

SEQUANA MEDICAL

Limited Liability Company

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

REPORT OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLES 7:180 AND 7:191 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE

1. INTRODUCTION

This report has been prepared by the board of directors of Sequana Medical NV (the "**Company**") in accordance with Articles 7:180 and 7:191 of the Belgian Companies and Associations Code (as defined below). It relates to the proposal of the board of directors to issue a total number of 1,000,000 share options in the form of subscription rights (the "**2021 Share Options**") in order to enable the Company to grant them to certain members of the personnel of the Company and its subsidiaries from time to time, within the meaning of Article 1:27 of the Belgian Companies and Associations Code (the "**Selected Participants**"), in the framework of a share option plan, called the "**2021 Share Option Plan**", and the proposal of the board of directors to dis-apply, in the interest of the Company, the statutory preferential subscription right of the Company's existing shareholders and, insofar as required, of the Company's existing holders of subscription rights (share options), for the benefit of the Selected Participants. The proposals will be submitted to an extraordinary general shareholders' meeting to be held before a notary public (the "**EGM**").

In accordance with Article 7:180 of the Belgian Companies and Associations Code, the board of directors provides in this report a justification of the proposed issuance of 2021 Share Options, with notably a justification of the proposed exercise price of the 2021 Share Options and a description of the consequences of the proposed issuance of 2021 Share Options for the financial and shareholder rights of the shareholders of the Company.

In accordance with Article 7:191 of the Belgian Companies and Associations Code, the board of directors also provides in this report a justification of the proposed dis-application of the statutory preferential subscription right of the existing shareholders and, insofar as required, of the existing holders of subscription rights (share options), for the benefit of the Selected Participants in connection with the proposed issuance of 2021 Share Options and a description of the consequences thereof for the financial and shareholder rights of the shareholders.

This report must be read together with the report prepared in accordance with Articles 7:180 and 7:191 of the Belgian Companies and Associations Code by the Company's statutory auditor, PwC Bedrijfsrevisoren BV, a private company with limited liability organised and existing under the laws of Belgium, with registered office at Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, Belgium, represented by Mr. Peter D'hondt, auditor.

This report has been prepared in accordance with the Belgian Companies and Associations Code of 23 March 2019 (as amended) (the "**Belgian Companies and Associations Code**").

2. PROPOSED ISSUANCE OF THE 2021 SHARE OPTIONS

The board of directors proposes to issue a total number of 1,000,000 2021 Share Options to the Selected Participants in order to realise, amongst other things, the following corporate and human resources goals:

- (a) to encourage and motivate Selected Participants;
- (b) to enable the Company and its Subsidiaries to attract new members of the personnel and retain existing members of the personnel with the required experience and skills; and
- (c) to align the interests of the Selected Participants closer to the interests of the shareholders of the Company by giving them the opportunity to acquire shares in the Company and thereby share in the benefits of a potential increase of the value of the Company.

In order to enable the Company to grant the 2021 Share Options to the Selected Participants in accordance with the proposed terms and conditions of the 2021 Share Option Plan attached hereto as Annex A, the board of directors proposes to dis-apply, in the interest of the Company, the statutory preferential subscription right of the Company's existing shareholders and, insofar as required, of the Company's existing holders of subscription rights (share options), for the benefit of the Selected Participants. The issuance of the 2021 Share Options and the resolution on the dis-application of the preferential subscription right shall be submitted to the EGM.

The main terms governing the 2021 Share Options can be summarized as follows:

- (a) Term of the 2021 Share Options: The duration of a 2021 Share Option shall be ten (10) years as of the date on which they are issued. The relevant sub-plan or share option agreement can however provide for a shorter term
- (b) Form of the 2021 Share Options: The 2021 Share Options shall be issued as subscription rights in registered form.
- (c) Underlying shares: Each 2021 Share Option shall entitle the holder thereof to subscribe for one new share to be issued by the Company. The new shares to be issued upon the exercise of the 2021 Share Options shall have the same rights and benefits as, and shall rank *pari passu* in all respects, including as to entitlement to dividends and other distributions, with the existing and outstanding shares of the Company at the moment of their issue and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of issue of the shares.
- (d) Dis-application of the statutory preferential subscription right: The board of directors proposes to dis-apply, in the interest of the Company, the statutory preferential subscription right of the Company's existing shareholders and, insofar as required, of the Company's existing holders of subscription rights (share options), for the benefit of the Selected Participants in accordance with Article 7:191 of the Belgian Companies and Associations Code, as relevant.
- (e) Confirmation of the subscription to the 2021 Share Options by the Company: Subject to the dis-application of the statutory preferential subscription right of the Company's existing shareholders and, insofar as required, of the Company's existing holders of subscription rights (share options), for the benefit of the Selected Participants in accordance with Article 7:191 of the Belgian Companies and Associations Code, the Company shall be able to subscribe for the 2021 Share Options, with a view to creating a pool of outstanding 2021 Share Options available for further grants to Selected

Participants. The Company may not, however, exercise the 2021 Share Options for its own account.

- (f) Issuance price of the 2021 Share Options: The 2021 Share Options will be granted free of charge.
- (g) Exercise price of the 2021 Share Options: The exercise price of a 2021 Share Option shall be determined by the board of directors of the Company on the date of the grant thereof.

The exercise price of a 2021 Share Option will at least be equal to, as chosen by the board of directors, either (i) the average of the closing prices of the share as quoted on the relevant market on which the shares of the Company are listed or trading during the thirty (30) day period, or any other relevant period which is determined by the board of directors on the basis of foreign legal or tax provisions, preceding the date of grant of the relevant 2021 Share Options (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference), or (ii) the closing price of the share as quoted on the relevant market on which the shares of the Company are listed or trading on the day preceding the date of grant of the relevant 2021 Share Options (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference).

- (h) Vesting policy: Unless stipulated otherwise in the relevant sub-plan and/or share option agreement, one third (1/3) of the 2021 Share Options granted to a Selected Participant shall vest one year after the date of grant, and the remaining two thirds (2/3) of the 2021 Share Options granted to a Selected Participant shall vest in eight (8) equal instalments on the last calendar day of each of the eight (8) quarters following the first anniversary of the date of grant. If a portion of one third (1/3) or one eighth (1/8) of the aggregate number of 2021 Share Options granted to the Selected Participant does not constitute a whole number of 2021 Share Options, the relevant portion shall be rounded down to the nearest whole number of 2021 Share Options. The remaining Share Options that have not yet vested and become vested 2021 Share Options during the preceding seven (7) quarters following first anniversary of the date of grant because of the aforementioned rounding rule, shall vest and become vested 2021 Share Options during the eighth (8th) quarter following the first anniversary of the date of grant.
- (i) Exercisability: : Unless stipulated otherwise in the relevant sub-plan and/or share option agreement, a vested 2021 Share Option shall be exercisable by the Selected Participant as of the first exercise period following the moment upon which it became a vested 2021 Share Option and can be further exercised during any subsequent exercise period until the term of the 2021 Share Option concerned expires.
- (j) Transferability of the 2021 Share Options: The 2021 Share Options granted to the Selected Participants will generally not be transferable (except in case of decease in the event of 2021 Share Options granted to a natural person and except if the board of directors decides otherwise).
- (k) Exercise of the 2021 Share Options: Each of the 2021 Share Options may be exercised starting as from the date of issuance until 10 years as of the date on which they are issued, at the times and in the manner specified in the 2021 Share Option Plan.
- (l) Increase of the share capital of the Company: Upon exercise of 2021 Share Options and issue of new shares, the aggregate amount of the exercise price of the 2021 Share Options will be allocated to the share capital of the Company. To the extent that the amount of the exercise price of the 2021 Share Options, per share to be issued upon

exercise of the 2021 Share Options, exceeds the fractional value of the then existing shares of the Company existing immediately prior to the issue of the new shares concerned, a part of the exercise price, per share to be issued upon exercise of the 2021 Share Options, equal to such fractional value shall be booked as share capital, whereby the balance shall be booked as issue premium. In accordance with Article 7:178 of the Belgian Companies and Associations Code, following the capital increase and the issuance of new shares, each of the shares (existing and new) shall represent the same fraction of the Company's share capital.

- (m) Issue premium: Any issue premium that will be booked in connection with the 2021 Share Option Plan shall be will be booked on a separate account as net equity on the liabilities side of the Company's balance sheet and can only be reduced in execution of a valid decision of the Company in accordance with the Belgian Companies and Associations Code.

For the sake of completeness, the board of directors will submit to the EGM the approbation and ratification, insofar as required in accordance with Article 7:151 of the Belgian Companies and Associations Code, of all clauses included in the 2021 Share Option Plan, which come into effect at the moment a change of control occurs and which fall or could be considered to fall within the scope of Article 7:151 of the Belgian Companies and Associations Code (relating to the granting of rights to third parties that substantially affect the Company's assets and liabilities, or give rise to a substantial debt or commitment on its behalf, when the exercise of these rights is subject to the launching of a public takeover bid on the shares of the Company or to a change in the control exercised over it), including, without limitation, the automatic accelerated vesting mechanism in the event of a "Change of Control" (as further defined in the 2021 Share Option Plan).

Insofar as required and applicable, the board of directors will also submit to the EGM for its approval that (i) the 2021 Share Options to be granted under the "2021 Share Option Plan" shall not be considered "variable remuneration", "fixed remuneration" or "annual remuneration" within the meaning of the Belgian Companies and Associations Code (including, without limitation, for the purpose of articles 3:6, §3, 7:89/1, 7:90, 7:91, 7:92, 7:100, 7:108 and 7:121 of the Belgian Companies and Associations Code) and the 2020 Corporate Governance Code (including, without limitation, for the purpose of provision 11 of the 2020 Corporate Governance Code), and that (ii) in accordance with article 7:91, 7:108 and 7:121 (as applicable) of the Belgian Companies and Associations Code, the EGM approves the vesting conditions and mechanisms of the 2021 Share Options, as included in the 2021 Share Option Plan.

3. JUSTIFICATION OF THE PROPOSED ISSUANCE OF 2021 SHARE OPTIONS

The board of directors of the Company deems the proposed issuance of the 2021 Share Options to be in the Company's interest because, on the one hand, it enables the Company to receive new financial resources if and when the 2021 Share Options are exercised and, on the other hand, it enables the Company to offer to the Selected Participants a (potential) participation in the Company's share capital, which, according to the board of directors, can be considered an appropriate tool to value the loyalty and motivation of the Selected Participants and to encourage such loyalty and motivation.

The Selected Participants that will be granted 2021 Share Options will also include the Company's non-independent non-executive directors. This is contrary to provision 7.6 of the 2020 Belgian Corporate Governance Code, which provides that no share options should be granted to non-executive directors. The Company believes that this provision of the 2020 Belgian Corporate Governance Code is not appropriate and does not take into account the realities of companies in the biotech and life sciences industry. Notably, the ability to

remunerate non-executive directors (other than the non-executive independent directors) with share options allows the Company to limit the portion of remuneration in cash that the Company would otherwise need to pay to attract or retain renowned global experts with the most relevant skills, knowledge and expertise. The Company is of the opinion that granting non-independent non-executive directors the opportunity to be remunerated in part in share-based incentives rather than all in cash enables the non-independent non-executive directors to link their effective remuneration to the performance of the Company and to strengthen the alignment of their interests with the interests of the Company's shareholders. The Company believes that this is in the interest of the Company and its stakeholders. Furthermore, the Company believes that this is customary for directors active in companies in the life sciences industry. The Company is still considering whether share options or subscription rights will be granted to non-executive independent directors, but has not yet formally concluded on this matter. If possible and so decided by the board of directors, the non-executive independent directors can also be Selected Participants.

For a more detailed description of the purpose and the objective of the proposed issuance of the 2021 Share Options, reference is made to Article 2 of the 2021 Share Option Plan attached hereto as Annex A.

Finally, the proposed issuance of the 2021 Share Options is also in line with the proposed remuneration policy that the board of directors, upon recommendation of the nomination and remuneration committee, will submit for approval to the EGM.

For all of the above reasons, the board of directors believes that the proposed issuance of the 2021 Share Options is in the interest of the Company, its shareholders, and other stakeholders.

4. JUSTIFICATION OF THE PROPOSED ISSUANCE PRICE AND EXERCISE PRICE OF THE SHARE OPTIONS

Pursuant to the terms and conditions of the 2021 Share Option Plan, the 2021 Share Options will be granted to the Selected Participants without any further consideration.

The exercise price of the 2021 Share Options shall be determined as summarised in section 2(g) of this report. For a detailed overview of the conditions concerning the price and exercise price of the 2021 Share Options, reference is made to Articles 6.1 and 6.2 of the terms and conditions of the 2021 Share Option Plan attached hereto as Annex A.

The board of directors considers the proposed exercise price of the 2021 Share Options to be justified since (amongst other things) the exercise price as determined above has as a consequence that the shares to be issued following the exercise of the 2021 Share Options will not be issued at a discount relative to the lower of (i) the average of the closing prices of the share as quoted on the relevant market on which the shares of the Company are listed or trading during the thirty (30) day period, or any other relevant period which is determined by the board of directors on the basis of foreign legal or tax provisions, preceding the date of grant of the relevant 2021 Share Options (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference), or (ii) the closing price of the share as quoted on the relevant market on which the shares of the Company are listed or trading on the day preceding the date of grant of the relevant 2021 Share Options (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference). The foregoing limits the potential financial dilution to a certain extent and it enables the Company to obtain additional cash resources as mentioned above and further described below.

Whether or not a 2021 Share Option will be exercised depends on the (sole) decision of the holder of the 2021 Share Option. Such decision will depend on the price of the share of the

Company at the moment of the decision whether or not to exercise as compared with the exercise price of the 2021 Share Option, since essentially, the holder can realise a capital gain at the exercise of the 2021 Share Option if the price of the share of the Company at that moment is higher than the exercise price of the 2021 Share Option (not taking into account the possible tax related costs and assuming that the holder of the 2021 Share Option can sell the underlying share at such price on the market).

Upon exercise of the Share Options, the exercise price shall be booked as share capital and issue premium as further described in sections 2(l) and 2(m) of this report.

Hence, in view of all of the foregoing, the board of directors believes that the proposed issue price and exercise price of the 2021 Share Options can be sufficiently justified.

5. JUSTIFICATION OF THE DIS-APPLICATION OF THE PREFERENTIAL SUBSCRIPTION RIGHT

The board of directors proposes to issue a total number of 1,000,000 2021 Share Options, to be offered to the Selected Participants, in accordance with the terms and conditions of the 2021 Share Option Plan.

Each 2021 Share Option shall entitle the Selected Participant to acquire one (1) share of the Company, to which the same rights and benefits as the outstanding shares of the Company are attached. All 2021 Share Options together entitle the holders thereof to subscribe for an aggregate 1,000,000 new shares of the Company, which equals to approximately 5.40 % of the existing shares representing the share capital of the Company immediately prior to the issuance of the 2021 Share Options (assuming all the granted 2021 Share Options are fully exercisable and exercised under the terms and conditions of the 2021 Share Option Plan).

In order to be able to offer the 2021 Share Options to the Selected Participants in accordance with the proposed terms and conditions of the 2021 Share Option Plan, the board of directors proposes to dis-apply the statutory preferential subscription right of the Company's existing shareholders and, insofar as required, of the Company's existing holders of subscription rights (share options).

For all of the above reasons, the board of directors is of the opinion that the proposed issuance of 2021 Share Options, with proposed dis-application of the statutory preferential subscription right, and notwithstanding the dilution following therefrom for the other shareholders and the holders of subscription rights (share options), is in the interest of both the Company and the existing shareholders and holders of subscription rights (share options).

6. CERTAIN FINANCIAL AND OTHER CONSEQUENCES

6.1. Introductory comments

The following paragraphs provide an overview of certain financial consequences of the proposed issuance of 2021 Share Options. For further information with regard to the financial consequences of the proposed issuance of 2021 Share Options, reference is also made to the report prepared in accordance with Articles 7:180 and 7:191 of the Belgian Companies and Associations Code by the statutory auditor of the Company, PwC Bedrijfsrevisoren BV.

The actual financial consequences resulting from the proposed issuance of 2021 Share Options cannot yet be determined with certainty, as the final exercise price of the respective 2021 Share Options is still to be determined and will depend on the price of the Company's shares on the relevant regulated market or trading platform prior to the date of the grant of the 2021 Share

Options. In addition, whether or not certain financial consequences will materialise will depend on whether the 2021 Share Options will be granted to Selected Participants, and whether these 2021 Share Options will ultimately be exercised. The decision to exercise the 2021 Share Options is a decision that solely rests with the holder of the 2021 Share Options, and will likely be in function of the market price of the shares of the Company at the moment of exercise compared to the exercise price of the relevant 2021 Share Options (see also below).

Accordingly, the discussion herein of the financial consequences of the proposed issuance of the 2021 Share Options for existing shareholders is purely illustrative and hypothetical, and is based on purely indicative financial parameters (where relevant). The actual number of shares to be issued upon exercise of the 2021 Share Options and their exercise price may vary significantly from the hypothetical values used in this report.

Subject to the foregoing reservations, for the purposes of the illustration of some of the financial consequences and notably the dilution for the shareholders, the following parameters and assumptions were used:

- (a) At the date of this report, the share capital of the Company amounts to EUR 1,920,626.45, represented by 18,535,519 shares without nominal value, each representing the same fraction of the share capital, *i.e.*, rounded EUR 0.1036. The share capital is entirely and unconditionally subscribed for and is fully paid-up.

In the first half of April 2021, the Company was informed that a number of holders of Executive Share Options (as defined below) and 2018 Share Options (as defined below) intend to exercise a total number of, respectively, 10,705 Executive Share Options and 9,851 2018 Share Options at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges). For the purpose of the calculations further below, it is therefore assumed that, as a result of this exercise of Executive Share Options and 2018 Share Options, the share capital of the Company amounts to EUR 1,924,847.15 (instead of EUR 1,920,626.45), represented by 18,576,252 shares (instead of 18,535,519 shares) without nominal value, each representing the same fraction of the share capital, *i.e.*, rounded EUR 0.1036.

- (b) At the date of this report, 1,788,625 shares can still be issued by the Company, of which:
- (i) 302,804 new shares can be issued upon the exercise of one subscription right that was granted in 2016 to Bootstrap Europe S.C.SP. (the "**Bootstrap Subscription Right**");
 - (ii) 295,782 new shares can be issued upon the exercise of 102,527 share options that are still outstanding (at the date of this report) under the "Executive Share Options" plan for staff members and consultants of the Company, entitling the holder thereof to acquire ca. 2.88 shares when exercising one of his or her share options (the "**Executive Share Options**"). In the first half of April 2021, the Company was informed that a number of holders of Executive Share Options (as defined below) intend to exercise a total number of 10,705 Executive Share Options at an exercise price per Executive Share Option of EUR 9.2612 (excluding exercise charges). For the purpose of the full-dilution scenario calculations further below, it is therefore assumed that, as a result of the aforementioned exercise of Executive Share Options, there are 91,822 Executive Share Options outstanding.
 - (iii) 1,190,039 new shares can be issued upon the exercise of 1,190,039 share options (each share option having the form of a subscription right) that are still

outstanding (at the date of this report) under the "2018 Share Options" plan for directors, employees and other staff members of the Company and its subsidiaries, entitling the holder thereof to acquire one new share when exercising one of his or her share options (the "**2018 Share Options**"). In the first half of April 2021, the Company was informed that a holder of 2018 Share Options (as defined below) intends to exercise a total number of 9,851 2018 Share Options at an exercise price per 2018 Share Option of EUR 7.46 (excluding exercise charges). For the purpose of the full-dilution scenario calculations further below, it is therefore assumed that, as a result of the aforementioned exercise of 2018 Share Options, there are 1,180,188 2018 Share Options outstanding.

The Bootstrap Subscription Right, the Executive Share Options and the 2018 Share Options (as adjusted above) are hereinafter jointly referred to as the "**Share Options**". In this report, when reference is made to any "outstanding" Share Options, this refers to, respectively, Share Options that have not yet been granted but can still be granted and (depending on the terms and conditions of such Share Options) have not yet expired, and Share Options that have already been granted and (depending on the terms and conditions of such Share Options) have not yet expired. For the purpose of the full-dilution scenario calculations further below, it is assumed that the remaining number of shares that can still be issued pursuant to the outstanding Share Options has indeed been issued.

- (c) The hypothetical exercise price of the 2021 Share Options to be issued (to be determined as set out in paragraph 2(g) of this report) will be:
- (i) EUR 8.00 per 2021 Share Option (representing a discount of 10.11% against the closing price of the Company's shares on Euronext Brussels on the trading day before the date of this report);
 - (ii) EUR 9.00 per 2021 Share Option (representing a premium of 1.12% against the closing price of the Company's shares on Euronext Brussels on the trading day before the date of this report); and
 - (iii) EUR 10.00 per 2021 Share Option (representing a premium of 12.36% against the closing price of the Company's shares on Euronext Brussels on the trading day before the date of this report).
- (d) In July 2020, the Company entered into subordinated loan agreements with PMV/z-Leningen ("**PMV/z**"), for an aggregate principal amount of EUR 4.3 million, of which loans for a principal amount of EUR 0.8 million can be converted by PMV/z for new ordinary shares of the Company in the event of a future equity financing or sale of the Company. The conversion can be carried out by means of a contribution in kind of the Convertible Loan Payable due by the Company under the loans (whether as principal amount or as interest) (the "**PMV/z Convertible Loan Payable**") to the share capital of the Company. The loans have a term of 36 months, and are repayable in full upon expiry of the term. The loans bear an interest of 6% per annum, except that the convertible portion of the loans bear an interest of 5% per annum. The price per share at which the PMV/z Convertible Loan Payable can be converted through a contribution in kind in the event of an equity financing or sale of the Company will be equal to 75% of the price of the Company's shares as will be reflected in the relevant equity financing or sale. For the purpose of the full-dilution scenario calculations further below, the following is assumed:

- (i) the outstanding PMV/z Convertible Loan Payable is contributed in full to the share capital of the Company (taking into account, however, that PMV/z is not obliged to contribute its PMV/z Convertible Loan Payable as a result of the issuance or exercise of the 2021 Share Options and the fact that the issuance or exercise of the 2021 Share Options cannot be qualified as such event);
- (ii) for the purpose of the interest calculation, the contribution in kind is effected on the calendar day preceding the date of this report, *i.e.* 25 April 2021; and
- (iii) the PMV/z Convertible Loan Payable will be contributed into the share capital of the Company at a subscription price per share of 75% of the hypothetical exercise price of the 2021 Share Options to be issued.

This would lead to the following amounts for the PMV/z Convertible Loan Payable to be contributed in kind:

	Principal Amount (in EUR)	Accrued Interests (in EUR) ⁽¹⁾	Amount to be contributed (in EUR) ⁽²⁾	New Shares to be issued upon contribution		
				Subscription price of EUR 6.00 ⁽³⁾	Subscription price of EUR 6.75 ⁽⁴⁾	Subscription price of EUR 7.50 ⁽⁵⁾
PMV/z	800,000.00	29,777.78	829,777.78	138,296	122,930	110,637

Notes:

- (1) Carries an interest of 5% per annum (360-day period) as from 31 July 2020 and until the calendar day preceding the date of this report, 25 April 2021.
- (2) Sum of the principal amount of the relevant PMV/z Convertible Loan Payable and the accrued interests.
- (3) Assuming a subscription price of EUR 6.00, representing a 25% discount to the hypothetical exercise price of the 2021 Share Options of EUR 8.00.
- (4) Assuming a subscription price of EUR 6.75, representing a 25% discount to the hypothetical exercise price of the 2021 Share Options of EUR 9.00.
- (5) Assuming a subscription price of EUR 7.50, representing a 25% discount to the hypothetical exercise price of the 2021 Share Options of EUR 10.00.

6.2. Evolution of the share capital, voting power, and participation in the results and other shareholder rights

Each share in the Company currently represents an equal part of the share capital of the Company and provides for one vote in function of the part of the capital it represents. The issuance of the new shares upon exercise of the 2021 Share Options will lead to a dilution of the existing shareholders of the Company and of the relative voting power of each share in the Company.

The dilution relating to the voting right also applies, *mutatis mutandis*, to the participation of each share in the profit and liquidation proceeds and other rights attached to the shares of the Company, such as the statutory preferential subscription right in case of a capital increase in cash through the issuance of new shares or in case of the issuance of new subscription rights or convertible bonds.

Specifically, prior to the exercise of the 2021 Share Options (and the issuance of new shares pursuant to the outstanding Share Options and the issuance of new shares pursuant to the contribution in kind of the PMV/z Convertible Loan Payable), each share of the Company participates equally in the profit and liquidation proceeds of the Company and each shareholder has a statutory preferential subscription right in case of a capital increase in cash or in case of the issuance of new subscription rights or convertible bonds. Upon the issuance of the new

shares upon exercise of the 2021 Share Options, the new shares to be issued will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of their issuance and delivery, and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of issuance and delivery of the shares. As a result (and to the extent the new shares will be issued and subscribed for pursuant to the exercise of the 2021 Share Options), the participation by the existing shareholders in the profit and liquidation proceeds of the Company and their holder's statutory preferential subscription right in case of a capital increase in cash, shall be diluted accordingly.

The evolution of the share capital and the number of shares, with voting rights attached thereto, of the Company as a result of the exercise of the 2021 Share Options is simulated below, and this in a scenario before the issuance of new shares pursuant to the exercise of the outstanding Share Options and the issuance of new shares pursuant to contribution in kind of the PMV/z Convertible Loan Payable, as well as in a scenario after the issuance of new shares pursuant to the exercise of the outstanding Share Options and the issuance of new shares pursuant to contribution in kind of the PMV/z Convertible Loan Payable. Subject to the methodological reservations noted in paragraph 6.1, the table below reflects the evolution of the number of outstanding shares, assuming the exercise of all 1,000,000 2021 Share Options and the subsequent issuance of 1,000,000 new shares resulting from it.

Evolution of the number of outstanding shares

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
Before exercise of outstanding Share Options and the contribution of the PMV/z Convertible Loan Payable and after the exercise of 2021 Share Options			
Outstanding shares ⁽¹⁾	18,576,252	18,576,252	18,576,252
New shares to be issued upon exercise of the 2021 Share Options	1,000,000	1,000,000	1,000,000
Total shares outstanding.....	19,576,252	19,576,252	19,576,252
Dilution	5.11%	5.11%	5.11%
After exercise of outstanding Share Options and the contribution of the PMV/z Convertible Loan Payable, but prior to the exercise of 2021 Share Options⁽²⁾			
Outstanding shares ⁽¹⁾	18,576,252	18,576,252	18,576,252
New shares to be issued upon exercise of the Bootstrap Subscription Right	302,804	302,804	302,804
New shares to be issued upon exercise of the Executive Share Options	264,899	264,899	264,899
New shares to be issued upon exercise of the 2018 Share Options	1,180,188	1,180,188	1,180,188
New shares to be issued upon contribution of the PMV/z Convertible Loan Payable.....	138,296	122,930	110,637
Total shares after exercise of outstanding Share Options and after contribution of the PMV/z Convertible Loan Payable....	20,462,439	20,447,073	20,434,780

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
Dilution	9.22%	9.15%	9.09%
After exercise of outstanding Share Options, after the contribution of the PMV/z Convertible Loan Payable and after the exercise of the 2021 Share Options⁽²⁾			
Outstanding shares ⁽¹⁾	18,576,252	18,576,252	18,576,252
Total shares after exercise of outstanding Share Options and after contribution of the PMV/z Convertible Loan Payable....	20,462,439	20,447,073	20,434,780
New shares to be issued upon exercise of the 2021 Share Options	1,000,000	1,000,000	1,000,000
Total shares outstanding, after exercise of outstanding Share Options, after contribution of the PMV/z Convertible Loan Payable, and after the exercise of the 2021 Share Options	21,462,439	21,447,073	21,434,780
Dilution	4.66%	4.66%	4.67%

Notes:

- (1) As adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, see section 6.1.
- (2) For the purpose of this simulation, it is assumed that all of the 1,272,011 existing Share Options (*i.e.*, outstanding and still to be granted) were granted, have vested, are immediately exercisable (regardless of their terms and conditions), and have been fully exercised prior to the exercise of the 2021 Share Options. For the number of shares issuable upon the exercise of the Share Options outstanding, see section 6.1.

The above simulation demonstrates that, assuming that all 1,000,000 2021 Share Options are exercised by the relevant holders thereof, the shares existing immediately prior to the exercise of those 2021 Share Options (as adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options) would no longer represent 1/18,576,252 of the share capital, but 1/19,576,252 of the resulting share capital (irrespective of the relevant exercise price of the relevant 2021 Share Options). For the shares outstanding immediately prior to the exercise of the 2021 Share Options (as adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options), this would represent a dilution of the participation in the share capital and the results of the Company of, respectively, 5.11%.

Assuming that (x) all Share Options would already have been exercised and 1,747,891 new shares would be issued as a result thereof, and (y) the PMV/z Convertible Loan Payable would have been contributed in kind to the share capital of the Company and 138,296 (at a subscription price of EUR 6.00), 122,930 (at a subscription price of EUR 6.75) or 110,637 (at a subscription price of EUR 7.50) new shares would be issued as a result thereof, each share existing immediately prior to such exercise and contribution (as adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options) would no longer represent 1/18,576,252 of the share capital, but, respectively, 1/20,462,439, 1/20,447,073 or 1/20,434,780, of the resulting share capital (representing a dilution of, respectively, 9.22%, 9.15%, or 9.09% for the shares outstanding immediately prior to the

exercise of all Share Options and the contribution in kind of the PMV/z Convertible Loan Payable). Assuming that all 1,000,000 2021 Share Options are exercised, the existing shares after the exercise of all Share Options and the contribution in kind of the PMV/z Convertible Loan Payable, would no longer represent 1/20,462,439 (at a subscription price of EUR 6.00), 1/20,447,073 (at a subscription price of EUR 6.75) or 1/20,434,780 (at a subscription price of EUR 7.50) of the share capital, but, respectively, 1/21,462,439, 1/21,447,073 or 1/21,434,780. For the 20,462,439 (at a subscription price of EUR 6.00), 20,447,073 (at a subscription price of EUR 6.75) or 20,434,780 (at a subscription price of EUR 7.50) shares that are outstanding after the exercise of all Share Options and the contribution in kind of the PMV/z Convertible Loan Payable, but prior to the exercise of the 2021 Share Options, the exercise of all Share Options and the contribution in kind of the PMV/z Convertible Loan Payable followed by the exercise of the 2021 Share Options would represent a dilution of the participation in the share capital and the results of the Company of, respectively, 4.66%, 4.66% or 4.67%.

Subject to the methodological reservations noted in paragraph 6.1, the table below reflects the evolution of the share capital (as adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges)), assuming the exercise of all 1,000,000 2021 Share Options and the subsequent issuance of 1,000,000 new shares. The maximum amount of share capital increase (excluding issue premium) is computed by multiplying the number of new shares to be issued upon exercise of the 2021 Share Options (1,000,000 new shares, irrespective of the exercise price of the 2021 Share Options) with the fractional value if the shares of the Company, *i.e.*, currently rounded EUR 0.1036 per share.

Evolution of the share capital⁽¹⁾

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
Before the exercise of the 2021 Share Options			
Share capital (in EUR) ⁽²⁾	1,924,847.15	1,924,847.15	1,924,847.15
Outstanding shares ⁽²⁾	18,576,252	18,576,252	18,576,252
Fractional value (in EUR).....	0.1036	0.1036	0.1036
Exercise of the 2021 Share Options			
Increase of share capital (in EUR) ⁽³⁾ ..	103,618.70	103,618.70	103,618.70
Number of new shares issued.....	1,000,000	1,000,000	1,000,000
After the exercise of the 2021 Share Options			
Share capital (in EUR)	2,028,465.85	2,028,465.85	2,028,465.85
Outstanding shares ⁽²⁾	19,576,252	19,576,252	19,576,252
Fractional value (in EUR).....	0.1036	0.1036	0.1036

Notes:

- (1) This simulation does not take into account the outstanding Share Options, nor the contribution in kind of the PMV/z Convertible Loan Payable.

- (2) As adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges), see section 6.1.
- (3) A portion of the exercise price that is equal to the fractional value of the existing shares of the Company (being rounded EUR 0.1036 per share) shall be booked as share capital. The portion of the exercise price in excess of the fractional value shall be booked as issue premium.

6.3. Participation in the consolidated accounting net equity

The evolution of the consolidated accounting net equity of the Company as a result of the exercise of all 1,000,000 2021 Share Options is simulated below. The simulation is based on the following elements:

- (a) The audited consolidated annual financial statements of the Company for the financial year ended on 31 December 2020 (which have been prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("IFRS")). The consolidated accounting net equity of the Company as at 31 December 2020 amounted to EUR 112,761.00. The simulation does not take into account any changes in the consolidated accounting net equity since 31 December 2020, except, however, that for the purpose of the simulation, the impact of (i) the private placement completed on 15 February 2021, (ii) the exercise of 2018 Share Options completed on 15 February 2021, (iii) the contribution in kind of two convertible loan payables completed on 25 March 2021, and (iv) the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges), on the consolidated net equity (per share) will be taken into account.

As a result of the abovementioned completion of the private placement completed on 15 February 2021 (not taking into account possible effects of accounting items other than the share capital and the issuance premium (for example the expenses of said private placement)):

- (i) the share capital of the Company was increased as a result of which the Company's net equity was increased by an amount of EUR 22,500,001.50, whereby an amount of EUR 274,235.31 was booked as share capital and an amount of EUR 22,225,766.19 was booked as issue premium.
- (ii) the number of outstanding shares of the Company following the private placement completed on 15 February 2021 amounted to 18,425,625 shares (as 2,647,059 new shares were issued).

As a result of the abovementioned of the exercise of 2018 Share Options on 15 February 2021 (not taking into account possible effects of accounting items other than the share capital and the issuance premium (for example the for example the expenses of said contribution in kind)):

- (i) the share capital of the Company was increased as a result of which the Company's net equity was increased by an amount of EUR 95,562.60, whereby an amount of EUR 1,327.12 was booked as share capital and an amount of EUR 94,235.48 was booked as issue premium.
- (ii) the number of outstanding shares of the Company following the exercise of 2018 Share Options completed on 15 February 2021 amounted to 18,438,435 shares (as 12,810 new shares were issued).

As a result of the abovementioned contribution in kind of two convertible loan payables on 25 March 2021 (not taking into account possible effects of accounting items other than the share capital and the issuance premium (for example the for example the expenses of said contribution)):

- (i) the share capital of the Company was increased as a result of which the Company's net equity was increased by an amount of EUR 618,916.67, whereby an amount of EUR 10,057.90 was booked as share capital and an amount of EUR 608,858.77 was booked as issue premium.
- (i) the number of outstanding shares of the Company following the contribution in kind of two convertible loan payables completed on 25 March 2021 amounted to 18,535,519 shares (as 97,084 new shares were issued).

As a result of the abovementioned contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges) (not taking into account possible effects of accounting items other than the share capital and the issuance premium (for example the for example the expenses of said exercise)):

- (i) the share capital of the Company will be increased as a result of which the Company's net equity will be increased by an amount of EUR 172,644.39, whereby an amount of EUR 4,220.70 will be booked as share capital and an amount of EUR 168,423.69 will be booked as issue premium.
- (ii) the number of outstanding shares of the Company following the contemplated exercise of the Executive Share Options and 2018 Share Options will be increased to 18,576,252 shares (as 40,733 new shares will be issued).

Consequently, for the purposes of the simulations below, the adjusted consolidated accounting net equity as at 31 December 2020 will be assumed to amount to EUR 23,499,886.16.

For further information regarding the Company's net equity position on 31 December 2020, reference is made to the financial statements of the Company, which are available on the Company's website.

Based on the assumptions set out above, as a result of the exercise of the 2021 Share Options, the Company's accounting net equity on a consolidated basis, would be increased as indicated below:

Evolution of the consolidated accounting net equity

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
Consolidated net equity for FY 2020 (adjusted)			
Net equity (in EUR) (rounded)	23,499,886.16	23,499,886.16	23,499,886.16
Outstanding shares ⁽¹⁾	18,576,252	18,576,252	18,576,252
Net equity per share (in EUR) (rounded)	1.27	1.27	1.27

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
<u>Exercise of the 2021 Share Options</u>			
Increase of net equity (in EUR) ⁽²⁾	8,000,000.00	9,000,000.00	10,000,000.00
Number of new shares issued	1,000,000	1,000,000	1,000,000
<u>After the exercise of the 2021 Share Options</u>			
Net equity (in EUR) (rounded) ⁽³⁾	31,499,886.16	32,499,886.16	33,499,886.16
Outstanding shares ⁽¹⁾	19,576,252	19,576,252	19,576,252
Net equity per share (in EUR) (rounded) ⁽³⁾	1.61	1.66	1.71

Notes:

- (1) As adjusted to take into account the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, see section 6.1.
- (2) Consisting of the amount of the capital increase and the amount of the increase of issue premium, as the case may be, but not reflecting that the accounting of this amount may be subject to further adjustments pursuant to IFRS or IAS 34.
- (3) Not taking into account changes in the consolidated net equity after 31 December 2020 other than resulting from the private placement completed on 15 February 2021, the exercise of 2018 Share Options completed on 15 February 2021, the contribution in kind completed on 25 March 2021 and the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, and other than the proposed exercise of the 2021 Share Options, nor taking into account the potential issuance of new shares upon exercise of outstanding Share Options or upon contribution in kind of the PMV/z Convertible Loan Payable.

The table above demonstrates that the issuance of the 1,000,000 2021 Share Options and the subsequent the exercise of all 2021 Share Options will, from a pure accounting point of view, lead to an increase of the amount represented by each share in the consolidated accounting net equity of the Company. Notably, following the exercise of the 2021 Share Options, the adjusted consolidated accounting net equity as per 31 December 2020 (adjusted to take into account the effects of the private placement completed on 15 February 2021, the exercise of 2018 Share Options completed on 15 February 2021, the contribution in kind completed on 25 March 2021 and the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options), would amount to (rounded) EUR 1.61 per share (at an exercise price of EUR 8.00), (rounded) EUR 1.66 per share (at an exercise price of EUR 9.00) and (rounded) EUR 1.71 per share (at an exercise price of EUR 10.00) (instead of (rounded) EUR 1.27 per share).

6.4. Financial dilution

The evolution of the market capitalisation as a result of the exercise of the 2021 Share Options is simulated below.

Subject to the methodological reservations noted in paragraph 6.1, the table below reflects the impact of the exercise of the 2021 Share Options on the market capitalisation and the resulting financial dilution at various price levels, assuming the exercise of all 1,000,000 2021 Share Options and the subsequent issuance of 1,000,000 new shares resulting from it.

After close of trading on the trading day preceding the date of this report, *i.e.*, 23 April 2021, the Company's market capitalisation was EUR 165.501.287,19 (adjusted to take into account

the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options, at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges), on the basis of a closing price of EUR 8.90 per share. Assuming that, following the exercise of all 2021 Share Options, the market capitalisation increases exclusively with the funds raised (*i.e.*, EUR 8,000,000.00 funds raised at an exercise price of EUR 8.00, EUR 9,000,000.00 funds raised at an exercise price of EUR 9.00 and EUR 10,000,000.00 funds raised at an exercise price of EUR 10.00), the new market capitalisation would be (rounded) EUR 8.86 per share (at an exercise price of EUR 8.00), EUR 8.91 per share (at an exercise price of EUR 9.00), and EUR 8.97 per share (at an exercise price of EUR 10.00).

This would represent a (theoretical) financial dilution of 0.55% (in the event of an exercise price of EUR 8.00) and a (theoretical) value increase of 0.01% (in the event of an exercise price of EUR 9.00) and of 0.68% (in the event of an exercise price of EUR 10.00).

Evolution of the market capitalisation and financial dilution

	Exercise of 2021 Share Options		
	Exercise price of EUR 8.00	Exercise price of EUR 9.00	Exercise price of EUR 10.00
Before the exercise of the 2021 Share Options⁽¹⁾			
Market capitalisation (in EUR)	165,501,287.19	165,501,287.19	165,501,287.19
Outstanding shares.....	18,576,252	18,576,252	18,576,252
Market capitalisation per share (in EUR)	8.91	8.91	8.91
Exercise of the 2021 Share Options			
Funds raised (in EUR)	8,000,000.00	9,000,000.00	10,000,000.00
Number of new shares issued..	1,000,000	1,000,000	1,000,000
After the exercise of the 2021 Share Options⁽¹⁾			
Market capitalisation (in EUR)	173,501,287.19	174,501,287.19	175,501,287.19
Outstanding shares.....	19,576,252	19,576,252	19,576,252
Market capitalisation per share (in EUR) (rounded).....	8.86	8.91	8.97
Dilution / Value increase	-0.55%	+0.01%	+0.68%

Notes:

- (1) At the date of this report and not taking into account the potential issuance of new shares upon exercise of outstanding Share Options (other than the contemplated exercise of 10,705 Executive Share Options and 9,851 2018 Share Options at an exercise price per option of, respectively, EUR 9.2612 (excluding exercise charges) and EUR 7.46 (excluding exercise charges)) or upon contribution in kind of the PMV/z Convertible Loan Payable.

6.5. Other financial consequences

It is expected that, in the context of the Company's consolidated financial statements in accordance with the IFRS (as defined above), the 2021 Share Options will be accounted for in accordance with (among others) IFRS 2 ("Share-based payment"). The actual application of the reporting standard, the timing of initial recognition and the valuation of the 2021 Share Options

are still to be determined and assessed. The actual amount will ultimately depend on the actual exercise price of the relevant 2021 Share Options.

For a further discussion on the financial consequences of the proposed issuance of the 2021 Share Options and their subsequent exercise, the board of directors refers to the report prepared in connection therewith by the statutory auditor of the Company.


* * *

Free English translation for information purposes only

Done on 26 April 2021.

[Signature page follows]

On behalf of the board of directors,

By:  _____

Free English translation for information purposes only

ANNEX A

2021 Share Option Plan

SEQUANA MEDICAL NV

Limited liability company
AA Tower, Technologiepark 122, 9052 Ghent, Belgium
Register of Legal Entities 0707.821.866 (Ghent, section Ghent)

2021 SHARE OPTION PLAN

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SEQUANA MEDICAL NV

2021 SHARE OPTION PLAN

The present plan contains the terms and conditions of the 2021 Share Options of the Company, issued on [approval date] 2021.

1. DEFINITIONS AND CONSTRUCTION

1.1. Defined terms

The following terms and expressions that are not defined elsewhere in these conditions shall have the following meaning herein, save where the context requires otherwise:

"Adoption Date"	means [approval date] 2021.
"Belgian Companies and Associations Code"	means the Belgian Companies and Associations Code of 23 March 2019 (as amended from time to time).
"Beneficiary"	means the person or persons validly designated by the Selected Participant, including the Selected Participant's spouse, cohabiting partner, legal heirs or other family members, in order to exercise the rights of the Selected Participant under the Plan and the Share Option Agreement after the death of the Selected Participant.
"Business Day"	means a day on which banks are generally open for business in Brussels (Belgium) and London (United Kingdom), excluding Saturdays and Sundays.
"Change of Control"	means the sale or other transfer of at least fifty percent (50%) of all of the then outstanding shares of the Company, whereby an (internal) reorganisation in which the shares of the Company would be transferred to a person in which the then existing shareholders of the Company were to hold shares or other interest in a similar proportion as the proportion held by each of them in the Company will not be considered as a Change of Control.
"Company"	means Sequana Medical NV, a company organised and existing under Belgian law, with registered office at AA Tower, Technologiemark 122, 9052 Ghent, Belgium and registered with the Register of Legal Entities (Ghent, section Ghent) under number 0707.821.866.
"Date of Grant"	means the date on which a Share Option is granted to a Selected Participant.
"Date of Termination of the Selected Participant's"	means the effective date of termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement for whatever reason.

**director's mandate,
employment
agreement,
management
agreement or
similar agreement"**

"Director" means a member of the board of directors of the Company or a Subsidiary.

"Employee" means a person having an employment agreement with the Company or a Subsidiary.

"Exercise Period" means the periods during which the Selected Participant can exercise the Share Options granted to him or her, provided and to the extent that the Share Options are exercisable in accordance with the conditions set forth in the Plan, in the Share Option Agreement and any other arrangement that may exist between the Selected Participant and the Company.

"Exercise Price" means the price at which each share subject to a Share Option may be acquired or subscribed for upon the exercise of the Share Option.

"Fractional Value" means from time to time the Company's share capital divided by the aggregate number of all shares outstanding at that time.

"Member of the Personnel" means a member of the personnel of the Company or a Subsidiary within the meaning of Article 1:27 of the Belgian Companies and Associations Code.

"Plan" means the present 2021 Share Option Plan.

"Remuneration and Nomination Committee" means the Company's remuneration and nomination committee, or such other committee as appointed by the board of directors, that has been established by the board of directors and that renders advice to the board of directors regarding the conditions under which certain Members of the Personnel can be granted Share Options pursuant to the Plan.

"Selected Participant" means any Member of the Personnel to whom/which Share Options have been granted pursuant to the Plan.

"Share Option" means the right to subscribe for one (1) new (ordinary) share to be issued by the Company at the Exercise Price in accordance with the terms and conditions set forth in the Plan and the applicable Share Option Agreement and, as the case may be, Sub-Plan, such right constituting a subscription right (*inschrijvingsrecht / droit de souscription*) issued by the Company.

"Share Option Agreement" means the agreement between a Selected Participant and the Company with respect to the Share Option(s) granted to such Selected Participant, which may impose specific conditions or may contain additional provisions with respect to the Share Options granted to such Selected Participant, taking into account that these

conditions and provisions may not be incompatible with the provisions of the Plan.

"Share Option Price"	means the price, if any, which the Selected Participant owes to the Company for the acquisition of the Share Option itself.
"Sub-Plan"	means any sub-plan to this Plan established under Article 4(b)(v) of this Plan.
"Subsidiary"	means a subsidiary of the Company from time to time (within the meaning of Article 1:15 of the Belgian Companies and Associations Code).
"Vested Share Option"	means a Share Option that has become vested in accordance with the conditions set forth in the Plan and the applicable Sub-Plan and Share Option Agreement, without prejudice to the possibility that the Share Option can lapse and become null and void in cases where it is not exercised or can no longer be exercised pursuant to certain conditions set forth in the Plan and the relevant Sub-Plan and Share Option Agreement.

In addition, the following terms will have the following meaning in the Plan:

- (a) **"articles of association"** means the articles of association of the Company, as in force from time to time;
- (b) **"board of directors"** means the board of directors of the Company;
- (c) **"person"** means, depending on the context, any individual or natural person, any legal entity with separate legal personality, partnership, joint venture, corporation, association, limited liability company, trust, unincorporated organization, or any governmental entity (or any department, agency or political subdivision thereof);
- (d) **"share"** means a share issued by the Company, representing the Company's share capital.

1.2. Construction

- (a) Article and paragraph headings in this Plan are inserted for ease of reference only and shall not affect the construction of the Plan.
- (b) Save where specifically required or indicated otherwise, words importing one gender shall be treated as importing any gender, words importing individuals shall be treated as importing corporations and vice versa, words importing the singular shall be treated as importing the plural and *vice versa*, and words importing the whole shall be treated as including a reference to any part thereof.
- (c) The Plan has been drafted in an English version and a Dutch version. In case of discrepancies between the English and Dutch version, only the Dutch version shall be authentic and prevail. Notwithstanding the foregoing, Belgian legal concepts which are expressed in English language terms, are to be interpreted in accordance with the Belgian legal terms to which they refer, and the use herein of Dutch words in the Plan as translation for certain words or concepts shall be conclusive in the determination of the relevant legal concept under Belgian law of the words or concepts that are so translated herein.

1.3. Meaning of references

- (a) Any reference to "*writing*" or "*written*" includes any method of reproducing words or text in a legible and non-transitory form (including, but not limited to, an electronic form).
- (b) Unless expressly indicated otherwise in the Plan or the applicable Share Option Agreement, or except when applicable law provides otherwise, any period or instance of time referred to herein shall be calculated or determined as follows:
 - (i) Any reference to an hour of a day shall be a reference to such time in Brussels (Belgium).
 - (ii) Any reference to a day shall be a reference to a calendar day.
 - (iii) Any term shall start on the subsequent day after the day on which the event triggering such period of time has occurred. The expiry day of a term shall be included in the term. If such expiry day is not a Business Day, then the term shall be extended to the first next Business Day following such day.

2. PURPOSE OF THE PLAN

The Plan describes the general conditions of the Share Options that the Company may grant to certain Selected Participants.

The aim of the Plan is to realise, amongst other things, the following corporate and human resources goals:

- (a) to encourage and motivate Selected Participants;
- (b) to enable the Company and its Subsidiaries to attract new Members of the Personnel and retain existing Members of the Personnel with the required experience and skills; and
- (c) to align the interests of the Selected Participants closer to the interests of the shareholders of the Company by giving them the opportunity to acquire shares in the Company and thereby share in the benefits of a potential increase of the value of the Company.

3. NUMBER, NATURE AND FORM OF THE SHARE OPTIONS

3.1. Number of Share Options

The aggregate number of Share Options created pursuant to the present Plan amounts to one million (1,000,000) Share Options. To the extent that a Share Option is rejected or not accepted by the Selected Participant within the applicable acceptance period following the Date of Grant, such Share Option will become available for future grant under the Plan.

3.2. Shares to be issued upon exercise of the Share Options

- (a) Each Share Option shall entitle the holder thereof to subscribe for one (1) new share to be issued by the Company.
- (b) The new shares to be issued upon the exercise of the Share Options shall have the same rights and benefits as, and shall rank *pari passu* in all respects, including as to

entitlement to dividends and other distributions, with the existing and outstanding shares of the Company at the moment of their issue and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of issue of the shares.

3.3. Registered form

- (a) The Share Options are in registered form.
- (b) The Share Options and the ownership thereof and any other right thereto or interest therein shall be recorded in a subscription right register that is kept at the registered office of the Company.
- (c) Only the person who has been recorded in the subscription right register of the Company as owner of a Share Option will be recognised as holder of such Share Option.
- (d) The Share Options shall not be listed at any time on a securities exchange, regulated market or similar securities market.

4. ADMINISTRATION OF THE PLAN

- (a) The board of directors or any other body or person designated by the board of directors shall administer the Plan.
- (b) Subject to the provisions of the Plan and in as far as the decisions are in line with the purpose of the Plan, the board of directors or any other body or person designated by the board of directors, is entitled to:
 - (i) select the Selected Participants to whom Share Options are to be granted;
 - (ii) determine the number of Share Options to be granted to a Selected Participant;
 - (iii) determine the possible additional conditions pursuant to which Share Options are to be granted to a Selected Participant;
 - (iv) determine the possible additional conditions pursuant to which Share Options shall become Vested Share Options, shall become exercisable or shall be transferable;
 - (v) if necessary, adopt, adapt or implement one or more Sub-Plans for a certain jurisdiction in which the Selected Participant for such Sub-Plan works, lives or is a resident, in function of the laws of the respective jurisdiction, provided, however, that each Sub-Plan must be compatible with the terms and conditions set forth in the Plan. Subject to the foregoing, the Sub-Plan can provide for additional conditions, restrictions or circumstances in which the Share Options can be exercised, and can deviate from the provisions of this Plan regarding the transferability of the Share Options (as set forth in Article 7) and the vesting and exercisability of the Share Options (as set forth in Article 8.2), provided that such conditions, restrictions, circumstances and deviations must be made to comply with any applicable statutory provisions; and
 - (vi) determine, define and interpret all rules, regulations or other measures required or desirable for the administration of the Plan, whereby all such decisions will be binding on the holders of the Share Options.

- (c) The powers, delegations and other authorisations that have been granted by the Company's board of directors prior to the Adoption Date in relation to the share option and share subscription right plans outstanding on the Adoption Date shall, *mutatis mutandis* and taking into account the rules and principles set out in this Plan, also apply to the current Plan, until or unless the Company's board of directors decides otherwise.

5. GRANTING OF THE SHARE OPTIONS

5.1. Grant of Share Options

Subject to the limits set out in the Plan, the board of directors or any other body or person designated by the board of directors, may, in its absolute discretion, at any time, grant Share Options to Selected Participants.

5.2. Share Option Agreement

- (a) Share Options granted pursuant to Article 5.1 shall be evidenced by a Share Option Agreement to be signed by the Selected Participant to indicate the Selected Participant's acceptance of the terms and conditions of the Share Options and the grant thereof.
- (b) The Share Option Agreement shall (amongst others) state the Date of Grant of the Share Options, the number of Share Options granted, the rules relating to the vesting of the Share Options, the Share Option Price (if any), the term of the Share Options, the Exercise Price and any other relevant fact and/or condition.
- (c) Except when otherwise provided for in the Share Option Agreement, a Selected Participant must accept or refuse any Share Option granted to him or her in writing within 60 days following the Date of Grant. Any refusal must be executed in writing on the form provided for by the Company. The acceptance shall be demonstrated by signing the Share Option Agreement. If a Share Option is refused, it shall be deemed never to have been granted to the person and the so refused Share Options shall remain available to the Company for any further grants to other Selected Participants.

6. CONDITIONS OF THE SHARE OPTIONS

6.1. Share Option Price

- (a) The Selected Participant shall owe no Share Option Price to the Company when the Share Options are granted to him or her, unless the Share Option Agreement provides otherwise.
- (b) If a Share Option Price were to be due, it shall be booked as issue premium. Such issue premium shall be accounted for on the liabilities side of the Company's balance sheet as net equity. This issue premium will be booked on a separate account as net equity on the liabilities side of the Company's balance sheet and can only be reduced in execution of a valid decision of the Company in accordance with the Belgian Companies and Associations Code.

6.2. Exercise Price

- (a) The board of directors shall determine the Exercise Price of a Share Option.
- (b) The Exercise Price of a Share Option will at least be equal to, as chosen by the board of directors, either (i) the average of the closing prices of the share as quoted on the

relevant market on which the shares of the Company are listed or trading during the thirty (30) day period, or any other relevant period which is determined by the board of directors on the basis of foreign legal or tax provisions, preceding the Date of Grant (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference), or (ii) the closing price of the share as quoted on the relevant market on which the shares of the Company are listed or trading on the day preceding the Date of Grant (should the shares be listed on Euronext Brussels, Euronext Brussels must be used as market of reference).

- (c) In case the Share Options are exercised, the applicable Exercise Price is to be deposited on an account of the Company, as provided for in the Belgian Companies and Associations Code. The Exercise Price shall be booked as share capital. However, the amount by which the Exercise Price shall exceed the Fractional Value of the existing shares of the Company immediately prior to the capital increase shall be booked as issue premium, as the case may be. This issue premium will be booked on a separate account as net equity on the liabilities side of the Company's balance sheet and can only be reduced in execution of a valid decision of the Company in accordance with the Belgian Companies and Associations Code. In accordance with Article 7:178 of the Belgian Companies and Associations Code, following the capital increase and the issuance of new shares, each of the shares (existing and new) shall represent the same fraction of the Company's share capital.

6.3. Term of the Share Options

Unless the relevant Sub-Plan or Share Option Agreement determines a shorter term, a Share Option shall have a term of ten (10) years as of the Adoption Date. Unless the relevant Sub-Plan Share Option Agreement determines a shorter term, a Share Option shall therefore (in any event) automatically lapse and become null and void at 24:00 hours in the evening, on the tenth anniversary date of the Adoption Date.

7. TRANSFER OF THE SHARE OPTIONS

7.1. Decease

Unless stipulated otherwise in the relevant Sub-Plan or Share Option Agreement, in the event of the decease of a Selected Participant, the Vested Share Options of such Selected Participant shall be transferred to the relevant Beneficiaries of the Selected Participant and the concerned Share Options shall remain exercisable at the time and under the terms established in the Plan and the applicable Sub-Plan and Share Option Agreement. The Share Options that are not Vested Share Options at the time of the decease of the Selected Participant will automatically lapse and become null and void upon the date of decease of the Selected Participant. The designation and revocation of a Beneficiary must be done in writing in accordance with the applicable law. In the absence of any valid designation, the heirs of the Selected Participant shall be deemed to be the Beneficiary in accordance with the applicable law of succession. If there are multiple heirs, all heirs shall act jointly or one person designated by the heirs acting jointly shall be deemed to be the Beneficiary.

7.2. Transferability of the Share Options

Unless stipulated otherwise in the relevant Sub-Plan or Share Option Agreement, the Share Options cannot be transferred by a Selected Participant once they have been granted to a Selected Participant, except (i) for a transfer contemplated under Article 7.1 above, (ii) if the board of directors or any other body or person designated by the board of directors were, in its absolute discretion, to decide otherwise, or (iii) if the Share Options are being transferred by a Selected Participant in the context of inheritance planning to or into a trust, to the spouse of the

Selected Participant, to the Selected Participant's descendants or to a person wholly owned by the Selected Participant, the Selected Participant's spouses or descendants.

8. EXERCISE OF THE SHARE OPTIONS

8.1. General

Share Options can only be exercised during an Exercise Period (as specified in Article 8.3 below) provided and to the extent that they have become Vested Share Options and have become exercisable (in accordance with Article 8.2.3 below) prior to or during a certain Exercise Period.

8.2. Vesting and exercisability of the Share Options

8.2.1 General vesting mechanism of the Share Options

The board of directors or any other body or person designated by the board of directors will determine the vesting mechanism of the Share Options at the Date of Grant. The vesting mechanism of the Share Options, *i.e.* the time upon which they become Vested Share Options, may be time based or performance based. The vesting mechanism applicable for a Selected Participant will be set forth in the relevant Sub-Plan and/or Share Option Agreement.

Unless stipulated otherwise in the relevant Sub-Plan and/or Share Option Agreement, one third (1/3) of the Share Options granted to a Selected Participant shall vest, *i.e.* become Vested Share Options one year after the Date of Grant, and the remaining two thirds (2/3) of the Share Options granted to a Selected Participant shall vest in eight (8) equal instalments on the last calendar day of each of the eight (8) quarters following the first anniversary of the Date of Grant. If a portion of one third (1/3) or one eighth (1/8) of the aggregate number of Share Options granted to the Selected Participant does not constitute a whole number of Share Options, the relevant portion shall be rounded down to the nearest whole number of Share Options. The remaining Share Options that have not yet vested and become Vested Share Options during the preceding seven (7) quarters following first anniversary of the Date of Grant because of the aforementioned rounding rule, shall vest and become Vested Share Options during the eighth (8th) quarter following the first anniversary of the Date of Grant.

Notwithstanding any provision to the contrary in this Plan, the board of directors has the authority to determine that Share Options that otherwise would not vest, would not become exercisable or would no longer be exercisable pursuant to the terms of this Article 8.2, will continue to vest or have vested, and become, are or remain exercisable for all or part of the remaining term of the Share Options set out in Article 6.3.

8.2.2 Acceleration of vesting

The vesting of the Share Options can be accelerated by the board of directors in its absolute discretion in case of a Change of Control, as a consequence of which all outstanding Share Options will vest immediately prior to the Change of Control effectively occurring. In case of a Change of Control, the board of directors may, in its absolute discretion, decide to (i) shorten the term of the Share Options previously granted to the Selected Participants, and (ii) determine that the term of the Share Options will end upon the Change of Control effectively occurring. If the board of directors decides to shorten the term of the Share Options granted to the Selected Participants in the context of a Change of Control, the board of directors will, pursuant to Article 8.3 of the Plan, provide for an additional Exercise Period during which the respective Share Options can be exercised immediately prior to the Change of Control occurring. The Share Options that are not exercised during the aforementioned additional Exercise Period will automatically become null and void upon the Change of Control effectively occurring. All

decisions by the board of directors pursuant to this paragraph shall be communicated to the Selected Participants before the Change of Control occurs.

Notwithstanding Article 8.2.1 and without prejudice to the first paragraph of Article 8.2.2 the board of directors can at all times decide to accelerate the vesting of (all or part of) the Share Options and determine the conditions of such accelerated vesting.

8.2.3 Exercisability of the Share Options

Unless stipulated otherwise in the relevant Sub-Plan or Share Option Agreement, a Vested Share Option shall be exercisable by the Selected Participant as of the first Exercise Period following the moment upon which it became a Vested Share Option and can be further exercised during any subsequent Exercise Period until the term of the Share Option concerned expires.

8.2.4 Consequences of a termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement upon initiative of the Company or a Subsidiary

Without prejudice to the provisions of the following paragraphs and unless the Remuneration and Nomination Committee decides more favourably for the Selected Participant, when the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement is terminated upon initiative of the Company or a Subsidiary (or their respective general shareholders meeting) for reasons other than for serious cause, breach of contract or breach of director responsibilities, the Selected Participant may exercise all Share Options that have become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement. The exercise of such Share Options must be done within the time period that shall be specified by the board of directors on or around the date on which the notice of termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement, is given to the Selected Participant. Such time period shall in any case not extend beyond one month after the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement. In order to allow the Selected Participant to exercise said Share Options, the board of directors shall, if necessary, provide for an additional Exercise Period. The Share Options that did not become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement, or that were not exercised within the time period specified by the board of directors, will lapse and become null and void upon such date, respectively upon the end of such time period.

For purposes of this Article 8.2.4., (i) a termination of an employment agreement immediately followed by the signing of a new employment agreement, management agreement or similar agreement with the Company or a Subsidiary, (ii) a termination of a management agreement or similar agreement immediately followed by the signing of a new management agreement, similar agreement or employment agreement with the Company or a Subsidiary, and (iii) the termination of a director's mandate with the Company or a Subsidiary immediately followed by a new appointment as Director of the Company or a Subsidiary or the signing of an employment agreement, management agreement or similar agreement with the Company or a Subsidiary, will not be considered as a termination of a director's mandate, employment agreement, management agreement or similar agreement, for purposes of the Plan, unless the board of directors or any other body or person designated by the board of directors decides otherwise.

Upon termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement with the Company or a Subsidiary for serious

cause, breach of contract or breach of director responsibilities, all Share Options shall, whether vested or not, automatically and immediately lapse and become null and void.

8.2.5 Consequences of a termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement upon initiative of the Selected Participant

Without prejudice to the provisions of the following paragraphs and unless the Remuneration and Nomination Committee decides more favourably for the Selected Participant, when the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement is terminated upon initiative of the Selected Participant, the Selected Participant may exercise all Share Options that have become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement. The exercise of such Share Options must be done within the time period that shall be specified by the board of directors as soon as reasonably practicable after the date on which the notice of termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement is given by the Selected Participant. Such time period shall in any case not extend beyond one month after the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement. In order to allow the Selected Participant to exercise said Share Options, the board of directors shall, if necessary, provide for an additional Exercise Period. The Share Options that did not become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement, or that were not exercised within the time period specified by the board of directors, will lapse and become null and void upon such date, respectively upon the end of such time period.

For purposes of this Article 8.2.5., (i) a termination of an employment agreement immediately followed by the signing of a new employment agreement, management agreement or similar agreement with the Company or a Subsidiary, (ii) a termination of a management agreement or similar agreement immediately followed by the signing of a new management agreement, similar agreement or employment agreement with the Company or a Subsidiary, and (iii) the termination of a director's mandate with the Company or a Subsidiary immediately followed by a new appointment as Director of the Company or a Subsidiary or the signing of an employment agreement, management agreement or similar agreement with the Company or a Subsidiary, will not be considered as a termination of a director's mandate, employment agreement, management agreement or similar agreement, for purposes of the Plan, unless the board of directors or any other body or person designated by the board of directors decides otherwise.

8.2.6 Consequences of retirement, disability, serious injury or decease

In the event of termination of the director's mandate, employment agreement, management agreement or similar agreement with the Company or a Subsidiary of a Selected Participant as a consequence of retirement, disability or, serious injury resulting in the incapacity to work for a period exceeding eighteen months or decease, the Selected Participant may exercise all Share Options that have become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement, during the remaining Exercise Periods following the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement. The Share Options that did not become Vested Share Options on or prior to the Date of Termination of the Selected Participant's director's mandate, employment agreement, management agreement or similar agreement will lapse and become null and void upon such date.

8.3. Exercise Period

During the term of the Share Options, Vested Share Options can only be exercised during the following periods: (i) as of 1 January until 14 January included, (ii) as of 1 April until 14 April included, (iii) as of 1 July until 14 July included, and (iv) as of 1 October until 14 October included. If the last day of an Exercise Period is not a Business Day, the Exercise Period shall end on the last Business Day preceding the day that would otherwise be the last day of the Exercise Period.

The board of directors may in its absolute discretion, provide for additional Exercise Periods. The board of directors may also amend the aforementioned Exercise Periods if such periods were to coincide with applicable restricted or other periods during which the exercise of Share Options would be restricted or not permitted pursuant to a dealing code or other restrictions imposed by the board of directors or any other applicable rules or regulations.

8.4. Partial exercise

A Selected Participant may exercise all or part of its Vested Share Options in accordance with the terms and conditions of the Plan and the applicable Sub-Plan and Share Option Agreement. However, a Share Option may not and cannot be exercised with respect to fractions of shares.

8.5. Exercise procedure

A Share Option shall be deemed to have been exercised upon receipt by the Company, at the latest on the last Business Day of the Exercise Period during which the Share Option is exercised, of:

- (a) a written notice (in the form prescribed by the Company) given by the holder of the Share Option concerned and stating that a Share Option or a specified number of Share Options is/are exercised;
- (b) evidence of the complete payment of the Exercise Price at the latest on the last Business Day of the Exercise Period in which the Share Options were exercised, for the number of shares as indicated in the notice referred to in paragraph (a), by bank transfer to a blocked account of the Company whose number shall be communicated by the Company;
- (c) in the event that a Share Option is exercised by a person or persons other than the Selected Participant, suitable proof of the right of this person or these persons to exercise the Share Option;
- (d) any and all declarations and documents, which the board of directors or the Remuneration and Nomination Committee deems desirable or necessary in order to comply with all applicable legal and regulatory provisions.

8.6. Issuance of shares

- (a) The Company shall only be obliged to issue a share as a result of the exercise of Share Options after all of the preceding conditions set forth in Article 8.5 have been fulfilled and following the completion of the capital increase mentioned below.
- (b) In the event of an exercise of Share Options, provided the conditions set forth in Article 8.5 have been fulfilled, the board of directors, or one or more members thereof, shall, in accordance with applicable law, have the capital increase resulting from the exercise of the Share Options concerned, and the payment and issuance of the corresponding shares, recorded before a notary public at the request of the board of directors, a

Director, any member of the executive management, or any proxyholder specifically authorised for that purpose in accordance with Article 7:187 of the Belgian Companies and Associations Code (or any other provisions having the same purport), as soon as practicably possible following the expiry of the Exercise Period in which the Share Options concerned were exercised.

- (c) If at the time of exercise of the Share Options, the Company's ordinary shares are admitted to listing and/or trading, at the Company's initiative, on the regulated market of Euronext Brussels, another regulated market or other trading platform, the Company shall take such actions and make such filings as shall be necessary to have the shares that are issued upon the exercise of the Share Options concerned admitted to listing and/or trading on the regulated market of Euronext Brussels, another regulated market or another trading platform.
- (d) The Company may at its discretion postpone the delivery of the shares issued upon exercise of Share Options, if this is necessary in order to comply with the applicable regulations or provisions of whatever nature, including but not limited to public offers, registrations, prospectus requirements and/or other obligations with respect to the shares of the Company, as the Company deems appropriate.

9. ADJUSTMENTS

9.1. General

Notwithstanding Article 7:71 of the Belgian Companies and Associations Code (or any other provision having the same purport), the Company may proceed with all actions that it deems appropriate in relation to its capital, its articles of association, its financial conditions or its management, even if such actions would lead to a reduction of the benefits allocated to the holders of the Share Options, including but not limited to mergers, acquisitions, capital increases or reductions (including those subject to a condition precedent), incorporation of reserves in the capital with issuance of new shares, the distribution of dividends, the issuance of subscription rights, convertible bonds or other securities entitling the holder to subscribe for or acquire shares or other securities of the Company, the amendment of arrangements or provisions relating to the distribution of profits or liquidation proceeds (except if an amendment to the arrangements or provisions relating to the distribution of profits or liquidation proceeds would result in all of the then outstanding and existing shares having preferred rights relating to the distribution of profits or liquidation proceeds as compared to the shares to be issued upon exercise of the Share Options).

Should the rights of a holder of Share Options with respect to the Share Options of such holder be affected by such decision or transaction, then the holder of the Share Options shall not be entitled to a change of the Exercise Price, a change of the exercise conditions or any other form of (financial or other) compensation, unless the board of directors would explicitly decide otherwise.

9.2. Reorganisations of the Company's shares

In the event that at any time as of the Adoption Date up to the exercise of a Share Option, the Company (i) sub-divides its shares into a larger number of shares, or (ii) combines its shares into a smaller number of shares, then the number of shares to be issued upon exercise of the Share Option after the occurrence of one of such events shall be adjusted so that, after giving effect to such adjustment, the holder of the Share Option shall be entitled to receive the number of shares upon exercise of the Share Option that such holder would have owned or have been entitled to receive had this Share Option been exercised immediately prior to the occurrence of the event concerned.

In the event that, prior to the exercise of the Share Options, all or substantially all of the shares of the Company are transferred to a company that becomes the new parent company of the Company, the board of directors may decide, in its absolute discretion (to the extent however that the intrinsic value of the Share Options remains identical), that the Selected Participants are obliged to roll-over their Share Options onto options over shares of the new holding company.

An adjustment made pursuant to this Article 9.2 shall become effective after the effective date of the event concerned. The Company shall inform the Selected Participants of such adjustment by means of a notice as soon as practicable after the effective date of the event concerned.

9.3. Mergers, de-mergers

In the event that at any time as of the Adoption Date up to the exercise of a Share Option, there is (i) a merger of the Company with or into another person or entity whereby the Company is not the surviving entity, or (ii) a de-merger of the Company, whereby in both (i) and (ii) the shares of the Company are exchanged into shares, other securities, cash or other property of one or more other persons or entities, then the shares to be issued upon exercise of the Share Option after the occurrence of one of such events shall be adjusted so that, after giving effect to such adjustment, the Selected Participant shall upon exercise of the Share Option be entitled to receive the number of shares, other securities, cash or other property of the successor or acquiring persons or entities that such holder would have owned or have been entitled to receive had this Share Option been exercised immediately prior to the occurrence of the event concerned.

An adjustment made pursuant to this Article 9.3 shall become effective immediately after the effective date of the event concerned. The Company shall inform the Selected Participant of such adjustment by means of a notice as soon as practicable after the effective date of the event concerned.

In case of any such merger or de-merger, the Company must procure that the successor or acquiring persons or entities shall expressly assume the due observance and performance of each and every covenant and obligation of the Plan, the applicable Share Option Agreements and any applicable Sub-Plans to be performed and observed by the Company.

9.4. Exercise of the Share Options by virtue of law

If a Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the Plan or in the relevant Sub-Plan and/or Share Option Agreement) becomes prematurely exercisable on the basis of the provisions of Article 7:71 of the Belgian Companies and Associations Code (or any other provision having the same purport) and is also exercised pursuant to said provision, the shares obtained by exercising the Share Options shall not be transferable, unless explicitly agreed upon by the board of directors, until the time the underlying Share Options would have become exercisable in accordance with the Plan, the relevant Sub-Plan or Share Option Agreement.

10. MISCELLANEOUS

10.1. Binding Nature of the Plan

In case of acceptance of the Share Options, the Selected Participant shall be bound by, and deemed to have accepted, the terms and conditions set forth in the present Plan. In the event of a transfer of the Share Options (or any right thereto) pursuant to the Plan, the acquirer or transferee shall be bound by, and deemed to have accepted, the terms and conditions set forth

in the present Plan, as well as the relevant Sub-Plan and the Share Option Agreement that has been entered into by the Selected Participant with respect to the Share Options concerned.

10.2. Taxes and social security

The Company (or any of its Subsidiaries as applicable) shall be entitled, in accordance with the applicable law or practice, to withhold from the cash salary, remuneration or payment of the month (or other period) during which the taxable benefit arises or from the cash salary, remuneration or payment of any other subsequent month(s) or period, and/or the Selected Participant shall be obliged to pay to the Company or to the respective Subsidiary (if requested by the Company or the respective Subsidiary to do so), the amount of any tax and/or social security contributions, if any, attributable to or payable in connection with the grant, vesting or exercise of any Share Options or attributable to or payable in connection with the delivery or subsequent sale or disposal of the shares.

The Company (or any of its Subsidiaries as applicable) shall also be entitled, in accordance with the applicable law or practice, to make the necessary reporting, required as a result of the grant of the Share Options, their vesting or their exercise or of the delivery or subsequent sale or disposal of the shares.

10.3. Costs and expenses

The costs in relation to the capital increase resulting from the exercise of Share Options (and the stamp duties related thereto) will be borne by the Company. Taxes on stock exchange transactions and other similar duties or taxes that are levied (if at all) in relation to the grant, vesting or exercise of Share Options and/or the delivery of the shares resulting therefrom will be borne by the holder of the Share Options concerned.

10.4. Applicable law and competent courts

Share Options granted under the Plan shall be governed by and construed in accordance with the laws of Belgium. Any dispute arising under the Plan, the relevant Sub-Plan and/or the Share Option Agreement of a Selected Participant shall be subject to the exclusive jurisdiction of the courts in the jurisdiction of which the Company shall have its registered office from time to time.

10.5. Relation to the employment agreement, directorship, management agreement or similar agreement

Notwithstanding any provision of the Plan, the relevant Sub-Plan and/or the Share Option Agreement, the rights and obligations of a Selected Participant as determined under the terms of the Selected Participant's employment agreement, directorship, management agreement or similar agreement with the Company or any Subsidiary shall not be affected by the Selected Participant's participation in the Plan or by any right that the Selected Participant may have to participate therein. A Selected Participant who/which is granted Share Options pursuant to the Plan shall have no rights to compensation or damages in consequence of the termination of the Selected Participant's employment agreement, directorship, management agreement or similar agreement with the Company or the Subsidiary for any reason whatsoever, insofar as those rights arise or may arise from the termination of the rights which the Selected Participant would have or of the claims which the Selected Participant could make relating to the exercise of the Share Options under the Plan as a result of the termination of such employment agreement, directorship, management agreement or similar agreement or from the loss or reduction in value of the rights or advantages.

10.6. Notices

- (a) Any notice, demand or other communication ("notice") to be given pursuant to the Plan, the relevant Sub-Plan and/or a Share Option Agreement must be made in writing.
- (b) Any notice to be given to any of the holders of a Share Option, shall be deemed validly served by:
 - (i) delivering it by hand with confirmation of receipt;
 - (ii) sending it by registered mail (or such other communication means as the Remuneration and Nomination Committee may decide) to such person's address as shall have been communicated by such person to the Company; or
 - (iii) sending it by email to such person's email address as shall have been communicated by such person to the Company.
- (c) Any notice to be given to the Company shall be deemed validly served by delivering it by hand with confirmation of receipt, by sending it by registered mail (or such other communication means as the Remuneration and Nomination Committee may decide) to the address of the registered office of the Company, or by sending it by email to the CEO and the CFO of the Company.

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