Message from the Chairman and the CEO

Dear Shareholders, Colleagues and Business Partners,

We are very pleased to report on another successful year for Sequana Medical, where we have continued to demonstrate the unique capabilities of our **alfa**pump and DSR technologies for the treatment of fluid overload. We remain focused on approval and commercialization of the **alfa**pump in North America for recurrent and refractory ascites due to liver cirrhosis and delivering the clinical evidence for DSR as a disease-modifying therapy for congestive heart failure to secure the right strategic partnership.

Early in 2022, the **alfa**pump was one of the first novel Class III active implantable medical devices to be certified under the new European Medical Device Regulation (MDR), a significantly more stringent regulatory standard. This followed the Quality Management System (QMS) certification under the Medical Device Single Audit Program (MDSAP), clearly demonstrating our progress towards meeting the standards required for approval of the **alfa**pump in the US.

In April, we completed the **alfa**pump implantations in patients with recurrent or refractory ascites that had been enrolled in POSEIDON, our pivotal study to support the regulatory approval in the US and Canada. Top-line results from the 40 patients in the Pivotal Cohort were reported later in the year, with all primary endpoints successfully met. We demonstrated that our primary efficacy endpoint data substantially exceeded the predefined thresholds for study success and primary safety endpoints were in line with expectations. This allows us to prepare for PMA filing in H2 2023, with US market approval planned for 2024.

We also reported the preliminary interim analysis of patient survival following **alfa**pump implantation in the POSEIDON Roll-In Cohort, showing a mean survival probability of 70% at 12 months, which compares favourably to the published literature reporting a survival rate for refractory liver ascites patients of only 50% at 12 months.

In November, one of our principal investigators presented the safety, efficacy and quality of life data from the POSEIDON Roll-In Cohort at The Liver Meeting of the American Association for the Study of Liver Diseases (AASLD), the leading organization of scientists and healthcare professionals in preventing and curing liver disease. We believe that there is a clear need for improved treatment options for the large and growing number of patients suffering from recurrent or refractory ascites due to liver cirrhosis. The North American market is forecast to grow between 6-7% annually reaching over 170,000 patients in 2035, representing a total addressable market for the **alfa**pump of over US $2.5 billion. Fatty liver disease and NASH (non-alcoholic steatohepatitis) are predicted to be the major drivers of this strong growth.

2022 has been a breakthrough year for our DSR heart failure program with the reporting of data from our RED DESERT and SAHARA studies showing substantial long-lasting clinical benefits of our DSR therapy in decompensated heart failure patients. None of the patients treated with DSR therapy were readmitted to the hospital for congestion-related heart failure during the study follow-up periods and all had a dramatic reduction in the need for oral loop diuretics many months post-therapy. This is a clear indication of the long-lasting improvement in patients' cardiovascular and renal health as evidenced by the one class (or more) improvement in the New York Heart Association (NYHA) assessment for all patients, and a 75% reduction in the one-year predicted mortality as predicted by the highly respected and validated Seattle Heart Failure Model. These data demonstrate that DSR not only reduces fluid overload in congestive heart failure patients but also improves the health of their heart and the kidneys. We therefore believe that DSR has the potential to be a disease-modifying heart failure drug therapy that could help the estimated 200,000 US heart failure patients suffering from diuretic-resistant persistent congestion.

The experience from our first-generation DSR product used in RED DESERT and SAHARA gave us great confidence to move forward with our second-generation DSR product (DSR 2.0), intended to have an improved safety and therapeutic profile. In early 2023 we announced positive results from the GLP animal and Phase 1 CHIHUAHUA studies, showing that DSR 2.0 is well-tolerated and indicates a compelling dosing profile.

We are planning to start MOJAVE, a Phase 1/2a randomized controlled multi-center study of DSR 2.0 during the second quarter of 2023 following approval of the Investigational New Drug (IND) submitted at the end of March 2023. Our intention is to enrol 30 patients with chronic heart failure who have persistent congestion despite their high doses of diuretics, with 20 patients treated with our DSR 2.0 product administered via a peritoneal catheter and 10 patients with intravenous loop diuretics, both on top of their usual care, for four weeks followed by a three-month safety follow-up period. We believe that these data will deliver the clinical data package required for partnering the DSR program with an established heart failure player.

We continued to build the strength and depth of the Board by appointing two seasoned US medtech executives, Doug Kohrs and Alexandra Clyde, both with a strong track record and expertise in the commercialization and reimbursement aspects of medical devices. This will be instrumental as we build towards the commercial launch of our **alfa**pump in North America.

We would like to thank Erik Amble for his contributions to the Board over many years. Erik stepped down from the Board in September last year, but will continue to attend Board meetings as an observer.

We would also like to thank our shareholders, clinical investigators, and other partners who continue to support us during this exciting time for Sequana Medical. Finally we would like to thank our employees for their contribution, hard work and commitment during 2022, as they are key to the Company's success. We would not have been able to achieve these important milestones without their efforts.

2023 promises to be another exciting year, with important milestones such as the **alfa**pump PMA submission to the FDA and initial data from our MOJAVE DSR study, both anticipated in the second half of the year. We are confident that we can continue to demonstrate the benefits of our proprietary **alfa**pump and DSR technologies, and move closer to launching **alfa**pump in the US and establishing a strategic partnership for DSR. We are committed to innovating the treatment of diuretic-resistant fluid overload, improving the clinical outcomes and quality of life for patients who otherwise have limited treatment options.

Pierre Chauvineau Ian Crosbie