THIS INFORMATION DOCUMENT IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD BE PROHIBITED BY APPLICABLE LAW

sequanamedical

INFORMATION REGARDING THE ADMISSION TO LISTING AND TRADING ON THE REGULATED MARKET OF EURONEXT BRUSSELS OF 7,980,409 NEW SHARES

---

1. INTRODUCTION

This document (the "**Information Document**"), dated 24 January 2025 has been prepared by Sequana Medical NV (the "**Company**" and, together with its consolidated subsidiaries, "**Sequana Medical**"), a limited liability company organised and incorporated under the laws of Belgium, registered with the legal entities register (Ghent, division Ghent) under enterprise number 0707.821.866, with LEI number 8755009AN12Y4PEOII07, and with its registered office located at Kortrijksesteenweg 1112 (box 102), 9051 Ghent, Belgium, in accordance with article 1(5)(ba)(iii) and Annex IX of Regulation 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**").

This Information Document relates to the admission to listing and trading on the regulated market of Euronext Brussels of 7,980,409 shares (the "**New Shares**", and together with any of the outstanding ordinary shares of the Company, each a "**Share**").

The 7,980,409 New Shares were issued by the board of directors of the Company (within in the framework of the authorised capital) on 24 January 2025 in consideration of contributions in kind (pursuant to an exercise of contractual conversion rights that were previously agreed to by the Company) of then outstanding receivables for an aggregate amount of EUR 4,495,280.67 (as principal amount and (where applicable) interest (where relevant, on a net basis)) (collectively, the "**Loan Conversions**") that were due by the Company under, respectively, the loan agreement dated 17 July 2020 with Sensinnovat BV, as amended (the "**2020 Loan Agreement**"), the loan agreement dated 30 September 2024 with different shareholders (including Sensinnovat BV, Midelco SA, David Vlerick, Benedikt van der Vorst, and Albert Kessler), as amended (the "**2024 Loan Agreement**"), and the loan agreement dated 19 July 2022 with Kreos Capital VII (UK) Limited, as amended (the "**Kreos Loan Agreement**", and together with the 2020 Loan Agreement and the 2024 Loan Agreement, the "**Loan Agreements**"), as follows:

- 902,064 New Shares were issued to the benefit of Sensinnovat BV at an issue price of EUR 0.5895 upon contribution of outstanding receivables under the 2020 Loan Agreement for an aggregate amount of EUR 531,766.67 (as principal amount and interest);
- 985,486 New Shares were issued to the benefit of Sensinnovat BV at an issue price of EUR 0.5581 upon contribution of outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 550,000.00 (as principal amount and interest);
- 985,486 New Shares were issued to the benefit of Midelco SA at an issue price of EUR 0.5581 upon contribution of outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 550,000.00 (as principal amount and interest);
- 95,860 New Shares were issued to the benefit of David Vlerick at an issue price of EUR 0.5581 upon contribution of outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 53,500.00 (as principal amount and interest (on a net basis));
- 109,500 New Shares were issued to the benefit of Benedikt van der Vorst at an issue price of EUR 0.5863 upon contribution of outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 64,200.00 (as principal amount and interest (on a net basis));
- 54,750 New Shares were issued to the benefit of Albert Kessler at an issue price of EUR 0.5863 upon contribution of certain outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 32,100.00 (as principal amount and interest (on a net basis)); and

- 42,365 New Shares were issued to the benefit of Albert Kessler at an issue price of EUR 0.7577 upon contribution of certain outstanding receivables under the 2024 Loan Agreement for an aggregate amount of EUR 32,100.00 (as principal amount and interest (on a net basis)); and
- 4,804,898 New Shares were issued to the benefit of Kreos Capital VII (UK) Limited at an issue price of EUR 0.5581 upon contribution of outstanding receivables under the Kreos Loan Agreement for an aggregate amount of EUR 2,681,614.00 (as principal amount).

For more information about the abovementioned Loan Agreements, the Loan Conversions, and the New Shares, reference is made to Sections 7, 9 and 10 below, as well as the report of the Company's board of directors prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code (which is available on the Company's website through the following link: https://www.sequanamedical.com/wp-content/uploads/2025/01/Sequana-Medical-Loan-Conversions-Board-Report-NL-redacted.pdf).

2. DECLARATION OF RESPONSIBILITY

The Company, represented by its board of directors, assumes responsibility for the information contained in this Information Document. The Company, represented by its board of directors, declares that, to the best of its knowledge, the information contained in this Information Document is in accordance with the facts and that this Information Document makes no omission likely to affect its import.

3. COMPETENT AUTHORITY

This Information Document does not constitute a prospectus within the meaning of the Prospectus Regulation, and has not been subject to the scrutiny and approval of the Belgian Financial Services and Markets Authority (the "**FSMA**"), as competent authority in accordance with article 20 of the Prospectus Regulation.

4. COMPLIANCE WITH APPLICABLE REPORTING AND DISCLOSURE OBLIGATIONS

The Company declares that, it has continuously complied with applicable reporting and disclosure obligations throughout the period in which its Shares have been admitted to listing and trading on the regulated market of Euronext Brussels, including under Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC, as amended (Transparency Directive), Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended (Market Abuse Regulation), and Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, as amended (MiFIDII Delegated Regulation 565), in each case as far as applicable.

5. AVAILABLE INFORMATION

The regulated information published by the Company pursuant to applicable ongoing disclosure obligations, as well as the most recent listing prospectus dated 21 August 2024, is available, subject to country restrictions, under the 'Investors' section on the following website: www.sequanamedical.com.

6. ABOUT SEQUANA MEDICAL

Sequana Medical is a pioneer in treating fluid overload, a serious and frequent clinical complication in patients with liver disease, heart failure and cancer, with two programs (in each case protected by a strong intellectual property portfolio):

- Sequana Medical's lead product, the **alfa**pump®, which has received approval from the US Food and Drug Administration (the "**FDA**") for the treatment of recurrent and refractory ascites due to liver cirrhosis, a market that the company estimates at USD 2 billion in 2025 and with a compound annual growth rate (CAGR) of 9%. The **alfa**pump® is the first active implantable medical device in the United States that automatically and continuously removes ascites from the abdomen into the bladder, where it is naturally eliminated through urination. Sequana Medical intends to start the commercialisation of the **alfa**pump® in the United States in the second half of 2025 through a specialty salesforce that will be established to target 90 US liver transplant centers. To date, over 1,000 **alfa**pump® systems have been implanted, and the **alfa**pump® has received 'Breakthrough

Device Designation' from the FDA, a program for devices that provide for more effective treatment of life-threatening or irreversibly debilitating diseases or conditions.

- DSR® (Direct Sodium Removal) is Sequana Medical's investigational drug therapy for the treatment of cardiorenal syndrome and diuretic-resistant heart failure. Results of the RED DESERT and SAHARA proof-of-concept studies in heart failure published in European Journal of Heart Failure in April 2024 support DSR®'s mechanism of action as breaking the vicious cycle of cardiorenal syndrome. All three patients from the non-randomized cohort of MOJAVE, a US randomized controlled multi-center Phase 1/2a clinical study, have been successfully treated with DSR®, resulting in a dramatic improvement in diuretic response and virtual elimination of loop diuretic requirements

For more information about the Company and its activities, reference is made to the Company's investor presentation (https://www.sequanamedical.com/wp-content/uploads/2025/01/2501-Sequana-Medical-Investor-presentation.pdf) and the Company's website (https://www.sequanamedical.com/our-company/about-us/).

7. REASONS FOR THE ISSUANCE OF THE NEW SHARES AND USE OF PROCEEDS

The Company entered into the aforementioned Loan Agreements further to negotiations that were conducted in an objective and independent manner between the Company's management and each of the relevant lenders (at the time the relevant Loan Agreements were entered into).

Each of the aforementioned Loan Agreements provided for the contractual option (but not the obligation) for the relevant lenders to convert certain outstanding receivables into new ordinary Shares of the Company (through a contribution in kind of outstanding receivables) subject to certain conditions. The Loan Agreements (of which the aforementioned conversion mechanisms formed an integral part) provided funds to the Company that were essential to address and improve its cash position and needs at the time the Loan Agreements were entered into, and allowed the Company to improve its working capital position, support its going concern, and extend its cash runway at that time, while continuing its search for additional financing and evaluation of potential alternatives. The Company notes in this regard that the aforementioned conversion mechanisms reflected in the Loan Agreements were express requirements by the relevant lenders and were provided as incentive and compensation for the lenders to enter into the respective Loan Agreements (or amendment agreements thereto). If the Company were not be willing to agree to such conversion mechanisms, the lenders might not have been willing to enter into the Loan Agreements (or amendment agreements thereto).

In the course of December 2024 and January 2025, the respective beneficiaries of the Loan Conversions informed the Company that they were exercising the conversion rights provided for in their respective Loan Agreements, and hence were willing to effectively contribute certain outstanding receivables to the Company's share capital against the issuance of New Shares (in accordance with the applicable provisions of the relevant Loan Agreements). The Loan Conversions have not generated any new cash funds for the Company, but have allowed the Company to settle outstanding receivables without having to use existing or new funds (in cash), have reduced the Company's indebtedness, and have improved the Company's net equity position, which was in each case in the interest of the Company, its shareholders, and its creditors.

The Company notes that the issue price of the New Shares issued in the framework of the Loan Conversions represented significant discounts against the current trading price of the Company's shares on the regulated market of Euronext Brussels. These discounts resulted from conversion mechanisms that were priorly agreed in the Loan Agreements (and that formed an integral part thereof; as mentioned above), are not unusual, and reflected, among other things, a compensation for the limited liquidity of the Company's shares (notwithstanding the trading of the Company's shares on the regulated market of Euronext Brussels), the fact that the relevant lenders were willing to provide loans when the continuity (going concern) of the Company was at risk (and when there were few or no other financing options available (in the short term)), the relevant opportunity costs for the relevant lenders, and the (then) relevant general macro-economic conditions (which made it difficult for many companies (including the Company) to raise funds at reasonable terms).

For more information about the reasons and justifications of the Loan Conversions and the related issuance of the New Shares, reference is made to Sections 2 and 6 of the aforementioned report of the board of directors prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code (which is available on the Company's website).

8. RISK FACTORS

An investment in Shares of the Company involves various risks. The risk factors set out below are limited to those risks that Sequana Medical considers to be material and specific to Sequana Medical and its Shares. The risk factors presented below are based on Sequana Medical's assessment and available information as of the date of publication of this Information Document.

8.1 Risk factors related to Sequana Medical's business and industry

Risks relating to Sequana Medical's financial situation

- Sequana Medical does not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Information Document and will require additional funds beyond this period in order to meet its capital and expenditure needs and ensure its going concern. The Company continues to evaluate equity and debt financing options (including discussions with existing and/or new investors), as well as potential strategic collaboration and licensing arrangements, it being noted that on the date of this Information Document no concrete (refinancing) options or proposals are under consideration by the Company. Such equity and/or debt financing might not be available when needed or, if available, might not be available on commercially favourable terms, particularly if the difficult market conditions arising from the conflicts in Ukraine and the Middle East persist. If the necessary equity and/or debt funds are not available, Sequana Medical may seek funds through collaboration and licensing arrangements, at an earlier stage than originally planned, at terms that are less favourable than those it might otherwise have obtained or at terms which may require it to reduce or relinquish significant rights to its programmes. If Sequana Medical is unable to obtain necessary financing or enter into other arrangements to sustain its operations, it may not be able to achieve its strategic objectives (including commercialisation of the **alfa**pump® in the United States or the commercialisation of the DSR® product) or ensure its going concern (which is not ensured as Sequana Medical does not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Information Document and will require additional funds beyond this period in order to meet its capital and expenditure needs and ensure its going concern).
- The 2024 Loan Agreement, Kreos Loan Agreement, and the PMV Loan Agreement contain events of default that are customary for loans of this type. Upon the occurrence of an event of default, the relevant loans (*i.e.*, a principal amount of EUR 6.47 million under the 2024 Loan Agreement, a principal amount of EUR 6.20 million under the Kreos Loan Agreement, and a principal amount of EUR 4.3 million under the PMV Loan Agreement) shall (immediately or upon written notice from the relevant lenders) become due and payable together with accrued interest thereon and any other sums then owed by the Company thereunder.
- Sequana Medical has incurred and accumulated operating losses and negative operating cash flows in each period since it was founded in 2006 and may not be able to achieve or subsequently maintain profitability. Operating loss from continuing operations for the year ended 31 December 2023 and the half year ended 30 June 2024 was respectively, EUR 32.6 million and EUR 11.1 million. As of 31 December 2023 and 30 June 2024, Sequana Medical has a loss brought forward of, respectively, EUR 206.0 million and EUR 217.1 million. These losses have resulted principally from costs incurred in the development and commercialisation of the **alfa**pump® and DSR® product, as well as from general and administrative costs associated with Sequana Medical's operations and manufacturing scale-up. Sequana Medical intends to fund the continued development of the **alfa**pump® and the DSR® product, to expand manufacturing capabilities, to seek further regulatory and marketing approvals for these products (as far as needed), to secure reimbursement by payers, to maintain, protect and expand Sequana Medical's intellectual property portfolio and to expand sales and marketing activities.
- The incoming new Trump administration in the United States has indicated its intention to impose tariffs on goods manufactured outside of the United States. If such tariffs are introduced, they could result in higher costs for importing goods, leading to either increased prices for customers of the **alfa**pump® or higher costs for Sequana Medical. These changes could negatively affect the marketability and commercial success of the **alfa**pump®, as well as the financial performance of Sequana Medical. Furthermore, uncertainty surrounding trade policies and potential protectionist measures may disrupt supply chains and introduce further operational and financial challenges for Sequana Medical.
- Changes in currency exchange rates could have a material negative impact on the profitability of Sequana Medical.

Risks relating to Sequana Medical's commercialisation and reimbursement

- Sequana Medical's success is largely contingent upon the sale of the **alfa**pump® in the United States. This will require the establishment of its own commercial and other operations in these markets. Any failure to do so could materially impact Sequana Medical's business and result of operations. Following the receipt of FDA approval for the **alfa**pump, Sequana Medical is in the process of significantly expanding the scale and scope of its activities in the United States,

particularly through the establishment of commercial, and related operations in the United States as well as manufacturing for its **alfa**pump®. If Sequana Medical is unable to implement the aforementioned plans, this could result in delays in the US commercial scale-up, resulting in increased costs and/or delayed or reduced revenues, preventing Sequana Medical from achieving or maintaining profitability.

- Sequana Medical's success is largely contingent on third party payment from government providers, healthcare insurance providers or other public or private sources and it could fail to achieve or maintain reimbursement levels sufficient to support commercialisation on a large scale. The existence of coverage and adequate reimbursement for Sequana Medical's products by government and/or private payers will be critical to market adoption for the **alfa**pump®, and/or the DSR® product (if approved). Physicians and hospitals are unlikely to use the **alfa**pump® and/or the DSR® product (if approved), at all or to a great extent, if they do not receive adequate reimbursement for the procedures utilising Sequana Medical's product, and potential patients may be unwilling to pay for the **alfa**pump® and/or the DSR® product themselves. If Sequana Medical is unable to obtain or maintain reimbursement for the **alfa**pump® or the DSR® product in its key markets, this would compromise its ability to commercialise these products on a large scale, which would in turn limit its opportunities to achieve profitability.
- Sequana Medical's future financial performance will depend on the commercial acceptance of the **alfa**pump® and/or the DSR® product (if approved) in target markets. Failure, or any substantial delay, in gaining significant commercial market acceptance of the **alfa**pump® and/or the DSR® product in target markets, on a timely basis or at all, or the obsolescence of any of these products could limit the revenues Sequana Medical is able to earn from sales of its **alfa**pump® and DSR® product (if approved).
- The success of the **alfa**pump® and/or the DSR® product (if approved) depends on their acceptance and adoption by physicians. Lack of acceptance and adoption of the **alfa**pump®, the DSR® product and/or any future products by a sufficient number of relevant physicians would substantially reduce Sequana Medical's ability to achieve sales estimates and prevent Sequana Medical from achieving or maintaining profitability.
- Sequana Medical may not be able to manufacture or outsource manufacturing of the **alfa**pump®, and/or the DSR® product in sufficient quantities, in a timely manner or at a cost that is economically attractive.
- If Sequana Medical is unable to expand its sales, marketing and distribution capabilities for the **alfa**pump® and/or the DSR® product (if approved), whether it be with internal infrastructure or an arrangement with a commercial partner, Sequana Medical may not be successful in commercialising the **alfa**pump® and/or the DSR® product (if approved) in its target markets

Risks relating to Sequana Medical's dependence on third parties as well as retention and hiring of key personnel

- Sequana Medical relies on retaining its key personnel as well as the hiring of additional personnel to conduct its planned activities, including but not limited to the establishment of US commercial activities, scale up of **alfa**pump manufacturing and performing DSR pre-clinical and clinical development activities. Any failure to do so could materially impact Sequana Medical's business and result of operations. Sequana Medical relies, and will rely in the future, on its key personnel to perform specialised tasks that require extensive knowledge of the **alfa**pump® or DSR® programs. In addition, as mentioned, Sequana Medical intends to significantly expand the scale and scope of its activities in the United States, particularly the establishment of commercial and related operations in the United States, as well as manufacturing for its **alfa**pump business. There is considerable demand for such specialised knowledge, and it may well be challenging to retain the existing personnel as well as hire the required additional personnel required for its current plans. Sequana Medical faces competition for such personnel from other companies that have greater financial resources and/or benefits, which may limit its ability to retain such personnel or make additional hires. In recent months and years, Sequana Medical has had to reduce personnel as a result of reducing expenses and cash burn which may increase the risk of key personnel leaving to obtain greater job security. If Sequana Medical is unable to retain key personnel or make the planned expansion of its team, this could result in delays in the clinical trials, regulatory filings and commercial scale-up, resulting in increased costs and/or delayed or reduced revenues, preventing it from achieving or maintaining profitability.
- Sequana Medical relies on third parties to conduct its clinical studies, perform data collection and analysis, and provide regulatory advice and other services that are crucial to its business. Sequana Medical depends on third-party suppliers for services, components and pharmaceutical ingredients used in the production and operation of the **alfa**pump® and DSR® product and some of those

services, components and pharmaceutical ingredients are supplied from a single source. Disruption of the supply chain, unavailability of third-party services required for the production of the **alfa**pump® and DSR® product, component modifications or failure to achieve economies of scale could have a material adverse effect on Sequana Medical. The **alfa**pump® and DSR® product require customised components, pharmaceutical ingredients and services that are currently available from a limited number of sources. Most of these components, pharmaceutical ingredients and services are sourced externally from more than 70 external suppliers. In addition, for certain components, Sequana Medical relies on single source suppliers. If Sequana Medical has to switch to a replacement supplier for any of these components or pharmaceutical ingredients or for certain services required for the production and operation of the **alfa**pump® and DSR® product (for example, the sterilisation and coating of the product components), or if Sequana Medical has to commence its own manufacturing to satisfy market demand, it may face additional delays. For example, in the past, a supplier has discontinued its supply of certain components after it deemed Sequana Medical's purchase requirements to be of insufficient volume to justify the enhanced regulatory obligations that affect manufacturers of medical device components. Third party suppliers may also be subject to circumstances which impact their ability to supply, including enforcement action by regulatory authorities, natural disasters (e.g., hurricanes, earthquakes, disease and terrorism), epidemics (e.g., the COVID-19 outbreak), industrial action (e.g., strikes), financial difficulties including insolvency, among a variety of other internal or external factors. Any such supply disruptions could in turn result in production disruptions for an extended period of time, which could delay completion of its clinical studies or commercialisation and prevent Sequana Medical from achieving or maintaining profitability. Alternative suppliers may be unavailable, may be unwilling to supply, may not have the necessary regulatory approvals, or may not have in place an adequate quality management system ("**QMS**"). Furthermore, modifications to a service or component made by a third-party supplier could require new approvals from the relevant regulatory authorities before the modified service or component may be used. In addition, Sequana Medical expects to be required to significantly increase manufacturing volumes as clinical studies on the DSR® product are expanded and as the commercialisation of the **alfa**pump® is expanded and if the DSR® product reaches commercialisation. Most of its suppliers will need to increase their scale of production to meet the projected needs for commercial manufacturing, the satisfaction of which on a timely basis may not be met. If Sequana Medical is unable to secure an adequate supply of components, it may be unable to achieve or maintain successful commercialisation in target markets. Any disruptions in the supply of components, pharmaceutical ingredients or services required for the manufacture of the **alfa**pump® and DSR® product could result in delays to Sequana Medical's DSR clinical studies and could compromise its ability to commercialise the **alfa**pump® in the United States and/or secure a partnership for DSR.

Legal and regulatory risks

- Sequana Medical is and will be subject to certain post-approval regulatory obligations in relation to the **alfa**pump® and the DSR® product. Following approval of the **alfa**pump® in the United States, Sequana Medical is subject to FDA requirements applicable to medical device manufacturers to monitor and report adverse events as part of the medical device reporting ("**MDR**") regulations, so that safety issues can be identified and addressed quickly. When such issues are identified, the FDA may require corrective actions – such as modifying labelling or instructions for use, improving training, or removing the device from the market – to ensure proper use or patient safety. Any of these could result in significant time and expense to correct and may harm the reputation of Sequana Medical. Such issues may result in the need for the **alfa**pump® to be suspended from sale or withdrawn from the market. In these circumstances, the **alfa**pump® may require substantial redesign and/or re-engineering to address any identified issues. This may result in Sequana Medical needing to undertake further clinical studies to re-establish the safety and efficacy of the revised product, which would be costly and time consuming and may exceed the resources of Sequana Medical. Similar reporting requirements exist for devices approved within the regulatory frameworks of other countries.
- Sequana Medical's manufacturing facility and those of its third-party suppliers are subject to significant regulations and approvals. If Sequana Medical or its third-party manufacturers or suppliers fail to comply with these regulations or maintain these approvals, Sequana Medical's business will be materially harmed. Sequana Medical currently manufactures the **alfa**pump® at its manufacturing facility in Switzerland, and has entered into agreements with third-party suppliers to manufacture and supply certain components of the **alfa**pump®. The DSR® product is currently manufactured by a third-party in Romania. The manufacturing practices of Sequana Medical and its third-party suppliers are subject to ongoing regulation and periodic inspection. Any failure to follow and document the adherence to regulatory requirements (including having in place an adequate QMS in line with the most up-to-date standards and regulations) by Sequana Medical or its third-party suppliers may lead to significant delays in the availability of the **alfa**pump® and/or the

DSR® products for commercial sale or clinical studies, may result in the termination of or a hold on a clinical study, or may delay or prevent filing or approval or maintenance of marketing applications for the **alfa**pump® and/or the DSR® product.

- Sequana Medical is subject to the risk of product liability claims or claims of defectiveness, which could result in uninsured losses for Sequana Medical or recalls of the relevant product.
- Compliance with regulations and standards for quality systems for medical device and drug companies is complex, time consuming and costly. Sequana Medical may be found to be non-compliant, for example as a result of future changes in or interpretation of the regulations regarding quality systems in certain jurisdictions.
- The FDA and other regulatory agencies strictly regulate the promotional claims that may be made about medical devices and drugs. If Sequana Medical is found to have made false or misleading claims about the **alfa**pump® and/or the DSR® product, or otherwise have violated promotion or advertising restrictions, it may become subject to significant fines and/or other liabilities.
- Sequana Medical is subject to healthcare fraud and abuse laws, as well as other laws applicable to Sequana Medical's business activities. If Sequana Medical is unable to comply with such laws, it could face substantial penalties.
- Seeking and obtaining regulatory approval for medical devices and drugs can be a long, expensive and uncertain process. Strict or changing regulatory regimes, government policies and legislation in any of Sequana Medical's target markets may delay, prohibit or reduce potential sales.
- Sequana Medical faces risks related to environmental matters and animal testing activities.

Risks relating to Sequana Medical's clinical development

- Sequana Medical is required to conduct clinical studies for regulatory approvals and other purposes. Clinical studies require approvals, carry substantial risks and may be costly and time consuming, with uncertain results.
- Adverse events may result in delays to the completion of clinical studies or may prevent completion.
- If Sequana Medical experiences delays or difficulties in the recruitment of Investigators, obtaining necessary approvals from study sites or the enrolment of subjects in clinical studies, or study sites failure to adhere to trial protocols and good clinical practices (GCP) regulations or similar regulations, its receipt of necessary regulatory approvals could be delayed or prevented.
- If Sequana Medical is unable to enter into a partnership or strategic alliance for the further development and commercialisation of the DSR® product, as is currently contemplated, it may incur additional costs and/or the development of these products might be delayed.

Risks relating to intellectual property

- Any inability to fully protect and exploit Sequana Medical's intellectual property may adversely impact Sequana Medical's financial performance and prospects.
- Sequana Medical could become subject to intellectual property litigation that could be costly, result in the diversion of management's time and efforts, require Sequana Medical to pay damages, prevent Sequana Medical from marketing the **alfa**pump® and/or the DSR® product and/or reduce the margins for the **alfa**pump® and/or the DSR® product.
- Intellectual property rights do not necessarily address all potential threats to Sequana Medical's competitive advantage.

Risks relating to the market in which Sequana Medical operates

- Competition from medical device companies, pharmaceutical and biotechnology companies, and medical device subsidiaries of large healthcare and pharmaceutical companies is intense and expected to increase.

Risks relating to global events

- The Russian invasion of Ukraine and the conflicts in the Middle East could have a destabilising impact on Sequana Medical's operations, both directly as a result of potential impact on Sequana Medical's supply chain and indirectly due to the impact on global macroeconomic conditions.

Risks relating to surgical procedures

- Active implantable medical devices such as the **alfa**pump® carry risks associated with the surgical procedure for implant or removal of the device, use of the device, or the therapy delivered by the device.

Risks relating to business activities

- Security breaches and other disruptions could compromise Sequana Medical's information and expose Sequana Medical to liability, which would cause Sequana Medical's business and reputation to suffer.
- Information technology forms a key support requirement within Sequana Medical's business. Any failure of Sequana Medical's IT systems could present a substantial risk to its business continuity.

8.2 Risk factors related to the New Shares

- Any future capital increases by the Company could have a negative impact on the price of the Shares and could dilute the interests of existing shareholders. Taking into account that the Company's ability to continue operations depends on its ability to raise additional capital and to refinance existing debt in order to fund operations and assure the solvency of the Company until revenues reach a level to sustain positive cash flows, the Company continues to evaluate equity and debt financing options.

  The Company may in the future increase its share capital against cash or contributions in kind to finance any future acquisition or other investment or to strengthen its balance sheet. The Company may also issue subscription rights that are exercisable for new shares, or raise capital through public or private offerings of convertible debt or equity securities, or rights to acquire these securities. In connection with such transactions, the Company may, subject to certain conditions, limit or dis-apply preferential subscription rights of existing shareholders otherwise applicable to capital increases through contributions in cash. In addition, preferential subscription rights do not apply to capital increases through contributions in kind. Such transactions could therefore dilute the stakes in the Company's share capital held by shareholders and could have a negative impact on the price of the Shares (including the New Shares).

  Investors resident in countries other than Belgium may suffer dilution if they are unable to participate in future preferential subscription rights offerings.

  The Company notes in this regard that a number of new Shares are issuable upon exercise or conversion of the following outstanding dilutive instruments:

  – a number of new Shares that are issuable upon exercise of outstanding subscription rights that were previously issued by the Company;

  – up to 197,368 new shares that will have to be issued by the Company in the course of June 2025 against an issue price of EUR 0.11 per share in the framework of the settlement of 197,368 'restricted share units' granted to certain independent non-executive directors;

  – a number of new Shares that are issuable to the benefit of PMV upon conversion of certain receivables (consisting of EUR 800,000.00 in principal amounts, to be increased with accrued interest) under the PMV Loan Agreement, at a conversion price per share equal to the arithmetic average of the daily volume weighted average price per Share of the Shares traded on the regulated market of Euronext Brussels during the period of 30 consecutive trading days ending on (and including) the third trading day before the date on which the Company has received a conversion exercise notice from PMV, *minus* a 25% discount; and

  – a number of shares to be issued to the benefit of certain lending shareholders upon conversion of their receivables (consisting of EUR 6.470.000,00 in principal amounts, to be increased with accrued interest) under the 2024 Loan Agreement, at a conversion price per share equal to the lower of (x) the arithmetic average of the daily volume weighted average price per share of the Company's shares traded on Euronext Brussels during the period of 20 consecutive trading days ending on (and including) the third trading day before the date on which the Company has received the conversion exercise notice, *minus* a 25% discount; and (y) the issue price of the new shares issued by the Company at the occasion of the most recent future equity financing before receipt of the conversion exercise notice, *minus* a 25% discount.

  Any exercise or conversion of the aforementioned instruments will further dilute the interests of existing shareholders of the Company. For more information about the aforementioned dilutive

instruments, reference is made to Section 7 of the aforementioned report of the board of directors prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code (which is available on the Company's website).

- An active market for the Shares on the regulated market of Brussels may not be sustained.
- The market price of the Shares on the regulated market of Brussels may fluctuate widely in response to various factors and the market price of the Shares may be adversely affected by such factors. Future sales of substantial numbers of the Shares, or the perception that such sales could occur, could also adversely affect the market value of the Shares.
- The Company will likely not be in a position to pay dividends in the near future and intends to retain all earnings.
- Certain significant shareholders of the Company may have different interests than the Company and may be able to control the Company, including the outcome of shareholder votes.

9. CHARACTERISTICS OF THE NEW SHARES

The New Shares have the following main features:

- The New Shares issued in the framework of the Loan Conversions are all ordinary Shares, have no nominal value, are fully paid-up, and rank *pari passu* in all respects with all other existing and outstanding Shares of the Company. All of the Shares have the same nature and belong to the same class of securities and are in registered or dematerialised form. Holders of New Shares may elect, at any time, to have their dematerialised New Shares converted into registered New Shares, and vice versa, at their own expense.
- Each shareholder of the Company is entitled to one vote per Share. All of the New Shares issued in the framework of the Loan Conversions entitle the holder thereof to dividends and other entitlements for which the relevant registration date or maturity date falls on or after the date of issuance of the New Shares. Each shareholder has the right to attend a general shareholders' meeting and to vote at the general shareholders' meeting in person or through a proxy holder, who need not be a shareholder. Within the limits of article 7:139 of the Belgian Companies and Associations Code, holders of securities have a right to ask questions to the directors in connection with the report of the board of directors or the items on the agenda of such general shareholders' meeting. In principle, changes to the share capital are decided by the shareholders, and the general shareholders' meeting may decide to increase or reduce the share capital of the Company. In the event of a capital increase for cash with the issue of new Shares, or in the event of an issue of convertible bonds or subscription rights, the existing shareholders in principle have a preferential right to subscribe, *pro rata*, to the new Shares, convertible bonds or subscription rights. If the Company is dissolved for any reason, any balance remaining after discharging all debts, liabilities and liquidation costs must first be applied to reimburse, in cash or in kind, the paid-up capital of the Shares not yet reimbursed. Any remaining balance shall be equally distributed amongst all the shareholders.
- All Shares (including the New Shares) represent an equal part of the share capital and shall all rank junior to all debt (instruments) of the Company.
- The New Shares issued in the framework of the Loan Conversions are freely transferable. The aforementioned is without prejudice to certain restrictions that may apply pursuant to applicable securities laws requirements.
- The Company has not declared or paid dividends on the Shares in the past. Any declaration of dividends will be based upon the Company's earnings, financial condition, capital requirements and other factors considered important by the board of directors. Belgian law and the Company's articles of association do not require the Company to declare dividends. Currently, the board of directors of the Company expects to retain all earnings, if any, generated by the Company's operations for the development and growth of its business and does not anticipate paying any dividends to the shareholders in the near future. On the date of this Information Document, the loan agreement originally entered into with PMV-Standaardleningen NV ("**PMV**") in July 2020, and most recently amended in September 2024 (the "**PMV Loan Agreement**"), includes protective covenants, which limit the Company's ability (and require the prior consent of PMV) to make distributions by way of dividends or otherwise. Furthermore, under the Kreos Loan Agreement, no distributions by way of dividend can be declared or made by the Company without the prior consent of Kreos Capital VII (UK) Limited.

10. DILUTION AND SHAREHOLDING AFTER THE ISSUANCE OF THE NEW SHARES

Each Share in the Company represents an equal part of the share capital of the Company and provides for one vote in function of the part of the share capital it represents. The issuance of the New Shares within the framework of the Loan Conversions has led 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 applied, *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. More specifically, prior to the Loan Conversions, each Share of the Company participated equally in the profit and liquidation proceeds of the Company and each shareholder had 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. Following the issuance of the New Shares within the framework of the Loan Conversions, the New Shares that were issued had the same rights and benefits as, and ranked (*pari passu*) in all respects with, the then existing and outstanding Shares of the Company at the moment of their issuance and delivery, and were 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 New Shares. As a result, the participation by the existing shareholders in the profit and liquidation proceeds of the Company and their holder's statutory preferential subscription rights in case of a capital increase in the framework of the Loan Conversions have been diluted accordingly.

The evolution of the share capital and the number of Shares, with associated rights thereto, of the Company as a result of the issuance of the New Shares within the framework of the Loan Conversions is reflected below (not taking into account any dilution resulting from the potential exercise or conversion of any Company's outstanding dilutive instruments referred to in Section 8.2 above).

Evolution of the number of outstanding Shares and share capital (on a non-diluted basis)

	Loan Conversions
Before the Loan Conversions	
Total number of outstanding Shares	44,436,192
Share capital amount	EUR 4,603,936.18
After the Loan Conversions (*i.e.*, the situation on the date of this Information Document)	
New Shares issued in the Loan Conversions	7,980,409
Total number of outstanding Shares after the Loan Conversions	52,416,601
Dilution	15.22%
Share capital amount	EUR 5,430,706.55

The 7,980,409 New Shares represent 17.96% of the 44,436,192 Shares that are already admitted to listing and trading on the regulated market of Euronext Brussels on the date of this Information Document.

For more information about the dilutive effects of the Loan Conversions, reference is made to Section 7 of the aforementioned report of the board of directors prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code (which is available on the Company's website).

11. INFORMATION ON THE ADMISSION TO LISTING AND TRADING OF THE SHARES

The Shares of the Company, other than the 7,980,409 New Shares, are already admitted to listing and trading on the regulated market of Euronext Brussels under the symbol "SEQUA" with ISIN BE0974340722. An application has been made for the admission to listing and trading on the regulated market of Euronext Brussels of 7,980,409 New Shares (issued in the framework of the Loan Conversions). These New Shares are expected to be listed under the symbol "SEQUA" with ISIN BE0974340722. Trading for these New Shares is expected to commence on or about 28 January 2025. The New Shares have not been offered by the Company to the public.

12. IMPORTANT NOTICES

This Information Document (and the posting thereof on the internet) does not constitute, and the Company is not making, an offer to sell any of the Company's securities (including the New Shares), or a solicitation of an offer to purchase any of the Company's securities (including the New Shares) to any person in any jurisdiction where such an offer or solicitation is not permitted or unlawful. The distribution of this Information Document may, in certain jurisdictions, be restricted by law, and this Information Document may not be used for

the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Neither this Information Document nor any other listing related documents may be distributed or sent to any person or into any jurisdiction, except in circumstances that will result in the compliance with all applicable laws and regulations. Persons into whose possession this Information Document may come are required to inform themselves about, and to observe all, such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Company does not accept any responsibility for any violation by any person, whether or not it is a prospective purchaser of Shares, of any such restriction. The Company has not authorised any offer of the New Shares to the public in any member state of the European Economic Area ("**EEA**") or elsewhere.

The New Shares have not been and will not be registered under the US Securities Act of 1933, as amended from time to time (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States. Unless New Shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available, New Shares may not be offered, sold or delivered within the United States (as that term is defined in Regulation S).

Investors must assess, with their own advisers if necessary, whether the Shares are a suitable investment for them, considering their personal income and financial situation. In case of any doubt about the risks involved in investing in the Shares, investors should abstain from investing in the Shares. In making an investment decision, investors must rely on their own assessment, examination, analysis and enquiry of Sequana Medical, the terms of the admission of the New Shares to listing and trading on the regulated market of Euronext Brussels, and the contents of this Information Document, including the merits and risks involved. Any purchase of Shares should be based on the assessments that an investor may deem necessary and including possible tax consequences that may apply, before deciding whether or not to invest in the Shares. In addition to their own assessment of Sequana Medical and the terms of the admission of the New Shares to listing and trading on the regulated market of Euronext Brussels, investors should rely only on the information contained in this Information Document, including the risk factors described herein. The Company, or any of its respective representatives, is not making any representation to any purchaser of Shares regarding the legality of an investment in the Shares by such purchaser under the laws applicable to such purchaser. Each investor should consult with its own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Neither the delivery of this Information Document nor any sale of Shares made at any time after the date hereof shall, under any circumstances, create any implication that there has been no change in Sequana Medical's affairs since the date hereof or that the information set forth in this Information Document is correct as of any time since such date.

All statements in this Information Document that do not relate to historical facts and events are "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "continue", "ongoing", "potential", "predict", "project", "target", "seek" or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. These forward-looking statements appear in a number of places throughout this Information Document. Forward-looking statements include statements regarding Sequana Medical's intentions, beliefs or current expectations concerning, among other things, its results of operations, prospects, growth, strategies and dividend policy and the industry in which Sequana Medical operates. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Prospective investors in the Shares should not place undue reliance on these forward-looking statements. Any forward-looking statements are made only as of the date of this Information Document and, without prejudice to the Company's obligations under applicable law in relation to disclosure and ongoing information, the Company does not intend, and does not assume any obligation, to update forward-looking statements set forth in this Information Document. Many factors may cause Sequana Medical's results of operations, financial condition, liquidity and the development of the industries in which Sequana Medical operates to differ materially from those expressed or implied by the forward-looking statements contained in this Information Document. Such risks and others described in the Section 8 above not exhaustive. New risks can emerge from time to time, and it is not possible for Sequana Medical to predict all such risks, nor can Sequana Medical assess the impact of all such risks on its business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not rely on forward-looking statements as a prediction of actual results.

*Note: **alfa**pump® and DSR® are registered trademarks. For important safety information about the **alfa**pump® and DSR® therapy, reference is made to the following section on the Company's website: https://www.sequanamedical.com/wp-content/uploads/2025/01/20241222-Important_safety_information.pdf*