

## SEQUANA MEDICAL

### Limited Liability Company

Registered office: AA Tower, Technologiepark 122, 9052 Ghent, Belgium  
VAT BE 0707.821.866 Register of Legal Entities Ghent, section Ghent

#### EXPLANATORY NOTE

#### ORDINARY GENERAL MEETING

to be held on Thursday 23 May 2019 at 9:00 a.m.

### Introduction

This explanatory note has been prepared on behalf of the Board of Directors of Sequana Medical NV (the "**Company**") in connection with the various items on the agenda of the ordinary general shareholders' meeting of the Company, to be held on Thursday 23 May 2019. Pursuant to Article 533bis, §2, d) of the Belgian Companies Code, this note contains for each of the items on the agenda of the aforementioned ordinary general shareholders' meeting a proposed resolution.

For further information on date, hour and venue of the ordinary general shareholders' meeting and the manner in which the holders of securities issued by the Company can participate to the meeting, reference can be made to the notice convening the ordinary general shareholders' meeting.

### AGENDA

**Agenda and proposed resolutions:** The agenda and the proposed resolutions of the ordinary general shareholders' meeting of the Company, which, as the case may be, can be amended at the meeting on behalf of the Board of Directors, are as follows:

#### 1. Reports on the statutory financial statements

Submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the statutory financial statements for the financial year ended on 31 December 2018.

*Explanation:* This agenda item relates to the submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the statutory financial statements for the financial year ended on 31 December 2018. Copies of these documents are available on the Company's website and at the Company's registered office, as indicated in the notice convening the ordinary general shareholders' meeting.

#### 2. Approval of the statutory financial statements

Approval of the statutory financial statements for the financial year ended on 31 December 2018, and of the proposed allocation of the result.

*Proposed resolution:* The general shareholders' meeting approves the statutory financial statements for the financial year ended on 31 December 2018, as well as the allocation of the result as proposed by the Board of Directors.

*Explanation:* This agenda item relates to the approval of the statutory financial statements for the financial year ended on 31 December 2018, and of the proposed allocation of the result. Pursuant to the Belgian Companies Code, the ordinary general shareholders' meeting must decide on the approval of the statutory financial statements and the proposed allocation of the Company's profit or loss. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the ordinary general shareholders' meeting.

### **3. Consolidated financial statements**

Submission of the consolidated financial statements for the financial year ended on 31 December 2018.

*Explanation:* This agenda item relates to the submission of the consolidated financial statements for the financial year ended on 31 December 2018. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the ordinary general shareholders' meeting.

### **4. Reports on the consolidated financial statements**

Submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the consolidated financial statements for the financial year ended on 31 December 2018.

*Explanation:* This agenda item relates to the submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the consolidated financial statements for the financial year ended on 31 December 2018. Copies of these documents are available on the Company's website and at the Company's registered office, as indicated in the notice convening the ordinary general shareholders' meeting.

### **5. Discharge from liability of the Directors**

*Proposed resolution:* The general shareholders' meeting grants discharge from liability to each of the Directors who was in office during the previous financial year, for the performance of his or her mandate during that financial year.

*Explanation:* This agenda item relates to the release from liability for the Directors for the performance of their mandate during 2018. Pursuant to the Belgian Companies Code, the ordinary general shareholders' meeting must each year, after the approval of the statutory financial statements, decide separately on the release from liability of the Directors. For an overview of the Directors who were in office in 2018, reference can be made to the Corporate Governance Statement included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the ordinary general shareholders' meeting.

### **6. Discharge from liability of the Statutory Auditor**

*Proposed resolution:* The general shareholders' meeting grants discharge from liability to the Statutory Auditor which was in office during the previous financial year, for the performance of its mandate during that financial year.

*Explanation:* This agenda item relates to the release from liability for the Statutory Auditor for the performance of its mandate during 2018. Pursuant to the Belgian Companies Code, the ordinary general shareholders' meeting must each year, after the approval of the statutory financial statements, decide on the release from liability of the Statutory Auditor.

## 7. Remuneration report

Submission of, discussion on and approval of the remuneration report prepared by the Remuneration and Nomination Committee, and included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

*Proposed resolution:* The general shareholders' meeting approves the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

*Explanation:* This agenda item relates to the submission of, discussion on and approval of the remuneration report prepared by the Remuneration and Nomination Committee. Pursuant to the Belgian Companies Code, the ordinary general shareholders' meeting must decide separately on the approval of the remuneration report. The remuneration report is included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the ordinary general shareholders' meeting.

## 8. Appointment of Mr. Jason Hannon as independent non-executive director

Taking into account the advice of the Remuneration and Nomination Committee, the Board of Directors recommends to appoint Mr. Jason Hannon as an independent non-executive director within the meaning of Article 526ter of the Belgian Company Code and provision 2.3 of the Belgian Corporate Governance Code. Mr. Hannon has extensive experience in the medical devices industry and is currently also Chief Executive Officer at Mainstay Medical International plc, a global medical device company focused on the development and commercialisation of an innovative implantable neurostimulation system designed to treat chronic low back pain. Mr. Hannon previously served as President and Chief Operating Officer of NuVasive (NASDAQ:NUVA), a leading medical device company focused on transforming spine surgery with minimally disruptive, procedurally-integrated solutions. He helped grow NuVasive from a small U.S.-centric business with a handful of products into the third largest spine company in the world. During his 12 years at NuVasive, Mr. Hannon led the international business, was responsible for business development and strategy, and also served as general counsel. During his tenure, the NuVasive's commercial presence was expanded globally to more than 40 countries, revenue grew from \$61 million to almost \$1 billion, and the product portfolio expanded to over 100 products. Mr. Hannon has a JD degree from Stanford University Law School and a BA degree from the University of California, Berkeley.

*Proposed resolution:* The ordinary general shareholders' meeting resolves to appoint Mr. Jason Hannon as independent non-executive director of the Company within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of three years, until the closing of the ordinary general shareholders' meeting to be held in 2022, which will have decided upon the financial statements for the financial year ended on 31 December 2021. The information known to the Company and the information provided by Mr. Jason Hannon show that Mr. Jason Hannon complies with the applicable independence requirements. Mr. Jason Hannon's mandate will be remunerated as set out with respect to non-executive directors in the remuneration report included in the annual report of the Board of Directors for the financial year ended 31 December 2018.

*Explanation:* This agenda item relates to the proposed appointment of Mr. Jason Hannon as independent non-executive director for a term of three years.

**9. Determination of the remuneration of the Chairman of the Board of Directors**

*Proposed resolution:* The general shareholders' meeting decides to increase the fixed annual remuneration of the Chairman of the Board of Directors from forty thousand euros (EUR 40,000) to sixty thousand euros (EUR 60,000).

*Explanation:* This agenda item relates to the proposed increase of the remuneration of the Chairman of the Board of Directors.

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Done on 23 April 2019

On behalf of the Board of Directors