

MEDIA LAB S.p.a.

Codice fiscale 01228050116 – Partita iva 01228050116

Sede legale: PIAZZA QUATTRO NOVEMBRE 4 - 20124 MILANO MI

Numero R.E.A 1979161

Registro Imprese di MILANO n. 01228050116

Capitale Sociale Euro € 237.000,00 i.v.

Financial report for the year ending 31.12.2017

Dear Shareholders,

The financial statements for the year ending 31.12.2017 which we submit for your approval, show a profit of € 2,559.00

This result was achieved by attributing a tax amount of € 13,668.00 to the pre-tax result of € 16,227.00.

During the year, the company continued to perform the main activity in the field of software production for the dental sector.

As illustrated in the explanatory note, the company with Act rep. 92.168 by the notary Patanè 05.04.2017 increased the share capital from €100,000.00 to €171,250.00 in part free of charge by imputation of the extraordinary reserve of €37,000.00 and in part for a fee by offering these shares to a new member for €34,250.00 plus one surcharge of €65,750.00 and so for the total sum of €100,000.00.

Subsequently with the Act rep. 92.315 by the Notary Patanè of 25.05.2017, the company has further increased the share capital for free from €171,250.00 to €237,000.00 using the premium reserve of €65,750.00 and has also been transformed into a incorporated company with a share capital divided into 2,370,000 shares of €0.10 each.

Lastly, it is announced that on 23.03.2018 the company was listed on the Euronext stock exchange of Paris.

The objective of Media Lab listing on the Euronext Paris Stock Exchange is to allow it to publicly evaluate its business model and access the international financial market in order to establish a leadership in the software market for the dental sector.

Media Lab shares are listed on the Euronext Paris stock exchange through the private placement procedure, after a subscription by institutional investors of €600,000.00. The share capital issued by Media Lab currently includes 2,370,000 shares. Based on a price per share of €3.43 at the time of listing, the company's market capitalization is €8.14 million.

The listing on the Stock Exchange and the entry of new shareholders have guaranteed a flow of capital that will allow new investments in the short term, both in Research and Development and for the penetration into new markets. Participation in international exhibitions in both the Middle and Far East (Dubai and Singapore) has allowed us to expand our market in eastern countries and to start laying the foundations for the search for business partners.

The company that deals with the development and sale of solutions for the dental sector, has developed two product lines, the first dedicated to the software for the management of the dental practice, called ConfiDent, the second dedicated to the software of guided surgery for dental implants, called Implant 3D and GuideDesign. Media Lab products are aimed at a growing European market valued around €450 million by 2024 for management software and over €60 million by 2023 for guided surgery. The main function of ConfiDent, which is an already widespread software, is to provide a complete tool to the dentist including an agenda, a patient database, a clinical diary, an estimate, the billing, the X-Ray and images, messaging and much more.

The aim of Media Lab is to develop ConfiDent in new territories offering translated versions for the main European countries.

The second product line, the implant planning software called Implant 3D, combines sophisticated 3D-medical visualisations, surgical simulation and navigation systems and has been designed to allow dental implant diagnosis and simulation.

In 2017 a new Implant 3D module was developed, called GuideDesign, which allows the creation of surgical guides for the execution of implant prosthetic surgery in guided surgery. Implant 3D and GuideDesign are currently sold in some European countries and Media Lab intends to develop new markets in the coming years. Media Lab has built a hybrid business model, with the sale of software licenses that provide one-off revenues and technical support proposals for its software, with the opportunity of generating recurring revenues.

During 2017 Media Lab Ltd. also took over 100% of the shares of the subsidiary Bionova Ltd., which is also involved in the field of dental aids, providing in particular the surgical guides printing service and the supply of products necessary for the realization of prosthetic implant surgery in guided surgery.

Thanks to its team of experts and developers, Media Lab is in the process of creating new products and market opportunities, in order for the company to grow.

In 2017, the company's turnover increased by around 10% from €616,802.00 to €683,983.00.

The main balance sheet indicators are positive and in particular they are: ROE 0.50% ; ROI 2.02% ; ROS 2.58%.

In 2017 the foundations were also laid for further developments that will continue throughout 2018 on the basis of the initiatives described in the previous paragraphs.

We thank you for your trust and we invite you to approve the budget as presented.

For the Board of Directors
The Chairman
(Dr. Massimo Ivani)