is set by the Board of Directors in the decision appointing the latter, subject to the provisions of paragraph 3 of Article 21 below.

Should executive management of the Company be performed by a director, the latter shall be deemed to have automatically resigned as Chief Executive Officer on expiry of his/her mandate as a director.

The Board of Directors, resolving according to the quorum and majority conditions in Article 18 of these articles of association, decides between the two methods for fulfilling the executive management duties referred to in paragraph 3 of Article 21 above. This management option remains applicable until any decision to the contrary. The choice falls within the exclusive remit of the Board of Directors.

If the Chairman of the Board of Directors fulfils the executive management duties, the legislative and regulatory provisions and those in the paragraphs below on the role of Chief Executive Officer are applicable to him/her and the Chairman has the title of Chairman and Chief Executive Officer.

Any change in the method for executive management of the Company does not require any amendment of these articles of association.

ii. Powers (Article 22 of the articles of association)

The Chief Executive Officer is vested with the most extensive powers to act in all circumstances in the name of the Company.

The Chief Executive Officer exercises said powers within the limits of the corporate purpose and subject to:

- powers which the legislative and regulatory provisions in force award expressly to shareholders' meetings and the Board of Directors; and
- powers reserved to the Board of Directors and any requirements for the latter's prior approval, pursuant to the provisions of the internal regulations of the Board of Directors.

In addition, the Board of Directors may, notably for a specific operation, set specific limits on the scope of the Chief Executive Officer's powers.

The Chief Executive Officer represents the Company in its relationships with third parties.

The Company is bound, including by actions of the Chief Executive Officer which are not included in the scope of the corporate purpose unless it can prove the third party is aware that said actions exceeded said purpose or the third party could not have been unaware thereof having regard to the circumstances.

Provisions of the articles of association or decisions of the Board of Directors limiting the powers of the Chief Executive Officer are unenforceable against third parties.

If the Chairman of the Board of Directors and the Chief Executive Officer are two separate persons, the Chief Executive Officer may request the Chairman of the Board of Directors to convene a Board of Directors' meeting to discuss a set agenda.

iii. Deputy executive management (Article 23 of the articles of association)

On a proposal by the Chief Executive Officer, the Board of Directors may appoint from among or outside its members, one or two natural persons to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

By agreement with the Chief Executive Officer, the Board of Directors determines the scope and the term for powers conferred on each of the Deputy Chief Executive Officers.

Vis-à-vis third parties, Deputy Chief Executive Officers hold the same powers as the Chief Executive Officer.

iv. Compensation (Article 24 of the articles of association)

The compensation of the Chief Executive Officer and, if applicable, of any Deputy Chief Executive Officer, is set by the Board of Directors.

v. Age limit (Article 25 of the articles of association)

The age limit is set at seventy (70) years for exercise of the duties of Chief Executive Officer or Deputy Chief Executive Officer.

No-one many be appointed as a Chief or Deputy Chief Executive Officer after attaining the age limit of seventy (70) years.

If the Chief Executive Officer or Deputy Chief Executive Officer attains the age of seventy (70) years during his/her mandate, he/she shall be deemed to have resigned automatically, respectively as Chief Executive Officer or as Deputy Chief Executive Officer on conclusion of the ordinary shareholders' meeting following his/her seventieth (70) birthday.

vi. Removal from office and impediment (Article 26 of the articles of association)

The Chief Executive Officer may be removed from office at any time by the Board of Directors.

Equally, by proposal of the Chief Executive Officer, the Deputy Chief Executive Officers may be removed from office at any time.

Should the Chief Executive Officer leave office or be impeded in the exercise of his/her duties, the Deputy Chief Executive Officers will retain their duties and responsibilities until appointment of a new Chief Executive Officer unless otherwise decided by the Board of Directors.

On appointment of a new Chief Executive Officer, the Board of Directors will resolve whether or not to retain the Deputy Chief Executive Officers on a proposal by the new Chief Executive Officer.

3.5.2.3 Rights, privileges, restrictions and obligations attached to shares (Articles 9, 10, 11, 12 and 30 of the articles of association)

i. Form of shares – Identification of shareholders (Article 9 of the articles of association)

Fully paid shares may be registered or bearer shares at the shareholder's discretion, subject, however, to application of the legislative and regulatory provisions and those of the Board of Director's internal regulations on the form of shares held by certain persons.

ii. Indivisibility of shares – Bare ownership and usufruct (Article 10 of the articles of association)

Shares are indivisible vis-à-vis the Company.

The joint owners of undivided shares are represented at shareholders' meetings by one of them or by a single proxy. In the event of disagreement, the proxy is appointed by the Court at the request of the most diligent joint owner.

If a usufruct is registered on shares, the voting right is exercised by the holder of the usufruct at ordinary shareholders' meetings and by the bare owner at extraordinary shareholders' meetings.

However, the bare owner and the usufruct holder may agree between them on any other distribution of voting rights at shareholders' meetings. In this case, the distribution agreement shall be notified by registered letter with return receipt to the Company which will then be bound to adopt the agreement at any shareholders' meeting provided one month has elapsed from receipt of said letter.

The shareholder's right of communication or of consultation may be exercised by either of the joint owners of undivided shares, by the usufruct holder and by the bare owner of shares.

iii. Transfer of shares (Article 11 of the articles of association)

Shares, whether registered or bearer may be freely traded, without prejudice to any contrary regulatory or legislative provisions. Shares are registered in the shareholder's account and are transferred from account to account according to the procedures defined by the regulatory and legislative provisions in force.

iv. Rights and obligations attached to the shares (Article 12 of the articles of association)

Each share gives entitlement to ownership of the corporate assets, profits distributed and the liquidation surplus in proportion to the percentage of share capital it represents.

Each share gives entitlement to attend, under the conditions established by the applicable regulatory and legislative provisions and in these articles of association, shareholders' meetings and to vote on resolutions.

In addition, each share confers the right to be informed on the performance of the Company and to obtain communication of certain corporate documents at the times and under the conditions provided by the regulatory and legislative provisions in force and in these articles of association.

Shareholders are liable for corporate liabilities exclusively within the limit of their capital contributions.

Whenever it becomes necessary to hold several shares to exercise any whatsoever right, in the event notably of the exchange, grouping, division or allotment of shares or in consequence of a capital increase or a capital reduction, a merger, demerger, partial capital contribution of assets, distribution of dividends or any other transaction, any securities held in a number below that required shall not entitle their holders to exercise said rights against the Company; in such cases the shareholders are responsible for grouping together the number of necessary shares or rights and possibly, for the sale or purchase of the required number of rights or securities.

Ownership of a share implies *ipso jure* acceptance of these articles of association and the decisions of shareholders' meetings.

The rights and obligations attached to a share follow the security into whosever hands it passes.

v. Holding general shareholders' meetings (Article 30 of the articles of association)

Each shareholder is entitled to as many votes as shares owned or represented, without prejudice to any contrary regulatory or legislative provisions.

Any mechanism which confers *ipso jure* a double voting right on shares proved to have been registered for at least two years in the name of the same shareholder is expressly revoked by these articles of association, pursuant to the applicable legal provisions in Article L.225-123 of the French Commercial Code.

3.5.2.4 Amendment of shareholders' rights

Shareholders' rights may be amended under the conditions provided by the regulatory and legal provisions. There are no specific provisions governing the amendment of shareholders' rights which are more restrictive than the in the legislation.

3.5.2.5 Shareholders' meetings (Article 27 to 34 of the articles of association)

i. Notice of meetings, venue for meetings (Article 27 of the articles of association)

Shareholders' meetings are called under the conditions established in these articles of association and the legislative and regulatory provisions in force.

Shareholders' meetings may be held at the registered office or any other venue in mainland France as stated in the notice of the meeting.

ii. Agenda (Article 28 of the articles of association)

The agenda is prepared in principle by the person calling the meeting.

One or more shareholders representing the proportion of share capital required by the legislative and regulatory provisions in force may, however, require the inclusion on the agenda of special items or draft resolutions.

The shareholders' meeting may not resolve on any matters not included on the agenda.

Nevertheless, the shareholders' meeting may, in all circumstances, remove from office one or more members of the Board of Directors and replace them.

iii. Right to attend meetings (Article 29 of the articles of association)

Any shareholder is entitled to attend shareholders' meetings and to take part in the deliberations, either personally or represented by a proxy.

Any shareholder may participate personally or be represented by a proxy at shareholders' meetings under the conditions established by the regulations in force, on proof of identity and ownership of shares registered in an account, under the conditions provided by the legislative and regulatory provisions in force.

Any shareholder may vote remotely or grant a power of attorney pursuant to the regulations in force using a form prepared by the Company and sent to the latter under the conditions provided by the regulations in force, including electronically or by telecommunications means on a decision of the Board of Directors. The form must be received by the Company under the regulatory conditions for it to be counted.

Any shareholder may also, if the Board of Directors so decides when calling the shareholders' meeting, participate and vote at the shareholders' meeting by video-conference or by electronic or other remote telecommunications means, including by internet, which allows identification of the parties under the conditions determined by the legislation. For calculation of the quorum and majority, shareholders attending the shareholders' meeting by video-conference or any other electronic telecommunications or remote transmission means which permits their identification under conditions provided by Law, shall be deemed present at the meeting.

Shareholders' meetings are chaired by the Chairman of the Board of Directors or, in his/her absence or default, by a member of the Board specifically delegated for said purpose by the Board of Directors. Otherwise the meeting elects its own chairman.

Minutes of the meeting are prepared and copies are certified and delivered according to the regulations in force.

The legal representatives of shareholders who are legally incapacitated and natural persons representing legal person shareholders may participate at meetings, whether or not they are shareholders in their own right.

iv. Meeting officials – secretary (Article 30 of the articles of association)

Meetings are chaired by the Chairman of the Board of Directors or in the latter's absence, by a director specially delegated for said purpose by the Board of Directors.

Otherwise the shareholders' meeting elects its own chairman.

The two members present at the meeting who hold the largest number of votes act as scrutineers, provided they accept said appointment.

The meeting officials appoint the secretary, who need not be a shareholder.

An attendance record is kept, duly signed by participants and certified as accurate by the meeting officials.

v. Ordinary shareholders' meeting (Articles 31 and 32 of the articles of association)

<u>Quorum - majority (Article 31 of the articles of association)</u>

An ordinary shareholders' meeting held on first call may pass valid resolutions provided the shareholders present or represented hold at least one fifth of shares with voting rights.

On the second call, resolutions may be validly passed irrespective of the number of shares held by shareholders present or represented.

Resolutions are passed by simple majority of votes held by shareholders present or represented.

<u>Powers (Article 32 of the articles of association)</u>

The ordinary shareholders meeting resolves on all proposals which do not fall within the exclusive competence of an extraordinary shareholders' meeting.

Notably, the ordinary shareholders' meeting:

- hears the report of the Board of Directors and of the Board of Statutory Auditors submitted to the annual shareholders' meeting;
- discusses, approves, amends or rejects the annual individual company accounts and consolidated accounts for the financial year and resolves on the dividends to be distributed and the amounts to be carried forward;
- resolves on the constitution of any reserve funds, any deductions to be made from the latter and on their distribution;
- determines the overall amount of directors' fees for the Board of Directors that will be distributed by the latter pursuant to the provisions of the Board of Director's internal regulations;
- appoints or re-elects directors or removes them from office;

- ratifies temporary appointments of directors made by the Board of Directors; and

- appoints the Board of Statutory Auditors; and resolves, if necessary, on any special reports prepared by the latter pursuant to law.

vi. Extraordinary shareholders' meeting (Articles 33 and 34 of the articles of association)

Quorum - majority (Article 33 of the articles of association)

An extraordinary shareholders' meeting may pass valid resolutions exclusively if the shareholders present or represented possess at least:

- on the first call, one quarter of shares with voting rights, or

- on the second call, one fifth of shares with voting rights.

Resolutions are adopted by a majority of two thirds of votes held by shareholders present or represented.

If the extraordinary shareholders' meeting resolves to approve a capital contribution in kind or to grant any special benefits, the contributor or the beneficiary, if a shareholder in the Company, is not be entitled to vote on his/her own behalf or as a proxy. The shares concerned are not counted when calculating the quorum or majority.

Powers (Article 34 of the articles of association)

The extraordinary shareholders' meeting may amend any provisions of the articles of association and may decide to convert the Company into a company of any other legal form, subject to the provisions in the following paragraph.

The extraordinary shareholders' meeting may under no circumstances, except by unanimous vote of shareholders, increase shareholders' commitments or violate the equality of shareholders' rights.

3.5.2.6 Clauses in the articles of association which may influence a change of control

The articles of association of the Company do not incorporate any provisions which allow delaying, deferring or preventing any change of control.

3.5.2.7 Exceeding the statutory threshold (Article 13 of the articles of association)

While the shares of the Company are admitted for trading on a regulated market, in addition to the declarations of exceeding the thresholds expressly provided by the legislative and regulatory provisions in force, any natural or legal person in possession, directly or indirectly, alone or jointly, of a proportion of 1% of the capital or of voting rights (calculated pursuant to Articles L.233-7 and L.233-9 of the French Commercial Code and the provisions of the general regulations of the *Autorité des marchés financiers*), or any multiple of said percentage, shall notify the Company of the total number (i) of shares and voting rights held directly or indirectly, alone or jointly, and (ii) of securities giving entitlement in future to Company capital held directly or indirectly, alone or jointly and voting rights potentially attached thereto. Said notification is sent by registered letter with return receipt within four stock exchange business days from the time the threshold is exceeded.

The obligation to notify the Company also applies according to the same deadlines and under the same conditions if the capital holding or voting right of a shareholder falls below one of the above-mentioned thresholds.

In the event of failure to comply with the duty of declaration of exceeding the aforementioned thresholds, the penalties provided by law for breaching the obligation to declare the exceeding of legal thresholds shall apply to the thresholds in the articles of association exclusively at the request, as recorded in the minutes of the shareholders' meeting, of one or more shareholders holding at least one percent of capital or voting rights in the Company.

Subject to the foregoing provisions, this obligation of the articles of association is governed by the same provisions as those imposing a legal obligation to declare exceeding of said thresholds, including in cases of assimilation with shares held as provided by the regulatory and legislative provisions.

3.5.2.8 Identification of bearers of securities (Article 9 of the articles of association)

While company shares are admitted to trading on a regulated market, the Company is entitled to require identification of persons holding securities which confer immediately or in future, voting rights at shareholders' meetings, as well as the number of securities held by such persons under conditions provided by the legislative and regulatory provisions in force.

When the person who received a request for said information fails to provide the latter by the deadline provided by the legislative and regulatory provisions in force or provides incomplete or erroneous information on their status, on the holders of securities or on the quantity of securities held by each of them, the shares or securities which give immediate or future access to capital and which are registered in said person's account, are devoid of voting rights at any shareholders' meeting held until the date of regularisation of the identification information required; payment of the corresponding dividend is likewise deferred until that date.

3.5.2.9 Special provisions governing changes in the share capital (Article 7 of the articles of association)

Concerning changes in the share capital, the articles of association of the Company do not set out any special provisions that are more restrictive than the legislative provisions.

3.5.2.10 Financial year (Article 35 of the articles of association)

Each financial year commences on 1 July of a year and terminates on 30 June of the following year.

3.6 SHAREHOLDING STRUCTURE

3.6.1 Main shareholders

3.6.1.1 Identification of shareholders

i. Distribution of capital and of voting rights

On 7 December 2020, Auroralux SAS, controlled by PAI Partners, notified the AMF of the draft offer document and the draft simplified tender offer for 22,649,678 shares of the Company, at a price of €2.15 per share. On the same day, the Company communicated to the AMF its draft note in response. This offer followed the acquisition on 10 November 2020 by Auroralux SAS from Olisa, Apax Partners, Olivier Jallabert, Isabelle Jallabert, Aurélie Teyssier, Muriel Benedetto, Bruno Jugnet and Mireille Lemery of a controlling stake in the Company, representing 20,889,437 shares at a unit price of €2.15 per share. On 5 January 2021, the AMF declared the simplified tender offer compliant, and the offer period was set from 7 January to 27 January 2021. At the closing of the offer, Auroralux SAS held 34,906,476 shares of the Company, to which the same number of voting rights were attached, representing 73.02% of the share capital.

As of 30 June 2021, the capital and voting rights of the Company were distributed as follows (on an undiluted basis):

Shareholding	Number of shares	% of capital and of voting rights
Auroralux	35,699,024	74.68%
Management	95,702	0.20%
Public	12,010,115	25.12%
Total	**47,804,841**	**100.00%**

On closing of the 2020, 2019 and 2018 financial years, the share capital and voting rights of the Company were distributed as follows:

Shareholding	Position as at 30/06/2020			Position as at 30/06/2019			Position as at 30/06/2018		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Olisa	4,564,815	9.55	9.55	4,564,815	9.55	9.55	4,564,815	9.55	9.55
Apax companies, of which:	19,799,595	41.42	41.42	19,799,595	41.42	41.42	19,799,595	41.42	41.42
FPCI Apax France VIII A	*9,447,138*	*19.76*	*19.76*	*9,447,138*	*19.76*	*19.76*	*9,447,138*	*19.76*	*19.76*
FPCI Apax France VIII B	*6,298,093*	*13.17*	*13.17*	*6,298,093*	*13.17*	*13.17*	*6,298,093*	*13.17*	*13.17*

Shareholding	Position as at 30/06/2020			Position as at 30/06/2019			Position as at 30/06/2018		
FPCI Apax Ortho	*4,031,518*	*8.43*	*8.43*	*4,031,518*	*8.43*	*8.43*	*4,031,518*	*8.43*	*8.43*
Midinvest	*22,845*	*0.05*	*0.05*	*22,845*	*0.05*	*0.05*	*22,845*	*0.05*	*0.05*
Apax Partners	*1*	*0.00*	*0.00*	*1*	*0.00*	*0.00*	*1*	*0.00*	*0.00*
Management	729,090	1.52	1.52	1,211,598	2.53	2.53	1,211,598	2.53	2.53
Public[8]	22,711,341	47.51	47.51	22,228,832	46.50	46.50	22,228,832	46.50	46.50
Total	**47,804,841**	**100%**	**100%**	**47,804,841**	**100%**	**100%**	**47,804,841**	**100%**	**100%**

A description of changes in share capital during the financial years ended 30 June 2020, 2019 and 2018 is shown in paragraph 3.7.8 "*Changes in the Company's share capital over the last three financial years*" in this Universal Registration Document.

ii. Exceeding the thresholds

The Company has received the following legal and statutory declarations of exceeding the thresholds during the financial year ended 30 June 2021:

- by registered letter with acknowledgement of receipt to the Company dated 3 August 2021, Eximium declared that it had exceeded the threshold of 5% of the Company's capital and voting rights, and that it directly held 2,580,883 shares representing 5.40% of the Company's capital and voting rights.

- by registered letter with acknowledgement of receipt to the Company dated 10 August 2021, Eximium declared by way of adjustment that it had exceeded the threshold of 2% of the Company's capital and voting rights on 29 August 2018 and the threshold of 4% of the Company's capital and voting rights on 1 March 2019, and that it directly held 2,027,167 shares representing 4.24% of the Company's capital and voting rights.

- by letter dated 14 September 2020, Aviva plc declared that it had crossed below the threshold of 4% of the Company's capital and voting rights, and that it held 1,876,555 shares through Aviva Investors Global Services Limited and Aviva Investors France SA, representing 3.93% of the Company's capital and voting rights.

- by letter dated 16 September 2020, Aviva plc declared that its subsidiary Aviva Investors Global Services Limited had fallen below the threshold of 3% of the Company's capital and voting rights, and that Aviva PLC held 1,524,555 shares through Aviva Investors Global Services Limited and Aviva Investors France SA, representing 3.19% of the Company's capital and voting rights.

- by letter dated 22 September 2020, Aviva plc declared that its subsidiary Aviva Investors Global Services Limited had fallen below the threshold of 2% of the Company's capital and voting rights and that Aviva plc had fallen below the threshold of 3% of the Company's capital and voting rights, and that Aviva PLC held 996,461 shares through Aviva Investors Global Services

Limited and Aviva Investors France SA representing 2.09% of the Company's capital and voting rights.

- by letter dated 23 September 2020, Aviva plc declared that its subsidiary Aviva Investors Global Services Limited had fallen below the threshold of 1% of the Company's capital and voting rights and that Aviva plc had fallen below the thresholds of 2% and 1% of the Company's capital and voting rights, and that Aviva PLC held 294,390 shares through Aviva Investors France SA representing 0.62% of the Company's capital and voting rights.

- in a letter sent to the Company, Weinberg Capital Partners declared that Nobel, the fund it manages, had exceeded the threshold of 5% of the Company's capital and voting rights on 2 November 2020 and held 2,503,441 shares representing the same number of voting rights, i.e. 5.24% of the Company's capital and theoretical voting rights;

- by registered letter with acknowledgement of receipt to the Company dated 12 November 2020, Auroralux SAS declared that on 10 November 2020, it had exceeded the 1% threshold, all multiples of this threshold up to and including 52%, as well as the one-third threshold, in each case in terms of the Company's capital and voting rights, and that it directly held 25,010,557 shares representing 52.32% of the Company's capital and theoretical voting rights;

- by letter to the Company dated 10 November 2020, Apax Partners, acting in its capacity as management company of three professional private equity funds (FPCI Apax France VIII-A, FPCI Apax France VIII-B, FPCI Apax Ortho) and on behalf of Midinvest, declared that, on 10 November 2020, it had fallen below the statutory thresholds ranging from 40% to 1% of the Company's capital and voting rights (downward crossings in successive fractions of 1%) and that it no longer held any of the Company's shares and voting rights;

- by registered letter with acknowledgement of receipt to the Company dated 11 December 2020, Auroralux SAS declared that it had, as a result of purchases of securities on the market under the conditions provided for in Article 231-38, IV of the AMF's general regulations, exceeded, between 8 and 10 December 2020, all the thresholds between 53% and 59%, both in terms of capital and voting rights of the Company, i.e. the thresholds of 53%, 54%, 55%, 56%, 57%, 58% and 59%, and that it directly held 28,219,266 shares representing 59.03% of the Company's capital and theoretical voting rights; and

- by registered letter with acknowledgement of receipt to the Company dated 28 December 2020, Auroralux SAS declared that, as a result of purchases of securities on the market under the conditions provided for in Article 231-38, IV of the AMF's general regulations, it had exceeded the threshold of 60% of the Company's capital and voting rights on 23 December 2020, and that it directly held 28,700,118 shares, representing 60.04% of the Company's capital and theoretical voting rights.

- by letter to the Company dated 12 January 2021, AXA IM S.A. declared that it had fallen below the statutory threshold of 1% and that it no longer held any shares or voting rights

- by registered letter with acknowledgement of receipt to the Company dated 14 January 2021, Auroralux SAS declared that it had exceeded the thresholds of 61%, 62% and 63% of the Company's capital and voting rights in the context of the simplified tender offer open from 7 to 27 January 2021, and that it directly held 30,236,043 shares representing 63.25% of the Company's capital and voting rights.

- by registered letter with acknowledgement of receipt to the Company dated 21 January 2021, Auroralux SAS declared that it had exceeded the thresholds of 64% and 65% of the Company's capital and voting rights in the context of the simplified tender offer open from 7 to 27 January 2021, and that it directly held 31,182,522 shares representing 65.23% of the Company's capital and voting rights.

- by registered letter with acknowledgement of receipt to the Company dated 26 January 2021, Auroralux SAS declared that it had exceeded the thresholds of 66%, two-thirds, 67%, 68%, 69%, 70% and 71% of the Company's capital and voting rights in the context of the simplified tender offer open from 7 to 27 January 2021, and that it directly held 34,290,696 shares representing 71.73% of the Company's capital and voting rights.

- by registered letter with acknowledgement of receipt to the Company dated 29 January 2021, Auroralux SAS declared that it had exceeded the thresholds of 72% and 73% of the Company's capital and voting rights in the context of the simplified tender offer open from 7 to 27 January 2021, and that it directly held 34,906,476 shares representing 73.02% of the Company's capital and voting rights.

- by registered letter with acknowledgement of receipt to the Company dated 30 March 2021, Auroralux SAS declared that it had exceeded the threshold of 74% of the Company's capital and voting rights, and that it directly held 35,699,026 shares representing 74.68% of the Company's capital and voting rights

As at 30 June 2021, the direct and indirect holdings of members of the Board of Directors and executives in the Company’s capital is as follows:

	Number of shares
Members of the Board of Directors	
Olivier Jallabert	95,702 shares
Charlotte Pennec	1 share
Daniel Caille	10 shares
Chairman of the Board of Directors	
Stefano Drago	1 share

iii. Transactions performed by members of the Board of Directors and the Chief Executive Officer

The transactions performed by members of the Board of Directors or by the Chief Executive Officer during the financial year ended 30 June 2021 are listed below:

Person with managerial responsibilities or closely related person	**Date of the transaction**	**Nature of the transaction**	**Description of the financial instrument**	**Detailed information by transaction**
APAX PARTNERS Limited Company, Director	30 July 2020	Signature of a put option contract for the benefit of the declarant	Put option on 19,799,596 shares	Unit price: €2.1500 Volume: 19,799,596
OLISA SARL Limited liability company linked to Olivier Jallabert, Chairman & CEO	30 July 2020	Signature of a put option contract for the benefit of the declarant	Put option on 4,564,815 shares	Unit price: €2.1500 Volume: 4,564,815
ISABELLE JALLABERT person linked to Olivier Jallabert, Chairman & CEO	30 July 2020	Signature of a put option contract for the benefit of the declarant	Put option on 15,000 shares	Unit price: €2.1500 Volume: 15,000
OLIVIER JALLABERT, Chairman & CEO	30 July 2020	Signature of a put option contract for the benefit of the declarant	Put option on 302,104 shares	Unit price: €2.1500 Volume: 302,104
OLISA SARL Limited liability company linked to Olivier Jallabert, Chairman & CEO	10 November 2020	Disposal on exercise of the put option subscribed on 30 July 2020	Shares	Unit price: €2.15 Volume: 460,112
OLISA SARL Limited liability company linked to Olivier Jallabert, Chairman & CEO	10 November 2020	Contribution in kind on exercise of the put option subscribed on 30 July 2020	Shares	Unit price: €0.00 Volume: 4,104,703
ISABELLE JALLABERT person linked to Olivier Jallabert, Chairman & CEO	10 November 2020	Disposal on exercise of the put option subscribed on 30 July 2020	Shares	Unit price: €2.15 Volume: 15,000
OLIVIER JALLABERT, Chairman & CEO	10 November 2020	Disposal on exercise of the put option subscribed on 30 July 2020	Shares	Unit price: €2.15 Volume: 302,104

iv. Award of free shares

The shareholders' meeting of 20 December 2018 authorised the Board of Directors to make an award of free shares (twenty-third resolution) to Company executives and staff.

v. Presentation of the principal shareholders

PAI Partners

PAI Partners is a leading European private equity firm with offices in Paris, London, Luxembourg, Madrid, Milan, Munich, New York and Stockholm. PAI manages €13.9 billion in funds dedicated to LBO transactions. Since 1994, the firm has completed 75 transactions in 11 countries, representing over €50 billion in value. PAI is characterised by its industrial approach as a majority shareholder, combined with a sector-specific organisation. PAI provides financial and strategic support to its investee companies to accelerate their development and optimise their value creation potential.

3.6.1.2 Shareholders' Voting Rights

On the date of this Universal Registration Document, no shareholder has special voting rights. One vote is attached to each Company share (with the exception of treasury shares).

Following the proposed initial public offering, the Company has exercised the option provided by Article L.225-123(3) of the French Commercial Code, deciding that fully paid shares, for which it can prove registration for at least two years in the name of the same shareholder, will not benefit from a double voting right.

3.6.1.3 Control of the Company

On the date of this Universal Registration Document, the Company is controlled by Auroralux SAS, itself controlled by PAI Partners. Auroralux SAS holds 35,699,024 shares, representing 74.68% of the capital and voting rights in the Company.

3.6.1.4 Agreements which may result in a Change of Control of the Company

As of the date of this Universal Registration Document, the Company is not aware of any agreements that could result in a change of control.

3.6.2 Dividend distribution policy

3.6.2.1 Dividends distributed during the last six financial years

During the last three financial years, the Company has not distributed any dividend.

3.6.2.2 Period of prescription

Unclaimed dividends are prescribed and paid to the State after five years has elapsed since they were made available for payment.

3.7 SHARE CAPITAL

3.7.1 Share capital subscribed and share capital authorised but not issued

On the date of this Universal Registration Document, the share capital of the Company is €480,208.41 divided into 448,020,841 shares, each of nominal value one hundredth of one euro (€0.01) fully paid.

The table below presents the delegated powers and authorisations granted by the shareholders' meeting held on 17 December 2020 as well as the powers to be delegated and authorisations proposed to the shareholders meeting of 16 December 2021.

Current Authorisations					**Authorisations proposed to the Shareholders' Meeting of 16 December 2021**		
Type of delegated power	**Date of the Shareholders' Meeting (resolution number)**	**Duration (expiry date)**	**Maximum authorised amount**	**Use of the system**	**Resolution no.**	**Duration**	**Ceiling**
Increase in share capital							
Issuance with preferential subscription rights maintained	17 December 2020 (resolution 15)	26 months (16 February 2023)	Capital securities: €600,000 Debt securities: €300,000,000 These limits are common to all resolutions relating to the issue of equity and/or debt securities	None	Resolution 13	26 months	Capital securities: €600,000 Debt securities: €300,000,000 These limits are common to all resolutions relating to the issue of equity and/or debt securities
Issuance by way of a public offering, with cancellation of preferential subscription rights	17 December 2020 (resolution 16)	26 months (16February 2023)	Capital securities: €250,000 Debt securities: €150,000,000	None	Resolution 14	26 months	Capital securities: €250,000 Debt securities: €150,000,000
Issuance by way of an offer referred to in II of Article L.411-2 1° of the French Monetary and Financial Code, with cancellation of preferential subscription rights	17 December 2020 (resolution 17)	26 months (16 February 2023)	Capital securities: €250,000 Debt securities: €150,000,000	None	Resolution 15	26 months	Capital securities: €250,000 Debt securities: €150,000,000
Authorisation granted to increase the amount of the initial issues with or without preferential	17 December 2020 (resolution 18)	26 months (16 February 2023)	15% of the initial issue	None	Resolution 16	26 months	15% of the initial issue

Current Authorisations					**Authorisations proposed to the Shareholders’ Meeting of 16 December 2021**		
Type of delegated power	**Date of the Shareholders’ Meeting (resolution number)**	**Duration (expiry date)**	**Maximum authorised amount**	**Use of the system**	**Resolution no.**	**Duration**	**Ceiling**
subscription rights							
Determination of the price of issues carried out by way of a public offering or an offer referred to in II of Article L.411-2 1° of the French Monetary and Financial Code, with cancellation of preferential subscription rights, within the limit of 10% of the share capital per year	17 December 2020 (resolution 19)	26 months (16 February 2023)	10% of the share capital per annum on the date of the Board of Directors' decision to set the issue price	None	Resolution 17	26 months	10% of the share capital on the date of the Board of Directors' decision to set the issue price per 12-month period
Issuance of shares with cancellation of shareholders' preferential subscription rights to the benefit of categories of persons	17 December 2020 (resolution 20)	18 months (16 June 2022)	Capital securities: €250,000 Debt securities: €150,000,000	-	Resolution 18	18 months	Capital securities: €250,000 Debt securities: €150,000,000
Issuance of shares up to a maximum of 10% of the share capital, with cancellation of preferential subscription rights, as consideration for contributions in kind	17 December 2020 (resolution 21)	26 months (16 February 2023)	10% of the share capital on the day of the Board of Directors' decision to issue the shares	None	Resolution 19	26 months	10% of the share capital on the day of the Board of Directors' decision to issue the shares
Capital increase by incorporation of premiums, reserves, profits or other items for which capitalisation is permitted	17 December 2021 (resolution 24)	26 months (16 February 2023)	€250,000 This ceiling shall not be deducted from any ceiling	None	Resolution 23	26 months	€250,000 This ceiling shall not be deducted from any ceiling
Employee share ownership, allocation of share subscription or purchase options, free share allocations							

Current Authorisations					Authorisations proposed to the Shareholders' Meeting of 16 December 2021		
Type of delegated power	**Date of the Shareholders' Meeting (resolution number)**	**Duration (expiry date)**	**Maximum authorised amount**	**Use of the system**	**Resolution no.**	**Duration**	**Ceiling**
Issuance with cancellation of preferential subscription rights for the benefit of members of a savings plan	17 December 2020 (resolution 22)	26 months (16 February 2023)	2% of the share capital on the date of the Board of Directors' decision	None	Resolution 21	26 months	2% of the share capital on the date of the Board of Directors' decision
Free allocation of performance shares	17 December 2020 (resolution 23)	38 months (16 February 2024)	3% of the share capital on the date of the Board of Directors' decision	None	Resolution 22	38 months	3% of the share capital on the date of the Board of Directors' decision
Reduction of capital by cancellation of shares							
Capital reduction by cancellation of shares	17 December 2020 (resolution 14)	18 months (16 June 2022)	10% of the share capital on the date of cancellation per 24-month period	None	Resolution 12	18 months	10% of the share capital on the date of cancellation per 24-month period
Repurchase by Amplitude Surgical of its own shares							
Authorisation to be granted to the Board of Directors to trade in the Company's shares	17 December 2020 (resolution 13)	18 months (16 June 2022)	40 million euros	Implementation under a liquidity agreement	Resolution 11	18 months	40 million euros

3.7.2 Securities not giving entitlement to capital

On the date of this Universal Registration Document, the Company has not issued any securities not representing or giving entitlement to its capital.

3.7.3 Shares held by the Company or on its own behalf

3.7.3.1 Information about the share redemption programme approved by the general shareholders' meeting of 17 December 2020

Characteristics of the share buy-back programme

The ordinary and extraordinary shareholders' meeting of Amplitude Surgical of 17 December 2020 authorised the Board of Directors, pursuant to Article L.225-209 et seq. of the French Commercial Code, Articles 241-1 to 241-6 of the General Regulations of the *Autorité des marchés financiers* and of EU regulations applicable to market abuse, to purchase or have purchased a maximum number of Amplitude Surgical shares representing up to 10% of the share capital of Amplitude Surgical.

The characteristics of the redemption programme are as follows:

Securities concerned	Shares
Maximum percentage of capital that may be redeemed	10% of the Company's share capital existing on the date of cancellation per 24-month period
Maximum number of securities that may be acquired	4,780,484 shares (i.e. 10% of the capital on the date of this Universal Registration Document)
Maximum overall amount of programme	€40 million
Maximum unit purchase price	€10
Duration of programme	18 months, i.e. until 16 June 2022

The objectives of the programme in decreasing order of priority are as follows:

- To ensure liquidity and stimulate trading of the Company shares through an investment service-provider acting in total independence under a liquidity agreement and in compliance with an ethics charter accepted by the AMF;
- To honour the obligations for the award of share options, free shares or awards of other benefits, allocations or assignments of shares to Company employees or executives or of related companies and to perform any hedging transactions relevant to said operations, under the conditions provided by the market authorities and at times decided by the Board of Directors or its authorised representative;
- To ensure hedging of the undertakings of the Company for settlement of rights in cash given an increase in the market price of the Company issued to the employees or executives of the Company or of related companies;
- The retention and subsequent award of Company shares in exchange or as payment as part of external growth operations according to accepted market practices and the applicable regulations;
- The award of Company shares given exercise of rights attached to securities giving access either immediately or in future, Company shares;
- The cancellation of all or some of the shares redeemed under statutory conditions subject to authorisation of the extraordinary shareholders' meeting; and
- Any other practice that may be permitted or accepted under the legislation or by the AMF (*Autorité des marchés financiers*) or any other objective compliant with the regulations in force.

Overview of share buy-back programme

On 30 June 2021, the Company owned 447,540 shares, of which 447,540 in the context of the liquidity agreement entered into with Natixis.

In the framework of the liquidity agreement, the Company purchased 73,574 shares during the financial year ended 30 June 2021 at an average price of €1.97 and a total cost of €144,846 representing approximately 0.15% of the Company's share capital. Moreover, in the framework of this liquidity agreement, the Company assigned 82,228 shares for an average price of €2.01.

During the financial year ended 30 June 2021, transactions performed by the Group on its own securities in the framework of the authorised buy-back programme are as follows:

Number of shares cancelled during the last 24 months	-
Number of treasury shares held in the portfolio as of 30 June 2020	56,194
• Purchase of shares	73,574
• Sale of shares	82,228
• Transfer of shares	-
• Cancellation of shares	-
Number of shares held in the portfolio as at 30 June 2021	47,540
Percentage of capital held directly or indirectly by the Company as of 30 June 2021	0.10%
Book value of the portfolio	90,849
Market value of the portfolio as at 30 June 2021	105,539
Details of the operations carried out by Amplitude Surgical in 2021, by objective:	-
• Liquidity agreement	-
Purchase of shares	73,574
Sale of shares	82,228
Number of shares held in the portfolio as at 30 June 2021	47,540
• Cancellation of shares	-
Number of shares cancelled	-
Number of shares held in the portfolio as at 30 June 2021	-
• Allocation to employees	-
Purchase of shares	-
Transfer of shares	-
Number of shares held in the portfolio as at 30 June 2021	-

The Company does not have any open put or call positions on derivatives as of 30 June 2021.

The expenses incurred by the Company for implementing the share buy-back programme totalled €25,000 ex tax for the financial year ended 30 June 2021.

3.7.3.2 Description of the share buy-back programme to be submitted to the Shareholders' Meeting of 16 December 2021

i. Purpose of the share buy-back programme for 2021/2022

The objectives of the programme by decreasing order of importance are as follows:

- to guarantee liquidity and market-making for Company shares through an investment service provider acting independently in the framework of a liquidity agreement pursuant to a code of ethics recognised by the AMF;
- honouring obligations for the allotment of share options, award of free shares or other awards, allotments or assignment of shares to employees or to executives of the Company or a related company and performing any hedging operations for said transactions under the conditions provided by the market authorities, by the Board of Directors or the person acting with delegated authority of the Board of Directors;
- hedging of the Company's commitments on rights with payment in cash for positive trends in the Company's share price on the stock exchange granted to Company employees and executives or those of an associate company;
- the retention and subsequent submission of Company shares for exchange or payment in the framework of external growth operations, pursuant to acknowledged market practices in compliance with applicable regulations;
- the delivery of Company shares when exercising rights attached to securities giving access by any means, immediately or in future, to Company shares;

- the cancelling of all or some of the shares bought back, under conditions provided by law, subject to authorisation of an extraordinary shareholders' meeting; and
- any other practice that may be admitted or acknowledged by law or the AMF or any other objective which complies with the regulations in force.

ii. Maximum proportion of capital, maximum number and characteristics of securities that may be acquired in connection with the 2020/2021 buy-back programme

The maximum proportion of the capital which the buy-back is authorised is 10% of the total number of shares comprising the share capital at any time, this percentage applying to a capital adjusted according to transactions post-dating the shareholders' meeting.

For information, on the basis of the share capital existing on 30 June 2021 after deducting the 47,540 shares on the same date, the maximum number of shares that may be acquired is 4,732,944.

The securities that the Company envisages acquiring are ordinary shares.

iii. Maximum purchase price

The maximum purchase price per share is €10, it being specified that, for transactions on capital, notably by incorporation of reserves and award of free shares, division or grouping of shares, this price will be adjusted to consider the impact of these transactions on the share value.

iv. Purchase and assignment methods

Acquisition, assignment or transfer of shares may be made or paid by any means, on the market or by negotiation, including by transactions for blocks of shares or a public offering, options, derivatives, purchase of options or securities all in compliance with the applicable regulatory conditions.

In the event of a public offering of Amplitude Surgical securities paid in full in cash, Amplitude Surgical cannot continue execution of its share buy-back programme.

v. Term of the share buy-back programme

The share buy-back programme will have a term of 18 months from the shareholders' meeting, i.e. until 16 June 2023.

3.7.4 Free shares allocation

Free shares allocation plan set up on 24 July 2018

In accordance with the authorisations granted by the Ordinary and Extraordinary Shareholders' Meeting of the Company on 24 November 2017, the Board of Directors decided at its meeting of 24 July 2018 to grant 1,434,145 free ordinary shares of the Company under the conditions described below. The Chief Executive Officer was granted 540,000 free shares.

Performance shares granted during the financial year to each executive director by the issuer and by any Group company					
Names	**Plan number and date**	**Number of free shares granted during the financial year**	**Valuation of shares according to the method used for the consolidated financial statements**	**Acquisition date**	**Availability date**
Olivier Jallabert	AGM Plan for 24 July 2018	Tranche A: 180,000	€572,400(1)	Latest date between (i) the second anniversary of the initial grant date and (ii) the date of the Board of Directors' meeting that will record the fulfilment of the attendance and performance conditions(1)	Second anniversary following the final acquisition date of the shares
		Tranche B: 180,000	€572,400(1)		
		Tranche C: 180,000	€572,400(1)		

(1) *Based on a closing price of €3.18 euros*

(2) *The conditions of presence and performance are detailed below.*

The shares allocated under this 2019-2021 plan are divided into three tranches: (i) a Tranche A (478,048 shares), (ii) a Tranche B (478,048 shares) and (iii) a Tranche C (478,048 shares) (the "**Tranches**" and individually a "**Tranche**") whose characteristics are described below:

- Conditions of presence on the date of vesting: (i) being an employee with a permanent employment contract with the Company or a company of which the Company holds or controls the majority of capital and voting rights, and not be subject to notice of redundancy, resignation or a procedure for breach of contract (ii) hold a mandate as chief executive officer or deputy chief executive officer in the Company and not be subject to notice of cessation of duties for any reason whatsoever.

- Performance conditions:

    - Vesting of 80% of the number of shares in each tranche by each beneficiary is dependent on achieving a pre-defined consolidated revenue of the Company during the financial year ended 30 June as follows:

Number of shares in Tranche A	Criteria
0%	< to X_{base} million €
0% à 50%	> or = X_{base} million € and < to X_{target} million € *(Adjusted pro rata to the realisation* (X_{target} *-N)/(* X_{target} - X_{base}*)(*)*
50% + 0% to 30%	> or = to X_{target} million € and < to X_{plan} million € *(Adjusted pro rata to the realisation (N-* X_{target}*)/(* X_{plan} - X_{target}*) (*)*
50% + 30%	Equal to or greater than X_{plan} million €

(*) Prorata is capped at 100%.

- The vesting of 20% of the number of shares in each tranche by each beneficiary is subject to the achievement of an EBITDA in excess of €17.5 million and an EBITDA/revenue ratio at 30/06/N above the threshold indicated for each financial year:

Thresholds	**Tranche A** **30/06/2019** (in millions of euros)	**Tranche B** **30/06/2020** (in millions of euros)	**Tranche C** **30/06/2021** (in millions of euros)
X_{base}	103.3	106.4	109.6
X_{target}	110.5	121.8	134.2
X_{plan}	115.4	132.7	152.6
EBITDA/REVENUE	16.0%	16.5%	17.0%

In the event of a change of control that results in one or more shareholders acting in concert holding more than 50.1% of the Company's share capital or voting rights, i.e. upon completion of an initial public offering on a US market, during the vesting period, the X_{target} and X_{plan} thresholds will take the values of X_{base} for calculating shares during the vesting period, based on performance.

In the event of a transfer by the Apax Entities of shares resulting in the Apax Entities holding less than 20% of the Company's capital or voting rights during the Acquisition Period, only for the portion concerned by the event:

- if the consolidated turnover of the relevant tranche is greater than X_{base} of Tranche A, the percentage calculated below shall be at least 20%,

- if the consolidated turnover of the relevant tranche is less than X_{target}, X_{target} will take the value X_{base} and X_{plan} will take the value X_{target} for the calculation of the shares acquired based on performance,

- if the consolidated turnover of the relevant tranche is less than X_{plan}, X_{plan} will take the X_{target} value for the calculation of the acquired shares based on performance,

- if the consolidated turnover of the tranche is greater than X_{plan}, the percentage will be 120% for the calculation of the shares acquired based on performance, and

- the total number of shares acquired from the relevant tranche will be capped at the total number of shares planned for the relevant tranche.

The above figures will be determined by the Board of Directors responsible for closing the Company's consolidated financial statements for the period in question.

On 10 November 2020, the Board of Directors noted the non-fulfilment of certain performance conditions relating to the financial years ended 30 June 2019 and 30 June 2020. Consequently, the Board of Directors noted that 20% of the shares issued free of charge under Tranche A may be definitively allocated, i.e. 72,400 shares out of the 478,048 shares issued under Tranche B, and that 20% of the shares issued free of charge under Tranche B may be definitively allocated, i.e. 72,400 shares out of the 478,048 shares issued under Tranche B.

During the financial year ended 30 June 2021, no shares have been vested definitively by the corporate officers.

The Board of Directors, at its meeting of 19 October 2021 approving the accounts for the financial year ended 30 June 2021, decided on the achievement of the objectives for the remaining shares in Tranches A and B as well as for the 478,048 shares in Tranche C. The Board of Directors noted that only the EBITDA criterion had been met for the financial years ending 30 June 2019, 30 June 2020 and 30 June 2021, leading to the definitive acquisition of 20% of the shares allocated for each financial year. Given the presence in the workforce of the beneficiaries of the free share plans as at 30 June 2021, 72,000 shares have been definitively acquired and delivered for each financial year to a total of 14 beneficiaries, i.e. a total of 216,000 shares.

In the context of the acquisition by Auroralux SAS of a majority stake in the Company's capital, the latter offered the beneficiaries of the free share allocation plan of 24 July 2018 to acquire the shares still in the vesting period at the time of the closing of the simplified tender offer.

3.7.5 Other securities giving entitlement to capital

On the date of this Universal Registration Document, there are no securities giving entitlement to the Company’s capital.

3.7.6 Conditions governing any right of acquisition and/or any obligations attached to capital subscribed but not paid

None.

3.7.7 Share capital of any Group company subject to an option or an agreement for the future exercise of an option

See Section 1.4.3 “*Shareholders’ agreements and minority interests*” in this Universal Registration Document.

3.7.8 Changes in the Company’s share capital over the last three financial years

Date	Nature of the transaction	Capital prior to the transaction	Number of shares prior to the transaction	Number of ordinary shares issued (cancelled)	Number of preference shares issued (cancelled)	Total number of shares after the transaction	Nominal value (in euros)	Capital after the transaction
24/07/2018	Capital increase through the issue of new shares	€469,298.52	46,929,852	874,989	0	47,804,841	0.01	€478,048.41

As at 30 June 2021, the share capital amounted to €478,048.41 and consisted of 47,804,841 shares with a par value of €0.01 each, fully paid up and listed on the regulated market of Euronext Paris.

As of the date of this Universal Registration Document, and following the definitive vesting of part of the free shares granted under the free share allocation plan set up on 24 July 2018 (see section 3.7.4), recorded by the Board of Directors on 19 October 2021, the share capital amounts to €480,208.41 and consists of 48,020,841 shares.

To the best of the company's knowledge, it has not pledged any significant part of its capital.

3.8 OTHER ELEMENTS LIKELY TO HAVE AN EFFECT IN CASE OF PUBLIC OFFERING

The agreements entered into by the Group with minority shareholders are described in section 1.4.3 "*Shareholders' agreements and minority interests*" of this Universal Registration Document.

The financing agreements entered into by the Group are described in Section 5.2 "*Cash* and Capital Equity" of this Universal Registration Document.

The material contracts entered into by the Group are described in Section 1.9 "*Material Contracts*" of this Universal Registration Document.

The capital structure as well as the direct or indirect shareholdings known to the company and all relevant information are described in this Universal Registration Document. In addition, there are no statutory restrictions on the exercise of voting rights, other than the deprivation of voting rights that may result from a failure to declare the crossing of statutory thresholds. Finally, there are no securities with special control rights.

The rules for appointing and dismissing members of the Board of Directors are the legal and statutory rules as described in this document.

The articles of association of the company shall be amended in accordance with the legal and regulatory provisions.

With regard to the powers of the Board of Directors, the current delegations of authority are described in the table of delegations of authority for capital increases.

CHAPTER 4
CORPORATE, ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

4.1 INFORMATION

4.1.1 Methodological Note: organisation and method of reporting

For the financial year ended 30 June 2021, the statistics were collected from:

- the Administration and Finance Division
- the Human Resources Division
- the management of the group's subsidiaries, through questionnaires necessary to the preparation of this chapter.

Corporate, environmental and social management is centralised at the Administration and Finance Division.

The quantitative indicators are the subject of reports.

The qualitative indicators are collected continuously on the basis of information issued by the accounts department or third parties.

4.1.1.1 Reporting scope and period

The data presented relate in majority to the Amplitude Group, with the exception of certain data that relate to Amplitude SAS solely.

The scope is indicated in each paragraph of this document.

The data concern the financial year ended 30 June 2021, unless otherwise stated in the body of the report.

4.1.1.2 Relevance of the selected indicators

The relevance of the indicators may be assessed in respect of the corporate, environmental and social impacts of Group Companies' activities and the risks associated with the challenges of its businesses.

Having regard to the Amplitude Group activities, the following information was not considered relevant and is therefore excluded from the report:

- amount of provisions and guarantees for environmental risks: no provision or guarantee for environmental risks has been posted in the financial statements of the Company;
- consideration of noise or any other form of pollution specific to an activity: no environmental claim has been submitted to the Group, whether in respect of pollution or other type of damage;
- use of land: the Company does not use the land as such for the purposes of its industrial activity. However, the company takes particular care to preserve the exterior of the site where its production units are based; and
- fight against food wasting.

4.1.1.3 *Methodological details*

Energy consumption takes into account the energy (electricity and gas) used for heating, air conditioning of the buildings, production machinery.

Water consumption considers use for sanitary facilities, maintenance of premises and the water-based permanent automatic sprinkler system

All water and energy consumption is calculated according to the same method, the recording of invoices defining the period of consumption.

The workforce includes employees present on 30 June 2021, whether under permanent or fixed-term, professional training or apprenticeship contracts.

Employees who had left the Group on 30 June 2021 are excluded from the workforce.

Employees joining or leaving the company include those holding permanent or fixed-term, professional training or apprenticeship contracts.

In the event of multiple-fixed term contracts over the period, only conclusion of the first contract is included with a single departure being recorded during the period.

Conversions of fixed-term to permanent contracts are neutralised.

Having regard to compensation and its uprating, salaries include the 641 account heading after deducting the 649-account heading (CICE) for the 2018-2019 financial year, and the charges include account headings 645, 647 and 648.

Having regard to the rate of absenteeism, absence for sickness including occupational sickness, absence caused by an occupational accident or when travelling to and from work and absence for family events are included.

The method of calculation is based on theoretical working hours and the actual hours of absence.

Occupation accidents are accidents occurring from 1 July 2020 to 30 June 2021 (excluding accidents when travelling to and from work).

The rate is calculated as follows: (number of accidents declared with sick leave, excluding accidents when travelling to and from work) / number of hours worked) x 1,000,000.

The number of hours worked is equivalent to the number of theoretical working hours reduced by absences during the period.

The accident severity rate is calculated as follows: (number of calendar days off sick following accidents / number of hours worked) x 1,000.

Training hours include CPF (*Compte Personnel de Formation*), training in the workplace, deductible and non-deductible training and internal and external training.

4.1.2 Corporate responsibility

4.1.2.1 Corporate information

The success of Group strategy is founded on the commitment and motivation of its employees as well as compliance with the regulations in force.

The Group complies with the stipulations in the founding agreements of the International Labour Organisation on:

- respect for the freedom of association and the right of collective bargaining;
- elimination of discrimination in respect of employment and occupation;
- elimination of forced or compulsory labour; and
- effective abolition of child labour.

4.1.2.2 Workforce

i. Total workforce (Amplitude Group)

On 30 June 2021, the Amplitude Group employed 443 staff, distributed as follows:

Country	**Workforce**
France	365
including Amplitude SAS	233
including Amplitude Surgical	4
including Novastep SAS	46
including Sofab Orthopédie	59
including Amplitude Ile de France	6
including Duotech - Amplitude	4
including Amplitude Sud	5
Including Amplitude Nord	8
Australia	15
Switzerland	2
Germany	7
Belgium	4
United States	18

Country	Workforce
South Africa	17
Brazil	15
Total	**443**

Amplitude Group (Staff per sector)	**30/06/2021**
Knees and hips	381
Extremities	62

ii. Distribution of workforce per type of contract

The Group employs few people on fixed-term or temporary contracts. Recourse to this type of contract is essentially made to cater for occasional peak demand.

Amplitude Group *(in percentage)*	**30/06/2021**	**30/06/2020**	**30/06/2019**
Permanent (CDI in the French acronym)	96%	96%	97%
Fixed-term (CDD in the French acronym)	4%	4%	3%

Amplitude SAS *(in percentage)*	**30/06/2021**	**30/06/2020**	**30/06/2019**
Permanent (CDI in the French acronym)	94%	95%	95%
Fixed-term (CDD in the French acronym)	6%	5%	5%

iii. Distribution of workforce by grade (Amplitude Group)

Amplitude Group	**30/06/2021**	**30/06/2020**	**30/06/2019**
Management	42%	39%	38%
Non-management	58%	61%	62%

iv. Distribution of workforce per age range (Amplitude Group)

Age range	Number of staff members
18-30	71
31-45	237
> 45 years	135

v. Distribution of staff by gender (Amplitude Group)

The Amplitude Group is committed to achieving gender balance in its workforce throughout all stages of professional life.

Amplitude Group	30/06/2021	30/06/2020	30/06/2019
Women	42%	42%	43%
Men	58%	58%	57%

Amplitude Group	30/06/2021	30/06/2020	30/06/2019
Women, management	42%	39%	35%
Women, non-management	58%	61%	65%

Amplitude Group	30/06/2021	30/06/2020	30/06/2019
Men, management	41%	40%	40%
Men, non-management	59%	60%	60%

4.1.2.3 Employment dynamics and induction

Recruitment

The Group recruited 75 staff members including all types of contract (permanent, fixed-term, apprenticeship and professional training) and all grades, during the financial year ended 30 June 2021.

Amplitude inducts new staff members, for example by presenting the Company and issuing a welcome booklet, and fosters staff loyalty through periodic interviews and opportunities for internal promotion and mobility.

Departures

During the financial year ended 30 June 2021, 68 employees left the Group.

Amplitude Group	**30/06/2021**
Dismissals	6
Resignations / Expiry of fixed-term contracts / Retirement / Others	47
Terminations of contracts	15
Total	**68**

Staff loyalty

- Turnover

The turnover of the Group is 15.60% between 1 July 2020 and 30 June 2021 (Departures / Workforce at the start of the period).

- Average length of service

On 30 June 2021, the average length of service of Amplitude SAS staff employed under permanent contracts of employment was 6.93 years (compared to 5.88 on 30 June 2020).

4.1.2.4 Compensation

The Company implements its compensation policy on the basis of local labour market conditions, internal equity, applicable legislation and, as the case may be, collective bargaining agreements or the national staff status.

The COVID-19 health crisis has had an impact on the Group's salaries and personnel costs.

i. Trends of Amplitude SAS staff costs

Amplitude SAS *(in €k)*	**30/06/2021**	**30/06/2020**	**30/06/2019**
Salaries	8,468	8,108	8,704
Charges	3,691	3,540	3,594

4.1.2.5 Organisation of working time

i. Duration and distribution of working time

The Group complies with legislative, regulatory, statutory and contractual obligations on working time in all of the countries in which it operates.

At Amplitude SAS, management grade staff are all contracted to work a set number of days throughout the year; full time non-management staff are bound by the collective fixed working time applicable at the Company, which is 38 hours per week.

Recourse to part-time working

The number of part-time employees within the Amplitude Group was 30 at 30 June 2021, i.e. 6.77% of the headcount.

The number of part-time employees within Amplitude SAS was 23 at 30 June 2021 (compared to 13 at 30 June 2020), i.e. 9.87% of the workforce.

4.1.2.6 Working Conditions

i. Health and safety conditions

The Group has always paid special attention to the health and safety of its staff.

Since 2015, Amplitude SAS published a safety and environment booklet which is issued to all staff members and new recruits.

This booklet details the prevention organisation of the company by listing the most frequent risks to which staff is exposed and the means of reducing these to a minimum.

No health and safety at work agreement has been signed.

The current health crisis has been closely monitored by the Group with regard to the protection of its employees, with an action plan and protocols initiated, monitored and updated on a very regular basis.

ii. Number of accidents

Workplace accidents are monitored and reported in accordance with the local legislation applicable in each country in which the Company operates.

As of 30 June 2021, 3 accidents (excluding accidents travelling to and from work) were recorded at Amplitude SAS (compared to 3 at 30 June 2020).

Amplitude SAS	**30/06/2021**	**30/06/2020**	**30/06/2019**
Number of occupational accidents at (excluding accidents when travelling to and from work)	3	3	8
of which number of occupational accidents followed by sick leave	3	2	1

iii. Accident frequency rate

The frequency rate of occupational accidents (excluding accidents travelling to and from work) at Amplitude SAS calculated as the number of occupational accidents followed by sick leave, per millions of hours worked, was 7.53 at 30 June 2021 (compared to 5.06 at 30 June 2020).

iv. Accident severity rate

The occupational accident severity rate (excluding accidents travelling to and from work) of Amplitude SAS calculated as the number of days' sick leave per 1,000 hours worked, was 0.380 at 30 June 2021 (compared to 0.673 at 30 June 2020).

v. Safety and working environment training

Between 1 July 2020 and 30 June 2021, 18 employees of Amplitude SAS attended Electrician Accreditation and ATEX Risk training courses.
The following training activities were also carried out:
fire extinguisher handling for 16 employees, gestures and postures for 24 employees and first aid at work for 19 employees.

vi. Occupational illnesses

One employee was declared to be suffering from an occupational illness in the Group during the year.

vii. Employee mobility

A “Mobility Plan” Agreement was signed with the Valence Romans Déplacements transport consortium in April 2019.
This agreement defines the signatories' commitments regarding the implementation and promotion of a mobility plan to encourage the use of alternative means of transportation to individual driving: walking, cycling, public transport, car-pooling, car-sharing, etc. used alone or in combination with each other for both home/work and business travel.

A questionnaire was submitted to employees in May 2019 in order to carry out an analysis of everyone's transportation habits and means. In addition, Amplitude SAS sent the Transportation consortium (*Syndicat de transport*) a file containing the municipalities where employees live in order to create a map of employees' living quarters. This mapping has enabled us to target communication adapted to the needs of employees and should make it possible to develop carpooling.

These actions are used to propose solutions for alternative mobility to employees.

4.1.2.7 Equality of treatment - Equality of men-women

The Group is committed to equal treatment of men and women in comparable situations and in all areas: recruitment, compensation, careers, training, etc.
The company defends the diversity of its employees’ profiles and career paths. It promotes the representation of the diversity of the society in which it operates. Within its workforce and at all hierarchical levels, women and men rich in their differences are therefore brought together. In the individual and collective management and organisation of human resources, the company follows an egalitarian logic and treats all its employees, men and women alike, in a fair and equitable manner.
The Egapro Index or Professional Equality Index has been designed to advance equal pay between women and men in companies.
Amplitude SAS published a result of 99/100.

4.1.2.8 Training

The training plan of Amplitude SAS focuses on several key areas:

- the Group’s strategic priorities,
- the needs compiled during annual interviews, via the HRIS,
- access to training by CPF,
- specific needs linked to the profession (regulatory changes, legal, etc.).

On 30 June 2021, 180 Amplitude SAS employees followed training courses totalling 2,273 hours (compared to 128 employees and a total number of hours of 1,377 on 30 June 2020).

On 30 June 2021, the budget allocated by Amplitude SAS to training was €80,101 (compared to €52,116 on 30 June 2020).

Training provided for staff covered various topics: HSE, IT, Management, Occupations/Skills.

Amplitude SAS focused in particular on management training. All Amplitude SAS managers followed a 6-week training course, the main theme of which was "giving feedback". The programme combined training, practice and coaching. This was an opportunity for the thirty or so managers to review the basics of management, to practice with their peers and to create a space for sharing experiences.

Other subsidiaries have and autonomous training policy based on the global Group policy.

4.1.2.9 Employees and the Company

i. Absenteeism

The Group remains attentive to the absenteeism rates in each of its subsidiaries.

The average absenteeism rate (excluding partial unemployment due to the health situation) at Amplitude SAS was 8.32% on 30 June 2021 (compared to 4.76% on 30 June 2020).

ii. Employee health

Amplitude SAS offered a free screening test for employees on Tuesday 22 December 2020 at the Valence site. The aim was to offer employees the opportunity to be tested before the Christmas holidays at their place of work, in order to detect people infected with COVID-19 before they come into contact with older/vulnerable relatives during the Christmas holidays. 41 employees participated and received the (confidential) results on the same day.

iii. Talent management

Amplitude SAS has been working on talent management within the company.
The objectives were:

- Identify “talents”
    - employees with the potential to progress within the group
    - employees with “critical” expertise
- Work on succession plans
    - Ensure the continuity of the business in case of absence
    - Identify potential successors within the Amplitude Group
- Motivate, engage, retain high-performing employees
    - Have the right person in the right job
    - Define development plans
    - Provide opportunities for development within the Amplitude Group
    - Recognise expertise

This work was carried out with the 9-block matrix: Performance axis and Potential axis.

A workshop was organised with the company's management committee in order to share the managers' cross-evaluation. This led to the definition of a development plan.

iv. Labour relations

Staff representative bodies

There is a social and economic committee Amplitude SAS.

This Committee is comprised of 9 elected holders (4 for the "operatives and office staff" college, 1 for the "technicians, supervisors" college and 4 for the "management and engineers" college). The results of the latest elections were announced on 30 January 2019, the mandates having entered into effect on 30 January 2019 for a term of 4 years.

Between 1 July 2020 and 30 June 2021, 11 ordinary and 10 extraordinary meetings were held.

The Top Management of Amplitude SAS considers it maintains good relations with the staff representative bodies.

Collective agreements

The following collective agreements have been entered into at Amplitude SAS:

- employees' profit-sharing agreement dated 20 June 2008 entered into for an indeterminate period.

- rules for the company savings plan dated 14 June 2005, entered into for a term of one year, renewable automatically;

- rules of the collective pension savings plan dated 6 November 2014, entered into for an indeterminate period; and

- a profit-sharing agreement signed on 20 December 2019 for a term of three financial years, from 1 July 2019 to 30 June 2022.

The following collective agreement was entered into within Amplitude Surgical:

- a profit-sharing agreement, executed on 22 July 2016, for a term of three years, which was renewed by tacit agreement for the period from 1 July 2019 to 30 June 2022.

The following agreement was entered into within Novastep:

- a profit-sharing agreement, executed on 19 December 2019, for a term of three financial years, from 1 July 2019 to 30 June 2022.

v. Disabled employees

On 30 June 2021, Amplitude SAS employed 7 disabled workers (compared to 6 disabled workers on 30 June 2020).

Amplitude SAS also orders a proportion of its office supplies from ESAT (*Etablissement de Service d'Aide par le Travail*) and has been subcontracting the cleaning of transport containers to these ESATs.

The Group's subsidiaries have an autonomous policy based on the legislation of each country. No disabled workers have been identified in the Group's other subsidiaries.

AMPLITUDE SAS has decided to develop a diversity policy with a “disability” focus. Our aim is to be a company where employees feel good. We believe that the diversity of profiles is the strength of our company.

vi. Combating discrimination

The Group’s Ethics Charter sets the principle of providing and maintaining a work environment free from abuse and inappropriate biases.

The Group offers and maintains a working place free from abuse based on ethnicity, colour, sexual orientation, age, religion, national origin, disability, personal data or veteran status. The workplace must also be free from abuse based on any status protected under applicable law. Any abuse in violation of this policy, under any form and at any level, will not be tolerated.

The Group holds as a principle that it will intervene by anticipation in order to take all the necessary measures to avoid any violation of this policy. Therefore, it is essential that any conduct likely to violate this policy, whether such violation affects such employee or a third party, be duly reported.

All abuse allegations must be taken seriously and must be promptly and thoroughly investigated. Confidentiality must be preserved to the full extent possible during the investigation.

Moreover, in 2013, Amplitude SAS produced a guide to good practices for combating recruitment discrimination.

The guide informs managers on the prohibition of all forms of discrimination during the recruitment process. It also indicates the information that may not be requested from applicants.

vii. Well-being at work

Amplitude SAS has introduced variable working hours since January 2020 for part of the non-managerial staff population. The aim of this approach is, on the one hand, to allow a reactive and flexible work organisation to better adapt to the constraints and needs of customers and to meet the economic and social challenges of the company and, on the other hand, to increase the range of the company's opening hours to meet customer service requirements, while at the same time establishing rules by agreement so that the range and distribution of employees’ working hours allow good working conditions to be maintained. This also enables employees to reconcile their private and professional lives.

4.2 SOCIAL INFORMATION

4.2.1 Territorial, economic and social impact of the company’s business

The impact on employment and regional development is assessed according to the number of jobs created directly and indirectly by regional subcontracting of products.

Furthermore, the Group’s impact on local or neighbouring populations is based on a recruitment policy which favours local recruitment; however, given the specific nature of the profiles sought, recruitment is also on a national basis.

4.2.2 Sponsorship

The partnership established with the *Fondation Robert Ardouvin* in 2015 was continued.

The Foundation is recognised as being of public utility, non-profit-making and authorised to take in children and adolescents from 0 to 21 years of age in a situation of danger or experiencing difficulties that could seriously compromise their equilibrium. Belonging to the associative sector, the establishment has a Justice authorisation and an agreement with *Aide Sociale à l'Enfance* (Children's Social Services). It favours keeping siblings together.

The Foundation's *Village d'enfants* in Vercheny can accommodate 65 girls and boys, from the Drôme and other French geographical departments. Some children may remain at the centre up to the age of 21 years under a "young adult" contract should they wish to continue their studies or if they are experiencing difficulties in entering the world of work.

Sponsorship aims to improve the care for the children concerned, notably by financing the Foundation's projects to this end. A donation of €8,000 has been made for the 2020/2021 financial year.

4.2.3 Subcontractors and suppliers

On 30 June 2021, Amplitude SAS cooperated with 69 suppliers and subcontractors (implants and instruments) of which more than 2/3 are based in France.

On 30 June 2021, Amplitude SAS had purchased goods totalling €15,793,423 from its French subcontractors and suppliers.

As the main manufacturing activity is carried out by Amplitude SAS, the analysis of suppliers and subcontractors of other Group companies is not considered relevant.

4.2.4 Ethical commitment of the Amplitude Group

A Business Ethics Charter that is applicable in all countries where the Group is established. It is distributed to all of the staff members of the Group.

The points addressed in the Business Ethics Charter are:

- ethics in the world of medical devices;
- conflicts of interest;
- confidential and IP data protection;
- donations to non-profit organisations;
- gifts, invitations and various benefits;
- competition;
- working with healthcare professionals;
- work environment;
- capital market ethic; and

- implementation of the Charter and whistleblowing.

4.2.5 Relationships with persons and organisations involved in the company's business

Amplitude SAS joined SNITEM (*Syndicat National de l'Industrie des Technologies Médicales*).

SNITEM today unites more than 500 medical device companies, 93% of which are VSE-SMEs. It supports its members through, among other things, a working group and regulatory and legal monitoring.

Apprenticeship tax is paid to training establishments and schools from which we recruit students for professional training or apprenticeship contracts.

Amplitude SAS welcomed 16 trainees and 9 work placements during the financial year.

4.2.6 Consideration of social and environmental challenges in the purchasing policy

Given the importance of subcontracting and the supply of products for our business, but also given the lengthy selection and validation process, particular care is taken in maintaining long-term relationships of trust with our co-contractors.

4.2.7 Actions initiated to prevent corruption

Law No. 2011-2012 of 29 December 2011 on reinforcing the health standards for medicines and health products imposes an obligation to publish the existence of agreements or benefits offered to health professionals by companies manufacturing or marketing health products.

The Company strives to comply with its obligations and publishes on the "public transparency" website any agreements or benefits for health professionals.

This matter is also referred to in the Business Ethics Charter of the Group.

4.2.8 Measures adopted to promote the health and safety of consumers

The Group undertakes to comply with the health and safety requirements stipulated in Regulation 2017/745.

To be placed on the market in the European Union, a medical device must comply with the health and safety requirements defined in the Regulation.

The placing on the market of a medical device is subject to obtaining CE marking before it is offered for sale. The CE marking certifies conformity of the medical device to the health and safety requirements set out in European legislation.

The manufacturer must compile an application which proves the resources used to meet the health and safety objectives set by the legislation.

Devices must be designed so that their use does not compromise the clinical condition of patients or the health and safety of patients and users. In addition, devices must fulfil the performance standards claimed by the manufacturer and any risks must be acceptable, having regard to the benefits for the patient.

EC marking applications are assessed by a notified body. This is a third-party organisation responsible for evaluating the compliance of a medical device with the requirements for placing on the market provided for in the Directive. Notified bodies, which are appointed by the competent authorities in the various EU countries, must satisfy the criteria of independence, integrity and impartiality, training and competence.

4.2.9 Other actions undertaken in favour of Human Rights.

Over the financial year ended 30 June 2021, the Group has not undertaken any action.

4.3 ENVIRONMENTAL INFORMATION

4.3.1 General Environmental Policy

The type of business of the Company and its subsidiaries does not generate any significant environmental risks.

4.3.2 Organisation of the company with regard to environmental questions and, if applicable, the procedures for environmental assessments and certification.

The environmental safety booklet distributed to all Amplitude SAS employees raises awareness of employees and incorporates the following message:

*"**Energy***
Once the lighting levels are adequate, I will remember to turn off the light.
At night, and during any prolonged absence, I will switch off my computer and all devices which do not need to remain on standby.
I will use the heating and air conditioning with common sense.

Water
I will not throw used chemicals or waste into wash basins, toilets or drains.
To avoid waste, I will always turn off taps after using them.
I will notify my line manager if I observe a water leak.

Paper
To reduce consumption, I will remember:
To print only when necessary
To print on both sides of the page
To reuse paper for rough drafting"

4.3.3 Means allocated to environmental risks prevention

Taking into account the Group's businesses, no specific mean dedicated to the prevention of environmental and contamination risks have been set up.

4.3.4 Pollution and waste management

The business of Amplitude SAS is notably subject to environmental regulations under European Directives and Regulations:

- Directive 2012/19/EU of the European Parliament and of the Council of 4 July 2012 on Waste Electrical and Electronic Equipment (the so-called "WEEE" directive); on 30 June 2021, no WEEE has been scrapped.

- Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 providing for the mandatory carrying out of energy audits in European Union large companies.

Amplitude SAS recycles boxes, approximately 988 cubic metres in the financial year ended 30 June 2021 (compared to 768 cubic metres in the financial year ended 30 June 2020), as well as papers, toners and batteries.

Toners and batteries are recovered by brokers. Papers are recycled by the municipality.

4.3.5 Measures for prevention, reduction and reparation regarding waste in the air, water and soil adversely affecting the environment

The car parks at the Valence site are equipped with an oil separator to treat rainwater that could be contaminated by hydrocarbons present in the open car park.

An annual draining is carried out.

4.3.6 Use of resources

4.3.6.1 Energy consumption

i. Amplitude SAS energy consumption

Amplitude SAS	**Data at 30/06/2021**	**Data at 30/06/2020**	**Data at 30/06/2019**
Electricity in kWh	1,204,156	1,360,300	1,387,402
Gas in kWh	78,736	29,484	139,336

The electricity and gas consumption stated above covers invoices from June 2020 to June 2021 and may cover different periods depending on the meters concerned.

The significant decrease in gas consumption over the 2019/2020 financial year was due to the decreased use of the gas boiler at our Valence site.

ii. Consumption of fuel for business travel

On 30 June 2021, the fleet of Amplitude SAS comprised 33 vehicles (private and commercial), compared to 35 on 30 June 2020, and includes 5 hybrid vehicles. The latter can be charged at the electric charging points installed for this purpose in the company's car park.

20,494 litres of fuel were consumed over the financial year ended 30 June 2020, compared to 62,855 litres of fuel over the previous financial year. The decrease is directly linked to the health crisis and the implementation of teleworking according to government guidelines.

4.3.6.2 Water consumption

Amplitude SAS uses water in its commercial and administrative buildings, notably in the air conditioning and sanitary systems, for the up keeping of the premises and the permanent water sprinkler system in one of the buildings containing the stocks of implants and instruments of Amplitude SAS. Water is also used in the implant cleaning chain.

Water is therefore extracted from the mains system only.

Amplitude SAS water consumption was approximately 4,350 cubic metres on 30 June 2021 (compared to 4,888 cubic metres on 30 June 2020).

The water consumption given above refers only to the Valence Site (and covers the period June 2020 to May 2021, for water from the mains system and for the calendar year 2020, for water from the Bourne canal).

4.3.7 Greenhouse gas emissions and combating climate change

The manufacture and marketing of company products generates few direct CO_2 emissions, but represent the majority of the indirect emissions linked to the Group's activities.

The only material direct CO_2 emissions are generated by the natural gas used to heat the premises. The other material items reflect vehicle emissions (transport during production and deliveries to customers, the company fleet, employees' travel) and electricity consumption.

Emissions in CO_2 tones equivalent (with uncertainties related to emission factors)

Amplitude SAS	Data at 30/06/2021	Data at 30/06/2020	Data at 30/06/2019
Transportation between the Valence site and customer establishments in France	209	185	187
Transportation (train and plane) by the Company in France and internationally	7	107	193
Electricity	78	88	90
Gas	16	6	29

4.3.8 Consumption of raw materials and measures adopted to improve use efficiency

The Group has extensive recourse to subcontracting; however, Amplitude SAS has two sintering machines which uses polyamide powder.

Consumption of polyamide powder is used to manufacture custom cutting guides. Amplitude SAS has established a policy for reasonable consumption of the raw material using the residual powder from manufacture of the guides, to produce prototypes.

4.3.9 Fighting against food wasting

The Group has not carried out any actions in connection with food wasting

4.3.10 Biodiversity measures

Over the financial year ended 30 June 2021, the Group has not undertaken any action concerning biodiversity.

4.3.11 Adaptation to the consequences of climate change

Taking into account the Group's activities and its geographical locations, no measure has been planned.

CHAPTER 5
MANAGEMENT REPORT

5.1 EXAMINATION OF THE FINANCIAL POSITION AND RESULTS OF THE COMPANY AND THE GROUP

In application of Article 29 of European Regulation No. 2017/1129 of 14 June 2017, the following information is incorporated by reference in this Universal Registration Document:

- examination of the financial position and results of the Group for the financial year ended 30 June 2020 shown on pages 212 to 231 of the Universal Registration Document filed with the *Autorité des marchés financiers* on 30 October 2020 under number D.20-0911;

- examination of the financial position and results of the Group for the financial year ended 30 June 2019 shown on pages 205 to 225 of the Universal Registration Document filed with the *Autorité des marchés financiers* on 19 November 2019 under number D.19-0962.

The parts which are not included in this document are either not relevant for investors or covered elsewhere in the Universal Registration Document.

Readers are invited to read the following information regarding the financial results of the Group in conjunction with the consolidated Group financial statements for the financial year ended 30 June 2021, as highlighted in paragraph 6.1 "*Group Consolidated Financial Statements for the financial year ended 30 June 2021"* in this Universal Registration Document.

The Company's financial year runs from 1 July to 30 June of the following year.

The Group's consolidated financial statements for the financial year ended 30 June 2021 were prepared in accordance with IFRS standards as adopted by the European Union. The auditors' reports on the consolidated financial statements for the financial year ended 30 June 2021 are presented in paragraph 6.2 of this Universal Registration Document.

The review of the financial statements and profit is presented in euros, and all values are rounded to the nearest tenth of a million, unless otherwise indicated. The totals and sub-totals contained in the review of the financial statements and profit are given in thousands of euros, and all values are rounded to the nearest tenth of a million. Consequently, the totals may not add up because of roundings.

5.1.1 Overview

5.1.1.1 Introduction

The Group is one of the leading French players in the provision of lower limb prostheses (hip, knee, and lower extremities). *(Source: Avicenne, Strategic Report – European Orthopaedic Market 2016-2021 – Hip, Knee & Shoulder – May 2017)*

The Group was established in December 1997, and launched its first products onto the market in 1999. The Group has operations in 28 countries, through 14 subsidiary commercial operating companies (6 in France and 8 in the rest of the world). In terms of market share, the Group is currently ranked second and fourth in the French market in knee and hip prostheses, respectively.

The Group was established in December 1997 and launched its first products on the market in 1999. The Group designs and markets a complete and innovative range of orthopaedic products for surgical use, covering the main pathologies of the lower limbs, which could affect the hip, the knee and the lower extremities (foot and ankle). The Group's product range includes the SCORE® range of moving plate knee prostheses, and the ANATOMIC® range of, fixed plate knee prostheses. Hip prostheses include the INTEGRALE® pin, the SATURNE® and SATURNE®2 acetabulum (double mobility acetabulum), or the HORIZON®2 acetabulum (in Biolox® Delta® ceramic). The Group is also active in the lower extremities sector through its subsidiaries Novastep SAS and Novastep Inc. Lower limb prostheses include the intramedullary implant LYNC® designed for the treatment of Hallux Valgus.

For the financial year ended 30 June 2021, the Group sold 71,069 prostheses, of which 18,994 were hip prostheses, 22,127 were knee prostheses and 29,948 were foot prostheses, compared to 64,491 prostheses, of which 17,626 were hip prostheses, 23,896 were knee prostheses and 22,969 were foot prostheses for the financial year ended 30 June 2020).

This product offering is enhanced through additional innovative services with a high added-value (e.g. training, instrumentation, computer-assisted surgery, clinical follow-up). In particular, the Group has developed its AMPLIVISION® computer-assisted surgery system, the i.M.A.G.E.® tailor-made cutting guide system and the E.T.O.I.L.E.® technological platform (a global offering for the anterior approach in the context of hip surgery).

The Group's products are used in 654 establishments in France and over 600 international ones. The Group seeks to respond in the best way possible to the needs of patients, surgeons, and healthcare establishments. Its primary objectives are to increase the accuracy of fitting and insertion, patient safety in relation to operative follow-up and the timeframe of the operation itself in order to reduce patient rehabilitation time, as well as to offer surgeons ergonomic instruments which allow minimally invasive procedures. The Group distributes its products directly, through its subsidiaries, and indirectly, through agents and exclusive distributors, or through a combination of these by employing its own sales force or that of its distributors.

The Group has developed close relationships with surgeons, opinion leaders in France and abroad, with a view to developing innovative techniques and assuring clinical follow-up of the fitted prostheses.

During the financial years ended 30 June 2020 and 30 June 2021, the Group achieved revenues of €88.3 million and €95.5 million respectively, and an EBITDA of €17.6 million and €20.6 million respectively.

As at 30 June 2021, the Group employed 443 salaried staff, in France and overseas, of which 58 were engineers and technicians, dedicated to research and development.

5.1.1.2 Significant accounting principles

The following are the significant accounting principles applied by the Group:

i. Segment reporting and Cash-Generating Units

Until *the financial year ended 30 June 2020*, Group activity was reported within the specific branch of the business activity, namely, research & development and sales of orthopaedic prostheses and associated instrumentation. The Group had two cash-generating units ("**CGUs**"), one corresponding to activity in France, the other corresponding to international activity.

By 30 June 2021, this division no longer corresponded to the Group's management and structure with the growth of the extremities business. The Group is currently structured around two product areas: (i) Knees and Hips and (ii) Extremities (Novastep companies). Each business segment has its own research and development, manufacturing channels and resources, and sales channels for orthopaedic implants and associated instrumentation. As a result, the Group's segment presentation is evolving towards a presentation by product line that corresponds to the internal reporting units used by the management for the steering of the Group.

For the financial year ending 30 June 2021, it was therefore decided to modify the segment reporting and the CGUs in order to make them correspond to the Group's product areas: a Knee and Hip area, and an extremity area corresponding to the activity of the Novastep subsidiaries. These two areas correspond to the organisation of intellectual property, the separate organisation of distribution networks, and the separate management and reporting organisation.

The Company is able to separate its activity into two cash-generating units (CGUs), with the activity linked to Knee and Hip products on the one hand, and the activity linked to Novastep's Extremities products on the other. Thus, the Company's goodwill shall be allocated to each of these CGUs, and shall form the subject of an individualised impairment test.

The goodwill test carried out to 30 June 2021, based on the two CGUs, gives recoverable values higher than the amounts of assets to be tested recorded in the financial statements, based on projected discounted cash flow.

ii. Revenues

The Group revenues can be broken down by customer type:

- public and private hospitals and clinics (both in and outside of France);
- distributors (outside of France); and
- sales agents (both in and outside of France), to whom the Group either sells products or leases ancillaries.

<u>For hospitals and clinics</u>: only prostheses are sold to hospitals and clinics. Ancillaries and software, for example, the AMPLIVISION® computer-assisted surgery software or the i.M.A.G.E system, are generally provided free of charge.

There are two invoicing methods for prostheses:

- prostheses sold on consignment: volume of inventory is adjusted according to the level of activity of the establishment concerned. The Group is informed on a daily basis of the number of fittings carried out, on the basis of which the Group invoices and replenishes the consigned inventory. Revenues are recognised when an invoice is issued;
- prostheses which are not sold on consignment: all sizes and types of prostheses necessary for planned operations are delivered to the hospital in time for the procedure. After the surgical procedure has been carried out the unused prostheses stock is returned to the Group and the hospital is invoiced for the prostheses used.

Ancillaries and software (notably AMPLIVISION® or the i.M.A.G.E® system) are provided free of charge in France. In other countries (e.g. Switzerland) they are leased for a daily charge. Ancillaries provided free of charge or leased are included in tangible assets.

The Group requires a significant level of traceability. For this reason the expiry dates and batch numbers detailed on the invoice are necessary for the calculation of revenues, and payment could be delayed if they are not included.

<u>For distributors</u>: The Group sells prostheses and ancillaries to its distributors. Revenues are recognised when the products are despatched, according to the Incoterms applied. In most cases delivery is Free Carrier (FCA Incoterm 2010), with the Group delivering the goods in the hands of the first carrier from the Amplitude Valence warehouses, which results in the transfer of ownership.

For sales agents: Generally, sales agents do not take ownership of the Group's products. However, in France some of them may purchase or lease ancillaries. In the case of purchase, revenues are recognised as soon as the ancillary is despatched to the agent. Where an item is leased, revenues are recognised in the month during which the product is leased, according to the negotiated terms of the agreement.

iii. Tangible fixed assets

The sale of orthopaedic prostheses necessitates the sale or supply of ancillaries (accessory surgical instruments) to be made available for different surgical procedures and which are adaptable to the specific needs of each patient. Ancillaries are included in tangible fixed assets.

Tangible fixed assets are included on the balance sheet at their historical purchase cost. They are not revalued.

Items of significant value financed under finance lease agreements, where the risks and benefits of their ownership are transferred to the Group, are included as assets on the balance sheet. The corresponding debt is included as a liability under financial debt.

Investment grants are included in liabilities under Other current liabilities.

The components of a fixed asset are accounted for separately if there is a significant difference in the estimated length of their useful economic life, and therefore in their amortisation period.

Amortisation is calculated on the depreciable amount, which is the cost of the asset or any other amount equal to the cost. Given the nature of the tangible assets, no value is considered at the end of their useful economic life.

Amortisation on expenses is calculated on a straight-line basis on the estimated use of each component of a fixed asset, which represents the best estimated rate of consumption of the future economic benefit of the asset.

Leased assets are amortised on the shorter of the term of the leasing agreement, and their useful economic life, unless the Group is reasonably certain of assuming ownership by the end of the lease term.

Land is not amortised.

Estimated durations are detailed in Note 3.7 of the consolidated financial statements for the financial year ended 30 June 2021, which is highlighted in paragraph 6.1 "*Group Consolidated Financial Statements for the financial year ended 30 June 2021"* of this Universal Registration Document.

Amortisation methods, useful economic life, and residual values are reviewed every financial year end and adjusted accordingly.

The replacement cost of a tangible fixed asset is included in its book value if the Group is likely to derive future economic benefit from the asset and if its cost can be determined using a reliable method.

The book value of the replaced asset is excluded.

Current care and maintenance costs are included in expenses at the time they are incurred.

iv. Inventory

The Group's marketing of orthopaedic prostheses also necessitates the provision of consignment stock to customers and, periodically, to its distribution network. Consignment stock is comprised of a complete range of prostheses (kits, sizes, accessories) for different surgical procedures. Invoicing of orthopaedic prostheses, either to distributors or to healthcare establishments, occurs on communication of information related to the fitting of the prostheses and triggers a request from the customers to replenish consignment stock of the products.

Inventory of finished products are valued at the lower of cost and net realisable value.

Goods and raw materials are valued using the weighted average unit cost method. Storage expenses are not included in inventory values.

Products in progress and finished products are valued at their production cost. A proportion of indirect costs of production is calculated on the normal basis of production capacity, excluding all idle capacity and storage costs.

A provision for inventory depreciation is made when the gross value, calculated using the method detailed above, is greater than or equal to the realisable value, after subtracting the proportional sales cost.

In compliance with legal requirements, the Group has implemented a traceability system for all of its products. In particular, before the expiry date has passed, the inventory is returned and rejected (for perishable inventory, e.g. prostheses made from polyethylene), or is resterilised (in the case of other materials, for example metal prostheses, the expiry date of which is relating to sterilisation). Since the inventory is rotated on a regular basis in respect of its expiry date, the number of prostheses actually rejected is low.

v. Goodwill

Business combinations are accounted for according to the acquisition method. The assets and contingent liabilities of the acquired entity are valued at fair value on the date of acquisition. Valuation differences identified after the date of acquisition are accounted for within the individual asset and liability accounts in question. The residual difference, which represents the difference between the cost of the acquisition of the securities, and the proportionate Group share in the fair value valuation of identified assets and liabilities, is included in goodwill.

Goodwill is subject to an impairment test at least once annually. Depreciation analyses are carried out on the assets tested, either individually or at the cash-generating unit level of the smallest identifiable group of assets which generates cash inflows independently. Goodwill is tested at the level of the cash-generating unit concerned. An amount for depreciation is booked when the carrying amount of the goodwill is greater than its recoverable amount. The recoverable amount is the projected cash flow realised from continued use of the assets concerned. Depreciation allocated to the cash-generating unit is imputed in order, first to goodwill, then to the value of the other assets within the cash-generating unit, up to their recoverable amount.

The items included in goodwill as at 30 June 2021 are detailed in Section 5.2 *"Cash and Capital* Equity" of this Universal Registration Document.

As at 30 June 2021, impairment testing was carried out on the basis of the discounted cash flow method, using the following parameters and assumptions:

- taking into account the business plan for the period from 1 July 2021 to 30 June 2026;

- a perpetuity growth rate of 1.9% on CGU Knees and Hips and 3.4% on CGU Extremities;
- actualisation at a rate of 10% of expected cash flows; and
- the value test confirmed the carrying amount of the assets of two CGUs (including goodwill).

vi. Intangible assets

Intangible assets are presented on the balance sheet at cost. Any intangible assets identified at the time of an acquisition are also included in this figure. These assets consist mainly of patents, exclusive licences and software.

The Company exploits patents and licences which it owns outright, or which it holds under licensing agreements.

Patents and licences are included in intangible assets.

Licences and patents which have been developed in partnership with inventors, some of which give rise to the payment of royalties which are indexed on future sales. In accordance with IAS 38, these intangibles have been accounted as assets by estimating flow of future royalties, and as counterpart a debt has been accounted for the same amount, updated at each closing. Each patent or licence is subsequently amortised on a non-straight-line basis, based on the royalties effectively due for the period, the initial debt being settled as the royalties are paid.

vii. Research and development costs

Research and development expenses are booked in the financial year in which they are incurred. Research Tax Credit is posted in other operating income in the income statement.

Research and development costs can be capitalised immediately (as intangible assets) in respect of certain projects (for example certain prototypes), but only where the Group can demonstrate that the following conditions are fulfilled:

- its intention and financial ability to carry out the development project from start to finish;
- any future revenues benefit attributable to these development costs are likely to flow back to the Group; and
- the cost of the asset can be assessed using a reliable method.

viii. Provisions for risk

Provisions are made where the Group has a legal or implied obligation resulting from a past event, and where there is the likelihood of an outflow of economic resources, without a corresponding inflow, in order to meet the obligation.

These provisions are estimated taking into account the most probable assumptions on the date of preparation of the financial statements.

If the effect of their value over time is significant, the provisions are discounted.

ix. Tax

Tax on profits (expense or income) comprises the tax liability expense (income) and the deferred tax expense (income). Current and deferred taxes are booked to the profit and loss account unless they relate to a business combination, to items that are recorded directly in capital reserves or to other elements of the consolidated profit and loss account.

Tax due is comprised of:

- the estimated total tax due (or receivable) as income (or expense) in a given period, determined by using tax rates in force at the date of closing of the accounts; and

- all adjustments of tax liability relating to prior periods.

The Group calculates deferred taxes on the basis of timing differences between the book value of assets and liabilities, and their tax basis. The following elements are not included in the deferred taxes calculation:

- the initial recording of an asset or liability in a transaction which is not a business combination and which impacts neither the book profit nor the taxable profit; and

- timing differences related to shareholdings in subsidiary companies and joint ventures to the extent that they are not likely to be reversed in the foreseeable future.

Deferred taxes are not calculated on the taxable timing differences generated the first time that goodwill is booked. Deferred tax assets and liabilities are valued at the rates of tax in force or expected to be in force for the period during which the asset would be realised and the liability settled, on the basis of the tax rules in force or applicable at the date of closing of the accounts. Deferred tax assets and liabilities are offset in accordance with tax legislation which allows for the offsetting of taxable assets and liabilities, and if this relates to tax levied on profits by the same tax authority, whether it relates to the same taxable company or a different taxable company, but which has the intention of settling the taxable assets and liabilities on the basis of their net value, or of realising the assets and settling the liabilities at the same time.

A deferred tax asset is not recorded in respect of deductible timing differences, unused tax losses and tax credits, except to the extent that the Group is likely to have future taxable profits against which to offset them.

Deferred tax assets are reviewed on the date of closing of the accounts.

x. Fair value

A certain number of accounting policies and a certain amount of information are necessary in the calculation of the fair value of financial and non-financial assets and liabilities. Fair value calculation related mainly to interest rate hedging instruments and Convertible Bonds.

Fair values are determined for the purposes of evaluation or supplied information, using the following methods:

- tangible fixed assets: the fair value of tangible fixed assets recorded after a business combination is based on market value. The market value of property is the estimated amount for which this asset can be sold, as at the date of valuation, after the appropriate advertising, between well-informed and consenting parties acting within normal market conditions. The fair value of fixtures, fittings and equipment is based on market approach and the profit approach by using the price quoted for similar items where this is available, or the cost of replacement where appropriate;

- intangible assets: the fair value of intangible assets is based on expected discounted cash flow on the use and eventual re-sale of the assets;
- inventory: the fair value of inventory acquired as part of a business combination is determined on the basis of the estimated sale price in the course of normal business activity, less the estimated completion and resale costs, and at a reasonable profit to reward the necessary efforts required to finish and sell the goods; and
- derivatives: the fair value of interest rate swaps is based on broker quotes. Fair values reflect the credit risk of the instrument and include adjustments for the credit risk of the Group Company concerned and of the counter party where appropriate.

5.1.1.3 Main items in the profit and loss account

The main items included in the profit and loss account on which the Group's management relies to analyse its consolidated financial results are set out below.

i. Revenues

Revenues comprise (i) sales of prostheses to healthcare establishments and to distributors, and (ii) sales of ancillaries to distributors. The Group may also occasionally sell or lease ancillaries to its sales agents. In France, the price booked is the price set by the LPPR (or its equivalent outside France) where the customer is a private establishment, or the price quoted in an invitation to tender where the customer is a public establishment.

The Group's distribution models are described in paragraph 1.3.3.8 in this Universal Registration Document.

ii. Fixed asset inventory

The asset inventory refers to inventories of prostheses (work-in-progress and finished goods); capitalised production corresponds to the expenses for the period in which the asset was recorded on the balance sheet; these expenses are either external expenses or personnel expenses.

iii. Expenses

Expenses essentially comprise:

- purchases of components and all the constituent elements and parts of a product (e.g. forging, packaging, instructions);
- processing operations which are included in the price invoiced by suppliers for the following processes: factory handling, polishing, carving, assembly, packaging, surface treatment and sterilisation;
- other purchases and external expenses, which mainly comprise commissions paid to selling agents (based on the revenues generated), or to the supplier of services, subsidiaries' expenses, insurance premiums, temporary staff expenses and travel expenses;
- taxes, levies and related payments such as Company land and property tax (French CFE), tax on medical devices, payroll tax, (e.g. apprenticeship, continuous professional development, paid

training). The expense for Company value added tax is included under the heading "tax on profits" and not in operational expenses; and

- employee expenses, made up of salaries and related costs, retirement severance pay, employee profit share and incentive bonuses.

iv. Impairment allowances and provisions, net of reversals

Impairment allowances relate primarily to ancillaries, patents owned by the Group, the building in Valence which is owned by the Group, and provisions for risks and charges (mainly in respect of on-going legal disputes to which the Group is exposed).

v. Other operating income and expenses

Other operating income and expenses mainly comprise licence fees paid in respect of the use of an asset that is not owned by the Group, in addition to income from the Research Tax Credit (French CIR).

vi. Operating income

Operating income corresponds to revenue after deducting all operating expenses.

Operating income can include non-recurring items (e.g. occasional payments in relation to registering a product or to the discontinuation of a product). In particular, the Group incurred exceptional expenses in the context of external growth transactions, when the Notified Body was changed (from DEKRA to the BSI), when the ERP was launched and in connection with the IFRS expenses related to the allocation of free shares, or one-off charges related to performance improvement plans or exceptional fees.

Operating income relates to current operating income less non-recurring items.

The Company includes as non-current charges, charges or provisions for current disputes at the Company.

vii. Financial income

The Group's financial income consists of financial revenues less financial expenses.

Financial revenues essentially comprise financial revenues relating to investments and gains on foreign exchange.

Financial expenses are essentially interest paid or capitalised in respect of the Group's debt (senior loan contract and mezzanine debt prior to 2014, bonds from 2014, Bonds issued in 2020, property finance leasing and securitisation (factoring)).

Financial expenses also include foreign-exchange losses, in particular in respect of current accounts denominated either in currencies or in euros with its foreign subsidiaries, the main sources of financing set up for the benefit of the subsidiaries.

viii. Tax on profits

Tax on profits represents the tax expense for the financial year made up of corporation tax paid or deferred, value added tax payments, and allowances and reversals on tax provisions.

ix. Deferred taxes

The Group calculates deferred taxes on the basis of timing differences between the book value of assets and liabilities, and their tax basis.

x. Net profit

Net profit represents the profit after current and deferred taxes. The minority share relates to interests held by third parties in Group subsidiaries in Australia and Japan, as well as in the United States and France (Novastep Inc. and Novastep).

5.1.1.4 Main factors affecting profit

Certain key factors as well as key past events and operations had, and could continue to have, an effect on the business and profits of the Group. These factors are described below.

i. Health policies and reimbursement prices

Group business activities are carried out within the healthcare field, and are therefore affected by the prevailing regulatory and economic environment. More specifically, public health policies and reimbursement levels have a direct effect in those countries in which the Group sells directly to healthcare establishments (this is especially true where the price is fixed by health insurance policies), or indirectly where the Group sells its products through distributors who are themselves subject to these policies. The total sum of healthcare costs and the level of reimbursement therefore have a direct impact on Group business activities and on its profits.

The selling price of the Group's products is the most important element of its profits, since this price is often fixed by law. For example, in 2012, the French government, with a view to reducing healthcare costs, changed the medical reimbursement rates for hip and knee prostheses by 10.5% and 5.5% respectively. This reduction was phased in over three years, namely 2013, 2014 and 2015 (the final reduction having taken effect on 1 September 2015).

The French *Conseil d'Etat* (Council of State) by a decision dated 3 December 2015 cancelled the reduction of tariffs initiated in 2013. A decision of the Economic Committee for Medicinal Products dated 19 February 2016 established a reduction in the tariffs imposed on 14 March 2016 in the order of 12.30% for hip prostheses and 7.40% for knee prostheses. By an order of 18 April 2016, the French *Conseil d'Etat* cancelled the latter reduction exclusively for a part of the hip implants.

In June 2017, the French economic committee for healthcare products (CEPS) suggested a new plan for price reductions over 2 years.

On 21 August 2017, a 3.5% decrease on average was applied to hip and knee implants.

In July 2018, an average decrease of 2.25% was applied. This decrease was applied in a product-specific manner.

A new decrease took place between the months of May and June 2019, resulting in an average decrease of 2.93%.

The draft law on the financing of social security for 2021 provided for actions in the order of €150 million on the tariffs of medical devices. These actions were to consist of LLPR tariff reductions. The COVID-19 pandemic prevented the planned actions from being put in place.

Each such rate reduction can have a significant impact on Group profits on the basis that 64% of its revenues is attributable to France.

ii. Regulatory background and developments

The control, manufacture and sale of the Group's products are dependent on obtaining and maintaining the necessary legal and regulatory certifications for the sale and marketing of medical devices. The Group's products are the object of strict regulatory rules which are constantly changing. Adherence to these regulations can prove to be expensive. These regulatory changes can have a significant impact on the Group's business activities, and therefore on its profits. In particular, each regulatory change could require the Group to conform to a new set of rules, and could force it to reapply for authorisations or licences.

For example, the regulation of medical devices is similar to applicable requirements in the pharmaceutical sector. The Group is forced to undertake a great deal of preparatory validation and clinical work in order to justify keeping its products on the market.

iii. Currency fluctuations

As a result, the Group generally manufactures its own products and pays for this in euros, with the exception of certain products that are manufactured in Australia and the United States. On the other hand, the Group sells its products in local currency when marketing products through its foreign subsidiaries and invoices in euros when selling products to distributors located abroad. Therefore, the Group presents its financial statements in euros. Consequently, in preparing its accounts the Group has to convert its assets, liabilities, revenues and expenses from foreign currency into euros, using the relevant exchange rates in effect. Exchange rate differences can therefore affect the value of these items within the accounts (and can also impact the profit expressed in euros) even if their intrinsic value remains unchanged.

The main currency fluctuations affecting the Group's results are those between the euro on one hand, and the US dollar, the Australian dollar, the Swiss franc and the Brazilian real on the other. As at the date of this Universal Registration Document, the Group did not hold any hedging instruments for currency fluctuations.

iv. Operating expenses

The Group's has a significant number of operating expenses, which primarily include:

- research and development costs: the Group carries out research and development activities in Valence and in Australia. Research and development costs are financed by the Group using shareholders' equity. The majority of research and development costs are booked as expenses, except those research and development costs that fulfil the necessary criteria allowing them to be capitalised as assets. These costs are not identified separately, but are included in operating expenses. Research and development costs are categorised by type and destination. They mainly comprise costs related to the registration of products (e.g. FDA, ANVISA, JPMA, TGA);

- sales and marketing expenses: advertising and marketing expenses relate essentially to commissions paid to selling agents (the total of which is booked proportionally as revenue), product launches, conferences attended by the Group and recruitment of the Group's sales force; and

- administrative expenses: administrative expenses are essentially the costs of setting up in a country, Group structuring expenses, and employee expenses.

Other operating expenses **(in thousands of euros)**	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Revenues	102,559	88,286	95,502
Gross profit	76,196	64,137	71,235
As a % of revenues	74.3%	72.6%	74.6%
Sales and marketing expenses	39,397	32,284	34,772
Administrative expenses	11,114	10,145	12,513
R&D costs	3,945	4,100	3,329

v. Internationalisation of Group business

The Group is growing significantly on an international level, on the one hand, by increasing the number of countries in which it distributes its products through distribution agreements, and on the other, through establishing subsidiaries internationally. This international growth significantly impacts all of the Group's expenses, in particular those falling under "sales and marketing expenses", to which all expenses relating to distribution subsidiaries are booked.

vi. Seasonality

The Group's business activities are affected by seasonality in certain countries. For example, very few surgical procedures are carried out in August in France or in January in Australia. Group business activity in France generally increases in January and October. This seasonality is reinforced in France by the fact that the Group builds up inventory in preparation for the busiest periods (mainly in December). Inventory levels can respond to the seasonality of sales, with one or two months of lead time. This generally results in a much weaker EBITDA in end-December than in end-June.

Group business activity is less affected by seasonality in other countries.

vii. Sources of financing

The business of marketing orthopaedic prostheses necessitates:
- the provision of consignment stock to the distribution network;
- the marketing or supplying of ancillaries (accessory surgical instruments) which are made available for different surgical procedures, and made adaptable to the specific needs of each patient.

As a consequence, every new customer procured by the Group results in investment expenses being incurred (which represent around 40% of revenues or more where the Group sells its products directly to the end customer, rather than through a distributor). This also results in an increase in the need for working capital, which has to be financed by the Group. In order to achieve this, the Group takes, or could take, advantage of different sources of financing: leasing of equipment or property, medium-term credit (notably for ancillaries), self-financing, factoring or letters of credit.

viii. Financial expenses

A large part of the of the Group's cash flow is affected by the servicing and repayment of its debt, notably:

- Until 10 November 2020, interest on Non-convertible Bonds (2014 and 2016 unitranche debt) are included in total financial expenses every year. It consists of a portion paid in cash every month, and a capitalised portion;

- From 10 November 2020, interest on the Bond Loan of €110m
- interest related to property finance leasing is included in financial expenses.

5.1.1.5 Principal performance indicators

The Group uses as its principal performance indicators revenues, EBITDA, EBITDA margin, and net profit.

Performance indicators (in thousands of euros)	Financial year ended 30 June		
	2019	2020	2021
Revenue	102,559	88,286	95,501
EBITDA	21,740	17,608	20,621
EBITDA margin	21.2%	19.9%	21.6%
Net profit excluding financial expenses relating to extraordinary items	(4,495)	(13,057)	(8,021)

i. Revenues

See definition of revenues in paragraph 5.1.1.3 of this Universal Registration Document.

ii. EBITDA and EBITDA margin

EBITDA represents current operating profit, plus impairment allowances, less non-recurring items. The EBITDA margin represents EBITDA as it relates to Group revenues.

Performance indicators (in thousands of euros)	Financial year ended 30 June		
	2019	2020	2021
Current operating income	2,279	(6,062)	181
+ Amortisation allowances	19,078	18,857	16,310
+ Non-recurring items (1)	382	4,814	4,130
EBITDA	**21,740**	**17,608**	**20,621**
EBITDA margin	**21.2%**	**19.9%**	**21.6%**

(1) The main non-recurring items include:

For the financial year ended 30 June 2019: fees related to pending litigation and indemnities (€0.6 million), the free share plan (€0.5 million) and income from a patent's variable part (€0.7 million).

For the financial year ended 30 June 2020: fees relating to ongoing litigation and compensation (€1.7 million), the free share plan (€0.2 million), the discontinuation of a patent (€0.2 million) and scrapping (€2.6 million)

For the financial year ended 30 June 2021: non-recurring severance payments (€1.8 million), non-recurring fees and miscellaneous allowances (€1.5 million), non-recurring bonuses (€0.6 million), free share plan (€0.2 million).

EBITDA and EBITDA margin are not standardised accounting calculations, with a single generally accepted definition. They should not be considered as a substitute for operating profit, net profit, cash flow from operating income, or as a measure of liquidity. EBITDA and EBITDA margin may be calculated differently by different companies with similar or different business activities. For this reason, the EBITDA and EBITDA margin calculated by the Company should not be compared with those used by other companies.

iii. Net profit excluding extraordinary items

The Group shows a net profit excluding extraordinary items. This total represents net profit less extraordinary items.

Performance indicators (in thousands of euros)	**Financial year ended 30 June**		
	2019	**2020**	**2021**
Net profit	(9,402)	(14,642)	(14,667)
+ other extraordinary items: • Provision for URSSAF dispute • Other non-recurring items (1)	 +2,347 +2,101	 -6,774 +8,359	 +1,893 +4,753
- Tax (2) (3)	+459		
Net profit excluding extraordinary items (2)	**(4,495)**	**(13,057)**	**(8,021)**

(1) The other non-recurring items are:

As at 30 June 2019

- Non-recurring items restated for EBITDA: €382k
- Operational improvement audit and action plan: €620K
- Patent allocations: €1,083k
- Effect of changes in tax rates on deferred tax assets: €459k

As at 30 June 2020

- Non-recurring items restated for EBITDA including action plan: €4,814k
- Impairment of ongoing R&D projects: €2,791k
- Losses on bad debts: €615k
- Miscellaneous exceptional expenses: €139k

As at 30 June 2021

- Non-recurring items restated for EBITDA: €4,130k
- Impairment of ongoing R&D projects, net of reversals: €456k
- Miscellaneous exceptional expenses: €166

(2) At theoretical rate of 33 1/3%.

(3) This adjustment does not take into account the impact of adjusting the financial costs in the fiscal deficits eligible for carrying forward

This calculation is not a standardised accounting calculation, with a single generally accepted definition. It should not be considered as a substitute for operating profit, net profit, cash flow from operating income, or as a measure of liquidity. This total maybe calculated differently by different companies.

5.1.2 Analysis of Consolidated Results for financial years ended 30 June 2021 and 30 June 2020

5.1.2.1 Profit and loss account

Profit and loss account ***(in thousands of euros)***	**Financial year ended 30 June** **2020**	 **2021**
Revenue	88,286	95,502
Fixed asset inventory	499	4,946
Raw materials, goods and other supplies	(15,298)	(16,430)
Outsourcing expenses	(7,194)	(9,253)
Other purchases and external expenses	(26,682)	(29,593)
Taxes, levies and related payments	(957)	(985)
Employee expenses	(25,422)	(27,518)
Impairment allowances and provisions, net of reversals	(18,857)	(16,310)
Other operating income	1,075	1,019
Other operating expenses	(911)	(811)
Capital gains/losses on disposals	(601)	(384)
CURRENT OPERATING INCOME	(6,062)	181
Impairment losses	-	-
Non-current operating income	19	818
Dispute over tax on promotion of medical devices	6,774	(1,893)
Non-current operational expenses	(3,563)	(1,441)
OPERATING INCOME	**(2,833)**	**(2,334)**
Total dividends	-	-
Other financial income	1,342	211
Total financial income	1,342	211
Interest and financial expenses	(6,553)	(9,853)
Changes in fair value of financial instruments	-	-
Other financial expenses	(3,270)	(832)
Total financial expenses	(9,823)	(10,685)
FINANCIAL INCOME	**(8,482)**	**(10,474)**
Current and deferred taxes	(3,327)	(1,859)
Income from equity affiliates		-
NET INCOME	**(14,642)**	**(14,667)**
Of which: - Group share - Minority interest share	 (14,198) (443)	 (14,099) (568)

5.1.2.2 Revenues

Revenues rose from €88.3 million on 30 June 2020 to €95.5 million on 30 June 2021, which represents a 10.0% increase on a constant scope and exchange rate. The increase is linked to a partial recovery of the activity after the first wave of COVID-19 in spring 2020, but is also affected by the further deterioration of sanitary conditions in the various markets of the Group from October 2020.

Revenues are split between the products Knees and Hips and Extremities as follows:

Revenues *(in thousands of euros)*	**Financial year ended 30 June**		
	2020	**2021**	**Change (as a%)**
Knees and hips	79,602	82,713	5.3%
Extremities	8,684	12,789	53.5%
Total	**88,286**	**95,502**	8.2%

Revenues are split between France and International as follows:

Revenues *(in thousands of euros)*	**Financial year ended 30 June**		
	2020	**2021**	**Change (as a%)**
France	55,227	62,391	13.0%
Distributor export	8,767	7,919	-9.7%
Subsidiary export	24,292	25,192	3.7%
International	33,059	33,110	0.2%
Total	**88,286**	**95,502**	8.2%

5.1.2.3 Fixed asset inventory

Fixed asset inventory rose from €0.5 million at 30 June 2020 to €4.9 million on 30 June 2021, due to the partial recovery of activity in the 2020/2021 financial year as well as the anticipation of a gradual return to normal for the 2021/2202 financial year requiring a higher level of stock.

5.1.2.4 External income and expenses

External income and expenses *(in thousands of euros)*	**Financial year ended 30 June**		
	2020	**2021**	**Change (as a%)**
Raw materials, goods and other supplies	(15,298)	(16,430)	7.4%
Outsourcing expenses	(7,194)	(9,253)	28.6%
Other purchases and external expenses	(26,682)	(29,593)	10.9%
Taxes, levies, and related payments	(957)	(985)	3.0%
Employee expenses	(25,422)	(27,518)	8.2%
Total	**(75,553)**	**(83,779)**	10.9%

Total external income and expenses rose from €75.6 million at 30 June 2020 to €83.8 million on 30 June 2021, representing an increase of 10.9%. This increase is linked to the partial recovery of activity in the 2020/2021 financial year.

5.1.2.5 Impairment on amortisation and provisions, net of reversals

Depreciation, amortisation and provisions fell from €18.9 million at 30 June 2020 to €16.3 million on 30 June 2021, which represents a 13.5% decrease due to a reduction in investments since the 2018/2019 financial year.

5.1.2.6 Other operating income and expenses

Other operating income and expenses represented a net operating income of €0.2 million at 30 June 2020 and 30 June 2021.

5.1.2.7 EBITDA and EBITDA Margin

The EBITDA rose from €17.6 million at 30 June 2020 to €20.6 million on 30 June 2021. The EBITDA margin rose from 19.9%at 30 June 2020 to 21.6% on 30 June 2021.

5.1.2.8 Non-recurrent items in the period

Non-recurring items decreased from an expense of €4.8 million on 30 June 2020 to an expense of €4.1 million on 30 June 2021. These items are mainly composed of non-recurring rejections related to product line discontinuations, non-recurring fees and various indemnities.

5.1.2.9 Current operating income

Current operating income is a profit of €0.2 million on 30 June 2021, compared to a loss of €6.1 million at 30 June 2020, thanks to a higher level of activity in the 2020/2021 financial year.

Excluding non-recurring items, profit from recurring operations would have been a profit of €4.3 million.

5.1.2.10 Financial income

Financial income represented a net loss of €10.5 million at 30 June 2021, compared to a loss of €8.5 million at 30 June 2020, taking into account an increase in interest and financial charges on senior debt.

This financial income includes interest on financial debt and foreign exchange losses.

Interest expense on debt amounted to €9.9 million at 30 June 2021.

5.1.2.11 Net income

Net income represented a loss of €14.6 million at 30 June 2020, compared with a loss of €14.7 million at 30 June 2021.

The amount of taxes payable fell from €0.9 million at 30 June 2020 to €0.5 million on 30 June 2021.

The deferred tax expense fell from €2.4 million at 30 June 2020 to €1.3 million on 30 June 2021, taking into account the adjustment of previous tax loss carry-forwards and the discounting of the tax rate applied to previous tax loss carry-forwards.

5.1.3 Analysis of company results for the financial year ended 30 June 2021

During the 12-month financial year, the Company generated revenues of €2.0 million, stable in relation to the previous financial year.

Operating expenses of €8.8 million were recorded as well as expense transfers of €4.3 million, resulting in an operating deficit of €2.5 million.

After posting financial income of €1.3 million and financial expenditure of €7.8 million, the pre-tax current income was a deficit of €9.0 million, compared to a dell current loss before taxes of €5.0 million during the previous financial year.

Considering an exceptional loss of €0.2 million, and income from tax consolidation of €0.5 million, this financial year ended 30 June 2021 resulted in an accounting deficit of €8.6 million.

5.1.4 Table of company results for the last five financial years

Financial table	**30/06/2021**	**30/06/2020**	**30/06/2019**	**30/06/2018**	**30/06/2017**
I – Financial situation at end of financial year					
a) Share capital	478,048	478,048	478,048	469,298	469,298
b) Number of shares issued	47,804,841	47,804,841	47,804,841	46,929,852	46,929,852
c) Number of bonds convertible to shares	0	0	0	0	0
II – Overall result of actual transactions					
a) Revenues ex tax	2,006,163	1,978,170	2 274,219	2,200,842	2,220,617
b) Profit before tax, amortisation and provisions	-8,001,984	-4,903,835	- 5,276,618	- 5,014,535	-11,552,393
c) Tax on profits	-527,907	-378,448	- 1,611,900	- 492,532	- 850,269
d)Profit after tax, amortisation and provisions	-8,622,747	-4,762,674	- 4,000,419	-4,896,946	-3,307,404
e) Profit distributed	0.00	0.00	0.00	0.00	0.00
f) Employees' profit sharing	0.00	0.00	0.00	0.00	0.00
III – Result of transactions reduced to a single action					
a) Profit after tax but before amortisation and provisions	-0.16	-0.09	-0.08	-0.11	-0.23
b) Profit after tax, amortisation and provisions	-0.18	-0.10	-0.08	-0.10	-0.07
c) Dividend distributed per share	0	0	0.00	0.00	0.00
IV – Breakdown of share types					
a) Number of shares with a priority dividend	0	0	0.00	0.00	0.00
b) Maximum number of future shares to be created	1,434,144	1,434,144	1,434,144	874,989	1,407,897
c) By exercise of subscription rights	0	0	0.00	0.00	0.00
V - Workforce					
a) Number of employees	4	4	4	4	4

b) Payroll	1,576,379	1,306,533	1,059,868	1,202,992	1,051,715
c) Amounts paid for social benefits (social security, charities)	712,655	542,957	554,821	868,021	669,451

5.1.5 Payment deadlines

Pursuant to the article L.441-6-1 paragraph 1 of the French Commercial Code, for financial years commencing after 1 July 2016, companies whose accounts are certified by a statutory auditor must publish information on the deadlines for payments of suppliers and customers.

Pursuant to Articles L.441-6-1 and D.441-4 of the French Commercial Code, on closing of the financial years ended 30 June 2021 and June 2020, the breakdown of the balance of debts and receivables outstanding to suppliers and customers by due date was as follows:

	Article D. 441 I.-1°: Invoices received but unpaid at the closing date of the financial year whose term has expired						**Article D. 441 I.-2° °: Invoices issued and unpaid at the closing date of the financial year whose term has expired**					
	0 day (indicative)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**	0 day (indicative)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 day and more)**
(A) Late payment instalments												
Number of invoices concerned												
Total amount of invoices concerned *in euros including VAT*	€55,111	€58,152	€	€0	-€419,88	€57,732	- €	- €	- €	- €	- €	- €
Percentage of total purchases for the year *including VAT*	5%	5.3%	0%	-0.18%	0.03%							
Percentage of revenue for the financial year *including VAT*							0%	0%	0%	0%	0%	0%
(B) Invoices excluded from (A) relating to disputed or unrecognised debts and receivables												
Number of excluded invoices	0											
Total amount of invoices excluded												

(specify: excluding VAT or including VAT)		
Reference payment periods used (contractual or legal period - Article L.441-6 or Article L.443-1 of the French Commercial Code)		
Reference payment terms used to calculate late payments	Contractual deadlines: 45 days FDM (LME)	Contractual deadlines: 45 days FDM (LME)
	Legal deadlines: NA	Legal deadlines: NA

5.2 CASH AND CAPITAL EQUITY

5.2.1 Overview

The main financing needs of the Group include its working capital requirements, funds for investments (especially for the design and purchase of ancillaries provided to medical practitioners), interest payments, and loan repayments.

The Group's primary source of regular liquid funds comprises cash from operating activities. Available cash and cash equivalents totalled €30.7 million and €36.6 million as at 30 June 2021 and 2020 respectively. The Group uses cash and cash equivalents to finance its current needs. The Group's cash is denominated partly in euros. Its future ability to generate cash from operating activities will depend on its future operational performance, which is, in turn, dependent to a great extent on economic, financial, competitive, market, regulatory, and other factors. The majority of these are outside the Group's control (see risk factors described in Chapter 2 "*Risk factors*" of this Universal Registration Document).

The Group is also financed by debt. In June 2011, the Group finalised a senior credit facility, and issued bonds relating to share subscription warrants ("**OBSA**"). This debt was refinanced in its entirety in September 2014 (through the issuance of Non-convertible Bonds due 2021). In June 2011, the Group had also issued Convertible Bonds into shares, subscribed by the shareholders, with a maturity date of 2026, which were all converted into shares at the time of the Company's initial public offering. The Group finalised a property lease agreement used to finance its Head Office in Valence. Finally, the Group implemented a system of securitisation of certain of its receivables (*factoring*).

In November 2016, the Group issued €65 million of non-convertible bonds maturing in 2022, redeemed €35 million of 2014 non-convertible bonds by anticipation, and deferred the balance to September 2023.

In November 2020, as part of the change of control, the Company issued a €110 million bond underwritten by Tikehau in order to proceed with the early redemption of the 2014 non-convertible bonds and 2016 non-convertible bonds as well as the accrued and capitalised interest for an amount of €102.6 million.

Group debt totalled €146.8 million and €144.4 million as at 30 June 2021 and 30 June 2020, respectively (see paragraph 5.2.2.2 of this Universal Registration Document).

5.2.2 Shareholders' Equity and Debt

5.2.2.1 Shareholders' equity

The Group share of shareholders' equity amounted to €56.9 million and €70.9 million as at 30 June 2021 and 2020, respectively.

Available cash and cash equivalents amounted to €30.7 million and €36.6 million as at 30 June 2021 and 2020, respectively.

5.2.2.2 Debt

The Group's debt amounted to €146.8 million and €144.4 million as at 30 June 2021 and 2020, respectively. The breakdown between the portion due in more than one year and the portion due in less than one year is presented in Note 22 of the notes to the consolidated financial statements.

The movements in debt during the periods were primarily due to the elements below. The table below sets forth the breakdown of the gross debt of the Group for the dates indicated:

(in thousands of euros)	As at 30 June 2020	As at 30 June 2021
Bond issuances	96,622	106,129
Borrowings from credit establishments	26,546	24,567
Interest on borrowings	2,755	95
Debt obligations under leasing	18,509	15,521
FACTOR financial debts	0	441
Bank funding	12	22
Total gross debt	**144,444**	**146,777**

In addition, the table below gives a breakdown of the gross debt of the Group. The Group's net debt can be broken down as follows (A) the sum of (i) short, medium and long-term bank credit, bond issuances less loan issue costs, (ii) financial debts under restated equipment and property leases, (iii) amounts due to the factor in respect of factored contracts, and (iv) unexpired notes presented for discount, (B) less the sum of (A) bank funding and (B) cash in hand and the value of investments.

(in thousands of euros)	As at 30 June 2020	As at 30 June 2021
Bond issuances	96,622	106,129
Borrowings from credit establishments	26,546	24,567
Interest on borrowings	2,755	95
Debt obligations under financed leasing	18,509	15,521
Financial debts FACTOR	0	441
Bank overdrafts	12	22
Cash at bank and in hand	36,657	30,675
Total net financial debt	**107,787**	**116,103**

As at 30 June 2021, and as at 30 June 2020, the Group's ratio of net financial debt to EBITDA was 5.63x and 6.12x respectively.

EBITDA may be subject to adjustments (adjusted EBITDA) in particular:

- neutralising the negative contribution of Group subsidiaries with registered offices in South Africa, Japan and the United States (with a limit of €1m from 10 November 2020); and

- in the event of an acquisition during the financial year, the acknowledgement of changes in the scope of consolidation, in order to take into account an annual EBITDA as if the entry in the scope of consolidation had taken place on the first day of the period.

Net debt may be restated (restated net debt), in particular by neutralising debt issuance costs, which are deducted from the IFRS debt.

As at 30 June 2021, and as at 30 June 2020, the Group's ratio of net financial debt to restated EBITDA taking into account the above adjustments, was 5.70x and 5.54x respectively.

The main elements making up the Group's financial debt are detailed below:

i. Senior Debt

On 9 September 2014, OrthoFin II (taken over by Amplitude Surgical) issued 6,500 non-convertible bonds with a nominal value of €10,000 each, being a nominal total of €65,000,000.

On 30 November 2016, Amplitude Surgical issued 65,000,000 non-convertible bonds with a nominal value of €1 each, i.e. a total nominal amount of €65,000,000. These 2016 Non-Convertible Bonds were used to (i) repay part of the 2014 Non-Convertible Bonds, (ii) finance the Group's general requirements and (iii) finance all related costs and expenses.

As part of the change of control of the Group, on 10 November 2020, Amplitude Surgical issued 110,000 dry bonds with a nominal value of €1,000 each, i.e. a total nominal amount of €110,000,000, bearing interest at a rate of 7% per annum plus the EURIBOR applicable to the interest period, it being specified that this rate may be reduced in the event of a reduction in the leverage ratio and that the Company may choose to exercise an option to partially capitalise interest at a maximum capitalised rate of 2% per annum (the "Non-Convertible Bonds"). These Non-Convertible Bonds were used to (i) refinance all of the 2014 and 2016 Non-Convertible Bonds and (ii) fund all related costs and expenses.

Guarantees

The Non-convertible Bonds are guaranteed by:

- a senior pledge of the securities accounts in which all the securities held by the Company and issued by Amplitude SAS are registered;

- a senior pledge of the bank accounts in respect of the balances of the entirety of the bank accounts held by the Company;

- a senior pledge of intra-group receivables in respect of receivables resulting from:

    - the intra-group loan in the amount of twenty million two hundred and thirty-seven thousand one hundred and sixty-four euros (€20,237,164) as at 10 November 2020 afforded to Amplitude by Amplitude Surgical;

    - the current account advance of eighty-seven million nine hundred and forty-five thousand four hundred and twelve euros and eighty-eight cents (€87,945,412.88) as at 10 November 2020 made available to Amplitude by Amplitude Surgical;

    - the current account advance of one million sixty-seven thousand six hundred and fifty-eight euros and eighty-eight cents (€1,067,658.88) as at 10 November 2020 made available to SCI Les Tilleuls by Amplitude Surgical; and

  - any intra-group loan and/or current account advance made by Amplitude Surgical to any member of the Group having entered into the Framework Intragroup Loan Agreement dated 10 November 2020 between Amplitude Surgical as Lender and Amplitude as Original Borrower.

Commitments and restrictive clauses

Unless specified otherwise, the terms and conditions of the Non-convertible Bonds contain restrictive covenants that restrict the ability of the Company and all other members of the Group to:

- acquire all or almost all of the securities or assets of a company;
- undertake acquisitions of securities, transfers of assets or the granting of security in the context of joint ventures;
- honour all debts or financial debts;
- provide guarantees or grant security interests in its assets;
- make dividend payments, share redemptions or any other distributions to any person or entity outside the Group;
- carry out certain transactions with persons having a direct or indirect interest in the Company or the Group member concerned;
- sell, transfer or give up certain shares;
- combine or consolidate with other companies;
- carry out certain unauthorised holding activities;
- substantially change the nature of its business or that of the Group;
- undertake transactions with related parties other than in the course of normal business;
- give credit;
- reduce its capital;
- issue securities that give direct or indirect access to its capital;
- supplement or amend the financing documentation in a manner prejudicial to the interests of bondholders;
- use derivatives;
- enter into commitments that have the effect of restricting its freedom to make loans, transfer assets or make distributions between members of the Group; and
- move its registered office abroad.

The terms and conditions of the Non-convertible Bonds also contain affirmative undertakings applicable to Amplitude Surgical and all other Group members, including matters relating to obtaining and maintaining authorisations, adherence to legislation (especially environmental), payment of taxes and social security contributions, asset maintenance, maintaining the rank of creditors, subscription and maintenance of insurance, access of the bondholders' representative, the financing of pension schemes, the protection of intellectual property rights, maintaining the tax consolidation scope, signing of supplementary security, subscription of hedging agreements, retaining of company financial year ends, and the fight against money laundering and the financing of terrorism.

Furthermore, the terms and conditions of the Non-convertible Bonds also impose adherence to financial commitments, in particular, adherence to a sole financial ratio which limits the amount of the debt that can be entered into by Group members.

In particular, Amplitude Surgical is committed to maintaining a gearing ratio (defined as ratio of net total financial debt divided by adjusted the consolidated EBITDA) (the "**Gearing Ratio**").

Test period ending:	**Gearing Ratio lower than or equal to:**
30 June 2021	7.20x
31 December 2021	7.20x
30 June 2022	7.00x
31 December 2022	7.00x
30 June 2023	6.80x
31 December 2023	6.80x
30 June 2024	6.10x
31 December 2024	6.10x
as of 30 June 2025	5.00x

Finally, the terms and conditions of the Non-convertible Bonds require the Company to provide holders of Non-convertible Bonds with a certain amount of financial information, on an annual, six-monthly, quarterly and monthly basis.

Compulsory early redemption

The Non-convertible Bonds become automatically subject to early redemption, in whole or in part, in the event of:

- a change of control in the company or its parent companies;
- a transfer of all or almost all of the securities and/or assets of the Company, its parent companies or its subsidiaries; or
- the receipt of funds as a result of a disposal of assets, the payment of insurance proceeds or the admission or trading of the shares of a member of the Group on a regulated market or any other market (the "**Listing**"), in the manner set out in the terms and conditions of the Non-Convertible Bonds.

In the event of a change or transfer of control, the Company is required to undertake immediate early redemption of all of the Non-convertible Bonds that have not yet been redeemed.

(i) In the event of a Listing that does not entail a change of control, the Company is required to attribute all or part of the income which it receives from such Listing to early redemption of the Non-convertible Bonds in the following way:

- 50% of the net Listing proceeds if the Leverage Ratio calculated after said allocation for the most recent completed test period is greater than 3.50x;

- 25% of the net Listing proceeds if the Leverage Ratio calculated after said allocation for the most recent completed test period is greater than 3.00x, but less than or equal to 3.50x; or

- 0% of the net Listing proceeds if the Leverage Ratio calculated after said allocation for the most recent completed test period is less than or equal to 3.00x.

(ii) In the event of an early redemption, there is no penalty.

Early repayment

The Terms and Conditions of the Non-convertible Bonds provide for a certain number of eventualities for early repayment, including, in particular, defaults on payment, failure to adhere to the financial ratios, failure to fulfil other commitments in relation to financing documents, inaccuracy of declarations and guarantees, a state of insolvency, the opening of collective proceedings, the occurrence of simultaneous defaults, the registration or seizure of the Company's assets, the refusal to certify the accounts, the loss of the binding nature of the Company's commitments under any of the financing documents (including the securities), the cessation of business, the breach of the provisions of the intercreditor agreement, the occurrence of any event making it impossible to maintain the Group's tax consolidation, the expropriation or nationalisation of any member of the Group, the cancellation, termination or lapse of a financing document, the occurrence of any litigation affecting the interests of the Non-Convertible Bondholders, the relocation of the registered office abroad, and the occurrence of any other material event affecting the interests of the Non-Convertible Bondholders.

Normal redemption

Notwithstanding any voluntary early redemption, compulsory early redemption or early repayment, all Non-convertible Bonds not already redeemed at such date shall be redeemed on 10 November 2027.

ii. Leases

Lease operations are described in Section 1.5 "*Real Estate Assets, Plant and Equipment*" of this Universal Registration Document.

iii. Factoring programme

Background and financial data

On 29 June 2004, Amplitude SAS entered into a factoring programme with Natixis Factor, a limited company authorised as a credit establishment by the French Prudential and Resolution Control Authority and which is not part of the Group (the "**Factoring Programme**").

Under the terms of this programme, Amplitude SAS is committed to selling all of its euro trade or business receivables, arising from closed sales, from delivery of products or from the provision of services to all its customers, i.e.in metropolitan France, with the exception of receivables from certain customers that have been specifically excluded from the Factoring Programme, and receivables for corporate customers with whom Amplitude SAS has financial ties, shareholders, or directors in common.

The Factoring Programme was modified on 17 September 2013 by a first supplementary clause, which had the effect of including within the scope of the Programme receivables due from customers located in Martinique, Guadeloupe, and Reunion Island, of including credit insurance from Natixis Factor against the risk of insolvency of the customers of Amplitude SAS, up to the credit limits set by Natixis Factor, and of modifying the financial conditions of the Factoring Programme to take into account the changing characteristics of Amplitude SAS's portfolio of accounts receivable, as evaluated by Natixis Factor.

The Factoring Programme was later modified by a second additional clause on 2 September 2014, which had the effect of including within the scope of the Programme receivables of customers located in French Guiana and New Caledonia, and in the countries of the European Union (excluding Greece) and Switzerland, but excluding customers in the European Union and Switzerland from the scope of the credit insurance agreed to by Natixis Factor within the context of the Factoring Programme, and modifying the financial conditions of the Factoring Programme to take into account the changing characteristics of Amplitude SAS's portfolio of accounts receivable, as evaluated by Natixis Factor.
The Factoring Programme was amended by a third amendment dated 27 June 2016 with the effect, notably, of deconsolidating the Factoring Programme given the quality of the customer portfolio.
In 2019, 2020 and 2021, the key features of the portfolio of accounts receivable of Amplitude SAS included within the scope of the Factoring Programme, the corresponding amounts collected, and the applicable financial conditions are set out in the table below:

	2019	**2020**	**2021**
Revenues factored	€65 million	€55 million	€60.5 million
Average invoice value	€1,700	€1,500	€1,600
Number of debtors assigned	540 + 100 (annual fee)	540 + 100 (annual fee)	540 + 100 (annual fee)
Percentage of accounts not settled within 60 days of due date	1.2%	2.6%	2.4%
Average collection period	61 days	65 days	59 days
Percentage of unpaid values	1.0%	0.8%	0.8%
Total financing for the period	€0.4 million	€0.0 million	€0.4 million
Factoring commission (calculated on the total sum of assigned receivables and credit notes)	0.175% with a minimum factoring commission of €75,000	0.175% with a minimum factoring commission of €75,000	0.175% with a minimum factoring commission of €75,000
Financing commission (calculated on an annual basis of 360 days and applied to the total sums deducted by Amplitude on its current account)	3-month EURIBOR rate +0.95% per year on an annual basis of 360 days	3-month EURIBOR rate +0.95% per year on an annual basis of 360 days	3-month EURIBOR rate +0.95% per year on an annual basis of 360 days
Effective global rate	0.978% per annum for payment by cheque or wire transfer on the basis of an assigned annual figure of €65 million, an average settlement period of 60 days and a guarantee fund rate of 5%.	0.978% per annum for payment by cheque or wire transfer on the basis of an assigned annual figure of €65 million, an average settlement period of 60 days and a guarantee fund rate of 5%.	0.978% per annum for payment by cheque or wire transfer on the basis of an assigned annual figure of €65 million, an average settlement period of 60 days and a guarantee fund rate of 5%.

Factoring Programme key features

The Factoring Programme has three key features:

- receipt of funds on demand by Amplitude SAS in anticipation of collection of trade accounts receivable delegated to Natixis Factor;
- administration and recovery of the trade accounts receivable assigned to Natixis Factor; and
- a guarantee against the risk of insolvency of Amplitude SAS customers (with the exception of customers located in the European Union and Switzerland).

Receipt of funds

The Factoring Programme is based on all transactions between Natixis Factor and Amplitude SAS that fall within the scope of the programme being booked as either a credit or a debit to a single current account, in the name of Amplitude SAS, within Natixis Factor's accounts, and reimbursement of the reciprocal debts between Natixis Factor and Amplitude SAS that are booked to this account. This current account comprises all open sub-accounts for each customer included within the scope of the Factoring Programme.

Natixis Factor purchases all of the trade accounts receivable of eligible Amplitude SAS customers that are included in the account "purchasers" of Amplitude SAS, at least once every 30 calendar days, and no more than once weekly, at the face value of the amount receivable (total tax inclusive amount of invoices issued) by way of a subrogation and booking of a credit to the current account, the total sum of accounts receivable purchased by Natixis Factor, up to the limit approved by Natixis Factor for each of the customers in question.

After booking this gross amount to its current account, Natixis Factor calculates the outstanding available amount by deducting from the gross amount the totals corresponding to the debtor balance of the account to be recharged, (i) the trade accounts receivable of the customers excluded from the scope of the Factoring Programme, (ii) the trade accounts receivable which were not settled within 30 days of their due date, (iii) the accounts receivable of the purchasers whose solvency has declined and (iv) the trade accounts receivable that do not fulfil the eligibility criteria of the Factoring Programme. This total amount available is then provided to Amplitude SAS who may use it, if they so choose, as a promissory note, cheque, or bank transfer (the first two subject to payment of an additional commission).

A reserve fund for an amount corresponding to 5% of the total outstanding available and, in any event, a minimum of €300,000, is issued by Natixis Factor in the form of cash collateral, which allows Natixis Factor to deduct, at any given moment, the necessary amounts to cover the total debit balance of the current account. Furthermore, provision is made for Natixis Factor to establish, by debiting the current account, a reserve fund specially set up in the form of cash collateral in their own favour, for the tax inclusive sum of all of the accounts receivable which are not settled within 30 days of their due date.

Management and recovery of the accounts receivable assigned

Before the occurrence of a default, the collected amounts in respect of trade accounts receivable are paid by customers into a dedicated open account within the books of Natixis Factor in the name of Amplitude SAS, and are periodically paid into a sub-account in the current account (recharge account).

Amplitude SAS continues to attempt recovery of all the trade accounts receivable assigned to Natixis Factor, on behalf of Natixis Factor, and is still responsible for payment of the collected amounts booked to the dedicated account, and for the management of unpaid amounts and arrears in respect of trade accounts receivable.

The mandate for management and recovery of trade accounts receivable given to Amplitude SAS may be revoked by Natixis Factor in the event of non-payment, in which case Natixis Factor may inform the customers of Amplitude SAS that their debts have been assigned in its favour by way of subrogation, and demand immediate and direct payment of all sums due.

Guarantee against risk of insolvency of Amplitude SAS customers

Natixis Factor guarantees Amplitude SAS against the risk of insolvency of any of their customers that fall within the scope of the Factoring Programme, with the exception of customers located in the European Union and Switzerland.

To invoke the credit insurance, Amplitude SAS must submit to Natixis Factor all litigation requests no later than 90 days after the payment due date of the invoices assigned, or no later than 15 days after cancellation of the approval given by Natixis Factor of the total sum of receivables that may be bought in respect of a given customer. A litigation request will result in revocation of Amplitude SAS's recovery mandate, in the event of which Natixis Factor may then take charge of all litigation proceedings against the customer in question, in respect of the invoices still booked to the current account of Amplitude SAS on the date of the demand.

Early payment and cancellation

The Factoring Programme agreement was drafted without a time limit. Amplitude SAS and Natixis Factor may impose a time limit unilaterally, without the need for justification, provided three months' written notice is given by registered letter with acknowledgement of receipt.

Natixis Factor may also cancel the agreement at any time in the event that Amplitude SAS fails to fulfil their contractual obligations under the Factoring Programme, is late in paying its social security contributions, tax or salary debts, has its bank accounts frozen or assets seized, in the event of any payment incident recorded, in the event of serious irregularity discovered in its financial reporting, failure to provide those documents that are required to be provided under the terms of the agreement, loss of full and total legal, commercial, or professional capacity of its directors, any change in its structure, business activities or directors, or any cancelling of or failure to renew the personal guarantees provided under the terms of the agreement. This cancellation will take effect no earlier than 48 hours after notice of cancellation has been given.

Furthermore, Natixis Factor may demand immediate payment from Amplitude SAS for all trade accounts receivable assigned to it by Amplitude SAS, and which have not yet been recovered from the customers concerned, in the event that Amplitude SAS assigns to Natixis Factor a non-issued invoice or an invalid credit note, or an invoice or credit note that falls out with the contractually prescribed time limits, in the event that Amplitude SAS fails to pay over to Natixis Factor any funds received from a customer in settlement of a debt assigned to Natixis Factor, in the event of a dispute over the existence or reality of trade accounts receivable assigned to Natixis Factor, or in the event that Natixis Factor has been assigned accounts receivable already assigned elsewhere.

iv. State Guaranteed Loans (PGE)

In April 2020, the Group took out State Guaranteed Loans (PGE) with 4 banks for a total of €12 million. All of these loans were drawn down by the Group. These are medium-term loans of up to 6 years with a maturity and interest rate defined at the end of the first year. At the end of the initial period, the Group decided to amortise these loans over 4 years after an additional year's grace.

v. Prêt Atout

In April 2020, the Group took out a €7.5 million Equity Loan with BPI. The loan carries an interest rate of 5% with a 5-year maturity. The loan is amortisable after a one-year grace period.

5.2.3 Company cash flow analysis for the financial years ended 30 June 2021 and 2020

The table below summarises the cash flow of the Group for the financial years ended 30 June 2021 and 2021:

Cash flow	**Financial year ended 30 June**	
(in thousands of euros)	**2020**	**2021**
Gross profit on self-financing (before changes in working capital requirement)	6,399	6,261
Changes in working capital requirement	6,902	(3,370)
Net cash flow from operating activities	12,384	2,344
Net cash flow from investment activities	(9,581)	(9,164)
Net cash flow from financing activities	14,755	736
Cash flow movement	17,557	(6,084)

5.2.3.1 Net cash flow from operating activities

Cash flow generated by the operating activity at 30 June 2021 amounted to €2.3 million while the cash flow from operating activities for the year ended 30 June 2020 totalled €12.4 million. The decrease is mainly due to the increase of €3.4 million in working capital requirements At 30 June 2021, whereas the working capital requirement had decreased by €6.9 million at 30 June 2020.

5.2.3.2 Net cash flow generated by investment activities

Cash flow used by investment activities amounted to €9.2 million at 30 June 2021, compared with €9.6 million at 30 June 2020.

5.2.3.3 Net cash flow utilisation from financing activities

Cash flow generated by financing activities amounted to €0.7 million at 30 June 2021, while cash flows generated by financing activities amounted to €14.8 million at 30 June 2020 with the introduction of PGE loans and the Prêt Atout.

5.2.3.4 Utilisation of sources of financing

The Group's sources of financing are directed primarily towards investment expenses, payment of interest and re-payment of loans, and their working capital requirements.

5.2.3.5 Investment expenses

The Group's investment expenses are split between intangible assets on the one hand, and tangible assets on the other.

The Group's net cash flows from investing activities for the years ended 30 June 2021 and 2020 totalled €9.2 million and €9.6 million respectively.

Further data on the Group's historic, current, and future investment expenses is contained in Section 1.6 "*Investments*" of this Universal Registration Document.

5.2.3.6 Interest and loan repayments

A large part of the of the Group's cash flow is used for the servicing and repayment of its debt.

The Group paid interest of €9.8 million and €6.5 million for the financial years ended 30 June 2021 and 2020, respectively.

5.2.3.7 Financing of working capital requirements

The Group's working capital requirement comprises the value of inventory, plus trade accounts receivable and other operational debtors, less trade accounts payable and other operational creditors.

Working capital requirement (in thousands of euros)	**Financial year ended 30 June**	
	2020	**2021**
Working capital requirement		
Changes in inventories	**4,057**	**(2,910)**
Changes in trade accounts receivable and other receivables	3,796	(3,289)
Changes in trade accounts payable and other payables	(1,536)	3,242
Other	305	(44)
Net changes in income tax liability	279	(369)
Changes in working capital requirement	**6,902**	**(3,370)**

5.2.4 Goodwill

At 30 June 2021, goodwill totalled €95.7 million (see note 16 to the consolidated financial statements for the year ended 30 June 2019, included in Section 6.1 "*Group Consolidated Financial Statements for the financial year ended 30 June 2021*" of this Universal Registration Document).

5.2.5 Off-balance sheet liabilities

At 30 June 2021, the off-balance sheet liabilities granted relating to financing are summarised below:

Off-balance sheet liabilities granted related to financing	**Principal characteristics**	**Amount as at 30 June 2020** (*in euros*)	**Amount as at 30 June 2021** (*in euros*)
Commitment in respect of the uni-linked debt	Pledging of financial securities account, Pledging of bank accounts	95,000k	110,000k
Commitment for loans granted by BPI France	-	Retention of guarantee 400k	Retention of guarantee 400k

For a break-down of the Company's financial liabilities per contractual maturity date at 30 June 2021 see paragraph 2.1.5.2 in this Universal Registration Document.

5.3 OUTLOOK

5.3.1 Information on trends and objectives

5.3.1.1 Business Trends

A detailed description of the Group's results for the financial year ended 30 June 2021 and the financial year ended 30 June 2020 is given in Section 5.1 "*Examination of the Financial Position and results*" of this Universal Registration Document.

5.3.1.2 Medium Term Future Prospects

The targets and trends presented below are based on data, assumptions and estimates considered as reasonable by the Group on the date of this Universal Registration Document.

These future prospects and targets, reflecting the Group's strategic priorities, do not represent forecasts or estimates of the Group's profits. The data and assumptions given below may change or be amended, notably following changes in the regulatory, economic, financial, competitive, accounting or tax environment or given other factors of which the Group is not aware on the date of this Universal Registration Document.

In addition, the materialisation of one or more of the risks described in Chapter 2 "*Risk Factors*" in this Universal Registration Document may have an impact on the business, financial position, results or prospects of the Group, and therefore call into question its capacity to achieve the targets set out below.

Moreover, achievement of the targets assumes success of the Group's strategy. The Group enters into no commitments and gives no guarantees on attaining the targets included in this section.

i. Group targets

The Group's ambition is to become a leading international player in the orthopaedic prosthesis market for lower limb joints and intends to maintain its accelerated growth over the next few financial years.

To achieve this target, the Group intends to base its operations on its strategy (see Section 1.3.5 "*Group strategy"* of this Universal Registration Document) aimed at:

- sustained growth in the strategic countries where it has established a presence, such as Brazil, the United States and Australia;
- relying on the growth of its subsidiaries Novastep SAS and Novastep Inc., strengthening its competitive positioning on the extremities market, which offers strong prospects for growth; and
- maintaining its offer of innovative products and services, notably with the launch of new products or services to drive Group sales (see paragraph 1.3.5.3 of this Universal Registration Document).

ii. Revenues targets

The 2019-20 and 2020-21 financial years were significantly impacted by the COVID-19 pandemic. The 2021-22 financial year thus presents uncertainties as to the speed of a return to a stable business situation, particularly given the diversity of the geographical markets covered by the Group and the various health situations in these markets. These factors are likely to have an impact on the entire 2021-22 financial year. In view of these uncertainties, Amplitude Surgical is therefore unable to confirm its objectives.

iii. EBITDA margin target

Taking into account the elements described in paragraph 5.3.1.2 ii. Revenue targets, Amplitude Surgical is not in a position to confirm its EBITDA margin objectives.

iv. Investment target

The Group is seeking to achieve a ratio of investment to revenues reaching a maximum 12% of revenues for the 2021/2022 financial year, with investments mainly oriented towards the expansion of business in key countries and markets to implement the Group's strategy (see Section 1.3.2 *"The Group's* markets*"* of this Universal Registration Document).

v. Net financial debt leverage (adjusted) /(adjusted[9]) EBITDA target ratio

The Group intends to comply with the leverage ratios mentioned in section 5.2.2.2 of this Universal Registration Document.

5.3.1.3 Comparison of results forecasts for 2021 with achievements

In the Universal Registration Document filed on 30 October 2020 under number D.20-0911, the Group had announced that it would not be in a position to communicate its objectives given the uncertainties linked to developments in the COVID-19 pandemic.

5.3.1.4 Forecasts for the financial year ended 30 June 2022

Given the elements described in paragraph 5.3.1.2 ii. Revenue targets, Amplitude Surgical is not in a position to confirm its objectives.

5.4 SIGNIFICANT CHANGES IN THE FINANCIAL OR COMMERCIAL SITUATION

Excluding the information given in this Universal Registration Document, the Group is not aware of any significant changes in the financial or commercial situation since 30 June 2021.

[9] As defined in the Non-Convertible Bond issue contract (see section 5.2.2.2 of this Registration Document).

CHAPTER 6
CONSOLIDATED FINANCIAL STATEMENTS

6.1 GROUP CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

6.1.1 Consolidated balance sheet

Assets

In thousands of euros	Note	**30 June 21**	**30 June 20**
Goodwill	*16*	95,670	95,670
Tangible fixed assets	*17*	42,208	45,702
Intangible assets	*16*	29,238	32,342
Other financial assets, including derivatives		567	690
Deferred tax assets	*15*	6,962	7,728
Total non-current		**174,644**	**182,144**
Stocks	*18*	44,516	41,531
Current tax debt	*19*	2,072	1,435
Account receivable and other debtors	*19*	16,987	13,438
Cash and cash equivalents	*20*	30,675	36,657
Assets available for sale		179	
Total current assets		**94,428**	**93,061**
Total of assets		**269,072**	**275,205**

Liabilities

In thousands of euros	Note	**30 June 21**	**30 June 20**
Share capital	*21*	478	478
Issuance premium		146,677	146,677
Other reserves		(74,662)	(60,054)
Items booked directly to capital and reserves		526	(386)
Net profit group share		(14,099)	(14,198)
Minority Interests		(2,053)	(1,603)
Total capital and reserves		**56,866**	**70,913**
Borrowings and financial liabilities	*5 & 22*	137,743	123,940
Derivative instrument liabilities	*24*	83	172
Retirement commitments	*25*	1,063	798
Provision for non-current risk and expenses	*25*	14,074	12,181
Deferred tax	*15*	2,084	1,528
Other non-current liabilities	*26*	18,777	19,442
Total non-current liabilities		**173,824**	**158,061**
Bank overdraft	*5 & 23*	22	12
Factoring financing liabilities	*5 & 23*	441	
Borrowing and financial liabilities	*5 & 22*	8,571	20,491
Current deferred tax liabilities		342	73
Account payable and other creditors including derivatives	*26*	26,814	25,477
Provisions for risk and expenses	*25*	134	177
Liabilities related to the assets available for sale		2,059	
Total current liabilities		**38,383**	**46,230**
Total liabilities capital and reserves		**269,072**	**275,205**

6.1.2 Consolidated statement of profit and loss

In thousands of euros	Notes	30 June 21	30 June 20
		12 months	12 months
Revenues	*8*	95,502	88,286
Fixed asset inventory		4,946	499
Raw material, goods and other suppliers		(16,430)	(17,247)
Third-party expenses		(9,253)	(7,194)
Other purchases and external expenses	*9*	(29,593)	(26,682)
Taxes, levies and related payments		(985)	(957)
Employee expenses	*10*	(27,518)	(25,422)
Impairment allowances and provisions net of reversals	*11*	(16,310)	(18,857)
Other operating incomes	*12*	1,019	1,075
Other operating expenses	*12*	(811)	(911)
Capital gain/losses on disposals	*17*	(384)	(601)
CURRENT OPERATING INCOME		**181**	**(6,062)**
Impairment losses		-	-
IPO expenses	*13*	818	8,608
Tax legal dispute over Marketing of MD	*13*	(3,333)	(5,378)
OPERATING INCOME		**(2,334)**	**(2,833)**
Other financial income		211	1,342
Total financial income		**211**	**1,342**
Interest and financial charges	*14*	(9,853)	(6,553)
Movements in fair value on financial instruments		-	-
Other finance charges		(832)	(3,270)
Total finance charges		**(10,685)**	**(9,823)**
FINANCIAL INCOME		**(10,474)**	**(8,482)**
Current and deferred tax	*15*	(1,859)	(3,327)
NET LOSS		**(14,667)**	**(14,642)**
-The Group		**(14,099)**	**(14,198)**
-Minority interest share		**(568)**	**(443)**
Group share of net profit per share (euros)		(0.295)	(0.297)
Diluted Group share of net profit per shares (euros)		(0.294)	(0.295)
Number of shares retained (in thousands)			
For net earnings per share		47,805	47,805
For diluted earnings per share		48,021	48,063

6.1.3 Overall result

Consolidated overall result In thousands of euros	Note	30 June 21	30 June 20
Net consolidated profit for the year		**(14,667)**	**(14,642)**
Cash flow hedges		89	61
Deferred taxes on cash flow hedges		(24)	(16)
Currency translation adjustments		436	(355)
Total re-usable items		**503**	**(310)**
Actuarial losses and gains		-	-

Deferred taxes on actuarial losses and gains	-	-
Total non-re-usable items	-	**-**
Total other income	**(14,165)**	**(14,951)**
Group share	(13,716)	(14,496)
Minority interest share	(449)	(456)

6.1.4 Consolidated cash flow statement

In thousands of euros	Note	30 June 21 12 months	30 June 20 12 months
OPERATING ACTIVITIES			
PROFIT/LOSS after tax		**(14,667)**	**(14,642)**
Exclusion of items not impacting cash flow or unrelated to operating activities			
Amortisation, provisions and impairment losses	*11*	18,537	15,423
Plus or minus capital gain on disposal		393	2,106
Personnel expenses IFRS 2		139	185
Income taxes payable	*15*	1,859	3,327
GROSS SELF-FINANCING MARGIN before tax		**6,261**	**6,399**
Tax paid	*15*	(547)	(918)
Changes in inventories		(2,910)	4,057
Changes in trade account receivable and other receivables		(3,289)	3,796
Changes in trade account payable and other payables		3,242	(1,536)
Other		(44)	305
Net movement in income tax liability		(369)	279
CHANGES IN WORKING CAPITAL REQUIREMENT		**(3,370)**	**6,902**
Net cash flow from operating activities		**2,344**	**12,384**
INVESTMENT ACTIVITIES			
Purchase of intangible assets (*)	*16*	(4,311)	(4,688)
Purchase of tangible fixed assets	*17*	(5,136)	(5,060)
Proceed from/loss on disposal of tangible and intangible assets		283	67
Purchase of financial assets			
Change of consolidation scope			100
Net cash flow from investment activities		**(9,164)**	**(9,581)**
FINANCING ACTIVITIES			
Capital increase			276
Purchases/sales of treasury shares		13	(105)
FACTORING Financing	*23*	441	(446)
Cost of borrowing		105,741	20,028
Change in finance charges (**)		(2,658)	580
Repayment of loans		(102,802)	(5,578)
Net cash flow from financing activities		**736**	**14,755**
CASH FLOW MOVEMENT		**(6,084)**	**17,557**
Exchange rate losses		92	(492)
CASH and equivalent at BEGINNING OF YEAR		**36,645**	**19,580**
CASH and equivalent at END OF YEAR		**30,653**	**36,645**

(*) Purchases of intangible assets are presented net of the change in debts on non-cashed-out assets for - €1.8M at 30 June 2020 and €0.4M at 30 June 2021.

(**) Interest capitalised on unitranche loan

The reconciliation between cash and cash equivalent totals which appear on the balance sheet and the net cash total which appears in the table of changes in cash flow is as follows:

Cash and cash equivalents

In thousands of euros	30 June 21	30 June 20
Cash and cash equivalents	30,675	36,657
Bank overdrafts	(22)	(12)
Net cash flow statement	**30,653**	**36,645**

Changes in WCR

In thousands of euros	June 21	Change scope	Currency translation and other adjustments	June 20	Changes
Inventories	44,516		75	41,531	(2,910)
Receivable and other receivables	16,987		260	13,438	(3,289)
Trade and other payables and liabilities	26,814		(6)	25,477	1,343
Other non-current liabilities	18,777		(505)	19,442	(160)
Liabilities directly associated with asset groups held for sale	2,059				2,059
					3,242
Current tax liabilities	342			73	269
Current tax receivable	2,072			1,435	(637)
				Sub-total	(369)

6.1.5 Consolidated statement of change in shareholders' equity

In thousands of euros	Number of shares (in thousand)	Capital	Premiums	Other reserves and profit	Shareholders' equity- group share	Minority interest	Shareholders' equity
Position as at 30 June 2019	**47,805**	**478**	**146,677**	**(60,292)**	**86,863**	**(1,366)**	**85,496**
Position as at 1 July 2019	**47,805**	**478**	**146,677**	**(60,292)**	**86,863**	**(1,366)**	**85,496**
Consolidated profit for the year				(14,198)	(14,198)	(443)	(14,642)
Changes in fair value on financial instruments				45	45		45
Actuarial adjustments					-		-
Currency translation adjustment				(343)	(343)	(12)	(355)
Total other income	**-**	**-**	**-**	**(14,496)**	**(14,496)**	**(456)**	**(14,951)**
Capital increase					-	230	230
Cost of payment in shares				185	185		185
Purchases/sales of treasury shares				(27)	(27)		(27)
Dividend paid					-		-
Raise (reduction) in percentage interest without loss of control				10	10	(10)	-
Other changes				(15)	(15)	(1)	(16)
Position as at 30 June 2020	**47,805**	**478**	**146,677**	**(74,638)**	**(72,517)**	**(1,603)**	**70,913**
Position as at 1 July 2020	**47,805**	**478**	**146,677**	**(74,638)**	**72,518**	**(1,603)**	**70,914**
Consolidated profit for the year				(14,099)	(14,099)	(568)	(14,667)
Changes in fair value on financial instruments				65	65		65
Actuarial adjustments					-		-
Currency translation adjustment				318	318	119	436
Total other income	**-**	**-**	**-**	**(13,716)**	**(13,716)**	**(449)**	**(14,165)**
Capital increase					-		-
Cost of payment in shares				139	139		139
Purchases/sales of treasury shares				(5)	(5)		(5)
Dividend paid					-		-
Increase (reduction) in percentage interest without loss of control					-		-
Other changes				(13)	(13)	(1)	(13)
Position as at 30 June 2021	**47,805**	**478**	**146,677**	**(88,236)**	**58,920**	**(2,053)**	**56,867**

<u>Notes to the financial statements</u>

NOTE 1. Entity presenting the financial statements

Amplitude Surgical (the "Company") is a company domiciled in France. The registered office of the Company is located in Valence (26). The consolidated financial statements for the year ended 30 June 2021 are those of the Company and its subsidiaries (altogether referred to as the "Group" and each of which is individually referred to as "Group company"). The Group's activities consist mainly of the manufacture and marketing of prostheses.

The consolidated financial statements for 30 June 2021 relate to a twelve-month period (i.e. the period from 1 July 2020 to 30 June 2021).

Significant events

- During the 2020/2021 financial year and mainly from the end of October 2020, the Amplitude Surgical Group's activity continued to be impacted by the health situation related to COVID-19 in the majority of its markets, in particular with the implementation of restrictions on access to operating theatres.

- On 3 November 2020, the Valence Court of First Instance dismissed Amplitude SAS's application for the cancellation of the €5.8 million adjustment in the dispute with URSSAF in respect of the tax on the promotion of medical devices for the period from 1 July 2014 to 30 June 2017. A provision for this dispute has been made in the consolidated financial statements from 1 July 2014. Amplitude has decided to appeal this decision.

- As part of the change of control of Amplitude Surgical, the Company issued a €110m bond on 10 November 2020 underwritten by Tikehau and proceeded with the early redemption of the 2014 and 2016 bonds for €96.6m (excluding accrued interest) on 30 June 2020.

- On 5 January 2021, the AMF declared the simplified tender offer filed by Auroralux for the shares of Amplitude Surgical at a price of €2.15 per share to be compliant. The opening period of the offer was set from 7 to 27 January 2021 inclusive.

  At the close of the offer, Auroralux SAS held 34,906,476 Amplitude Surgical shares, representing the same number of voting rights, i.e. 73.02% of the capital and voting rights

NOTE 2. Basis of Preparation

2.1 <u>Statement of compliance</u>

The Amplitude Group consolidated income statements are prepared in accordance with the IFRS accounting standards as adopted within the European Union.

The appended notes concern significant events in the financial year and should be read in conjunction with the WAR Universal Registration Document filed with the *Autorité des Marchés Financiers* (AMF) and which will be available on the company's website www.amplitude.surgical.com in the investors' space.

The consolidated financial statements of Amplitude Surgical and its subsidiaries (the Group) are presented in thousands of euros.

2.2 Basis of valuation

The consolidated financial statements were prepared using the historical cost convention, with the exception of certain categories of assets and liabilities valued at fair value in accordance with IFRS. The categories in question are highlighted in the following notes.

2.3 Functional and reporting currency

The Amplitude Surgical Group's consolidated financial statements are presented in euros in accordance with IAS 21. The Group's functional currency is the euro, since this is the currency in which the majority of its transactions are carried out.

Foreign currency transactions are converted into the respective functional currencies of the Group companies at the exchange rate in effect on the date of the transaction. The exchange rates of the group companies are detailed in paragraph 3.3 of this annex.

All financial information given in euros has been rounded up to the nearest thousand.

2.4 Critical accounting estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Directors to exercise judgment and to make certain estimates and assumptions which affect the application of accounting policies, the figures relating to assets and liabilities, revenues, income and expenses. The final values established as transactions unwind may differ from estimates made at the date of closing of the accounts.

The underlying estimates and assumptions are reviewed on an ongoing basis. The impact of changes in accounting estimates is accounted for during the period of the change and all subsequently affected periods.

Information relating to critical judgments exercised by applying accounting policies which have the most significant impact on the consolidated financial statements is included in the following notes:

- Note 3.4 – Goodwill
- Note 3.5 – Intangible assets
- Note 3.8 – valuation and depreciation of inventories
- Note 3.13 – Provisions for risks and expenses
- Note 3.17 – Deferred taxation

2.5 Changes to accounting policies

As at 30 June 2021, only standards which have been published, approved and deemed mandatory by the European Union have been applied in advance.

2.6 Standardisation

The financial statements of all Group companies included in the consolidated financial statements were standardised in accordance with IFRS accounting rules and principles of Group accounting. The consolidated financial statements are presented on the basis of the financial statements closed as at 30 June 2021.

NOTE 3. Principal Accounting Policies

3.1 Presentation of the financial statements

The accounting policies used in the preparation of the consolidated financial statements conform to IFRS standards and their interpretation as adopted within the European Union as at 30 June 2021. These accounting policies are the same as those used in the preparation of the annual consolidated financial statements for the financial year ending 30 June 2020.
A number of new standards have also have also come into effect for the financial years as from 1 January 2020, but they did not have any material impact on the Group's financial statements. This concerns:

Standards	*Description*	*Date of application* *(Financial years open from:)*
Amendment to IAS 1 and IAS 8	*Definition of the term "significant"*	*01/01/20*
Conceptual framework	Changes in references to the conceptual framework of the standards	*01/01/20*
Amendments to IFRS 9, IAS 39 and IFRS 7	*Reform of the reference interest rates – Phase 1*	*01/01/20*
Amendments to IFRS 3	*Definition of an enterprise*	*01/01/20*
Amendments to IFRS 16	*Compensation of rents in connection with COVID-19*	*01/01/20*

The Management does not expect the adoption of the above standards to have a material impact on the Group's financial statements in future periods.

The Group has chosen to not early adopt the standards, interpretations and amendments adopted by the European Union as at 31 December 2020 that come into force after that date. The main standards are:

Standards	*Description*	*Date of application* *(Financial years open from:)*
Amendments to IFRS 9, IAS 39 and IFRS 7	*Reform of the reference interest rates – Phase 2*	*01/01/21*

The Amplitude Group is currently analysing the impact and practical consequences of applying these standards.

3.2 Principles of consolidation

All Companies within the Group already have, or are in the process of having, a financial year end of 30 June.

The Group exercises exclusive control of all companies included within the consolidated financial statements, listed in NOTE 29, based on the analysis of the criteria defined in standard IFRS 10. They were consolidated in accordance with the principles of full consolidation. As indicated in Note 29, the subsidiaries in the process of starting up in Ireland and India are not included in the scope of consolidation due to their negligible interest in relation to the objective of regularity, sincerity and fair presentation of the accounts as at 30 June 2021.

A subsidiary is a company wholly controlled by the Group. Subsidiary financial statements were included in the consolidated financial statements from the date on which control was obtained until the date on which control ceased. The accounting policies of subsidiaries are standardised and aligned with those adopted by the Group.

All balance sheet balances, income and expenses resulting from intra-group transactions are excluded.

3.3 Conversion method

FOREIGN CURRENCY TRANSACTIONS
Foreign currency transactions are converted into the Company's functional currency on the date of the transaction.

Foreign currency monetary assets and liabilities (debtors and creditors) are converted into the currency of the financial statements at the rate in force on the closing date. The resulting exchange rate losses and gains are booked to the statement of profit and loss for the period.

CONVERSION OF FINANCIAL STATEMENTS OF GROUP COMPANIES WITH FUNCTIONAL CURRENCIES OTHER THAN THE EURO
The consolidated financial statements are presented in euro.
The financial statements of subsidiaries which use a different functional currency are converted into euros using:

- the official exchange rate as at the closing date of the accounts for assets and liabilities; and
- the average exchange rate for the period for profit and loss items and the cash flow statement.

Exchange rate differences in the financial statements of Group companies are included in "conversion differences" within Other items in the statement of other income.

Goodwill and fair value adjustments resulting from the acquisition of an overseas company are considered to be assets and liabilities of the overseas company. They are therefore expressed in the functional currency of the overseas company, and are converted at the rate in effect on the closing date of the accounts.

The exchange rates of the Companies outside the Eurozone are as follows:

	June 21		***June 20***	
Country	**Average value**	**Closing value**	**Average value**	**Closing value**
Australia	*0.625403*	*0.632443*	*0.607127*	*0.614545*
Brazil	*0.154137*	*0.168702*	*0.212528*	*0.162499*
Switzerland	*0.919887*	*0.911693*	*0.926286*	*0.939832*
US	*0.836442*	*0.843284*	*0.902085*	*0890218*
Japan	*0.007977*	*0.007591*	*0.008356*	*0.008249*
South Africa	*0.055114*	*0.059014*	*0.057869*	*0.051300*
Romania	*0.204679*	*0.202943*	*0.209285*	*0.206735*

3.4 Goodwill

The business combination was accounted for according to the method of acquisition. The assets, liabilities and contingent liabilities of the acquired entity are valued at fair value on the date on which it was acquired. Valuation differences identified after the date of acquisition are accounted for within the individual asset and liability accounts in question within 12 months, and are recognised in profit or loss beyond that date. Goodwill arising from business combinations is tested for impairment annually.

Only cash-generating groups (CGUs) are affected by Goodwill. The definition of CGUs is a judgement by senior management based on the combination of the following three criteria at the level of the smallest possible set of assets:

- A homogeneous nature of products in terms of intellectual property and production process,
- Own organisation with its own distribution networks, its own management, its own reporting and associated financial communication,
- A level of operational power in terms of continuing, restructuring or stopping activities.

The validation of these three criteria for each CGU ensures the independence of their respective cash flows.
Following the development of the Novastep activity and the evolution of the Group's structure, it was decided to modify the CGUs in order to make them correspond to the Group's product scopes. Goodwill is now tested within two CGUs: the Extremities CGU, which includes the Novastep subsidiaries, and the Knee and Hip CGU, which includes the other Group subsidiaries dedicated to this product segment. The CGUs are derived directly from the analysis structure monitored monthly by the Executive Board. All Group assets and goodwill are allocated to CGUs. They correspond to the new segment organisation defined by the Senior Management (information by operating segments retained for the application of IFRS 8). This change in CGUs does not result in any additional impairment or reversal of previously recognised impairment losses in either 2020 or 2021.

DEPRECIATION

Goodwill is not amortised in accordance with IFRS 3 "Business Combinations". It is subject to an impairment test at June 30 of each year and at the time of interim financial statements if there is any indication of impairment.

Depreciation analyses are carried out on the assets tested, either individually or at the cash-generating unit groups level of the smallest identifiable group of assets which generate cash inflows completely independently. Goodwill is tested at the level of the cash-generating group unit to which it is linked.

A provision for depreciation is booked when the carrying amount of the CGU is greater than its recoverable amount, which corresponds to the higher of market value less disposal costs and value in use. The useful value is the discounted projected cash-flow.

Depreciation allocated to the cash-generating units is imputed in order, firstly to goodwill, then to the value of the other assets within the cash-generating units, up to their recoverable amount.

3.5 Intangible assets

Intangible assets are presented on the balance sheet at their cost price. Any intangible assets identified at the time of an acquisition are also included in this figure. They consist mainly of patents and software.

The Company operates patents which it owns directly, or which it holds under licensing agreements. The accounting treatment, in accordance with IAS 38, is identical.

The patents and licences are included in intangible assets. The gross value of capitalised assets is equal to the estimated value of any royalties on the date of acquisition of the patent or licence’s signature by Amplitude SAS, the corresponding entry being to a debt owing to the transferor of the invention or its licensors.

The likelihood of using these patents or the licences after the date of complete amortisation of the intangible asset is substantial given the level of royalties paid and the duration of the licensing agreements signed with assignors of the inventions or its licensors.

At the end of each financial year, the debt due on these intangible assets is recalculated on the basis of the total amount of future royalties payable, commensurate with the revaluation of the value of the patent or the licence as an asset.

The patents or licences are amortised annually, commensurate with the licensing fees paid to the inventors or the licensors. As licence fees are paid, the amounts are debited to the supplier's asset account.

Software is amortised on the basis of the length of its expected use by the Group, i.e. 3 to 5 years.

3.6 Research and development expenses

In accordance with IAS 38, research expenses are included in costs for the financial year in which they are incurred.

In line with IAS 38, development costs are included within intangible assets if the Group can demonstrate that the following conditions are fulfilled:

- its intention and financial ability to carry out the development project from start to finish;
- any future revenue benefit attributable to these development costs will flow back to the Group; and
- the method of assessing the cost of the asset must be reliable.

AMORTISATION
Development costs in respect of new products are booked to fixed assets in progress, until the product is launched for sale, after which time it is capitalised and amortised over a period of 4 to 10 years, depending on the intended use.

Expenses relating to brand renewal or certificate renewal are included in assets until the start date of the new certificate, then they are capitalised and amortised over the duration of the new certificate (5 years).

3.7 Tangible fixed assets

Tangible fixed assets are stated on the balance sheet at their historical purchase cost. They are not revalued.

The components of a fixed asset are accounted for separately if there is a significant difference between the estimated length of their useful economic life and the length of their amortisation.

AMORTISATION
Amortisation is calculated on the depreciable amount, which is the cost of the asset less the residual value at the end of its useful economic life. Given the nature of the tangible assets, no value is considered at the end of the economic life set out below.

Amortisation is calculated on expenses on a straight-line basis, on the estimated use of each component of a fixed asset, which represents the best estimated rate of consumption of the future economic benefit of the asset.

Leased assets are amortised on the shorter of the term of the leasing agreement, and their useful economic life, unless the Group is reasonably certain of assuming ownership by the end of the leasing term.

Land is not amortised.

Estimated useful economic life is as follows:

Fixed assets type	Method	Duration
Constructions	*Linear*	*20 years (*)*
Materials and tools	*Linear*	*5 to 10 years*
General facilities	*Linear*	*3 to 10 years*
Transport equipment	*Linear*	*3 years*
Office equipment	*Linear*	*1 to 4 years*
Office furniture	*Linear*	*4 to 7 years*
Recyclable packaging	*Linear*	*3 to 5 years*

* Constructions financed by leasing agreements entered into by SCI Les Tilleuls.

Amortisation methods, useful life and residual values are reviewed every financial year end and adjusted accordingly.

FUTURE COSTS

The replacement cost of a tangible fixed asset is included in its book value if the Group is likely to derive future economic benefit from the asset, and if its cost can be determined using a reliable method.

The book value of the replaced asset is excluded. For ancillary equipment, the replacement and derecognition are done for the entire ancillary equipment and not piece by piece.

Current care and maintenance costs are included in expenses at the time they are incurred.

IFRS 16 LEASES

In accordance with IFRS16, leases are restated on the asset side of the balance sheet as of 1 July 2019.

The standard is applied as follows:

- When a lease is concluded, a liability corresponding to the discounted future payments of the fixed portion of the lease payments is recorded in the balance sheet, against an asset related to the right of use. This asset is amortised over the term of the lease.
- Calculation of the marginal borrowing rate, taking into account the initial term of the contract, not the residual term. The determination of this borrowing rate is based on the observable benchmark borrowing rate per subsidiary.
- Application to leases with a residual term of more than 12 months.
- Exclusion of initial direct costs from asset valuation.
- To determine the duration of the contracts, the Group has taken into account the existence of renewal and termination options as well as medium-term projections of the evolution of the business. In practice, the restated leases relate mainly to real estate leases for which a term of 9 years has mainly been retained for French commercial leases. Leases for assets with a value of less than $5K or a term of less than 12 months are not restated.

3.8 Inventory

In compliance with IAS 2, stock of purchased goods and finished products are valued at the lower of cost and net realisable value.

VALUATION OF USED STOCK

Goods and raw materials are valued using the weighted average unit cost method.

VALUATION OF MANUFACTURED STOCK

Goods in progress and finished products are valued at their cost of production. A proportion of indirect costs of production is calculated on the normal basis of production capacity, excluding all below capacity.

DEPRECIATION OF STOCKS OF FINISHED PRODUCT

A provision for inventory depreciation is made when the gross value, calculated using the method detailed below, is greater than or equal to the realisable value deduction made from the proportionate cost of re-sale.

The realisable value is assessed in particular by an increasing depreciation percentage based on the number of months of sales in inventory at the balance sheet date, and the re-sterilisable or non-sterilisable nature of the products.

3.9 Accounts receivable and other debtors

Accounts receivable are amounts owing from customers for products sold and services provided in the course of the Group's normal business activities. Amounts due in less than twelve months are booked as current assets, while those due in more than twelve months are included in non-current assets for the accounts receivable dated on or prior to 1 July 2020.

For accounts receivables arising on or after 1 July 2020, the expected loss model of IFRS 9 is used.

3.10 Cash and cash equivalents

This item comprises cash, liquid assets, and financial investments of minimal risk, capable of being liquidated or transferred quickly and that are undertaken by the Company during the course of its normal cash flow management. Such investments represent financial transaction assets, and are therefore valued at their fair value with a corresponding profit and loss effect.

Cash and cash equivalents comprise cash on hand and demand deposits whose maturity is less than or equal to three months from their start date. For the purposes of the cash flow statement, cash and cash equivalents comprise a significant part of the Group’s cash management, and include banking shortfalls repayable on demand.

Banking losses in relation to financing are included in “Borrowings and current financial debts”.

3.11 Employee benefits

DEFINED BENEFIT PLANS

The net obligation of the group in respect of defined benefits plans is valued separately for each plan by estimating the total future benefit to the employee in exchange for service performed over the course of the current period and prior periods. This amount is then discounted and the fair value of the assets within the plan is deducted.

Calculation of debts in respect of defined benefit plans are carried out every financial year end using the projected unit credit method.

Revaluations of the net liability in respect of defined benefit plans, which consist of actuarial differences, the return on the plan's assets, and, if applicable, the differences resulting from the limits on the asset, are included immediately in other items within the statement of other income.

As the benefits of the plan are modified, or in the event that the plan is reduced, the impact of past services performed by the employee, or the profit (or loss) resulting from the reduction of the plan, is immediately included in net profit. The Group books gains and losses resulting from the liquidation of a defined benefit plan at the time liquidation occurs.

SHORT-TERM EMPLOYEE BENEFITS

Obligations in respect of short-term benefits are valued on a non-discounted basis and included when the service in question is performed.

A liability is calculated where the Group expects to make payments in respect of profit sharing plans and short-term regulated premiums, if the Group has a legal or implied obligation to make such payments in exchange for past services performed by the employee, and if the obligation can be quantified using a reliable method.

3.12 Share-based Payments

IFRS 2 defines the methods for measuring and accounting for share-based payments. Free share plans are considered as benefits granted by the Group to the beneficiaries.

Benefits are assessed on the basis of the fair value at the grant date of the shares. The number of shares is determined according to performance criteria, i.e. turnover and EBITDA. An expense is spread over the vesting period taking into account the probability of the beneficiary leaving. This expense is recorded as a personnel expense.

3.13 Provisions for risk and expenses

In accordance with the requirements of IAS 37, provisions are made where the Group has a legal or implied obligation resulting from a past event, and where there is the likelihood of an outflow of resources representing economic benefits, without a corresponding inflow, in order to meet the obligation.

These provisions are estimated taking into account the most probable assumptions on the date of preparation of the financial statements (see note 25).

If the effect of their time value is material, the provisions are discounted.

3.14 Financial instruments

NON-CURRENT FINANCIAL ASSETS

Other financial assets include deposits and guarantees which have an expiry date of longer than twelve months.

OTHER CURRENT FINANCIAL ASSETS

At each closing date, the book values of the Group's other current assets (apart from inventory and deferred tax assets) are reviewed in order to determine whether there is any indication that their value has diminished. If there is any such indication, the recoverable value of the asset is estimated.

This entry essentially contains the business and tax debts of the Group.

BORROWINGS AND FINANCIAL DEBTS

These are initially valued at fair value of the amount received, less any directly attributable transaction costs. They are then valued at amortised cost on the basis of the interest rate in effect.

In accordance with the requirements of IFRS 9, borrowing issuance costs are calculated exclusive of the amount borrowed, and included in the effective interest rate. The difference between the interest expense calculated using the effective interest rate and the interest paid over the period is booked as an increase or decrease in the debt.

Medium- and long-term borrowings and financial obligations are included in non-current Liabilities. Short-term loans and financial obligations, in addition to the proportion of medium- and long-term borrowings and financial obligations repayable within one year, are included in current liabilities.

NON-DERIVATIVE FINANCIAL ASSETS

The company initially values loans, debts and deposits on the date on which they are generated. All other financial assets are initially calculated on the date of the transaction through which the Company became a party to the contractual provisions of the instrument.

Loans and debts are fixed or variable payment financial assets which are not quoted on any active market. Such assets are initially valued at fair value plus any directly attributable transaction costs.

Loans and debts consist of customer and other debts.

NON-DERIVATIVE FINANCIAL LIABILITIES

All other financial assets are initially calculated on the date of the transaction through which the Company became a party to the contractual provisions of the instrument.

The Group does not report financial liability for which its contractual obligations have been fulfilled, nullified or expired.

The Group has the following non-derivative financial liabilities: borrowings, bank overdrafts, supplier debts and other debts.

These financial liabilities are initially valued at fair value plus any directly attributable transaction costs, then valued at amortised cost.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

These derivative instruments are recorded on the balance sheet at their fair value.

For derivative instruments not designated as hedging instruments, the subsequent changes in fair value are included in financial income.

RATE HEDGING

The Group holds financial derivative instruments to mitigate its exposure to interest rate risk.

These derivative instruments act as cash flow hedges.

From the initial designation as hedges, the Group formally documents the relationship between the hedging instrument and the instrument hedged, with a view to managing the risk and the strategy employed from the start of the hedging process, in addition to the methods used to evaluate the effectiveness of the hedging relationship.

From the beginning of the hedging process and on a continual basis, the Group assesses whether these instruments are going to be "highly effective" in protecting the cash flow of the hedged elements for the periods during which the hedging is designated to occur, and also evaluates whether the effective results of each hedge fall within the range of 80 to 125%.

CASH FLOW HEDGES

Once a derivative is designated as a hedging instrument for hedging cash flow fluctuations attributable to a particular risk associated with a recorded asset or liability, or a future transaction highly likely to affect profit, the effective part of the fair value adjustments of the derivative is included in other items within the statement of other income, and in the reserve for hedging in capital and reserves. The total included within other elements of the statement of other income is taken out, and included in the statement of profit and loss for the period during which the cash flow hedge affected the statement of profit and loss. This total is included on the same line in the statement of other income as the element hedged. The ineffective parts of the fair value adjustments of the derivative are immediately included in the statement of profit and loss.

3.15 Revenues

Group revenues comprise revenue from the sale of orthopaedic products, reported net of customer returns and discounts.

Revenues are valued on the basis of the consideration specified in a contract signed with a customer. The Group recognises the corresponding income when control of a good or service is transferred to its customer.

3.16 Financial expenses and income

Financial income and expenses consist of interest on investments, changes in fair value of financial instruments, interest on borrowings, various bank commissions and foreign exchange income.

3.17 Tax on profits

Tax on profits (expense or income) comprises the tax liability expense (income) and the deferred tax expense (income). Tax liability and deferred tax expenses are booked to the statement of profit and loss unless they relate to a business combination, to items that are recorded directly in capital reserves or to other elements within the statement of other income.

Tax liability is comprised of:

- the estimated total of tax due (or receivable) as income (or expense) in a given period, determined by using tax rates in force or applicable at the date of closing of the accounts; and

- all adjustments of tax liability relating to prior periods.

Deferred tax is calculated on the basis of timing differences between the book value of assets and liabilities and their tax basis. The following elements are not included in the deferred tax calculation:

- the initial recording of an asset or liability in a transaction which is not a business combination and which impacts neither the book profit nor the taxable profit; and

- timing differences related to shareholdings in subsidiary companies and joint ventures to the extent that they are not likely to be reversed in the foreseeable future.

Furthermore, deferred tax is not calculated on taxable timing differences generated the first time that Goodwill is booked. Deferred tax assets and liabilities are valued at the rates of tax in force or expected to be in force for the period during which the asset will be realised and the liability settled, on the basis of the tax rules in force or applicable at the closing date of the accounts. Deferred tax assets and liabilities are offset in accordance with tax legislation which allows for the offsetting of taxable assets and liabilities, and if this relates to tax levied on profits, whether it relates to the same taxable company or a different taxable company, but which has the intention of settling the taxable assets and liabilities on the basis of their net value, or of realising the assets and settling the liabilities at the same time.

A deferred tax asset is not recorded in respect of deductible timing differences, unused tax losses and tax credits, except to the extent that the Group is likely to have future taxable profits against which to offset it. These forecasts of future results are determined on the basis of the budgets used for goodwill impairment tests.

Deferred tax assets are reviewed as at each date of closing of the accounts, and are reduced to the extent that they are no longer likely to provide a tax advantage.

3.18 Earnings per share

Net earnings per share are calculated by dividing the Company's net profit, Group share by the weighted average number of ordinary shares outstanding during the period, less the treasury shares.

Diluted net earnings per share are calculated by increasing the number of the weighted average number of ordinary shares outstanding during the financial year by the number of shares issuable upon convertible bonds and the exercise of the warrants.

3.19 Performance indicators

RECONCILIATION OF CURRENT OPERATING RESULT AND EBITDA

The EBITDA is equivalent to the current operating result to which is added the allocations for amortisation/depreciation after deduction of non-recurring items. The EBITDA margin is equivalent to the EBITDA in relation to Group revenues. The EBITDA and the EBITDA margin are not standardised accounting aggregates having a unique and generally accepted definition. They must not be considered as a substitute for the operating result, the net result, the cash flow generated by operating or as a measure of liquidity. The EBITDA and the EBITDA margin may be calculated differently by different companies operating similar different businesses. Hence, the EBITDA and the EBITDA margin calculated by the Company may not be comparable to those used by other enterprises.

In thousands of euros	**30 June 21**	**30 June 20**
Current operating income	181	(6,062)
+ Depreciation and provisions net of reversals	16,310	18,857
+ Non-recurring items *(1)*	4,130	4,814
EBITDA	**20,621**	**17,608**
EBITDA margin	**21.6%**	**19.9%**

(1) The principal non-recurrent items for the financial year ended 30 June 2021 include:

- €1.8 million worth of scraps,
- Non-recurring fees for €0.7 million,
- The free share plan for a total of €0.2 million,
- Non-recurring bonuses for €0.6 million,
- €0.8 million in various allowances.

NOTE 4. Fair Value Calculation

A certain number of accounting policies and information is necessary in the calculation of the fair value of non-financial assets and liabilities. Fair values are determined for the purposes of evaluation or information to be supplied, using the following methods. Additional information regarding assumptions used in determining fair value are highlighted, if necessary, in the notes for the specific asset or liability concerned.

TANGIBLE FIXED ASSETS

Fair value of tangible fixed assets recorded after a business combination is based on market value. The fair value of property is the estimated amount for which it could be sold in a normal transaction, between market players on the date of the valuation.

INTANGIBLE ASSETS

The fair value of other intangible assets is based on expected actualised cash flow on the use and eventual resale of the assets.

INVENTORY

The fair value of inventory acquired as part of a business combination is determined on the basis of the estimated sale price in the course of normal business activity, less the estimated completion and resale costs, and at a reasonable profit to reward the necessary efforts required to finish and sell the goods.

DERIVATIVES

The fair value of unlisted financial instruments for which there is observable market data is determined using valuation techniques such as the valuation models used for options, or by using the discounted cash flow method.

The models used for valuing these instruments include assumptions based on market data, in accordance with IFRS 13. The fair value of interest rate swaps is calculated on the basis of future discounted cash flows.

Fair values reflect the credit risk of the instrument and include adjustments for the credit risk of the Group company concerned, and of the counter party where appropriate.

NOTE 5. Financial Risk Management

The Group carries out the following rate hedging operations:

Interest rate risk management **In thousands of euros**	**30 June 21**	**30 June 20**
Variable rate debt obligations	110,000	99,255
Fixed rate debt obligations		-
Debts obligations carrying interest	**110,000**	**99,255**
As cash flow hedges (variable rates swapped with fixed rates)	57,527	3,014

A sensitivity analysis was carried out based on the net cash flow position after hedging as at 30 June 2021.

The Group is exposed to interest rate fluctuations, particularly because of changes in the conditions of its variable rate financing. However, the Group has implemented a system of rate management to limit this risk.

As at 30 June 2021 and 30 June 2020, the Group held the following derivative instruments:

30 June 21

A cash flow hedges – financing of project at variable rates swapped with fixed rates (in thousands of euros)

Processing date	Type	Direction	Nominal in progress (millions)	Currency	Start	Maturity	Time remaining (years)	Rate	Market value
25/02/11	SWAP	E	1.263	EUR	21/03/11	22/12/25	4.5	3.2900%	(103)
25/02/11	SWAP	P	1.263	EUR	21/03/11	22/12/25	4.5	Euribor 3M	(13)
04/02/21	CAP	A	5,000	EUR	10/11/20	10/11/23	2.4	Euribor 3M	34
Total			**57.527**						**(83)**

B: borrower
L: variable rate lender

30 June 20

A cash flow hedges – financing of project at variable rates swapped with fixed rates (in thousands of euros)

Processing date	Type	Direction	Nominal in progress (millions)	Currency	Start	Maturity	Time remaining (years)	Rate	Market value
25/02/11	SWAP	E	1.507	EUR	21/03/11	22/12/25	5.5	3.2900%	(151)

25/02/11	SWAP	P	1.507	EUR	21/03/11	22/12/25	5.5	Euribor 3M	(21)
Total			**3.014**						**(172)**

B: borrower
L: variable rate lender

INTRODUCTION

The Group is exposed to the following risks associated with the use of financial instruments:

- credit risk;
- liquidity risk;
- market risk; and
- operational risk.

This note outlines information relating to the Group's exposure to each of the above risks, its objectives, policies and procedures for evaluating and managing such risk, as well as its management of capital. Quantitative data is included in other notes within the financial statements.

RISK MANAGEMENT FRAMEWORK

It is the responsibility of the Chairman to define and oversee the Group's risk management framework.

The Group's risk management policy is aimed at identifying and analysing the risks to which the Group is exposed, to define the boundaries within which risk should be kept and the controls that need to be put into place, to manage the risk and to maintain oversight of the defined limits.

CREDIT RISK

The Group is exposed, by virtue of its operational and financial activities, to the risk of default by its counter parties (customers, suppliers, partners) where they may be unable to fulfil their contractual obligations.

Customers and other debtors

Gross outstanding trade accounts receivable with overdue payments is analysed below:

In thousands of euros	Non-impaired assets due as at date of closing				Assets	Non-impaired	Total
	0-6 months	6-12 months	beyond 1 year	total			
As of 30 June 2021	3,127	274	1,841	5,242	1,682	5,345	12,269
As of 30 June 2020	2,455	312	53	2,820	1,807	5,369	9,996

Credit risk is the risk of financial loss suffered by the Group in the event that a customer or the counter party of a financial instrument fails to fulfil its contractual obligations. This risk essentially originates from customer debt and investment securities.

The book value of financial assets represents the maximum exposure to credit risk.

GUARANTEES

Group policy is to provide financial guarantees only to wholly-owned subsidiaries.

LIQUIDITY RISK

Liquidity risk is the risk of the Group having difficulty in fulfilling its obligations in respect of financial liabilities which would be normally settled from cash flow or other financial assets. The approach of the Group in managing liquidity risk is to ensure, to the greatest extent possible, that it always has sufficient liquidity to honour its liabilities when they come due, under normal or "challenging" conditions, without incurring unacceptable losses or damage to the Group's reputation.

As at 30 June 2021, the non-discounted contractual flows in outstanding financial debts by maturity date and by type were as follows:

As at 30 June 2021

In thousands of euros	**Total**	**2022**	**2023**	**2024**	**2025**	**2026**	**Over 5 years**
Unitranche bond issuance	106,129						
Accrued interest on Unitranche bond issuance	21	21					
Borrowings with bpifrance	11,950	3,475	3,475	3,125	1,875	-	-
Borrowings with credit establishments	12,692	484	3,021	3,037	3,053	3,070	29
Debts obligations under finance leasing	15,521	4,590	3,646	2,558	1,332	1,192	2,204
Bank overdraft and cash current account	22	22					
FACTOR financial debt	441	441					
Outstanding debt obligations	**146,777**	**9,034**	**10,141**	**8,720**	**6,259**	**4,261**	**108,362**
Assets linked to financing							
Cash and cash equivalent	30,675						
Net debt	**116,103**						

As at 30 June 2020

In thousands of euros	**Total**	**2021**	**2022**	**2023**	**2024**	**2025**	**Over 5 years**
Unitranche bond issuance	96,622			65,000	31,622		
Accrued interest on Unitranche bond issuance	2,633	2,132		501			
Borrowings with bpifrance	5,800	1,350	1,600	1,600	1,250	0	
Borrowings with credit establishments	20,867	12,654	8,017	53	53	53	39
Debts obligations under finance leasing	18,509	4,355	4,469	3,322	2,262	1,186	2,915
Bank overdraft and cash current account	12	12					
FACTOR financial debt	-	-					
Outstanding debt obligations	**144,443**	**20,503**	**14,086**	**70,475**	**35,186**	**1,239**	**2,954**
Assets linked to financing							
Cash and cash equivalent	36,657						
Net debt	**107,787**						

OPERATIONAL RISK

Operational risk is the risk of direct or indirect loss generated by a number of internal factors related to the Group's procedures, staff, technology, and infrastructure, and by external factors not including credit risk, market risk or liquidity risk. Such external factors may include adherence to legislation and regulation, or the rules of professional conduct. All of the Group's operations present operational risk.

The Group's objective is to manage its operational risk in a balanced fashion, allowing it to avoid financial losses or reputational damage, while also avoiding the implementation of control procedures that could stifle initiative and creativity.

NOTE 6. Changes in the Scope of Consolidation

During the year, Firm Industrie, Poli-Tech and Poli-Alpes were merged into Sofab Orthopédie SAS with retroactive effect from 1 July 2020.

The scope of consolidation is presented in Note 29.

NOTE 7. Segment Reporting

Historically, the Group presented segment reporting by geographical area (France and International) which corresponded to the internal reporting statements used by management to manage the Group.

This division no longer corresponds to the management and structure of the Group, which has diversified and developed an "extremities" activity.

Indeed, as indicated in note 3.4 of the appendix, the Group's activity is divided between two product divisions: (i) Knees and Hips and (ii) Extremities (Novastep companies). Each business segment has its own research and development, its own manufacturing channels and resources, and its own sales channels for orthopaedic implants and associated instruments.

As a result, the Group presents segment information by product line which corresponds to the internal reporting statements used by management to monitor the Group.

Segment reporting is presented in accordance with IFRS 8.

	Financial year June 2021			Financial year June 2020		
In thousands of euros	**Knees and hips**	**Extremities**	**Total**	**Knees and hips**	**Extremities**	**Total**
Revenues	**82,713**	**12,789**	**95,502**	**79,602**	**8,684**	**88,286**
Current operating income	839	(658)	181	(4,967)	(1,095)	(6,062)
Financial income	(10,091)	(383)	(10,474)	(8,261)	(221)	(8,482)
Taxes	(1,927)	68	(1,859)	(3,400)	72	(3,327)
Net profit	**(13,671)**	**(996)**	**(14,667)**	**(13,029)**	**(1,613)**	**(14,642)**
- amortisation allowances	14,498	1,467	15,965	18,789	555	19,344
- other expenses without cash consideration	290	55	345	(360)	(127)	(488)
Segment assets	**272,687**	**(3,614)**	**269.072**	**278,894**	**(1,848)**	**277,046**
- Goodwill	95,580	90	95,670	95,580	90	95,670
- intangible assets	27,398	1,840	29,238	30,652	1,690	32,342
- tangible fixed assets	38,712	3,497	42,208	43,806	1,896	45,702
Shareholders' equity	**63,527**	**(6,661)**	**56,866**	**76,011**	**(5,097)**	**70,913**
Segment liabilities excluding borrowings	61,472	3,875	65,347	57,359	2,317	59,676
Debts obligations	**145,003**	**1,857**	**146,860**	**143,471**	**1,144**	**144,615**

GEOGRAPHIC DATA

For comparability purposes, segment data is provided as at 30 June 2021 by geographical breakdown of revenues, segregating the French data on the one hand and the international data from the overseas subsidiaries on the other.

All income and expenses have been allocated. Data for France includes research and development costs, financial costs and those Group support functions which are carried out in France.

	Financial year June 2021			Financial year June 2020		
In thousands of euros	**France**	**International**	**Total**	**France**	**International**	**Total**
Revenues	**70,311**	**25,191**	**95,502**	**63,995**	**24,291**	**88,286**
Current operating income	1,366	(1,185)	181	(4,084)	(1,979)	(6,062)
Financial income	(9,868)	(606)	(10,474)	(6,482)	(2,000)	(8,482)
Taxes	(1,172)	(687)	(1,859)	(2,709)	(618)	(3,327)
Net profit	**(11,289)**	**(2,838)**	**(14,667)**	**(9,292)**	**(5,350)**	**(14,642)**
- amortisation allowances	12,930	3,035	15,965	17,018	2,327	19,344
- other expenses without cash consideration	120	225	345	472	(960)	(488)
Segment assets	**257,599**	**11,474**	**269,072**	**251,497**	**25,549**	**277,046**
- Goodwill	80,794	14,875	95,670	80,794	14,875	95,670
- intangible assets	28,707	531	29,238	29,995	2,347	32,342
- tangible fixed assets	36,441	5,768	42,208	39,730	5,977	45,702
Shareholders' equity	**73,731**	**(16,865)**	**56,866**	**85,263**	**(14,350)**	**70,913**
Segment liabilities excluding borrowings	58,265	7,081	65,347	55,457	4,219	59,676
Debts obligations	**145,948**	**911**	**146,860**	**142,954**	**1,661**	**144,615**

NOTE 8. Revenues

The Group derives its revenue from sales of finished goods. Revenue is measured at the consideration to which the Group expects to be entitled in a contract with a customer, excluding amounts received on behalf of third parties. The Group recognises revenue when it transfers control of a product to the customer. Invoicing generally takes place at the date of transfer of control.

Revenue breakdown by produce range, type and geographic area is as follows:

BY PRODUCT RANGE

In %	**30 June 21**	**30 June 20**
Hips & knees	86.61%	90.16%
Foot & Ankle	13.39%	9.84%
Total	**100.00%**	**100.00%**

BY TYPE

In thousands of euros	**30 June 21**	**in %**	**30 June 20**	**in %**
Sales of goods				
Sales of finished products	95,154	100%	87,762	99%
Services provided	348	0%	524	1%
Total	**95,502**	**100%**	**88,286**	**100%**

BY GEOGRAPHIC AREA

In thousands of euros	**30 June 21**	**in %**	**30 June 20**	**in %**
Revenue – France	62,392	65%	55,228	63%
Revenue – Distributor export	7,919	8%	8,767	10%
Revenue – Subsidiary export	25,191	26%	24,291	28%
Total	**95,502**	**100%**	**88,286**	**100%**

The costs of obtaining or executing contracts are considered insignificant

NOTE 9. Other Purchases and External Expenses

Other purchases and external expenses consist of the following:

In thousands of euros	**30 June 21**	**30 June 20**
Non-stock purchases	1,215	966
Rents	306	296
Repair and maintenance	1,316	1,223
Insurance premiums	635	591
Studies and research	1,696	958
Temporary staff	195	235
Commissions paid to the salespersons	13,349	9,819
fees	4,953	6,343
Advertising	538	828
Transportation	2,241	2,023
Travel and subsistence	1,255	1,647
Banking fees and share purchase fees	246	563
Other purchase and external expenses	1,650	1,191
Total	**29,593**	**26,682**

NOTE 10. Personnel Expenses and Data

PERSONNEL EXPENSES

In thousands of euros	**30 June 21**	**30 June 20**
Salaries and wages	20,272	18,763
Social security and contributions	7,106	6,474
Cost of payment in shares	139	185
Contributions to post employment defined benefit plans	-	
Employee shares	-	-
Total	**27,518**	**25,422**

Share-based payment costs relate to a free share allocation plan, the terms of which are set out in Note 21.

NUMBER OF STAFF

In numbers	**30 June 21**	**30 June 20**
Sales & Marketing	132	124
General & administrative	179	171
Production	74	83
R&D	58	58
Total	**443**	**436**

DIRECTORS' COMPENSATION

Since 1 July 2020, the CEO has received the following compensation in respect of his duties over the financial year:

- Gross salary: €337,500
- Target bonus: €72,500
- Benefit in kind: €16,000
- Pension Plan Art. 83: €13,000 (amount paid in contributions)

NOTE 11. Provisions for Current Assets, Net of Reversals

In thousands of euros	**30 June 21**	**30 June 20**
Amortisation of intangible assets	4,667	6,629
Amortisation of tangible fixes assets	6,869	7,734
Depreciation of current assets		
Amortisation of leased materials	4,432	4,987
Provision for inventory, net of reversals	249	(104)
Provision for current assets, net of reversals	(128)	(437)
Provision for risk and expenses, net of reversals	224	53
Total	**16,310**	**18,859**

NOTE 12. Other Operating Income and Expenses

In thousands of euros	30 June 21	30 June 20
Other operating income		
Research tax credit	512	452
Foreign exchange gains on commercial transactions		
Other	507	622
Total	**1,019**	**1,075**
Other operating expenses		
Licence fees paid	606	701
Other	205	210
Total	**811**	**911**

NOTE 13. Non-Operating Income and Expenses

In thousands of euros	30 June 21	30 June 20
Non-recurring operating income		
Reversal of provision for Promotion DM Tax	-	8,589
Reversal of depreciation of assets under construction	807	
Others	11	**8,608**
Total	**818**	
Non-recurring operating expenses		
Provision allocation Promotion DM tax	1,893	1,815
Impairment of assets under construction	1,263	2,791
Others	177	772
Total	**3,333**	**5,378**

NOTE 14. Financial Income and Expenses

Financial income essentially comprises the following elements:

- Cost of borrowing: €9,778k,
- Other financial income and expenses for a net loss of €696k, consisting of a net loss of €214k in foreign exchange gains and losses.

NOTE 15. Income Tax Expense

Details of income tax expense

In thousands of euros	30 June 21	30 June 20
Current income taxes	(547)	(918)
Deferred income taxes	(1,312)	(2,410)
Total	**(1,859)**	**(3,327)**

Analysis of tax expense

In thousands of euros	30 June 21	30 June 20
Profit before tax	**(12,808)**	**(11,314)**
Theoretical tax rate	28.00%	28.00%
Tax payable	**3,586**	**3,168**
Effect of the permanent differences	47	(164)
Tax credit	143	127
IFRS 2 charges	(39)	(46)
Current year deductions not taken	(4,095)	(5,616)
Prior year deductions not taken	493	
Previously taken deductions utilised	(1,515)	(1,851)
CVAE reclassification	(104)	(156)
Tax base effect Brazil	(114)	(202)
Provisions for litigation not subject to tax	(530)	1,890
Lowering tax rate		(388)
Changes in price adjustment of subsidiaries (not subject to tax)		
Other	269	(89)
Effective tax expense	**(1,858)**	**(3,327)**

BALANCE SHEET DEFERRED TAX

Deferred tax assets and liabilities recorded on the balance sheet are broken down as follows:

In thousands of euros	30 June 20	Impact on reserves	Impact on profit	30 June 21
Deferred tax assets				
Organic	20		2	22
Expenses on share purchases				
Employee shares	0			0
Retirement severance pay	162		40	202
Gain on asset disposal	1,320		76	1,396
Deductions taken	5,437		(1,499)	3,938
Hedging instrument	46	(24)		22
Margin on stocks	1,873		(11)	1,863
Other	(107)	14	54	(39)
Deferred tax assets / deferred tax liabilities (IDA/ADP offset)	(1,025)		583	(442)
Total	**7,727**	**(10)**	**(756)**	**6,962**
Deferred tax liabilities				
Regulated provisions				
Fair value assets	86		(86)	-
Use of ancillaries	644		(297)	347
Gain on assets disposal	964		249	1,213

In thousands of euros	30 June 20	Impact on reserves	Impact on profit	30 June 21
Gain on assets disposal	67		(12)	55
Equity instrument	532		58	590
Finance leasing	261		61	322
Deferred tax assets / deferred tax liabilities (IDA/ADP offset	(1,025)		583	(442)
Total	**1,528**	**-**	**556**	**2,084**

Deferred tax assets were recognised to the extent that recovery was deemed likely, in accordance with IAS 12.

Tax losses are utilised where Senior Management considers it likely that the Group will have future taxable profits against which the losses can be offset. This decision is based on the updated business plan. The capitalised tax losses mainly concern the tax consolidation group in France for €14m out of a total of €48.5m of losses carried forward at 30 June 2021. The tax group's tax loss carry-forwards of €20m at 30 June 2020 have been written back by €6m (i.e. €1.5m of deferred tax expense) to take into account the expected earning capacity.

The Group did not use any judgements, assumptions or estimates in determining the tax loss of the consolidated group.

NOTE 16. Intangible Assets

GOODWILL

As stated in Note 3.4 of this annex, goodwill is allocated to two cash-generating unit groups.

For the Knees and Hips products CGU, the net book value of goodwill is €95.7m, mainly comprising:

- The repurchase by Amplitude CAVE Surgical of Amplitude Group on 29 June 2011, a group consisting of Amplitude Group, Amplitude Finance, Amplitude, SCI Les Tilleuls, and Amplitude GMBH. The purchase price of the Amplitude Group acquisition had been determined on the basis of the Company's ability to generate profit and revenue, the expertise of the companies within the Group, and their relationships with clients and doctors. Goodwill in respect of the purchase of the Amplitude Group totalled €75.5m;
- Goodwill also includes the repurchase of the Sofab companies (€2.1m);
- Goodwill from the repurchase of the company Amplitude IDF (€2.4m);
- Goodwill from the repurchase of the company Duotech (€0.8m);
- Goodwill from the repurchase of the company Amplitude Australia PTY (€4.7m);
- Goodwill from the repurchase of the company Amplitude Brazil (€9.8m);
- Goodwill from the repurchase of the company Amplitude Suisse (€0.4m).

For the extremities products CGU corresponding to the Novastep subsidiaries, the net book value of goodwill is €0.1m.

At 30 June 2021, impairment tests were carried out using the discounted cash flow method based on the following assumptions and parameters.

The business plan horizon used is 5 years in accordance with IAS 36 and better visibility of the investment horizon.

- Taking into account the updated business plan at the date of the financial statements for the period from 1 July 2021 to 30 June 2026.

- Infinite growth rate of 1.9% for CGU Knees and Hips and 3.4% for CGU Extremities.

For CGU Knees and Hips, growth in line with past performance.
Voluntary growth in turnover for CGU Extremities, driven in particular by the success of the Novastep offer on the US market.

- Discounting at a rate of 10% of the expected cash flows of the two CGUs.

The impairment test confirmed the carrying amount of the assets of the cash-generating units (including goodwill).

DEVELOPMENT EXPENSES

Given the criteria outlined in Note 3.6, development costs totalling €1,890k as at 30 June 2021 are included in intangible assets. These expenses were included in intangible assets in progress and in development costs. These costs are amortised over 4 to 10 years. Treatment of these expenses as at 30 June 2021 was based on best estimates regarding completion of the projects as at the date of preparation of the financial statements.

In accordance with IAS 36, these costs are subject to an impairment test.
At 30 June 2021, projects whose commercial success is no longer assured were subject to an impairment loss of €1.3m recognised in non-current operating expenses.

OTHER INTANGIBLE ASSETS

In thousands of euros	30 June 20	Purchases (net allocation)	(Disposal)/ profit from disposal	Currency translation adjustments	Changes in perimeter and reclass	IFRS 5	30 June 21
Concession and patents	44,019	3,014	4	5	-		47,035
Stock in trade	443	-	-	-	-		443
Development expenses	2,010	31	-	(21)	107	(237)	1,890
Other intangible assets	10,535	36	-	(27)	-		10,544
Intangible assets in progress	7,002	790	-	28	(1,914)		5,906
Gross values	**64,008**	**3,871**	**4**	**(15)**	**(1,807)**	**(237)**	**65,817**
Concessions, and patents	20,148	3,527	4	4	108		23,782
Stock in trade	295	148	-	-	-		443
Development expenses	1,716	253	-	(16)	-	(190)	1,762
Other intangibles assets	6,610	610	-	(5)	-		7,216
Intangible assets in progress	2,899	1,393	807	-	(108)		3,377
Amortisation and depreciation	**31,667**	**5,930**	**811**	**(17)**	**-**	**(190)**	**36,580**
NET VALUES	**32,341**	**(2,059)**	**(807)**	**1**	**(1,807)**	**(47)**	**29,237**

The counterpart of patent acquisitions is the recognition of a debt on fixed assets for a deducted amount of €440k in relation to the previous year. The amount of acquisitions is presented as adjusted for the change in debt on fixed assets in the cash flow statement, i.e. €4,311k.
During the financial year ended 30 June 2021, an intangible asset in progress amounting to €1,914k was brought into service and recognised under "Plant".

NOTE 17. Tangible Fixed Assets

TANGIBLE FIXED ASSETS

In thousands of euros	30 June 20	Purchases (net allocation)	(Disposal)/ profit from disposal	Currency translation adjustments	Reclass.	IFRS 5	30 June 21
Land	251	-	-	0	-		251
Constructions	(0)	-	-	-	-		(0)
Rights of use, property	14,029	1,317	875	(21)	-		14,450
Plant	39,563	2,309	5,314	384	5,094	(187)	41,848
Rights of use, plant	17,480	-	200	-	-		17,281
Other fixed assets	9,875	385	1	27	(901)		9,385
Rights of use, fixed assets	1,991	586	498	(2)	-		2,078
Fixed assets in progress	16,793	2,442	-	-	(2,314)		16,921
Gross values	**99,981**	**7,038**	**6,887**	**389**	**1,879**	**(187)**	**102,213**
Land	111	22	-	0	-		133
Constructions	0	-	-	-	-		0
Rights of use, property	4,821	1,285	595	(20)	-		5,492
Plant	31,709	5,877	4,535	338	(168)	(55)	33,167
Rights of use, plant	9,513	2,600	200	-	-		11,913
Other fixed assets	6,282	924	73	26	168		7,327
Rights of use, fixed assets	1,184	547	466	(1)	-		1,264
Fixed assets in progress	657	54	-	-	-		711
Amortisation and depreciation	**54,279**	**11,309**	**5,869**	**343**	**-**	**(55)**	**60,007**
NET VALUES	**45,703**	**(4,271)**	**1,019**	**46**	**1,879**	**(132)**	**42,205**

The “Plant” item is mainly made up of ancillary equipment.

NOTE 18. Inventory

In thousands of euros	30 June 2021	30 June 2020
Raw materials	2,549	2,062
In process stock	10,077	9,948
Intermediate and finished product stock	34,943	32,311
Gross values	**47,569**	**44,321**
Depreciation	3,053	2,790
Net stock and in-process	**44,516**	**41,531**

NOTE 19. Receivables

ACCOUNTS RECEIVABLE

In thousands of euros	30 June 2021	30 June 2020
Gross value	12,269	9,996
Depreciation	1,682	1,807
Net value	**10,586**	**8,189**

The maturity of accounts receivable is presented in Note 5 under the heading “Credit risk”.

OTHER CURRENT ASSETS

In thousands of euros	30 June 2021	30 June 2020
Tax liabilities (excluding tax on benefits)	4,761	3,435
Social security liabilities	81	166
Pre-payment	1,165	1,196
Advances payment and instalment	114	177
Other current assets	280	275
Total	**6,400**	**5,249**

Given the type of these trade debtors and their due dates, it is considered that their book value after possible depreciation corresponds to their fair value.

Current tax receivables are mainly composed of research tax credits and competitiveness and employment tax credits.

NOTE 20. Cash and Cash Equivalents

In thousands of euros	30 June 2021	30 June 2020
Marketable securities	110	115
Bank accounts and other cash assets	30,564	36,542
Total	**30,675**	**36,657**

NOTE 21. Capital and Reserves

The share capital is €478,048, divided into 47,804,841 shares, each with a nominal value of one cent, all fully paid up.

In accordance with the terms of the Extraordinary Shareholders Meeting of 9 December 2015, the Board of Directors meeting of 27 July 2016 decided to allocate 1,407,897 free ordinary shares of the Company for the benefit of 4 employees of the Company. The allocation is subject to presence and performance criteria (EBITDA, revenues), and the vesting period is 2 years. The share price as at the date of the meeting of 27 July 2016 was €3.10. This free share plan was closed on 23 July 2018 with the issue of 874,989 ordinary shares.

In accordance with the terms of the extraordinary Shareholders' Meeting of 24 November 2017, the Board of Directors' meeting of 24 July 2018 decided to grant a maximum of 1,434,000 free shares to 18 corporate officers or employees of the Amplitude Surgical group. The grant is subject to presence and performance criteria (EBITDA, revenue), the vesting period is 2 years, with a retention period of 2 years. The share price on the date of the meeting was €3.18.

The expense recognised during the financial year amounted to €139k excluding flat-rate employer's social contributions and is recognised as a personnel expense.

NOTE 22. Borrowings

This note provides details on the contractual terms of borrowings undertaken by the Group that are subject to interest, and which are valued at amortised cost.

BREAKDOWN OF DEBT BY TYPE

In thousands of euros	30 June 21 Non-current	30 June 21 Current	30 June 20 Non-current	30 June 20 Current
Convertible bond issuances				
Unitranche bond issuance	106,129		96,622	
Accrued interest on Unitranche bond issuance	-	21	501	2,132
Borrowing with credit establishment	20,683	3,959	12,663	14,004
Debts obligation under leasing	10,931	4,590	14,154	4,355
Total	**137,743**	**8,571**	**123,940**	**20,491**

As at 30 June 2021, the fair value of rate hedging instruments totalled (€83,000) before deferred tax, or (€61,000) after deferred tax, included in the liability (derivative), with a corresponding booking to capital and reserves.

As part of the change of control of Amplitude Surgical, the Company issued a €110m bond on 10 November 2020 underwritten by Tikehau and proceeded with the early redemption of the 2014 and 2016 bonds for €96.6m (excluding accrued interest) on 30 June 2020.

The maturity of this bond is 7 years. Its interest rate is: 3-month Euribor (floor at 0) plus 7.00%, subject to a margin adjustment depending on the level of leverage ratio. The margin can vary from 6.00% for a leverage ratio of up to 3.5 times to 7.00% for a leverage ratio of over 5 times, with intermediate adjustments every 0.25% for intermediate leverage ratios.

Amplitude Surgical has a capitalisation option of up to 2% of the cash margin subject to the payment of a 0.25% premium on margin conversion.

COVENANT

The Group has undertaken in respect of the new Unitranche debt to comply with a predetermined annual leverage ratio equal to total net debt (excluding debt issuance costs) divided by consolidated EBITDA adjusted for the negative EBITDA of loss-making subsidiaries up to a maximum of €1 million.

At the first test date, 30 June 2021, this ratio amounted to 5.70 for a maximum ratio provided for in the Unitranche debt documentation of 7.20.

NOTE 23. Bank Funding and Factoring

In thousands of euros	30 June 2021	30 June 2020
*FACTORING financial debts**	441	-
Dailly cash advances		
Bank funding	22	12
Total	**463**	**12**

*Within the IFRS consolidated financial statements, the Group progressed towards offsetting of the following elements:

- financial debt in relation to factoring (entirety of the portfolio of accounts receivable factored);
- account factoring in progress (available for use by the company); and
- reserve accounts and provision funds.

This treatment allowed debts to be included in the IFRS consolidated balance sheet for only the amount of the payment received by the Group on an open factored account.

At 30 June 2020, the Factor debt amounted to €797,000 and the receivable amounted to €813,000, i.e. a net receivable of €16,000, recorded under the item "Bank loans and Factor".

At 30 June 2021, the Factor debt amounted to €1,176,000 and the receivable amounted to €735,000, i.e. a net receivable of €441,000, recorded under the item "Bank loans and Factor".

On 25 June 2016, the factoring agreement was the subject of an amendment rendering it deconsolidating, given the quality of the customer portfolio. At 30 June 2020, the outstanding factored debt not reported as financial debt amounted to €5,756,000 compared to €7,380,000 at 30 June 2021. This amount is recorded less trade receivables.

NOTE 24. Derivatives

The Group subscribes to swap type interest rate hedging instruments. The aim of these is to protect the Amplitude Surgical Group from the interest rate increases to which it is exposed through its loans.

Derivatives qualified as cash flow hedges, in the meaning of IAS 39, totalled €58 million as at 30 June 2021 and €3 million as at 30 June 2020.

The fair value of derivatives is included as a balance sheet liability under the heading "Derivative".

For the qualified hedging derivatives under IFRS:

- The consideration for the efficient portion of the change in the fair value of derivatives designed to hedge future periods is included in capital and reserves under ("Other items in the statement of other income").
- Changes in fair value of the time value of options, and the inefficient portion of hedging relationships are included in income.

For derivative instruments not designated as hedging instruments, changes in the value of the derivatives are included in income.

DERIVATIVES PORTFOLIO

	30 June 2021		30 June 2020	
In thousands of euros	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Rate derivatives (fair value)		83		172
Non-hedging derivatives				
Total		**83**		**172**

NOTE 25. Provisions for risk and expenses

CLOSING BALANCE

In thousands of euros	30 June 2021	30 June 2020
Provisions for non-current risks and expenses	**15,137**	**12,979**
Dispute, DM promotion tax	14,074	12,181
Dispute, buyback of amplitude shares in Australia		
Employees benefits	1,063	798
Provisions for current risks and expenses	**134**	**177**
Provisions for legal disputes	55	105
Other current provisions	79	72
Total	**15,271**	**13,155**

CHANGES IN FINANCIAL YEAR END

In thousands of euros	
Value at 30 June 2019	**19,852**
Allocations	2,016
Write back used	8,713
Write back not used	
Changes in group structure	
Value at 30 June 2020	**13,156**
Allocations	2,178
Write back used	61
Write back not used	
Changes in group structure	
Value at 30 June 2021	**15,272**

PROVISION FOR SEVERANCE PAY ON RETIREMENT

The total amount of all benefits conferred on employees in the form of severance pay on retirement, and, assuming that the Company will still be in existence at the retirement age of the employees, was €1,063,000 inclusive of social security contributions as at 30 June 2021.

The annual rate of salary increase used is 1.50% and the discount rate is 0.80%.

This amount is fully included in provisions for risk and expenses.

PROVISIONS FOR RISK

Provisions are made during the financial year to cover business and commercial risks, or risks associated with legal disputes in progress, by analysing the files kept by the company's management:

TAX LEGAL DISPUTE OVER MARKETING OF DM

Since 7 November 2013, the group has been involved in a dispute with the URSSAF in relation to an assessment for back contributions relating to the years 2006, 2007 and 2008, under Articles L 245-5-1 and L 245-5-2 of the French Social Security Code.

Following the decisions of the Cour de Cassation of 29 November 2018, the Tribunal de Grande Instance (social division) of Valence of 10 October 2019 and the Court of Appeal of Grenoble of 29 October 2019, and URSSAF's letter of 7 November 2019 indicating its decision not to lodge an appeal or an appeal in respect of this dispute, Amplitude Surgical had won its case against URSSAF for the period up to 30 June 2014.

The accounting consequence of this decision in the financial statements for the 2019/2020 financial year was a partial reversal of the provision in the amount of €8.6 million, for a total provision at 30 June 2020 of €12.2 million.

With respect to the dispute still open following the €5.8 million adjustment for the period from 1 July 2014 to 30 June 2017, Amplitude had applied to the Valence Court of Justice to have the adjustment cancelled. By decision dated 3 November 2020, notified on 2 December 2020, the Valence Court dismissed Amplitude SAS's request to cancel the adjustment. Amplitude has decided to appeal this decision and will continue to defend its initial position.

As the dispute has not been definitively settled, the company continues to provide for future additions for the period from 1 July 2014 on the basis of the method used by the Administration in its recovery, for as long as the dispute remains before the courts. The additional allocation for this purpose amounts to €1.9 million for the 2020-21 financial year, for a provision at 30 June 2021 amounting to €14.1 million.

NOTE 26. Accounts Payable and Other Creditors

Other non-current liabilities (over one year)

In thousands of euros	**30 June 21**	**30 June 20**
Suppliers of fixed assets	18,777	19,229
Share of SNC losses	-	213
Total	**18,777**	**19,442**

Other non-current liabilities (under one year)

In thousands of euros	**30 June 21**	**30 June 20**
Trade creditors	11,987	11,067
Tax liabilities (excluding tax on benefits)	2,384	1,618
Social security liabilities	6,277	6,439
Fixed asset suppliers	3,597	3,525
Deferred revenue		-
Current accounts outside the group	6	1,051
Other current liabilities	2,563	1,777
Total	**26,814**	**25,477**

As indicated in Note 3.5, patents and licences gave rise to the recognition of an intangible asset. The gross value of these fixed assets corresponds to the estimated value of the royalties on the date the patent was acquired or the licence was signed by Amplitude SAS, with the counterpart corresponding to a liability, broken down into other non-current and other current liabilities, in favour of the seller of the invention or the licensors.

For trade accounts payable, the Company has determined that amortised cost constitutes a reasonable estimation of their fair value.

NOTE 27. Related Party Transactions

No transaction between the Group and related companies was carried out during the period.

NOTE 28. Off-Balance Sheet Liabilities

FINANCIAL COMMITMENTS

In respect of a Unitranche debt of €110,000,000:

- Pledging of Share accounts,
- Pledging of bank accounts, and
- Pledging of receivables.

Under the loans granted by BPI France: €400,000 warranty deduction

FINANCIAL COMMITMENTS RECEIVED

As part of the implementation of the new €110m bond, the Group has an additional €30m of Capex financing available for drawdown over a 3-year period, the availability of which is conditional on the Group's leverage ratio.

NOTE 29. Group Companies

Company and legal structure	SIREN (company registration number)	Registered office	Methods of consolidation applied	% control 30 June 2021	% control 30/06/2020
Amplitude Surgical (ex Orthofin 1)	533.149.688	*France*	*Parent company*	*Parent company*	*Parent company*
Amplitude	414.448.464	*France*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude GMBH	NA	*Germany*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Australia Pty	NA	*Australia*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Brazil	NA	*Brazil*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Suisse	NA	*Switzerland*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Benelux	NA	*Belgium*	*Full consolidation*	**100.0%**	**100.0%**
Novastep	752.292.797	*France*	*Full consolidation*	**68.0%**	**68.0%**
Novastep Inc.	NA	*United States*	*Full consolidation*	**85.0%**	**85.0%**
Matsumoto Amplitude Inc.	NA	*Japan*	*Full consolidation*	**80.0%**	**80.0%**
Amplitude Afrique du Sud	NA	*South Africa*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Roumanie	NA	*Romania*	*Full consolidation*	**100.0%**	**100.0%**
Sofab Orthopédie SAS	822.921.383	*France*	*Full consolidation*	**100.0%**	**100.0%**
Firm Industrie	523.415.073	*France*	*Full consolidation*		**100.0%**
Poli-Tech	448.895.474	*France*	*Full consolidation*		**100.0%**
Poli-Alpes	407.572.940	*France*	*Full consolidation*		**100.0%**
Amplitude Corp.	NA	*United States*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Duotech	488.772.763	*France*	*Full consolidation*	**100.0%**	**100%**
Amplitude IDF	447.869.496	*France*	*Full consolidation*	**98.0%**	**98%**
Amplitude Sud	843.256.322	*France*	*Full consolidation*	**100.0%**	**100.0%**
SCI Les Tilleuls	439.216.748	*France*	*Full consolidation*	**100.0%**	**100.0%**
Amplitude Nord	882.949.977	*France*	*Full consolidation*	**100.0%**	**100.0%**

Shareholdings in the companies Joint Research Ltd Ireland and Amplitude India Private Limited are not included within the consolidated accounts given their immaterial nature as at 30 June 2021.

(*) During the year, Firm Industrie, Poli-Tech and Poli-Alpes were merged into Sofab Orthopédie SAS with retroactive effect from 1 July 2020.

NOTE 30. Subsequent Events

- The Group sold 100% of its subsidiary Amplitude Ortho SRL (Romania) on 23 July 2021 to GBG MLD SRL, the distributor of the Group's products in Moldova. The divested company will continue to market the Group's products on the Romanian market as a distributor.
- Due to lower than expected growth, the Group sold 80% of its subsidiary Matsumoto Amplitude Inc (Japan) on 13 August 2021 to Mr Takeshi Matsumoto. Mr Matsumoto already owned 20% of this subsidiary through his company Matsumoto Medical. Following this sale, a liquidation of the subsidiary was initiated by its new shareholders.
- On 21 September 2021, the Group received a letter of observation from URSSAF following a fourth audit on the tax on the promotion of medical devices for the period from 1 July 2017 to 30 June 2020. This observation letter would lead to a reminder of contributions of €5.5 million, an amount already provided for in the Group's accounts in previous years. As for the previous disputes, the Group will formulate its observations and request the cancellation of the adjustment from the Valence Court of Justice.

NOTE 31. Contingent Liabilities

Since 15 June 2017, the company has been involved in a dispute with Zimmer Biomet France over alleged unfair competition. Since Amplitude is vigorously rejecting these allegations, no provision has been made in the financial statements as at 30 June 2021, with the exception of a number attorney fees incurred during the year.

A first judgment on this case was rendered in May 2019 in favour of Zimmer Biomet, however its claim for compensation for damages and interest against Amplitude was dismissed. All parties have appealed the decision.

NOTE 32. Environmental Risk

The Group had oversight for the analysis of rules and regulations relating to the protection of the environment, and did not anticipate any significant future event that might have an impact on its business activities, financial position or results, or assets of the Group.

NOTE 33. Statutory Auditors' Fees

	Deloitte	**Mazars**
Amount in €	**30 June 21**	**30 June 21**
Statutory audit, certification, review of individual and consolidated financial statements		
Issuer	67,200	67,200
Subsidiaries	34,100	67,820
Subtotal (1)	**101,300**	**135,020**
Services other than certification of accounts (SACC) as required by law		
Issuer	6,800	6,800
Subsidiaries	2,300	5,050
Subtotal (2)	**9,100**	**11,850**
Other SACC		
Issuer	600	600
Subsidiaries		
Subtotal (3)	**600**	**600**
TOTAL	**111,000**	**147,470**

6.2 REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the group's management report.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France

To the general shareholders' meeting of AMPLITUDE SURGICAL,

Opinion

In performance of the assignment entrusted to us by your shareholders' meetings, we have audited the attached consolidated financial statements of AMPLITUDE SURGICAL for the financial year ended 30 June 2021.

We hereby certify that the consolidated financial statements, in accordance with the IFRS standards as adopted by the European Union, give a true and fair view of the results of operations for the past financial year and of the financial position and assets and liabilities at the end of the financial year of all persons and entities included in the scope of consolidation.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of Opinion

Audit standards

We have conducted our audit in accordance with professional standards applicable in France. We believe that the information we have gathered is sufficient and appropriate to form our opinion.

Our responsibilities under these standards are set out in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of this report.

Independence

We have carried out our audit mission in compliance with the independence rules applicable to us, over the period from 1 July 2020 to the date of issue of our report, and in particular we have not provided services prohibited by Article 5 (1) of Regulation (EU) No. 537/2014 or by the code of ethics of the auditing profession.

Justification of assessments - Key audit points

The global crisis linked to the COVID-19 pandemic creates particular conditions for the preparation and audit of this year's accounts. This crisis and the exceptional measures taken within the framework of the state of health emergency have had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainties on their future prospects. Some of these measures, such as travel restrictions and teleworking, have also had an impact on the internal organisation of companies and on the way audits are carried out.

It is in this complex and evolving context that, pursuant to the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the financial year, as well as the responses that we have provided to these risks.

Valuation of goodwill - impairment tests (Notes 3.4 and 16 to the consolidated financial statements)

Risk identified

As part of its creation and development, the Group carried out targeted external growth transactions, and therefore recognised several goodwill items. These goodwill items, which correspond to the difference between the price paid and the fair value of assets and liabilities at the acquisition date, have been allocated to two cash-generating units (CGU), defined according to the Group's geographic location, i.e. the French market and international markets. The 2020/2021 financial year was characterised by a redefinition of the CGUs, as a result of the internal reorganisation brought about by the rise of the Novastep division. Two new CGUs were identified:

- the Hip and Knee CGU, which includes subsidiaries dedicated to the production and marketing of hips, knees and related accessories, and

- the Extremities CGU, which includes the Novastep subsidiaries, dedicated to the production and marketing of extremity implants and associated accessories (see notes 3.4 and 16 to the consolidated financial statements).

At each financial year, the management ensures that the book value of these goodwill items, shown in the balance sheet for an amount of €95.7 million, is not higher than their recoverable amount and does not present any impairment risk.

The methods used to test for impairment and the details of the assumptions used are described in Note 3.4 to the consolidated financial statements. The recoverable amount was determined by reference to the value in use calculated on the basis of the discounted value of the expected cash flows of the groups of assets that made up the two CGUs to which the goodwills are allocated.

The determination of the recoverable amount of the goodwill, which represents a significant amount with regard to the Group’s balance sheet, requires significant judgment on the part of management, particularly with regard to the growth rate used for cash flow projections and the discount rate applied to them. We therefore considered the measurement of goodwill as a key point of the audit.

Our response

We have reviewed the Company’s methodology for compliance with current accounting standards.

We have also carried out a critical review of the methods of implementing this methodology and verified in particular:

- the criteria used by management for the new definition of the CGUs;
- comprehensiveness of the elements composing the book value of the CGU groups by reconciling them with the consolidated financial statements and the consistency of the determination of this value with the way in which cash flow projections have been determined for value in use;
- the consistency of cash flow projections with the economic and financial environment and the reliability of the estimation process by examining the causes of differences between forecasts and actuals for the financial year;
- the consistency of these cash flow projections with management's latest estimates, as presented to the Board of Directors as part of the budget process;
- the consistency of the growth rate used for projected flows with market analyses and the consensus of the main players;
- the calculation of the discount rate applied to the estimated cash flows of the business by verifying that the various discount parameters composing the weighted average cost of capital of the groups of CGUs made it possible to approximate the reference rate for these CGU groups. We have relied on our valuation experts;
- reconciliation of the business value determined as to its market value;
- the calculation and appropriateness of the sensitivity test on value in use, carried out by management to change in the main assumptions used.

Valuation of work in progress and finished goods inventories (Notes 3.8 and 18 to the consolidated financial statements)

Risk identified

The Group's inventories are shown in the consolidated balance sheet at 30 June 2021 for a gross amount of €47.6 million, with an impairment charge of €3.1 million. They consist mainly of outstanding amounts and intermediate and finished products, valued at cost of production and depreciated based on historical sales (see Notes 3.8 and 18 to the consolidated financial statements).

Due to the nature of the business, the Group provides hospitals and clinics with surgical prostheses of different sizes (this is a regulatory obligation) that can lead to long rotation cycles for atypical sizes.

The company's depreciation rules are based on rotation criteria and whether or not the finished implants can be re-sterilised. The assessment of the depreciation percentage based on the number of months of sales in inventory requires the company's judgment, in particular in the context of the COVID-19 health crisis.

There is therefore a risk that the net realisable value of certain references, corresponding to the sales price expected by the Group, may be lower than their manufacturing cost and therefore a risk of overvaluation of stocks of intermediate and finished products.

The assessment of whether finished implants can be re-sterilised or not may evolve, particularly in response to changes in quality standards.

We considered this subject as a key point of the audit because any provisions arising from it are, by essence, dependent on assumptions, estimates or assessments made by the Group's management.

Our response

Our work consisted in assessing the data and assumptions used by management to determine the net realisable value and thus identify the items that should be recorded at this value.

We have:

- reviewed the internal control procedures in place to identify slow-moving or time-limited items;
- tested the effectiveness of key controls over these procedures;
- recalculated the inventory depreciation through group assumptions;
- analysed the latter's sensitivity using different scenarios;
- reviewed the year-on-year change in negative margin ratios by geographical region.

Specific verifications

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by legal and regulatory of information relating to the Group, as provided for in the Board of Directors' management report.

We have no observation to report on their truthfulness and consistency with the consolidated financial statements.

Information resulting from other legal and regulatory obligations

Format of the consolidated financial statements to be included in the annual financial report

In accordance with III of Article 222-3 of the AMF General Regulations, the management of your company has informed us of its decision to postpone the application of the single electronic reporting format as defined by European Delegated Regulation No 2019/815 of 17 December 2018 to financial years beginning on or after 1 January 2021. Consequently, this report does not include a conclusion on compliance with this format in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L.451-1-2 of the French Monetary and Financial Code.

Appointment of the statutory auditors

We have been appointed statutory auditors of AMPLITUDE SURGICAL by the General Meeting of 21 December 2011 for MAZARS and 9 December 2015 for DELOITTE & ASSOCIES.

As of 30 June 2021, MAZARS was in the 10th year of its continuous engagement and DELOITTE & ASSOCIES in the 6th year, including 7 and 6 years respectively since the company’s shares were admitted to trading on a regulated market.

Responsibilities of the Management and persons representing corporate governance with respect to the consolidated financial statements

It is the responsibility of the Management to prepare consolidated financial statements that present a true and fair view in accordance with IFRS as adopted by the European Union, and to put in place such internal control as it deems necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing in these financial statements, if applicable, the necessary information relating to the going concern and for applying the going concern accounting policy, unless it is planned to liquidate the Company or cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, internal audit with respect to the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

Statutory auditors' responsibilities relating to the audit of the consolidated financial statements

Audit objective and approach

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole are free from any material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will always detect any material misstatement. Abnormalities can be fraudulent or error-related and are considered material when they can reasonably be expected to influence, either individually or cumulatively, the economic decisions that account users make based on them.

As specified by article L.823-10-1 of the French Commercial Code, our audit mission is not to guarantee the viability or quality of your company's management.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises his professional judgment throughout the audit. Furthermore:

- it identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects information that it considers sufficient and appropriate to base its opinion upon. The risk of undetected material misstatement arising from fraud is greater than the risk of undetected material misstatement resulting from an error, as fraud may involve collusion, forgery, wilful omission, misrepresentation or circumvention of internal control;

- it takes into consideration the internal control procedures that are relevant to the audit in order to define audit procedures that are appropriate in the circumstances, and not to express an opinion on the effectiveness of internal control;

- it assesses the appropriateness of the accounting practices used and the reasonableness of the accounting estimates made by the Management, as well as the information provided in the consolidated financial statements;

- it assesses the appropriateness of Management's application of the going concern accounting policy and, depending on the information collected, whether or not there is significant uncertainty related to events or circumstances that could affect the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, although it should be kept in mind that future circumstances or events could affect the continuity of operations. If it concludes that there is significant uncertainty, it draws the attention of the readers of its report to the information provided in the consolidated financial statements about such uncertainty or, if such information is not provided or is not relevant, it issues a qualified certification or a refusal to certify;

- it assesses the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying transactions and events in such a way as to give a true and fair view;

- with regard to the financial information of the persons or entities included in the consolidation scope, it collects information that it considers sufficient and appropriate to express an opinion on the consolidated financial statements. It is responsible for the management, supervision and conduct of the audit of the consolidated financial statements and the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes the scope of the audit work and the work programme implemented, as well as the conclusions resulting from our work. We also bring to its attention, where appropriate, any material weaknesses in internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements disclosed in the report to the audit committee are the risks of material misstatement that we believe to have been the most significant for the audit of the consolidated financial statements for the year and which are therefore the key points of the audit. These points are described in this report.

We also provide the audit committee with the declaration required by Article 6 of (EU) Regulation No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 of the French Commercial Code and in the code of ethics of the auditing profession. Where appropriate, we discuss with the audit committee the risks to our independence and the safeguards applied.

Lyon, 20 October 2021

The Statutory Auditors

MAZARS	**DELOITTE & ASSOCIES**
Séverine HERVET	Jean-Marie LE JÉLOUX

CHAPTER 7
FINANCIAL STATEMENTS

7.1 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7.1.1 Balance sheet

Assets			Financial year at 30/06/2020			Previous financial year
			Gross Amount	Depr. or Allow.	Net amount	at: 30/06/2019
Uncalled subscribed capital						
Fixed assets	Intangible fixed assets	Start-up costs				
		Research and development costs				
		Franchises, patents and similar assets				
		Goodwill (1)				
		Other intangible fixes assets				
		Intangible assets in progress				
		Advance payments on intangible fixed assets				
		TOTAL				
	Tangible assets	Land				
		Buildings				
		Industrial fixtures and equipment				
		Other tangible fixed assets				
		Tangible fixed assets in progress				
		Advance payments on tangible fixed assets				
		TOTAL				
	Fixed financial assets	Investments measured using the equity method				
		Other investments	110,634,779		110,634,779	93,594,779
		Loans to group and related companies				
		Investments held in portfolio for the long term				
		Other investments				
		Loans				
		Other financial assets	20,896,384		20, 896,384	20,180,281
		TOTAL	131,531,164		113765,061	113,775,061
		Total fixed assets	**131,561,164**		**131,561,164**	**113,775,061**
Current assets	Inventories	Raw material and supplies				
		Work in progress (goods)				
		Work in progress (services)				
		Finished goods and by-production				
		Merchandise				
		TOTAL				
	Advances to suppliers					
	Receivables	Trade accounts receivable				207,632
		Other receivables	71,321,745		71,321,745	90,868,397
		Unpaid called capital				
		TOTAL	**71,321,745**		**71,321,745**	**91,076,030**
	Other	Marketable securities (of which own shares:)	215,797		215,797	202,587
		Cash instruments				
		Available funds	374,700		374,700	364,877
		TOTAL	**590,497**		**590,497**	**567,464**
Prepaid expenses			76,772		76,772	33,123
		Total current assets	**71,989,016**		**71,989,016**	**91,676,618**
Deferred charges			3,870,605		3,870,605	760,276
Premiums on redemption of borrowings						
Exchange rate differences assets						
		Total assets	**207,390,786**		**207,390,786**	**206,211,955**
References:	(1) Of which right to lease					
	(2) Of which portion at less than one year (gross) of financial assets					
	(3) Of which receivables at more than one year (gross)				**1,314,230**	**999,051**
Retention of title clause	Fixed assets		Stocks		Trade accounts receivable	

Liabilities

		At 30/06/2021	At 30/06/2020
Shareholders' funds	Share capital (of which paid up: 478,048)	478,048	478,048
	Share premiums (mergers, contributions)	144,533,436	144,533,436
	Revaluation variance		
	Equity reserve		
	Reserves		
	Legal reserve	46,929	46,929
	Statutory reserves		
	Tax regulated reserves		
	Other reserves		
	Profit and loss account brought forward	-43,134,967	-38,372,293
	Previous results not yet allotted		
	Result for the financial year (profit or loss)	-8,622,747	-4,762,674
	Net worth before allocation	**93,300,699**	**101,923,447**
	Investment grants		
	Special provision for tax purposes		
	Total	**93,300,699**	**101,923,447**
Other funds	Subordinated equity		
	Advances subject to covenants		
	Total		
Provisions	Provisions for risks		
	Provisions for future costs	119,252	99,603
	Total	119,252	99,603
Liabilities	Financial liabilities		
	Convertible debenture loans		
	Other debenture loans		
	Borrowing from credit institution (2)	3,604	1,654
	Other borrowings (3)	110,021,388	100,014,985
	Total	**110,024,993**	**100,016,640**
	Advances received on orders (1)		
	Trade accounts payable and related liabilities	485,417	568,122
	Taxes and social debts	1,248,471	3,604,141
	Liabilities related to fixed assets		
	Other debts	2,211,950	
	Cash instruments		
	Total	**3,945,840**	**4,172,264**
	Income recorded in advance		
	Total liabilities and income recorded in advance	**113,970,834**	**104,188,904**
	Exchange rate differences liabilities		
	TOTAL LIABILITIES	**207,390,786**	**206,211,955**
	Leasing for buildings		
	Leasing for other equipment		
	Non expired discounted notes receivable		
	Deferred debt and income, except (1) at more than one year	111,999,474	96,971,244
	at less than one year	1,971,359	7,217,659
	References: (2) of which current bank assistance and bank credit balances		
	(3) of which equity loans	1,682	1,430

7.1.2 Income statement

		France	Export	From 01/07/2020 to 30/06/2021 12 months	From 01/07/2019 to 30/06/2020 12 months
Operating income (1)	Sales of purchased goods				
	Sales of:				
	– Manufactured goods				
	– Services	2,006,163		2,006,163	1,978,170
	Net sales	**2,006,163**		**2,006,163**	**1,978,170**
	Changes in stock of manufactured goods and work in progress				
	Production of fixed assets capitalised				
	Partial profits on long term contracts				
	Trading incentive grants				
	Write back of depreciation, provisions and transferred charges			4,299,029	41,033
	Other income			2	3
	Total			**6,305,195**	**2,019,207**
Operating expenses (2)	Goods Purchases				
	Goods Change in inventory				
	Raw materials and other supplies Purchases			18,447	
	Raw materials and other supplies Change in inventory				
	Other purchases and expenses (3)			5,249,410	675,710
	Taxes			69,640	55,449
	Wages and salaries			1,576,379	1,306,533
	Social security charges			712,655	542,957
	Depreciation and Provisions • on fixed assets Depreciation Provisions			1,148,670	314,597
	• on current assets				
	• for risks and future costs			19,649	6,667
	Other expenses			-7,979	8,020
	Total			**8,786,875**	**2,909,934**
	Operating result A			**-2,481,679**	**-890,727**
Joint oper.	Profit attributed or loss transferred B				
	Loss attributed or profit transferred C				
Financial income	From shares in group companies (4)			576,589	697,508
	From other investments (4)			716,103	693,432
	Interests and similar incomes (4)				303,339
	Write back of provisions and transferred charges				72,731
	Exchange gain				
	Net profit on disposals of current financial investments			13,210	43,673
	Total			**1,305,903**	**1,810,685**
Financial expenses	Increase of provisions against financial assets				
	Interests payable and similar charges (5)			7,819,878	5,818,460
	Exchange loss				
	Net losses on disposals of current financial investments				148,278
	Total			**7,819,878**	**5,966,739**
	Net financial result D			**-6,513,975**	**-4,536,292**
RESULT OF ORDINARY OPERATIONS BEFORE CORPORATE TAX ON PROFIT (±A+B-C±D) E				**-8,995,654**	**-5,083,087**
Exceptional income	On operating items				72
	On capital items				
	Write back of provisions and transferred charges				
	Total				72

		France	Export	From 01/07/2020 to 30/06/2021 12 months	From 01/07/2019 to 30/06/2020 12 months
Exceptional expenses	On operating items On capital items Depreciation and provisions			155,000	3,363 91,049
			Total	**155,000**	**94,413**
		Net exceptional result	F	**155,000**	**-529,231**
Employees' profit sharing plan			G		
Corporate tax on profit			H	-527,907	- 378,448
PROFIT OR LOSS (± E ± F - G -H)				**-8,622,747**	**- 4,762,674**
Notes					
(1) Of which	operating income from prior financial years after-tax effect of error corrections				
(2) Of which	operating expenses from prior financial years after-tax effect of error corrections			18,447	
(3) Including	equipment leasing fees real estate leasing fees				
(4) Of which products concerning related entities					
(5) Of which interest concerning related entities					

7.1.3 Annexes

7.1.3.1 Highlights

Significant events during the financial year

As the company is a holding company, the impact of the COVID-19 pandemic is on its subsidiaries.

On 10 November 2020[10], Amplitude Surgical announced the acquisition by PAI Partners of a majority stake in the capital of Group.

Apax Partners, Olivier Jallabert and certain managers and executives of the Company sold 20,889,437 Amplitude Surgical shares and contributed 4,121,120 Amplitude Surgical shares in kind to Auroralux SAS, a company controlled by PAI Partners, i.e. a total of 25,010,557 Amplitude Surgical shares, representing approximately 52.3% of the Company's share capital, at a price of €2.15 per share.

At its meeting on 10 November 2020, the Board of Directors of the Company noted:

- the resignation of Mr Bertrand Pivin from his mandate as a member of the Board of Directors. At this meeting, the Board of Directors, in replacement of Mr Bertrand Pivin, co-opted on a provisional basis Mr Stefano Drago as director for the duration of his predecessor's term of office, i.e. expiring at the end of the General Meeting of Shareholders of the Company called to approve the accounts for the financial year ending 30 June 2022.
- the resignation of Apax Partners, represented by Ms Annick Bitoun, from its duties as director. At this meeting, the Board of Directors, in replacement of Apax Partners, represented by Ms Annick Bitoun, co-opted on a provisional basis Ms Charlotte Pennec as director for the duration of her predecessor's mandate, i.e., expiring at the end of the General Meeting of Shareholders

[10] See the press release dated 10 November 2020.

of the Company called to approve the financial statements for the financial year ending 30 June 2022.

- the resignation of Mr Olivier Jallabert from his duties as Chairman of the Board of Directors. At this meeting, it was decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer. As such, Mr Stefano Drago was appointed Chairman of the Board of Directors for the duration of his term of office as director, replacing Mr Olivier Jallabert, whose appointment as Chief Executive Officer of the Company was confirmed for the duration of his term of office, i.e., expiring at the end of the General Meeting of the Company's shareholders called to approve the financial statements for the financial year ending 30 June 2022.

The composition and chairmanship of the Board of Directors of the Company following the Board meeting of 10 November 2020 is detailed above in the section "Management and administrative bodies".

- As part of the change of control of Amplitude Surgical, the Company issued a €110m bond on 10 November 2020 underwritten by Tikehau and proceeded with the early redemption of the 2014 and 2016 bonds for €96.6m (excluding accrued interest) on 30 June 2020.

- On 7 December 2020, Auroralux, a company controlled by PAI Partners, communicated to the AMF the draft offer document and the draft simplified tender offer for 22,649,678 shares of Amplitude Surgical at a price of €2.15 per share.

- Amplitude Surgical communicated to the AMF on 7 December 2020 its draft note in response to Auroralux's simplified tender offer for the company's shares at a price of €2.15 per share.

- On 5 January 2021, the AMF declared the simplified tender offer filed by Auroralux for the shares of Amplitude Surgical at a price of €2.15 per share to be compliant. The opening period of the offer was set from 7 to 27 January 2021 inclusive.

Events following closure

None

Accounting principles, rules and policies

The financial statements for the financial year ended 30 June 2021 have been prepared in accordance with the rules of the French Authority of Accounting Standards (Autorité des Normes Comptables) No. 2016-07 of 4 November 2016, as complemented at the date of issuance of such financial statements.

General accounting conventions on the principle of prudence have been applied, on the basis of the following assumptions:

- going concern,
- consistency of use of accounting principles in each financial year,
- independence of financial years,

and in compliance with the general accounting principles governing the preparation and presentation of financial statements.

All elements within the financial statements are valued using the historical cost convention.

The main principles used were as follows:

Issuance expenses

With regard to bond issuance costs, the Company opted to spread these across the lifetime of the bonds. These costs were first booked to banking expenses. In terms of accounting treatment, they were carried on the bond issuance costs balance sheet account, after which they were amortised on a straight-line basis over the period of the lifetime of the bonds.

Provisions for risk and expenses

These were made in accordance with the opinion of the CNC published on 20 April 2000.

- “a provision is a liability, the amount and due date of which are unspecified,
- a liability is an element of a company's asset base which has a negative economic impact on the company, namely an obligation on the part of the company with respect to a third party where there is the likelihood or certainty that it will result in an outflow of funds to that third party, with no corresponding consideration expected from them”.

Investments

The gross value of investments is, on the one hand, their purchase price, if they are purchased for a consideration, or the market value if they are contributed in kind and, on the other hand, any directly attributable costs (such as the following costs: transfer, deed, and other fees, and commissions). For tax purposes, the cost of purchase of investments were amortised over five years starting from the date of purchase, using an accelerated depreciation method.

Where there was a loss of value, a value test had to be carried out. The value of the investment inventory was then calculated, as necessary, on the basis of a number of different criteria, using the following valuation methods: the discounting of projected available cash flows, the financial ratios of comparable companies, and the comparable transactions methods.

Where the calculated value of the inventory was lower than the gross value, a depreciation provision was made for the difference.

Receivables and payables

Receivables and payables were valued at their nominal value. Receivables were depreciated using a provision where the value of the inventory was lower than the net book value.

Change in accounting methods

There were no changes in accounting policies during the financial year.

7.1.3.2 Information relating to the balance sheet

i. Assets

Intangible assets - Principal changes

In thousands of euros	**30 June 2020**	**Purchases / (net allocations)**	**(Disposals)/profit from disposals/transfers**	**30 June 2021**
Concessions and patents Stock in trade Development expenses Other intangible assets Intangible assets in progress				
Gross values			Nil	
Concessions and patents Stock in trade Other intangible assets and development costs				
Amortisation and depreciation				
NET VALUES				

Set-up costs

These costs include: Nil.

Research and development costs

These costs include: Nil

Goodwill – Merger costs

In euros

Depreciation

Fixed asset type	Method	Duration
Company formation costs		
Start-up costs		
Capital increase costs		
Research and development costs	Nil	
Tenancy rights		
Stock in trade		
Software		

Tangible fixed assets. Main changes

The main investments undertaken during the course of the financial year were:

Fixed asset type	Totals	
	Direct investments	**Lease finance.**
Transport equipment	Nil	
Office materials		
Total		**0**

Tangible fixed assets. Depreciation

Fixed asset type	Method	Duration
Construction		
Materials and tools		
Fixtures and fittings	Nil	
Transport of materials		
Office materials		
Office furniture		

List of associates and shareholders

In euros

Company	Shareholders' equity	Capital retained	Net value of investments	Revenues excluding tax brought forward	Profit brought forward	Dividends retained for year
Amplitude SAS	8,061,447	100%	25,075,265	71,701,397	-5,792,079	0
Technical adjustment of Amplitude SAS			85,458,545			
SCI Les Tilleuls	152,204	99.35%	100,928	928,876	130,458	129,606 (1)
Amplitude India		0.02%	12.48			
Amplitude Latam		0.01%	28.63			

(1) SCI les Tilleuls profit transferred to Amplitude Surgical.

Details of technical adjustment on Amplitude SAS stocks.

Absorbed company	Merger adjustment
	Result
AEM Médical	19,474,878
Amplitude Group	14,679,080
Orthofin II	8,518,356
Orthomanagement	1,069
Merger adjustment from absorbed companies	
Amplitude cadre	949,877
Financière Prothée	182,435
Amplitude Finance	41,652,851
TOTAL	**85,458,545**

These mergers were carried out as part of the Group's legal restructuring under the terms of the treaties of 4 May 2015 and amendments of 13 May 2015.

These technical adjustments resulting from the simplified mergers in favour of Amplitude Surgical were allocated on 1 July 2016 to the shares in Amplitude SAS for an amount of €85.5 million.

Equity securities

The value test carried out (cf. paragraph "Equity securities", paragraph 1.3 of the appendix) confirmed the amount booked to investments and, as at 30 June 2021, no provision was necessary.

Increase in the shareholding of Amplitude SAS by €17,040k by offsetting against the liquid and payable claim it has on the company. The number of shares held is 2,000.

Other financial assets

Under the Group's financial restructuring programme, an intra-group loan totalling €16,405,110 was made between OrthoFin II, absorbed by Amplitude Surgical, and Amplitude SAS. At 30 June 2021, the loan plus capitalised interest totalled €20,327,164.

This loan plus compound interest will be repaid by the borrower on the 8th anniversary of the date it was made (16 September 2014).

Provisioned accrued interest at 30 June 2021 amounted to €569,160.

Discounted notes not yet due

Nil

Receivables assigned under guarantee (Dailly)

Nil

Breakdown of assets - categorised by due date

	RECEIVABLES		Gross amount	Short term	Long term
INTANGIBLE ASSETS	Receivables from equity interests		-	-	-
	Loans		-	-	-
	Other financial assets		20,896,385	-	20, 896,385
WORKING CAPITAL	Doubtful or disputed trade receivables		-	-	-
	Other customer receivables		-	-	-
	Receivables for securities loaned or given in guarantee		-	-	-
	Staff and related receivables		1,515	1,515	-
	Social security and other social organisations		-	-	-
	State and other public organisations	Tax on profits	1,399,819	85,589	1,314,230
		Value Added Tax	78,707	78,707	-
		Other taxes, duties and similar payments	-	-	-
		Miscellaneous	796	796	-
	Group and associates		69,840,489	69,840,489	-
	Sundry debtors		420	420	-
Pre-paid charges			76,773	76,773	-
		Total	**92,294,903**	**70,084,289**	**22,210,615**

Accrued income

Interest on Amplitude loan:	€569,160
Interest on current accounts of associate companies:	€444,085
State – CVAE tax reimbursement:	€796
Credit notes to be received	€0
	€1,014,041

Investment securities

The "Amplitude Surgical SAS" Investment Securities are recorded at their historical cost in a value of €69,590.

The liquidating value of 47,540 Investment Securities held on 30 June 2021 at the price of €2.22 is €105,539. This valuation represents a latent gain of €35,949.
Under the Natixis liquidity contract, the cash position amounts to €146,207.77.

Issuance expenses

As stated in the introductory note (1.3), issuance costs were amortised until 16 September 2023 for the outstanding amount of the first loan and until 13 November 2022 for the second loan of €65 million. As the loan has been repaid, all costs are amortised as at 30 June 2021.

Balance to be amortised at 30.06.2020	€760,276
Amount amortised as at 30.06.2021	- €760,276
Balance to be amortised at 30.06.2021	€0

The amortised costs of the loan issued on 10 November 2020 for €110,000k amount to €4,259k. They are amortised over 7 years.

Initial amount	€4,259,000
Amount amortised as at 30.06.2021	-€388,394
Balance to be amortised at 30.06.2021	€3,870,606

Management of the interest rate risk

In 2021, the Group entered into a "swap"-type interest rate hedging instruments.
The purpose is to protect the Amplitude Surgical Group from rising interest rates to which it is exposed for its unitranche financing.
The cap was taken out for a notional amount of €55m with a start date of 10/11/2020 and a final maturity date of 10/11/2023. The guaranteed cap rate is 0%.

ii. Liabilities

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In euros	N-1	+	-	N
Capital	478,048			478,048
Statutory reserve	46,930			46,930
Issuance premiums	144,533,436			144,533,436
Carried forward	-38,372,293		-4,762,674	-43,134,967
Profit	-4,762,674	4,762,674	-8,622,748	-8,622,748
Regulated provisions	0		0	0
Other				
Total	**101,923,447**	**4,762,674**	**-13,385,422**	**93,300,699**

Capital

Capital is made up of 47,804,841 shares, each with a nominal value of 0.01 euros.

No changes during the financial year.

	Capital		Issuance premium in euros
	Number of shares	Capital in euros	
Opening balance	47,804,841	478,048	144,533,436
Closing balance	**47,804,841**	**478,048**	**144,533,436**

Tax-based valuations

Negative impacts on profit and shareholders' equity during the financial year

-	Taxable Profit for the financial year	-	9,073,005
-	Tax on profits[11]	+	0
-	Profit/loss before tax	=	-9,073,005
-	Changes in regulated provisions		0
-	Profit/loss before tax-based valuations		-9,073,005

Provisions for risk and expenses

Summary of provisions for risks and charges

In euros	Amount at the beginning of the financial year	Charges for the year	Used reversals	Unused reversals	Reversals through equity	Amount at the end of the financial year
Pension provisions	37,990	12,983		0		50,973
Tax provisions	61,613	6,667				68,280
Total	**99,603**	**19,650**		**0**		**119,253**

[11] Ordinary rate applicable to the financial year ended

Undertakings made regarding retirement

The total amount of all benefits conferred on employees in the form of severance pay on retirement, and, assuming that the Company will still be in existence at the retirement age of the employees, was €50,973 inclusive of social security contributions.

The discount rate used is 0.80%.

The rate of wage growth is 1.50% per year.

The mortality and turnover tables are based on INSEE statistics.

This amount is fully included in provisions for risk and expenses.

Debts - Categorised by due date (in euros)

	Gross Total	Not exceeding 1 year	More than 1 year and not exceeding 5 years	More than 5 years
Convertible bonds	-	-	-	-
Other bonds	-	-	-	-
Borrowings with credit establishments				
– Originally up to 1 year max	2,605	3,605	-	-
– Originally more than 1 year	-	-	-	-
Miscellaneous borrowings and financial liabilities	110,021,389	-	-	110,021,389
Trade accounts payable	485,418	485,418	-	-
Staff costs	437,367	437,367	-	-
Social security and other agencies	634,553	634,553	-	-
Tax on profits	-	-	-	-
VAT	13,941	13,941	-	-
Guaranteed bonds	-	-	-	-
Other taxes and levies	162,611	162,611	-	-
Amounts due on fixed assets	-	-	-	-
Group and related companies	-	-	-	-
Other debts	2,211,951	233,865	1,978,086	-
Amounts due on borrowed or rep. (sic) securities Guarantor	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL	**113,970,834**	**1,971,359**	**1,978,086**	**110,021,389**

Bond loan of 9 September 2014

On 9 September 2014, within the context of its debt re-negotiation, OrthoFin II, which merged with Amplitude Surgical on 26 June 2015, issued 6,500 non-convertible bonds each with a nominal value of €10,000, being a nominal total of €65,000,000, with interest at a rate of 6% above EURIBOR applicable during the interest period, plus interest compounded annually at a rate of 0.75%, and maturing in 2021. These bonds were used to re-finance an existing senior bank loan as well as the entire existing mezzanine bonds of the Group at the issuance date, to finance the general needs of the Group, and to finance all the costs and expenses related to them.

Bond loan of 30 November 2016

- At 30 November 2016, in connection with the refinancing transaction, Amplitude Surgical entered into the new bond loan for €65 million by issuance of 65 million non-convertible bonds of €1 each, bearing interest at 5% and maturing on 30.11.2022.

The initial loan, described in paragraph 2.2.6.1, has been partly redeemed for €35 million. The issuance costs of the initial loan, i.e. €2,704k, had been spread over 7 years. This loan has been extended until 16 September 2023.

- Following this operation, the issue costs of the new loan, i.e. €1,265k, are spread over its life, i.e. until November 2022.

These loans were repaid on 12 November 2020.

Bond issue of 10 November 2020

As part of the change of control of Amplitude Surgical, the Company issued on 10 November 2020 a €110m bond underwritten by Tikehau and proceeded to the early redemption of the 2014 and 2016 bonds in the amount of €96.6m excluding accrued interest on 12 November 2020.

The maturity of this bond is 7 years. Its interest rate is 3-month Euribor (floor at 0) plus 7%, subject to a margin adjustment depending on the level of leverage ratio. The margin can vary from 6.00% for a leverage ratio of up to 3.5 times to 7.00% for a leverage ratio of over 5 times, with intermediate adjustments every 0.25% for intermediate leverage ratios.

In view of this ratio, it is set at 7% at 30 June 2021.

Banking covenants

The Group has undertaken in respect of the new Unitranche debt to comply with a predetermined annual leverage ratio equal to total net debt (excluding debt issuance costs) divided by consolidated EBITDA adjusted for the negative EBITDA of loss-making subsidiaries up to a limit of €1m.

At the first test date, 30 June 2021, this ratio amounts to 5.70 for a maximum ratio provided for in the Unitranche debt documentation of 7.20.

Expenses payable (in Euros)

Captions	Total
ACCRUED HOLIDAY	
Holiday provisions	77,300
Provisions for Company expenses	33,239
Tax provisions	-
ACCRUED INTEREST	
Borrowings and similar debt	-
Group share of debt	-
Non-group share of debt	-
Amounts owing to partner companies	-
Suppliers	-
Associates and related parties	-
Banks	1,922
Current bank funding	1,683
OTHER EXPENSES	
Accrued expenses	378,822
Discounts and rebates to be granted, credit notes to be issued	-1,003
Employee profit-sharing scheme	-58,000
Employees	295,400
Social security contributions[12]	264,330
Other tax expenses	1,805
Miscellaneous	-
TOTAL	1,113,503

7.1.3.3 Information relating to the income statement

i. Analysis of revenues

In euros

	France	Export and European Union sales	Total
Sales of Goods			
Sales of finished			
- Goods			
- Services	2,006,163		2,006,163
Net revenues	2,006,163		2,006,163

[12] Including a provision for employer's charges of 20% of the amount of the free share allocation, i.e. €139,320.

ii. Charge transfers

- *Benefits in kind:* *€40k*
- *Transfer of expenses on loan issue costs of €110m:* *€4,259k*

iii. Extraordinary result

Fee from previous year: €155k.

iv. Financial income (in euros)

SCI Les Tilleuls income	129,606
Interest on Amplitude & Tilleuls current account	446,984
Interest on Intra-group loan	716,103
Reversal provision financial depreciation	0
Proceeds from disposal of investment securities	13,210
Total financial income	1,305,903
Interest on bond issue	7,613,333
Interest on BPI advance	12,379
Financing commission	194,166
Total finance charges	7,819,878
Financial income	**-6,513,975**

7.1.3.4 Other information

i. Parent company details

As of 1 July 2011: SA Amplitude Surgical, 11 cours Jacques Offenbach, 26000 Valence.

SIREN number: 533149688

The Group is made up as follows:

Company	Registered office	% control
Amplitude Surgical	France	Parent company
Amplitude	France	**100%**
Amplitude GMBH	Germany	**100%**
Amplitude Australia Pty	Australia	**100%**
Amplitude Brazil	Brazil	**100%**
Amplitude Suisse	Switzerland	**100%**
Amplitude Benelux	Belgium	**100%**
Novastep SAS	France	**69%**
Novastep INC	USA	**85%**
Amplitude India	India	**100%**
Amplitude Orthopedics Corp	USA	**100%**
Matsumoto Amplitude Inc.	Japan	**80%**
Joint Research LTD	Ireland	**100%**
Amplitude South Africa	South Africa	**100%**
SCI Les Tilleuls	France	**100%**
Sofab Orthopédie	France	**100%**
Amplitude Ortho SRL	Romania	**100%**
Amplitude Ile de France	France	**98%**
Amplitude Sud	France	**100%**
Duotech	France	**100%**
FIRM Industrie	France	**100%**
Poli-Tech	France	**100%**
Poli-Alpes	France	**100%**
Amplitude Nord	France	**100%**

ii. Analysis of staff numbers as at 30 June 2021

	Salaried sales staff	Available staff
Managers	4	
Expert agents and technicians	-	
Employees	-	
Labourers	-	
Total	**4**	

iii. Director's compensation

Compensation of the Company's authorised representatives are not included in this note since this information would permit individual compensation to be identified.

iv. Loans made to senior executives

There were no loans made to the company's senior executives during the year.

v. Breakdown of income tax (IS)

In Euros		**Current results**	**Exceptional results (and profit sharing)**
Results before taxes			
Taxes:	- at a 28% rate	-8,995,654	-155,000
	- contribution 3.3%	0	0
	- IS tax audit	/	
	- research tax credit, apprentices and sponsorships.	0	
Results after taxes		-8,995,654	-155,000

Method used:

Tax adjustments were made according to their nature in current and extraordinary income.

In Euros	**Results before IS**	**Reintegrations**	**Deductions**	**Taxable results**
Current results	-8,995,654	77,649		-8,918,005
Exceptional	-155,000		0	-155,000
	-9,150,654	**77,649**		**-9,073,005**

vi. Tax grouping

With effect from 29 June 2018, the Company has been in a tax grouping arrangement with the group's companies, Amplitude Surgical being the parent company. In accordance with the rules on tax grouping, the benefit afforded by this arrangement was enjoyed by the parent company.

The grouping is made up of:

- Amplitude
- Amplitude Ile de France
- Duotech
- Amplitude Sud
- Sofab Orthopédie
- Amplitude Nord

Revenues recognised in relation to this arrangement for 2020/2021 totalled €528k.

It breaks down into tax savings on subsidiaries:

Amplitude Ile de France: €316k

Duotech: €153k

Amplitude: €59k

vii. Deficits carried forward

There were no carried forward deficits from any of the Group companies. The group's loss carry-forward amounts to €48,471k at 30 June 2021.

The net financial charges that are not deductible at the end of the calculation of the cap on the deduction of financial charges can be carried forward indefinitely to subsequent years. The amount represents €1,258,401 at 30/06/2021.

viii. Deferred tax items

Details of pending items giving tax relief: Nil.

ix. Commitments already highlighted

Note No.	**Headings**
2.1.11	- Discounted notes not yet due
2.1.12	- Receivables assigned - Dailly Act
2.2.5	- Adjustment
Nil	- Finance lease

x. Financial commitments

As part of the issue of a €110,000k bond issue by Amplitude Surgical:

- Pledge of the shares of Amplitude Surgical.
- Pledge of the senior bank accounts relating to the balance of all Amplitude Surgical bank accounts.

- Pledge of receivables between Amplitude Surgical and Amplitude SAS

xi. Free share plan

Free share plan 2019-2021

- In accordance with the terms of the Extraordinary Shareholders Meeting of 24 November 2017, the Board of Directors meeting of 24 July 2018 decided to allocate a maximum of 1,434,144 free shares to 18 corporate officers or employees of the group Amplitude Surgical.
- The allocation is subject to presence and performance criteria (EBITDA, Revenues).
- The vesting period is 2 years and closes on 19 October 2021, followed by a 2-year retention period.
- The share price as at the date of the meeting of the Board of Directors of 24.07.2018 was €3.18.
- The provision has been recorded by the company in respect of the social security contributions for this allocation.
- On 10 November 2020, the Board of Directors noted the non-fulfilment of certain performance conditions relating to the financial years ending 30 June 2019 and 30 June 2020. Consequently, the Board of Directors noted that 20% of the shares issued free of charge under Tranche A may be definitively allocated, i.e. 72,400 shares out of the 478,048 shares issued under Tranche B, and that 20% of the shares issued free of charge under Tranche B may be definitively allocated, i.e. 72,400 shares out of the 478,048 shares issued under Tranche B.
- The Board of Directors, at its meeting on 19 October 2021 approving the accounts for the financial year ended 30 June 2021, decided on the achievement of the objectives for the remaining shares in Tranches A and B as well as for the 478,048 shares in Tranche C. The Board of Directors noted that only the EBITDA criterion had been met for the financial years ending 30 June 2019, 30 June 2020 and 30 June 2021, leading to the allocation of 20% of shares for each financial year. Given the presence in the workforce of the holders of the free share plans as at 30 June 2021, 72,000 shares were allocated for each financial year, i.e. a total of 216,000 shares.
- In the context of the acquisition by Auroralux SAS of a majority stake in the Company's capital, the latter offered the beneficiaries of the free share allocation plan of 24 July 2018 to acquire the shares still in the vesting period at the time of the closing of the simplified tender offer.

7.2 REPORT OF THE STATUTORY AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards.

To the general shareholders' meeting of AMPLITUDE SURGICAL,

Opinion

In performance of the assignment entrusted to us by the Shareholders' Meeting, we have audited the attached annual financial statements of AMPLITUDE SURGICAL for the financial year ended 30 June 2021.

We hereby certify that the annual financial statements, in accordance with French accounting rules and principles, give a true and fair view of the results of operations for the past financial year and of the financial position and assets and liabilities of the Company at the end of such financial year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of Opinion

Audit standards

We have conducted our audit in accordance with professional standards applicable in France. We believe that the information we have gathered is sufficient and appropriate to form our opinion.
Our responsibilities under these standards are set out in the "*Statutory Auditors' Responsibilities for the Audit of the Annual Financial Statements*" section of this report.

Independence

We have carried out our audit mission in compliance with the independence rules, provided for in the Commercial Code and the Code of Ethics of the auditing profession over the period from 1 July 2020 to the date of issue of our report, and in particular we have not provided services prohibited by Article 5(1) of Regulation (EU) No 537/2014.

Justification of assessments - Key audit points

The global crisis linked to the COVID-19 pandemic creates particular conditions for the preparation and audit of this year's accounts. This crisis and the exceptional measures taken within the framework of the state of health emergency have had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainties on their future prospects. Some of these measures, such as travel restrictions and teleworking, have also had an impact on the internal organisation of companies and on the way audits are carried out.

It is in this complex and evolving context that, pursuant to the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the annual financial statements for the financial year, as well as the responses that we have provided to these risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole, and the preparation of our opinion expressed above. We do not express an opinion on individual items in these annual financial statements.

Valuation of the equity securities of AMPLITUDE SAS (Notes 1.3, 2.1.8 and 2.1.9 to the annual financial statements)

Risk identified

The equity securities, set out in the balance sheet of 30 June 2021 for a net amount of €110.6 million, including €110.5 million of Amplitude SAS shares as presented in Note 2.1.8 to the annual financial statements, represent one of the largest items of the balance sheet. Equity securities are recorded at their acquisition cost at record date and depreciated on the basis of their value in use.

The value in use is assessed on the basis of a multi-criteria approach incorporating the following valuation methods: discounting method for projected free cash flow, market multiples of comparable companies and comparable transaction methods (see Notes 1.3 and 2.1.9 to the consolidated financial statements)

Estimating the value in use of these securities requires Management's judgment in selecting the items to be considered. We have considered that the correct valuation of equity securities of AMPLITUDE SAS was a key point of the audit.

Our response

In order to assess the reasonableness of the estimate of the value in use of the equity securities of AMPLITUDE SAS, our work consisted mainly in verifying that the estimate of this value determined by the Management was based on an appropriate justification of the valuation method and the numerical elements used.
We have:

- obtained the cash flow and operating forecasts of AMPLITUDE SAS's activity prepared by the Management, and assessed their consistency with forecast data from the latest strategic plans;
- verified that the assumptions used were consistent with the economic environment at the balance sheet and financial statements preparation date;
- compared the forecasts used for previous periods with the corresponding achievements in order to assess the achievement of past objectives.
- verified the appropriateness of the information provided in the notes to the financial statements.

Specific audits

In accordance with professional standards applicable in France, we have also performed the specific verifications required by the legal and regulatory texts.

Information provided in the management report and in other documents on the financial condition and annual financial statements addressed to shareholders.

We have nothing to report on the fair presentation and consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents on the financial position and the financial statements sent to shareholders.

We certify that the information relating to the payment periods mentioned in Article D.441-6 of the French Commercial Code is accurate and consistent with the financial statements.

We hereby certify that the non-financial performance statement provided for in Article L.225-102-1 of the French Commercial Code is included in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, the information contained in this statement has not been verified by us as to its fair presentation or consistency with the financial statements.

Corporate Governance Report

We certify that the Board of Directors' report on corporate governance contains the information required by Articles L.225-37-4, L-22-10-10 and L.22-10-9 of the French Commercial Code.

With regard to the information provided in accordance with the provisions of Article L.22-10-9 of the French Commercial Code on compensation and benefits paid or allocated to the Company's directors, as well as on the commitments made in their favour, we have verified their consistency with the financial statements or with the data used to draw up these financial statements and, where applicable, with the information collected by your company from companies controlled by it and included in the scope of consolidation. On the basis of this work, we certify the accuracy and fairness of this information.

Concerning the information relating to the elements that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided in accordance with the provisions of Article L.22-10-11 of the French Commercial Code, we have verified its conformity with the documents from which it was taken and which were communicated to us. On the basis of this work, we have no comments to make on this information.

Other information

In accordance with the law, we have verified that the various disclosures relating to the identity of shareholders and holders of voting rights have been disclosed to you in the management report.

Other information required by the legal and regulatory texts.

Format of the annual accounts to be included in the annual financial report

In accordance with III of Article 222-3 of the AMF General Regulations, the management of your company has informed us of its decision to postpone the application of the single electronic reporting format as defined by European Delegated Regulation No 2019/815 of 17 December 2018 to financial years beginning on or after 1 January 2021. Consequently, this report does not include a conclusion on compliance with this format in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in I of Article L.451-1-2 of the Monetary and Financial Code.

Appointment of the statutory auditors

We have been appointed statutory auditors of AMPLITUDE SURGICAL by the Shareholders' Meeting of 21 December 2011 for MAZARS and by that of 9 December 2015 for DELOITTE & ASSOCIES.

As of 30 June 2021, Mazars was in the 10th year of its continuous engagement and Deloitte & Associés in the 6th year, including 7 and 6 years respectively since the company's shares were admitted to trading on a regulated market.

Responsibilities of the Management and persons representing corporate governance with respect to the annual financial statements

It is the responsibility of the Management to prepare annual financial statements that present a true and fair view in accordance with the French accounting standards, and to put in place such internal control as it deems necessary for the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing in these financial statements, if applicable, the necessary information relating to the going concern and for applying the going concern accounting policy, unless it is planned to liquidate the Company or cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, internal audit with respect to the procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

Statutory auditors’ responsibilities relating to the audit of the annual financial statements

Audit objective and approach

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free from any material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will always detect any material misstatement. Abnormalities can be fraudulent or error-related and are considered material when they can reasonably be expected to influence, either individually or cumulatively, the economic decisions that account users make based on them.

As specified by article L.823-10-1 of the French Commercial Code, our audit mission is not to guarantee the viability or quality of your company's management.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises his professional judgment throughout the audit. Furthermore:

- he identifies and assesses the risks of material misstatement in the annual financial statements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects information that it considers sufficient and appropriate to base its opinion upon. The risk of undetected material misstatement arising from fraud is greater than the risk of undetected material misstatement resulting from an error, as fraud may involve collusion, forgery, wilful omission, misrepresentation or circumvention of internal control;
- he takes into consideration the internal control procedures that are relevant to the audit in order to define audit procedures that are appropriate in the circumstances, and not to express an opinion on the effectiveness of internal control;
- he assesses the appropriateness of the accounting practices used and the reasonableness of the accounting estimates made by the Management, as well as the information provided in the annual financial statements;

- he assesses the appropriateness of Management's application of the going concern accounting policy and, depending on the information collected, whether or not there is significant uncertainty related to events or circumstances that could affect the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, although it should be kept in mind that future circumstances or events could affect the continuity of operations. If it concludes that there is significant uncertainty, it draws the attention of the readers of its report to the information provided in the annual financial statements about such uncertainty or, if such information is not provided or is not relevant, it issues a qualified certification or a refusal to certify;
- he assesses the overall presentation of the annual financial statements and assesses whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes the scope of the audit work and the work programme implemented, as well as the conclusions resulting from our work. We also bring to its attention, where appropriate, any material weaknesses in internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements disclosed in the report to the audit committee are the risks of material misstatement that we believe to have been the most significant for the audit of the annual financial statements for the year and which are therefore the key points of the audit which it is our responsibility to describe in this report.

We also provide the audit committee with the declaration required by Article 6 of (EU) Regulation No 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 of the French Commercial Code and in the code of ethics of the auditing profession. Where appropriate, we discuss with the audit committee the risks to our independence and the safeguards applied.

Lyon, 20 October 2021
The Statutory Auditors

MAZARS	DELOITTE & ASSOCIES
Séverine HERVET	Jean-Marie LE JÉLOUX

CHAPTER 8
ORDINARY AND EXTRAORDINARY SHAREHOLDERS’ MEETING OF 16 DECEMBER 2021

8.1 MANAGEMENT REPORT

The management report for the financial year ended 30 June 2021 contains the information referred to in 10.3 of this Universal Registration Document constituting the concordance table with the management report and included in Chapters 1 to 9 of this Universal Registration Document.

8.2 TEXT OF THE DRAFT RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' MEETING OF 16 DECEMBER 2021

8.2.1 Text of the draft resolutions

I. <u>Resolutions submitted to the Ordinary Shareholders’ Meeting</u>

FIRST RESOLUTION

(Approval of the annual financial statements for the financial year ended 30 June 2021)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for ordinary shareholders’ meetings,

Having reviewed the reports of the Board of Directors and of the statutory auditors on the annual financial statements for the financial year ended 30 June 2021,

Approved the annual financial statements, i.e. the balance sheet, the income statement and the notes thereto, for the financial year ended 30 June 2021, as presented to it, as well as the transactions reflected in such financial statements and summarised in these reports.

The annual financial statements show a loss of €8,622,747.79.

Noted the absence of non-deductible expenses from the corporate income tax referred to in Article 39 4° of the General Tax Code for the financial year ended 30 June 2021.

SECOND RESOLUTION

(Approval of the consolidated financial statements for the financial year ended 30 June 2021)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for ordinary shareholders’ meetings,

Having reviewed the reports of the Board of Directors and of the statutory auditors on the consolidated financial statements for the financial year ended 30 June 2021,

Approved the consolidated financial statements, i.e. the balance sheet, the income statement and the notes thereto, for the financial year ended 30 June 2021, as presented to it, as well as the transactions reflected in such financial statements and summarised in these reports.

The consolidated financial statements show a loss of €14,667,000.

THIRD RESOLUTION

(Allocation of profit for the financial year ended 30 June 2021)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings,

Having reviewed the report of the Board of Directors,

Decided to allocate the profits for the year ended 30 June 2021, which amounted a loss of €8,622,747.79 as follows:

<u>Origin of the amounts to be allocated:</u> - €8,622,747.79

– income from the financial year 2021 (loss)	€8,662,747.79
– previous carry-forward at 30 June 2020 (debit)..	€43,134,967.17
Total	**€51,757,714.96**

<u>Allocation:</u>

– The totality to the carry-forward account (debit)......................................	€51,757,714.96
Total	**€51,757,714.96**

The "carry-forward" (loss) account would therefore amount to €51,757,714.96.

The Shareholders' Meeting decides that no dividend will be distributed for the financial year ended 30 June 2021.

In accordance with the provisions of Article 243 bis of the General Tax Code, the General Meeting of Shareholders takes note that no dividend has been paid in respect of the last three years.

FOURTH RESOLUTION

(Authorisation of related-party agreements referred to in Articles L.225-38 et seq. of the French Commercial Code)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report on related-party transactions governed by Articles L.225-38 et seq. of the French Commercial Code,

Acknowledged the conclusions of said reports, and the absence of agreements of the nature of those referred to in Article L.225-38 of the French Commercial Code.

FIFTH RESOLUTION

(Approval of the directors' compensation policy)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings, Having read the corporate governance report prepared by the Board of Directors, set out in Chapter 3 of the Company's Universal Registration Document for the financial year ended 30 June 2021, Section 3.2.3 “Compensation policy applicable to non-executive corporate officers (directors)”,

Approved, pursuant to Article L.22-10-8 II of the French Commercial Code, the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind as presented in the Universal Registration Document and attributable to the directors in respect of their corporate office.

SIXTH RESOLUTION

(Approval of the compensation policy for the Chairman of the Board of Directors)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for ordinary shareholders’ meetings,

Having reviewed the corporate governance report prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in Chapter 3 of the Company’s Universal Registration Document for the financial year ended 30 June 2021, and more particularly in Section 3.2.2 “Compensation policy applicable to executive directors for the financial year ending 30 June 2022, submitted to the shareholders for approval (Article L.22-10-8 of the French Commercial Code)”,

Approved, pursuant to Article L.22-10-8 II of the French Commercial Code, the compensation policy, including the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind as presented in the Universal Registration Document and attributable to the Chairman of the Board of Directors by virtue of his corporate mandate.

SEVENTH RESOLUTION

(Approval of the compensation policy for the Chief Executive Officer)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for ordinary shareholders’ meetings,

Having reviewed the corporate governance report prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in [Chapter 3] of the Company’s Universal Registration Document for the financial year ended 30 June 2021, and more particularly in [Section 3.2.2 “Compensation policy applicable to executive directors for the financial year ending 30 June 2022, submitted to the shareholders for approval (Article L.22-10-8 of the French Commercial Code)”],

Approved, pursuant to Article L.22-10-8 II of the French Commercial Code, the compensation policy, including the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind as presented in the Universal Registration Document and attributable to the Chief Executive Officer by virtue of his corporate mandate.

EIGHTH RESOLUTION

(Approval of the information referred to in Article L.22-10-9 I of the French Commercial Code)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for ordinary shareholders’ meetings, having reviewed the corporate governance report prepared by the Board of Directors, in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code,

Approved the presentation of the information mentioned in Article L.22-10-9 I of the French Commercial Code, included in the Board of Directors' corporate governance report in Chapter 3 of the Universal Registration Document, and relating to the compensation of all kinds paid or awarded to all corporate officers during the financial year ended 30 June 2021.

NINTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or awarded for the past financial year to the Chairman of the Board of Directors)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings, having reviewed the corporate governance report prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in Chapter 3 of the Universal Registration Document, pursuant to the provisions of Article L.22-10-34, II of the French Commercial Code,

Approved the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or awarded in respect of the financial year ended 30 June 2021 to Mr Stefano Drago, Chairman of the Board of Directors, as presented in the Company's Universal Registration Document for the financial year ended 30 June 2021, in Section 3.2.4 "Fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during or awarded in respect of the past financial year to the Chairman of the Board of Directors and submitted for shareholder approval (Article L.22-10-34, II of the French Commercial Code)".

TENTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or awarded for the past financial year to the Chief Executive Officer)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings, having reviewed the corporate governance report prepared by the Board of Directors in accordance with Articles L.225-37 and L.22-10-8 of the French Commercial Code, included in Chapter 3 of the Universal Registration Document, pursuant to the provisions of Article L.22-10-34, II of the French Commercial Code,

Approved the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or awarded in respect of the financial year ended 30 June 2021 to Mr Olivier Jallabert, Chief Executive Officer, as presented in the Company's Universal Registration Document for the financial year ended 30 June 2021, in Section 3.2.4 "Fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during or awarded in respect of the past financial year to the Chief Executive Officer and submitted for shareholder approval (Article L.22-10-34, II of the French Commercial Code)".

ELEVENTH RESOLUTION

(Authorisation for the Board of Directors to purchase the Company's own shares in accordance with the provisions of Article L.22-10-62 of the French Commercial Code)

The Shareholders' Meeting, deciding under the quorum and majority requirements for ordinary shareholders' meetings,

Having reviewed the report of the Board of Directors,

Decided to authorise the Board of Directors, with the option to sub-delegate such authorisation, in accordance with the provisions of Article L.22-10-62 et seq. of the French Commercial Code, of Articles

241-1 to 241-7 of the General Regulations of the French financial markets authority (the "**AMF**") and of the European regulation relating to market abuse, to purchase or cause to be purchased shares of the Company as part of a share buy-back programme;

Decided that:

- the maximum purchase price (excluding expenses) per share may not exceed ten (10) euros, it being specified that in the event of transactions on the capital, in particular by incorporation of reserves followed by the creation and free allocation of shares, and/or division or regrouping of shares, this price will be adjusted accordingly; and
- the maximum amount of funds intended for the realisation of this share buy-back programme may not exceed forty million (40,000,000) euros.

Decided that purchases of shares in the Company may involve a number of shares such that:

- the maximum number of shares that the Company may acquire under this resolution may not exceed the limit of 10% of the shares comprising the share capital at the date of completion of the repurchase of the Company's shares;
- the number of shares acquired by the Company with a view to their retention and subsequent remittance in payment or exchange in the context of a merger, demerger or contribution may not exceed 5% of the share capital; and
- the shares held by the Company may not at any time represent more than 10% of its share capital.

These acquisitions of shares may be made for any purpose permitted by the laws and regulations in force, and in particular, in decreasing order of priority, with a view to:

- ensuring liquidity and activity in the market for the shares of the Company through an investment services provider, acting independently within the framework of a liquidity agreement and in accordance with a market ethics charter acknowledged by the AMF, pursuant to market practice accepted by the AMF;
- satisfying the obligations arising out of allocations of stock options, allocations of free shares or any other granting, allocation or sale of shares to the employees or the corporate officers of the Company or of an associated enterprise and carrying out any hedging operation relating to such transactions, in accordance with the conditions set forth by the market authorities and at such times that the Board of Directors or any person acting upon the authority of the Board of Directors implements such actions;
- remitting shares upon the exercise of rights attached to securities giving access, immediately or in the future, to the Company's share capital, as well as carrying out any hedging transactions in respect of the Company's obligations associated with these securities, in compliance with the regulations in force;
- retaining shares and delivering shares further to an exchange or as a consideration in the context of external growth transactions, in accordance with acknowledged market practices and applicable regulations;
- cancelling all or part of the shares so repurchased, in accordance with applicable laws and subject to an authorisation being granted by the extraordinary Shareholders' Meeting; and
- any other action that is or will become permitted by French law or the AMF or any purpose that may comply with the applicable regulations.

Decided that these purchase, sale, exchange or transfer transactions may be carried out by any means, i.e. on a regulated market, on a multilateral trading facility, through a systematic internaliser or over the counter, including by block purchases or sales, or by the use of financial instruments, in particular derivative financial instruments traded on a regulated market on a multilateral trading facility, through a systematic internaliser or over the counter, or by the use of warrants, under the conditions authorised by the laws and regulations in force on the date of the transactions in question and at the times the Board of Directors of the Company or the person acting on the delegation of the Board of Directors shall decide. The maximum proportion of the share capital acquired or transferred in the form of blocks of shares may reach the totality of the programme, and these operations may take place at any time, in compliance with the regulations in force, including during a public offer initiated by the Company or aimed at its securities, subject to the legal and regulatory provisions applicable in such matters;

Stipulated that the shares repurchased and retained by the Company will be deprived of voting rights and will not give right to the payment of dividends.

Delegated to the Board of Directors, with the right to sub-delegate under the conditions provided for in Article L.22-10-62 of the French Commercial Code, in the event of a change in the nominal value of the share, a capital increase by capitalisation of reserves, a free allocation of shares, a stock split or reverse stock split, a distribution of reserves or of any other assets, a redemption of capital or any other transaction affecting shareholders' equity, the power to adjust the aforementioned purchase price in order to take into account the impact of these transactions on the value of the share;

Granted all powers to the Board of Directors, with the right to sub-delegate under the conditions provided for in Article L.22-10-62 of the French Commercial Code, to decide on and implement this authorisation, to specify, if necessary, the terms thereof, and in particular to place any orders on the stock market or off-market, to allocate or reallocate the shares acquired to the various objectives pursued in accordance with the applicable laws and regulations, to conclude all agreements, in particular with a view to keeping registers of purchases and sales of shares, to carry out all formalities and declarations with all bodies, in particular the *Autorité des marchés financiers*, and generally to do all that is necessary for the purposes of carrying out the transactions carried out pursuant to this authorisation;

Granted also full powers to the Board of Directors, should the law or the Autorité des marchés financiers wish to extend or supplement the objectives authorised for the share buy-back programmes, to inform the public, in accordance with the applicable legal and regulatory conditions, of any amendments to the programme concerning the modified objectives;

Acknowledged that the Board of Directors will communicate to the shareholders, at the next Shareholders' Meeting, the information relating to the realisation of the share purchase operations authorised by this Shareholders' Meeting, in particular the number and price of the shares thus acquired and the volume of shares used, in accordance with Article L.225-211 of the French Commercial Code;

Decided that this authorisation is granted for a term of eighteen (18) months as from the date of this Shareholders’ Meeting.

Decided that this authorisation shall cancel, to the extent of the unused portion, and supersede the authorisation granted by the thirteenth resolution of the Ordinary Shareholders’ Meeting of the Company of 17 December 2020.

II. Resolutions submitted to the Extraordinary Shareholders’ Meeting

TWELFTH RESOLUTION

(Authorisation to be granted to the Board of Directors to carry out a share capital decrease by cancellation of shares)

The Shareholders’ Meeting, deciding under the quorum and majority requirements for extraordinary shareholders’ meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditors’ special report,

Authorised the Board of Directors to reduce the share capital, with the option to delegate such powers to any person so authorised in accordance with the legislative and regulatory provisions, in one or several occurrences, in the proportions and at the times that it shall deem appropriate, by cancellation of all or part of the Company's shares acquired pursuant to any share repurchase programmes authorised by the Shareholders' Meeting, within the limits of 10% of the share capital of the Company as at the date of the cancellation per period of 24 months, in accordance with the provisions of Articles L.22-10-62 et seq. of the French Commercial Code.

Granted full powers to the Board of Directors, with the power to delegate such powers in accordance with the legislative and regulatory provisions, in order to:

- reduce the share capital by cancellation of shares;
- determine the final amount of the share capital decrease;
- determine the terms and conditions thereof and acknowledge its completion;
- deduct the difference between the book value of the cancelled shares and their nominal amount from any available reserve and premium accounts;
- and, in general, do as necessary for the proper performance of this authorisation, amend the by-laws accordingly and carry out any required formalities.

Acknowledged that, should the Board of Directors use the delegation of authority granted to it in this resolution, the Board of Directors shall report to the next General Meeting of Shareholders, in accordance with the law and regulations, on the use made of this authorisation,

Decided that this authorisation is given for a period of eighteen (18) months from the date of this Shareholders' Meeting

Decided that this authorisation shall cancel and supersede any prior delegation with the same purpose.

THIRTEENTH RESOLUTION

(Delegation of authority to be granted to the Board of Directors in order to decide upon the issuance, with upholding of the shareholders' preferential subscription right, of ordinary shares or of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report, and acknowledged that the share capital has been fully paid-up, and deciding in accordance with the provisions of Article L.225-129 et seq. and L.228-91 et seq. of the French Commercial Code;

Delegated its authority to the Board of Directors, with the option to delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to decide the issuance, with preferential subscription rights, in one or several occurrences, to the extent and at the times that it deems appropriate, both in France and abroad, in euros, foreign currencies or units determined by reference to several currencies, of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, which may be subscribed in cash, including by offsetting due and payable receivables, or partly in cash and partly by capitalisation of reserves, profits or issuance premiums;

Decided that this delegation of authority expressly excludes any issuance of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;

Decided that the maximum nominal amount of the share capital increases to be carried out, immediately or in the future, pursuant to this resolution shall be six hundred thousand (600,000) euros or the equivalent of this amount in the case of an issue in a foreign currency or in units of account fixed by reference to several currencies, it being specified that:

- the nominal amount of the issues of debt securities that may be carried out by virtue of this delegation shall be deducted from the overall nominal ceiling provided for in the 20th resolution; and
- this global cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided that the nominal amount of debt securities that may be issued pursuant to this delegation may not exceed three hundred million (300,000,000) euros, or the equivalent of this amount in the case of an issue in a foreign currency or in units of account fixed by reference to several currencies, it being specified that:

- the amount of all the debt securities, the issuance of which may be carried out pursuant to this resolution as well as under the 16th to 21st resolutions submitted to this Shareholders' Meeting may not exceed this global amount of €300,000,000;
- this cap does not apply to debt securities the issuance of which may be decided or authorised by the Board of Directors pursuant to article L.228-40 of the French Commercial Code nor to the other debt securities referred to under articles L.228-92 last paragraph, L.228-93 last paragraph and L.228-94 last paragraph of the French Commercial Code;
- this cap shall be increased, if necessary, by any redemption premium in excess of the par value;

Decided that, in accordance with the legal and regulatory provisions and the conditions set by the Board of Directors, the shareholders shall have, in proportion to the number of shares they own, a preferential subscription right on an irreducible basis in respect of the ordinary shares, of the securities that are equity securities giving access to other equity securities of the Company or giving right to the allocation of debt securities as well as of the securities giving access to equity securities to be issued, issued pursuant to this delegation of authority. The Board of Directors may establish a preferential subscription right on a reducible basis to the benefit of the shareholders, which shall be exercised in proportion to their rights and, in any case, to the extent of their applications.

Stipulated that the subscriptions on an irreducible basis and, as the case may be, on a reducible basis, do not result in the full subscription of an issuance of shares, of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, as well as of securities giving access to equity securities to be issued of the Company, decided pursuant to this delegation of authority, the Board of Directors may use, in the order that it deems appropriate, one or several of the options provided by article L.225-134 of the French Commercial Code, i.e.:

- limit, as the case may be, the issuance to the amount subscribed, subject to the reaching by said issuance of at least three-fourths of the issuance initially decided;
- freely distribute all or part of the unsubscribed securities among any persons at its discretion; or
- offer to the public all or part of the unsubscribed shares;

Acknowledged that this delegation of authority automatically implies cancellation by the shareholders, to the benefit of the holders of securities conferring access to the share capital of the Company, of their preferential subscription right in respect of the ordinary shares of the Company that such securities may be entitled to;

Decided that the issuances of share subscription warrants (*bons de souscription d'actions*) of the Company may be carried out either by subscription in cash under the terms set forth above, or by allocation free of charge to the owners of the existing shares.

Stipulated that in case of allocation free of charge of individual subscription warrants (*bons autonomes de souscription*), the Board of Directors will have the option to decide that the fractional allocation rights are not tradable, and that the relevant securities will be sold;

Decided that the Board of Directors will have full powers, with the option to sub-delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to perform this delegation of authority, inter alia for the purposes of:

- deciding the issuance of the securities and determining the terms and conditions of any issuance, including the amount, the dates, the issuance price, the way they shall be paid-up, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation will give right to equity securities of the Company;
- determining the nature, the number and the characteristics of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company, attached to the shares or securities giving access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term (fixed or open-ended), whether they are subordinated or not (and, where applicable, their subordination ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); modifying, during the term of the relevant securities, the characteristics described above, in accordance with applicable formalities;
- determining the terms under which the Company will have the option, as the case may be, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of cancelling such securities or not, taking into account the applicable legislative and regulatory provisions;
- provide for the ability to potentially suspend the exercise of the rights attached to these securities in accordance with legislative and regulatory provisions;
- determining and implementing any adjustments aiming at taking into account the impact of transactions on the share capital of the Company, and determining any other modalities allowing to maintain, as the case may be, the rights of the holders of securities or other rights giving access to the share capital;
- at its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
- taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation and for the exercise of the rights attached thereto, and applying for any necessary authorisations for the completion and proper performance of these issuances;

Decided that this delegation of powers is granted for a term of twenty-six (26) months as from the date of this Shareholders' Meeting.

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

FOURTEENTH RESOLUTION

(Delegation of authority to be granted to the Board of Directors in order to decide upon the issuance, with cancellation of the shareholders' preferential subscription right, by way of a public offering, of ordinary shares or of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report, and acknowledged that the share capital has been fully paid up, and deciding in accordance with the provisions of Article L.225-129 et seq., Article L.22-10-54 and Articles L.228-91 et seq. of the French Commercial Code:

Delegated its authority to the Board of Directors, with the option to sub-delegate such powers to any duly empowered person in accordance with legislative and regulatory provisions, to decide the issuance, by way of public offering other than that referred to in Article L.411-2 1° of the French Monetary and Financial Code, including by way of an offer including a public offering, in one or several stages, to the extent and at the times that it deems appropriate, both in France and abroad, in euros, foreign currencies or units determined by reference to several currencies, of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, which may be subscribed in cash, including by offsetting due and payable receivables;

Decided that this delegation of authority expressly excludes any issuance of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;

Decided that the maximum nominal amount of the share capital increases to be carried out, immediately and/or in the future, pursuant to this resolution shall be two hundred and fifty thousand (250,000) euros, or the equivalent of this amount in the case of an issue in a foreign currency or in units of account fixed by reference to several currencies, it being specified that:

- the nominal amount of the share capital increases that may be carried out pursuant to this delegation shall be deducted from the global nominal cap specified in the 20th resolution;
- the nominal amount of the share capital increases that may be carried out pursuant to this delegation and to the 15th, 18th, 19th and 21st resolutions shall be deducted from this cap of €250,000;
- this global cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights conferring access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided that the nominal amount of debt securities that may be issued pursuant to this delegation may not exceed one hundred and fifty million (150,000,000) euros or the equivalent value in euros as at the date of issuance, it being specified that:

- the nominal amount of the issues of debt securities that may be carried out by virtue of this delegation shall be deducted from the overall nominal cap provided for in the 20th resolution;
- this cap does not apply to debt securities the issuance of which may be decided or authorised by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code nor to the other debt securities referred to under Articles L.228-92 last

paragraph, L.228-93 last paragraph and L.228-94 last paragraph of the French Commercial Code;
- this limit shall be increased, where applicable, by any redemption premium above par;

Decided to cancel the preferential subscription right of the shareholders in respect of the securities which may be issued pursuant to this delegation, and that the Board of Directors shall nevertheless be left with the option to establish, to the benefit of the shareholders, a right of priority on an irreducible basis and/or on a reducible basis which does not entitle to the creation of tradable rights, pursuant to the provisions of Article L.225-135 of the French Commercial Code;

Acknowledged that this delegation of powers implies a cancellation by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;

Decided that:
- the issuance price of the new shares issued shall be determined in accordance with the applicable legal and regulatory provisions on the date of issuance (at the date of this meeting, the average weighted trading price of the Company's shares over the last three trading days on the regulated market of Euronext in Paris prior to the determination of such price, reduced, as the case may be, by a maximum discount of 10%);
- the issuance price of the securities giving access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issuance of such securities, to the issuance price determined in the paragraph above;

Decided that, if subscriptions of shareholders and of the public do not result in the full subscription of an issuance of shares or securities giving access to the share capital as defined above, the Board of Directors may use, in the order that it deems appropriate, one or more of the following options:
- limit, where appropriate, the issuance to the amount subscribed, subject to said issuance reaching at least three-fourths of the issuance initially decided;
- freely allot all or part of the unsubscribed securities among any persons at its discretion; or
- offer to the public all or part of the unsubscribed shares;

Decided that the Board of Directors may use this delegation in consideration of the shares brought to a public exchange offer initiated by the Company on its own shares or the shares of another company, within the limits and under the conditions set forth under Article L.22-10-54 of the French Commercial Code;

Decided that the Board of Directors shall have full powers, with the option to delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to perform this delegation of authority, inter alia for the purposes of:
- deciding the issuance of the securities and determining the terms and conditions of any issuance, including the amount, the dates, the issuance price, the way they shall be paid-up, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation will give right to equity securities of the Company;
- determining the nature, the number and the characteristics of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company, attached to the shares or securities giving access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term (fixed or open-ended), whether they are subordinated or not (and, where applicable, their subordination ranking), their remuneration, the compulsory or optional events of suspension or non-payment of

interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); modifying, during the term of the relevant securities, the characteristics described above, in accordance with applicable formalities;

- determining the terms under which the Company will have the option, where applicable, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of cancelling such securities or not, taking into account the applicable legal and regulatory provisions;
- provide for the ability to potentially suspend the exercise of the rights attached to these securities in accordance with legislative and regulatory provisions;
- determining and implementing any adjustments aiming at taking into account the impact of transactions on the share capital of the Company, and determining any other modalities allowing to maintain, as the case may be, the rights of the holders of securities or other rights giving access to the share capital;
- in case of issuance of securities in consideration of securities brought to a public exchange offer, determining the exchange ratio and, if applicable, the amount of the cash adjustment (*soulte*) to be paid, it being specified that the price determination modalities set for under this resolution shall not apply, acknowledging the number of shares contributed to the exchange, and determining the issuance modalities;
- at its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
- taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation and for the exercise of the rights attached thereto, and applying for any necessary authorisations for the completion and proper performance of these issuances;

Decided that this delegation of powers is granted for a term of twenty-six (26) months as from the date of this Shareholders' Meeting;

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

FIFTEENTH RESOLUTION

(Delegation of authority to be granted to the Board of Directors in order to decide upon the issuance, with cancellation of the shareholders' preferential subscription right, by way of an offering as defined in Article L.411-2 1° of the French Monetary and Financial Code, of ordinary shares or of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report, and acknowledged that the share capital has been fully paid up, and deciding in accordance with the provisions of Articles L.225-129 et seq. and Articles L.228-91 et seq. of the French Commercial Code:

Delegated its authority to the Board of Directors, with the option to delegate such powers to any duly empowered person in accordance with legislative and regulatory provisions, to decide upon the issuance, by way of an offering as defined in Article L.411-2 1° of the French Monetary and Financial Code, both in France and abroad, in euros, foreign currencies or units determined by reference to several currencies, of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, which may be subscribed in cash, including by offsetting due and payable receivables;

Decided that this delegation of authority expressly excludes any issuance of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;

Decided that the maximum nominal amount of the share capital increases to be carried out, immediately and/or in the future, pursuant to this resolution shall be two hundred and fifty thousand (250,000) euros or the equivalent of this amount in the case of an issue in a foreign currency or in units of account fixed by reference to several currencies, it being specified that:

- issuances of equity securities carried out under this delegation by an offer as defined in Article L.411-2 1° of the French Monetary and Financial Code may not exceed the caps set forth by applicable laws as of the date of the issuance, i.e. at the date of this General Meeting, 20% of the share capital per year at the time of issue;
- the nominal amount of the share capital increases that may be carried out pursuant to this delegation shall be deducted from the maximum nominal limit of €250,000 determined by the 14th resolution above and from the global nominal limit determined by the 20th resolution;
- this global cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided that the nominal amount of debt securities that may be issued pursuant to this delegation may not exceed one hundred and fifty million (150,000,000) euros or the equivalent value in euros as at the date of issuance, it being specified that:

- the nominal amount of the issues of debt securities that may be carried out by virtue of this delegation shall be deducted from the overall nominal cap provided for in the 20th resolution;
- this cap does not apply to debt securities the issuance of which may be decided or authorised by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code nor to the other debt securities referred to under Articles L.228-92 last paragraph, L.228-93 last paragraph and L.228-94 last paragraph of the French Commercial Code;
- this cap shall be increased, if necessary, by any redemption premium in excess of the par value;

Decided to cancel the shareholders' preferential subscription right to the securities that may be issued in application of this delegation;

Acknowledged that this delegation of powers implies a cancellation by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;

Decided that:

- the issuance price of the new shares issued shall be determined in accordance with the applicable legal and regulatory provisions on the date of issuance (at the date of this meeting, the average weighted trading price of the Company's shares over the last three

trading days on the regulated market of Euronext in Paris prior to the determination of such price, reduced, as the case may be, by a maximum discount of 10%);
- the issuance price of the securities giving access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issuance of such securities, to the issuance price determined in the paragraph above;

Decided that the Board of Directors shall have full powers, with the option to sub-delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to perform this delegation of authority, inter alia, for the purposes of:
- deciding the issuance of the securities and determining the terms and conditions of any issuance, including the amount, the dates, the issuance price, the way they shall be paid-up, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation will give right to equity securities of the Company;
- determining the nature, the number and the characteristics of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company, attached to the shares or securities giving access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term (fixed or open-ended), whether they are subordinated or not (and, where applicable, their subordination ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); modifying, during the term of the relevant securities, the characteristics described above, in accordance with applicable formalities;
- determining the terms under which the Company will have the option, where applicable, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of cancelling such securities or not, taking into account the applicable legal and regulatory provisions;
- providing for the ability to potentially suspend the exercise of the rights attached to these securities in accordance with legislative and regulatory provisions;
- determining and implementing any adjustments aiming at taking into account the impact of transactions on the share capital of the Company, and determining any other modalities allowing to maintain, as the case may be, the rights of the holders of securities or other rights giving access to the share capital;
- at its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
- taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation and for the exercise of the rights attached thereto, and applying for any necessary authorisations for the completion and proper performance of these issuances;

Decided that this delegation of powers is granted for a term of twenty-six (26) months as from the date of this Shareholders' Meeting;

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

SIXTEENTH RESOLUTION

(Authorisation granted to the Board of Directors to increase the amount of issuances, with upholding or cancellation of the shareholders' preferential subscription right)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report, and deciding in accordance with Article L.225-135-1 of the French Commercial Code:

Authorised the Board of Directors, with the option to sub-delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to decide to increase the number of shares, of equity securities or of other securities to be issued in the context of any issuance undertaken pursuant to the preceding resolutions, at the same price as that applied to the initial issuance, within a time period and subject to the limitations set forth by the applicable regulations at the date of the issuance (at the date of this Shareholders' Meeting, for a period of 30 days as from the closing of the subscription period and within a limit of 15% of the initial issuance);

Decided that the nominal amount of the issuances decided in application of this delegation shall be deducted from the cap applicable to the initial issuance and from the global nominal limit set by the 20^{th} resolution of this Shareholders' Meeting;

Decided that this delegation of powers is granted for a term of twenty-six (26) months as from the date of this Shareholders' Meeting;

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of this delegation.

SEVENTEENTH RESOLUTION

(Authorisation to be granted to the Board of Directors to determine the price of issuances of ordinary shares or of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, by way of public offering as defined in Article L.411-2 1° of the French Monetary and Financial Code, with cancellation of the shareholders' preferential subscription right, within the limit of 10% of share capital per year)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report, and deciding in accordance with Article L.22-10-52 of the French Commercial Code:

Authorised the Board of Directors, with the option to sub-delegate such authorisation to any duly empowered person in accordance with the legislative and regulatory provisions, in respect of issuance of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company, issued under the preceding resolutions, and within the limit of 10% of the Company's share capital (as existing at the time of the transaction), per 12-month period, to derogate from the conditions relating to the determination of the price set forth in the above-mentioned resolutions, in accordance with the provisions of Article L.22-10-52 of the French Commercial Code, and set such price in accordance with the following conditions:

- the issuance price for shares will be at least equal to the weighted average price of the Company's shares on the regulated market of Euronext in Paris on the last trading day preceding the issuance, less, as the case may be, a discount of up to 10%;
- for securities conferring access to the share capital of the Company, the issuance price shall be determined so that the amount received immediately by the Company increased by, as the case may be, any amount which may be received subsequently by the Company, for each Company share issued as a result of the issuance of these securities, be at least equal to the amount referred to above;

Decided that the Board of Directors shall have full powers, with the option to sub-delegate such powers to any duly empowered person in accordance with legislative and regulatory provisions, to implement this delegation of authority, in accordance with the terms of the resolution under which the issue is decided;

Acknowledged that, should the Board of Directors make use of the delegation of authority granted to it by this resolution, the Board of Directors shall report to the next Ordinary Meeting of Shareholders, in accordance with the law and the regulations, on the use made of the authorisations granted by this resolution;

Decided that this authorisation be granted for a term of twenty-six (26) months, as from the date of this Shareholders' Meeting;

Decided that this authorisation shall cancel and supersede any previous authorisations having the same purpose, as regards the unused portion of these authorisations.

EIGHTEENTH RESOLUTION

(Delegation of authority to be granted to the Board of Directors in order to decide upon the issuance, with cancellation of the shareholders' preferential subscription right, of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, in favour of categories of persons meeting specific characteristics)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, in accordance with Articles L.225-129 et seq. of the French Commercial Code, in particular L.225-138, and to the provisions of Articles L.228-91 et seq. of the French Commercial Code:

Delegated to the Board of Directors its competence, with the power to sub-delegate to any empowered person in accordance with the legal and regulatory provisions, on one or several occurrences, to the extent and at the times that deems appropriate, both in France and abroad, to decide the issuance of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, which may be subscribed in cash, including by offsetting due and payable receivables, for the benefit of the persons referred to below;

Decided to cancel the preferential subscription right of the shareholders to subscribe to the securities referred to in this resolution and to reserve the right to subscribe to the securities referred to in this resolution to categories of beneficiaries with the following characteristics:

(i) natural or legal persons, including industrial or commercial companies, or French or foreign investment funds, which regularly invest in the medical, biotechnological or pharmaceutical technologies sectors,

(ii) French or foreign investment service providers, or any foreign institutions with an equivalent status, capable of guaranteeing the completion of such an operation and, in this context, to subscribe to the securities issued.

Delegated to the Board of Directors the competence to determine the list of beneficiaries within the above-mentioned category of beneficiaries for which the preferential subscription right has been withdrawn and determine the number of securities to be issued for the benefit of each beneficiary;

Decided that this delegation of authority expressly excludes any issuance of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;

Acknowledged that this delegation automatically entails the waiver by shareholders of their preferential right to subscribe to the equity securities of the Company to which the securities to be issued on the basis of this delegation entitle them;

Decided that the maximum nominal amount of the share capital increases to be carried out, immediately and/or in the future, pursuant to this resolution shall be two hundred and fifty thousand (250,000) euros or the equivalent of this amount in the case of an issue in a foreign currency or in units of account fixed by reference to several currencies, it being specified that:

- the nominal amount of the share capital increases that may be carried out pursuant to this delegation shall be deducted from the maximum nominal limit of €250,000 determined by the 14th resolution above and from the global nominal limit determined by the 20th resolution;
- this global cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided that the nominal amount of debt securities that may be issued pursuant to this delegation may not exceed one hundred and fifty million (150,000,000**)** euros or the equivalent value in euros as at the date of issuance, it being specified that:

- the nominal amount of the issues of debt securities that may be carried out by virtue of this delegation shall be deducted from the overall nominal cap provided for in the 20th resolution;
- this cap does not apply to debt securities the issuance of which may be decided or authorised by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code nor to the other debt securities referred to under Articles L.228-92 last paragraph, L.228-93 last paragraph and L.228-94 last paragraph of the French Commercial Code;
- this cap shall be increased, if necessary, by any redemption premium in excess of the par value;

Decided that:

(i) the issue price of the shares issued pursuant to this delegation will be at least equal to the volume weighted average (in the central order book and excluding the off-market blocks) of the share price of the Company on the Euronext Paris regulated market over the 20 trading days preceding the fixing of the issue price, which may be adjusted if necessary to take account of differences in the dividend entitlement date and may be reduced by a maximum discount of 20%;

(ii) the issuance price of the securities giving access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issuance of such securities, to the issuance price determined in the paragraph above;

Decided that the Board of Directors will have full powers, with the option to sub-delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to perform this delegation of authority, inter alia for the purposes of:

- deciding the issuance of the securities and determining the terms and conditions of any issuance, including the amount, the dates, the issuance price, the way they shall be paid-up, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable) the term under which the securities issued pursuant to this delegation will give right to equity securities of the Company;
- determining the nature, the number and the characteristics of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company, attached to the shares or securities giving access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term (fixed or open-ended), whether they are subordinated or not (and, where applicable, their subordination ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) of redemption (including redemption by delivery of assets of the Company); modifying, during the term of the relevant securities, the characteristics described above, in accordance with applicable formalities;
- determining the terms under which the Company will have the option, as the case may be, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of cancelling such securities or not, taking into account the applicable legislative and regulatory provisions;
- providing for the ability to potentially suspend the exercise of the rights attached to these securities in accordance with legislative and regulatory provisions;
- determining and implementing any adjustments aiming at taking into account the impact of transactions on the share capital of the Company, and determining any other modalities allowing to maintain, as the case may be, the rights of the holders of securities or other rights giving access to the share capital;
- at its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
- taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation and for the exercise of the rights attached thereto, and applying for any necessary authorisations for the completion and proper performance of these issuances;

Decided that this delegation is given for a period of eighteen (18) months from the date of this Shareholders' Meeting.

Decided that this authorisation shall cancel and supersede any previous authorisations having the same purpose, as regards the unused portion of these authorisations.

NINETEENTH RESOLUTION

(Delegation of powers to be granted to the Board of Directors to decide to issue ordinary shares or securities giving access to the share capital of the Company within the limit of 10% of the share capital, with cancellation of the shareholders' preferential subscription rights, in consideration for contributions in kind granted to the Company)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report and deciding in accordance with the provisions of Articles L.225-129 et seq., L.225-35, L-22-10-53, L.228-91 and L.228-92 of the French Commercial Code:

Delegated its authority to the Board of Directors, when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable, with the option to sub-delegate such powers to any duly empowered person in accordance with legal and regulatory provisions, to decide, based on the report of the valuing auditor(s) (*commissaire(s) aux apports*) referred to in §2 of Article L.225-147 of the French Commercial Code, upon the issuance of ordinary shares and/or securities giving access, immediately or in the future, to equity securities of the Company as a consideration for the contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital;

Decided that the nominal amount of the share capital increases that may be carried out pursuant to this delegation may not exceed 10% of the Company's share capital at the time the Board of Directors uses this delegation, it being specified that:

- the nominal amount of the share capital increases that may be carried out pursuant to this delegation shall be deducted from the maximum nominal limit of €250,000 determined by the 14th resolution and from the global nominal limit determined by the 20th resolution;
- this cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided to cancel, as necessary, the preferential subscription right of the shareholders in respect of these ordinary shares or securities at the benefit of the holders of equity securities or securities, subjects of the contribution in kind, and acknowledged that this delegation implies a ca by the shareholders of their preferential subscription right for the equity securities of the Company to which the securities that may be issued pursuant to this delegation may give right;

Decided that the Board of Directors will have full powers, with the option to delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to perform this delegation of authority, inter alia for the purposes of:

- deciding, on the basis of the report of the valuing auditor(s) (*commissaire(s) aux apports*) referred to in §2 of Article L.225-147 of the French Commercial Code, on the valuation of the contributions in kind and, as the case may be, the granting of special benefits and their valuation;
- determining the number of shares to be issued in consideration of the contributions as well as the dividend entitlement date of the shares to be issued;
- deducting, if applicable and if it deems appropriate, from the relevant premiums, the expenses, costs and fees resulting from the issuances and charge against such amounts the amounts necessary to increase the legal reserve to one tenth of the new share capital;
- acknowledging the final completion of the share capital increases carried out pursuant to this delegation of powers, amending the by-laws accordingly, carrying out any formalities

and declarations and applying for any necessary authorisations for the completion of such contributions;

Decided that this delegation of powers is granted for a term of twenty-six (26) months as from the date of this Shareholders' Meeting;

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

TWENTIETH RESOLUTION

(Setting of the overall cap on authorisations to issue shares and securities giving access to the applicable capital and debt securities)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having taken note of the report of the board of directors, and as a consequence of the adoption of the above resolutions,

Decided to set at six hundred thousand (600,000) euros the maximum nominal amount of the immediate and/or future share capital increases that may be carried out by virtue of the delegations of authority granted by the aforementioned resolutions, it being specified that to this nominal amount may be added, where applicable, the nominal amount of the shares to be issued in addition to preserve the rights of the holders of securities giving access to the capital in accordance with the law.

Decided to set at three hundred million (300,000,000) euros the nominal amount of the securities representing claims on the Company that may be issued by virtue of the delegations of authority granted by the above-mentioned resolutions.

TWENTY-FIRST RESOLUTION

(Authorisation to be granted to the Board of Directors to increase the share capital through the issuance of equity securities or securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with cancellation of the shareholders' preferential subscription right to the benefit of members of a company savings plan)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and the statutory auditors' special report and deciding in accordance with, on the one hand, the provisions of Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code and, on the other hand, the provisions of Articles L.3332-18 to L.3232-24 of the French Labour Code:

Delegated to the Board of Directors the competence to increase, with the option to sub-delegate such authorisation to any duly empowered person in accordance with legislative and regulatory provisions, in one or several occurrences, at its sole option, at the times and under the terms that it shall determine, the share capital of the Company by the issuance of (i) ordinary shares, or (ii) securities giving access, immediately or in the future, to other equity securities of the Company or (iii) securities giving access, immediately or in the future, to equity securities to be issued of the Company, reserved for members of one or several company savings plan(s) (*plan d'épargne entreprise*) or group savings plan(s) (*plan d'épargne de groupe*) established by the Company and the French or foreign companies that are linked to the Company within the meaning of Article L.225-180 of the French Commercial Code and of Article L.3344-1 of the French Labour Code;

Decided to cancel the shareholders' preferential subscription rights in respect of securities to be issued pursuant to this authorisation for the benefit of the beneficiaries referred to in the first paragraph above;

Acknowledged that this delegation of powers implies a cancellation by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;

Decided that the issuance price(s) of the new shares or of the securities giving access to the share capital shall be determined in accordance with the provisions of Article L.3332-20 of the French Labour Code. However, the Shareholders' Meetings expressly authorised the Board of Directors to reduce the discount or to grant no discount, in particular in order to take into account the regulations applicable in the countries where the offer will be implemented;

Decided that the maximum nominal amount of the share capital increase(s) which may be carried out pursuant to this authorisation may not exceed 2% of the share capital of the Company considered as at the date of the decision of use of this authorisation by the Board of Directors, it being specified that:

- the nominal amount of the share capital increases that may be carried out pursuant to this delegation shall be deducted from the maximum nominal limit of €250,000 determined by the 14^{th} resolution and from the global nominal limit determined by the 20^{th} resolution;
- this cap may be complemented, as the case may be, by the nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;

Decided, pursuant to the provisions of Article L.3332-21 of the French Labour Code, that the Board of Directors may decide on the allocation to the beneficiaries referred to in the first paragraph above, free of charge, of shares to be issued or existing, or of other securities giving access to the share capital of the Company, issued or to be issued, in respect of (i) the contribution (*abonnement*) that may be paid pursuant to the regulations of the employee savings plan of the Company or of the Group and/or (ii) if applicable, the discount;

Decided that, should the beneficiaries referred to in the first paragraph above not subscribe to the share capital increase in full within the allocated time period, such share capital increase would only be completed for the amount of subscribed shares and that unsubscribed shares may be offered again to such beneficiaries in the context of a subsequent share capital increase;

Granted full powers to the Board of Directors, with the option to delegate or sub delegate such powers, in accordance with the legislative and regulatory provisions, to carry out this authorisation, and in particular, for the purposes of:

- determining the eligibility criteria for companies whose employees may benefit from the share capital increases carried out pursuant to this authorisation, establishing the list of such companies;
- determining the terms and conditions of the transactions, the characteristics of the shares, and if applicable, of the other securities, determining the subscription price calculated in accordance with the method defined in this resolution, determine the dates of opening and of closing of the subscription and the dividend entitlement dates and determining the dates and terms and conditions of payment of the subscribed shares;
- granting time limits for the payment of shares and, if applicable, other securities giving access to the Company's capital;
- taking any necessary action for the admission to trading of the issued shares in any place where it shall deem appropriate;
- deducting from the "issuance premiums" account the amount of the expenses relating to these share capital increases and charging, if it deems fit, on this account the necessary amounts to increase the legal reserve to one tenth of the new share capital after each issuance, amending the by-laws accordingly and, in general, carrying out directly or

indirectly, any transactions and formalities related to the share capital increases carried out pursuant to this authorisation;

Decided that the authorisation granted to the Board of Directors pursuant to this resolution shall be effective for a term of twenty-six (26) months, as from the date of this Shareholders' Meeting;

Decided that this authorisation shall cancel and supersede any previous authorisations having the same purpose, as regards the unused portion of these authorisations.

TWENTY-SECOND RESOLUTION

(Authorisation to be granted to the Board of Directors for the purpose of granting free shares of the Company, either existing or to be issued, to employees and corporate officers of the Company and its subsidiaries)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and of the Statutory Auditors' special report, in accordance with the provisions of Articles L.225-129 et seq. and L.225-197-1 et seq. of the French Commercial Code:

Authorised the Board of Directors to carry out, with the option to sub-delegate to any duly empowered person in accordance with the legal and regulatory provisions, in one or several occurrences, the allocation of free existing and/or newly-issued shares of the Company to employees and/or the corporate officers of the Company and/or the companies or groups that are, directly or indirectly, linked to it under the conditions set forth in Article L.225-197-2 of the French Commercial Code that it shall determine;

Decided that the Board of Directors will determine the beneficiaries of the allocations and the number of shares granted to each of them, the terms of the allocation and the eligibility criteria for the allocation of the shares, it being specified that the Board of Directors may make the allocation of shares subject to a condition of presence and to performance conditions that it shall determine at the time of the allocation;

Decided that the shares allocated to their beneficiaries will become vested after a minimum period of acquisition of two years and that the beneficiaries will be required to retain such shares for an additional minimum period of two years as from the final allocation of the shares. Notwithstanding the above, the Shareholders' Meeting authorised the Board of Directors to decide that, when the allocation of said shares to their beneficiaries will be vested after a minimum vesting period of four years, the beneficiaries shall then be bound by no retention period;

Decided that the shares may become vested before the term of the period of acquisition in the event that the beneficiaries become invalid and that such invalidity correspond to the second or third category set forth under Article L.341-4 of the Social security Code (or equivalent provisions outside of France) and that the shares will immediately become freely transferable;

Decided that the number of free shares that may be granted under this authorisation may not exceed 3% of the Company's share capital as assessed on the date of the Board of Directors' decision to grant the shares, it being specified that:

- this limit is set without taking into account the legislative, regulatory and, where applicable, contractual adjustments necessary to safeguard the rights of the beneficiaries, it being specified that, to this end, the Shareholders' Meeting shall authorise the Board of Directors, as necessary, to increase the share capital by incorporation of reserves, profits or issue premiums to the extent necessary;
- that this cap shall not be deducted from the overall cap set in the 20th resolution of this Shareholders' Meeting; and

- in any event, the total number of free shares granted may not exceed 10% of the share capital on the date of the decision by the Board of Directors to grant them.

Authorised the Board of Directors to carry out, as the case may be, during the period of acquisition, adjustments relating to the numbers of free shares granted on the basis of the potential transactions affecting the share capital of the Company in order to maintain the rights of the beneficiaries;

Authorised the Board of Directors, in the event of free shares being issued, to carry out one or several increase(s) in the share capital by capitalisation of reserves, profits or issuance premiums reserved for the beneficiaries of such free shares and acknowledged that this authorisation includes the related a cancellation of the shareholders' preferential subscription rights with respect to such shares and to the portion of the reserves, profits and issuance premiums thus capitalised, to the benefit of the beneficiaries; the Board of Directors is granted a delegation of authority in respect of this transaction in accordance with Article L.225-129-2 of the French Commercial Code;

Decided that the Board of Directors will have full powers, with the option to delegate such powers to any duly empowered person in accordance with legislative and regulatory provisions, to implement this delegation of authority, in particular for the purposes of:

- determining whether the free shares granted under this delegation are shares to be issued or existing shares;
- determining the beneficiaries and the number of free performance shares granted to each of them;
- setting the dates on which free shares shall be allocated, in the conditions and limits of applicable law;
- deciding upon the other terms and conditions of the allocation of shares, particularly the period of acquisition and the period of retention of the shares thus allocated, in rules for the allocation of free performance shares;
- deciding upon the conditions under which the number of free performance shares to be allocated shall be adjusted, in accordance with applicable provisions of the law and the by-laws;
- more generally, entering into any agreements, executing any documents, acknowledging the share capital increases resulting from definitive allocations, changing the by-laws accordingly, and carrying out any formality or declaration with any organisation;

Decided that this authorisation is granted for a term of 38 months, as from the date of this Shareholders' Meeting;

Decided that this authorisation shall cancel and supersede any previous authorisations having the same purpose, as regards the unused portion of these authorisations.

TWENTY-THIRD RESOLUTION

(Delegation of authority to be granted to the Board of Directors to decide to increase the share capital by incorporation of premiums, reserves, profits or other items that may be capitalised)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings,

Having reviewed the report of the Board of Directors and deciding in accordance with the provisions of Articles L.225-129 et seq. and L.225-130 of the French Commercial Code,

Delegated to the Board of Directors, with the option to sub-delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, the authority to decide make one or several increases to the share capital, in proportion to and at such times as it deems appropriate by successive or simultaneous incorporation of reserves, profits, issuance, contribution or merger premiums, or any other item that may be capitalised, in the form of an allocation of free shares and/or an increase in the nominal value of existing shares;

Decided that the nominal amount of the share capital increase that may be carried out pursuant to this delegation may not exceed two hundred and fifty thousand (250,000) euros, it being specified that:

- this cap may be complemented, as the case may be, by the additional amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights conferring access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;
- the nominal amount of the share capital increases which may be carried out pursuant to this resolution will not be deducted from the global cap determined by the 20th resolution of this Shareholders' Meeting;

Decided that in the event of a share capital increase in the form of an allocation of free shares and in accordance with the provisions of Article L.225-130 of the French Commercial Code, the Board of Directors may decide that the allocation rights on fractional shares will not be tradable and that the corresponding shares will be sold, with the proceeds of the sale being allocated to the holders of such rights in accordance with legal and regulatory requirements;

Granted the Board of Directors full powers, with the option to sub-delegate such powers to any duly empowered person in accordance with the legislative and regulatory provisions, to implement this delegation of authority, inter alia for the purposes of:

- determining the amount and nature of the amounts to be capitalised;
- determining the number of new shares to be issued and/or the nominal amount by which the amount of existing shares shall be increased, the date, including a retroactive date, as of which the new shares shall be entitled to dividend rights or the effective date of the increase in the nominal value of the shares;
- acknowledging the completion of each share capital increase and in general, taking any action and carrying out any required formalities for the proper performance of each share capital increase and amending the by-laws accordingly;

Acknowledged that, should the Board of Directors make use of the delegation of authority granted to it in this resolution, the Board of Directors shall report to the next General Meeting of Shareholders, in accordance with the law and regulations, on the use made of the authorisations granted by this resolution.

Decided that this delegation of authority be granted for a period of 26 months, as from the date of this Shareholders' Meeting;

Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

TWENTY-FOURTH RESOLUTION

(Powers to carry out legal formalities)

The Shareholders' Meeting, deciding under the quorum and majority requirements for extraordinary shareholders' meetings, conferred full powers to bearers of originals, copies or extracts of these minutes in order to carry out publication, filing and other necessary formalities.

8.2.2 Report of the Board of Directors to the Ordinary and Extraordinary Shareholders' Meeting of 16 December 2021

To the Shareholders,

The ordinary and extraordinary meeting of the shareholders of Amplitude Surgical, a French *société anonyme*, having its registered office located at 11, Cours Jacques Offenbach 2600 Valence has been convened by the Board of Directors on 16 December 2021 at 9 a.m. at the registered office of the Company, in order to resolve upon the draft resolutions presented herein.

We are presenting in this report, the motivations for each resolution that are submitted to your vote during the Shareholders' Meeting.

AGENDA

I. Resolutions submitted to the Ordinary Meeting of Shareholders

1. Approval of the financial statements for the year ended 30 June 2021;

2. Approval of the consolidated accounts for the financial year ended 30 June 2021;

3. Allocation of the result for the financial year ended 30 June 2021;

4. Approval of the regulated agreements referred to in Articles L.225-38 et seq. of the French Commercial Code;

5. Approval of the compensation policy for directors;

6. Approval of the compensation policy for the Chairman of the Board of Directors;

7. Approval of the compensation policy for the Chief Executive Officer;

8. Approval of the information referred to in Article L.22-10-9, I of the French Commercial Code;

9. Approval of the components of the total compensation and benefits in kind paid during or awarded for the past financial year to the Chairman of the Board of Directors;

10. Approval of the components of the total compensation and benefits in kind paid during or awarded for the past financial year to the Chief Executive Director;

11. Authorisation for the Board of Directors to purchase the Company's own shares in accordance with the provisions of Article L.22-10-62 of the French Commercial Code;

II. Resolutions submitted to the Extraordinary Meeting of Shareholders

12. Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares;

13. Delegation of authority to be granted to the Board of Directors to decide on the issue, with preferential subscription rights, of ordinary shares or securities that are described as equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued;

14. Delegation of authority to be granted to the Board of Directors for the purpose of deciding on the issue, with cancellation of the preferential subscription right, by way of a public offering of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued;

15. Delegation of authority to be granted to the Board of Directors for the purpose of deciding on the issue, with cancellation of the preferential subscription right, by way of an offer referred to in Article L.411-2 1° of the French Monetary and Financial Code (formerly "private placement"), of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued;

16. Delegation of authority to be granted to the Board of Directors to increase the amount of issues carried out while maintaining or cancelling shareholders' preferential subscription rights;

17. Authorisation to be granted to the Board of Directors to set the price of issues of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, carried out by way of a public offer or an offer referred to in Article L.411-2 1° of the French Monetary and Financial Code, with the cancellation of the shareholders' preferential subscription right, up to a limit of 10% of the capital per year;

18. Delegation of authority to be granted to the Board of Directors, for the purpose of deciding on the issue, with cancellation of the preferential subscription right, in favour of categories of persons meeting specific characteristics, of ordinary shares or securities which are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued;

19. Delegation of powers to be granted to the Board of Directors to decide on the issue of ordinary shares or securities giving access to the Company's capital within the limit of 10% of the share capital, with cancellation of the shareholders' preferential subscription right, in consideration of contributions in kind granted to the Company;

20. Determination of the overall cap on authorisations to issue shares and securities giving access to the applicable capital and debt securities;

21. Authorisation to be granted to the Board of Directors to increase the share capital by issuing equity securities or securities that are equity securities giving access to other equity securities of the Company or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, with cancellation of the preferential subscription right in favour of the members of a company savings plan;

22. Authorisation to be granted to the Board of Directors for the purpose of granting free shares of the Company, either existing or to be issued, to employees and corporate officers of the Company and its subsidiaries;

23. Delegation of authority to be granted to the Board of Directors for the purpose of deciding on an increase in the share capital by incorporation of premiums, reserves, profits or other items whose capitalisation would be permitted;

24. Powers for legal formalities.

The Statutory Auditor's reports and this report of the Board of Directors have been made available to you at the Company's registered office and on its website under the conditions and within the time limits provided by law.

1. Course of business

In order to comply with the requirements of Article R.225-113 of the French Commercial Code applicable to any capital increase, we invite you to refer to the 2021 Universal Registration Document comprising the management report of the Board of Directors on the Company's activity during the financial year ended 30 June 2021 and the report on corporate governance, prepared in the context of the approval of the Company's annual financial statements by your Meeting, and providing you with information on the Company's operations since the beginning of the financial year.

2. Resolutions submitted to the Ordinary Shareholders' Meeting

2.1. Approval of the annual and consolidated financial statements (first and second resolutions)

The first and second resolutions present the Company's annual and consolidated financial statements for the financial year ended 30 June 2021, as approved by the Board of Directors for shareholders' approval.

The annual financial statements show a loss of €8,622,747.79.

The consolidated financial statements show a loss of €14,667,000.

The Company has not incurred any expenses as defined in Article 223 quinquies of the French General Tax Code**.**

We ask that you approve these resolutions.

2.2. Allocation of income (third resolution)

Subject to the annual and consolidated financial statements as presented by the Board of Directors being approved by the shareholders, the third resolution presents the following allocation of income for the financial year ended 30 June 2021 for shareholders' approval:

Origins of the result to be allocated: -€8,622,747.79

- profits from the financial year 2021 (loss) €8,622,747.79
- previous carry-forward at 30 June 2020 (debit) €43,134,967.17

Total.. €51,757,714.96

Allocation of loss:

- the totality to the carry-forward account (debit) €51,757,714.96

Total..€51,757,714.96

The "carry-forward" (loss) account would therefore amount to €51,747,714.96.

As a consequence, no dividend will be distributed for the financial year ended 30 June 2021.

No dividend has been paid in the last three years.

2.3 Regulated agreements (fourth resolution)

The fourth resolution relates to the approval by the shareholders' meeting of agreements referred to under Articles L.225-38 et seq. of the French Commercial Code, i.e. agreements said to be "regulated" which were authorised by the Board of Directors prior to their execution during the financial year ended 30 June 2021.

The shareholders are called to acknowledge the absence of any agreement of the nature referred to in Article L.225-38 of the French Commercial Code, concluded during the financial year ending 30 June 2021.

2.4. Approval of the directors' compensation policy (fifth resolution)

This resolution submits to the vote of the Shareholders' Meeting the principles and criteria for the determination, distribution and allocation of the compensation granted to the directors pursuant to Article L.22-10-8 of the French Commercial Code, the details of which are set out in Chapter 3 of the Company's 2021 Universal Registration Document, Section 3.2.1 "Remuneration policy applicable to non-executive corporate officers (directors)".

We invite you to approve this resolution.

2.5 Approval of the compensation policy for the Chairman of the Board of Directors and the Chief Executive Officer (sixth and seventh resolutions)

These resolutions submit to the vote of the Shareholders' Meeting the principles and criteria for determining, allocating and granting the compensation awarded to the Chairman of the Board of Directors and the Chief Executive Officer pursuant to Article L.22-10-8 of the French Commercial Code, the details of which are set out in Chapter 3 of the Company's 2020 Universal Registration Document, section 3.2.2, "Compensation policy applicable to the executive directors for the financial year ending 30 June 2022, submitted to the shareholders for approval (Article L.22-10-8 of the French Commercial Code)".

We invite you to approve these compensation policies.

2.6 Approval of the information referred to in Article L.22-10-9, I of the French Commercial Code (eighth resolution)

This resolution submits to the vote of the General Meeting the elements of the compensation paid or allocated in respect of the financial year ended 30 June 2021 to each corporate officer pursuant to Article L.22-10-34 of the French Commercial Code, details of which are provided in Chapter 3 of the Company's 2021 Universal Registration Document.

We invite you to approve this information.

2.7 Approval of the fixed, variable and exceptional elements of the total compensation and benefits of any kind paid during or awarded for the past financial year to the Chairman of the Board of Directors and the Chief Executive Officer (ninth and tenth resolutions)

These resolutions submit to the vote of the Shareholders' Meeting the elements of the compensation paid or awarded for the 2021 financial year to the Chairman of the Board of Directors, Mr Stefano Drago, and to the Chief Executive Officer, Mr Olivier Jallabert. Details of these elements of compensation are provided in Chapter 3 of the Company's 2021 Universal Registration Document, Section 3.2.4 Fixed, variable and exceptional elements making up the total compensation and benefits of any kind paid during or awarded in respect of the past financial year to the Chairman of the Board of Directors and submitted to the shareholders for approval (Article L.22-10-34, II of the French Commercial Code)".

We invite you to approve these elements of the compensation.

2.8 Authorisation for the Board of Directors to purchase the Company's own shares in accordance with the provisions of Article L.22-10-62 of the French Commercial Code (eleventh resolution)

We propose, in accordance with the provisions of Articles L.22-10-62 et seq. of the French Commercial Code, Articles 241-1 to 241-7 of the General Regulations of the *Autorité des marchés financiers* (the "AMF") and the European regulations applicable to market abuse, that you authorise the Board of Directors to acquire or arrange for the acquisition of shares in the Company as part of a share buy-back programme.

We also propose that you decide that:

- the maximum purchase price may not exceed ten (10) euros;
- the maximum amount of funds intended for the completion of this share buy-back programme may not exceed forty million (40,000,000) euros;
- the maximum number of shares that the Company may acquire under this resolution may not exceed the limit of 10% of the shares comprising the share capital at the date of completion of the repurchase of the Company's shares;
- the number of shares acquired by the Company with a view to their retention and subsequent remittance in payment or exchange in the context of a merger, demerger or contribution may not exceed 5% of the share capital; and
- the number of shares held by the Company may not at any time represent more than 10% of its share capital.

In particular, the authorisation could be used for the purposes of (i) ensuring liquidity and stimulating the market for the Company's shares, (ii) honouring obligations related to stock option grants, bonus share grants or other grants, allocations or sales of shares to employees or corporate officers of the Company or an associated company and performing any hedging transactions relating to these transactions, under the conditions provided for by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors shall act, (iii) delivering shares upon exercise of rights attached to securities giving access, immediately or in the future, to the Company's share capital, as well as carrying out any hedging transactions in respect of the Company's obligations associated with these securities, (iv) retaining and subsequently remitting the Company's shares in exchange or as payment in the context of external growth transactions, (v) cancelling all or part of the shares thus bought back, or (vii) implementing any other practice that may be accepted or recognised by law or by the AMF or any other objective that complies with the regulations in force.

This authorisation would be granted for a period of 18 months from said Shareholders' Meeting and would and would render ineffective any previous delegation with the same purpose, to the extent of the unused portion of this delegation.

We invite you to approve this resolution.

3. Resolutions to be submitted to the Extraordinary Shareholders' Meeting

3.1. Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares (twelfth resolution)

We propose, in accordance with the provisions of Articles L.22-10-62 et seq. of the French Commercial Code, that you authorise the Board of Directors to reduce the share capital by cancelling all or some of the Company's shares acquired within the framework of any share buy-back programmes authorised by the General Meeting of Shareholders, up to a limit of 10% of the Company's share capital existing on the date of cancellation per 24-month period.

This authorisation would be granted for a period of eighteen (18) months from said Shareholders' Meeting and would and would render ineffective any previous delegation with the same purpose, to the extent of the unused portion of this delegation.

We invite you to approve this resolution.

3.2. Financial authorisations (thirteenth to twenty-third resolutions)

The General Meeting of Shareholders regularly granted to the Board of Directors the authority or the powers necessary to proceed with the issuance of ordinary shares and/or securities, with upholding or cancellation of shareholders' preferential subscription right, in order to meet the financing needs of the group Amplitude Surgical.

As such, the shareholders' meeting of 17 December 2020 granted the Board of Directors with the delegations of authority and authorisations as described in the table provided at Schedule 1 attached to this report.

These delegations of authority and authorisations have been granted for terms that will expire at the beginning of 2023. Thus, the Company may not have the necessary delegations and authorisations in the event where it should decide to proceed with issuances of ordinary shares and/or securities.

Consequently, it is proposed to the shareholders of the Company to grant the Board of Directors new delegations of authority and authorisations in order to ensure the Company the flexibility to proceed with issuances of ordinary shares and/or securities according to the market and to the growth of the Amplitude Surgical Group, and, as the case may be, to rapidly gather the financial means necessary to the implementation of the growth strategy of the Amplitude Surgical Group, as described in the 2021 Universal Registration Document.

In the event of an issuance of ordinary shares and/or securities, the Company intends to give priority to transactions upholding the shareholders' preferential subscription right. Nevertheless, particular circumstances may justify the cancellation of the preferential subscription right of shareholders, in accordance with their interests. Accordingly, the Company may seize the opportunities offered by the financial markets, especially considering the markets' current situation. The Company may also involve employees of the Amplitude Surgical Group in its development, notably by way of a share capital increase reserved to said employees or the allotment of free shares. The Company may also carry out the issuance of securities underlying the securities issued by the Company or the Amplitude Surgical Group's subsidiaries. The cancellation of the preferential subscription right would also allow the realisation of public exchange or acquisitions offers paid entirely in securities. Finally, the issuance of securities may remunerate contributions in kind of financial securities that would not be traded on a regulated market or its equivalent.

The maximum nominal amount of all the share capital increases (excluding share capital increases by means of capitalisation of reserves or premium and allotment of free shares) would be of EUR 600,000, i.e. 60 million shares, representing 125% of the share capital and voting rights of the Company (twentieth resolution).

The nominal amount of securities representing claims on the Company that may be issued would be 300,000,000 euros (twentieth resolution).

In addition, the maximum amount of all the share capital increases with cancellation of the shareholders' preferential subscription right (excluding share capital increases reserved to the employees and allotment of free shares) would be of EUR 250,000, i.e. 25 million shares, representing 52% of the share capital and voting rights of the Company.

Thus, the draft resolutions being put to the vote of the shareholders are relative to:

3.2.1. *Issuance, with maintenance of the preferential subscription right, of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued (thirteenth resolution)*

The purpose of the thirteenth resolution is to delegate to the Board of Directors the power to decide to issue, with preferential subscription rights, ordinary shares or securities giving access, immediately or in the future, to other equity securities or to equity securities to be issued.

Share capital increases carried out under this delegation would not exceed a maximum nominal amount of €600,000 (i.e. 60 million shares with a nominal value of €0.01), it being specified that the nominal amount of the capital increases that may be carried out by virtue of this delegation shall be deducted from the overall nominal cap provided for in the 20^{th} resolution.

The issuance of debt securities would be limited to a maximum amount of three hundred million (300,000,000), it being specified that the nominal amount of the issuance of debt securities that could be carried out by virtue of this delegation would be deducted from the overall nominal cap provided for in the 20^{th} resolution.

The subscription price of shares and/or securities that may be issued in application of this delegation would be set by the Board of Directors, in accordance with the legal and regulatory provisions.

This delegation of authority would be granted for a term of 26 months from said Shareholders' Meeting and would supersede the prior authorisation granted to the Board of Directors in respect of the unused portion thereof.

We invite you to approve this resolution.

3.2.2. *Delegation of authority to be granted to the Board of Directors for the purpose of deciding on the issue, with cancellation of the preferential subscription right, by way of a public offering, of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued (fourteenth resolution)*

The purpose of the fourteenth resolution is to grant the Board of Directors a delegation of authority to decide on the issue, by way of a public offer, other than that referred to in Article L.411-2 1° of the French Monetary and Financial Code, including for an offer including a public offer, of ordinary shares or securities giving access, immediately or in the future, to other equity securities or to equity securities to be issued.

The maximum nominal amount of the capital increases that may be carried out immediately and/or in the future pursuant to this delegation would be set at two hundred and fifty thousand (250,000) euros, it being specified that the nominal amount of the issues of debt securities that may be carried out by virtue of this delegation would be deducted from the overall nominal cap provided for in the 20^{th} resolution.

The nominal amount of debt securities that may be issued pursuant to that delegation of competence may not exceed €150 million, it being specified that the nominal amount of debt securities issues likely to be carried out under that delegation would be charged to the overall nominal ceiling provided for in the 20th resolution.

The issuance price of the new shares issued would be determined in accordance with the applicable legislative and regulatory provisions as of the issue date (i.e. at the date hereof, the average weighted share price of the company's shares over the last three trading days on the regulated market of Euronext in Paris prior to the date of determination of such price, reduced, as the case may be, by a maximum discount of 10%).

In addition, the issuance price of the securities giving access to the share capital of the Company issued in application of this delegation of authority would be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the issue price defined in the previous paragraph.

This delegation could be used to remunerate securities contributed to a public exchange offer initiated by the Company for its own securities or the securities of another company, within the limits and under the conditions provided for by Article L.22-10-54 of the French Commercial Code.

This delegation of authority would be granted for a term of 26 months from said Shareholders' Meeting and would supersede the prior authorisation granted to the Board of Directors in respect of the unused portion thereof.

We invite you to approve this resolution.

3.2.3. Delegation of authority to be granted to the Board of Directors for the purpose of deciding on the issue, with cancellation of the preferential subscription right, by way of an offer referred to in Article L.411-2 1° of the French Monetary and Financial Code, of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued (fifteenth resolution)

The purpose of the fifteenth resolution is to delegate to the Board of Directors the authority to decide to issue, by way of an offer referred to in Article L.411-2 1° of the French Monetary and Financial Code, ordinary shares or securities giving access, immediately or in the future, to other equity securities or to equity securities to be issued.

The transactions would thus be carried out by way of private placements with persons providing investment services consisting in portfolio management for third parties, qualified investors or a limited group of investors, to the extent that such investors are acting on their own behalf, in accordance with the provisions of Article L.411-2 1° of the French Monetary and Financial Code. These transactions would have a dilutive impact for the existing shareholders that may not be able to participate in the issuance.

The maximum nominal amount of the capital increases that may be carried out immediately and/or in the future pursuant to this delegation would be set at two hundred and fifty thousand (250,000) euros, it being specified that:

- issues of equity securities carried out by virtue of this delegation by means of an offer referred to in Article L.411-2 1° of the Monetary and Financial Code may not exceed the limits provided for by the regulations applicable on the date of the issue, i.e. on the date of said Shareholders' Meeting, 20% of the share capital per year at the time of the issue;

- the nominal amount of the capital increases likely to be carried out by virtue of this delegation would be deducted from the maximum nominal amount of 250,000 euros provided for in the 14th resolution above and from the overall nominal cap provided for in the 20th resolution.

The nominal amount of debt securities that may be issued pursuant to that delegation of competence may not exceed €150 million, it being specified that the nominal amount of debt securities issues likely to be carried out under that delegation would be charged to the overall nominal ceiling provided for in the 20th resolution.

The issuance price of the new shares issued would be determined in accordance with the legislative and regulatory provisions applicable as of the issue date (at the date hereof, the average weighted share price of the company's shares over the last three trading days on the regulated market of Euronext in Paris prior to the date of determination of such price, reduced, as the case may be, by a maximum discount of 10%).

In addition, the issuance price of the securities giving access to the share capital of the Company issued in application of this delegation of authority would be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issuance of such securities, to the issuance price defined in the previous paragraph.

This delegation of authority would be granted for a term of 26 months from said Shareholders' Meeting and would supersede the prior authorisation granted to the Board of Directors in respect of the unused portion thereof.

We invite you to approve this resolution.

3.2.4. <u>Authorisation given to the Board of Directors to increase the amount of issues carried out with maintenance or cancellation of the shareholders' preferential subscription rights (sixteenth resolution)</u>

The purpose of the sixteenth resolution is to authorise the Board of Directors to decide to increase the number of shares, equity securities or other securities to be issued in the context of any issue carried out pursuant to the preceding resolutions, at the same price as that used for the initial issue, within the time periods and limits provided for by the regulations applicable on the date of issue.

The transactions carried out in the context of this delegation could not exceed 15% of the initial issuance.

The nominal amount of the issues decided pursuant to this delegation shall be deducted from the amount of the ceiling applicable to the initial issue and from the overall nominal cap provided for in the 20th resolution of said Shareholders' Meeting.

This delegation of authority would be granted for a period of 26 months as from said Shareholders' Meeting.

We invite you to approve this resolution.

3.2.5. <u>Authorisation to be granted to the Board of Directors to set the price of issues of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, carried out by way of a public offer or an offer referred to in Article L.411-2 1° of the French Monetary and Financial Code,</u>

with cancellation of the shareholders' preferential subscription right, up to a limit of 10% of the share capital per annum (seventeenth resolution)

The purpose of the seventeenth resolution is to grant the Board of Directors the authorisation to derogate from the conditions for setting the price provided for in the aforementioned resolutions, in accordance with the provisions of Article L.22-10-52 of the French Commercial Code, and to set it in accordance with the following conditions:

- the shares' issuance price would be at least equal to the weighted average price of the Company's shares on the regulated market of Euronext in Paris on the last trading day preceding the date of issuance, less, as the case may be, a discount of up to 10%;
- for securities giving access to the share capital of the Company, the issuance price should be determined so that the amount received immediately by the Company increased by, as the case may be, any amount which may be received subsequently by the Company, for each Company share issued as a result of the issuance of these securities, be at least equal to the amount referred to above.

This delegation of authority would be granted for a term of 26 months from said Shareholders' Meeting and would supersede the prior authorisation granted to the Board of Directors in respect of the unused portion thereof.

We invite you to approve this resolution.

3.2.6 Delegation of authority to be granted to the Board of Directors, for the purpose of deciding on the issue, with cancellation of the preferential subscription right, of ordinary shares or securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, to the benefit of categories of persons meeting specific characteristics (eighteenth resolution)

The eighteenth resolution aims to grant to the Board of Directors a delegation of authority in order to decide upon the issuance, with cancellation of the shareholders' preferential right to the benefit of natural or legal persons, including industrial or commercial companies, or French or foreign investment funds, which regularly invest in the field of in the medical technology, biotechnological, pharmaceutical technologies sectors or other life science technology sector or technological sector or spaces to French or foreign investment service providers, or any foreign institution with an equivalent status, likely to carry out capable of guaranteeing the completion of such an operation and, in this context, to subscribe to the securities issued, of ordinary shares or of securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued.

This authorisation aims therefore to provide the Company with the means to quickly raise funds with investors specialised in the medical field and to provide the Company with more flexibility in order to allow the Company to further its development.

This authorisation would consist of the issuance of ordinary shares, securities that are equity securities giving access, immediately or in the future, to other equity securities, or giving right, immediately or in the future, to the allocation of debt securities, and/or securities giving access, immediately or in the future, to equity securities to be issued.

The nominal amount of the capital increases likely to be carried out by virtue of this delegation would be deducted from the maximum nominal amount of €250,000 provided for by the 14th resolution above and from the overall nominal cap set in the 20th resolution.

The nominal amount of debt securities that may be issued pursuant to that delegation of competence may not exceed €150 million, it being specified that the nominal amount of debt securities issues likely to be carried out under that delegation would be charged to the overall nominal ceiling provided for in the 20th resolution.

The issuance price of the shares issued under this delegation would be at least equal to the volume weighted average (in the central market order book and off-market applications for blocks) share price of the Company over the last twenty trading days on the regulated market of Euronext in Paris prior to the date of determination of such price, this average being corrected, as the case may be, to allow for any variance with the date from which attendant rights come into effect and with the possible application of a maximum discount of 20%.

In addition, the issuance price of the securities issued under this delegation would be such that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the amount referred to in the point above.

This delegation of authority would be granted for a period of 18 months from the date of said Shareholders' Meeting and would supersede any previous delegation with the same purpose, up to the unused portion of this delegation.

We invite you to approve this resolution.

3.2.7. Delegation of powers to be granted to the Board of Directors for the purpose of deciding on the issue of ordinary shares or securities giving access to the Company's capital within the limit of 10% of the share capital, with cancellation of the shareholders' preferential subscription right, in remuneration of contributions in kind granted to the Company (nineteenth resolution)

The purpose of the nineteenth resolution is to delegate to the Board of Directors, when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable, the powers necessary to decide, on the basis of the report of the Contribution Auditor(s) mentioned in the second paragraph of Article L.225-147 of the French Commercial Code, to issue ordinary shares in the Company or securities giving access, immediately and/or in the future, to equity securities in the Company in order to remunerate contributions in kind granted to the Company and consisting of equity securities or securities giving access to the capital.

The nominal amount of the share capital increases that may be carried out under this delegation may not exceed 10% of the Company's share capital at the time of use by the Board of Directors of this delegation, it being specified that the nominal amount of the share capital increases that may be carried out by virtue of this delegation shall be deducted from the maximum nominal amount of €250,000 provided for in the 14th resolution and from the overall nominal cap set in the 20th resolution.

This delegation of authority would be granted for a period of 26 months from the date of said General Meeting and would supersede any previous delegation with the same purpose, up to the unused portion of this delegation.

We invite you to approve this resolution.

3.2.8. Authorisation to be granted to the Board of Directors to increase the share capital by issuing equity securities or securities that are equity securities giving access to other equity securities of the Company or giving the right to the allocation of debt securities, or securities giving access to equity securities to be issued, with *cancellation of the preferential subscription right in favour of the members of a company savings plan (twenty-first resolution)*

The purpose of the twenty-first resolution is to delegate to the Board of Directors the power to decide to increase the share capital by issuing ordinary shares or securities giving access, immediately or in the future, to other equity securities or to equity securities to be issued reserved for members of one or more company or group savings plans set up jointly by the Company and companies in France or outside France that are linked to it under the conditions of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code.

The issue price(s) of the new shares or securities giving access to the share capital would be determined under the conditions provided for in Article L.3332-20 of the French Labour Code. However, we ask you to expressly authorise the Board of Directors to reduce the discount or not to grant one, in particular to take into account the regulations applicable in the countries where the offer will be implemented.

The maximum nominal amount of the capital increase(s) that may be carried out pursuant to this authorisation may not exceed 2% of the Company's share capital, assessed on the date of the decision to use this authorisation by the Board of Directors, it being specified that the nominal amount of the capital increases that may be carried out by virtue of this delegation shall be deducted from the maximum nominal amount of €250,000 provided for in the 14th resolution and from the overall nominal cap set in the 20th resolution.

In addition, pursuant to the provisions of Article L.3332-21 of the French Labour Code, the Board of Directors may provide for the allocation of shares to be issued or already issued or other securities giving access to the Company's share capital to be issued or already issued, in respect of (i) the contribution that may be paid pursuant to the regulations of the company or group savings plans, and/or (ii) where applicable, the discount.

This delegation of authority would be granted for a period of 26 months as from said Shareholders' Meeting.

We invite you to approve this resolution.

3.2.9 Authorisation to be granted to the Board of Directors for the purpose of making free allocations of existing or future shares of the Company to employees and officers of the Company and its subsidiaries (twenty-second resolution)

In accordance with the provisions of Articles L.225-129 et seq. and L.229-197-1 et seq. of the French Commercial Code, the twenty-second resolution relates to the authorisation to be granted to the Board of Directors to allocate free existing and/or newly-issued shares of the Company, in one or several occurrences, to the salaried personnel members and/or the corporate officers of the Company and/or the companies or groups that are, directly or indirectly, linked to it under the conditions set forth in Article L.225-197-2 of the French Commercial Code.

The granting of this authorisation would enable the Board of Directors to set up performance shares allocation plans to the benefit of the management and the employees of Amplitude Surgical group both in France and abroad, subjected to collective attendance and performance criteria determined in connection with the strategy.

The Board of Directors may therefore pursue its policy which aims at associating its employees to its results and its development and to ensure the international competitiveness of their compensation.

Vesting and retaining period

The allotment of shares to their owners shall only be definitive after the expiration of a minimum vesting period of two (2) years, the owners having to then retain said shares for an additional two (2) years as of the final allotment of the shares. Notwithstanding the foregoing provisions, in the event that said allotments to certain recipients do not become final on the expiration of a minimum vesting period of four (4) years, these recipients shall not be required to retain their shares for any period.

Furthermore, the final allotment of shares may take place before the expiration of the vesting period in the event that the recipients thereof are not eligible and that such ineligibility corresponds with the second or third category set forth in Article L.341-4 of the French Social Security Code (or its equivalent outside of France). The shares shall be freely transferable with immediate effect.

Limits of allocation

The number of shares that may be allocated free of charge may not exceed 3% of the Company's capital, as assessed at the time the Board of Directors takes its decision. This limit is independent of the overall limit of €600,000 set by the 20^{th} resolution of the Shareholders' Meeting.

The total number of free shares granted should not exceed 10% of the share capital at the date of the Board of Directors' decision to grant them.

Duration of the authorisation

This authorisation would be granted for a term of 38 months.

We invite you to approve this resolution.

3.2.10. Delegation of authority to be granted to the Board of Directors to decide on a capital increase by incorporation of premiums, reserves, profits or other items whose capitalisation would be permitted (twenty-third resolution)

The purpose of the twenty-third resolution is to delegate to the Board of Directors the power to decide on one or more capital increases by successive or simultaneous incorporation of reserves, profits, issue, contribution or merger premiums or any other sums the capitalisation of which would be legally and statutorily permitted, in the form of an allocation of free shares and/or an increase in the nominal value of existing shares.

The nominal amount of the capital increase that may be carried out within the framework of this delegation may not exceed two hundred and fifty thousand (250,000) euros, it being specified that the nominal amount of the capital increases that may be carried out by virtue of this resolution shall not be deducted from the overall cap set by the 20th resolution of said Shareholders' Meeting.

The Board of Directors would have the power to determine the amount and nature of sums to be capitalised, determine the number of new shares to be issued and/or the amount by which the existing nominal value of the shares of the Company will be increased.

This delegation of authority would be granted for a term of 26 months.

We invite you to approve this resolution.

3.3 Powers to effect formalities (twenty-fourth resolution)

The twenty-fourth resolution relates to the powers required to effect the necessary formalities following the shareholders' meeting, in particular those in relation to filing and publicity.

We invite you to approve this resolution.

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We therefore invite you, after reading the reports presented by your auditor, to adopt the resolutions that we submit to your vote, for the reasons set out above.

The Board of Directors

CHAPTER 9
PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

9.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Oliver Jallabert, Chief Executive Officer of the Company

9.1.1 Certification by the person responsible for the Universal Registration Document

I certify, after adopting all reasonable measures to such purpose, that the information contained in this Universal Registration Document to my knowledge accurately reflects the actual position and does not entail any omissions of a nature as to change its scope.

I certify that to my knowledge the financial statements are prepared according to the applicable accounting standards and faithfully reflect the assets and liabilities, financial position and results of the Company and that the management report included in this Universal Registration Document in accordance with the table of equivalence set forth in Chapter 10, presents a faithful picture of business trends, the results and financial position of the Company and all enterprises included in the scope of consolidation as well as a description of the main risks and uncertainties to which it is exposed.

Signed in Valence

On 28 October 2021
Olivier Jallabert
Chief Executive Officer

9.1.2 Person responsible for Financial Information

Mr Dimitri Borchtch
Deputy Chairman - Finance
Address: 11, Cours Jacques Offenbach, Valence (26000)
Telephone: +33 4 75 41 87 41
Email: finances@amplitude-surgical.com
www.amplitude-surgical.com

9.2 STATUTORY AUDITORS OF THE FINANCIAL STATEMENTS

9.2.1 Acting Statutory Auditors

Mazars SAS

109 rue Tête d'Or, 69006 LYON, registered in the Lyon Trade and Companies Register under number 351 497 649

Represented by Ms Séverine Hervet,
Member of the *Compagnie régionale des Commissaires aux Comptes* of Lyon

Mandate renewed by the shareholders' meeting of 14 December 2016 for a term of six financial years, expiring after the shareholders' meeting approving the financial statements for the financial year ending 30 June 2022.

Deloitte & Associés

106 Cours Charlemagne, 69286 Lyon, registered in the Nanterre Trade and Companies Register as number 572 028 041

Represented by Mr Jean-Marie Le Jéloux,
Member of the Compagnie régionale des Commissaires aux Comptes de Lyon

Appointment at the shareholders' meeting of 24 November 2017, for a term of 6 financial years, expiring after the shareholders' meeting to approve the financial statements for the business year ending 30 June 2023.

9.2.2 Alternate statutory auditors

Emmanuel Charnavel

Residing at 54 rue de la République, 69002 Lyon

Member of the *Compagnie régionale des Commissaires aux Comptes* of Lyon

Appointed by the shareholders' meeting of 14 December 2016 for a term of six financial years, expiring after the shareholders' meeting approving the financial statements for the financial year ending 30 June 2022.

9.3 DOCUMENTS ACCESSIBLE TO THE PUBLIC

The articles of association of the Company, this Universal Registration Document and other corporate documents must be made available to shareholders, pursuant to the regulations in force. They may be consulted at the Company's registered office.

Copies of this Universal Registration Document are available free of charge from the Company (11, Cours Jacques Offenbach, Valence (26000), as well as on the Company's websites (www.amplitude-surgical.com) and that of the *Autorité des marchés financiers* (www.amf-france.org).

CHAPTER 10
TABLE OF EQUIVALENCE

10.1 TABLE OF EQUIVALENCE WITH REGULATION (EU) 2019/980 DATED 14 MARCH 2019

The following equivalence table allows identifying in this Universal Registration Document, the information required by Annexes I and II of Regulation (EU) 2019/980 of the European Commission dated 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council dated 14 June 2017.

EQUIVALENCE TABLE (Annexes I and II of Delegated Regulation (EU) No 2019/980 of 14 March 2019)		**Chapter/paragraphs**
1	**PERSONS RESPONSIBLE, INFORMATION ORIGINATING FROM THIRD PARTIES, DECLARATIONS BY EXPERTS AND APPROVAL BY THE RELEVANT AUTHORITY**	**9.1**
1.1	Identity of the persons responsible	9.1
1.2	Declaration of the persons responsible	9.1.1
1.3	Name, address, qualifications and potential interests of persons acting as experts	NA
1.4	Certificate relating to information from a third party	NA
1.5	Declaration without prior approval of the competent authority	NA
2	**STATUTORY AUDITORS**	**9.2**
2.1	Identity of the statutory auditors	9.2.1
2.2	Possible change	NA
3	**RISK FACTORS**	**2.1**
4	**INFORMATION CONCERNING THE ISSUER**	**1.2**
4.1	Legal name and commercial name	1.2.1
4.2	Place, number of registration and LEI of the issuer	1.2.2
4.3	Date of constitution and lifetime of the issuer	1.2.3
4.4	Registered office, legal status, legislation, country of origin, address and telephone number of head office, website with a disclaimer	1.2.4
5	**OVERVIEW OF ACTIVITIES**	1.3
5.1	Main activities	1.3.3
5.1.1	Nature of transactions and main activities	1.3.2; 1.3.3; 1.3.4
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5.2	Main markets	1.3.2
5.3	Exceptional events	1.3; Chapter 5
5.4	Strategy and objectives	1.3.5; 5.3
5.5	Degree of dependence of the issuer on patents or licences, contracts and new manufacturing processes	1.8
5.6	Declarations concerning the competitive position	1.3.4
5.7	Investments	1.6
5.7.1	Important investments made	1.6.1
5.7.2	Principal investments in progress or future investments to be made by the issuer and for which its management bodies have already made firm commitments and financing method	1.6.2; 1.6.3
5.7.3	Joint ventures and commitments in which the issuer holds a significant proportion of the capital	NA

5.7.4	Environmental questions	4.3
6	**ORGANISATION CHART**	1.4
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6.2	List of major subsidiaries	1.4.2
7.	**EXAMINATION OF THE FINANCIAL SITUATION AND RESULT**	**5.1**
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7.1.1	Evolution of the results and of the financial situation with key performance indicators of a financial and, where applicable, non-financial nature	5.1
7.1.2	Future development forecasts and research and development activities	1.8
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7.2.2	Reasons for significant changes in net sales or revenues	5.1
8	**CASH AND CAPITAL**	**5.2**
8.1	Information on capital resources	5.2
8.2	Cash flow	5.2
8.3	Loan needs and finance structure	5.2
8.4	Restrictions on use of capital	5.2
8.5	Anticipated sources of finance	5.1; 5.2
9	**REGULATORY ENVIRONMENT**	1.7
9.1	Description of the regulatory environment and any administrative, economic, fiscal, fiscal, monetary or political measures or factors	1.7
10	**INFORMATION ON TRENDS**	1.3; 5.3
10.1	Description of the main trends and any significant changes in the Group's financial performance since the end of the last financial year	1.3; 5.3
10.2	Event likely to have a significant influence on the prospects	1.3; 5.3
11	**PROFIT FORECASTS OR ESTIMATES**	**5.3**
11.1	Published revisions or estimates	5.3.1.3
11.2	Declaration on the main hypotheses	5.3.1.3
11.3	Statement of comparability with historical financial information and compliance with accounting policies	5.3.1.3
12.	**ADMINISTRATION, MANAGEMENT AND SUPERVISORY BODIES AND EXECUTIVE OFFICERS**	**3.1**
12.1	Information concerning members	3.1.1.1
	Name, business address and position	3.1.1.1
	Nature of any existing family relationship	3.1.1.1
	Expertise and experience	3.1.1.1
	Declaration of non-conviction	3.1.1.1
12.2	Conflicts of interest	3.1.1.2
13.	**COMPENSATION AND BENEFITS**	**3.2**
13.1	Amount of compensation paid and benefits in kind	3.2.3; 3.2.4
13.2	Provisions for retirement pensions	3.2.3; 3.2.4; 6.1 Note 25
14	**FUNCTIONING OF ADMINISTRATION AND MANAGEMENT BODIES**	**3.1**
14.1	Date of expiry of the mandates	3.1.1
14.2	Service contracts de service binding members of administration, management or supervisory bodies to the issuer	3.1.1
14.3	Information on the audit committee and compensation committee	3.1.2.3

14.4	Declaration of compliance with the corporate governance regime in force	3.1
14.5	Potential significant impacts on corporate governance	**-**
15	**EMPLOYEES**	**4.1**
15.1	Number of employees	4.1
15.2	Profit sharing and stock options	4.1.2.9
15.3	Agreement providing for employees' profit sharing in the capital	4.1.2.9
16	**MAIN SHAREHOLDERS**	3.6
16.1	Shareholders holding more than 5% of the share capital on the date of the document's registration	3.6.1.1
16.2	Differential voting rights	3.6.1.2
16.3	Direct or indirect control	3.6.1.3
16.4	Agreement, known whose implementation could result in a change of control	3.6.1.4
17	**TRANSACTIONS WITH RELATED PARTIES**	3.3
18	**FINANCIAL INFORMATION CONCERNING THE ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS OF THE ISSUER**	Chapter 6; Chapter 7
18.1	**Historic financial information**	6; 7
18.1.1	Audited historical financial information for the last three financial years and the audit report	6; 7
18.1.2	Change of accounting reference date	NA
18.1.3	Accounting standards	6; 7
18.1.4	Change in accounting standards	6; 7
18.1.5	Financial information under French accounting standards	6; 7
18.1.6	Consolidated financial statements	6; 7
18.1.7	Date of the latest financial information	6; 7
18.2	**Interim and other financial information**	NA
18.2.1	Quarterly or half-yearly financial information	NA
18.3	**Audit of historical annual financial information**	**6.2; 7.2**
18.3.1	Independent audit of historical annual financial information	6.2; 7.2
18.3.2	Other audited information	NA
18.3.3	Sources and reasons why information was not audited	NA
18.4	**Pro forma financial information**	NA
18.5	**Dividend distribution policy**	**3.6.2**
18.5.1	Description of dividend distribution policy and any applicable restrictions	3.6.2
18.6	Administrative, judicial and arbitration proceedings	**2.1.4.2; 6.1: notes 25 and 31**
18.7	Significant change in financial position	**5.4**
19	**SUPPLEMENTARY INFORMATION**	**3.7**
19.1	**Share capital**	**3.7**
19.1.1	Amount of subscribed capital, number of shares issued and fully paid up and nominal value per share, number of shares authorised	3.7.1
19.1.2	Information related to the shares not representing capital	3.7.2
19.1.3	Amount, accounting value and nominal value of shares held by the issuer	3.7.3
19.1.4	Information relating to convertible, exchangeable ore securities or securities backed by subscription warrants	3.7.5

19.1.5	Information on the conditions governing any acquisition right and/or bond attached to the capital subscribed but not paid-up, or on any company seeking to increase the capital	3.7.6
19.1.6	Information on the capital of any member of the group the subject of an option or conditional or unconditional agreement providing for options and the details of these options	3.7.7; 1.4.3
19.1.7	History of the share capital	3.7.8
19.2	**Constituting deed and articles of association**	**3.5**
19.2.1	Register and corporate object	3.5.1
19.2.2	Rights, privileges and restrictions attached to each class of existing shares	3.5.2.3
19.2.3	Provision delaying, deferring or preventing a change of control	3.5.2.6
20	**KEY CONTRACTS**	**1.9; 3.8**
21	**ACCESSIBLE DOCUMENTS**	**9.3**

10.2 TABLES OF EQUIVALENCE WITH THE ANNUAL FINANCIAL REPORT

In this Universal Registration Document the table of equivalence below identifies the information constituting the annual financial report which must be published pursuant to Articles L.451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulations of the Autorité des marchés financiers.

ANNUAL FINANCIAL REPORT		
No	**ITEM**	**CHAPTERS/PARAGRAPHS**
1.	Annual financial statements	7.1
2.	Consolidated financial statements	6.1
3.	Management report (see paragraph 10.3)	
4.	Declaration by natural persons assuming responsibility for the annual financial report	9.1
5.	Report of the Statutory Auditors on the annual financial statements	7.2
6.	Report of the Statutory Auditors on the consolidated financial statements	6.2

10.3 TABLES OF EQUIVALENCE WITH THE MANAGEMENT REPORT (INCLUDING THE REPORT ON CORPORATE GOVERNANCE)

In this Universal Registration Document the table of equivalence below identifies the information constituting the management report.

MANAGEMENT REPORT

No	ITEM	CHAPTERS/PARAGRAPH(S)
1.	Business and financial position	1.3; 5.1; 5.2
2.	Recent events, trends and prospects	5.3
3.	Research and development	1.8
4.	Description of main risks and uncertainties	2.1
5.	Internal control and risk management procedures	2.3
6.	Use of financial instruments	6.1
7.	Corporate and environmental responsibility (see paragraph 10.4)	Chapter 4
8.	Subsidiaries and equity interests	1.4.2
9.	Dividends distributed over the last three financial years	3.6.2
10.	Other information (payment deadlines, etc.)	6.1; 7.1
11.	Identity of natural or legal persons holding directly or indirectly more than one twentieth, one tenth, three twentieths, one fifth, one quarter, one third, one half, two thirds, eighteen twentieths or nineteen twentieths of the share capital or voting rights at Shareholders' Meetings	3.6.1.1
	ANNEXES	
12.	Summary table of currently valid delegated powers	3.7.1
13.	Table of Company results for the last five financial years	5.1.4
14.	Report of the Chairman of the Board of Directors	Chapter 3
15.	Level of compensation of the Chairman of the Board of Directors, the Chief Executive Officer and each Chief Executive Officer in relation to (i) the average compensation and (ii) the median compensation on a full-time equivalent basis of the issuer's employees other than corporate officers and changes in this ratio over at least the five most recent financial years, presented together and in a manner that allows for comparison	3.2.3

	Choice of the terms and conditions for the exercise of the Executive Management	3.1.1.1
	Composition of the Board of Directors, conditions for the preparation and organisation of the work of the Board of Directors	3.1.1.1; 3.1.2.2; 3.1.2.3
	List of mandates and duties exercised in any company by each representative during the financial year	3.1.1.1
	Compensation of corporate officers	3.2
	Undertakings made in respect of corporate officers	3.2
	Summary of transactions in the Company's securities by corporate officers and their close relations	3.6.1.1
	Description of the diversity policy applied to members of the Board of Directors	3.1.1.1
	Description of the objectives, implementation methods and results obtained during the financial year	3.1.1.1
	Provisions of the Afep-Medef Code excluded and reasons for their exclusion	3.4
	Specific procedures for shareholder participation in the Shareholders' Meeting	3.5.2.3; 3.5.2.5
	Factors likely to have an impact in the event of a takeover bid or exchange offer	3.8
	Information concerning the share capital (capital structure, restrictions of the articles of association and employee share ownership)	3.5 to 3.7
	Review of agreements relating to current transactions entered into under normal conditions	3.3

10.4 TABLE OF EQUIVALENCE WITH INFORMATION ON CORPORATE AND ENVIRONMENTAL RESPONSIBILITIES

In this Universal Registration Document the table of equivalence below identifies the information on corporate and environmental responsibility.

CORPORATE AND ENVIRONMENTAL RESPONSIBILITY		
No.	**ITEM**	**PARAGRAPH(S)**
1.	Corporate information	4.1
	a) Employment	
	Total workforce and distribution of employees	4.1.2.2
	Recruitment and dismissals	4.1.2.3
	Compensation and progression	4.1.2.4
	b) Organisation of work	
	Organisation of working time	4.1.2.5
	Absenteeism	4.1.2.9
	c) Corporate relations	
	Social dialogue organisation	4.1.2.9
	Inventory of collective agreements	4.1.2.9
	d) Health and safety	
	Health and safety in the workplace	4.1.2.6
	Inventory of agreements signed	4.1.2.9
	Occupational accidents and illness	4.1.2.6
	e) Training	
	Policies deployed	4.1.2.8
	Total number of hours of training	4.1.2.8
	f) Equality of treatment	
	Measures adopted to promote male/female equality	4.1.2.7
	Gender balance in higher positions of responsibility	3.1.2.4
	Measures adopted for job creation of employment and employment of the disabled	4.1.2.9
	Policy on combating discrimination	4.1.2.9

CORPORATE AND ENVIRONMENTAL RESPONSIBILITY		
No.	**ITEM**	**PARAGRAPH(S)**
	Diversity policy of the Board of Directors	3.1.1.1
	Compensation policy applicable to executive corporate officers	3.2.3
	g) Promotion and respect of the stipulations of the fundamental conventions of the International Labour Organisation	
	Respect of freedom of association and the right of collective bargaining	4.1.2.1
	Elimination of employment and professional discrimination	4.1.2.1
	Elimination of forced or mandatory labour	4.1.2.1
	Effective abolition of child labour	4.1.2.1
2.	Environmental information	4.3
	a) General environmental policy	
	Organisation of the company	4.3.2
	Training and information of employees	4.1.2.8
	Resources allocated to preventing environmental risks and pollution	4.3.3
	Amount of provisions and guarantees for environmental risks	4.1.1.2
	b) Pollution and waste management	
	Measures for prevention, reduction or repair of scrapped items	4.3.4
	Measures for prevention, recycling and elimination of waste	4.3.4
	Consideration of noise and other forms of pollutions specific to an activity	4.1.1.2
	c) Sustainable use of resources	
	Consumption of water and water supply	4.3.6.2
	Consumption of raw materials and measures adopted to improve efficacious use thereof	4.3.8
	Energy consumption, measures adopted to improve energy efficiency and use of renewable sources	4.3.6.1
	Use of land	4.1.1.2
	d) Climate change	
	Emission of greenhouse gases	4.3.7

CORPORATE AND ENVIRONMENTAL RESPONSIBILITY		
No.	**ITEM**	**PARAGRAPH(S)**
	Adaptation to consequences of climate change	4.3.11
	e) Protection of biodiversity	
	Measures adopted to preserve or develop biodiversity	4.3.10
3.	Information on corporate commitments to sustainable development	4.2
	a) Territorial, economic and social impact of the Company's activity	
	On employment and regional development	4.2.1
	On neighbouring or local populations	4.2.1
	b) Relationships with persons or organisations affected by the Company's activity, notably associations for vocational integration, teaching establishments, associations for the protection of the environment, consumers' associations and of neighbouring populations	
	Conditions for dialogue with said persons or organisations	4.2.5
	Partnership or sponsorship initiatives	4.2.2
	c) Sub-contracting and suppliers	
	Consideration in the purchasing policy of social and environmental challenges	4.2.6
	Extent of sub-contracting and responsibility of suppliers and sub-contractors for social and environmental aspects	4.2.1; 4.2.3; 4.2.6
	d) Fair practices	
	Actions taken to prevent corruption	4.2.7
	Measures adopted for the health and safety of consumers	4.2.8
	c) Other initiatives in favour of human rights	4.2.9

ANNEX I: DEFINITIONS

The terms below shall have the following meanings when used in this Universal Registration Document:

Acetabulum means the articular (joint) cavity of the ilium (hip bone), located on either side of the pelvis, into which the femoral head (the rounded top of the thigh bone) fits to form the hip joint.

AMPLIVISION® means the navigation system developed by the Group and described in Section 1.3.3.3 "*Related services*" in this Universal Registration Document.

ANATOMIC® means the total knee prosthesis manufactured by the Group and described in Section 1.3.3.2 "*A complete product* " in this Universal Registration Document.

Ancillaries means all accessory surgical instruments and software.

ANSM means the *Agence Nationale de la Sécurité du Médicament et des Produits de Santé* (French National Agency for Medicines and Health Products Safety).

ANVISA means the Brazilian Health Surveillance Agency, which is in charge of supervising and regulating medical devices manufactured or sold in Brazil. ANVISA is under the supervision of the Brazilian Health Ministry.

Bertrand Law means French Law No. 2011-2012 of 29 December 2011 on strengthening the safety of medicine and health products.

Bluetooth means a personal wireless network technology (classified as a WPAN, or Wireless Personal Area Network) with a short-range signal enabling the user to connect devices wirelessly.

BSI means the British Standards Institution, an independent British Notified Body that has supervised the Group since 27 March 2015.

CFR means the U.S. Code of Federal Regulations.

CGU means a cash-generating unit as defined in Section 5.1.1.2 "*Significant accounting principles*" in this Universal Registration Document.

CIR means *crédit impôt recherche* (the French Research Tax Credit)

CJEU means the Court of Justice of the European Union.

CLAA means the Indian Central Licensing Approval Authority.

Class action means a common law (Anglo-Saxon) procedure that enables a group of plaintiffs with a common interest to join together as a class to commence an action to assert their right or obtain redress for their injuries.

Clinirecord® means the CLINIRECORD® software and website developed by the Company, which enables surgeons to gather clinical data, as defined in Section 1.3.4.1 of this Universal Registration Document.

Company means Amplitude Surgical, a public limited company (*société anonyme*) with its registered office at 11, Cours Offenbach, Valence (26000), registered with the Romans Trade and Companies Register under number 533 149 688, previously known as OrthoFin I and renamed Amplitude Surgical by the general shareholders' meeting of 5 May 2015.

CRA means the French Amicable Settlement Board.

Cruciate Ligament Tear means a complete or partial tear of one or both of the knee's cruciate ligaments. It is usually the anterior cruciate ligament (*ligamentum cruciatum anterius*), or ACL, that tears. Cruciate ligament tears are caused by exceeding the ligament's maximum tension.

DEKRA means the independent German Notified Body.

DREAL means the *Directions Régionales de l'Environnement, de l'Aménagement et du Logement* (Regional Directorates of the Environment, Development and Housing), which are under the authority of the French Ministry of Ecology and have the primary mission of implementing the Grenelle Environment.

E.T.O.I.L.E.® means the equipment developed by the Group and described in Section 1.3.3.3 "*Related services*" in this Universal Registration Document.

EEA means the European Economic Area.

ERP means the integrated software package "Enterprise Resource Planning".

Fabless model means the Group's economic model as described in Section 1.3.4.5 "*A proven operational and financial model*" in this Registration Document.

FCPA means the U.S. Foreign Corrupt Practices Act of 1977, as amended.

FDA means the U.S. Food and Drug Administration.

FDCA means the U.S. Food, Drug and Cosmetics Act of 1938.

GDP means Gross Domestic Product.

Group means (i) the Company together with (ii) its consolidated subsidiaries, as described in Section 1.4.1 in this Universal Registration Document

Group Company means the Company or any other company or entity i.e. directly or indirectly controlled by the Company within the meaning of Article L.233-3 of the French Commercial Code.

Hallux valgus, or bunion, means the abnormal deviation of the big toe toward the second toe. This deviation results in a deformation of the forefoot at the first metatarsal and of the big toe, thus causing difficulty in wearing shoes. Hallux valgus can make walking painful but can also be painless. Where the deformation rubs against the shoe, a callus (hard thickening of the skin) develops and becomes inflamed (red, hot and swollen). This condition, known as bursitis, makes it difficult to find comfortable shoes. This common deformation of the forefoot affects the other toes which, pushed aside by the first, begin to curl.

i.M.A.G.E.® means the system developed by the Group to permit customised instrumentation using an additional manufacturing machine (3D printer) and described in Section 1.3.3.3 "*Related services*" in this Universal Registration Document.

ICPE means *installations classées pour la protection de l'environnement* (French classified installations for the protection of the environment).

IFRS means International Financial Reporting Standards.

Knee meniscus means the cartilage located between the femur and the tibia. Each knee has two menisci (internal and external). As a result of either age or trauma, the menisci may present various types of lesions: pinches, cracks, tears or dislocation (caused by tears at the points of contact). Sometimes a torn piece of meniscus (or tab) will be found in isolation. The meniscus may also be torn completely in two from front to back. This type of lesion is called a bucket handle meniscus tear. The internal meniscus is more frequently injured than the external meniscus. The menisci undergo repeated micro-traumas throughout life, leading to progressive wear and tear. The degenerative lesions that appear with age are called degenerative tears. Degenerative tears occur more frequently in patients with bow legs (*genu varum*) or knock knees (*genu valgum*) and those who suffer from arthritis of the knee.

LPPR means the *liste des produits et prestations remboursables* (list of products and services reimbursable by French Social Security).

Medical Device Amendments means the amendments to the FDCA enacted on 28 May 1976 to create a framework for the regulation of medical devices.

Non-convertible Bonds are defined in paragraph 5.2.2.2i "*Senior Debt*" in this Universal Registration Document.

Notified Body means a body appointed by a State and certified to assess a product's compliance with national and/or international standards.

OEM or **Original Equipment Manufacturer** means a company that makes parts for use in the end product of another company (the integrator or assembler).

Osteoarthritis means a condition of the joints of mechanical rather than inflammatory origin, manifested as degenerative lesions of the joint and damage to the underlying bone tissue.

Osteoarthritis of the hip means the deterioration of cartilage in the joint located at the top of the thigh, between the femur (thigh bone) and the pelvic cavity (coxofemoral joint). It occurs following strong pressure on the cartilage. Arthritis of the hip is one of the most debilitating types, because – like arthritis of the knee – it affects large joints that bear the body's weight. Dysfunction of the coxofemoral joint may significantly impede walking. It begins with deterioration of the cartilage and gradually begins to affect all of the structures in the joint, in particular the bone under the cartilage. However, normal aging of the cartilage over the course of a lifetime cannot by itself cause arthritis.

Osteoarthritis of the knee means the deterioration of the cartilage of the knee joint. The most common kind is femorotibial arthritis, which affects the joint between the femur (thigh bone) and the tibia (shin bone), but it may also affect the joint between the patella (knee cap) and the femur (this is called patellofemoral arthritis). In general, it affects both knees.

Osteotomy means a surgical procedure in which a long bone is cut in order to change its alignment, size or shape for therapeutic or cosmetic purposes. Such surgeries correct malformations of the lower limb by correcting the tibia or, more rarely, the femur. They are performed by cutting the bone, correcting the malformation and then holding the correction in place. This is a controlled break that requires waiting for the bone to heal through formation of a fibrocartilage callus.

PMDA means the Japanese Pharmaceuticals and Medical Devices Agency.

PMS means the post-marketing surveillance process.

Polyarthritis means a chronic inflammatory joint illness that affects several joints and generally alternates between flares and period of remission. It is an autoimmune disorder characterised by the production of antibodies that attack the synovial membrane, which surrounds joints and secretes synovial fluid, causing the membrane to become inflamed. Without treatment, polyarthritis leads to the malformation or progressive destruction of the affected joints (often the hands and the feet).

Pre-Market Approval means the authorisation that must be obtained from the FDA before marketing any medical device on the U.S. market and defined in Section 1.7.1.2 of this Universal Registration Document.

Pre-Market Notification 510(k) means the registration and supervisory process for medical devices on the U.S. market.

QPC means *Question Prioritaire de Constitutionnalité* (a priority preliminary ruling on the issue of constitutionality).

T2A means the "price per activity" system in use in several countries. In a price per activity system, the allocation of hospital resources, and, as a result, product pricing, depends on the nature and volume of the hospital activities of the institutions in question.

TGA or **Therapeutic Goods Administration** means the Australian authority charged with overseeing and applying medical device regulations.