sequanamedical

H1 2020 Financial Results & Business Update

3 September 2020

Today's presenters

Ian Crosbie
Chief Executive Officer

Kirsten Van Bockstaele
Chief Financial Officer

Forward-Looking Statements

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Disclaimers

Regulatory disclaimer:

- The **alfa**pump® system is not currently approved in the United States or Canada. In the United States and Canada, the **alfa**pump® system is currently under clinical investigation (POSEIDON Study) and is being studied in adult patients with refractory or recurrent ascites due to cirrhosis. For more information regarding the POSEIDON clinical study see www.poseidonstudy.com.
- The DSR therapy is still in development and it should be noted that any statements regarding safety and efficacy arise from ongoing pre-clinical and clinical investigations which have yet to be completed. The DSR therapy is not currently approved for clinical research in the United States or Canada. There is no link between the DSR therapy and ongoing investigations with the **alfa**pump® system in Europe.

COVID-19 disclaimer:

- Sequana Medical is closely following the evolution of the COVID-19 global health crisis and is in constant dialogue with its partners to assess the impact and adapt its operations as necessary.
- Sequana Medical has put in place mitigation plans to minimise delays. The impact of increased demands on the healthcare systems, restrictions on non-essential hospital visits and procedures, social-distancing and travel restrictions may result in further delays to execution of clinical studies and impact sales.
- Sequana Medical will continue to update the market as needed and whenever possible.

Agenda

- YTD 2020 Highlights
- Business Update
- Key Financial Results H1 2020
- Core Value Drivers & Outlook
- Q&A

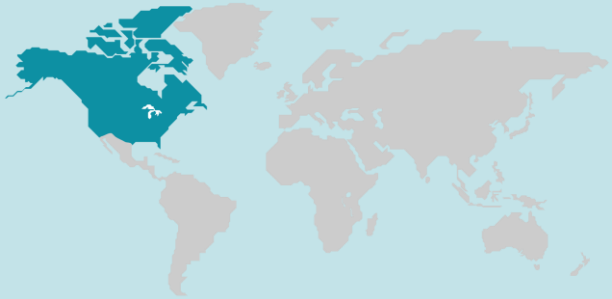
YTD 2020 Highlights

- POSEIDON – implants in Canada continue, interim results expected in H1 2021
- RED DESERT – implants continue, interim results expected in Q4 2020
- DSR – fundamental patents allowed in US and Europe
- Continued growth in European commercial implants
- Positive data published in two leading peer-reviewed publications
- Appointment of Dr Oliver Gödje as Chief Medical Officer
- Cash runway extended into H2 2021 through
  - ✓€19M equity financing (January 2020)
  - ✓€7.3M debt financing (July 2020)

Strategic Focus

alfapump®

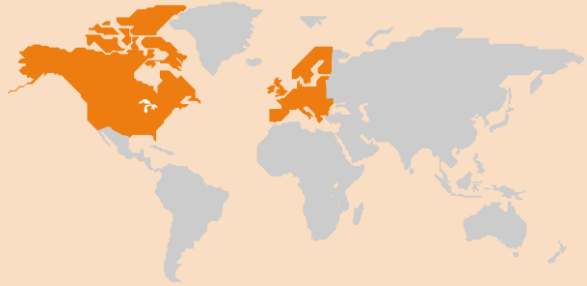
Liver Disease (NASH)



- POSEIDON pivotal study ongoing
- Self-commercialisation

alfapump® DSR

Heart Failure

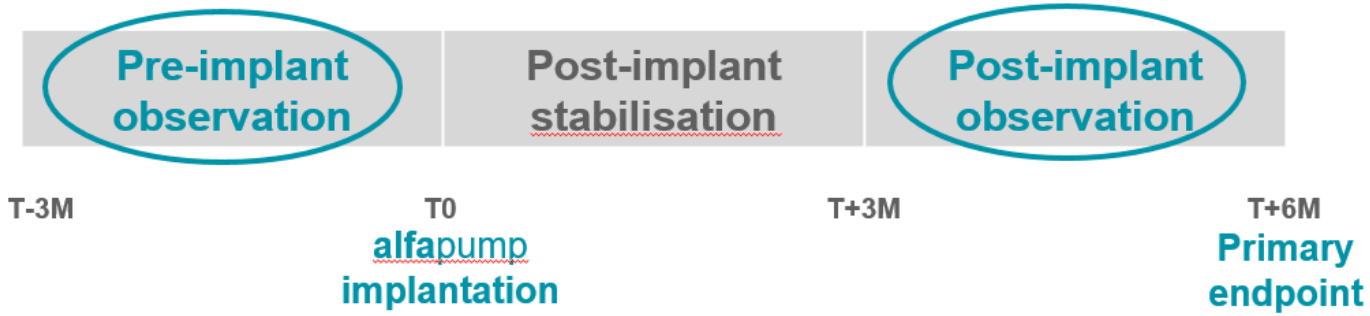


- RED DESERT repeated dose study ongoing
- Partnering after US feasibility study

Built upon proven European clinical & commercial experience

POSEIDON – to support approval in US and Canada

North American pivotal study of the alfapump® in recurrent and refractory ascites due to liver cirrhosis



Proportion of patients with a 50% reduction in average number of paracentesis per month post-implant vs pre-implant

- Delay due to COVID-19 restrictions on travel and non-essential hospital visits and procedures
  - Canadian sites resumed implants in patients
  - US sites continued patient screening. Patient enrolment expected to resume in Q4 2020
  - Completion of patient enrolment expected in Q1 2021
- Roll-in cohort: up to 30 patients ⇨ interim results expected in H1 2021
- Study cohort: up to 50 patients ⇨ primary endpoint read-out expected in Q1 2022
- FDA regulatory submission expected in H1 2022

Note: Presented timelines are subject to further developments related to the COVID-19 pandemic

Limitations of Diuretic Therapy in Heart Failure

High unmet need for safe and effective chronic treatment solution to treat volume overload

Diuretics primarily remove hypotonic urine

Body retains water and cuts back on urination to restore homeostasis

- *40% of heart failure patients on IV loop diuretics have a poor response*
- *24% hospital re-admission rate at 30 days*

Sources: Testani, Circ Heart Failure, 2014 & 2016; Ross et al. (2010)

Direct Sodium Removal (DSR)

Sequana Medical's breakthrough approach to volume overload in heart failure

DSR therapy directly removes the sodium

Body eliminates excess fluid

"DSR represents a new potential therapy for non-renal sodium and fluid removal in edematous disorders such as heart failure"

Circulation

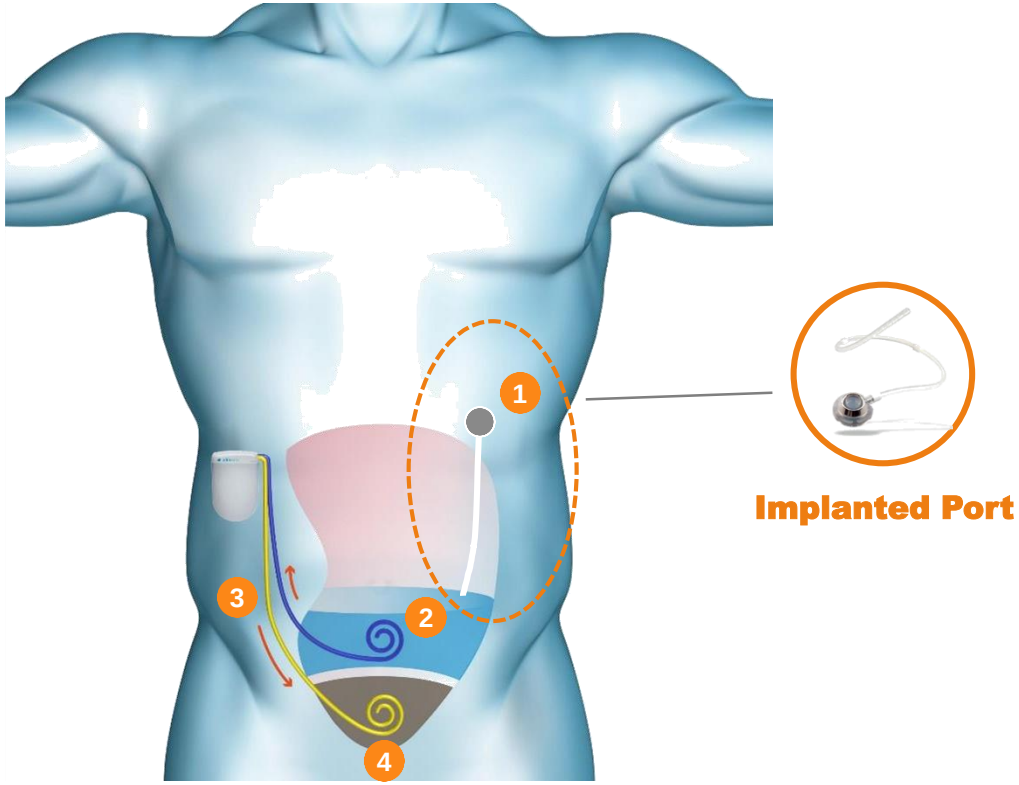
First in Human Experience with Peritoneal Direct Sodium Removal Using a Zero Sodium Solution: A New Candidate Therapy for Volume Overload

Veena S. Rao, Jeffrey M. Turner, Matthew Griffin, Devin Mahoney, Jennifer Asher, Sangchoon Jeon, Peter S. Yoo, Nabil Boutagy, Attila Feher, Albert Sinusas, F. Perry Wilson, ... Show all Authors

Originally published 8 Jan 2020 | https://doi.org/10.1161/CIRCULATIONAHA.119.043062 | Circulation. ;0:null

alfapump® DSR

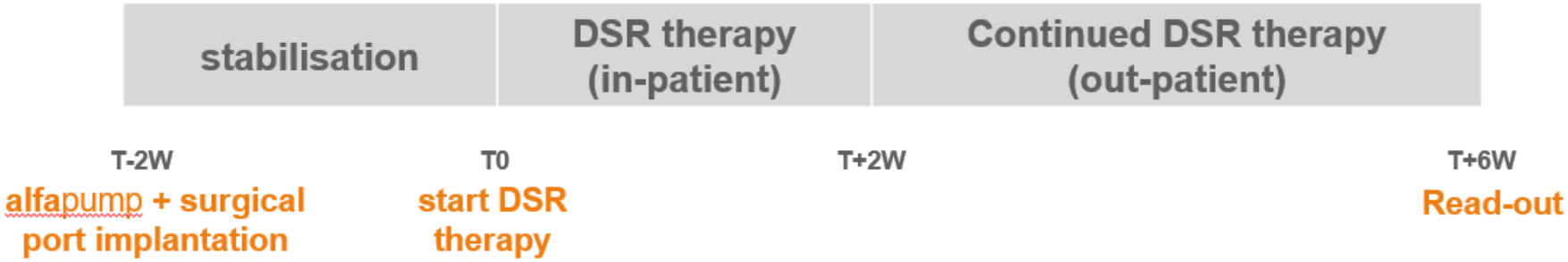
Potential chronic therapy for heart failure patients that are not well controlled on diuretics



- ✓ **Direct Sodium Removal**
- ✓ **alfa**pump system
- ✓ **Implanted port**

RED DESERT

Repeated dose proof-of-concept study of the alfapump® DSR in diuretic-resistant heart failure patients



- Patient enrolment resumed
- Interim results (up to 5 patients) expected in Q4 2020
- Top-line results (up to 10 patients) expected in H1 2021
- Key Opinion Leader (KOL) event planned in Q4 2020

Safety: absence/rate of device, procedure and/or therapy related serious adverse events

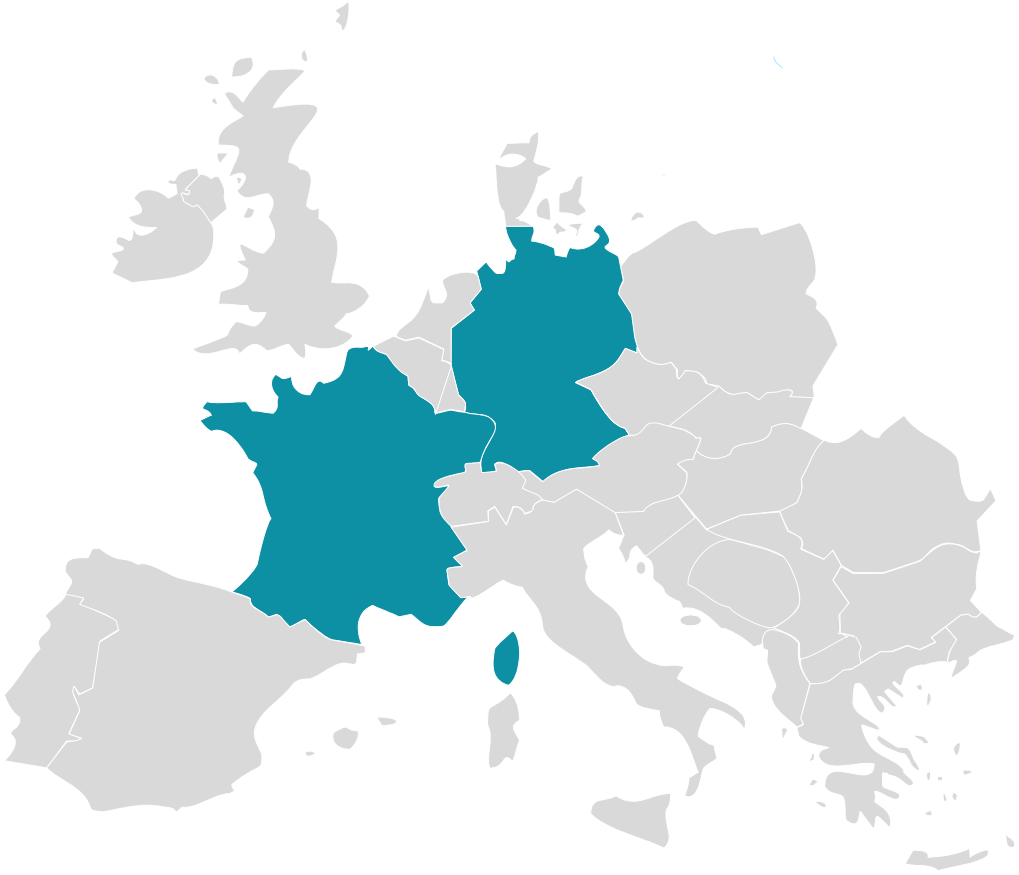
Feasibility: ability of the **alfa**pump DSR to maintain a neutral sodium balance and maintain euvolemia

Exploratory: impact of DSR to restore response to diuretics

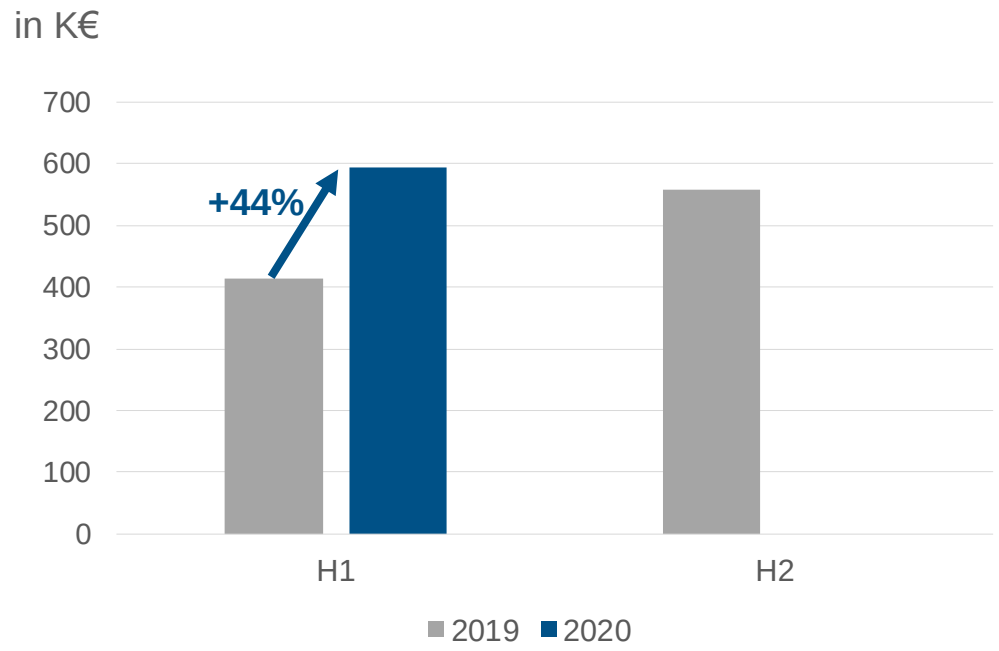
Note: Presented timelines are subject to further developments related to the COVID-19 pandemic

Continued growth in European commercial sales

Refined focus on key markets



H1 2020 revenue up +44% vs H1 2019



Key Financial Results H1 2020

Revenue: €595K (+ 44%)

- Strong growth in Germany and France

Operating expenses: - €9,397K (+ 31%)

- Ongoing Clinical studies and associated Supply Chain costs

Net result: - €9,554K

Cash position of €14.9M at end of H1 2020

Post period:

- Repayment Bootstrap loan (€3.2M)
- Debt financing (€7.3M)

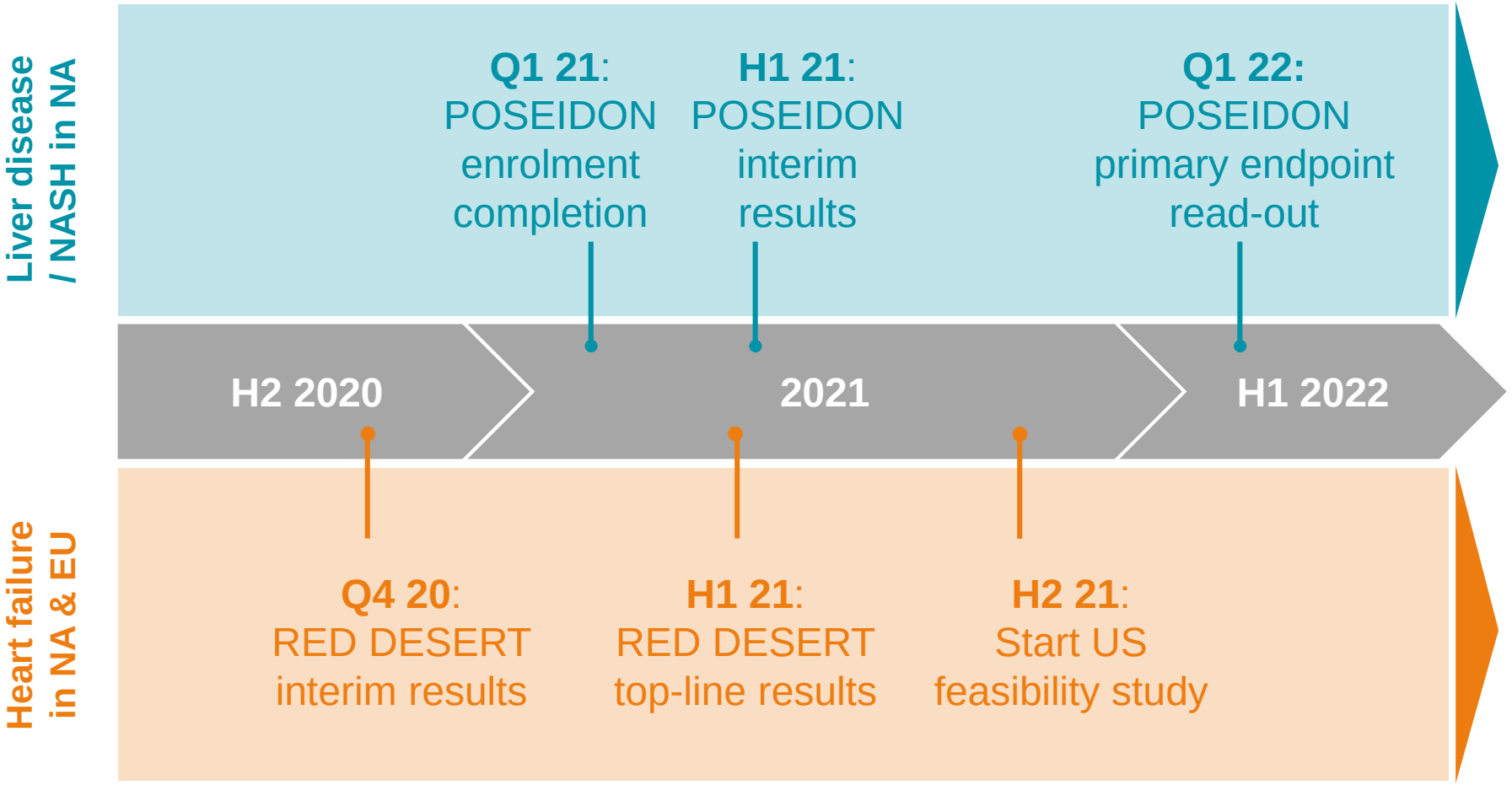
Cash runway extended into H2 2021

€7.3M Debt Financing in July 2020

- Three-year subordinated unsecured loan
- Straight loan of €5.9M (6% interest)
- Convertible part of €1.4M (5% interest)
  - in the event of an equity financing or sale of the Company
  - at 75% of the price of the Company's shares as will be reflected in the equity financing or sale
- Repayable in full (principal and interest) upon expiry of the term (July 2023)

Expected Core Value Drivers & Outlook

Outlook:



Objectives:

Obtain regulatory approval of the **alfa**pump® for treatment of recurrent and refractory ascites and commercialise through our **own specialty salesforce**

Advance clinical development of the **alfa**pump DSR for treatment of volume overload and establish a **strategic partnership** for development and commercialisation post US feasibility study

Note: Presented timelines are subject to further developments related to the COVID-19 pandemic

Q&A