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STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF SEQUANA MEDICAL NV ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Sequana Medical NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 23 May 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed the statutory audit of the Group's consolidated accounts for 7 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR 9.943.760 and a net loss for the year of EUR 44.653.617.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards ('IFRS') as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts"* section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 4 in the consolidated accounts, which indicates that although the Company received approval for the alfapump from the US FDA, the Company still has to execute on its alfapump US commercialization strategy. Furthermore, DSR is still in its development phase and further clinical trials will be required to achieve regulatory marketing approvals. Both programs incur various risks and uncertainties, including but not limited to the uncertainty of the development & commercialization process and the timing of achieving profitability. The Company's ability to continue operations also 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 impact of macroeconomic conditions and geopolitical situation on the Company's ability to secure additional financing rounds or undertake capital market transactions remains unclear at this point in time. The consolidated statement of financial position as at 31 December 2024 shows a negative equity of EUR 44.4 million and ending cash balance of EUR 3.8 million.

These events or conditions as set forth in note 4 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated accounts of the current period. This matter was addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Accounting and valuation of the Kreos Loan Facility Agreement and the Convertible Loan Agreements

Refer to notes 8.7.2, 8.7.3 and 8.8.2 of the consolidated accounts and to the accounting policies as described in note 2.3.1.15.

Description of the Key Audit Matter

Sequana has entered into a secured loan facility agreement with Kreos (the “Kreos Loan Facility Agreement”) in the amount of EUR 10 million. In the framework of the Kreos Loan Facility Agreement, the Company and Kreos Capital VII Aggregator SCSp entered into a subscription rights agreement in July 2022 (the "Kreos Subscription Rights Agreement").

In 2024, Kreos and the Company entered into two substantial modifications to the contract, notably on 8 July 2024 and on 2 December 2024, which substantially altered the loans and both qualified as debt extinguishments. On the inception of the loan on 2 December 2024, this agreement was assessed to contain several compound instruments, for a total fair value per year-end 2024 of EUR 12 million.

Additionally, Sequana has entered into unsecured subordinated convertible loans of up to EUR 6.1 million from existing shareholders, with an initial tranche of EUR 3.05 million. This financing was subsequently increased to EUR 7.6 million through the support of additional shareholders and the receipt of the second tranche from all participating investors.

Sequana has assessed that the loan facility classifies as financial debt, to be recognized at fair value at its inception in accordance with IFRS 9 and subsequently remeasured at fair value through profit and loss. The total fair value per year-end 2024 was determined at EUR 14.9 million.

This is an area of focus for our audit due to the complexity of the accounting and valuation for these transactions.

How our audit addressed the key audit matter

We verified the contractual basis and documentation of the transactions by reading the minutes of meeting of the board of directors, the Convertible Loan Agreements, the Kreos Loan Facility Agreement, and the Subscription Rights Agreement.

We have discussed with management on the nature of the Kreos Loan Facility Agreement (including the Subscription Rights Agreement), including amendments and the Convertible Loan agreements and the substance of the transactions.

We have assessed whether the accounting policies used by the Group are in accordance with IFRS and are appropriate and challenged management on its applied methodology and its compliance with IAS 32 and IFRS 9.

In performing the procedures outlined above, we involved our IFRS specialists to assess the accounting methods as applied by management and our valuation specialists to assess the valuation methods as applied by management.

We also considered the appropriateness and sufficiency of related disclosures in the consolidated accounts.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with IFRS Accounting Standards ('IFRS') as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statements related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.

- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation") and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors is responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter "digital consolidated accounts").

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial accounts comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the official Dutch version of the digital consolidated accounts included in the annual report of Sequana Medical NV per 31 December 2024, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

Other statement

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Antwerp, 17 April 2025

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Peter D'hondt*
Bedrijfsrevisor/Réviseur d'entreprises

*Acting on behalf of Peter D'hondt BV

ANNUAL REPORT 2024

sequanamedical

FIN-2K BV, represented by
Kirsten Van Bockstaele,
Permanent Representative

Disclaimer

This annual report may contain predictions, estimates or other information that might be considered forward-looking statements. Such forward-looking statements are not guarantees of future performance. These forward-looking statements represent the current judgment of Sequana Medical on what the future holds, and are subject to risks and uncertainties that could cause actual results to differ materially. Sequana Medical expressly disclaims any obligation or undertaking to release any updates or revisions to any forward-looking statements in this annual report, except if specifically required to do so by law or regulation. You should not place undue reliance on forward-looking statements, which reflect the opinions of Sequana Medical only as of the date of this annual report. Certain monetary amounts and other figures included in this annual report have been subject to rounding adjustments. Accordingly, any discrepancies in any tables between the totals and the sums of amounts listed are due to rounding.

***Important Safety Information**: For important safety information regarding the **alfa**pump® system, see https://www.sequanamedical.com/wp-content/uploads/ISI.pdf.*

*The **alfa**pump® System is currently not approved in Canada.*

DSR® therapy is still in development and is currently not approved in any country. The safety and effectiveness of DSR® therapy has not been established.

*Note: **alfa**pump® and DSR® are registered trademarks.*

OUR STRATEGY AND KEY OBJECTIVES

Develop and commercialize innovative treatments for patients with diuretic-resistant fluid overload, focusing on improved clinical outcomes, better quality of life for patients and cost savings for healthcare systems.

- Commercialize **alfa**pump® in the United States for the treatment of recurrent or refractory ascites due to liver cirrhosis, using our own specialty salesforce targeting liver transplant centers.
- Develop our proprietary DSR® product as a disease-modifying heart failure drug therapy tackling cardiorenal syndrome and establish a strategic partnership for late-stage clinical development and commercialization.

SEQUANA MEDICAL AT A GLANCE

We are pioneers in treating fluid overload, a serious and frequent clinical complication in patients with liver disease, heart failure and cancer. This causes major medical issues including increased mortality, repeated hospitalizations, severe pain, difficulty breathing and restricted mobility that severely impacts their daily life. Although diuretics are standard of care, they become ineffective, intolerable or exacerbate the problem in many patients. There are limited alternative effective treatment options, resulting in poor clinical outcomes, high costs and a major impact on their quality of life. We are seeking to provide innovative treatment options for this large and growing "diuretic-resistant" patient population.

alfapump® and DSR® are our two proprietary platforms that work with the body to treat diuretic-resistant fluid overload and are protected by our strong intellectual property (IP) portfolio. Our **alfa**pump is a fully implanted medical device that has a proven track record for treatment of recurrent or refractory liver ascites. DSR or Direct Sodium Removal has demonstrated clinical proof-of-concept as a disease-modifying heart failure drug development program tackling cardiorenal syndrome & diuretic-resistance.

alfapump

Recurrent or refractory ascites is a severe condition characterized by the accumulation of fluid in the abdomen. The current standard treatment involves therapeutic paracentesis, an invasive and burdensome procedure that drains ascites from the abdomen using a large needle over an extended period.

The **alfa**pump, a fully implanted, wirelessly charged device, automatically pumps fluid from the peritoneal cavity into the bladder, where it is naturally eliminated through urination. It is protected by a portfolio of patents granted in the US and Europe and more than 1,000 devices have been implanted to date. The **alfa**pump is approved by the US FDA for the treatment of recurrent or refractory ascites due to liver cirrhosis. It is the first active implantable medical device in the US that automatically and continuously removes ascites from the abdomen into the bladder, where it is naturally eliminated through urination. In Europe, the **alfa**pump has received CE mark (under MDR 2017/745) for the treatment of refractory ascites due to liver cirrhosis and malignant ascites and has been included in key European treatment guidelines.

We are preparing to commercialize the **alfa**pump directly in the US, using a specialized in-house sales force targeting 90 liver transplant centers (covering 95% of adult liver transplants). The US market for the **alfa**pump is estimated at $2 billion and forecast to grow at a CAGR of 9%, from 70,000 patients in 2025 to more than 130,000 by 2032[1], primarily driven by the increasing prevalence of MASH (Metabolic dysfunction-Associated Steatohepatitis – previously known as NASH, Non-Alcoholic Steatohepatitis), a key complication of obesity.

[1] Based on US market assessment conducted by highly experienced international consulting group, forecasting over 130,000 patients with recurrent or refractory ascites in the US by 2032 and a target average selling price of $30,000 per **alfa**pump

Reimbursement is very important for commercial success in the US and we are well advanced in our preparations. We already have ICD-10 procedure codes for the **alfa**pump procedure that will facilitate hospital billing and the American Medical Association granted six new CPT®[2] III reimbursement codes that will facilitate physician billing for procedures related to the **alfa**pump System. In addition, we have applied, and expect to receive, NTAP (new technology add-on payments), a form of additional reimbursement for novel medical devices which should further support patient access to the **alfa**pump System.

The FDA's approval of the PMA is based on the successful execution of our pivotal POSEIDON study, a landmark study across 18 centers in the US and Canada with a total of 69 patients implanted with the **alfa**pump. The primary effectiveness endpoints at six months post-implantation in the Pivotal Cohort[3] exceeded the predefined thresholds with statistical significance, and primary safety endpoint data was in line with expectations[4]. Data at 12 months post-implantation continued to show a strong and durable clinical profile, virtually eliminating the need for therapeutic paracentesis and delivering an improvement in quality of life (as defined by subjective physical health (assessed by SF-36 PCS) and ascites symptoms (assessed by Ascites Q))[5]. At AASLD's The Liver Meeting in November 2024, key POSEIDON investigators reported that the **alfa**pump virtually eliminated the need for large volume paracentesis at 24 months, with overall survival of 62%[6].

Data from the patient preference study and a matched cohort analysis of the NACSELD-III registry with the POSEIDON Pivotal Cohort indicated that US patients have a strong preference for the **alfa**pump vs standard paracentesis procedures and that the **alfa**pump significantly improved quality of life (focused on ascites symptoms and physical function) vs baseline with a safety profile comparable to standard of care[7].

DSR (Direct Sodium Removal)

Heart failure is the leading cause of US hospitalizations in patients over 65 years old, with over one million hospitalizations per year[8] at a cost of over $14 billion[9]. 90% of these admissions are due to fluid overload (AKA congestion). In the US alone, we anticipate an estimated 200,000 patients with chronic congestive heart failure requiring repeated hospitalization. This fluid accumulation is caused by the retention of too much sodium due to the heart failure. DSR therapy uses our proprietary drug candidate administered into the peritoneal cavity to remove excess sodium from the body, to which the kidneys respond and eliminate excess free water naturally through urination, leading to reduced fluid overload. Composition of matter and method patents have been granted for DSR therapy in the US, Europe, Japan and China.

Extensive analysis of patients in our RED DESERT and SAHARA proof-of-concept studies shows the

[2] CPT Copyright 2024 American Medical Association. All rights reserved. CPT® is a registered trademark of the American Medical Association.
[3] The Pivotal Cohort is used for the primary effectiveness endpoints and consists of 40 patients implanted with the **alfa**pump
[4] Data reported in press release of 25 October 2022
[5] Data reported in press release of 19 October 2023
[6] Based upon the pivotal cohort of the POSEIDON study, data reported in press release of 18 November 2024
[7] Data reported in press release of 19 October 2023; Patient Preference study conducted by RTI Health Solutions, and matched cohort analysis presented by Dr. Bajaj at EASL Congress 2024.
[8] Costanzo et al., 2017
[9] Urbich et al., 2000

following benefits from DSR therapy: i) eliminating excess fluid, ii) normalizing diuretic response, iii) dramatically reduced loop diuretic dosing, iii) improving kidney function, and iv) cardiovascular parameter improvements. In these patients there were no congestion-related re-hospitalizations, a one class improvement in their New York Heart Association (NYHA)[10] status and a reduction of 75% in their predicated one-year mortality (based on the Seattle Heart Failure model[11]).

We have commenced MOJAVE, a US Phase 1/2a study to confirm the results of RED DESERT and SAHARA. The non-randomized cohort (n=3) has been completed and in these patients DSR therapy was safe and well tolerated, virtually eliminated loop diuretic requirements three months after completion of DSR treatment and improved diuretic response by over 300%[12]. The independent Data Safety Monitoring Board approved the start of the randomized MOJAVE cohort of up to a further 30 patients. Based on the results of the MOJAVE trial, we plan to partner DSR to leverage the strengths of an established heart failure player to realize commercial potential of DSR.

We are headquartered in Ghent, Belgium and listed on Euronext Brussels, supported by local and international life sciences investors and industry experts. We are led by an experienced management team and a Board of Directors with significant industry experience. We have strong endorsement for our technology and clinical approaches from international Key Opinion Leaders (KOLs).

[10] NYHA stratifies severity of heart failure by patient-reported symptoms. Data collected outside study protocols of RED DESERT and SAHARA.
[11] Predicted one-year survival analysis using Seattle Heart Failure Model of seven patients in RED DESERT and ten patients in SAHARA pre- and post-intensive DSR therapy. Analysis includes physician-assessed data collected post hoc.
[12] Mean increase of 324% in six-hour urinary sodium excretion after 4-week DSR therapy vs baseline

OUR BUSINESS
Achievements in 2024

US alfapump liver program

- US Commercial
    - PMA approval: On 20 December 2024, we received Premarket (PMA) Approval from the FDA to market the **alfa**pump system for the treatment of recurrent or refractory ascites due to liver cirrhosis in the United States. With this major regulatory milestone, achieved earlier than market expectations, **alfa**pump is the first active implantable medical device in the US that automatically and continuously removes ascites from the abdomen into the bladder. We estimate there are approximately 70,000 patients in the US with recurrent or refractory ascites, representing a market opportunity in excess of $2 billion for the **alfa**pump system; this population is forecast to reach 130,000 patients by 2032, primarily driven by MASH/NASH and alcoholic liver disease[13]. The **alfa**pump had previously received FDA Breakthrough Device Designation in October 2019; this scheme was established by the FDA to support the development of devices that provide for more effective treatment of life-threatening or irreversibly debilitating diseases or conditions. As well as expediting the development and FDA approval process, it provides additional benefits, particularly for Medicare reimbursement.
    - US Reimbursement – CPT III: In January 2024, the American Medical Association (AMA) approved the issuance of six new CPT III codes for the **alfa**pump system. This was a key step in facilitating reimbursement and the US commercialization strategy, augmenting the existing ICD-10 hospital procedure codes. Together these will allow hospitals and healthcare professionals to submit claims for the **alfa**pump system, paving the way for broader adoption and supporting commercial rollout in the US.
    - US Reimbursement – NTAP: In September 2024, we announced that we had submitted the **alfa**pump application for the NTAP (new technology add-on payment) program. CMS established this program to ensure that Medicare beneficiaries have access to emerging technologies, recognizing that the cost of such new technologies often exceeds the existing payments under the relevant DRGs (diagnostics related groups). We believe that we meet all criteria for NTAP given **alfa**pump's FDA breakthrough device designation and the anticipated average selling price of $30,000.

[13] Based on US market assessment conducted by highly experienced international consulting group

- Publications and presentations
    - Poster presentation at the EASL Congress by key investigators from the North American pivotal POSEIDON study in June 2024: The poster reported similar safety outcomes and significantly improved quality of life for **alfa**pump patients compared to baseline, which is not seen in a matched cohort of refractory ascites patients enrolled contemporaneously in the prospective NACSELD3 (North American Consortium for Study of End-Stage Liver Disease) study.
    - Poster presentation at the American Association for the Study of Liver Diseases (AASLD) conference ('The Liver Meeting') in November 2024 with new data from the POSEIDON study: The new 24-month results concluded that the **alfa**pump system was very effective in control of ascites, virtually eliminating the need for large volume paracentesis (LVP) long term. Frequency of LVP requirement in the roll-in cohort decreased from pre-implantation to 3 months post-implant and persisted to 24 months by more than 50% (mean LVP/month 2.7±1.3 to 0.1±0.2). Ascites volume removed by LVP fell from 22.8 ±12.5L/month pre- to 2.6± 6 L/month 3 months post-**alfa**pump system implant. Overall survival at 24 months in the **alfa**pump pivotal cohort was 62%.

DSR heart failure program

- MOJAVE – US randomized controlled Phase 1/2a study for treatment of congestive heart failure
    - Approval to commence randomised phase: In January 2024, the independent Data and Safety Monitoring Board (DSMB) approved the start of the randomized cohort in MOJAVE, following review of the safety data reported from the non-randomized cohort.
    - Study results from non-randomised cohort: On 25 March 2024, the three-month follow-up data from all three patients in the non-randomized cohort of MOJAVE were announced, confirming the dramatic and durable improvement in diuretic response and virtual elimination of loop diuretic requirements.
- Publications and presentations:
    - On 28 February 2024, at THT 2024, a leading international heart failure conference, presentation of a late-breaking abstract including data from the RED DESERT and SAHARA proof-of-concept studies of DSR therapy.
    - On 3 April 2024, we announced publication of the results of the RED DESERT and SAHARA proof-of-concept studies, in the prestigious peer-reviewed journal *European Journal of Heart Failure*. This highlights DSR as a potential novel treatment for diuretic resistance and cardiorenal syndrome in heart failure.
    - On 27 November 2024, we announced the publication in the prestigious peer-reviewed journal *Kidney Medicine* regarding our proprietary DSR 2.0, the improved DSR drug candidate. The publication highlights the improved efficiency and safety of DSR 2.0 compared to dextrose-based solutions, showing a significant enhancement in sodium and fluid removal over a longer duration, building on the initial proof of concept studies with DSR 1.0.

Corporate

- Financing
    - February Shareholder Financing: On 8 February 2024, we announced the granting of an unsecured subordinated convertible loan of EUR 3.0 million by two major shareholders, Partners in Equity and Rosetta Capital, and the agreement from lenders to defer the debt service payments, alongside the decision of the board of directors to prioritize resources towards FDA PMA approval of the **alfa**pump as a key value inflection point for the Company. This loan was converted into equity on 10 July 2024.
    - March Equity Financing: On 21 March 2024, we announced a successful equity raise of EUR 11.5 million in gross proceeds by means of a private placement allowing continued progress towards FDA PMA approval of the **alfa**pump, preparing US commercial launch, implementing CMC activities for DSR 2.0, as well as extending the cash runway of the Company to the end of Q3 2024.
    - September – December Shareholder Financing: On 30 September 2024, we announced an unsecured subordinated convertible loan of up to EUR 6.1 million from existing shareholders, with an initial tranche of EUR 3.05 million. This financing was subsequently increased to EUR 7.6 million through the support of additional existing shareholders and the receipt of the second tranche from all participating investors. The increased financing extended the cash runway into Q1 2025.
    - Exploring direct financing into each of the **alfa**pump and DSR programs: In September 2024, based on feedback from potential investors, we announced that we are exploring how to enable investments into each of the DSR and the **alfa**pump programs separately, which may expand the pool of potential investors and enable more effective financing of our business. We believe that such an approach may be beneficial to our investors through expanding the pool of potential experienced investors, while retaining the ability to invest in Sequana Medical through the EuroNext Brussels listing. As a result of the success of the DSR drug development program and the data from the RED DESERT and SAHARA studies demonstrating the durability of the treatment effect, we decided to pursue development of the DSR program without the **alfa**pump. As a result, there is little synergy between the DSR and **alfa**pump programs.
- Board changes: to improve cost efficiency and to meet the Belgian requirements for gender diversity prior to January 1, 2025, Douglas Kohrs and Kenneth Macleod stepped down from the board on 27 November 2024.

2025 year-to-date

US alfapump liver program

- Publication of "The Effects of **alfa**pump on Ascites Control and Quality of Life in Patients with Cirrhosis and Recurrent or Refractory Ascites" in the prestigious peer-reviewed journal, *American Journal of Gastroenterology*: On January 7 2025, we announced the publication covering the six month data for the forty implanted patients in the pivotal cohort of the POSEIDON study, the multicenter, open-label, single arm study with a within-subject crossover design conducted in patients with cirrhosis and recurrent or refractory ascites. The authors reported i) that the **alfa**pump system effectively controlled ascites, which improved quality of life[14], with complication rates similar to the expectation in patients with refractory ascites at six months post-implantation[15], and that ii) results from the literature indicate that the overall survival of patients with the **alfa**pump was not worse as compared to TIPS and was higher than reported for standard of care (LVP)[16].
- Key Opinion Leader (KOL) Webinar to discuss **alfa**pump US Commercial Roll-Out following FDA approval of the **alfa**pump System: On January 8 2025, Sequana Medical management, together with Dr Saab, Professor of Medicine and Surgery, David Geffen School of Medicine, UCLA and Dr Pagadala, Transplant Hepatologist, Methodist Dallas Medical Center, discussed i) the clinical need in recurrent and refractory ascites due to liver cirrhosis, including current treatment options, ii) the results of the **alfa**pump POSEIDON and Patient Preference studies, and what this means for US patients and physicians, and iii) **alfa**pump US commercial roll-out plans and market opportunity.
- In April 2025, the Centers for Medicare and Medicaid Services (CMS) proposed that our alfapump system be eligible for additional reimbursement under the New Technology Add-On Payment (NTAP) program when used in hospital inpatient settings. As an FDA-designated Breakthrough Device, the alfapump meets the NTAP criteria, with CMS recommending the maximum allowable NTAP amount of up to 65% of the device's incremental cost, capped at $19,500, in addition to standard MS-DRG payments. The proposal is open for public comment and is expected to be finalized by August 2025 and take effect on October 1, 2025.

[14] as defined by subjective physical health (assessed by SF-36 PCS) and ascites symptoms (assessed by Ascites Q)
[15] Data on file; statements from "The Effects of **alfa**pump on Ascites Control and Quality of Life in Patients with Cirrhosis and Recurrent or Refractory Ascites" A*merican Journal of Gastroenterology [January 2025]*
[16] Tan HK, James PD, Wong F. Albumin may prevent the morbidity of paracentesis-induced circulatory dysfunction in cirrhosis and refractory ascites: A pilot study. Dig Dis Sci 2016;61:3084-3092; b) Salerno F, Cammà C, Enea M, Rössle M, Wong F. Transjugular intrahepatic portosystemic shunt for refractory ascites: a meta-analysis of individual patient data. Gastroenterology 2007;133:825-834.

Corporate

- Financing
    - Conversion of EUR 4.50 million of outstanding indebtedness into equity: On 24 January 2025, we announced the conversion of EUR 0.53 million under the Sensinnovat 2020 loan, EUR 1.28 million under the 2024 convertible loan with various shareholders, and EUR 2.68 million under the Kreos 2022 loan into equity, reducing net debt by EUR 4.50 million.
    - March Financing Package: On March 18 2025, we announced i) the granting of an unsecured subordinated convertible loan of EUR 4.0 million by certain of our major shareholders, Partners in Equity V B.V. and EQT Health Economics 3 Coöperatief U.A. and ii) the entering into a share subscription facility agreement with GEM Global Yield LLC SCS, a $3.4 billion, Luxembourg based alternative investment group with offices in New York, Bahamas and Paris. Pursuant to the share subscription facility, GEM agreed to commit, subject to certain conditions, an amount of up to EUR 20 million in cash (with our option to increase the commitment to up to EUR 60 million in cash, once the aforementioned EUR 20 million has been drawn down) within a maximum term of three years in exchange for new ordinary shares in Sequana Medical and subject to certain share lending arrangements being in place. In addition, we agreed with our existing debt providers to restructure several features of the Company's debt, subject to certain conditions. These financing arrangements are expected to extend our cash runway to the end of 2025 based on the expected drawdown of the initial EUR 20 million commitment of the share subscription facility.

Outlook for 2025

- US **alfa**pump liver program – on track for US commercial launch in Q3 2025: The preparations continue for the start of US sales, both in terms of product availability and the preparation of our launch hospitals. Production is underway of the **alfa**pump Systems for initial sales and the necessary support and logistical preparations are on track to support the launch. Training of the teams at our initial launch sites including hepatologists, interventional radiologists and their teams is underway with three sites completed and a further three planned for April. Discussions are progressing for the administrative and contractual arrangements at these sites to facilitate the purchase of **alfa**pump systems.
- DSR heart failure program – start of the randomized cohort of MOJAVE: Our phase I/IIa randomized controlled study of DSR in the US is approved by the independent DSMB, and the start is subject to additional fundraising.

Proprietary alfapump® & DSR® technologies

We are a pioneer in treating fluid overload, a serious and frequent clinical complication in patients with liver disease, heart failure and cancer. This causes major medical issues including increased mortality, repeated hospitalizations, severe pain, difficulty breathing and restricted mobility. Although diuretics are standard of care, they become ineffective, intolerable or exacerbate the problem in many patients. There are limited alternative effective treatment options, resulting in poor clinical outcomes, high costs and a major impact on their quality of life. We are seeking to provide innovative treatment options for this large and growing "diuretic resistant" patient population.

alfapump® and DSR® are Sequana Medical's proprietary platforms that work with the body to treat diuretic-resistant fluid overload, and are intended to deliver major clinical and quality of life benefits for patients, while reducing costs for healthcare systems.

Medical device for recurrent or refractory ascites due to liver cirrhosis

- Growth in MASH/NASH drives attractive commercial opportunity
- $2bn market growing at 9% CAGR (2025-2032)17
- Standard of care has severe limitations, with little innovation
- US PMA approval received; approved in EU under MDR 2017/745
- FDA breakthrough device status
- US commercial launch planned for Q3 2025 through small specialty salesforce targeting 90 US liver transplant centers
- Derisked reimbursement position, supporting average selling price of $30,000 at 80% gross margin

Novel drug development program for cardiorenal syndrome in heart failure

- Targeting cardiorenal syndrome and diuretic resistance in heart failure
- Over $9bn addressable market in the US18
- Clinical proof-of-concept as potential disease-modifying drug therapy
- Dramatic and durable impact on disease-status
- Low development risk, favourable safety profile & strong IP
- US Phase 1/2a randomized controlled MOJAVE study underway – positive data from initial patient cohort
- Intention to outlicence based on result of MOJAVE study

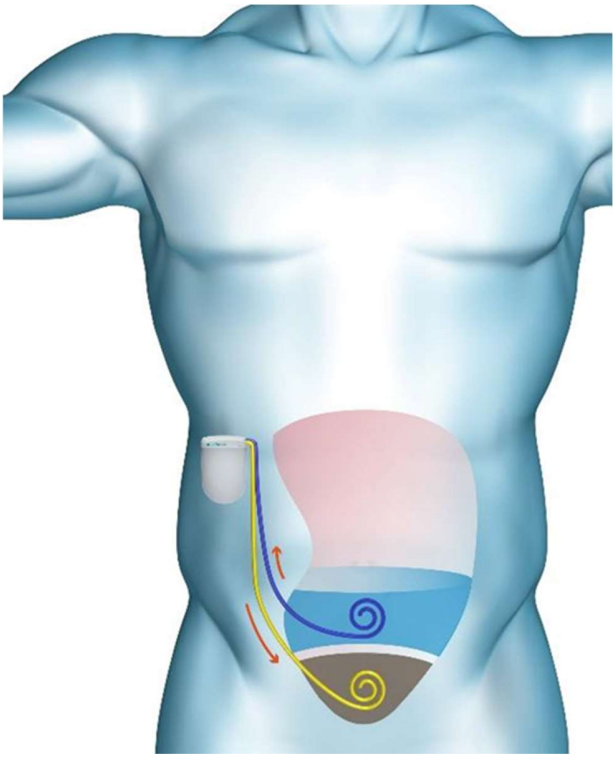
[17] Based on US market assessment conducted by highly experienced international consulting group, estimating 130,000 patients with recurrent or refractory ascites in the US by 2032 and based on a target average selling price of $30,000 per **alfa**pump

[18] Management estimate of ~200k chronically congested HF patients hospitalized per year in the US with a US annual HF hospitalization cost per patient of $45,000

alfapump

Eliminating fluid from the peritoneal cavity – working in partnership with the bladder

Our **alfa**pump is the first active implantable medical device designed to treat the build-up of fluid in the abdomen. It is a battery-powered pump that is implanted just under the skin for the controlled and continuous removal of fluid from the peritoneal cavity into the bladder where it is simply urinated away. The **alfa**pump system provides an automated system for the removal of fluid without the need for repeated needle punctures or external tubes & wires.



Fully implantable pump system

The **alfa**pump is implanted under the patient's skin in a minimally invasive operation. It is a simple procedure taking approximately 80 minutes that can be performed under local anesthesia with sedation, by interventional radiologists. Because the **alfa**pump is fully implanted, patients are able to retain normal mobility and activity.

Once the **alfa**pump has been implanted, it is programmed wirelessly by the physician to allow the defined amount of fluid to be removed each day. The schedule can be designed to suit patients' individual daily routine.

Wirelessly charged through the skin

The only patient interaction is the need to recharge the battery each day with a wireless charger (the Smart Charger) through the skin for approximately 30 minutes (depending on the amount of fluid extracted each day). While charging, pump performance data from the **alfa**pump® is transferred to the Smart Charger.

Pump performance monitoring

alfapump® performance data is collected and transferred to our data specialists who send reports to clinicians enabling them to manage patients more effectively through closer monitoring and notification of changes in pump performance data.

alfapump system components

The extensive research and development that went into the **alfa**pump is reflected in the sophisticated workings of the pump mechanics and controls. The **alfa**pump is programmed, charged and monitored wirelessly.

***alfa**pump*

The **alfa**pump is an automatic and programmable pump implanted under the skin and can pump up to four litres of fluid per day. The **alfa**pump monitors pressure in the bladder and the abdominal cavity via pressure sensors to ensure optimal fluid management and contains anti-clogging control algorithms to reduce blockage. The housing of the pump is made of biocompatible plastic, which enables efficient wireless charging and communication.

Catheters

Implantable grade silicone catheters are used to collect fluid from the abdominal cavity and transfer it to the bladder. These catheters are implanted inside the body.

Smart Charger

The Smart Charger is a hand-held charging device that charges the **alfa**pump through the skin. While charging, performance data from the **alfa**pump are transferred to the Smart Charger. This data is transferred to secure servers for analysis.

Programmer

The **alfa**pump programmer IV is a medical-grade notebook with proprietary FlowControl software that is used to change the **alfa**pump settings. The FlowControl software enables the quick and easy adaption of a fluid-transport program to the needs of each patient.

Supply Chain

The large majority of sub-components of the **alfa**pump are sourced externally, from a total of approximately 70 external suppliers, including experienced and well-respected manufacturers for the critical components.

DSR

Eliminating fluid spread across the body – working in partnership with the kidneys

DSR or Direct Sodium Removal is our proprietary therapy to treat fluid overload spread across the body. Fluid accumulation is the result of an increase of sodium levels in the body, to which the body responds by accumulating water to keep a constant concentration of sodium in the blood. With our DSR therapy, we remove excess sodium from the body, which lowers the concentration of sodium in the blood, so the brain and kidneys step in to quickly and accurately remove the exact amount of water to restore the correct sodium concentration in the blood, resulting in reduced fluid overload.

Key principle

Maintaining a constant concentration of sodium in the body ("homeostasis") is a key physiological parameter, vital to patient health. A concentration that is too high will result in hypernatremia and a concentration that is too low will result in hyponatremia, both of which are serious medical conditions.

When the sodium levels in the body increase, the body responds by accumulating water to keep a constant sodium concentration in the body, leading to fluid overload. So in patients with fluid overload, the amount of sodium and water is in balance but there is just too much of both.

DSR approach

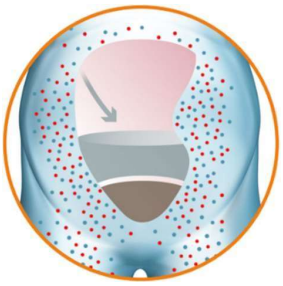
DSR removes excess sodium in patients with residual renal function leading to lower sodium concentration in the body.

As a result, the body acts to restore the sodium concentration in the body by eliminating fluid through urination and osmotic ultrafiltration, resulting in a sustained level of fluid loss.

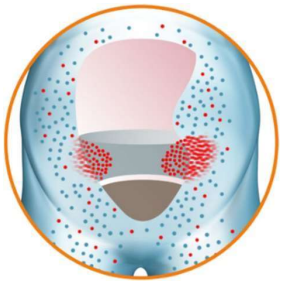
DSR therapy involves the use of the peritoneal cavity for the removal of sodium via diffusion. The peritoneal cavity, just like the lungs, has a large surface area, rich blood supply and thin walls, which makes it highly effective in removing soluble compounds from the blood stream. The utility of the peritoneal cavity is supported by the long-standing technique of peritoneal dialysis, for the removal of toxins from the blood of patients with renal failure.

How DSR works

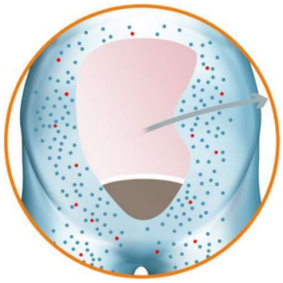
1) In DSR, the objective is to remove sodium. To do this, we administer our sodium-free DSR product to the peritoneal cavity and allow it to dwell for a pre-defined period.



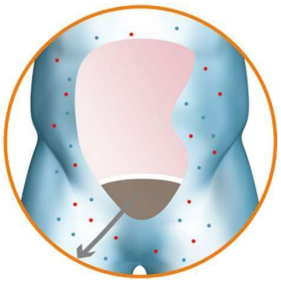
2) Sodium diffuses from the body down a steep diffusion gradient into the DSR product. The blood circulation keeps the blood sodium concentration high so the diffusion remains effective.



3) The DSR product and the extracted sodium are then removed, resulting in a removal of sodium from the body.



4) The body responds by eliminating free water via osmotic ultrafiltration (the movement of water, together with sodium, from the bloodstream to the peritoneal cavity) and/or urination to restore the sodium balance reducing the fluid overload.



DSR therapy treatment overview

The sodium-free DSR product is administered to the peritoneal cavity and remains in the peritoneal cavity for a pre-determined time before the DSR product and the extracted sodium is removed using the same peritoneal catheter. This process is repeated up to three times per week for up to four weeks, and based on our clinical results so far, is expected to deliver a clinical benefit lasting over one year.

We currently administer the DSR product using a standard peritoneal catheter to speed the clinical development, but in the future we intend to replace the peritoneal catheter with our own proprietary subcutaneous port to improve treatment flexibility, reduce risk of infection and enhance patient convenience.

Extensive Intellectual Property Portfolio

Our patent portfolio consists of 71 patents being granted across 20 patent families and a further 18 patent applications pending for **alfa**pump and DSR. In addition to patents, we also rely on a combination of trade secrets, design rights, copyright laws, non-disclosure agreements and other contractual provisions and technical measures that help maintain and develop our competitive position with respect to intellectual property.

alfapump® in liver disease

Proven step change for treatment of recurrent or refractory ascites due to liver cirrhosis

Recurrent or refractory ascites is a severe condition characterized by the accumulation of fluid in the abdomen. The current standard treatment involves therapeutic paracentesis, an invasive and burdensome procedure that drains ascites from the abdomen using a large needle over an extended period. The **alfa**pump is approved by the US FDA for the treatment of recurrent or refractory ascites due to liver cirrhosis. It is the first active implantable medical device in the US that automatically and continuously removes ascites from the abdomen into the bladder, where it is naturally eliminated through urination. To date, over 1,000 **alfa**pump systems have been implanted.

In 2019, the **alfa**pump was granted breakthrough device designation by the FDA for treatment of recurrent and refractory ascites due to liver cirrhosis. The North American pivotal study (POSEIDON) met all primary efficacy endpoints with statistical significance, confirming the strong clinical and commercial profile of the **alfa**pump. In December 2024, the **alfa**pump received Pre-Market Approval (PMA), marking a major milestone in our US commercialization strategy. Commencing in Q3 2025, we plan to commercialize the **alfa**pump directly in the US, using a specialized in-house sales force targeting 90 liver transplant centers (covering 95% of adult liver transplants). We estimate there are approximately 70,000 patients in the US with recurrent or refractory liver ascites, representing a market opportunity in excess of $2 billion for the **alfa**pump. This is forecast to reach 130,000 patients by 2032, primarily driven by MASH/NASH and alcoholic liver disease[19].

[19] Based on US market assessment conducted by highly experienced international consulting group, estimating 130,000 patients with recurrent or refractory ascites in the US by 2032 and a target average selling price of $30.000 per **alfa**pump

Market opportunity and limitations of existing therapies

Liver cirrhosis/NASH and recurrent or refractory ascites

The number of people affected by liver disease is large and growing. In 2018, more than 4.5 million US adults aged 18 and older were diagnosed with chronic liver disease[20].

Cirrhosis, one of the leading manifestations of liver disease, is the progressive scarring of the liver. Traditionally, the key causes of liver cirrhosis have been alcoholic liver disease and viral hepatitis. However, this is changing dramatically due to the rise of MASH/NASH, a key complication of obesity, in particular in North America.

MASH (metabolic dysfunction-associated steatohepatitis), previously known as NASH (non-alcoholic steatohepatitis), is a severe form of metabolic dysfunction-associated fatty liver disease (MAFLD), previously known as non-alcoholic fatty liver disease (NAFLD), with a poor prognosis and extremely limited treatment options. MAFLD is characterized by an accumulation of fat in the liver and associated with obesity, high fat, fructose-rich diets and a sedentary lifestyle.

Approximately one-third of the US population is affected by MAFLD and approximately a quarter to one-third of NAFLD cases are classified as NASH[21]. MASH is a silent disease due to the difficulty in diagnosing it, making early-stage intervention challenging. It is estimated that about 10% of the NASH population will progress to liver cirrhosis in the near-to medium-term[22], making the US MASH-related cirrhosis market an attractive market for the **alfa**pump.

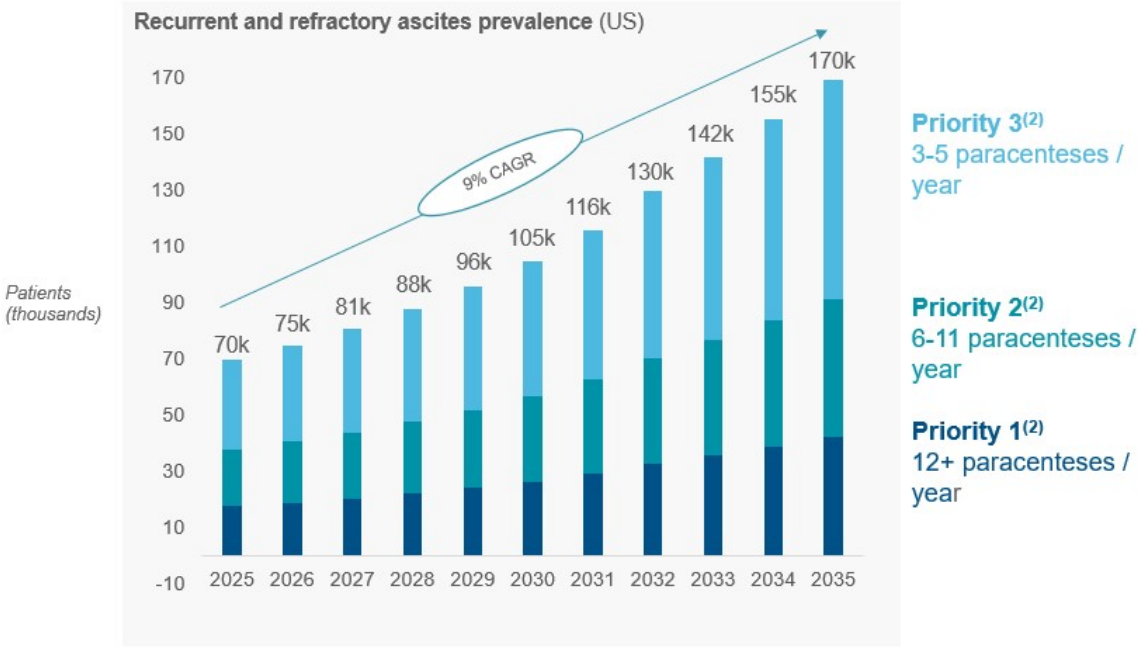
We believe that the growing importance of MASH as the cause of cirrhosis will transform attitudes to liver cirrhosis. In particular, the similar causes to coronary artery disease, e.g. obesity, poor diet and lack of exercise, are expected to make liver cirrhosis a “mainstream” disease and result in the need for improved therapies, with greater focus on quality of life for patients. It is expected that despite significant investments in the development of therapeutics for MASH, there will be a strong, growing need for ascites treatments.

A key complication of liver cirrhosis is ascites. Around 50% of cirrhotic patients develop ascites within 10 years of the diagnosis of cirrhosis[23]. Management of ascites is based on a low-sodium diet and diuretic treatment. However, approximately 10% of patients with liver ascites will develop refractory liver ascites[24], which is ascites that is unresponsive to a sodium-restricted diet and high- dose diuretic treatment, or which recurs rapidly after paracentesis. An additional portion of this market is recurrent ascites, those patients where it is difficult to comply with the diuretic or dietary treatment, resulting in frequent paracentesis

[20] US Centers for Disease Control and Prevention
[21] Estes et al., 2018
[22] Global Data NASH Epidemiology Forecast to 2026
[23] Runyon et al., 2009
[24] Ginès et al., 2004

Market assessment in the US

We engaged a highly experienced consulting group to conduct a market assessment in the US using claims analysis for commercial and CMS[25] patients who were diagnosed with liver disease and required at least three paracentesis procedures per year. It is estimated that over 70,000 patients have recurrent or refractory ascites due to liver cirrhosis in the US, representing a total addressable market of approximately $2 billion[26]. The market is growing rapidly at an average annual growth rate of 9%, with MASH being the key driver of growth and alcoholic liver disease continuing to play an important role.

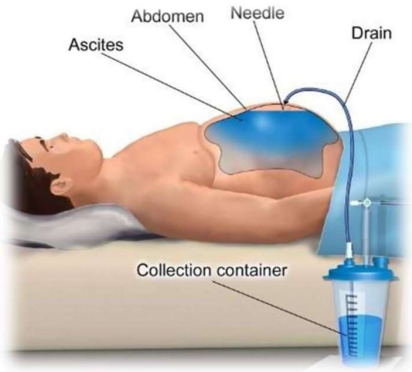


[25] CMS: Center for Medicare and Medicaid Services

[26] Based on US market assessment conducted by highly experienced international consulting group, estimating 130,000 patients with recurrent or refractory ascites in the US by 2032 and based on a target average selling price of $30,000 per **alfa**pump

Existing therapies have severe limitations

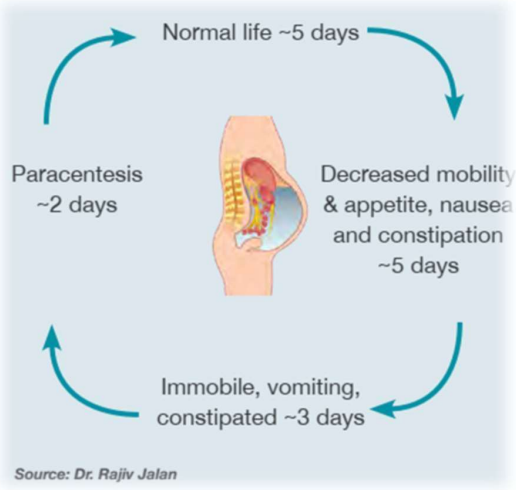
When drug therapy and dietary restriction are no longer effective, the common treatment of ascites is drainage ("*paracentesis*").

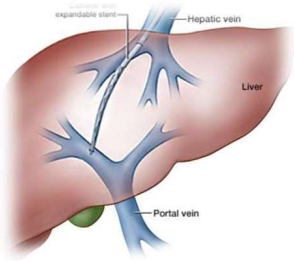


Paracentesis involves the insertion of a large needle into the peritoneal cavity to remove the ascetic fluid over the course of several hours, typically in a hospital-setting.

Drainage of more than 5 liters is referred to as Large Volume Paracentesis (LVP).

In addition to being a painful, burdensome, costly and potentially risky procedure, paracentesis has the severe limitation of only providing temporary relief of symptoms. Typically, patients undergoing recurrent cycles of fluid build-up and paracentesis are only able to experience a normal life for one-third of the time before the debilitating symptoms of ascites return.





In selected patients with recurrent or refractory ascites, a therapeutic alternative to repeated LVPs is the use of a *transjugular intrahepatic portosystemic shunt (TIPS)*.

TIPS is a procedure that connects the inflow portal vein to the outflow hepatic vein in the liver via an artificial channel, effectively "bypassing the liver" for much of the blood flow.

There are a wide variety of complications that can be encountered with TIPS, such as hemorrhage, hepatic encephalopathy (up to 50% of patients)[27], TIPS blockage, and liver failure. The hepatic encephalopathy complications arise primarily from the significant reduction in the cleaning of the blood by the liver and the consequent accumulation of toxins that particularly impact the brain. Development of hepatic encephalopathy, one of the main drawbacks of TIPS, causes devastating mental changes such as mood and personality changes, anxiousness, concentration deficit, loss of orientation, dementia-like

[27] EASL clinical practice guidelines, Journal of Hepatology, 2010, vol. 53. 397-417

memory loss, tremor, and may ultimately lead to coma. The risk of developing hepatic encephalopathy increases with age. As a result, TIPS is associated with significant risks for patients over 65 years old[28] and many patients with recurrent or refractory ascites due to NASH are forecast to exceed this age bracket, which we believe makes TIPS a less attractive treatment option for these patients. Furthermore, TIPS is not recommended in patients with heart failure, which is expected to represent a significant proportion of MASH patients. As a result of these complications and contraindications, less than 40% of patients are eligible for TIPS[29]

The *peritoneal catheter system* facilitates drainage of ascites by use of an external catheter, which causes an increased risk for infections and blockage. As a result, it is generally used in patients with life expectancy of less than three months.

Liver transplantation remains the only curative treatment for liver disease. However, availability is extremely limited and transplants result in large healthcare costs. Furthermore, lifelong use of immunosuppressive drugs is required to reduce the risk that the recipient's body will reject the transplant. It is estimated that three out of four potential patients are not eligible for a liver transplant.

The **alfa**pump can serve as a bridge to liver transplantation. Due to the high cost of the liver transplantation procedure and the scarcity of donor organs, the **alfa**pump provides support for patients waiting for a liver transplantation and can also improve a patient's condition, such as their nutrition and physical condition, ahead of transplantation.

[28] Copelan et al., 2014
[29] Wong, F., *Management of refractory ascites.* Clin Mol Hepatol, 2023. **29**(1): p. 16-32

Cancer and Malignant ascites[30]

Malignant ascites is a common complication of certain late-stage cancers as a result of fluid accumulation in the peritoneal cavity. While life expectancy for many cancer patients with malignant ascites is short (less than 6 months), ovarian and breast cancer patients often have longer life expectancies[31].

In 2018, there were an estimated 232,000 and 269,000 new cases of breast cancer diagnosed in the US and EU5 and an estimated 24,000 and 26,000 new cases of ovarian cancer diagnosed in the US and EU5, respectively[32]. The estimated prevalence of malignant ascites due to ovarian and breast cancer is approximately 16,000 cases in the US and 18,000 cases across the EU5.

As with liver ascites, paracentesis is often used to eliminate the ascites that accumulates when drugs are not effective. The impact of ascites on a patient's health reduces the patient's ability to withstand anti-cancer therapies, thereby potentially reducing survival. In addition, the regular hospital visits that are required place a huge burden on the patient and their quality of life.

In Europe, the **alfa**pump has been used to offer these patients a new and much-needed treatment option for the management of malignant ascites. Malignant ascites is not part of the US approved indication for use but we are exploring options to expand this to include malignant ascites. A further benefit of the **alfa**pump in malignant ascites is that physicians are able to conduct easy and regular liquid biopsies for therapy monitoring through the analysis of urine samples. These will contain significant material direct from the peritoneal cavity, including cancer cells.

[30] Not in FDA approval indication.
[31] Ayantunde et al., 2017
[32] WHO International Agency for research on cancer, 2018

Proof-of-concept studies of alfapump in liver disease and cancer

We have invested significant resources in clinical studies to demonstrate the safety and efficacy of the **alfa**pump in patients with recurrent or refractory liver ascites and malignant ascites.

Name of Study	Description	Number of Patients
Recurrent or refractory ascites due to liver cirrhosis		
PIONEER Study	Prospective, multi-centre, open-label, uncontrolled study to assess the safety and performance of the **alfa**pump in patients with refractory liver ascites and diuretic resistance (completed in 2013).	40
Gines Study	Prospective, multi-centre, open-label, uncontrolled study to assess the safety and performance of the **alfa**pump in patients with refractory liver ascites and diuretic resistance (completed in 2013).	10
European Randomised Controlled Trial (RCT)	6-month open-label, randomised and controlled study in Europe on the **alfa**pump versus LVP for the treatment of refractory liver ascites (completed in 2016).	58
Post Marketing Surveillance Registry (PMSR)	Multi-centre, open-label observational study in Europe designed to follow patients implanted with an **alfa**pump for up to 24 months (completed in 2018).	100
Retrospective Study at Hannover Medical School	Retrospective, single-centre study at Hannover Medical School to investigate the **alfa**pump as an alternative for LVP in a real-world setting (published in 2018).	21
MOSAIC (North American IDE feasibility) Study	12-month open-label, single-arm study in the US and Canada to assess the safety and efficacy of the **alfa**pump in patients with recurrent or refractory liver ascites (completed in 2018).	20
POSEIDON (North American pivotal) Study	North American pivotal study including 40 Pivotal Cohort patients (and an additional 29 Roll-In Cohort patients) with recurrent or refractory liver ascites implanted with the **alfa**pump to demonstrate safety and efficacy of the **alfa**pump and support approval in the US and Canada (completed in 2025).	40 + 29
Malignant ascites due to cancer		
Retrospective Malignant Ascites Study	Retrospective open-label study in Europe to assess performance & safety of **alfa**pump for treatment of malignant ascites (completed in 2017).	17

The key findings from clinical studies in recurrent or refractory liver ascites included significant reduction in the mean number of LVPs per month and clinically significant improvement in quality of life for patients treated with the **alfa**pump versus patients treated with LVP standard of care.

The retrospective study in patients with malignant ascites demonstrated that the **alfa**pump was effective in palliative patients with malignant ascites and has the potential to improve quality of life and clinical outcomes for late-stage cancer patients.

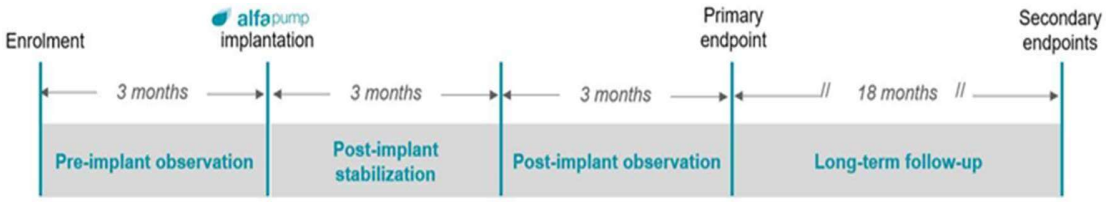
To date, 12 publications on clinical study results have been issued in peer-reviewed journals, which we believe are a strong endorsement of the clinical benefit of the **alfa**pump and are essential to support the acceptance of the **alfa**pump.

The latest publication, dated January 2025, appeared in the American Journal of Gastroenterology and focused on the pivotal cohort of the POSEIDON study. This publication, authored by key investigators of the POSEIDON study concluded that the **alfa**pump is transforming ascites management in patients with recurrent or refractory ascites due to liver cirrhosis by reducing or even eliminating the need for therapeutic paracentesis. This reduction was associated with a significant improvement in quality of life and 10 additional good health days per month. In addition, comparison with published literature indicated that overall survival of the **alfa**pump patients was higher than reported for standard of care (LVP) and not worse compared to TIPS[33] [34].

POSEIDON – North American pivotal study

Study design

POSEIDON is a single-arm, open-label, within-subject crossover study of the **alfa**pump in patients with recurrent and refractory ascites due to liver cirrhosis in approximately 20 centers across the US and Canada. The study consists of a Pivotal Cohort for primary endpoint analysis and an additional Roll-In Cohort for new centers to become familiarized with the implantation procedure before they enroll patients in the Pivotal Cohort. Pivotal Cohort patients enter into a three-month pre-implant observation period in which they receive standard of care therapy (consisting of paracentesis) before the **alfa**pump is implanted. Patients from the Roll-In Cohort are immediately implanted with the **alfa**pump.



[33] "The Effects of **alfa**pump on Ascites Control and Quality of Life in Patients with Cirrhosis and Recurrent or Refractory Ascites" A*merican Journal of Gastroenterology*

[34] a) Tan HK, James PD, Wong F. Albumin may prevent the morbidity of paracentesis-induced circulatory dysfunction in cirrhosis and refractory ascites: A pilot study. Dig Dis Sci 2016;61:3084-3092; b) Salerno F, Cammà C, Enea M, Rössle M, Wong F. Transjugular intrahepatic portosystemic shunt for refractory ascites: a meta-analysis of individual patient data. Gastroenterology 2007;133:825-834.

The study was designed to demonstrate in Pivotal Cohort patients 1) a median per-patient ratio of post-implant three-month observation period (month four to six) ("Post-Implant Observation Period") to the pre-implant three-month observation period ("Pre-Implant Observation Period") with respect to number of therapeutic paracentesis ("TP") less than 0.5 (or a median reduction of at least 50%); and 2) at least 50% of patients achieve a 50% reduction in the requirement for TP in the same period.

The primary safety endpoint is the combined rate of i) open surgical re-intervention (requiring general anesthesia or laparotomy) due to pump system related adverse event or to restore pump functionality, ii) pump explant (without replacement) due to pump system related adverse event, or iii) pump system related death from time of pump implant through six months post-implantation as adjudicated by the Clinical Events Committee (CEC).

Patients were followed for up to two years for analysis of secondary outcome measurements including safety (device and/or procedure-related adverse events), quality of life (assessed by general SF-36 as well as disease-specific Ascites-Q questionnaires), patients' nutritional status, health economics and overall survival.

In total, 40 patients implanted in the Pivotal Cohort and 29 patients in the Roll-In Cohort

Of the 71 patients enrolled in the Pivotal Cohort, 40 patients were implanted with the **alfa**pump and evaluated for primary endpoint analysis at six months post-implantation. A further 29 patients were implanted with the **alfa**pump in the Roll-In Cohort and are included in the overall safety analysis.

Looking at the underlying cirrhosis etiology of the 40 Pivotal Cohort patients, over one third had NASH, demonstrating that MASH/NASH is already an important driver of the North American liver cirrhosis market.

Positive top-line data from 40 patients in the Pivotal Cohort, meeting all primary endpoints at six months post-implantation

Data from the Pivotal Cohort patients substantially exceeded the pre-defined thresholds for study success as shown in the table below.

Pivotal Cohort N=40	%[35]	p-value[36]
1) **Median per-patient ratio of frequency of TP**	100% reduction	P<0.001
2) **Proportion of patients with a 50% reduction in number of TP Post- vs. Pre-Implant**	77% of patients	P<0.001

[35] Using pre-specified imputation methods

[36] As per primary effectiveness endpoint hypotheses. Per protocol, testing conducted using nonparametric methods for data that is not normally distributed

Of the 40 patients implanted with the **alfa**pump in the Pivotal Cohort, 26 patients completed **alfa**pump therapy through day 180 post-implantation, with a median reduction of 100% (mean reduction of 93%) in frequency of TP in the Post-Implant Observation Period vs Pre-Implant Observation Period. 73% of these patients had complete freedom from TP during this period.

Pre-specified imputation methods were used to calculate the primary effectiveness endpoints in the other 14 patients that had exited the study prior to completing the six months post-implantation period. Of these 14 patients, eight were due to reasons such as death or withdrawal due to unrelated adverse event or for liver transplant and six were due to **alfa**pump system, procedure or therapy related reasons and counted as primary safety event.

Of the six primary safety events, three were explants due to wound or skin erosion, and three were explants due to patient-reported discomfort (all patient-reported discomfort events were adjudicated by the independent Clinical Events Committee as moderate severity). At the time of the primary endpoint analysis, no UADE[37] occurred during the course of the POSEIDON study.

Sustained effective control of ascites and robust safety profile at 12 months post-implant

As in months 0-6 post implant, patients had a 100% median reduction in therapeutic paracentesis in the 0-12 month post-implant period vs the three month pre-implant period (n = 19). These data show that the **alfa**pump has a sustained effect on controlling ascites, virtually eliminating the need for therapeutic paracentesis. 65% of these patients had complete freedom from TP during this period.

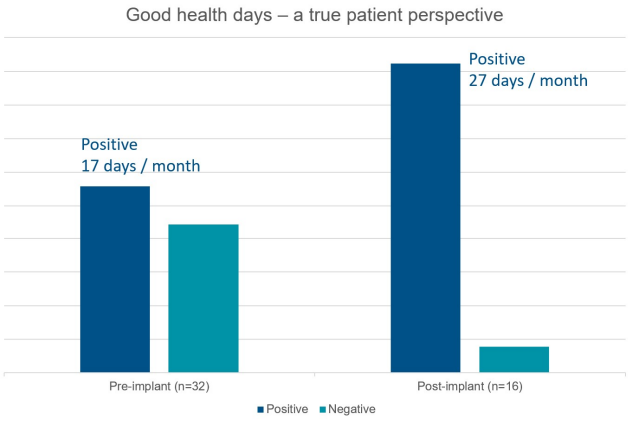
During the 7-12 month post-implant period, two patients had the **alfa**pump explanted, one due to a urinary tract infection and one due to wound dehiscence and the number of Major Adverse Events (MAEs) and serious infections were in line with expectations. Importantly, creatine and eGFR levels of **alfa**pump-treated patients over the 12-month follow-up indicated a stable renal function. Overall, these safety data indicate that the **alfa**pump has a robust safety profile over long-term follow-up.

Quality of life, assessed through the physical component score of SF36 (a general health quality of life measure) and the Ascites Q score (a quality of life measure specific for patients with ascites), maintained a clinically meaningful improvement at 12 months post-implant vs three months pre-implant, despite disease progression.

[37] UADE: Unexpected Adverse Device Effects

Improvement in Good Health Days – the patient perspective

Patients reported that for each month after pump implantation, they had 11 additional days that they were satisfied with the size of their abdomen and 10 additional good health days per month. The loss of abdominal fullness and reduction in back pain from not carrying the excess fluid, and the improvement in mobility led to those additional days.



Patient Preference study

The patient preference study was conducted by RTI Health Solutions, thought leaders in the field. The rigorous study design was pre-discussed with the FDA and utilizes a discrete-choice experiment (DCE[38]) methodology to elicit preferences of US patients with a physician-confirmed diagnosis of recurrent or refractory ascites due to liver cirrhosis for attributes of an implantable pump as a novel interventional treatment for ascites. Patients were surveyed for the risk of treatment-related adverse events they would be willing to accept (risk tolerance) to achieve specific improvements in treatment efficacy (desired benefits). In total, 125 US patients with a comparable patient profile as the Pivotal Cohort in the POSEIDON study, completed the survey.

Top-line results presented in the table below indicate that, on average, patients are willing to accept levels of risks greater than those observed in the POSEIDON study in exchange for improvements in treatment efficacy less than or equal to those observed in the POSEIDON study.

Risk tolerance (over 6 months)	Patient preference study Maximum acceptable risk	POSEIDON pivotal cohort Observed rate
Major surgery or death	>10%	0%
Minor procedure	>35%	20%
Serious infection or AKI resulting in hospitalization	>30%	22.5%

[38] The DCE approach allows an analysis of individual stated preferences in response to hypothetical choices and enables the quantification of the relative importance of each attribute/level during the decision-making process.

Reduction in paracentesis frequency and additional ascites good health days are important attributes for a novel interventional treatment for ascites. On average, patients responded with a 65% likelihood of selecting a treatment profile like the **alfa**pump vs regular paracentesis procedures and no implanted pump. These data support the premise that **alfa**pump is a desirable treatment option for the majority of patients.

Matched cohort analysis of NACSELD 3 registry and POSEIDON pivotal cohort

The North American Consortium for the Study of End Stage Liver Disease (NACSELD) is a consortium of tertiary-care hepatology centers in North America formed to study patients with cirrhosis. NASCELD-III is an IRB[39] approved registry of outpatients with cirrhosis which was initiated in 2019 at ten centers in North America.

A matched cohort analysis was conducted by an independent group comparing outcomes of decompensated cirrhosis patients from the NACSELD-III registry to those from the POSEIDON study. Thirty seven decompensated ascites patients from NACSELD-III were matched to an equal number of patients from the Pivotal Cohort in the POSEIDON study, using baseline Ascites-Q score (reflecting burden of disease before **alfa**pump implantation) and sex. Patients were also comparable for age and baseline MELD score after matching.

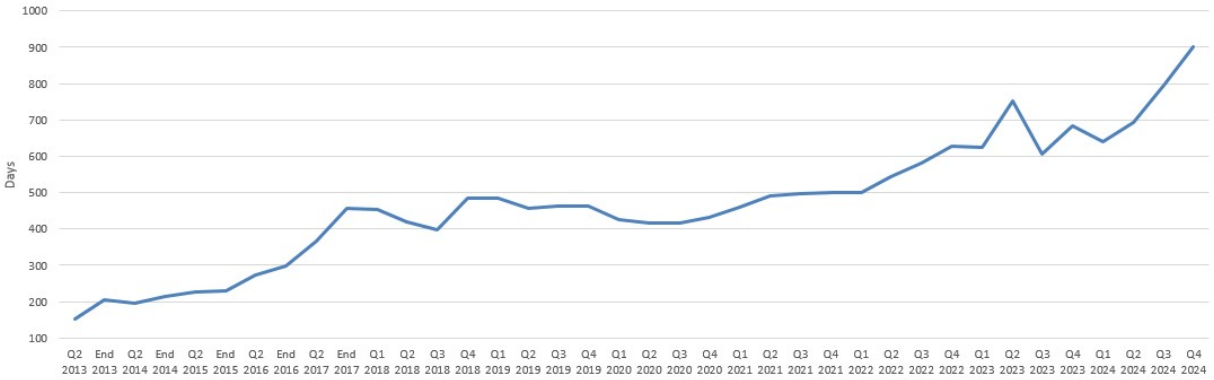
This analysis indicates that patients implanted with the **alfa**pump benefit from significantly reduced number of paracentesis procedures and an improved quality of life without an increased risk of death or hospitalization compared to standard of care.

[39] IRB: Institutional Review Board

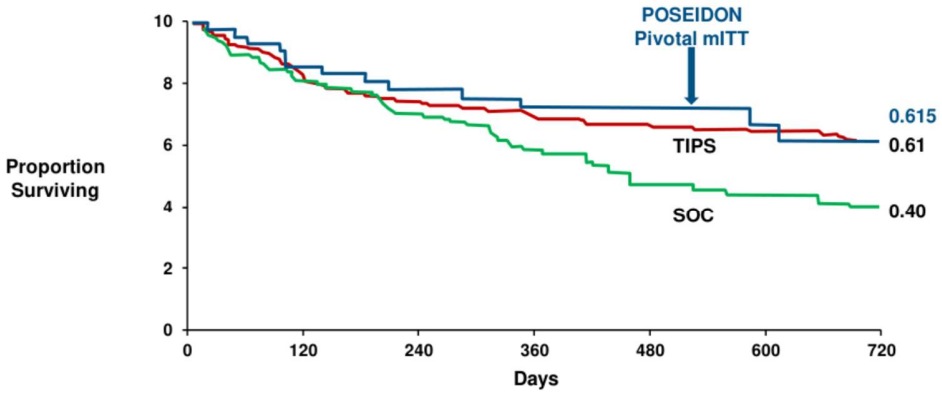
Dramatic improvement in duration of alfapump therapy

Through the significant experience gained from clinical studies and extensive commercial use, we have continually worked on improvements to the **alfa**pump therapy. Following these improvements, we have increased the average duration of **alfa**pump therapy for European commercial patients and those in the POSEIDON study.

Average duration of **alfa**pump therapy[40]



Survival after alfapump therapy



Overall survival was not a pre-specified endpoint of the POSEIDON study and the study was not of sufficient size to support a statistically significant result. However when the results of the POSEIDON pivotal cohort are compared to those of TIPS and Standard of Care (large volume paracentesis) taken from prior publications, the authors of the POSEIDON manuscript published in the American Journal of Gastroenterology in January 2025 concluded "the results from the literature indicate that the overall survival of patients with the **alfa**pump was not worse as compared to TIPS and was higher than reported for standard of care (LVP)".[41]

[40] Source: Sequana Medical internal statistical analysis of market feedback/implant duration

[41] "The Effects of **alfa**pump on Ascites Control and Quality of Life in Patients with Cirrhosis and Recurrent or Refractory Ascites" *American Journal of Gastroenterology*

US Commercialisation - Setting Up Our Own Small Specialty Salesforce to Sell the alfapump

We are preparing to start US commercialization of the **alfa**pump® System in Q3 2025 through our own small specialty salesforce focused on the 90 adult liver transplant centers that cover 95% of transplants. We are targeting these centers because in the US when cirrhosis patients develop recurrent or refractory ascites, the recommendation is that they are evaluated for a liver transplant. As part of their evaluation at these centers by highly skilled physicians, the **alfa**pump can be considered as a treatment option either as a "bridge to transplant" for those added to the transplant list, or a "destination therapy" for those who are not. We plan to start with our first six centers in H2 2025 and then add approximately five centers per quarter until we have reached all of our target liver transplant hospitals. In this way, we will focus proper training of medical teams at each hospitals as well as the US commercial team that we will recruit during this period. We believe that by owning the sales channel we can focus on high quality implant procedures and after-care which is essential for adoption of new technologies, supporting our ambition to make **alfa**pump the new standard of care in these patients. In addition, we can rapidly react to feedback from clinicians and adapt our commercial strategy to take advantage of this.

Preparations for launch are well underway with the first six centers selected and training of the medical teams at these hospitals is expected to be complete by the end of April, with first procedures planned for Q3. We are already in discussion with a short list of centers for launch in 2026 and are excited by the strong interest shown in the **alfa**pump by these hospitals.

Strategic Market Access & Physician Engagement

Successful market adoption of the **alfa**pump® requires strong support from key opinion leaders (KOLs) and medical practitioners. We have built solid relationships with hepatology experts in Europe and North America, actively engaging with KOL networks and patient advocacy groups to drive awareness and adoption. Additionally, we collaborate with NACSELD-III, a leading North American registry, to generate valuable health-economic and clinical impact data on decompensated liver cirrhosis, further strengthening our ties within the U.S. hepatology community. We were a sponsor of LiverConnect, the annual meeting of the Chronic Liver Disease Foundation, an organization comprised of leading hepatology specialists committed to raising awareness of the effects of chronic liver disease and sharing latest insights and analyses with the global healthcare community and patients.

Reimbursement & Pricing Strategy

Reimbursement of hospitals and physicians will be critical to the commercial success of the **alfa**pump in the US, and we believe that we are well positioned for this critical aspect of commercialization. Implantation of the **alfa**pump is expected to be a hospital in-patient procedure and therefore reimbursement will be through DRGs (diagnostic related groups). These are payments for the "bundle of care" received by a patient, and are determined using the ICD-10 hospital procedure codes that are used to describe the care received by the patient. For many new products, there is no procedure code and this creates a problem for proper billing. However, we have these codes for the **alfa**pump procedures and so we are well positioned for this. There are separate payments to physicians and these are determined on the basis of CPT codes, and without these codes it is very difficult to get reimbursement. We applied for

these in 2023, and in January 2024, the American Medical Association (AMA) granted six new CPT Category III codes to cover key procedures related to the **alfa**pump® system, including implantation, revision, removal, and programming, facilitating reimbursement.

The Centers for Medicare & Medicaid Services (CMS), who we believe will be a very important payor for the **alfa**pump, recognized several years ago that the DRGs for many new medical device procedures are not sufficient to cover the cost of the novel technologies. To ensure access to certain high quality new devices, CMS developed the New Technology Add-on Payment (NTAP), an interim "top up" reimbursement to address this. There are strict criteria to quality for such additional reimbursement, but as a result of the FDA Breakthrough Device Designation awarded to the **alfa**pump and the expected **alfa**pump average selling price, we are confident that we will qualify. We applied for NTAP in 2024, and expect to receive the additional payments starting in October 2025.

In April 2025, CMS published the Fiscal Year 2026 Inpatient Prospective Payment System Proposed Rule which recommends that the **alfa**pump system be eligible for NTAP when performed in the hospital inpatient setting. The additional payment will be $19,500 in addition to the hospitals MS-DRG payment.

With DRG and NTAP-enhanced reimbursement, we are targeting a U.S. average selling price of $30,000 per **alfa**pump®, and an 80% gross margin.

DSR in heart failure

A disease-modifying heart failure drug development program targeting cardiorenal syndrome

Fluid overload in heart failure, also known as congestion, is a key driver of morbidity and hospitalization in heart failure patients with a significant healthcare cost burden and limited effective treatments. Our DSR (Direct Sodium Removal) drug-based approach directly tackles the key clinical problem of sodium overload in heart failure patients by removing excess sodium from the body, causing the kidneys to eliminate water to maintain the correct sodium concentration in the body.

Cardiorenal syndrome (CRS) is a key clinical challenge in heart failure and results from the combined vicious cycle of dysfunction of the heart and kidney. The resultant clinical profile is thought to manifest as a self-reinforcing negative feedback cycle characterized by decreased glomerular filtration, increased renal sodium retention, and congestion, despite escalating diuretic doses. No current therapies have been shown to improve patient outcomes in this complex and poorly understood indication. Reducing fluid overload is a key element of therapy but loop diuretics exacerbate many of the core mechanisms thought to underlie CRS. Results of our RED DESERT and SAHARA proof-of- concept studies in heart failure support DSR's mechanism of action as breaking the vicious cycle of cardiorenal syndrome. Through effective control of the volume status for an extended period of time, and thereby avoiding the need for and negative consequences of loop diuretics, DSR has the potential to break the negative feedback cycle of CRS and provide a breakthrough in the treatment of this challenging clinical condition.

Extensive analysis of patients in our RED DESERT and SAHARA clinical studies shows the benefit from DSR therapy on i) eliminating excess fluid, ii) normalizing diuretic response, iii) dramatically reduced loop diuretic dosing, iii) improved kidney function, and iv) cardiovascular parameters. In these patients there were no congestion-related re- hospitalizations, a one class improvement in their NYHA status and a reduction of 75% in their predicated one-year mortality (based on the Seattle Heart Failure model). These results have been presented during the late-breaking session at the leading international heart failure conference, THT 2024, and published in European Journal of Heart Failure.

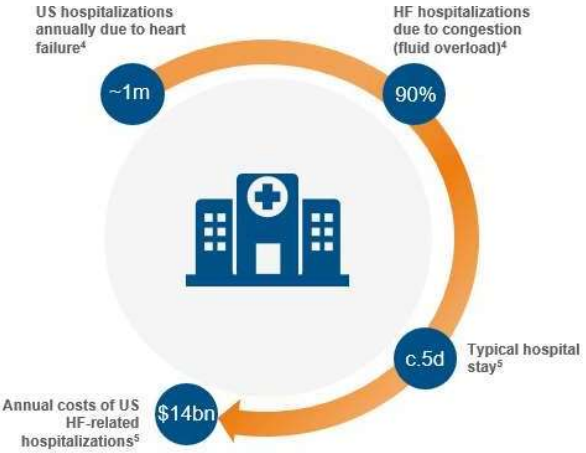
We have initiated MOJAVE, a US randomized controlled multi-center Phase 1/2a clinical study to confirm the strong clinical outcomes seen in the RED DESERT and SAHARA studies. All three patients from the non-randomized cohort of MOJAVE, have been successfully treated with DSR, resulting in a dramatic improvement in diuretic response and virtual elimination of loop diuretic requirements. The independent Data Safety Monitoring Board approved the start of the randomized MOJAVE cohort of up to a further 30 patients, which is planned once suitable financing is secured.

Upon successful completion of the MOJAVE study, we intend to establish a strategic partnership for further clinical development and commercialization of our DSR therapy. This will enable us to leverage the strengths of an established heart failure player to realize the strong commercial potential of our DSR therapy.

Market opportunity and limitations of current therapies

Heart failure is a progressive and chronic disease that results in the heart being unable to pump enough blood and thereby supply oxygen to support other organs in the body. Patients with heart failure commonly experience shortness of breath, fatigue, difficulty exercising and swelling of the ankles or legs. The American Heart Association estimates that six and a half million adults in the US aged 20 and over are affected by heart failure and that number is expected to rise to over eight million adults by 2030[42].

Heart failure often disturbs the normal functioning of the kidney by diminishing its ability to excrete sodium from the body and triggering the retention of sodium, that result in water retention in order to maintain the correct concentration of sodium in the body. This fluid accumulates all across the body including in the arms, legs, lungs and abdomen. The increase in fluid volume increases the burden on the weakened heart, worsening the problem clinically. One of the key problems is fluid accumulating in the lungs causing patients to feel as if they are drowning often resulting in them being admitted to the emergency room. This fluid accumulation due to heart failure leads to frequent hospitalizations, poor quality of life and high healthcare costs.



There are approximately one million hospitalizations for heart failure annually in the US[43], costing approximately $14 billion each year[44]. Of these admissions, 90% are due to symptoms of fluid overload[45], with an average five days length of stay[46]. The problem is that in many cases the treatment is not effective at reducing the fluid overload, often due to diuretic-resistance, and as a result approximately one in four patients are being readmitted to hospital within 30 days of discharge[47]. An estimated 40% of heart failure patients on intravenous loop diuretics experience diuretic resistance or intolerance[48] and nearly 50% of hospitalized patients with heart failure are discharged with residual fluid excess.

We estimate that there are about 200,000 chronically congested heart failure patients hospitalized per year in the US and a similar number in Europe, which cause a major burden on the healthcare systems, payors and patients. This creates a total addressable market in the US of more than $9 billion, when taken into account an annual hospital cost of $45,000 for these patients and the potential for premium pricing of DSR through reduced hospitalization and improved survival rates.

[42] Benjamin et al., 2013
[43] Costanzo et al., 2007
[44] Urbich et al., 2020
[45] US Department of Health & Human Services
[46] Chen et al., 2013
[47] Ross et al., 2010
[48] Testani et al., 2016

Existing therapies have severe limitations

Extracorporeal ultrafiltration can be used in patients resistant to diuretics. This therapy consists of the extraction of water from the blood across a semipermeable membrane in response to a transmembrane pressure gradient, with the focus on removing water and sodium from the blood. There has been very limited adoption of this therapy for various reasons including the requirement for vascular access, high cost of inpatient care and trained hospital staff, limited clinical evidence and treatment-related adverse effects[49].

There is a significant unmet medical need for a safe and effective, long-term treatment for heart failure patients with fluid overload who do not respond to diuretics, reducing the number of hospitalizations and improving patient quality of life. This is the opportunity for DSR, our disease-modifying heart failure drug development program.

[49] Costanzo et al., 2017

Pre-clinical and clinical studies of DSR 1.0

DSR therapy, and the resulting sodium and fluid removal, was evaluated in pre-clinical and clinical studies. These studies used our first-generation DSR product (DSR 1.0), a sodium-free 10% dextrose (D10%) solution, to deliver fast clinical proof-of-concept of our DSR therapy.

Name of Study	Description	Number
Pre-clinical studies		
Healthy pig DSR proof-of-concept study	Single-dose, single-arm proof-of-concept study to assess impact of direct sodium removal therapy in healthy pigs (completed in 2018).	15
Heart failure pig DSR proof-of-concept study	Single-dose, single-arm proof-of-concept study to assess impact of direct sodium removal therapy in pigs with experimentally induced heart failure (completed in 2018).	5
Clinical studies		
Single Dose DSR proof-of-concept study	First-in-human clinical study to demonstrate the safety, tolerability and dynamics of a single dose DSR therapy in patients who underwent peritoneal dialysis (completed in 2019).	10
Repeated Dose DSR proof-of-concept study (RED DESERT)	Study in euvolemic heart failure patients on high dose diuretics to demonstrate the safety, tolerability and efficacy of repeated dose DSR therapy over a 6-week period (completed in 2021).	8
Phase 2a DSR study (SAHARA)	Study in diuretic-resistant heart failure patients with persistent congestion to demonstrate the safety, tolerability and efficacy of 2-6 weeks of intensive DSR therapy (completed in 2022).	12

RED DESERT – repeated dose proof-of-concept study in euvolemic heart failure patients on high dose diuretics

Eight euvolemic heart failure patients on high dose oral diuretics (mean furosemide equivalent dose of 323 mg/day) underwent up to six weeks of DSR therapy whilst their loop diuretic treatment was withheld. The heart failure patients enrolled in the study had an overall high disease severity at baseline, including a mean left ventricular ejection fraction of 24% and mean NT-proBNP[50] of 4,589/mL.

During the course of the six-week therapy, none of the patients required any loop diuretics, demonstrating the ability of repeated DSR therapy to effectively manage their fluid and sodium balance.

Repeated dosing of DSR therapy was well tolerated in all patients. There were no clinically relevant changes in serum sodium levels or progressive hyponatremia in any of the implanted patients. There were two serious adverse events in two of the last three patients, both having advanced heart failure. There was one transient ischemic attack (fully recovered) and one sudden cardiac death three days after start of the study treatment. The independent Data Monitoring Committee (DMC) assessed both events as possibly related to the study therapy or procedure but unlikely to be related to the device. The site Principal Investigator assessed that neither event was related to the study therapy, procedure or device.

The results also showed a significant benefit to the cardiovascular and renal function of these patients with a mean 30% reduction in NT-proBNP ($p<0.001$ vs. baseline, N=7), mean 22% improvement in eGFR[51] rate ($p<0.001$ vs. baseline, N=7) and mean 22% reduction in creatinine ($p<0.001$ vs. baseline, N=7). Typically, managing the fluid balance in these patients through aggressive diuretic use would be associated with declining cardiovascular and renal function, whilst RED DESERT showed that both of these functions were improved following repeated DSR therapy.

After the six-week study, the mean response to a standard diuretic challenge (40 mg intravenous furosemide) improved by more than 150% ($p<0.001$ vs. baseline, N=7) as measured by the six-hour excretion of sodium.

Following the six-week study, patients continued to be followed for up to 23 months. One patient died nine months after the end of the six-week study (unrelated to DSR therapy). All patients had a reduction in their oral loop diuretic dose ranging from 40% to 87% at their last visit within the follow-up period (18-23 months after six-week study), showing a clear durability to the improvement in diuretic responsiveness following DSR therapy.

[50] NT-proBNP: N-terminal pro B-type natriuretic peptide, a key cardiac function parameter.
[51] eGFR: estimated Glomerular Filtration Rate, a measure of kidney function

SAHARA – Phase 2a study in diuretic-resistant heart failure patients with persistent congestion

At baseline, ten[52] evaluable patients with persistent congestion due to heart failure were on high dose loop diuretics (mean furosemide equivalent dose of 360 mg/day) and had an overall high disease severity, including a mean left ventricular ejection fraction of 23% and mean NT-proBNP of 6,628 pg/mL.

All ten evaluable patients safely, effectively and rapidly eliminated the persistent congestion and achieved euvolemia within one week of commencing intensive DSR therapy, resulting in a mean weight loss of 7kg at the end of phase 1. During the intensive DSR period (phase 1), the diuretic response of the kidney was near-normalized, with mean six-hour excretion of sodium increasing more than 160% vs. baseline, as well as a considerable improvement in cardiovascular and renal health, with a mean reduction in NT-proBNP of 38% vs. baseline and a mean improvement in eGFR of 7% vs. baseline despite the dramatic fluid loss.

The improvement in cardiovascular and renal health was broadly maintained at the end of phase 2 (16 weeks post intensive DSR period) demonstrated by a mean 33% reduction in NT-proBNP and a stable eGFR.

The need for loop diuretics was dramatically reduced for at least a year following completion of the intensive DSR therapy, which we believe is a demonstration of the durable improvement in cardiovascular and renal health.

No clinically relevant changes in serum sodium levels or progressive hyponatremia were observed in any of the evaluable patients. There were three serious adverse events in three of the evaluable patients, including two having a blocked peritoneal catheter (both during phase 2) and one with stable angina (started post phase 2). The independent Data Monitoring Committee assessed both peritoneal catheter blockages as definitely related to the study device but unrelated to the implant procedure or study treatment, and the stable angina as unrelated to the study device, implant procedure, or treatment.

[52] In total, 12 patients were dosed in SAHARA but one patient died due to a cardiac arrest three days after study initiation and for one patient the study protocol was not correctly applied.

Strong clinical observations from RED DESERT and SAHARA studies in diuretic-resistant heart failure patients support heart failure disease-modifying profile of DSR therapy

The results of the RED DESERT and SAHARA studies were published in the European Journal of Heart Failure in February 2024.[53] Key findings of the publication included:

- Serial DSR therapy can replace high dose diuretics for both active decongestion and maintenance of euvolemia;
- DSR with diuretic withdrawal was associated with near normalization of objectively measured diuretic response and a dramatic reduction in chronic loop diuretic requirement;
- Improvement in a broad range of prognostically important cardiorenal parameters including markers of volume status, glomerular filtration, uremic toxin excretion, metabolic and electrolyte parameters, blood pressure, inflammation and sodium handling / storage was observed during DSR therapy.

The authors concluded that DSR therapy may be a promising treatment for diuretic resistant and cardiorenal syndrome in heart failure.

[53] "Serial direct sodium removal in patients with heart failure and diuretic resistance" Rao et al, European Journal of Heart Failure, February 2024

Pre-clinical and clinical studies of DSR 2.0

Following clinical proof-of-concept of our DSR therapy using DSR 1.0, we developed our proprietary second-generation DSR product (DSR 2.0), a sodium-free dextrose/icodextrin solution, for which composition of matter and method patents have been granted in the US, Europe, Japan and China, and which are under review elsewhere in the world. The intention is to deliver a product with a superior therapeutic profile and a favorable safety profile that will be better positioned for broad commercial acceptance with high margin recurring revenues. Pre-clinical and Phase 1 clinical studies using DSR 2.0 have been successfully completed. A US randomized controlled Phase 1/2a study (MOJAVE) to confirm the strong clinical outcomes seen in the RED DESERT and SAHARA has commenced, with completion subject to additional suitable funding.

Name of Study	Description	Number
Pre-clinical studies		
GLP study in mice	Repeated dose, controlled study in healthy mice evaluating safety of DSR 2.0 compared to standard peritoneal dialysis (PD) solution, following chronic exposure of 30 days (completed in 2023).	30
GLP study in sheep	Repeated dose, controlled study in healthy sheep evaluating safety of DSR 2.0 compared to standard PD solution, following chronic exposure of up to 45 days (completed in 2023).	18
Clinical studies		
Phase 1 study in Mexico (CHIHUAHUA)	Interventional, single-centre, single-arm, single-dose study in stable PD patients to evaluate safety and tolerability of DSR 2.0 over a 24-hour dwell period (completed in 2023).	10
Phase 1 study in Canada (YUKON)	Interventional, single-centre, single-arm, single-dose study in stable PD patients to evaluate safety and tolerability of DSR 2.0 over an 8-hour dwell period (completed in 2023).	10
Phase 1/2a study in US (MOJAVE)	Randomized controlled Phase 1/2a US study in diuretic-resistant chronic heart failure patients with persistent congestion to evaluate safety and efficacy of up to four weeks of DSR 2.0 therapy on top of usual care vs. usual care alone (ongoing). Initial non-randomised cohort of three patients successfully completed.	3 + 30

MOJAVE – US multi-center randomized controlled Phase 1/2a clinical trial in diuretic-resistant chronic heart failure patients with persistent congestion

Study design

The study started with a non-randomized cohort of three patients treated with DSR 2.0 on top of optimized usual care for congestive heart failure for up to four weeks, followed by a three-month safety follow-up period (with an initial review after 30 days). Following review and approval of the non-randomized cohort data by the independent Data and Safety Monitoring Board (DSMB), up to a further 30 patients will be enrolled in the multi-center randomized cohort. The intention is for up to 20 patients to be treated with DSR 2.0 on top of optimized usual care for congestive heart failure for up to four weeks, and for up to ten patients treated with intravenous loop diuretics alone as part of maximized usual care for congestive heart failure.

Primary and secondary safety and efficacy endpoints include the rate of adverse and serious adverse events and the improvement in diuretic response (measured as a six-hour urine sodium output) from baseline through the end of the treatment period. Exploratory endpoints measured from baseline through the end of the treatment period include change in weight (volume status), creatinine (a marker of renal function), natriuretic peptides (a marker of heart failure) and New York Heart Association (NYHA) functional class; and the number of heart failure related re-hospitalizations.

All three patients non-randomized cohort successfully treated with DSR 2.0

All three patients treated in the non-randomized cohort of the MOJAVE study had heart failure with preserved ejection fraction (HFpEF) and severe diuretic resistance at baseline (mean furosemide equivalent dose of 1,227 mg per day). At the start of the study treatment period, loop diuretics were withheld, and patients were treated with DSR 2.0 up to daily for four weeks, followed by a three-month safety follow-up period. All three patients successfully completed the three-month safety follow-up period.

Dramatic improvement in diuretic response and stable kidney function: During the four-week DSR treatment period, all three patients maintained euvolemia without the need of loop diuretics. After the four-week DSR treatment period, patients' diuretic response[54] nearly normalized with a mean increase of 324% in their six-hour urinary sodium excretion vs baseline, and this was maintained at three months after the last DSR treatment. Throughout the study, patients' kidney function also remained stable as measured by eGFR and blood urea nitrogen.

Loop diuretics virtually eliminated: The need for loop diuretics was dramatically reduced or even completely eliminated, with a reduction in furosemide equivalent dose of 97%, 100% and 95% vs baseline at three months after the last DSR treatment.

Safe and well tolerated: No clinically relevant changes in serum sodium levels or progressive hyponatremia were observed and none of the patients needed to be hospitalized for congestion throughout the study. There were only two serious adverse events, one short-term hypertension and one non-ST-elevation myocardial infarction, both adjudicated as non-related to DSR therapy. These events occurred during the three-month safety follow-up period and are often seen in this very sick patient population.

In January 2024, the independent DSMB approved the start of the randomized MOJAVE cohort following review of the safety data reported from the non-randomized cohort. The randomized phase is planned to commence subject to appropriate fundraising.

Clinical data package for partnering

Upon successful completion of the MOJAVE study, we intend to establish a strategic partnership for further clinical development and commercialization of our DSR therapy. This will enable us to leverage the strengths of an established heart failure player to realize the strong commercial potential of our DSR therapy.

[54] Diuretic response assessed by 6-hour excretion of sodium after IV administration of 40mg furosemide

Investor Relations

The shares in 2024

The shares of Sequana Medical are traded on Euronext Brussels since our IPO on 11 February 2019, under the ticker symbol SEQUA (ISIN code BE0974340722).

On 31 December 2024, the share capital of the Company amounted to €4,603,936.18 represented by 44,436,192 shares.

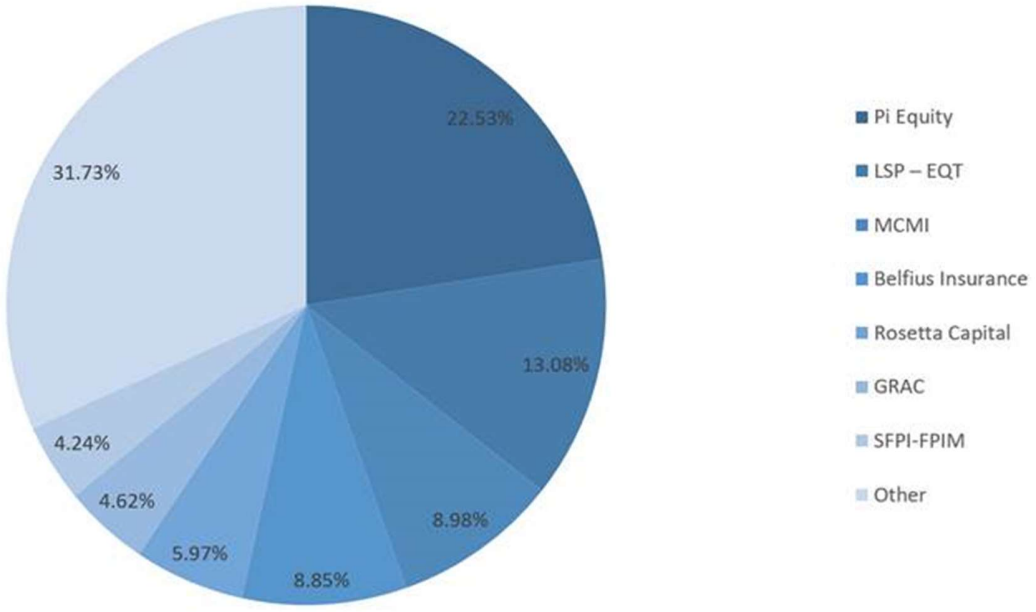
In addition to the outstanding shares, the total number of outstanding subscription rights on 31 December 2023 amounted to 3,710,540, entitling their holders (if exercised) to subscribe to 3,710,540 new shares with voting rights in total.

More information on the Company's stock options and warrants can be found in the Remuneration Report.

Source: stock chart Euronext

Major Shareholders

Sequana Medical has an international shareholder base and is supported by experienced life sciences investors and industry experts, and a broad base of local retail investors. Based on the number of shares as at 31 December 2024 and the transparency notifications received until that date, the shareholder structure of the Company **as per 31 December 2024** was as follows:



Analyst coverage

Sequana Medical was covered by three analysts at the end of 2024

Broker	Analyst
Degroof Petercam	Laura Roba
H.C. Wainwright	Yi Chen
KBC Securities	Jacob Mekhael

Investor Relations Contact

For all your investor relations questions, please contact us at IR@sequanamedical.com

CORPORATE GOVERNANCE

1. Report of the Board of Directors

This report of the Board of Directors has been prepared in accordance with the Articles 3:5, 3:6, §1 and 3:32, §1 of the Belgian Companies and Associations Code of 23 March 2019 (as amended) (the "**Belgian Companies and Associations Code**" or "**BCAC**") and relates to the position of Sequana Medical NV, a company domiciled and incorporated in Belgium (the "**Company**" or "**Sequana Medical**", and together with its subsidiaries, the "**Sequana Medical Group**"), and the Company's annual accounts for the financial year ended on 31 December 2024.

1.1 Developments, results, risks and uncertainties (Article 3:32, 1° BCAC)

1.1.1 Operational review in the year 2024

US alfapump liver program

- US Commercial
    - PMA approval: On 23 December 2024, Sequana Medical announced that it received Premarket (PMA) Approval from the FDA to market the alfapump system for the treatment of recurrent or refractory ascites due to liver cirrhosis in the United States. With this major regulatory milestone, achieved earlier than market expectations, **alfa**pump is the first active implantable medical device in the US that automatically and continuously removes ascites from the abdomen into the bladder. The Company estimates there are approximately 70,000 patients in the US with recurrent or refractory ascites, representing a market opportunity in excess of $2 billion for the **alfa**pump system; this population is forecast to reach 130,000 patients by 2032, primarily driven by NASH/MASH and alcoholic liver disease[55]. The **alfa**pump had previously received FDA Breakthrough Device Designation in October 2019, this scheme was established by the FDA to support the development of devices that provide for more effective treatment of life-threatening or irreversibly debilitating diseases or conditions. As well as expediting the development and FDA approval process, it provides additional benefits, particularly for Medicare reimbursement.
    - US Reimbursement – CPT III: In January 2024, the American Medical Association (AMA) approved the issuance of six new CPT III codes for the **alfa**pump system. This was a key step in facilitating reimbursement and the US commercialization strategy, augmenting the existing ICD-10 procedure codes. This will allow healthcare professionals to submit claims for the **alfa**pump system, paving the way for broader adoption and supporting commercial rollout in the US.
    - US Reimbursement – NTAP: In September 2024, the Company announced that it had submitted the **alfa**pump application for the NTAP (new technology add-on payment) program. CMS established this program to ensure that Medicare beneficiaries have access to emerging technologies, recognizing that the cost of such new technologies often exceeds the existing payments under the relevant DRGs (diagnostics related

[55] Based on US market assessment conducted by highly experienced international consulting group

groups). The Company believes that it meets all criteria for NTAP given **alfa**pump's FDA breakthrough device designation and the anticipated average selling price of $30,000.

DSR heart failure program

- MOJAVE – US randomized controlled Phase 1/2a study for treatment of congestive heart failure
    - Approval to commence randomised phase: In January 2024, the independent Data and Safety Monitoring Board (DSMB) approved the start of the randomized cohort in MOJAVE, following review of the safety data reported from the non-randomized cohort.
    - Study results from non-randomised cohort: On 25 March 2024, the three-month follow-up data from all three patients in the non-randomized cohort of MOJAVE were announced, confirming the dramatic and durable improvement in diuretic response and virtual elimination of loop diuretic requirements.

Corporate

- Financing
    - February Shareholder Financing: On 8 February 2024, announcement of the granting of an unsecured subordinated convertible loan of EUR 3.0 million by two major shareholders, Partners in Equity V B.V. ("**Partners in Equity**"), Rosetta Capital VII, LP ("**Rosetta Capital**"), and the agreement from lenders to defer the debt service payments, alongside the decision of the board of directors to prioritize resources towards FDA PMA approval of the **alfa**pump as a key value inflection point for the Company. This aforementioned convertible loan was converted into equity on 10 July 2024.
    - March Equity Financing: On 21 March 2024, announcement of a successful equity raise of EUR 11.5 million in gross proceeds by means of a private placement allowing continued progress towards FDA PMA approval of the **alfa**pump, preparing US commercial launch, implementing CMC activities for DSR 2.0, as well as extending the cash runway of the Company to the end of Q3 2024.
    - September – December Shareholder Financing: On 30 September 2024, the Company announced the granting of an unsecured subordinated convertible loan of up to EUR 6.1 million from certain existing shareholders, with an initial tranche of EUR 3.05 million. This financing was subsequently increased to EUR 7.6 million through the support of additional existing shareholders and the receipt of the second tranche from all participating investors. The increased financing extended the cash runway into Q1 2025.
    - Exploring direct financing into each of the **alfa**pump and DSR programs: In September 2024, based on feedback from potential investors, the Company announced that it was exploring how to enable investments into each of the DSR drug and the **alfa**pump device programs separately, which may expand the pool of potential investors and enable more effective financing of the Company's business. The Company believes that such an approach may be beneficial to Sequana Medical investors through

expanding the pool of potential experienced investors, while retaining the ability to invest in Sequana Medical through the Euronext Brussels listing. As a result of the success of the DSR development program and the data from the RED DESERT and SAHARA studies demonstrating the durability of the treatment effect, it was decided to pursue development of the DSR program without the **alfa**pump. As a result, there is little synergy between the DSR and **alfa**pump programs.

- Board changes: to improve cost efficiency and to meet the Belgian requirements for gender diversity prior to January 1, 2025, Douglas Kohrs and Kenneth Macleod stepped down from the board (as announced on 27 November 2024).

1.1.2 Commentary on the consolidated annual accounts

Consolidated statements of profit and loss

Revenue

Revenue decreased from €0.71 million in 2023 to €0.11 million in 2024 due to the decision to terminate European commercial activities in Q1 2024.

Cost of goods sold

Cost of goods sold decreased from €0.16 million in 2023 to €0.03 million in 2024, in line with the decrease in revenue.

Operating expenses

Total operating expenses decreased from €30.04 million in 2023 to €18.79 million in 2024, due to the measures taken to substantially reduce the cash burn in 2024.

Sales and marketing expenses decreased from €1.80 million in 2023 to €1.06 million in 2024 due to the decision to terminate European commercial activities in Q1 2024.

Clinical expenses decreased from €6.95 million in 2023 to €3.17 million in 2024 mainly as a result of lower costs related to the North American pivotal POSEIDON study of the **alfa**pump and the decision to postpone the randomized phase of the MOJAVE DSR study in the US.

Quality and Regulatory expenses decreased from €5.59 million in 2023 to €3.24 million in 2024, mainly due to the measures taken to reduce cash burn in 2024 and higher expenses in 2023 for external advice solicited for the preparation of the submissions for marketing approval of the **alfa**pump in the US.

Supply chain expenses decreased from €4.72 million in 2023 to €3.31 million in 2023 largely driven by the measures taken to reduce the cash burn in 2024 and higher spend in 2023 for additional staffing and external advice for the preparation of the submissions for marketing approval of the **alfa**pump in the US.

Engineering expenses decreased from €4.04 million in 2023 to €1.68 million in 2024, largely driven by the measures taken to reduce the cash burn in 2024 and the one off costs for test samples in 2023 required for the preparation of the submissions for marketing approval of the **alfa**pump in the US.

General and Administration expenses decreased from €6.94 million in 2023 to €6.31 million in 2024 largely driven by the measures taken to reduce the cash burn in 2024.

Other income remained broadly unchanged at €0.63 million in 2023 and €0.48 million in 2024 and includes recognized income from Belgian Research & Development (R&D) incentives with regard to incurred R&D expenses.

EBIT

As a result of the above, earnings before interest and taxes (EBIT) evolved from a loss of €28.86 million in 2023 to a loss of €18.22 million in 2024.

Total net finance expenses

Net finance cost increased from €3.24 million in 2023 to €26.15 million in 2024, mainly resulting from the fair value measurements of i) the Kreos Loan (most recently amended in 2024), ii) the September – December 2024 unsecured subordinated convertible loan agreements, and iii) the different subscription rights. All of these items are non-cash items.

Income tax expense

Income tax expense remained broadly unchanged at €0.28 million in 2024 and €0.47 million in 2023.

Net loss for the period

As a result of the above, the net loss increased from €32.56 million in 2023 to €44.65 million in 2024.

Basic losses per share (LPS)

Basic losses per share remained stable, from €1.22 in 2023 to €1.22 in 2024.

Consolidated balance sheet

Net debt

Net debt[56] at 31 December 2024 was €36.30 million, an increase of €21.37 million compared to 31 December 2023. The increase is mainly driven by (i) issuance of new convertible loans (September-December unsecured subordinated convertible loan agreements), and (ii) the fair value measurements of the Kreos Loan (most recently amended in 2024) and the September - December 2024 unsecured subordinated convertible loan agreements. These fair value measurements are non-cash items.

On 24 January 2025, Sensinnovat, Kreos and certain others converted some or all of their debt positions into equity of Sequana Medical NV for an amount of €4.50 million. Excluding this debt from the 31 December 2024 position, and assuming that all remaining September - December 2024 unsecured subordinated convertible loans convert, the remaining principal, accrued interest and fees at 31 December 2024 would have been €13.03 million.

Working Capital

Working capital[57] in 2024 dropped €1.44 million compared to 31 December 2023. The decrease is largely driven by measures taken to reduce cash burn in 2024.

Consolidated statement of cash flows

Net cash outflow from operating activities was €20.26 million in 2024 compared to €29.06 million in 2023. The lower outflow was driven by the measures taken in 2024 to reduce the cash burn.

Cash flow from investing activities resulted in a net outflow of €0.10 million in 2024, compared to a net outflow of €0.72 million in 2023.

Cash flow from financing activities resulted in a net inflow of €21.56 million in 2024, mainly as a result of the proceeds from the equity placement and the various convertible loan arrangements, partially compensated by repayments of financial debt and interest.

The Company ended 2024 with a total cash and cash equivalents amount of €3.81 million (2023: €2.58 million).

[56] Net debt is calculated by adding short-term, long-term financial and lease debt and deducting cash and cash equivalents

[57] The components of working capital are inventory + trade receivables + other receivables and prepaid expenses - trade payables - other payables - accrued liabilities and provisions.

1.1.3 Information regarding major risks and uncertainties

Sequana Medical is subject to numerous risks, in addition to other risks that are mentioned elsewhere in this report, such as:

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 document and will require additional funds beyond this period in order to meet its capital and expenditure needs and ensure its going concern.
- The 2025 Loan Agreement, the 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 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.
- The new Trump administration in the United States has recently imposed additional tariffs on goods manufactured outside of the United States. Such tariffs 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 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.
- 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.
- 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 the 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 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.

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 post-market surveillance requirements applicable to medical device manufacturers to monitor and report device related adverse events as part of the medical device reporting ("**MDR**") regulations 21 CFR Part 803, so that safety issues can be identified and addressed quickly. When such issues are identified, the FDA may require corrective actions – such as design changes 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.
- 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 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 (if approved), 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 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 (if approved), 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 (if approved) and/or reduce the margins for the **alfa**pump® and/or the DSR® product (if approved).
- 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.

Risks relating to the Company's shares and the stock market

- 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.
- 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.
- 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.

1.2. Information about important events after the closing of the financial year (Article 3:32, 2° BCAC)

We refer to note 14 under the 'Notes to the consolidated financial statements' in the financial report section.

1.3 Information on the circumstances that could significantly influence the development of the Sequana Medical Group (Article 3:32, 3° BCAC)

We refer to note 14 under the 'Notes to the consolidated financial statements' in the financial report section.

1.4 Research and development (Article 3:32, 4° BCAC)

The following R&D programs have been undertaken in the course of 2024 with the objective to further develop the **alfa**pump and the DSR® product:

North American alfapump liver program

- POSEIDON – two-year follow-up data from successful pivotal study in patients with recurrent or refractory ascites due to liver cirrhosis, confirms strong clinical profile of **alfa**pump
- US FDA approval for the treatment of recurrent or refractory ascites due to liver cirrhosis in December 2024.

DSR heart failure program

- MOJAVE – US randomized controlled Phase 1/2a study for treatment of congestive heart failure
    - Approval to commence randomised phase: In January 2024, the independent Data and Safety Monitoring Board (DSMB) approved the start of the randomized cohort in MOJAVE, following review of the safety data reported from the non-randomized cohort.
    - Study results from non-randomised cohort: On 25 March 2024, the three-month follow-up data from all three patients in the non-randomized cohort of MOJAVE were announced, confirming the dramatic and durable improvement in diuretic response and virtual elimination of loop diuretic requirements.

1.5 Use of financial instruments (Article 3:32, 5° BCAC)

We refer to note 2.3.1.15 and 8.7 under the 'Notes to the consolidated financial statements' in the financial report section.

1.6 The justification of the independence and expertise in the field of accounting and audit of the audit committee (Article 3:32, 6° BCAC)

We refer to section 2.6 in the Corporate Governance Statement.

1.7 Internal control and risk management (Article 3:32, 7° BCAC)

We refer to section 2.13 in the Corporate Governance Statement.

1.8 Information that has an impact in case of public takeover bids (Article 3:32, 9° BCAC)

We refer to section 2.16 in the Corporate Governance Statement.

1.9 Branch offices (Article 3:6,5° BCAC)

The Company has a branch in Switzerland, Technoparkstrasse 1, 8005 Zurich.

1.10 Justification of valuation rules (Article 3:6,6° BCAC)

Although the Company received approval for the **alfa**pump from the US FDA, the Company still has to execute on its **alfa**pump US commercialization strategy. Furthermore, DSR is still in its development phase and further clinical trials will be required to achieve regulatory marketing approvals. Both programs incur various risks and uncertainties, including but not limited to the uncertainty of the development & commercialization process and the timing of achieving profitability. The Company's ability to continue operations also 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 impact of macroeconomic conditions and geopolitical situation on the Company's ability to secure additional financing rounds or undertake capital market transactions remains unclear at this point in time and will remain under review by the Executive Management and the Board of Directors.

The above conditions indicate the existence of material uncertainties, which may also cast significant doubt about the Company's ability to continue as a going concern.

The Company will continue to require additional financing in the near future and in 2024 i) entered into a €3.0 million mandatory convertible loan agreement in February with Partners in Equity and Rosetta Capital, ii) successfully raised €11.5 million gross proceeds in March in a private equity placement via an accelerated bookbuild offering, iii) entered into several unsecured subordinated convertible loan agreements for a total amount of €7.6 million in Q3 and Q4. With the financing package announced in March 2025, comprising the €4.0 million unsecured subordinated convertible loan from existing investors, the GEM share subscription facility of up to €60 million and the extension to the repayments of key loans, the Company expects the net proceeds from these financings, based on the expected drawdown of the initial €20 million commitment of the share subscription facility, together with the existing cash resources to extend the current cash runway to the end of 2025. The Company continues to evaluate equity and other financing options, including discussions with existing as well as new investors.

The Executive Management and the Board of Directors remain confident about the strategic plan, which comprises additional financing measures including equity and/or other financing sources, and therefore consider the financial information in this report on a going concern basis as appropriate.

We refer for more details about the additional financing to note 14 *"Events after the reporting period in the Notes to Consolidated Financial Statements".*

1.11 Conflicts of interests procedure (Articles 7:96 and 7:97 BCAC)

1.11.1 Decisions of the board of directors of 18 March 2024 in relation to the entering into of a share swap agreement with related party LSP HEF Sequana Holding B.V.

On 18 March 2024, the board of directors of the Company decided to approve (in principle) the increase of the share capital of the Company in the framework of the authorized capital by the issuance of new shares in the framework of a private placement through an accelerated bookbuilding procedure. On 18 March 2024, the board of directors of the Company decided, before a notary public and subject to a number of condition precedents, to increase the share capital of the Company in the framework of the authorised capital with the issuance of new shares that would be offered via a private placement through an accelerated bookbuilding procedure. On 25 March 2024, 7,666,667 new

shares were effectively issued. The conflicts of interests procedure of Articles 7:96 and 7:97 of the Belgian Companies and Associations Code was applied during the aforementioned board meetings in relation to the (at that time envisaged) entering into of a share swap agreement between existing shareholder LSP HEF Sequana Holding B.V., the intervening underwriter, and the Company. The share swap agreement was eventually not needed and has therefore never been entered into. In accordance with the Articles 7:96 and 3:6 of the Belgian Companies and Associations Code, the sections below contain the relevant parts of the aforementioned board decisions.

Extract of the minutes of the meeting of the board of directors of 18 March 2024

"[…]

3.1 Prior declarations by Rudy Dekeyser

Prior to the deliberation and resolutions by the board of directors, Rudy Dekeyser, director of the Company, as aforementioned, made the following respective declarations as far as needed and applicable, in accordance with Articles 7:96 and 7:97 of the Belgian Companies and Associations Code:

- *Rudy Dekeyser informed the meeting that the agenda refers to a new fund raising via the proposed Transaction, and that LSP HEF Sequana Holding B.V. ("**EQT**") supports the Transaction. He noted that it is likely that (a part of) the new shares to be issued within the framework of the Transaction together with the shares issued by the Company during the last twelve months represent more than 20% of the currently outstanding ordinary shares of the Company already admitted to trading on the regulated market of Euronext Brussels, and that, consequently, the Company will need to make the necessary filings and applications, and prepare a listing prospectus, all as required by applicable regulations. He also noted that EQT has indicated that it is willing to enter into a share swap agreement (the "**Share Swap Agreement**") with the Company and the Underwriter (acting as settlement agent) in order to make available some of its existing shares that are already admitted to listing and trading on the regulated market of Euronext Brussels. This Share Swap Agreement will enable the intervening Underwriter to exchange the new shares to be issued in the Transaction (as the case may be) against the listed shares of EQT, so that the Underwriter can deliver the listed shares to the ultimate investors that will participate in the Transaction. This will allow the Company to raise more funds via the Transaction than it would otherwise be able to raise if the Underwriter would only deliver shares that are not yet admitted to listing and trading immediately upon their issuance. EQT will not receive any compensation for entering into the Share Swap Agreement.*
- *Rudy Dekeyser informed the meeting that as Partner of an affiliate of EQT (who will enter into the abovementioned Share Swap Agreement in the framework of the Transaction), Rudy Dekeyser may have (indirectly) an important interest in EQT, which company has nominated him (through one of its affiliates) as a director of the Company.*
- *Rudy Dekeyser hence informed the meeting that, as a result, he may have a conflict of interest within the meaning of Article 7:96 of the Belgian Companies and Associations Code in relation to the resolutions to be passed by the board of directors with respect to the entering into of the Share Swap Agreement in the framework of the Transaction. Furthermore, as shareholder of the Company represented at the board of directors, EQT is a "related party" in the sense of*

*the International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"), as referred to in Article 7:97 of the Belgian Companies and Associations Code, as a result of which the procedure of Article 7:97 of the Belgian Companies and Associations Code must be applied in relation to the entering into of the Share Swap Agreement in the framework of the Transaction. Rudy Dekeyser will inform the Company's statutory auditor of the foregoing, as far as needed and applicable in accordance with the provisions of Article 7:96 and/or 7:97 of the Belgian Companies and Associations Code. Despite this potential conflict, however, Rudy Dekeyser stated that he believed that the proposed resolutions are in the Company's interest, as it will allow the Company to complete the Transaction and raise new funds.*

In addition, Rudy Dekeyser declared, in accordance with article 1.8, §6 of the Belgian Civil Code, that he might have a direct or indirect financial interest opposing the Company's interest in the decisions to be taken.

Subsequently, Rudy Dekeyser no longer took part in the further deliberation and resolutions of the board of directors with respect to the proposed resolutions.

3.2 Prior declarations by the other directors

None of the other directors declared to have an interest in the proposed resolutions that would require the application of the procedure set out in the provisions of Article 7:96 and/or 7:97 of the Belgian Companies and Associations Code.

The other directors also declare, in accordance with Article 1.8, §6 of the Belgian Civil Code, that they have no direct or indirect financial interest opposing the Company's interest in the decisions to be taken.

4. DELIBERATION AND RESOLUTIONS

At the request of the Chairman, the remaining members of the board of directors commenced the meeting afterwards with the deliberation on the items on the agenda.

- *The meeting was informed by the Chairman that the Company contemplates a private placement of new shares of the Company, on the basis of applicable private placement exemptions, with the broad group of currently not yet determined investors mentioned in point 1 of the agenda above, with listing and trading of the new shares on the regulated market of Euronext Brussels. The Underwriter will be instructed to organise the private placement within the framework of the Transaction.*
- *Prior to the launch of the Transaction, Partners in Equity V B.V. ("**Partners in Equity**"), Rosetta Capital VII, LP ("**Rosetta Capital**"), EQT, Marc Nolet's family through its investment company ("**Nolet**"), as well as a number of other investors (together, the "**Pre-Committing Investors**"), have committed to submit subscription orders for new shares in the Transaction (without requesting any kind of guaranteed allocation) for an aggregate amount of approximately EUR 7.8 million. One*

shareholder also committed to submit a subscription order for new shares in the Transaction for a number of new shares such that at least its existing shareholding percentage in the Company shall remain the same upon the settlement of the Transaction. The Company currently also expects to receive additional subscription commitments from certain investors prior to the formal launch of the Transaction.

- *The board of directors notes that the Transaction is open to institutional, qualified, professional and/or other investors, as permitted under applicable private placement exemptions, and any final allocation to investors, as the case may be, will be made based on customary objective and pre-identified criteria. No guarantee will be or has been given as to the final allocation to the Pre-Committing Investors nor any other investors, shareholders or persons, that any allocation will be made to them, or as to the size of any such allocation.*
- *The Company reserves the right and ability to allocate registered new shares that shall not be immediately admitted to listing and trading upon their issuance to investors that are willing to accept such shares. The board of directors notes that certain Pre-Committing Investors already agreed and accepted that the Company and the Underwriter will have the right and ability (as relevant) to allocate to such Pre-Committing Investors registered new shares that shall not be immediately admitted to listing and trading upon their issuance. The Company, in consultation with the Underwriter, might also decide to swap certain new shares to be issued against existing shares that are already admitted to trading on the regulated market of Euronext Brussels and that are currently held by existing shareholders of the Company, who agree to such swap. This would allow to deliver to subscribers in the Transaction shares that are already admitted to trading on the regulated market of Euronext Brussels. In this context, as mentioned, EQT, who is a shareholder of the Company, has indicated that it is supportive of the Transaction and that it is willing to enter into the Share Swap Agreement with the Company and the Underwriter in order to make available some of its existing shares that are already admitted to listing and trading on the regulated market of Euronext Brussels. This Share Swap will enable the intervening Underwriter to exchange the new shares to be issued in the Transaction (as the case may be) against the listed shares of EQT, so that the Underwriter can deliver the listed shares to the ultimate investors that will participate in the Transaction. The effective listing of the relevant number of new shares to be issued in the Transaction will be subject to regulatory approval of a listing prospectus. Any reference herein to "Transaction" shall also include a reference to the share swap contemplated by the Share Swap Agreement.*

The board of directors also specified that the proposed Share Swap Agreement is an essential element that will allow the Underwriter to deliver to the investors that will ultimately subscribe for new shares in the Transaction shares that will be admitted to listing and trading at the time of the Transaction. Without the Share Swap Agreement, the Underwriter would only have been able to deliver new shares that can be admitted to listing upon their issuance pursuant to and in reliance on the Prospectus Exemption (as defined below) and/or in relation to which the Company would still need to prepare a listing prospectus. As the preparation of a listing prospectus takes some time, and will require the prior review and approval by the Belgian Financial Services and

Markets Authority (FSMA). This process cannot be completed by the time the new shares would need to be delivered to the investors. This would mean that in the absence of the Share Swap Agreement certain shareholders would receive shares that are not admitted to listing and trading immediately upon their issuance, which would negatively affect the tradability and liquidity of the shares and therefore also the attractiveness of the shares to investors. Hence, without the Share Swap Agreement, it is likely that the Transaction would not be possible, or at (even) less advantageous terms for the Company. EQT will not receive any compensation for entering into the Share Swap Agreement.

In addition, as far as needed and applicable, in accordance with the procedure set out in Article 7:97 of the Belgian Companies and Associations Code, an ad hoc committee of three independent directors of the Company (consisting of Pierre Chauvineau, WIOT BV (represented by its permanent representative Wim Ottevaere) and Jackie Fielding) have, prior to this meeting, evaluated in the Independent Directors Advice the proposed entering into of the Share Swap Agreement in the framework of the Transaction . The board of directors considered that the Independent Directors Advice in accordance with article 7:97 of the Belgian Companies and Associations Code in relation to the entering into of the Share Swap Agreement with certain "related parties" in the sense of the IFRS, which is submitted to the board of directors, contains (a) a description of the reasons and nature of the Transaction, (b) a description of the financial consequences of the Transaction, (c) a description of other consequences, advantages and disadvantages of the Transaction, and (d) an overall assessment of the Transaction in view of the Company's strategy. The committee of independent directors concluded in the Independent Directors Advice that the contemplated transactions are in the interest of the Company. The conclusions of the committee of independent directors are as follows:

"The Committee believes that the envisaged capital raising, and the contemplated involvement of EQT in the Transaction through a share swap arrangement, are in the interest of the Company and all of its shareholders, and are not manifestly abusive.

Notably, the share swap by EQT (who will not receive any compensation in this respect from the Company) will enable the intervening Underwriter to exchange a number of new shares to be issued in the Transaction against a number of listed shares of EQT, so that the Underwriter can deliver such listed shares to the ultimate investors that will participate in the Transaction. This will allow the Company to raise more funds via the Transaction than it would otherwise be able to raise if the Underwriter would only be able to deliver shares that are not yet admitted to listing and trading immediately upon their issuance. Accordingly, the share swap is expected to facilitate the Company's fund raising efforts and is likely to contribute to its success. Furthermore, while the envisaged capital raising itself may entail a dilution for the shareholders and holders of subscription rights (stock options) of the Company, a successful capital raising is in the interest of the Company. If the Company is not able to raise further

funding in order to address its (short term) funding requirements, the Company's going concern can no longer be guaranteed.

In view hereof, the Committee issues a favourable and unqualified opinion to the board of directors of the Company."
The board of directors agrees with, and does not deviate from, the abovementioned conclusions and considerations of the committee of independent directors, as set out in more detail in the Independent Directors Advice which remains attached as Annex to the minutes of this meeting, together with the assessment of the Company's statutory auditor.

After deliberation, it was unanimously:

(a) RESOLVED to approve in principle the issue of the new shares within the context of the Transaction, subject to the finalisation of the terms of the Transaction and the Documents, taking into account, however, the following:

(i) the capital increase will be for a maximum amount of up to EUR 30,000,000.00 (including issue premium). The maximum number and issue price of the new shares to be issued are to be determined as a result of the accelerated bookbuilding procedure which is further detailed in the Board Report and in these minutes.

(ii) the new shares are to be offered by the Underwriter to a broad group of currently not yet determined Belgian and foreign institutional, qualified, professional and/or other investors, in and outside of Belgium, on the basis of applicable private placement exemptions (as further described above in point 1 of the agenda), with 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 (stock options), and whereby, (a) any final allocation of new shares to investors (as the case may be) must be made on the basis of customary objective and pre-identified criteria, and (b) no guarantee shall be given, by or on behalf of the Company or the Underwriter, as to any allocation of new shares to any party. It may also be provided that investors who have committed to submit a subscription order to the Underwriter and to whom new shares will ultimately be allocated (if any) will have the opportunity to subscribe directly for the new shares at the time of completion of the offering;

(iii) subject to the completion of the proposed Transaction, an application will be made and all steps will be taken as shall be required (including, as the case may be, the preparation of a listing prospectus as required by the EU Prospectus Regulation (and as further described in the Board Report)) in order to admit any new shares to listing and trading on the regulated market of Euronext Brussels in accordance with the applicable rules and regulations.

(b) RESOLVED to approve, or, insofar as required, ratify, the following:

(i) the Documents, the execution thereof (where relevant), and the performance of the obligations that the Company is to assume and perform in that regard;

(ii) the Board Report and the execution thereof;

(iii) the negotiation and execution of all other documentation and agreements to which the Company is or must become a party within the framework of the Transaction, including, but not limited to, the Placement Agreements;

in each case in accordance with the substantive terms set out in the Documents submitted to the board of directors or, as the case may be, as further negotiated, finalised or changed in accordance with the provisions in section (e) below.

(c) RESOLVED to confirm the assignment to the statutory auditor to prepare a report in accordance with Article 7:198 juncto Articles 7:179 and 7:191 of the Belgian Companies and Associations Code with respect to the Transaction, as well as a report in accordance with Article 7:97 of the Belgian Companies and Associations Code with respect to the entering into of the Share Swap Agreement in the framework of the Transaction, and notes that, as far as needed and applicable, in accordance with Article 3:63, §5 of the Belgian Companies and Associations Code, the members of the audit committee agree that this assignment, in accordance with the rules and conditions necessary for such reports, is given to the statutory auditor of the Company.

(d) RESOLVED, subject to the finalisation of the Board Report and the report of the statutory auditor of the Company in relation thereto and subject to a final decision to be taken by the Placement Committee (as defined under section (e) below), to approve the passing of the Notarial Board Resolutions before a notary public.

[…]"

Extract of the notarial deed recording the minutes of the meeting of the Board of Directors of 18 March 2024

"[...]

Conflicts of interest

Prior declarations by Mr Rudy Dekeyser

Prior to the deliberation and resolutions by the board of directors, Mr. Rudy Dekeyser, a director of the Company, made the following declarations, to the extent necessary and applicable, in accordance with Articles 7:96 and 7:97 of the Belgian Companies and Associations Code:

- *Mr. Rudy Dekeyser informed the board of directors that the agenda refers to a new fund raising via the proposed capital increase, and that LSP HEF Sequana Holding B.V. ("EQT") supports the capital increase. Mr. Rudy Dekeyser noted that it was likely that (a part of) the new shares to be issued within the framework of the capital increase, together with the shares issued by the Company during the last twelve*

months, represent more than 20% of the currently outstanding ordinary shares of the Company already admitted to trading on the regulated market of Euronext Brussels, and that, consequently, the Company would therefore have to make the necessary applications, and prepare a listing prospectus, as required by applicable regulations. He also noted that EQT has indicated that it is willing to enter into a share swap agreement (the share swap agreement) with the Company and the Underwriter to make available a number of its existing shares that are already admitted to listing and trading on the regulated market of Euronext Brussels (the "Share Swap"). This Share Swap will enable the intervening Underwriter to exchange the new shares that will be issued in the capital increase (as the case may be) against the listed shares of EQT, so that the Underwriter can deliver the listed shares to the ultimate investors that will participate in the capital increase. This allows the Company to raise more funds via the capital increase than would otherwise be the case if the Underwriter would only deliver shares that are not yet admitted to listing and trading immediately upon their issuance. EQT will not receive any compensation for entering into the Share Swap.

- *Mr. Rudy Dekeyser informed the board of directors that, as a partner of an affiliate of EQT (who will enter into the abovementioned Share Swap in the context of the capital increase), he may have (indirectly) an important interest in EQT, which company has nominated him (through one of its affiliates) as a director of the Company.*
- *Mr. Rudy Dekeyser informed the board of directors that he could thereby potentially have a conflict of interest within the meaning of Article 7:96 of the Belgian Companies and Associations Code, in relation to the resolutions to be passed by the board of directors with respect to entering into the Share Swap in the framework of the capital increase. Furthermore, as shareholder of the Company represented in the board of directors, EQT is a "related party" in the sense of the International Financial Reporting Standards, as adopted by the European Union ("IFRS"), as referred to in Article 7:97 of the Belgian Companies and Associations Code, as a result of which the procedure of Article 7:97 of the Belgian Companies and Associations Code must be applied in relation to the entering into the Share Swap in the framework of the capital increase. Mr. Rudy Dekeyser will inform the Company's statutory auditor of the foregoing as far as needed and applicable in accordance with the provisions of Article 7:96 and/or 7:97 of the Belgian Companies and Associations Code. Despite this potential conflict, however, Mr. Rudy Dekeyser stated that he believes that the proposed resolutions are in the Company's interest, as it will allow the Company to complete the capital increase and acquire new funds.*

In addition, Rudy Dekeyser declared, in accordance with Article 1.8, §6 of the Belgian Civil Code, that he might have a direct or indirect financial interest opposing the Company's interest in the decisions to be taken.

Subsequently, Mr. Rudy Dekeyser no longer took part in further deliberations and decisions of the board of directors with respect to the proposed resolutions.

Prior declaration by the other directors

None of the other directors declared an interest in the capital increase that would require the application of the procedure of the provisions set out in Article 7:96 and/or 7:97 of the Belgian Companies and Associations Code.

The other directors also declare, in accordance with Article 1.8, §6 of the Belgian Civil Code, that they have no direct or indirect financial interest opposing the Company's interest in the decisions to be taken.

Considerations by the board in relation to the foregoing statements

The other members of the board took note of the preliminary statements by Mr. Rudy Dekeyser.

Mr. Rudy Dekeyser indicated that he has a conflict of interest within the meaning of Articles 7:96 and 7:97 of the Belgian Companies and Associations Code with respect to the proposals for decision included in the agenda of this board of directors.

The board notes that the Company reserves the right and ability to allocate registered new shares that shall not be immediately admitted to listing and trading upon their issuance to investors that are willing to accept such shares. The board of directors also notes that some of the investors have already agreed and accepted that the Company and the Underwriter will have the right and ability (to the extent relevant) to allocate to such investors registered new shares that shall not be immediately admitted to listing and trading upon their issuance. The Company, in consultation with the Underwriter, might also decide to swap certain new shares to be issued against existing shares that are already admitted to trading on the regulated market of Euronext Brussels and that are currently held by existing shareholders of the Company, who agree to such swap. This would allow to deliver to the subscribers to the capital increase shares that are already admitted to trading on the regulated market of Euronext Brussels. In this context, as mentioned, EQT, who is a shareholder of the Company, has indicated its support for the capital increase and its willingness to enter into the Share Swap with the Company and the Underwriter in order to make available some of its existing shares that are already admitted to listing and trading on the regulated market of Euronext Brussels. This Share Swap will enable the intervening Underwriter to exchange the new shares to be issued in the capital increase (as the case may be) against the listed shares of EQT so that the Underwriter can deliver the listed shares to the ultimate investors that will participate in the capital increase. The effective listing of the relevant number of new shares to be issued under the capital increase is subject to regulatory approval of a listing prospectus.

The board of directors also notes that the Share Swap is an essential element that will allow the Underwriter to deliver to the investors that will ultimately subscribe for new shares in the capital increase shares that will be admitted to listing and trading at the time of the intended capital increase. Without the Share Swap, the Underwriter would only have been able to deliver new shares based on an exception under the EU Prospectus Regulation and/or for which the Company would still need to prepare a listing prospectus. Drafting a listing prospectus takes some time and requires the prior review and approval by the Belgian Financial Services and Markets Authority (FSMA), this process cannot be completed by the time the new shares would need to be delivered to the investors. This would mean that in the absence of the Share Swap, certain shareholders would receive shares that are not

admitted to listing and trading immediately upon their issuance, which would negatively affect the tradability and liquidity of the shares and therefore also the attractiveness of the shares to investors. Therefore, it is likely that the capital increase would not be possible without the Share Swap, or on less favourable terms for the Company.

In addition, as far as needed and applicable, in accordance with the procedure set out in Article 7:97 of the Belgian Companies and Associations Code, an ad hoc committee of three independent directors of the Company (consisting of Pierre Chauvineau, WIOT BV (represented by its permanent representative Wim Ottevaere) and Jackie Fielding) has, prior to this meeting, reviewed the Share Swap in connection with the capital increase and, in connection with the capital increase under the authorised capital, concluded that the capital increase and the potential participation of Mr. Rudy Dekeyser and the related Share Swap were in the best interests of the Company. The conclusions of the committee of independent directors are as follows:

"The Committee believes that the envisaged capital raising, and the contemplated involvement of EQT in the Transaction through a share swap arrangement, are in the interest of the Company and all of its shareholders, and are not manifestly abusive.

Notably, the share swap by EQT (who will not receive any compensation in this respect from the Company) will enable the intervening Underwriter to exchange a number of new shares to be issued in the Transaction against a number of listed shares of EQT, so that the Underwriter can deliver such listed shares to the ultimate investors that will participate in the Transaction. This will allow the Company to raise more funds via the Transaction than it would otherwise be able to raise if the Underwriter would only be able to deliver shares that are not yet admitted to listing and trading immediately upon their issuance. Accordingly, the share swap is expected to facilitate the Company's fund raising efforts and is likely to contribute to its success. Furthermore, while the envisaged capital raising itself may entail a dilution for the shareholders and holders of subscription rights (stock options) of the Company, a successful capital raising is in the interest of the Company. If the Company is not able to raise further funding in order to address its (short term) funding requirements, the Company's going concern can no longer be guaranteed.

In view hereof, the Committee issues a favourable and unqualified opinion to the board of directors of the Company."

The board of directors agrees with, and does not deviate from, the abovementioned conclusions and considerations of the committee of independent directors, which are also reflected in the abovementioned report of the board of directors mentioned in agenda item 1(a) pursuant to Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code.

<u>DETERMINATION THAT THE MEETING MAY VALIDLY DELIBERATE</u>

This presentation is checked and found to be correct by the meeting, which recognises that it is validly constituted and authorised to deliberate on the items on the agenda.

<u>DELIBERATION - DECISIONS</u>

Following this presentation and after deliberation, the board of directors of the Company asks the notary public to authenticate that the board of directors has unanimously decided as follows:

<u>FIRST DECISION: Reports</u>

DISCUSSION AND APPROVAL

Subsequently, the following were submitted to the remaining members of the board of directors: the report of the board of directors of the Company in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code of 23 March 2019, as amended (the "Belgian Companies and Associations Code"), as well as the advice prepared in accordance with, as far as needed and applicable, Article 7:97 of the Belgian Companies and Associations Code by an ad hoc committee of three independent directors of the Company (consisting of Pierre Chauvineau, WIOT BV (represented by its permanent representative Wim Ottevaere) and Jackie Fielding), both of which reports were prepared in relation to the proposal of the Company's board of directors to increase the Company's capital in cash, under the authorised capital, by a maximum amount not exceeding EUR 30,000,000.00 (including share premium) through the issuance of new shares, of which the maximum number and issue price are yet to be determined, and in the interest of the Company, to remove the legal preferential right of the existing shareholders of the Company and, as far as needed, of the existing holders of subscription rights (stock options) of the Company, in connection with the proposed issuance of the new shares.

The board of directors declared that it had already approved the aforementioned board report prior to this board meeting. It takes note of it again and no comments are formulated. The board of directors re-approves this report.

DISCUSSION AND ACKNOWLEDGEMENT

The remaining members of the board of directors then take note of the report of the statutory auditor of the Company in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code, as well as the report prepared in accordance with, as far as needed and applicable, Article 7:97 of the Belgian Companies and Associations Code, both reports having been prepared *in respect of the proposal of the board of directors of the Company to, increase the capital of the Company in cash under the authorised capital, by a maximum amount not exceeding EUR 30,000,000.00 (including share premium) through the issuance of new shares, of which the maximum number and issue price are yet to be determined, and in the interest of the Company, to remove the legal preferential right of the existing shareholders of the Company and, to the extent necessary, of the existing holders of subscription rights (stock options) of the Company, in connection with the proposed issuance of the new shares.*

The directors declare to have received a draft of these reports from the board of directors prior to this meeting and to have taken note of them. They declare no comments on them.

DEPOSIT

The report of the board of directors and the report of the statutory auditor, both prepared in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code, shall be initialled by the director present and the notary public and shall remain attached hereto for registration together with these minutes and shall be filed with an issue of the present minutes at the competent registry of the Commercial Court and published in accordance with Articles 2:8 and 2:14, 4° of the Belgian Companies and Associations Code.

The advice prepared in accordance with Article 7:97 of the Belgian Companies and Associations Code by an ad hoc committee of three independent directors of the Company shall be kept in the records of the Company.

SECOND DECISION: Resolution to increase the capital of the Company under the authorised capital

The board of directors resolves to increase the capital of the Company in cash within the framework of the authorised capital as set out in Article 8 of the Articles of Association of the Company by a maximum amount not exceeding EUR 30,000,000.00 (including issue premium) through the issuance of new shares, of which the maximum number and issue price are yet to be determined, with the cancellation of the preferential subscription right of the existing shareholders of the Company and, as far as needed, of the existing holders of subscription rights (stock options) of the Company (in any case not in favour of one or more certain persons who are not members of the personnel), subject to the following terms and conditions:

[...]"

1.11.2 Decisions of the board of directors of 5 July 2024 in relation to the issuance of shares to the benefit of Company's chief executive officer and director Ian Crosbie

On 5 July 2024, the board of directors of the Company issued 218,720 new shares in the framework of the authorised capital to the benefit of certain managers (including the Company's chief executive officer and director Ian Crosbie (at an issue price of EUR 1.50 per share)) in the framework of a share based retention plan. The conflicts of interests procedure of Articles 7:96 of the Belgian Companies and Associations Code was applied during the aforementioned board meeting in relation to the share issuance to the benefit of the Company's chief executive officer and director Ian Crosbie. In accordance with the Articles 7:96 and 3:6 of the Belgian Companies and Associations Code, the sections below contain the relevant parts of the aforementioned board decisions.

Extract of the notarial deed recording the minutes of the meeting of the Board of Directors of 5 July 2024

"*[...]*

Conflicts of interest

PRIOR DECLARATION BY IAN CROSBIE

Prior to the deliberations and resolutions of the board of directors, Ian Crosbie, director of the Company, declared, as far as needed and appropriate, a conflict of interest within the meaning of Article 7:96 of the Belgian Companies and Associations Code in relation to the resolutions of the board of directors (as he is a beneficiary of the capital increase and share issue referred to in the agenda above).

Ian Crosbie then ceased to participate in further deliberations and resolutions of the board of directors relating to the capital increase and share issuance.

PRIOR DECLARATIONS BY THE OTHER DIRECTORS

None of the other directors declared an interest in the capital increase that would require the application of the procedure of the provisions of Article 7:96 of the Belgian Companies and Associations Code.

CONSIDERATIONS BY THE BOARD IN RELATION TO THE PRIOR DECLARATION

The other members of the board noted the prior declaration by Ian Crosbie.

The board of directors notes that the decisions of the board of directors would not require the application of the procedure of Article 7:97 of the Belgian Companies and Associations Code, since Article 7:97, §1, 3° of the Belgian Companies and Associations Code states that the relevant procedure does not have to be applied in case of decisions and transactions regarding the remuneration of the directors, the other persons in charge of the management and the persons in charge of the daily management of the Company or certain elements of their remuneration (which is the case since the new shares are issued within the framework of a retention and incentive policy, on the recommendation of the remuneration and nomination committee, and in accordance with the remuneration policy approved by the general shareholders' meeting of the Company on 23 May 2024; as further described in the report of the board of directors referred to in item 1 of the agenda).

DETERMINATION THAT THE MEETING MAY VALIDLY DELIBERATE

This presentation is checked and found to be correct by the meeting, which recognises that it is validly constituted and authorised to deliberate on the items on the agenda.

DELIBERATION - DECISIONS

Following this presentation and after deliberation, the board of directors of the Company asks the notary public to authenticate that the board of directors has unanimously decided as follows:

Approval of the report of the board of directors

The board of directors resolves to approve the report prepared in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code in relation to the proposal of the board of directors of the Company to increase, in the context of the authorised capital, (i) the capital of the Company in cash in favour of certain members of the staff within the meaning of Article 1:27 of the Belgian Companies and Associations Code and this for a total amount of one hundred and twenty-six thousand three hundred and seventy-one euro fifty-four cents (EUR 126.371.54) (including issue premium) through the issuance of two hundred and eighteen thousand seven hundred and twenty (218.720) new shares, consisting of (x) seventy-three thousand six hundred and six (73,606) new shares at an issue price of one euro fifty cents (EUR 1.50), and (y) one hundred forty-five thousand one hundred and fourteen (145.114) new shares at an issue price of zero euro eleven cents (EUR 0.11), and (ii) in that regard, to approve, in the best interests of the Company, the statutory preferential subscription right of the existing shareholders of the Company and, as far as needed, of the existing holders of subscription rights (stock options) of the Company, to be waived, in favour of the Beneficiaries.

The board of directors of the Company notes that, to the extent necessary and applicable, pursuant to Article 3:63, §5 of the Belgian Companies and Associations Code, the members of the audit committee agree that the assignment to prepare the auditor's report referred to in item 2 of the agenda, in accordance with the rules and conditions required for such report, was given to the Company's auditor.

Submission of the auditor's report

The board of directors submits the report of the auditor of the Company prepared in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code in relation to the proposal of the board of directors of the Company to increase, in the context of the authorised capital, (i) the capital of the Company in cash in favour of certain members of the staff within the meaning of Article 1:27 of the

Belgian Companies and Associations Code and this for a total amount of one hundred and twenty-six thousand three hundred and seventy-one euro fifty-four cents (EUR 126.371.54) (including share premium) through the issuance of two hundred and eighteen thousand seven hundred and twenty (218,720) new shares, consisting of (x) seventy-three thousand six hundred and six (73,606) new shares at an issue price of one euro fifty cents (EUR 1.50), and (y) one hundred and forty-five thousand one hundred and fourteen (145.114) new shares at an issue price of zero euro eleven cents (EUR 0.11), and (ii) in that regard, in the interest of the Company, to remove the legal preferential right of the existing shareholders of the Company and, as far as needed, of the existing holders of subscription rights (stock options) of the Company, in favour of the Beneficiaries.

DEPOSIT

The report of the board of directors and the report of the statutory auditor, both prepared in accordance with Article 7:198 in conjunction with Articles 7:179 and 7:191 of the Belgian Companies and Associations Code, shall be initialled by the director(s) present and the notary public and shall remain attached hereto for registration together with these minutes and shall be filed with an issue of the present minutes at the competent clerk's office of the Commercial Court and published in accordance with Articles 2:8 and 2:14, 4° of the Belgian Companies and Associations Code.

Resolution to issue new shares under the authorised capital

The board of directors resolves within the framework of the authorised capital as provided for in Article 8 of the Articles of Association of the Company to increase the capital of the Company in cash for a total amount of one hundred and twenty-six thousand three hundred and seventy-one euro fifty-four cents (EUR 126,371.54) (including issue premium) through the issuance of two hundred and eighteen thousand seven hundred and twenty (218.720) new shares, consisting of (x) seventy-three thousand six hundred and six (73,606) new shares at an issue price of one euro fifty cents (EUR 1.50), and (y) one hundred and forty-five thousand one hundred and fourteen (145,114) new shares at an issue price of zero euro eleven cents (EUR 0.11), in the manner described in the report of the board of directors referred to in item 1 of the agenda.

All new shares to be issued in connection with the cash capital increase will have no par value, will be of the same nature as the existing and outstanding shares of the Company, and will have the same rights and benefits as, and will in all respects have the same (pari passu) rank, including dividend and other distribution rights, as the existing and outstanding shares of the Company at the time of their issuance and will be entitled to dividends and other distributions for which the relevant record date or maturity date is on or after the date of issuance of the new shares.

The aforementioned capital increase is made immediately for a cash contribution of an amount of one hundred and twenty-six thousand three hundred and seventy-one euro fifty-four cents (EUR 126,371.54) (including issue premium) through the issuance of two hundred and eighteen thousand seven hundred and twenty (218.720) new shares, consisting of (x) seventy-three thousand six hundred and six (73,606) new shares at an issue price of one euro fifty cents (EUR 1.50), and (y) one hundred forty-five thousand one hundred and fourteen (145,114) new shares at an issue price of zero euro eleven cents (EUR 0.11).

Cancellation of the preferential subscription right

The board of directors resolves, in the interest of the Company, to waive the preferential subscription right of the existing shareholders of the Company and, as far as necessary, of the existing holders of subscription rights (stock options) of the Company, in favour of the Beneficiaries (who are all members of the personnel within the meaning of Article 1:27 of the Belgian Companies and Associations Code), in accordance with Article 7:198 in conjunction with Article 7:191 of the Belgian Companies and Associations Code, in order to enable the Beneficiaries to subscribe to the new shares.

Immediate subscription to the capital increase

The board of directors then determines, on the basis of nineteen (19) separate registration and instruction forms (and with required proxies provided therein) which are attached to these minutes for registration together with these minutes and a list prepared by the board of directors (which is also attached to these minutes for registration together with these minutes) in which each of the Beneficiaries has been identified and both the number and issue price of the new shares to be issued has been recorded, that the Beneficiaries subscribed to a total of two hundred and eighteen thousand seven hundred and twenty (218.720) new shares of the Company, at the total subscription price of one hundred and twenty-six thousand three hundred and seventy-one euro fifty-four cents (EUR 126,371.54), as follows:

(i) seventy-three thousand six hundred and six (73,606) new shares at a subscription price of one euro fifty cents (EUR 1.50) per share, or one hundred and ten thousand four hundred and nine euros (EUR 110,409.00) in aggregate (including issue premium), by members of the executive management who have agreed to this; and

(ii) one hundred and forty-five thousand one hundred and fourteen (145,114) new shares at a subscription price of zero euro eleven cents (EUR 0.11) per new share, or fifteen thousand nine hundred and sixty-two euro fifty-four cents (EUR 15,962.54) in aggregate (including issue premium), by certain members of senior management who have agreed. [...]"

No other events took place in 2024 that required the application of the provisions foreseen in article 7:96 and/or 7:97 BCAC.

1.12 Acquisition of own shares (Article 7:220 BCAC)

Neither the Company nor any person acting in his own name but on behalf of the Company has acquired shares of the Company during the financial year 2024.

1.13 Transactions under the authorised capital (Article 7:203 BCAC)

On 21 March 2024, the Company announced that in the context of the capital increase that was announced on 20 March 2024 and completed on 25 March 2024 by means of a private placement through an accelerated book building procedure of 7,666,667 new shares (being approximately 27.15% of the Company's outstanding shares at that time) at an issue price of EUR 1.50 per share, its share capital increased from EUR 2,926,295.90 to EUR 3,720,562.60 and the number of issued and outstanding shares has increased from 28,242,753 to 35,909,420 ordinary shares. Of the 7,666,667 new shares, 2,000,789 were immediately admitted to listing and trading on the regulated market of Euronext Brussels upon their issuance (on the basis of applicable listing prospectus exemptions), while 5,665,878 shares were not immediately admitted to listing and trading on the regulated market of

Euronext Brussels upon their issuance (as their admission to listing and trading was subject to the approval of a listing prospectus). The remaining shares have been admitted to trading and listing on the regulated market of Euronext Brussels after the approval of a listing prospectus by the Belgian Financial Services and Markets Authority (the "**FSMA**") on 20 August 2024. As a result of this transaction, the board of directors of the Company increased the share capital of the Company (on 25 March 2025) in the framework of the authorised capital with the issuance of 7,666,667 new shares, with dis-application of the preferential subscription right of the shareholders of the Company and, in so far as required, of the holders of subscription rights (stock options) of the Company, that were offered to a broad group of Belgian and foreign institutional, qualified, professional and/or other investors, in and outside of Belgium, on the basis of applicable private placement exemptions, in the framework of a private placement through an accelerated bookbuilding procedure. In this context, the board of directors prepared a report in accordance with Article 7:198 *juncto* Article 7:179 and 7:191 of the Belgian Companies and Associations Code in relation to the transaction, providing notably (i) a justification of the transaction, including notably a justification of the issue price of the new shares, (ii) a description of the consequences of the transaction for the financial and shareholder rights of the shareholders of the Company, (iii) a justification of the proposed dis-application of the statutory preferential subscription right of the shareholders and, in so far as required, of the holders of subscription rights (stock options) in connection with the proposed increase of the share capital in the framework of the transaction, and (iv) a description of the consequences of the dis-application of the preferential subscription rights for the financial and shareholder rights of the shareholders. This board report must be read together with the report prepared 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 Culliganlaan 5, 1830 Machelen, Belgium, represented by Peter D'hondt BV, represented by Mr. Peter D'hondt, auditor.

On 5 July 2024, pursuant to a principle capital increase decision by the board of directors of 4 October 2023, 93,456 new shares were issued in the framework of the authorised capital to the benefit of certain non-executive independent directors in the framework of the so-called "Restricted Share Units" (RSU) remuneration component (as set out in the remuneration policy approved by the extraordinary general meeting of the Company on 23 May 2024). The Company's share capital has increased from EUR 3,720,562.60 to EUR 3,730,244.64 and the number of issued and outstanding shares has further increased from 35,909,420 to 36,002,876 ordinary shares, through the issuance of a total of 93,456 new shares that were subscribed for in the capital increase. In this context, the board of directors prepared a report in accordance with Article 7:198 *juncto* Articles 7:179 and 7:191 of the Belgian Companies and Associations Code in relation to the transaction. This board report must be read together with the related report prepared by the Company's statutory auditor.

On 5 July 2024, the board of directors of the Company issued 218,720 new shares in the framework of the authorised capital to the benefit of certain managers in the framework of a share based retention plan. The Company's share capital has increased from EUR 3,730,244.64 to EUR 3,752,904.03 and the number of issued and outstanding shares has further increased from 36,002,876 to 36,221,596 ordinary shares, through the issuance of a total of 218,720 new shares that were subscribed for in the capital increase. In this context, the board of directors prepared a report in accordance with Article 7:198 juncto Articles 7:179 and 7:191 of the Belgian Companies and

Associations Code in relation to the transaction. This board report must be read together with the related report prepared by the Company's statutory auditor.

On 21 October 2024, the board of directors of the Company issued 261,346 new shares in the framework of the authorised capital to the benefit of certain managers in the framework of a share based retention plan. The Company's share capital has increased from EUR 4,169,575.15 to EUR 4,196,650.60 and the number of issued and outstanding shares has further increased from 40,243,518 to 40,504,864 ordinary shares, through the issuance of a total of 261,346 new shares that were subscribed for in the capital increase. In this context, the board of directors prepared a report in accordance with Article 7:198 *juncto* Articles 7:179 and 7:191 of the Belgian Companies and Associations Code in relation to the transaction. This board report must be read together with the related report prepared by the Company's statutory auditor.

On 13 November 2024, the board of directors of the Company issued 3,931,328 new shares in the framework of the authorised capital to the benefit of Belfius Insurance NV in consideration of contributions in kind of then outstanding receivables for an aggregate amount of EUR 2,614,333.33 (as principal amount and interests) that were due by the Company under the convertible loan agreement entered into on 27 July 2020, as amended in December 2021, March 2023, February 2024 and September 2024. The Company's share capital has increased from EUR 4,169,575.15 to EUR 4,603,936.18 and the number of issued and outstanding shares has further increased from 40,243,518 to 44,436,192 ordinary shares, through the issuance of a total of 3,931,328 new shares that were subscribed for in the capital increase. In this context, the board of directors prepared a report in accordance with Article 7:198 *juncto* Articles 7:179 and 7:197 of the Belgian Companies and Associations Code in relation to the transaction. This board report must be read together with the related report prepared by the Company's statutory auditor.

The abovementioned reports are available on the Company's website at: https://www.sequanamedical.com/investors/shareholder-information/.

2. Corporate Governance Statement

2.1 Introduction

This Corporate Governance Statement is included in the Company's report of the Board of Directors on the statutory accounts for the financial year ended on 31 December 2024 (dated 17 April 2025) in accordance with Article 3:6, §2 of the Belgian Companies and Associations Code of 23 March 2019 (as amended) (the "**Belgian Companies and Associations Code**").

On 17 May 2019, the Belgian Royal Decree of 12 May 2019 designating the Corporate Governance code to be complied with by listed companies was published in the Belgian Official Gazette. On the basis of this royal decree, Belgian listed companies are required to designate the 2020 Belgian Corporate Governance Code (the "**2020 Belgian Corporate Governance Code**") as reference code within the meaning of Article 3:6, §2 of the Belgian Companies and Associations Code. The 2020 Belgian Corporate Governance Code applies to reporting years beginning on or after 1 January 2020.

On 23 April 2020, the Board of Directors approved an amended and restated version of the Company's Corporate Governance Charter to align it with the provisions of the 2020 Belgian Corporate Governance Code and the Belgian Companies and Associations Code. The current version of the Company's Corporate Governance Charter was approved by the Company's board of directors on 21 April 2023. The board of directors of the Company will review this charter from time to time and make such changes as it deems necessary and appropriate.

The 2020 Belgian Corporate Governance Code can be accessed on the following website: www.corporategovernancecommittee.be/.

2.2 Corporate Governance Charter

The Company applied a Corporate Governance Charter that was in line with the 2020 Belgian Corporate Governance Code. The Company's Board of Directors approved the last version of this charter on 21 April 2023. The Corporate Governance Charter described the main aspects of the Corporate Governance of the Company, including its governance structure, the terms of reference of the Board of Directors and its committees and other important topics. The Corporate Governance Charter had to be read together with the Company's articles of association.

2.3 Deviations from the 2020 Belgian Corporate Governance Code

The Company applied the provisions set forth in the 2020 Belgian Corporate Governance Code except in relation to following:

- Pursuant to Article 7:91 of the Belgian Companies and Associations Code and provision 7.11 of the 2020 Belgian Corporate Governance Code, shares should not vest and share options should not be exercisable within three years as of their granting. Insofar as necessary, it is recalled that following the extraordinary shareholders' meeting of 28 May 2020, it has been expressly provided in the articles of association that the Board of Directors is explicitly authorised to deviate from the provisions of Article 7:91 of the Belgian Companies and Associations Code, for all persons who fall within the scope of these provisions (whether directly or pursuant to Articles 7:108 and 7:121 of the Belgian Companies and Associations Code, or otherwise). The Company is of the opinion that this allows for more flexibility when structuring share-based awards. For example, it is customary for option plans to provide for a vesting in several instalments over a well-defined period of time, instead of vesting after three years only. This seems to be more in line with prevailing practice.

- In accordance with provision 7.6 of the 2020 Belgian Corporate Governance Code, non-executive directors should receive a part of their remuneration in the form of shares of the Company. The Company has however no distributable reserves and therefore does not meet the legal requirements to proceed to a shares buy-back. As a result, the Company does not any own treasury shares and is unable to grant existing shares to non-executive directors as part of their remuneration. The interests of the non-independent non-executive directors are however considered to be sufficiently oriented to the creation of long-term value for the Company. The directors are also paid in cash, leaving it their own initiative whether or not they wish to use such funds (in whole or in part) to acquire existing shares of the Company. On 10 February 2023 the Company's extraordinary shareholders' meeting approved an amendment to the Company's remuneration policy, allowing for the issuance of so-called "restricted share units" or "RSUs", which provide for a remuneration in the form of new shares whereby the relevant directors will have an obligation to subscribe for such shares at a value of EUR 0.11 per share (independent of the value of the share at that time). One restricted share unit or RSU represents the obligation of the relevant non-executive independent director to subscribe for one new share of the Company. The RSU remuneration is in addition to the cash component of the yearly remuneration of the directors. The issue of RSUs is designed to align the remuneration policy of the Company in respect of non-executive independent directors with provision 7.6 of the 2020 Code. The RSUs are not entirely equivalent to a share (no voting rights, no preferential subscription rights or other membership rights) but, in the opinion of the Company, the RSUs meet the objectives provided for in provision 7.6 of the 2020 Code.

- In accordance with provision 7.9 of the 2020 Belgian Corporate Governance Code, the Board of Directors should set a minimum threshold of shares to be held by the members of the Executive Management. A part of the remuneration of the members of the Executive Management consists of options to subscribe for the Company's shares, which should allow the members of the Executive Management over time to acquire shares of the Company, in line with the objectives of the option plans.

- In accordance with provision 7.12 of the Belgian Corporate Governance Code, the Board of Directors should include provisions in the contracts of the members of the Executive Management that would enable the Company to recover variable remuneration paid, or withhold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law. There are currently no contractual provisions in place between the Company and the Chief Executive Officer or the other member of the Executive Management that give the Company a contractual right to reclaim from said executives any variable remuneration that would be awarded. The Board of Directors does not consider that it is necessary to apply claw-back provisions as (x) the pay-out of the variable remuneration, based on the achievement of corporate targets as set by the Board of Directors, is paid only upon achievement of those corporate targets, and (y) the Company does not apply any other performance based remuneration or variable compensation. Furthermore, the share option plans do contain bad leaver provisions that can result in the share options, whether vested or not, automatically and immediately becoming null and void. Notwithstanding the Company's position that share options are not to be

qualified as variable remuneration, the Board of Directors is of the opinion that such bad leaver provisions sufficiently protect the Company's interests and that it is therefore currently not necessary to provide for additional contractual provisions that give the Company a contractual right to reclaim any (variable) remuneration from the members of the Executive Management.

What constitutes good Corporate Governance will evolve with the changing circumstances of a company and with the standards of Corporate Governance globally, and must be tailored to meet those changing circumstances.

The Board of Directors intends to update the Corporate Governance Charter as often as required to reflect changes to the Company's Corporate Governance.

The articles of association and the Corporate Governance Charter are available on the Company's website (www.sequanamedical.com) and can be obtained free of charge at the Company's registered office.

2.4 Composition Board of Directors, Executive Management and Senior Management Team

2.4.1 Board of Directors

The table below gives an overview of the current members of the Company's Board of Directors and their terms of office:

Name	Age	Position	Start of Current Term	End of Current Term
Mr Pierre Chauvineau	61	Chair, Independent Non-Executive Director	2021	2025
Mr Ian Crosbie	57	CEO, Executive Director	2021	2025
Dr Rudy Dekeyser	63	Non-Executive Director	2021	2025
Mr Wim Ottevaere[58]	68	Independent Non-Executive Director	2021	2025
Mrs Jackie Fielding	61	Independent Non-Executive Director	2022	2026
Mrs Alexandra Clyde	61	Independent Non-Executive Director	2023	2026
Mr Ids van der Weij	58	Non-Executive Director	2023	2027
Mr Kenneth Macleod[59]	**64**	**Non-Executive Director**	**2023**	**2024**
Mr Doug Kohrs[60]	**66**	**Independent Non-Executive Director**	**2023**	**2024**

[58] Acting as permanent representative of WIOT BV.
[59] Mr Kenneth Macleod stepped down from the board in November 2024.
[60] Mr Doug Kohrs stepped down from the board in November 2024.

In line with Sequana Medical's drive to improve cost efficiency and to meet the Belgian requirements for gender diversity prior to January 1, 2025, Douglas Kohrs and Kenneth MacLeod have stepped down from the board in November 2024.

Mr Pierre Chauvineau is an independent non-executive director and the chair of the Company's Board of Directors. Mr Chauvineau has over 34 years of international business leadership in corporate and start-up companies within the medical technology industry. He started his career with Medtronic where he spent 20 years before joining Cameron Health, a VC-funded medical device company based in California where he was responsible for commercialising their innovative implantable defibrillator across international markets. Cameron Health was acquired by Boston Scientific two years later in June 2012, after which Mr Chauvineau went on to lead Boston Scientific's Rhythm Management European Business Unit for 5 years. Today, Mr Chauvineau continues to mentor and coach, he is also an non-executive board member with London based Rhythm AI. He is also the chairman of Galway based Aurigen Medical. Pierre Chauvineau holds an MBA degree in International Management from the Monterey Institute of International Studies (Monterey, California, U.S.A.) and a BA degree from IPAG (Paris, France).

Mr Ian Crosbie is an executive director of the Company since 2019 and the Company's Chief Executive Officer since 2016. Mr Crosbie has over 25 years of experience in the healthcare sector, both in-house at medical device and pharmaceutical companies, and as an investment banker at leading global firms. He has extensive expertise and a strong track record in capital markets, licensing and strategic transactions. Prior to joining Sequana Medical, Mr Crosbie was Chief Financial Officer of GC Aesthetics Ltd based in Dublin. Before that, Ian was Senior Vice President, Corporate Development at Circassia Pharmaceuticals plc, a late-stage biopharmaceutical company focused on allergy immunotherapy where he led the execution of the company's £210 million IPO, as well as the M&A and licensing activities. Prior to Circassia, Ian enjoyed a 20-year career in corporate finance, including Managing Director, Healthcare Investment Banking at Jefferies International Limited and Director, Healthcare Investment Banking at Deutsche Bank. He has a degree in Engineering, Economics and Management from Oxford University.

Dr Rudy Dekeyser is a non-executive director of the Company. He is partner at EQT and head of the EQT's Health Economics Funds, investing in medical device, diagnostic and digital health companies in Europe and the US. Besides serving on the Company's Board of Directors, Dr. Dekeyser currently also serves on the Board of Directors of Nobi, Xeltis and reMYND and has served on many other biotech boards such as Ablynx (acquired by Sanofi), Devgen (acquired by Syngenta), CropDesign (acquired by BASF), Actogenix (acquired by Intrexon) and Multiplicom (acquired by Agilent). Dr. Dekeyser was one of the founders of VIB and co-managing director of this leading life sciences research institute for 17 years, during which he was also responsible for all business development. Under his leadership VIB has built a patent portfolio exceeding 200 patent families, signed 800 R&D and license agreements, spun out 8 companies and laid the foundation for bio-incubators, bio-accelerators and the biotech association FlandersBio. Dr. Dekeyser is member of the advisory board of several foundations investing in life sciences innovation and has been one of the catalysts in the foundation of Oncode, a Dutch cancer research institute. Rudy holds a Ph.D in molecular biology from the University of Ghent.

Mr Wim Ottevaere (WIOT BV) is an independent non-executive director of the Company. Mr Ottevaere is currently active as a non executive board member/consultant for biotechs. He was the Chief Financial Officer of Biotalys from July 2020 until June 2023, a Belgian based Food and Crop Protection company that provides agricultural solutions. Mr Ottevaere was the Chief Financial Officer

of Ablynx until September 2018, a Belgian biopharmaceutical company engaged in the development of proprietary therapeutic proteins based on single-domain antibody fragments. Ablynx was listed on Euronext Brussels and Nasdaq and acquired by Sanofi in June 2018. From 1992 until joining Ablynx in 2006, Mr Ottevaere was Chief Financial Officer of Innogenetics (now Fujirebio Europe), a biotech company that was listed on Euronext Brussels at the time. From 1990 until 1992, he served as Finance Director of Vanhout, a subsidiary of the Besix group, a large construction enterprise in Belgium. From 1978 until 1989, Mr Ottevaere held various positions in finance and administration within the Dossche group. Wim Ottevaere holds a Master's degree in Business Economics from the University of Antwerp, Belgium.

Mrs Jackie Fielding is an independent non-executive director of the Company. Mrs Fielding spent 28 years with Medtronic, most recently as Vice President UK / Ireland, where she was responsible for more than 700 staff and revenue of approximately $750 million. She held a number of external posts alongside her role at Medtronic, including Chair of the BCIA (British Cardiovascular Intervention Association) and council member of the BCIS (British Cardiovascular Intervention Society). In 2010, she was elected to the Board of Directors of ABHI (Association of British HealthTech Industries) and in 2015 was appointed Vice Chair. Jackie has worked with the UK's NHS (National Health Service) Clinical Entrepreneur programme and was a member of the Ministerial Medical Technology Strategy Group. She is Non-Executive Director on the Boards of UK's NICE (National Institute for Health and Care Excellence), South Tyneside and Sunderland Foundation Trust and Ossiform. She also held the position of Chair at Northumbria Primary Care for 2 years.

Mrs Alexandra Clyde is an independent non-executive director of the Company. She is an accomplished medical technology executive with deep expertise and experience in health policy, health economics, reimbursement and the global health care landscape. She spent 26 years at Medtronic in roles of increasing responsibility, most recently as Corporate Senior Vice President of Global Health Economics, Policy and Reimbursement. In this role, she led a global function of more than 300 professionals around the world and provided company-wide leadership on health and payment policy. She has been widely recognized for her industry-wide leadership and impact in designing and implementing coverage and payment mechanisms for new technology, as well as value-based strategies and policy initiatives. She has participated in various Centers for Medicare and Medicaid Services (CMS) technical advisory councils as well as other private and public sector multi-stakeholder initiatives to improve value in health care. Alex graduated from Colgate University with a B.A. in Economics and from Harvard University with a M.S. in Health Policy and Management.

Mr Ids van der Weij is Managing Partner of Partners in Equity V ("PiE V"), a private investment firm focusing on, among others, life sciences. Ids has spent more than 25 years of his career working in Private Equity and Venture Capital. Before PiE V, he was, among others, CEO of Friesland Bank Investments, Managing Partner of Ondernemend Oranje Kapitaal, board member of the Nederlandse Vereniging van Participatiemaatschappijen and member of the supervisory board of, among others, Arboned and Opthec. Besides PiE V, he is currently a (non-executive) director at Diceros Therapeutics and Micreos B.V. He started his career at ABN AMRO NV, after completing his MBA at the University of Groningen.

The business address of each of the directors for the purpose of their mandate is the address of the Company's registered office: Kortrijksesteenweg 1112/102, 9051 Sint-Denijs-Westrem, Belgium.

The following persons attend the Company's board meetings as board observers (in a non-voting capacity):

- Erik Amble, as representative of Morningside SPV L.P., a shareholder of the Company;
- Sonia Benhamida, as representative of Kreos Capital VII (UK) Limited, a debt provider of the Company.

2.4.2 Executive Management and Senior Management Team

The Executive Management of the Company consists of the following members:

Name	Age	Position
Mr Ian Crosbie	57	Chief Executive Officer
Mrs Kirsten Van Bockstaele[61]	50	Chief Financial Officer

Mr Ian Crosbie is the Chief Executive Officer and a director of the Company. Please see his biography under the section "Board of Directors" above.

Mrs Kirsten Van Bockstaele is the Chief Financial Officer of Sequana Medical. She is a seasoned finance executive with extensive international experience in the healthcare industry. Mrs Van Bockstaele joined Sequana Medical from Fagron (formerly Arseus), an international pharmaceutical compounding company. Within Fagron, she held a number of senior financial roles, most recently as Vice President of Finance, North America. In this role, Mrs Van Bockstaele was responsible for creating and overseeing the company's financial strategy and policy, positioning Fagron's North American companies for growth. She also played a pivotal role in building out the North American headquarters, supporting the financial integration of acquisitions and assisting in redirecting the company's strategy. Mrs Van Bockstaele previously served as Chief Financial Officer for Arseus Dental & Medical Solutions, where she was instrumental in the coordination, support and control of financial activities in key European countries. Her previous roles include Financial Controller at Omega Pharma and Audit Manager at PwC. Kirsten Van Bockstaele has a degree in Business Economics from EHSAL and a degree in Financial and Fiscal Sciences from the University of Antwerp, Belgium.

The Senior management team of the Company consists of the members of the Executive Management, together with the following members:

Name	Age	Position
Dr. Gijs Klarenbeek	48	Chief Medical Officer
Mr Timur Resch	43	Global Vice President QM/QA/RA
Dr. Andreas Wirth	56	Global Vice President Engineering
Mr Martijn Blom	50	Chief Commercial Officer
Mr Dragomir Lakic	42	Global Vice President Manufacturing

[61] Acting as permanent representative of Fin-2K BV.

Dr Gijs Klarenbeek is the Chief Medical Officer of the Company. Dr Klarenbeek has over 14 years academic and healthcare industry experience. After his training in abdominal surgery at the University of Leuven, he held multiple positions in Medical Affairs, Clinical and Marketing at large pharmaceutical (Sanofi, AstraZeneca) and medical device companies. These include roles as Director of Medical Affairs Europe at Boston Scientific, providing leadership to the medical support for the portfolio of products in the Structural Heart and Medical / Surgical divisions, and as Worldwide Medical Director Clinical Research at Johnson & Johnson's medical device division (Cordis and Cardiovascular Care Franchise), supporting the clinical development of different products through regulatory submission (CE mark & IDE), post-market commitments and development. Dr Klarenbeek holds an MD from the University of Leuven, Belgium and a degree in Business Administration from the Institute for Pharmaceutical Business Administration (IFB).

Mr Timur Resch is the Global Vice President QM/QA/RA and Person Responsible for Regulatory Compliance (PRRC) of Sequana Medical. Timur has over 13 years of experience within quality management and regulatory affairs in the regulated medical device industry. In 2010, he graduated as an engineer in medical technology from the University of Applied Sciences in Lübeck, Germany and began his professional career as a process and management consultant at Synspace AG.Thereafter, Timur continued as Head of Quality Management & Regulatory Affairs at Schaerer Medical AG and prior to joining Sequana Medical held the position of Manager & Team Leader Regulatory Affairs at Medela AG. His experience includes the establishment of quality management systems, auditing, international product registrations for Class I to Class III medical devices, ensuring compliance with applicable regulatory requirements as well as being the liaison to Notified Bodies and Health Authorities. Timur serves as member of quality and regulatory task forces and expert groups within Germany and Switzerland.

Dr Andreas Wirth is the Global Vice President Engineering of the Company. Andreas has over 12 years of experience within leading R&D departments in regulated industries. Most recently he was Director of R&D at Carl Zeiss Meditec and responsible for refractive surgery products. Previous to his time at Carl Zeiss Meditec he was the Head of metrology development at Schott and responsible for pharmaceutical primary packaging across 17 plants worldwide. Prior to this, he was head of R&D at medi Group managing seven small R&D groups in Germany, France and the US and project manager at Amaxa / Lonza Biologics of medical and laboratory devices. Andreas holds a PhD in applied science and studied physics at the University of Osnabrück, Germany.

Mr Martijn Blom is the Chief Commercial Officer of the Company. Mr Blom has over 15 years' experience in the life sciences industry. Most recently he was the Director of International Marketing at Myriad Genetics, responsible for the marketing development of genetic testing in the international markets. Previous to Myriad, Martijn worked as Director of Marketing and Market Development at PulmonX, a start up from Redwood City focusing on developing and marketing minimally-invasive medical devices and technologies to expand and improve treatment options for emphysema patients. Prior to this Martijn was Director, International Marketing with Alere where he spent more than 7 years leading the marketing, training and marketing communications teams, for all of their business units: Cardiology, Women's Health, Oncology, Infectious Diseases, Blood Borne Pathogens, Toxicology and Health Management. Martijn studied economics at the MEAO in Breda and specialized at de Rooi Pannen in Marketing and Sales management.

Mr Dragomir Lakic is the Global Vice President Manufacturing of the Company. Dragomir spent almost his whole career in the field of medical devices, with 15 years at Zimmer Biomet and Smith + Nephew, and brings an in-depth knowledge of the medical device industry. He joined Sequana Medical from Smith + Nephew, a leading portfolio medical technology company where he was responsible for planning, procurement, logistics, and supply chain. Before joining Smith + Nephew, he had a successful

12-year career at Zimmer Biomet, holding progressively senior leadership positions in Engineering and Manufacturing. Dragomir holds a degree in Engineering and Management from the University of Applied Sciences and Arts of Italian Switzerland and a Master of Business Administration (MBA) degree from the ZHAW (Zurich University of Applied Sciences).

The business address of each of the members of the Executive Management for the purpose of their mandate is the address of the Company's registered office: Kortrijksesteenweg 1112 bus 102, 9051 Sint-Denijs-Westrem, Belgium.

2.5 Board of Directors

The Company has opted for a "one tier" governance structure whereby the Board of Directors is the ultimate decision making body, with the overall responsibility for the management and control of the Company, and is authorised to carry out all actions that are considered necessary or useful to achieve the Company's object. The Board of Directors has all powers except for those reserved to the general shareholders' meeting by law or the Company's articles of association. The Board of Directors acts as a collegiate body.

Pursuant to the Company's Corporate Governance Charter (approved by the Board of Directors on 21 April 2023), the role of the Board of Directors is to pursue sustainable value creation by the Company, by determining the Company's strategy, putting in place effective, responsible and ethical leadership, and monitoring the Company's performance. The Board of Directors decides on the Company's values and strategy, its risk appetite and key policies.

The Board of Directors is assisted by specialized committees in order to advise the board in respect of decisions to be taken, to give comfort to the board that certain issues have been adequately addressed and, if necessary, to bring specific issues to the attention of the board. The decision-making should remain the collegial responsibility of the Board of Directors.

The Board of Directors appoints and removes the Chief Executive Officer and determines his or her powers. The Chief Executive Officer is responsible for the day-to-day management of the Company and the implementation of the Company's mission, its strategy and the targets set by the Board of Directors, with a focus on the long-term future growth of the business. He or she may be granted additional well-defined powers by the Board of Directors. He or she has direct operational responsibility for the Company and oversees the organisation and day-to-day management of subsidiaries, affiliates and joint ventures. The Chief Executive Officer is responsible for the execution and management of the outcome of all decisions of the Board of Directors. The Chief Executive Officer reports directly to the Board of Directors.

Pursuant to the Belgian Companies and Associations Code and the Company's articles of association, the Board of Directors must consist of at least three directors. The Company's Corporate Governance Charter (approved by the Board of Directors on 21 April 2023), provides that the composition of the Board of Directors should ensure that decisions are made in the corporate interest. It should be determined so as to gather sufficient expertise in the Company's areas of activity as well as sufficient diversity of skills, background, age and gender. Pursuant to the 2020 Belgian Corporate Governance Code, at least half of the directors must be non-executive and at least three directors must be independent in accordance with the criteria set out in the Belgian Companies and Associations Code and in the 2020 Belgian Corporate Governance Code. Since 1 January 2025, at least one third of the members of the Board of Directors must be of the opposite gender. On the date of this report, the composition of the Board of Directors complies with the aforementioned statutory rules on gender diversity.

The directors are elected by the Company's general shareholders' meeting. The term of the directors' mandates cannot exceed four (4) years. Resigning directors can be re-elected for a new term. Proposals by the Board of Directors for the appointment or re-election of any director must be based on a recommendation by the board. In the event the office of a director becomes vacant, the remaining directors can appoint a successor temporarily filling the vacancy until the next general shareholders' meeting.

The general shareholders' meeting can dismiss the directors at any time. The Belgian Companies and Associations Code provides however that the general shareholders' meeting may, at the occasion of the termination, determine the date on which the mandate ends or grant a severance pay.

The Board of Directors elects a chair from among its non-executive members on the basis of his knowledge, skills, experience and mediation strength. The chair should be a person trusted for his or her professionalism, independence of mind, coaching capabilities, ability to build consensus, and communication and meeting management skills. The chair is responsible for the leadership and the proper and efficient functioning of the Board of Directors. He or she leads the meetings of the Board of Directors and ensures that there is sufficient time for consideration and discussion before decision-making.

On the date of this report, Mr Pierre Chauvineau is chair of the Board of Directors and Mr Ian Crosbie is the Chief Executive Officer. If the Board of Directors envisages appointing a former Chief Executive Officer as chair, it should carefully consider the positive and negative implications of such a decision and disclose why such appointment will not hamper the required autonomy of the Chief Executive Officer.

The Board of Directors should meet as frequently as the interest of the Company requires, or at the request of one or more directors. In principle, the Board of Directors will meet sufficiently regularly and at least five (5) times per year. The decisions of the Board of Directors are made by a simple majority of the votes cast. The chair of the Board of Directors will have a casting vote.

During 2024, 35 meetings of the Board of Directors were held.

2.6 Committees of the Board of Directors

The Board of Directors has established two board committees which are responsible for assisting the Board of Directors and making recommendations in specific fields: the audit committee (in accordance with Article 7:99 of the Belgian Companies and Associations Code and provision 4.10 of the 2020 Belgian Corporate Governance Code) and the remuneration and nomination committee (in accordance with Article 7:100 of the Belgian Companies and Associations Code and provision 4.17 and 4.19 of the 2020 Belgian Corporate Governance Code). The terms of reference of these board committees are primarily set out in the Corporate Governance Charter of the Company (approved by the Board of Directors on 21 April 2023).

2.6.1 Audit Committee

The audit committee of the Company consists of three directors. According to the Belgian Companies and Associations Code, all members of the audit committee must be non-executive directors, and at least one member must be independent within the meaning of Article 7:87 of the Belgian Companies and Associations Code. The chair of the audit committee is to be appointed by the members of the audit committee. On the date of this report, the following directors are the members of the audit committee: Mr Wim Ottevaere (WIOT BV), Mr Pierre Chauvineau and Mrs Alexandra Clyde. The

composition of the audit committee complies with the 2020 Belgian Corporate Governance Code, which require that a majority of the members of the audit committee are independent.

The members of the audit committee must have a collective competence in the business activities of the Company as well as in accounting, auditing and finance, and at least one member of the audit committee must have the necessary competence in accounting and auditing. According to the Board of Directors, the members of the audit committee satisfy this requirement, as evidenced by the different senior management and director mandates that they have held in the past and currently hold.

The role of the audit committee is to:

- inform the Board of Directors of the result of the audit of the financial statements and the manner in which the audit has contributed to the integrity of the financial reporting and the role that the audit committee has played in that process;
- monitor the financial reporting process, and to make recommendations or proposals to ensure the integrity of the process,
- monitor the effectiveness of the internal control and risk management systems, and the Company's internal audit process and its effectiveness;
- monitor the audit of the financial statements, including the follow-up questions and recommendations by the statutory auditor;
- assess and monitor the independence of the statutory auditor, in particular with respect to the appropriateness of the provision of additional services to the Company. More specifically, the audit committee analyses, together with the statutory auditor, the threats for the statutory auditor's independence and the security measures taken to limit these threats, when the total amount of fees exceeds the criteria specified in Article 4 §3 of Regulation (EU) No 537/2014; and
- make recommendations to the Board of Directors on the selection, appointment and remuneration of the statutory auditor of the Company in accordance with Article 16 § 2 of Regulation (EU) No 537/2014.

The audit committee should have at least four regularly scheduled meetings each year. The audit committee regularly reports to the Board of Directors on the exercise of its missions, and at least when the Board of Directors approves the financial statements and the condensed or short form financial information that will be published. The members of the audit committee have full access to the Executive Management and to any other employee to whom they may require access in order to carry out their responsibilities.

Without prejudice to the statutory provisions which determine that the statutory auditor must address reports or warnings to the corporate bodies of the Company, the statutory auditor must discuss, at the request of the statutory auditor, or at the request of the audit committee or of the Board of Directors, with the audit committee or with the Board of Directors, essential issues which are brought to light in the exercise of the statutory audit of the financial statements, which are included in the additional statement to the audit committee, as well as any meaningful shortcomings discovered in the internal financial control system of the Company.

During 2024, 4 meetings of the audit committee were held.

2.6.2 Remuneration and Nomination Committee

The remuneration and nomination committee consists of at least three directors. In line with the Belgian Companies and Associations Code, the 2020 Belgian Corporate Governance Code (i) all members of the remuneration and nomination committee are non-executive directors, (ii) the remuneration and nomination committee consists of a majority of independent directors and (iii) the remuneration and nomination committee is chaired by the chair of the Board of Directors or another non-executive director appointed by the committee. On the date of this report, the following directors are the members of the remuneration and nomination committee: Dr Rudy Dekeyser, Mr Pierre Chauvineau and Mrs Jackie Fielding.

Pursuant to the Belgian Companies and Associations Code, the remuneration and nomination committee must have the necessary expertise in terms of remuneration policy, which is evidenced by the experience and previous roles of its current members.

The Chief Executive Officer participates in the meetings of the remuneration and nomination committee in an advisory capacity each time the remuneration of another member of the Executive Management is being discussed.

The role of the remuneration and nomination committee is to make recommendations to the Board of Directors with regard to the appointment and remuneration of directors and members of the Executive Management and, in particular, to:

- identify, recommend and nominate, for the approval of the Board of Directors, candidates to fill vacancies in the Board of Directors and Executive Management positions as they arise. In this respect, the remuneration and nomination committee must consider and advise on proposals made by relevant parties, including management and shareholders;
- advise the Board of Directors on any proposal for the appointment of the Chief Executive Officer and on the Chief Executive Officer's proposals for the appointment of other members of the Executive Management;
- draft appointment procedures for members of the Board of Directors and the Chief Executive Officer;
- ensure that the appointment and re-election process is organised objectively and professionally;
- periodically assess the size and composition of the Board of Directors and make recommendations to the Board of Directors with regard to any changes;
- consider issues related to succession planning;
- make proposals to the Board of Directors on the remuneration policy for directors and members of the Executive Management and the persons responsible for the day-to-day management of the Company, as well as, where appropriate, on the resulting proposals to be submitted by the Board of Directors to the shareholders' meeting;
- make proposals to the Board of Directors on the individual remuneration of directors and members of the Executive Management, and the persons responsible for the day-to-day management of the Company, including variable remuneration and long-term incentives, whether or not share-related, in the form of share options or other financial instruments, and

arrangements on early termination, and where applicable, on the resulting proposals to be submitted by the Board of Directors to the shareholders' meeting;

- prepare a remuneration report to be included by the Board of Directors in the annual Corporate Governance Statement;
- present and provide explanations in relation to the remuneration report at the annual shareholders' meeting; and
- report regularly to the Board of Directors on the exercise of its duties.

In principle, the remuneration and nomination committee meets as frequently as necessary for carrying out its duties, but at least two times a year.

In 2024, 2 meetings of the remuneration and nomination committee were held.

2.7 Activity Report and Attendance at Board and Committee Meetings during 2024

The table summarises the attendance of meetings of the Board of Directors and the respective committees of the Board of Directors by their (former and current) members in person or by conference call. It does not take into account attendance via representation by proxy.

Name	Board Meeting	Audit	Nomination and remuneration
Mr Pierre Chauvineau	35 out of 35 meetings	4 out of 4 meetings	2 out of 2 meetings [62]
Mr Ian Crosbie	35 out of 35 meetings	4 out of 4 meetings [62]	2 out of 2 meetings [622]
Mr Rudy Dekeyser[63]	34 out of 35 meetings	N/A[64]	2 out of 2 meetings
Mr Wim Ottevaere[65] [66]	35 out of 35 meetings	4 out of 4 meetings	N/A [64]
Mrs Jackie Fielding	34 out of 35 meetings	N/A [64]	2 out of 2 meetings
Mrs Alexandra Clyde	35 out of 35 meetings	4 out of 4 meetings	N/A [64]
Mr Doug Kohrs[67]	33 out of 33 meetings	N/A [64]	1 out of 1 meetings
Dr Kenneth Macleod[68]	33 out of 33 meetings	N/A [64]	N/A [64]
Mr Ids Van der Weij	33 out of 35 meetings	N/A [64]	N/A [64]

[62] The board member attended the meeting as an observer.
[63] The board member is chairman of the Remuneration and Nomination Committee.
[64] The board member is not a member of the specific committee.
[65] Acting as permanent representative of WIOT BV.
[66] The board member is chairman of the Audit Committee.
[67] Mr Doug Kohrs resigned end of November 2024.
[68] Dr. Kenneth Macleod resigned end of November 2024 as non-executive director.

2.8 Independent Directors

A director in a listed company is considered to be independent if he or she does not have a relationship with that company or with a major shareholder of the Company that compromises his or her independence. If the director is a legal entity, his or her independence must be assessed on the basis of both the legal entity and his or her permanent representative. A director will be presumed to qualify as an independent director if he or she meets at least the criteria set out in Article 7:87 of the Belgian Companies and Associations Code and Clause 3.5 of the 2020 Corporate Governance Code, which can be summarised as follows:

1. Not being an executive, or exercising a function as a person entrusted with the daily management of the Company or an affiliated company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the Company related to this position;

2. Not having served for a total term of more than twelve years as a non-executive board member;

3. Not being an employee of the senior management (as defined in Article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry) of the Company or an affiliated company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of the Company related to this position;

4. Not receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from the Company or an affiliated company or person, apart from any fee they receive or have received as a non-executive board member;

5. Not holding shares, either directly or indirectly, either alone or in concert, representing globally one tenth or more of the Company's share capital or one tenth or more of the voting rights in the company at the moment of appointment;

6. Not having been nominated, in any circumstances, by a shareholder fulfilling the conditions covered under point 5;

7. Not having, nor having had in the past year before their appointment, a significant business relationship with the Company or an affiliated company or person, either directly or as partner, shareholder, board member, member of the senior management (as defined in Article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry) of a company or person who maintains such a relationship;

8. Not being or having been within the last three years before their appointment, a partner or member of the audit team of the Company or person who is, or has been within the last three years before their appointment, the external auditor of the Company or an affiliated company or person;

9. Not being an executive of another company in which an executive of the Company is a non-executive board member, and not have other significant links with executive board members of the Company through involvement in other companies or bodies;

10. Not being, in the Company or an affiliated company or person, a spouse, legal partner or close family member to the second degree, exercising a function as board member or executive or

person entrusted with the daily management or employee of the senior management (as defined in Article 19,2° of the law of 20 September 1948 regarding the organisation of the business industry), or falling in one of the other cases referred to in the points 1 to 9 above, and as far as point 2 is concerned, up to three years after the date on which the relevant relative has terminated their last term.

If the Board of Directors submits the nomination of an independent director to the general shareholders' meeting, it shall expressly confirm that it has no indication of any element that would question the independence criteria referred to above. If there would be a risk that one of the relevant independence criteria is not met, the Board of Directors shall explain the reasons why it assumes that the candidate is in fact independent.

Mr Pierre Chauvineau, Mr Wim Ottevaere (WIOT BV), Mrs Jackie Fielding and Mrs Alexandra Clyde are the Company's current independent directors.

The Company is of the view that the independent directors comply with each of the criteria of the Belgian Companies and Associations Code and the 2020 Belgian Corporate Governance Code.

2.9 Performance Review of the Board of Directors

The Board of Directors will evaluate, through a formal process and at least every three years, its own performance and its interaction with the Executive Management, as well as its size, composition, and functioning and that of its committees.

The evaluation assesses how the Board of Directors and its committees operate, checks that important issues are effectively prepared and discussed, evaluates each director's contribution and constructive involvement, and assesses the present composition of the Board of Directors and its committees against the desired composition. This evaluation takes into account the members' general role as director, and specific roles as chair, chair or member of a committee of the Board of Directors, as well as their relevant responsibilities and time commitment. At the end of each board member’s term, the remuneration and nomination committee should evaluate this board member’s presence at the board or committee meetings, their commitment and their constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The remuneration and nomination committee should also assess whether the contribution of each board member is adapted to changing circumstances.

The board will act on the results of the performance evaluation. Where appropriate, this will involve proposing new board members for appointment, proposing not to re-appoint existing board members or taking any measure deemed appropriate for the effective operation of the board.

Non-executive directors assess their interaction with the Executive Management on a continuous basis.

2.10 Executive Management and Chief Executive Officer

2.10.1 Executive Management

The Executive Management is composed of two members and is led by the Chief Executive Officer. Its members are appointed by the Board of Directors on the basis of a recommendation by the remuneration and nomination committee. The Executive Management is responsible and accountable to the Board of Directors for the discharge of its responsibilities.

The Executive Management is responsible for:

- being entrusted with the operational leadership of the Company;
- formulating proposals to the board in relation to the Company's strategy and its implementation;
- proposing a framework for internal control (i.e. systems to identify, assess, manage and monitor financial and other risks) and risk management, and putting in place internal controls, without prejudice to the board's monitoring role, and based on the framework approved by the Board of Directors;
- presenting to the Board of Directors complete, timely, reliable and accurate financial statements, in accordance with the applicable accounting standards and policies of the Company;
- preparing the Company's mandatory disclosure of the financial statements and other material financial and non-financial information;
- presenting the Board of Directors with a balanced and understandable assessment of the Company's financial situation;
- preparing the Company's yearly budget to be submitted to the Board of Directors;
- timely providing the Board of Directors with all information necessary for it to carry out its duties;
- being responsible and accountable to the Board of Directors for the discharge of its responsibilities;
- implementing the decisions made and the policies, plans and policies approved by the board and deal with such other matters as are delegated by the Board of Directors from time to time.

2.10.2 Chief Executive Officer

The Chief Executive Officer is responsible for the day-to-day management of the Company and the implementation of the Company's mission, its strategy and the targets set by the Board of Directors, with a focus on the long-term future growth of the business. He or she may be granted additional well-defined powers by the Board of Directors. The Chief Executive Officer is responsible for the execution and management of the outcome of all decisions of the Board of Directors.

The Chief Executive Officer leads the Executive Management within the framework established by the Board of Directors and under its ultimate supervision. The Chief Executive Officer is appointed and removed by the Board of Directors and reports directly to it.

2.11 Conflicts of Interest

Directors are expected to arrange their personal and business affairs so as to avoid conflicts of interest with the Company. Any director with a conflicting financial interest (as contemplated by Article 7:96 of the Belgian Companies and Associations Code) on any matter before the Board of Directors must bring it to the attention of both the statutory auditor and fellow directors, and take no part in any deliberation or voting related thereto. The Corporate Governance Charter of the Company (approved by the Board of Directors on 21 April 2023), contains the procedure for transactions between the Company and the directors which are not covered by the legal provisions on conflicts of interest. The Corporate Governance Charter (approved by the Board of Directors on 21 April 2023), contains a

similar procedure for transactions between the Company and members of the Executive Management.

To the knowledge of the Company, there are, on the date of this report, no potential conflicts of interests between any duties to the Company of the members of the Board of Directors and members of the Executive Management and their private interests and/or other duties.

On the date of this report, there are no outstanding loans granted by the Company to any of the members of the Board of Directors and members of the Executive Management, nor are there any guarantees provided by the Company for the benefit of any of the members of the Board of Directors and members of the Executive Management.

None of the members of the Board of Directors and members of the Executive Management has a family relationship with any other of the members of the Board of Directors and members of the Executive Management.

2.12 Dealing Code

With a view to preventing market abuse (insider dealing and market manipulation), the Board of Directors has established a dealing code. The dealing code describes the declaration and conduct obligations of directors, members of the Executive Management, certain other employees and certain other persons with respect to transactions in shares and other financial instruments of the Company. The dealing code sets limits on carrying out transactions in shares and other financial instruments of the Company, and allows dealing by the above mentioned persons only during certain windows.

2.13 Internal Control and Risk Management

2.13.1 Introduction

The Sequana Medical Group operates a risk management and control framework in accordance with the Belgian Companies and Associations Code and the 2020 Corporate Governance Code. The Sequana Medical Group is exposed to a wide variety of risks within the context of its business operations that can result in its objectives being affected or not achieved. Controlling those risks is a core task of the Board of Directors (including the audit committee), the executive management and the management Team and all other employees with managerial responsibilities.

The risk management and control system has been set up to reach the following goals:

- achievement of the Sequana Medical Group objectives;
- achieving operational excellence;
- ensuring correct and timely financial reporting; and
- compliance with all applicable laws and regulations.

2.13.2 Control Environment

Three lines of defence

The Sequana Medical Group applies the 'three lines of defence model' to clarify roles, responsibilities and accountabilities, and to enhance communication within the area of risk and control. Within this model, the lines of defence to respond to risks are:

- First line of defence: line management is responsible for assessing risks on a day-to-day basis and implementing controls in response to these risks.
- Second line of defence: the oversight functions like Finance and Controlling and Quality and Regulatory oversee and challenge risk management as executed by the first line of defence. The second line of defence functions provide guidance and direction and develop a risk management framework.
- Third line of defence: independent assurance providers such as external accounting and external audit challenge the risk management processes as executed by the first and second line of defence.

Policies, procedures and processes

The Sequana Medical Group fosters an environment in which its business objectives and strategy are pursued in a controlled manner. This environment is created through the implementation of different Company-wide policies, procedures and processes such as the Sequana Medical Group values, the Quality Management System and the Delegation of Authorities rule set. The Executive and Senior Management fully endorses these initiatives.

The employees are regularly informed and trained on these subjects in order to develop sufficient risk management and control at all levels and in all areas of the organization.

Group-wide Financial System

The Sequana Medical Group entities operate the same group-wide financial system which are managed centrally. This system embeds the roles and responsibilities defined at the Sequana Medical Group level. Through these systems, the main flows are standardized and key controls are enforced. The systems also allow detailed monitoring of activities and direct access to data.

2.13.3 Risk management

Sound risk management starts with identifying and assessing the risks associated with the Sequana Medical Group's business and external factors. Once the relevant risks are identified, the Company strives to prudently manage and minimize such risks, acknowledging that certain calculated risks are necessary to ensure that the Sequana Medical Group achieves its objectives and continues to create value for its stakeholders. All employees of the Sequana Medical Group are accountable for the timely identification and qualitative assessment of the risks within their area of responsibility.

2.13.4 Control activities

Control measures are in place to minimize the effect of risks on Sequana Medical Group's ability to achieve its objectives. These control activities are embedded in the Sequana Medical Group's key processes and systems to assure that the risk responses and the Sequana Medical Group's overall objectives are carried out as designed. Control activities are conducted throughout the organization, at all levels and within all departments.

Key compliance areas are monitored for the entire Sequana Medical Group by the Quality and Regulatory department and the Finance and Controlling department. In addition to these control activities, an insurance program is implemented for selected risk categories that cannot be absorbed without material effect on the Company's statement of financial position.

2.13.5 Information and communication

The Sequana Medical Group recognizes the importance of timely, complete and accurate communication and information both top-down as well as bottom-up. The Sequana Medical Group therefore put several measures in place to assure amongst others:

- security of confidential information;
- clear communication about roles and responsibilities; and
- timely communication to all stakeholders about external and internal changes impacting their areas of responsibility.

2.13.6 Monitoring of control mechanisms

Monitoring helps to ensure that internal control systems operate effectively.

The quality of the Sequana Medical Group's risk management and control framework is assessed by the following functions:

- **Quality and Regulatory**: Within the Quality Management System (QMS) according to ISO 13485:2016, MDSAP and MDR 2017/745, Sequana Medical has a systematic process for identifying hazards and hazardous situations associated with Sequana Medical devices and their use, estimating and evaluating the associated risks, controlling and documenting the risks, and monitoring the effectiveness of controls. This risk management process is based on the standard ISO 14971:2019. Sequana Medical's QMS is subject to internal audits by the Quality and Regulatory department and external audits by the Notified Body and Auditing Organization BSI as well as Competent Authorities. The suitability and effectiveness of the QMS will also be evaluated as part of the annual management review.
- **External Audit**: In Sequana Medical's review of the annual accounts, the statutory auditor focuses on the design and effectiveness of internal controls and systems relevant for the preparation of the financial statements. The outcome of the audits, including work on internal controls, is reported to management and the audit committee.
- **Audit Committee**: The Board of Directors and the audit committee have the ultimate responsibility with respect to internal control and risk management. For more detailed information on the composition and functioning of the audit committee, see section 2.6.1. of this Corporate Governance Statement.

2.13.7 Risk management and internal control with regard to the process of financial reporting

The accurate and consistent application of accounting rules throughout the Sequana Medical Group is assured by means of set of control procedures. On an annual basis, a bottom-up risk analysis is conducted to identify risk factors. Action plans are defined for all key risks.

Specific identification procedures for financial risks are in place to assure the completeness of financial accruals.

The accounting team is responsible for producing the accounting figures, whereas the controlling team checks the validity of these figures. These checks include coherence tests by comparison with historical and budget figures, as well as sample checks of transactions according to their materiality.

Specific internal control activities with respect to financial reporting are in place, including the use of a periodic closing and reporting checklist. This checklist assures clear communication of timelines, completeness of tasks, and clear assignment of responsibilities.

Uniform reporting of financial information throughout the Sequana Medical Group ensures a consistent flow of information, which allows the detection of potential anomalies. The Group's financial systems and management information tools allow the central controlling team direct access to integrated financial information.

An external financial calendar is planned in consultation with the Board and the Executive Management, and this calendar is announced to the external stakeholders. The objective of this external financial reporting is to provide Sequana Medical Group stakeholders with the information necessary for making sound business decisions. The financial calendar can be consulted on https://www.sequanamedical.com/investors/financial-information.

2.14 Principal Shareholders

The Company has an international shareholder base with both large and smaller specialised shareholders focused on the healthcare and life sciences sectors, and a number of more local retail investors.

The table provides an overview of the shareholders that notified the Company of their shareholding in the Company pursuant to applicable transparency disclosure rules up to 31 December 2024.

It should be noted that the Company can have received updated transparency notifications after 31 December 2024, if any. The most recent update of principal shareholder overview, as well as the most recent transparency notifications, are available on Sequana Medical's website (https://www.sequanamedical.com/investors/shareholder-information/). Although the applicable transparency disclosure rules require that a disclosure be made by each person passing or falling under one of the relevant thresholds, it is possible that the information included in such transparency notifications in relation to a shareholder is no longer up-to-date.

On a non-diluted basis

	Date of Notification	**% of the voting rights attached to Shares[69]**
Partners in Equity V B.V.	30 July 2024	22.53%
LSP Health Economics Fund Management B.V. – EQT Health Economics 3 Management B.V.	10 April 2024	13.08%
MCMI SPV Holdco Inc	19 January 2024	8.98%
Belfius Insurance SA	18 November 2024	8.85%
Rosetta Capital Ltd	6 February 2023	5.97%
GRAC société simple	29 July 2024	4.62%
Société Fédérale de Participations et d'Investissement - Federale Participatie- en Investeringsmaatschappij (SFPI-FPIM)	18 November 2024	4.24%

[69] The percentage of voting rights is calculated on the basis of the number of outstanding shares at the date of the relevant transparency notifications

No other shareholders, acting alone or in concert with other shareholders, notified the Company of a participation or an agreement to act in concert in relation to 3% or more of the current total existing voting rights attached to the voting securities of the Company.

Copies of the abovementioned transparency notifications, are available on Sequana Medical's website (www.sequanamedical.com).

2.14 Share Capital and Shares

On 31 December 2024, the share capital of the Company amounted to EUR 4,603,936.18 and was fully paid-up. It was represented by 44,436,192 ordinary shares, each representing a fractional value of (rounded) EUR 0.1036 and representing one 44,436,192th of the share capital. The Company's shares do not have a nominal value.

On the date of this report, the share capital of the Company amounted to EUR 5,477,375.45 and is fully paid-up. It is represented by 52,867,073 ordinary shares, each representing a fractional value of (rounded) EUR 0.1036 and representing one 52,867,073th of the share capital. The Company's shares do not have a nominal value.

In addition to the outstanding shares, the total current number of outstanding subscription rights amounts to 3,899,576, which entitles their holders (if exercised) to subscribe to 5,066,304 new shares with voting rights in total, namely:

- Up to 261,895 new shares can be issued upon the exercise of 90,780 share options that are still outstanding under the 'Executive Share Options' plan for staff members and consultants of the Company, entitling the holder thereof to acquire ca. 2.88 new shares when exercising one of his or her share options (the "**Executive Share Options**");

- Up to 687,784 new shares can be issued upon the exercise of 687,784 share options (each share option having the form of a subscription right) that are still outstanding 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**");

- Up to 188,370 new shares can be issued upon the exercise of 188,370 share options (each share option having the form of a subscription right) that are still outstanding under the '2021 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 "**2021 Share Options**");

- Up to 1,000,000 new shares can be issued upon the exercise of 1,000,000 share options (each share option having the form of a subscription right) that are still outstanding under the '2023 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 "**2023 Share Options**");

- Up to 302,804 new shares can be issued to Bootstrap Europe S.C.SP. upon the exercise of 10 warrants (each warrant having the form of a subscription right) that are still outstanding that have been issued by the extraordinary shareholders meeting of 27 May 2022 (the "**Bootstrap Warrants**");

- Up to 1,567,819 new shares can be issued to Kreos Capital VII Aggregator SCSp. upon the exercise of 875,000 warrants (each warrant having the form of a subscription right) that are

still outstanding that have been issued by the extraordinary shareholders meeting of 20 December 2024 (the "**Kreos Warrants**")[70]; and

- Up to 1,057,632 new shares can be issued upon exercise of 1,057,632 subscription rights that are still outstanding that have been issued by the board of directors (within the framework of the authorized capital) on 27 April 2023 and 10 May 2023 in the framework of the private placement of new shares and new subscription rights (the "**2023 Investor Warrants**")

It is noted that the Company will submit a proposal to the Company's extraordinary shareholders' meeting (to be held on 22 May 2025) to issue 1,000,000 new share options (each share option having the form of a subscription right) under a new '2025 Share Options' plan for members of the personnel 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 "**2025 Share Options**").

We refer for more information to the sections 8.6 Share Capital, Share Premium and Reserves and 8.7 Financial Debt in the "Notes to the Consolidated Financial Statements".

2.15.1 Form and Transferability of the Shares

The shares of the Company can take the form of registered shares and dematerialized shares. All the Company's shares are fully paid-up and are freely transferable.

On 31 December 2024, all of the Company's shares have been admitted to trading on the regulated market of Euronext Brussels.

2.15.2 Currency

The Company's shares do not have a nominal value, but each reflect the same fraction of the Company's share capital, which is denominated in euro.

2.15.3 Voting Rights attached to the Shares

Each shareholder of the Company is entitled to one vote per share. Shareholders may vote by proxy, subject to the rules described in the Company's articles of association.

Voting rights can be mainly suspended in relation to shares:

- which are not fully paid up, notwithstanding the request thereto of the Board of Directors of the Company;
- to which more than one person is entitled or on which more than one person has rights in rem (zakelijke rechten/droits réels) on, except in the event a single representative is appointed for the exercise of the voting right vis-à-vis the Company;
- which entitle their holder to voting rights above the threshold of 3%, 5%, 10%, 15%, 20% and any further multiple of 5% of the total number of voting rights attached to the outstanding financial instruments of the Company on the date of the relevant general shareholders'

[70] The exercise price of the Kreos Warrants is equal to the lowest subscription price paid or agreed to be paid for a share in the share capital of the Company pursuant to any round of equity financing (or other financing convertible or exchangeable into equity) by the Company (taking into account any discounts including those arising on conversion or cancellation or indebtedness and/or interest thereon, but not taking into account any further anti-dilution adjustment mechanisms included in such rights or securities) prior to the exercise of the Kreos Warrants, and subject to certain exempted events that shall not be taken into account when determining the applicable exercise price per underlying new share. The number of new shares issuable upon exercise of the Kreos Warrants has been calculated on the basis of an exercise price that is equal to the lowest applicable issue price of the new shares issued on 24 January 2025 in the framework of contributions in kind of certain receivables (*i.e.*, EUR 0.5581 per share).

meeting, in the event that the relevant shareholder has not notified the Company and the FSMA at least 20 calendar days prior to the date of the general shareholders' meeting in accordance with the applicable rules on disclosure of major shareholdings; and

- of which the voting right was suspended by a competent court or the FSMA.

Pursuant to the Belgian Companies and Associations Code, the voting rights attached to shares owned by the Company, or a person acting in its own name but on behalf of the Company, or acquired by a subsidiary of the Company, as the case may be, are suspended.

Generally, the general shareholders' meeting has sole authority with respect to:

- the approval of the annual financial statements of the Company;
- the distribution of profits (except interim dividends);
- the appointment (at the proposal of the Board of Directors and upon recommendation by the remuneration and nomination committee) and dismissal of directors of the Company;
- the appointment (at the proposal of the Board of Directors and upon recommendation by the audit committee) and dismissal of the statutory auditor of the Company;
- the granting of release from liability to the directors and the statutory auditor of the Company;
- the determination of the remuneration of the directors and of the statutory auditor for the exercise of their mandate;
- the advisory vote on the remuneration report included in the annual report of the Board of Directors, the binding vote on the remuneration policy (which was approved for the first time by the general shareholders' meeting held on 27 May 2021, and was amended by the general shareholders' meetings held on 27 May 2022 and 10 February 2023), and subsequently upon every material change to the remuneration policy and in any case at least every four years, and the determination of the following features of the remuneration or compensation of directors, members of the Executive Management and certain other executives (as the case may be): (i) in relation to the remuneration of executive and non-executive directors, members of the Executive Management and other executives, an exemption from the rule that share based awards can only vest after a period of at least three years as of the grant of the awards, (ii) in relation to the remuneration of executive directors, members of the Executive Management and other executives, an exemption from the rule that (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years, (iii) in relation to the remuneration of non-executive directors, any variable part of the remuneration (provided, however that no variable remuneration can be granted to independent non-executive directors), and (iv) any service agreements to be entered into with executive directors, members of the Executive Management and other executives providing for severance payments exceeding twelve months' remuneration (or, subject to a motivated opinion by the remuneration and nomination committee, eighteen (18) months' remuneration);

- the filing of a claim for liability against directors;
- the decisions relating to the dissolution, merger and certain other reorganisations of the Company; and
- the approval of amendments to the articles of association.

2.15.4 Dividends and Dividend Policy

All of the shares of the Company entitle the holder thereof to an equal right to participate in dividends (if any) in respect of the financial year ending 31 December 2024 and future years. All of the shares participate equally in the Company's profits (if any). Pursuant to the Belgian Companies and Associations Code, the shareholders can in principle decide on the distribution of profits with a simple majority vote at the occasion of the annual general shareholders' meeting, based on the most recent statutory audited financial statements, prepared in accordance with Belgian GAAP and based on a (non-binding) proposal of the Company's Board of Directors. In accordance with Belgian law, the right to collect dividends declared on shares expires five years after the date the board of directors has declared the dividend payable, whereupon the Company is no longer under an obligation to pay such dividends. The Belgian Companies and Associations Code and the Company's articles of association also authorise the Board of Directors to declare interim dividends without shareholder approval. The right to pay such interim dividends is, however, subject to certain legal restrictions.

The Company has never declared or paid any cash dividends on its shares. The Company does not anticipate paying cash dividends on its equity securities in the foreseeable future and intends to retain all available funds and any future earnings for use in the operation and expansion of its business.

The Company's ability to distribute dividends is subject to availability of sufficient distributable profits as defined under Belgian law on the basis of the Company's stand-alone statutory accounts prepared in accordance with Belgian GAAP. In particular, dividends can only be distributed if following the declaration and issuance of the dividends the amount of the Company's net assets on the date of the closing of the last financial year as follows from the statutory non-consolidated financial statements (*i.e*. summarised, the amount of the assets as shown in the statement of financial position, decreased with provisions and liabilities, all in accordance with Belgian accounting rules), decreased with, except in exceptional cases, to be disclosed and justified in the notes to the annual accounts, the non-amortised costs of incorporation and extension and the non-amortised costs for research and development, does not fall below the amount of the paid-up capital (or, if higher, the issued capital), increased with the amount of non-distributable reserves.

In addition, pursuant to Belgian law and the Company's articles of association, the Company must allocate an amount of 5% of its Belgian GAAP annual net profit (*nettowinst*/*bénéfices nets*) to a legal reserve in its stand-alone statutory accounts, until the legal reserve amounts to 10% of the Company's share capital. The Company's legal reserve currently does not meet this requirement. Accordingly, 5% of its Belgian GAAP annual net profit during future years will need to be allocated to the legal reserve, limiting the Company's ability to pay out dividends to its shareholders.

Furthermore, the aforementioned loan agreements entered into with PMV Standaardleningen NV in July 2020, amended in December 2021, March 2023, February 2024, September 2024, March 2025 and April 2025, also include restrictive covenants, which may limit the Company's ability (and require PMV Standaardleningen NV's prior consent) to make distributions by way of dividends or otherwise and this so long as any monies or obligations, actual or contingent, are outstanding under the aforementioned loan agreements. Under the loan facility agreement entered into with Kreos Capital VII (UK) Limited on 19 July 2022 (as amended), no distributions by way of dividend can be declared or

made without consent of Kreos Capital VII (UK) Limited (other than the payment of a dividend to the Company by any of its directly or indirectly wholly owned subsidiaries)

Additional financial restrictions and other limitations may be contained in future credit agreements.

2.16 Information that has an impact in case of public takeover bids

The Company provides the following information in accordance with Article 34 of the Belgian Royal Decree dated 14 November 2007:

(i) The share capital (at the date of this report) of the Company amounts to EUR 5,477,375.45 and is fully paid-up. It is represented by 52,867,073 ordinary shares, each representing a fractional value of (rounded) EUR 0.1036 and representing one 52,867,073th of the share capital. The Company's shares do not have a nominal value.

(ii) Other than the applicable Belgian legislation on the disclosure of significant shareholdings and the Company's articles of association, there are no restrictions on the transfer of shares.

(iii) There are no holders of any shares with special control rights.

(iv) There are no share option plans for employees other than the share option plans disclosed elsewhere in this report. These share option plans contain provisions on accelerated vesting in case of change of control.

(v) Each shareholder of the Company is entitled to one vote per share. Voting rights may be suspended as provided in the Company's articles of association and the applicable laws and articles.

(vi) There are no agreements between shareholders which are known by the Company that may result in restrictions on the transfer of securities and/or the exercise of voting rights, except transfer restrictions in relation to shares issuable upon exercise of the Executive Share Options, the 2018 Share Options, the 2021 Share Options, the 2023 Share Options, and the 2025 Share Options (if-and-when issued) (see also section 3.7 of the Remuneration Report).

(vii) The rules governing appointment and replacement of board members and amendment to articles of association are set out in the Company's articles of association and the Company's Corporate Governance Charter.

(viii) The powers of the Board of Directors, more specifically with regard to the power to issue or redeem shares are set out in the Company's articles of association. The Board of Directors was not granted the authorization to purchase its own shares "*to avoid imminent and serious danger to the Company*" (*i.e.*, to defend against public takeover bids). The Company's articles of association of association do not provide for any other specific protective mechanisms against public takeover bids.

(ix) At the date of this report, the Company is a party to the following significant agreements which, upon a change of control of the Company or following a takeover bid can enter into force or, subject to certain conditions, as the case may be, can be amended, be terminated by the other parties thereto or give the other parties thereto (or beneficial holders with respect to bonds) a right to an accelerated repayment of outstanding debt obligations of the Company under such agreements:

- the employment agreement between the Company and Ian Crosbie (Chief Executive Officer) contains takeover provisions. Agreements concluded between the Company and certain of its employees also provide for compensation in the event of a change of control;
- the loan agreements entered into with PMV Standaardleningen NV, Sensinnovat and Belfius Insurance in July 2020, amended in December 2021, March 2023, February 2024, September 2024 and March 2025 contain change of control provisions;
- the convertible loan agreement entered into with different lenders in March 2025 contain change of control provisions;
- The Kreos Loan Agreement contains a change of control clause, which has been approved by the shareholders on the extraordinary general meeting held on 10 February 2023;
- the 'Warrant Agreement', dated 2 September 2016, that was entered into between the Company and Bootstrap, and that has been amended and supplemented by an amendment agreement dated 28 April 2017, a second amendment agreement dated 1 October 2018, an amendment letter dated 20 December 2018, and an agreement dated 1 September 2021 (the "Former Bootstrap Warrant"), also contains take-over provisions. The extraordinary general shareholders' meeting held on 27 May 2022 resolved to renew the Former Bootstrap Warrant through the issuance of ten new warrants represented by ten separate subscription rights (the Bootstrap Warrants), including the take-over provisions;
- In addition, the Company's subscription rights plans provide for an accelerated vesting of the subscription rights in case of a change of control event. These plans are described in more detail in the Remuneration Report below;
- Finally, the terms and conditions of the 2,620,000 subscription rights that should be issued to the benefit of GEM Global Yield LLC SCS (in consideration for entering into the share subscription facility agreement that was announced in March 2025) contain certain change of control provisions. The issuance of the aforementioned subscription rights will be submitted for approval to the Company's extraordinary shareholders' meeting to be held on 22 May 2025.

(x) The employment agreement with the Chief Executive Officer provides that if within six months after the completion of an "Exit Transaction" the Chief Executive Officer is (i) no longer the Chief Executive Officer of the Company, or (ii) required to change his current work pattern (the events in (i) and (ii) shall be an "Enforced Redundancy"), the Chief Executive Officer shall be entitled to resign and shall no longer be required to work or perform until the end of the four months' notice period. The term "Exit Transaction" has been defined as (i) a transfer of more than 50% of the Company's shares or more than 50% of the voting rights to a third party or a group of persons exercising joint control in one or a series of related transactions to a propose acquirer who wishes to acquire a controlling majority of the shares, voting rights or assets pursuant to a bona fide purchase offer, (ii) the sale, lease, transfer, license or other disposition of all or substantially all of the Company's assets, or (iii) the consolidation or merger of the Company in which the Company is not the surviving entity or any other event pursuant to which the shareholders of the Company will have less than 50% plus one share of the voting power and/or of the shares of the surviving or acquiring company. In the event of an Enforced Redundancy, the Chief Executive Officer will be entitled to a pro rata bonus. In the event of an Enforced Redundancy, the Chief Executive Officer may also, at his sole discretion, elect to terminate the employment agreement with immediate effect and the Company shall then be required to make a payment in lieu of a notice equivalent to the basic salary only (but not the other benefits) to which the Chief Executive Officer would have been entitled. Furthermore, the agreements concluded between the Company and a few of its employees provide for compensation in the event of a change of control.

In addition, the Company's share-based plans also contain takeover protection provisions.

No takeover bid has been instigated by third parties in respect of the Company's equity during the current financial year.

2.17 Diversity & Inclusiveness

Due to the fact that the Company has only been listed for six years, no diversity policy has been introduced yet.

Although the Company does not have a diversity policy on the date of this report, it intends to put this in place in order to remain and foster diversity amongst its board members in accordance with Article 7:86 of the Belgian Companies and Associations Code.

The Company will also ensure that a diversity policy will exist for the members of the management committee, the other leaders and the individuals responsible for the daily management of the Company.

3. Remuneration Report

3.1 Introduction

The Company has prepared this remuneration report relating to the remuneration of directors and the Executive Management of the Company. This remuneration report is part of the Corporate Governance Statement, which is part of the Company's annual report of the Board of Directors on the statutory accounts for the financial year ended on 31 December 2024 (dated 17 April 2025) in accordance with Article 3:6, §3 of the Belgian Companies and Associations Code of 23 March 2019 (as amended) (the "**Belgian Companies and Associations Code**"). The remuneration report will be submitted for approval to the annual general shareholders' meeting on 22 May 2025.

3.2 Remuneration policy

On 16 May 2020 the new article 7:89/1 of the Belgian Companies and Associations Code, which provides that listed companies must establish a remuneration policy with respect to directors, other officers and delegates for day-to-day management, entered into force. This article details the objectives of, as well as the information that needs to be included in, the remuneration policy. The remuneration policy must be approved by a binding vote of the general shareholders' meeting and must be submitted to the general shareholders' meeting for approval whenever there is a material change and in any case at least every four years. In view hereof, in accordance with article 7:89/1 of the Belgian Companies and Associations Code, the nomination and remuneration committee prepared a remuneration policy which (most recent version) has been approved by the shareholders at the extraordinary general meeting held on 23 May 2024. The aforementioned remuneration policy can be consulted on the Company's website through the following link: https://www.sequanamedical.com/wp-content/uploads/2024/05/Sequana-Medical-AGM-EGM-2024-Remuneration-Policy-ENG-FINAL.pdf

No significant change to the remuneration policy is envisaged for the following accounting years. However, the Company will continuously review the remuneration of directors and members of the Executive Management against market practice.

3.3 Directors

3.3.1 General

Upon recommendation and proposal of the remuneration and nomination committee, the Board of Directors determines the remuneration of the directors to be proposed to the general shareholders' meeting.

Pursuant to the provisions of the Belgian Companies and Associations Code, the general shareholders' meeting approves the remuneration of the directors, including inter alia, each time as relevant:

(i) in relation to the remuneration of executive and non-executive directors, the exemption from the rule that share-based awards can only vest after a period of at least three years as of the grant of the awards;

(ii) in relation to the remuneration of executive directors, the exemption from the rule that (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on

performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years;

(iii) in relation to the remuneration of non-executive directors, any variable part of the remuneration (provided, however, that no variable remuneration can be granted to independent non-executive directors); and

(iv) any service agreements to be entered into with executive directors providing for severance payments exceeding twelve months' remuneration (or, subject to a motivated opinion by the remuneration and nomination committee, eighteen months' remuneration).

The general shareholders' meeting of the Company has not approved any of the matters referred to in paragraphs (i) to (iv) with respect to the remuneration of the directors of the Company on the date of this report, except for the following matters:

- The general shareholders' meeting approved that share options issued pursuant to the Company's existing share option plans (for further information, see section 3.7 of this Remuneration Report) can, under certain conditions, vest earlier than three years as of their grant, as referred to in paragraph (i) above. Notably, pursuant to the Company's articles of association, the Board of Directors is explicitly authorised to deviate from the rule of Article 7:91 of the Belgian Companies and Associations Code in connection with share-based incentive plans, compensation, awards or issues to employees, directors and service providers of the Company and/or its subsidiaries. The Company is of the opinion that this allows for more flexibility when structuring share-based awards. For example, it is customary for option plans to provide for a vesting in several instalments over a well-defined period of time, instead of vesting after three years only. This seems to be more in line with prevailing practice.

- The general shareholders' meeting approved that the existing share options under the respective existing share option plans will not qualify as variable remuneration nor as annual remuneration for the purpose of the application of the rule set out in paragraph (ii) above under the former Belgian Companies Code of 7 May 1999.

The remuneration and compensation of the non-executive directors for the current financial year, which has been determined by the general shareholders' meeting, is as follows:

- Annual fixed fees:
    - The chair of the Board of Directors receives an annual fixed fee of €60,000.
    - The chair of the audit committee receives an annual fixed fee of €15,000.
    - The chair of the remuneration and nomination committee receives an annual fixed fee of €15,000.
    - The non-executive independent directors (other than the chair of the board of directors) are entitled to an annual fixed fee of €25,000, (pro rata temporis).
    - The members of the audit committee and the remuneration and nomination committee (other than the chair of such committees) are entitled to an additional annual fixed fee of €10,000 (pro rata temporis). The aforementioned remuneration of the non-executive directors can be reduced pro rata temporis depending on the duration of the director's mandate, the mandate of chair or the membership of a committee during a given year. All amounts are exclusive of VAT and similar charges.

The mandate of non-executive directors representing a shareholder will not be remunerated.

All amounts are exclusive of VAT and similar charges.

- Share based awards: Each non-executive independent director is in principle entitled to receive so-called "restricted share units" or "RSUs", which provide for a remuneration in the form of new shares whereby the relevant directors will have an obligation to subscribe for such shares at a value of EUR 0.11 per share (independent of the value of the share at that time). One restricted share unit or RSU represents the obligation of the relevant non-executive independent director to subscribe for one new share of the Company.

  The issue of RSUs is designed to align the remuneration policy of the Company in respect of non-executive independent directors with provision 7.6 of the 2020 Code. In accordance with provision 7.6 of the 2020 Code, non-executive directors should receive a part of their remuneration in the form of shares of the Company. The Company has however no distributable reserves and therefore does not meet the legal requirements to effect a share buy-back. As a result, the Company does not have any treasury shares and is unable to grant existing shares to non-executive directors as part of their remuneration. It should be noted that the RSUs are not entirely equivalent to a share (no voting rights, no preferential subscription rights or other membership rights), but, in the opinion of the Company, the RSUs meet the objectives provided for in provision 7.6 of the 2020 Code.

  Pursuant to article 7:91 of the BCAC and provisions 7.6 and 7.11 of the 2020 Code, shares or options on shares should not vest and be exercisable within three years as of the grant thereof. The Board has been explicitly authorised in the Articles of Association to deviate from this rule. As indicated above, the proposed RSUs will vest on a yearly basis. Furthermore, while provision 7.6 of the 2020 Code also states that shares should be held until at least one year after the non-executive board member leaves the board, the RSUs and underlying shares are not subject to this restriction. The Company is of the opinion that the deviation from the aforementioned rules and principles allows for more flexibility when structuring share-based awards, in line with changing practices. The Company believes that the RSU plan provides for sufficient orientation of the beneficiaries to the creation of long-term value for the Company.

  Ultimately, the ability to remunerate non-executive independent directors with RSUs 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-executive independent directors the opportunity to be remunerated in part in share-based incentives rather than all in cash enables the 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.

As mentioned, a revised (stand-alone) remuneration policy (which includes the ability to remunerate non-executive independent directors with RSUs) has been approved on the extraordinary general shareholders' meeting of the Company held on 10 February 2023 in order to align the current remuneration policy of the Company with the requirements of Article 7:89/1 of the Belgian Companies and Associations Code.

The Company also reimburses reasonable out of pocket expenses of directors (including travel and accommodation expenses) incurred in performing the activity of director. Without prejudice to the powers granted by law to the general shareholders' meeting, the Board of Directors sets and revises the rules for reimbursement of directors' business-related out of pocket expenses.

The current remuneration policy is approved during the annual shareholders' meeting of 23 May 2024. There are currently no plans to change the remuneration of the members of the Board of Directors. However, the Company will continuously review the remuneration of members of the Board of Directors against market practice.

The directors who are also a member of the Executive Management are remunerated for the Executive Management mandate, but not for their director mandate.

3.3.2 Remuneration and compensation in 2024

During 2024, the non-executive independent directors were entitled to the following compensation, based on the approved fees in 3.3.1.

	Gross amount (in €)[71]	Share options awarded	Number of RSUs awarded and accepted[72]
Pierre Chauvineau	62,875	-	49,342
Wim Ottevaere (WIOT BV)	42,250	-	49,342
Jackie Fielding	37,625	-	-
Alexandra Clyde	37,625	-	49,342
Doug Kohrs	28,042	-	49,342

No remuneration, compensation or other benefits were paid to the other directors of the Company, other than the reimbursement of (non-material) travel and hotel expenses incurred by the directors in connection with their attendance of meetings of the Board of Directors.

3.4 Executive Management

3.4.1 General

The remuneration of the Chief Executive Officer and the other member of the Executive Management is based on recommendations made by the remuneration and nomination committee. The Chief Executive Officer participates in the meetings of the remuneration and nomination committee in an advisory capacity each time the remuneration of another member of the Executive Management is being discussed.

The remuneration is determined by the Board of Directors. As an exception to the foregoing rule, Belgian law provides that the general shareholders' meeting must approve, as relevant:

(i) in relation to the remuneration of members of the Executive Management and other executives, an exemption from the rule that share-based awards can only vest after a period of at least three years as of the grant of the awards;

[71] The amounts are prorated to the term that the director is part of a committee, if applicable.
[72] The number of RSU's awarded will have to be issued on or prior to mid June 2025.

(ii) in relation to the remuneration of members of the Executive Management and other executives, an exemption from the rule that (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years; and

(iii) any service agreements to be entered into with members of the Executive Management and other executives (as the case may be) providing for severance payments exceeding twelve months' remuneration (or, subject to a motivated opinion by the remuneration and nomination committee, eighteen months' remuneration).

Notwithstanding point (i) above, the Company's Board of Directors has been explicitly authorised in the Company's articles of association to deviate from the rule set out in Article 7:91 of the Belgian Companies and Associations Code in connection with share-based incentive plans, compensations, awards and issuances to employees, directors and service providers of the Company and/or its subsidiaries. The Company believes that this allows for more flexibility when structuring share-based awards.

In relation to point (ii) above, under the former Belgian Companies Code of 7 May 1999, the Company took the view that share options generally do not qualify as variable remuneration nor as annual remuneration for the purpose of the application of the rule set out in point (ii) above. This has been approved by the Company's general shareholders' meeting with respect to share-based awards that are outstanding on the date of this report. The general shareholders' meeting also approved that the variable remuneration of the members of the Executive Management could deviate from the principle described in point (ii) above.

An appropriate proportion of the remuneration package should be structured so as to link rewards to corporate and individual performance, thereby aligning the interest of the Executive Management with the interests of the Company and its shareholders. The Chief Executive Officer will determine whether the targets for the variable remuneration of the members of the Executive Management, as set by the Board of Directors, are met. In the past, approval by the general shareholders' meeting has been obtained in relation to the share plans.

The remuneration of the Executive Management currently consists of the following main remuneration components:

- annual base salary/fee (fixed);
- participation in share option plans;
- a performance bonus in cash; and
- other (fringe) benefits in whatever form (such as contribution for pension plan, insurance plan, car lease, transport allowance or medical plan).

Subject to applicable law, the Company may from time to time decide to issue new shares to the benefit of the members of the Executive Management (as the case may be, within the framework of the authorised capital and with dis-application of the statutory preferential subscription right of the existing shareholders and holders of subscription rights), whereby the exact number and issue price

of the new shares to be issued will be freely determined at that time at the discretion of the Board of Directors, acting upon the recommendation of the Remuneration and Nomination Committee.

The members of the Executive Management have a variable remuneration (*i.e*. remuneration linked to performance criteria) amounting to up to 50% of the base salary/fee for on target performance. The remuneration is closely linked to performance. Bonuses, if any, are linked to identifiable objectives and to special projects and are set and measured on a calendar-year basis. The performance objectives of the Executive Management members are primarily evaluated with regard to the following criteria: (i) respect of the Board-approved annual budget, and (ii) meeting measurable operational targets. The various objectives and their weighting may differ for the individual managers. The nomination and remuneration committee of the Board of Directors meets annually to review the performance of the managers, to compare the actual measurable results to the objectives that were pre-defined by the committee, and to establish the measurable objectives for the ensuing calendar year. This policy contributes to aligning the interests of the members of the Executive Management with those of the Company, amongst other things, by involving them in the risks and prospects of its activities in a long-term perspective. Their remuneration contributes to the Company's long-term performance.

The Chief Executive Officer is entitled to pension benefits. The contributions by the Company to the pension scheme amount to 5% of the annual salary.

The Chief Financial Officer is not entitled to pension benefits.

The members of the Executive Management are also reimbursed for certain costs and expenses made in the performance of their function.

There are currently no plans to change the remuneration of members of the Executive Management. However, the Company will continuously review the remuneration of members of the Executive Management against market practice.

3.4.2 Remuneration and compensation in 2024

In 2024, the following remuneration, compensation and other benefits were paid to the two members of the Executive Management. All amounts included in the table are gross amounts.

	Chief executive officer (€)		**Other member of the Executive Management (€)**	
	Amount[73]	**%**	**Amount[74]**	**%**
Annual base salary	319,270	69%	291,312	81%
Pension plan[75]	15,963	3%	N/A	N/A
Insurance plan[76]	990	1%	N/A	N/A
Car lease/transport allowance	11,339	2%	N/A	N/A
Medical plan	5,759	1%	N/A	N/A
Bonus plan[77]	111,796	24%	70,000	19%
Total	**465,117**	**100%**	**361,312**	**100%**

[73] The amount is paid in GBP to the CEO. The conversion applied to EUR is performed on the average GBP/EUR rate of 2024 of the ECB.
[74] Acting as permanent representative of Fin-2K BV.
[75] The pension plan amounts to 5% of the annual base salary of the CEO.
[76] The Company pays a life insurance plan for the CEO.
[77] The bonus has been paid in cash.

In 2024, the Board of Directors has decided to establish the Company's performance at 80% (reflecting the level of achievement of the Company's 2023 objectives based on the progress made in our clinical programs and the PMA filing). In function thereof, variable remuneration (in the form of a cash bonus) has been paid out in the course of 2024 to the members of the Executive Management.

In 2024, the members of the Executive Management were also reimbursed for certain costs and expenses made in the performance of their function, more specifically for an aggregate amount of 35,537.

3.4.3 Annual evolution in remuneration, performance and average annual remuneration of employees

Evolution of the remuneration of the directors and executive managers on a full-time equivalent basis

	2020		2021		2022		2023		2024	
	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year
Directors and executive managers	901.035	8%	919.714	2%	1.026.109	12%	1.067.552	4%	1.093.929	2%

Note:

- The remuneration is partially dependent on the fluctuation of the exchange rate of GBP/EUR.

Evolution of the average remuneration on a full-time equivalent basis of employees other than directors and members of the executive management

	2020		2021		2022		2023		2024	
	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year
Employees	109,886	0%	112,481	2%	117,388	4%	132,626	13%	133,158	0%

Note:

- In 2020 and onwards, some key positions are fulfilled by persons working via a consulting agreement, who are not included in the above average remuneration of employees.
- The remuneration is dependent on the fluctuation of the exchange rate of GBP/EUR and CHF/EUR.

Evolution of the performance of the Company

Performance Criteria	2020		2021		2022		2023		2024	
	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year	EUR	% vs prior year
Net loss for the period	-19,106,205	28%	-23,615,081	24%	-30,763,083	30%	-32,563,574	6%	-44,653,617	37%
Total Equity	112,761	-88%	-786,919	-798%	-2,153,252	174%	-19,465,174	804%	-44,379,027	128%
Paid dividends	0	0	0	0	0	0	0	0	0	0
Market capitalisation at 31 December	186,305,079	136%	140,442,710	-25%	142,479,168	1%	112,971,012	-21%	135,974,748	20%

The ratio between the highest and lowest remuneration in 2024 was equal to 12 in the European Union and 7 outside the European Union. The remuneration is dependent on the fluctuation of the exchange rate of GBP/EUR and CHF/EUR.

3.4.4 Claw-back right relating to variable remuneration

In accordance with provision 7.12 of the Belgian Corporate Governance Code, the Board of Directors should include provisions in the contracts of the members of the Executive Management that would enable the Company to recover variable remuneration paid, or withhold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law. There are currently no contractual provisions in place between the Company and the Chief Executive Officer or the other member of the Executive Management that give the Company a contractual right to reclaim from said executives any variable remuneration that would be awarded. The Board of Directors does not consider that it is necessary to apply claw-back provisions as (x) the pay-out of the variable remuneration, based on the achievement of corporate targets as set by the

Board of Directors, is paid only upon achievement of those corporate targets, and (y) the Company does not apply any other performance based remuneration or variable compensation. Furthermore, the share option plans do contain bad leaver provisions that can result in the share options, whether vested or not, automatically and immediately becoming null and void. Notwithstanding the Company's position that share options are not to be qualified as variable remuneration, the Board of Directors is of the opinion that such bad leaver provisions sufficiently protect the Company's interests and that it is therefore currently not necessary to provide for additional contractual provisions that give the Company a contractual right to reclaim any (variable) remuneration from the members of the Executive Management.

3.4.5 Payments upon termination

The employment agreement with the Chief Executive Officer provides that the agreement can be terminated by either the Company or the Chief Executive Officer subject to four months' notice. If within six months after the completion of an "Exit Transaction" the Chief Executive Officer is (i) no longer the Chief Executive Officer of the Company, or (ii) required to change his current work pattern (the events in (i) and (ii) shall be an "Enforced Redundancy"), the Chief Executive Officer shall be entitled to resign and shall no longer be required to work or perform until the end of the four months' notice period. The term "Exit Transaction" has been defined as (i) a transfer of more than 50% of the Company's shares or more than 50% of the voting rights to a third party or a group of persons exercising joint control in one or a series of related transactions to a propose acquirer who wishes to acquire a controlling majority of the shares, voting rights or assets pursuant to a bona fide purchase offer, (ii) the sale, lease, transfer, license or other disposition of all or substantially all of the Company's assets, or (iii) the consolidation or merger of the Company in which the Company is not the surviving entity or any other event pursuant to which the shareholders of the Company will have less than 50% plus one share of the voting power and/or of the shares of the surviving or acquiring company. In the event of an Enforced Redundancy, the Chief Executive Officer will be entitled to a pro rata bonus. In the event of an Enforced Redundancy, the Chief Executive Officer may also, at his sole discretion, elect to terminate the employment agreement with immediate effect and the Company shall then be required to make a payment in lieu of a notice equivalent to the basic salary only (but not the other benefits) to which the Chief Executive Officer would have been entitled. The employment agreement also provides for a number of instances in which the agreement can be immediately terminated by the Company, including for cause.

The services agreement with the chief financial officer of the Company provides that it has been entered into for an unlimited term, and that it may be terminated in mutual agreement by the Company and the chief financial officer at any time. In case of termination of the agreement by the Company, the chief financial officer is entitled to three months' notice or to the payment of a quarter of the annual compensation in lieu of notice, or the payment of a pro rata part of one quarter of the fixed annual compensation in lieu of part of the notice. The agreement may be terminated by the chief financial officer subject to a notice period of three months. The agreement may be terminated by either the Company or the chief financial officer with immediate effect and without notice period (or, in case of termination by the Company, without notice period or indemnity) in case of wilful or serious breach or violation by a party of any of its covenants, obligations or duties under the agreement, or any wilful or serious neglect of or refusal to perform any of such covenants, obligations or duties.

3.5 Indemnification and Insurance of Directors and Executive Management

As permitted by the Company's articles of association, the Company has entered into indemnification arrangements with the directors and relevant members of the Executive Management and has

implemented directors' and officers' insurance coverage in order to cover liability they may incur in the exercise of their mandates.

3.6 Description of share option plans

The Company, as per 31 December 2024, has a number of outstanding options that are exercisable into ordinary shares, consisting of:

- 261,895 new shares can be issued upon the exercise of 90,780 share options that are still outstanding 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**"); and
- 687,784 new shares can be issued upon the exercise of 687,784 2018 share options that are still outstanding under the "2018 Share Options" plan for staff members and consultants of the Company, entitling the holder thereof to acquire one share when exercising one of his or her share options (the "**2018 Share Options**").
- 188,370 new shares can be issued upon the exercise of 188,370 share options (each share option having the form of a subscription right) that are still outstanding under the '2021 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 share option (the "**2021 Share Options**").
- 1,000,000 new shares can be issued upon the exercise of 1,000,000 share options (each share option having the form of a subscription right) that are still outstanding under the '2023 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 share option (the "**2023 Share Options**").

The table below provides an overview of the number of shares which each member of the Executive Management is entitled to acquire upon exercise of the outstanding and granted Executive Share Options, 2018 Share Options, 2021 Share Options and 2023 Share Options that are held by him or her on 31 December 2024.

	Number of share options			
Name	**Executive Share Options**	**2018 Share Options**	**2021 Share Options**	**2023 Share Options**
Ian Crosbie	216,442	135,809	5,030	232,975
Kirsten Van Bockstaele (1)	6,226	70,419	-	92,247
(1) Acting as permanent representative of Fin-2K BV				

In financial year 2024, 946,614 share options lapsed as a result of the termination of a number of employment contracts.

3.7 Terms and conditions of the share option plans.

The key features of the Executive Share Options can be summarised as follows:

- The Executive Share Options could be granted to the employees, consultants and directors of the Company or its subsidiaries.

- The Executive Share Options are in registered form.
- The Executive Share Options are in principle non-transferable, and the holders of the Executive Share Options are not permitted to transfer the Executive Share Options nor the underlying Shares issuable upon exercise of the Executive Share Options for a period of two years as from the initial public offering of the Company's shares, except as provided otherwise in the grant agreement or by the Board of Directors, and except in case of death of the beneficiary and in the context of inheritance planning by the beneficiary. In case of death, only Executive Share Options that have vested prior to the time of death can be transferred.
- Each holder of an Executive Share Option will be entitled to subscribe to ca. 2.88 ordinary shares when exercising one of his or her share option. The exercise price of the Executive Share Options shall be determined by the Board of Directors of the Company, taking into account applicable laws.
- If an Executive Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the Executive Share Option 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 Executive Share Options shall not be transferable, unless explicitly agreed upon by the Board of Directors of the Company, until the time the underlying Executive Share Options would have become exercisable in accordance with the Executive Share Option Plan and the relevant sub-plan or share option agreement.
- Pursuant to Belgian company law, the Executive Share Options have a maximum term of 10 years as of their issuance.
- All Executive Share Options have vested on the date of this report.
- The Executive Share Options of beneficiaries of whom the employment agreement, consultancy agreement or directorship with the Company is terminated for serious cause, breach of contract or breach of director responsibilities, shall automatically and immediately lapse and become null and void.
- The terms of the Share options are governed by the laws of Belgium.

The key features of the 2018 Share Options can be summarised as follows:

- The 2018 Share Options are subscription rights in registered form.
- The 2018 Share Options are in principle non-transferable, except as provided otherwise in the grant agreement or by the Board of Directors, and except in case of death of the beneficiary and in the context of inheritance planning by the beneficiary. In case of death, only 2018 Share Options that have vested prior to the time of death can be transferred.
- Each 2018 Share Option can be exercised for one new ordinary share.
- If a 2018 Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the 2018 Share Option 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 2018 Share Options shall not be transferable, unless explicitly agreed upon by the Board of Directors, until the time the underlying 2018 Share Options would have become exercisable in accordance with the 2018 Share Option Plan, the relevant sub-plan or share option agreement.

- The exercise price of the 2018 Share Options shall be determined by the Board of Directors of the Company, taking into account applicable laws and the restrictions set out in the relevant 2018 Share Option Plan.
- The 2018 Share Options are granted for free, *i.e*. no consideration is due upon the grant of the 2018 Share Options, unless the grant agreement provides otherwise.
- Pursuant to Belgian company law, the 2018 Share Options have a maximum term of 10 years as of their issuance.
- Unless stipulated otherwise in the grant agreement, one third of the 2018 Share Options granted to a beneficiary shall vest one year after the date of grant, the remaining two thirds will vest in in 8 equal instalments, whereby on each first calendar day of the 8 quarters following first anniversary of the date of grant falls, 1/8 of the total number of unvested 2018 Share Options granted to a beneficiary shall vest. However, unless determined otherwise in the grant agreement or by the Board of Directors, there is accelerated vesting of the 2018 Share Options in the event of a sale or other transfer of at least 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 result in accelerated vesting. Notwithstanding the foregoing, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the 2018 Share Options and determine the conditions of such accelerated vesting.
- The 2018 Share Options, whether vested or not, of beneficiaries of whom the employment agreement, consultancy agreement or directorship with the Company is terminated for serious cause, breach of contract or breach of director responsibilities, shall automatically and immediately lapse and become null and void.
- The 2018 Share Option Plan is governed by the laws of Belgium.

The key features of the 2021 Share Options can be summarised as follows:

- The 2021 Share Options are subscription rights in registered form.
- The 2021 Share Options are in principle non-transferable, except as provided otherwise in the grant agreement or by the Board of Directors, and except in case of death of the beneficiary and in the context of inheritance planning by the beneficiary. In case of death, only 2021 Share Options that have vested prior to the time of death can be transferred.
- Each 2021 Share Option can be exercised for one new ordinary share.
- If a 2021 Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the 2021 Share Option 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 2021 Share Options shall not be transferable, unless explicitly agreed upon by the Board of Directors, until the time the underlying 2021 Share Options would have become exercisable in accordance with the 2021 Share Option Plan, the relevant sub-plan or share option agreement.

- The exercise price of the 2021 Share Options shall be determined by the Board of Directors of the Company, taking into account applicable laws and the restrictions set out in the relevant 2021 Share Option Plan.
- The 2021 Share Options are granted for free, *i.e*. no consideration is due upon the grant of the 2021 Share Options, unless the grant agreement provides otherwise.
- Pursuant to Belgian company law, the 2021 Share Options have a maximum term of 10 years as of their issuance.
- Unless stipulated otherwise in the grant agreement, one third of the 2021 Share Options granted to a beneficiary shall vest one year after the date of grant, the remaining two thirds will vest in 8 equal instalments, whereby on each first calendar day of the 8 quarters following first anniversary of the date of grant falls, 1/8 of the total number of unvested 2021 Share Options granted to a beneficiary shall vest. However, unless determined otherwise in the grant agreement or by the Board of Directors, there is accelerated vesting of the 2021 Share Options in the event of a sale or other transfer of at least 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 result in accelerated vesting. Notwithstanding the foregoing, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the 2021 Share Options and determine the conditions of such accelerated vesting.
- The 2021 Share Options, whether vested or not, of beneficiaries of whom the employment agreement, consultancy agreement or directorship with the Company is terminated for serious cause, breach of contract or breach of director responsibilities, shall automatically and immediately lapse and become null and void.
- The 2021 Share Option Plan is governed by the laws of Belgium.

The key features of the 2023 Share Options can be summarised as follows:

- The 2023 Share Options are subscription rights in registered form.
- The 2023 Share Options are in principle non-transferable, except as provided otherwise in the grant agreement or by the Board of Directors, and except in case of death of the beneficiary and in the context of inheritance planning by the beneficiary. In case of death, only 2023 Share Options that have vested prior to the time of death can be transferred.
- Each 2023 Share Option can be exercised for one new ordinary share.
- If a 2023 Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the 2023 Share Option 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 2023 Share Options shall not be transferable, unless explicitly agreed upon by the Board of Directors, until the time the underlying 2023 Share Options would have become exercisable in accordance with the 2023 Share Option Plan, the relevant sub-plan or share option agreement.

- The exercise price of the 2023 Share Options shall be determined by the Board of Directors of the Company, taking into account applicable laws and the restrictions set out in the relevant 2023 Share Option Plan.

- The 2023 Share Options are granted for free, *i.e*. no consideration is due upon the grant of the 2023 Share Options, unless the grant agreement provides otherwise.

- Pursuant to Belgian company law, the 2023 Share Options have a maximum term of 10 years as of their issuance.

- Unless stipulated otherwise in the grant agreement, one third of the 2023 Share Options granted to a beneficiary shall vest on the first anniversary of the date of grant, the remaining two thirds will vest in 8 equal instalments, whereby on each first calendar day of the 8 quarters following first anniversary of the date of grant falls, 1/8 of the total number of unvested 2023 Share Options granted to a beneficiary shall vest. However, unless determined otherwise in the grant agreement or by the Board of Directors, there is accelerated vesting of the 2023 Share Options in the event of a sale or other transfer of at least 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 result in accelerated vesting. Notwithstanding the foregoing, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the 2023 Share Options and determine the conditions of such accelerated vesting.

- The 2023 Share Options, whether vested or not, of beneficiaries of whom the employment agreement, consultancy agreement or directorship with the Company is terminated for serious cause, breach of contract or breach of director responsibilities, shall automatically and immediately lapse and become null and void.

- The 2023 Share Option Plan is governed by the laws of Belgium.

The key features of the 2025 Share Options (subject to approval by the Company's extraordinary shareholders' meeting to be held on 22 May 2025) can be summarised as follows:

- The 2025 Share Options will be subscription rights in registered form.

- The 2025 Share Options will in principle be non-transferable, except as provided otherwise in the grant agreement or by the Board of Directors, and except in case of death of the beneficiary and in the context of inheritance planning by the beneficiary. In case of death, only 2025 Share Options that have vested prior to the time of death can be transferred.

- Each 2025 Share Option can be exercised for one new ordinary share.

- If a 2025 Share Option which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the 2025 Share Option 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 2025 Share Options shall not be transferable, unless explicitly agreed upon by the Board of Directors, until the time the underlying 2025 Share Options would have become exercisable in accordance with the 2025 Share Option Plan, the relevant sub-plan or share option agreement.

- The exercise price of the 2025 Share Options shall be determined by the Board of Directors of the Company, taking into account applicable laws.
- The 2025 Share Options are granted for free, *i.e*. no consideration is due upon the grant of the 2025 Share Options, unless the grant agreement provides otherwise.
- Pursuant to Belgian company law, the 2025 Share Options have a maximum term of 10 years as of their issuance.
- Unless stipulated otherwise in the grant agreement, one third of the 2025 Share Options granted to a beneficiary shall vest on the first anniversary of the date of grant, the remaining two thirds will vest in 8 equal instalments, whereby on each first calendar day of the 8 quarters following first anniversary of the date of grant falls, 1/8 of the total number of unvested 2025 Share Options granted to a beneficiary shall vest. However, unless determined otherwise in the grant agreement or by the Board of Directors, there is accelerated vesting of the 2025 Share Options in the event of a sale or other transfer of at least 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 result in accelerated vesting. Notwithstanding the foregoing, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the 2025 Share Options and determine the conditions of such accelerated vesting.
- The 2025 Share Options, whether vested or not, of beneficiaries of whom the employment agreement, consultancy agreement or directorship with the Company is terminated for serious cause, breach of contract or breach of director responsibilities, shall automatically and immediately lapse and become null and void.

The 2025 Share Option Plan is governed by the laws of Belgium.

3.8 Shareholding and Share Options

As per 31 December 2024, the directors of the company have the following holding of shares and share options

	Holding per 31/12/2024			
	Ordinary shares	**Ordinary shares resulting from exercised RSU**	**RSU**	**Share Options**
Pierre Chauvineau	7,664	36,119	49,342	10,192[78]
Wim Ottevaere (WIOT BV)	23,000	36,119	49,342	10,192[78]
Doug Kohrs	0	36,119	49,342	0
Alexandra Clyde	0	36,119	49,342	0

As per 31 December 2024, the members of the Executive Management of the company have the following holding of shares

	Holding per 31/12/2024		
	Ordinary shares	**Ordinary shares resulting from exercised RSU**	**RSU**
Ian Crosbie	38,606	0	0
Kirsten Van Bockstaele (FIN-2K BV)	35,000	0	0

Furthermore share options have been granted to both members of Executive Management. Please see above in the section "Description of share option plans".

[78] In 2019 (before the entry into force of the Belgian Companies and Associations Code), 2018 Share Options have been granted to non-executive directors Mr Wim Ottevaere (10,192) and Mr Pierre Chauvineau (10,192). No share options were granted to non-executive directors since 2020.

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Statement of the Board of Directors

The Board of Directors of Sequana Medical NV certifies in the name and on behalf of Sequana Medical NV, that to the best of their knowledge:

• the Consolidated Financial Statements, established in accordance with IFRS Accounting Standards as adopted by the European Union, give a true and fair view of the assets, financial position and results of Sequana Medical NV and of the entities included in the consolidation; and

• the annual review presents a fair overview of the development and the results of the business and the position of Sequana Medical NV and of the entities included in the consolidation, as well as a description of the principal risks and uncertainties facing them in accordance with Article 12 § 2 3°, a) and b) of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

The amounts in this document are represented in euros (EUR), unless noted otherwise. The Dutch financial statements prepared by the Group in the ESEF format are the only official ESEF version of the financial statements.

Due to rounding, numbers presented throughout these Consolidated Financial Statements may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. An accounting period comprises the period between 1 January and 31 December.

Pierre Chauvineau

Chairman

Ian Crosbie

CEO

Kirsten Van Bockstaele

CFO

2. Statutory Auditor's Report

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF SEQUANA MEDICAL NV ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Sequana Medical NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 23 May 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed the statutory audit of the Group's consolidated accounts for 7 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR 9.943.760 and a net loss for the year of EUR 44.653.617.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards ('IFRS') as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts"* section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the consolidated accounts, which indicates that although the Company received approval for the alfapump from the US FDA, the Company still has to execute on its

alfapump US commercialization strategy. Furthermore, DSR is still in its development phase and further clinical trials will be required to achieve regulatory marketing approvals. Both programs incur various risks and uncertainties, including but not limited to the uncertainty of the development & commercialization process and the timing of achieving profitability. The Company's ability to continue operations also 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 impact of macroeconomic conditions and geopolitical situation on the Company's ability to secure additional financing rounds or undertake capital market transactions remains unclear at this point in time. The Consolidated Statement of Financial Position as at 31 December 2024 shows a negative equity of EUR 44.6 million and ending cash balance of EUR 3.8 million.

These events or conditions as set forth in Note 4 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Accounting and valuation of the Kreos Loan Facility Agreement and the Convertible Loan Agreements
Refer to notes 8.7.2, 8.7.3 and 8.8.2 of the consolidated accounts and to the accounting policies as described in note 2.3.1.15.

Description of the Key Audit Matter
Sequana has entered into a secured loan facility agreement with Kreos (the "Kreos Loan Facility Agreement") in the amount of EUR 10 million. In the framework of the Kreos Loan Facility Agreement, the Company and Kreos Capital VII Aggregator SCSp entered into a subscription rights agreement in July 2022 (the "Kreos Subscription Rights Agreement").

In 2024, Kreos and the Company entered into two substantial modifications to the contract, notably on 8 July 2024 and on 2 December 2024, which substantially altered the loans and both qualified as debt extinguishments. On the inception of the loan on 2 December 2024, this agreement was assessed to contain several compound instruments, for a total fair value per year-end 2024 of EUR 21 million.

Additionally, Sequana has entered into unsecured subordinated convertible loans of up to EUR 6.1 million from existing shareholders, with an initial tranche of EUR 3.05 million. This financing was subsequently increased to EUR 7.6 million through the support of additional shareholders and the receipt of the second tranche from all participating investors.

Sequana has assessed that the loan facility classifies as financial debt, to be recognized at fair value at its inception in accordance with IFRS 9 and subsequently remeasured at fair value through profit and loss. The fair value remeasurement cost per fiscal year end 2024 amounts to EUR 6.5 million.

This is an area of focus for our audit due to the complexity of the accounting for these transactions.

How our audit addressed the key audit matter
We verified the contractual basis and documentation of the transactions by reading the minutes of meeting of the board of directors, the Convertible Loan Agreements, the Kreos Loan Facility Agreement, and the Subscription Rights Agreement.

We have discussed with management on the nature of the Kreos Loan Facility Agreement (including the Subscription Rights Agreement), including amendments and the Convertible Loan agreements and the substance of the transactions.

We have assessed whether the accounting policies used by the Group are in accordance with IFRS and are appropriate and challenged management on its applied methodology and its compliance with IAS 32 and IFRS 9.

In performing the procedures outlined above, we involved our IFRS specialists to assess the accounting methods as applied by management and our valuation specialists to assess the valuation methods as applied by management.

We also considered the appropriateness and sufficiency of related disclosures in the consolidated accounts.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with IFRS Accounting Standards ('IFRS') as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on

the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statements related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter “ESEF”), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: “Delegated Regulation”) and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors is responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter “digital consolidated accounts”).

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial accounts comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the official Dutch version of the digital consolidated accounts included in the annual report of Sequana Medical NV per 31 December 2024, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

Other statement

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Antwerp, 17 April 2025

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Peter D’hondt*
Bedrijfsrevisor/Réviseur d'entreprises

*Acting on behalf of Peter D’hondt BV

3. Consolidated Income Statement

EUR	Notes	2024	2023
Revenue	**5**	**105,500**	**712,173**
Costs of goods sold		(26,443)	(164,124)
Gross Margin		**79,057**	**548,049**
Sales & Marketing		(1,058,140)	(1,798,813)
Clinical		(3,174,496)	(6,946,987)
Quality & Regulatory		(3,242,613)	(5,585,728)
Supply Chain		(3,314,823)	(4,723,619)
Engineering		(1,682,944)	(4,041,014)
General & administration		(6,312,646)	(6,943,361)
Total Operating Expenses	**7.1**	**(18,785,663)**	**(30,039,522)**
Other income	7	483,577	629,268
Earnings before interests and taxes (EBIT)		**(18,223,029)**	**(28,862,205)**
Finance income	7	212,712	1,052,196
Finance cost	7	(26,362,918)	(4,287,957)
Net Finance Cost		**(26,150,206)**	**(3,235,761)**
Income Tax Expense	8	(280,383)	(465,608)
Net loss for the period		**(44,653,617)**	**(32,563,574)**
Attributable to Sequana Medical shareholders		(44,653,617)	(32,563,574)
Basic loss per share	8	(1.22)	(1.22)
shares		36,749,188	26,774,116

The accompanying notes are an integral part of the Consolidated Financial Statements.

4. Consolidated Statement of Comprehensive Income

EUR	Notes	2024	2023
Net loss for the period		**(44,653,617)**	**(32,563,574)**
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	8.9	(104,947)	(355,896)
Items that may be reclassified subsequently to profit or loss:			
Currency translation adjustments		(33,512)	(64,193)
Total other comprehensive income/(loss)-net of tax		**(138,459)**	**(420,089)**
Total comprehensive income		**(44,792,077)**	**(32,983,663)**
Attributable to Sequana Medical shareholders		(44,792,077)	(32,983,663)

The accompanying notes are an integral part of the Consolidated Financial Statements.

5. Consolidated Statement of Financial Position

EUR	Notes	December 31, 2024	December 31, 2023
Property, plant and equipment	8.4	1,773,737	2,316,290
Financial assets		104,112	100,440
Other non-current assets	8.5	1,649,228	1,387,979
Total non-current assets		**3,527,077**	**3,804,708**
Trade receivables	8.2	-	43,075
Other receivables and prepaid expenses		563,075	1,373,450
Other receivables	8.2	*301,177*	*312,871*
Prepaid expenses	8.2	*261,898*	*1,060,578*
Inventory	8.3	2,046,249	2,295,673
Cash and cash equivalents	8.1	3,807,358	2,584,128
Total current assets		**6,416,683**	**6,296,326**
TOTAL ASSETS		**9,943,760**	**10,101,034**

The accompanying notes are an integral part of the Consolidated Financial Statements.

Consolidated Statement of Financial Position

EUR	Notes	December 31, 2024	December 31, 2023
Share Capital	8.6	4,603,936	2,926,296
Share premium	8.6	201,564,600	185,644,420
Reserves	8.6	(720,722)	(2,896,178)
Loss brought forward		(250,675,575)	(206,021,958)
Cumulative Translation Adjustment		848,734	882,246
Total equity		**(44,379,027)**	**(19,465,174)**
Long term financial debts	8.7	-	8,968,649
Long term lease debts	8.7	357,902	464,231
Retirement benefit obligation	8.9	753,997	667,797
Total non-current liabilities		**1,111,899**	**10,100,677**
Short term financial debts	8.7	39,698,239	7,818,288
Short term lease debts	8.7	55,389	268,604
Other current financial liabilities	8.8	7,387,322	2,767,350
Trade payables and contract liabilities		1,888,948	2,906,877
Trade payables	*8.10*	*1,888,948*	*2,736,617*
Contract liabilities	*5*	*-*	*170,260*
Other payables	8.8	1,692,594	2,256,685
Accrued liabilities and provisions		2,488,396	3,447,728
Provision warranty	*8.10*	*16,382*	*79,988*
Accrued liabilities	*8.10*	*2,472,014*	*3,367,740*
Total current liabilities		**53,210,888**	**19,465,531**
TOTAL EQUITY AND LIABILITIES		**9,943,760**	**10,101,034**

The accompanying notes are an integral part of the Consolidated Financial Statements.

6. Consolidated Statement of Changes in Equity

EUR	Notes	Share capital	Share premium	Reserves	Loss brought forward	Currency translation differences	Total shareholder equity
Balance at 1 January 2023		**2,460,487**	**170,324,139**	**(2,425,934)**	**(173,458,384)**	**946,440**	**(2,153,252)**
Net loss for the period					(32,563,574)		**(32,563,574)**
Other comprehensive income				(355,896)		(64,193)	**(420,089)**
April 2023 Equity Placement	8.6	460,523	15,319,955				**15,780,478**
Capital increase 10/23	8.6	5,286	327				**5,612**
Transaction costs for equity instruments	7.2			(678,215)			**(678,215)**
Share-based compensation	9			563,866			**563,866**
December 31, 2023		**2,926,296**	**185,644,420**	**(2,896,178)**	**(206,021,958)**	**882,246**	**(19,465,174)**
Balance at 1 January 2024		**2,926,296**	**185,644,420**	**(2,896,178)**	**(206,021,958)**	**882,246**	**(19,465,174)**
Net loss for the period					(44,653,617)		**(44,653,617)**
Other comprehensive income	8.5			(104,947)		(33,512)	**(138,459)**
March 2024 Equity Placement	8.6	794,267	10,705,734				**11,500,001**
Capital increase convertible loans to shares	8.6	823,957	5,108,463	2,852,573			**8,784,993**
Capital increases RSU and Retention shares	8.6	59,417	105,983				**165,400**
Transaction costs for equity instruments	7.2			(392,959)			**(392,959)**
Share-based compensation	9			(179,210)			**(179,210)**
December 31, 2024		**4,603,936**	**201,564,600**	**(720,722)**	**(250,675,575)**	**848,734**	**(44,379,027)**

The accompanying notes are an integral part of the Consolidated Financial Statements.

7. Consolidated Statement of Cash Flows

EUR	Notes	2024	2023
Net loss for the period		**(44,653,617)**	**(32,563,574)**
Income tax expense	7.5	280,383	465,608
Financial result	7.4	26,202,528	3,271,053
Depreciation	8.4	615,157	661,280
Change in defined benefit plan	8.9	(7,371)	(50,493)
Share-based compensation	8.9	(179,210)	563,866
Changes in trade and other receivables	8.2	592,200	(542,792)
Changes in inventories	8.3	210,542	482,766
Changes in trade and other payables / accrued liabilities	8.1	(2,947,808)	(905,207)
Taxes paid	7.5	(370,947)	(445,853)
Cash flow used for operating activities		**(20,258,146)**	**(29,063,346)**
Investments in tangible fixed assets	8.4	(95,130)	(710,754)
Investments in financial assets		(4,704)	(10,617)
Cash flow used for investing activities		**(99,834)**	**(721,372)**
Proceeds from capital increase	8.6	11,665,400	15,786,090
(Repayments) from leasing debts	8.7	(471,996)	(414,042)
(Repayments) from financial debts	8.7	(157,741)	(982,417)
Proceeds from financial debts	8.7	10,681,508	
Interest paid	8.7	(162,162)	(928,914)
Cash flow generated from/used in (-) financing activities		**21,555,010**	**13,460,718**
Net change in cash and cash equivalents		**1,197,031**	**(16,324,000)**
Cash and cash equivalents at the beginning of the period		**2,584,128**	**18,874,959**
Net effect of currency translation on cash and cash equivalents		26,199	33,169
Cash and cash equivalents at the end of the period		**3,807,358**	**2,584,128**

The accompanying notes are an integral part of the Consolidated Financial Statements.

8. Notes to the Consolidated Financial Statements

1 Corporate Information

The Consolidated Financial Statements incorporate the financial statements of Sequana Medical NV, a company domiciled and incorporated in Belgium, and its subsidiaries (together referred to as "Sequana" or "Sequana Medical Group" or "Group" or the "Company").

Sequana Medical NV has the legal form of a limited liability company (naamloze vennootschap/sociéte anonyme) organised under the laws of Belgium. The Company was established as a limited liability company (Aktiengesellschaft/société anonyme) organised under the laws of Switzerland in 2007, and transferred its registered office, without liquidation or dissolution, from Switzerland to Belgium in 2018 (effective 1 October 2018). As a result, Sequana Medical NV became a limited liability company organised under the laws of Belgium.

The registered office's address is Kortrijksesteenweg 1112 bus 102, 9051 Sint-Denijs-Westrem, Belgium.

Sequana Medical NV is a pioneer in treating fluid overload, a serious and frequent clinical complication in patients with liver disease, heart failure and cancer. This causes major medical issues including increased mortality, repeated hospitalizations, severe pain, difficulty breathing and restricted mobility. Although diuretics are standard of care, they become ineffective, intolerable or exacerbate the problem in many patients. There are limited effective treatment options, resulting in poor clinical outcomes, high costs and a major impact on their quality of life. Sequana Medical is seeking to provide innovative treatment options for this large and growing "diuretic resistant" patient population. **alfa**pump® and DSR® are Sequana Medical's proprietary platforms that work with the body to treat diuretic-resistant fluid overload, and are intended to deliver major clinical and quality of life benefits for patients, while reducing costs for healthcare systems.

Group information

Information about the subsidiaries

The consolidated financial statements of Sequana Medical Group include:

Company	Purpose	Share capital	Investment 2024	Investment 2023
Sequana Medical NV	Holding/Sales	EUR 4,603,936.18	n/a	n/a
Sequana Medical NV branch (Switzerland)	Production and research	n/a	n/a	n/a
Sequana Medical GmbH (Germany)	Distribution	EUR 25,000	100 %	100 %
Sequana Medical US Inc. (USA)	Administration	USD 0	100 %	100 %
Sequana Medical Inc (USA)	Administration	USD 0	100 %	100 %
DSRCo BV (Belgium)	Production and research	EUR 2,357,109.34	100 %	n/a

There are no non-controlling interests or structured entities. All entities have been newly established by the Group and included in the Consolidated Financial Statement as from their respective date of incorporation.

The holding company

The ultimate parent of the Group is Sequana Medical NV (the "Company"). The Group has no associated companies nor joint arrangements to which the Group is a party.

Shareholder structure

The shareholder structure of the Company based on the transparency declarations, received in the period up to December 31, 2024, is as follows:

Shareholder	Shares	%
Partners in Equity V B.V.	9,066,912	20.4%
EQT Life Sciences Group B.V.	4,695,407	10.6%
Belfius Insurance SA	3,931,328	8.8%
Rosetta Ltd	3,038,317	6.8%
MCMI SPV Holdco Inc	2,537,185	5.7%
Société Fédérale de Participations et d'Investissement SA - Federale Participatie- en Investeringsmaatschappij NV	1,885,806	4.2%
GRAC Société Simple	1,858,097	4.2%
Adrianus van Herk	1,416,666	3.2%
Newton Biocapital I Pricav Privée SA	1,102,529	2.5%
Participatiemaatschappij Vlaanderen NV	1,046,074	2.4%
Optiverder BV	922,535	2.1%
Sensinnovat BV	900,769	2.0%
Midelco NV	821,408	1.8%
Total threshold	**33,223,033**	**74.8%**
Other	***11,213,159***	***25.2%***

For the latest available update, refer to the Company's website.

2 Basis of preparation of the Consolidated Financial Statements

2.1 Basis of preparation

These Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the EU. The Consolidated Financial Statements are presented in Euro ("EUR") and have been rounded to the next EUR.

The preparation of financial statements requires management to exercise judgment when applying accounting policies and to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimated. Note *2.3* below includes further discussion of certain critical accounting estimates.

The operational expenses in the Consolidated Income Statement are presented by function and more specifically, according to the departments Sales & Marketing, Clinical Affairs, Quality & Regulatory, Supply Chain, Engineering and General & Administration.

Sales & Marketing expenses relate to the direct costs associated with the sales force of Sequana Medical, as well as the promotional activities to raise awareness of the **alfa**pump® amongst the medical community, patients and their relatives.

Clinical Affairs expenses relate to the expenses made for clinical studies to demonstrate the safety and efficacy of the **alfa**pump ® and DSR®.

The costs of obtaining and maintaining regulatory approval for the **alfa**pump and DSR are included within Quality & Regulatory expenses. Employee related costs, such as salaries, benefits and travel expenses, of Sequana Medical employees are a key part of Quality & Regulatory expenses. The cost of regular audits and regulatory filings, internal and external costs related to testing and validation, as well as costs associated with external consultants who are amongst others involved in the preparation of the submissions for marketing approval of the **alfa**pump in the U.S., are also included within quality and regulatory expenses.

The cost of Supply Chain primarily includes employee-related costs, such as salaries and benefits of Sequana Medical employees, as well as external suppliers' services. Additionally, yield loss costs and material costs for internal use are included in Supply Chain expenses.

Sequana Medical's engineering expenses primarily include employee-related costs, such as salaries, benefits and travel expenses, of Sequana Medical employees, as well as external consultants and suppliers, involved in the design of the **alfa**pump. The expenses related to the preparation of the submissions for marketing approval of the **alfa**pump in the U.S., are also included within Engineering expenses.

The principal components of General & administration expenses are salaries and related costs for personnel and external consultants in executive, finance, accounting, tax, audit, legal and human resources functions and their respective external advisers. General & administration expenses also include the costs related to the general information and communication technologies as well as lease, rental, insurance, general maintenance expenses and costs related to the activities of being a public company.

The Consolidated Financial Statements were approved for issue by the Board of Directors on 17 April 2025.

2.2 Principles of consolidation

The Consolidated Financial Statements of Sequana Medical NV include all entities that are controlled by the Group. The Group controls another entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Newly acquired companies are consolidated starting from the date of acquisition. The results of companies over which control is lost, are included until the date of sale or actual loss of control.

All intercompany transactions and balances between Group companies are eliminated in full.

The individual financial statements of the Group Companies as of 31 December 2024 are prepared using uniform accounting policies.

2.3 *Significant accounting policies, judgments and estimates*

This note describes the impact on Sequana Medical NV's Consolidated Financial Statements of significant accounting judgments made when applying IFRS Accounting Standards and critical assumptions and accounting estimates.

2.3.1 Application of critical accounting policies

2.3.1.1 Revenue recognition

Sequana Medical NV recognizes revenue at the amount it expects to be entitled as it satisfies promises towards its customers, regardless of when the payment is received. The performance obligation is considered to be satisfied, once the device has been implanted into the patient, as no significant obligations are considered to exist for Sequana Medical NV after such time.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements, including in its sales to distributors, if any, since it is the primary obligor in all the revenue arrangements, has pricing latitude, and carries inventory risk.

The Group reduces revenue by the amount of expected returns, and records it as accrued liabilities and provisions. No cash refunds are offered for returns, but rather replacement products. The Group estimates returns on the basis of historical data, adjusted for any additional relevant information about the customer or delay in implant.

Contract liabilities refer to advances received from customers, for which revenue is recognized only upon implant to the final customer.

Refer to note 5 and 6 for detailed information concerning revenue recognition for the period.

2.3.1.2 Other income

As the Group is carrying out extensive research and development activities, it can benefit from several grants and R&D incentives from various governmental agencies. In general, these benefits aim to partially reimburse certain expenditures linked to our research and development activities and are credited towards Other income in the Consolidated Income Statement, when the relevant expenditure has been incurred and when it is reasonably certain that the grants or R&D incentives are receivable.

2.3.1.3 Sales tax

Expenses and assets are recognized net of the amount of sales tax, except when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable. VAT on lease payments is not included in the right-of-use asset as described in note 2.3.1.18 Leases.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.3.1.4 Foreign currency translation

The Group`s Consolidated Financial Statements are presented in EUR. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Consequently, the functional currency of the subsidiaries does not necessarily correspond to the functional currency of the parent. The functional currencies as per 31 December 2024 are as follows:

Sequana Medical NV : EUR

Sequana Medical NV branch : CHF

Sequana Medical Gmbh : EUR

Sequana Medical Inc : USD

Sequana Medical US Inc : USD

DSRCo BV: EUR

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Items of income and cash flow statements are measured by entities at the date of transaction. For practical reasons for translation of income statement and cash flow statement the average exchange rate of the period is applied.

Differences arising on settlement or translation of monetary items are recognized in profit or loss, financial result line.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. The main currency translation differences arise from the movements in the CHF/EUR exchange rate.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

The following foreign exchange rates, which were applied for the Consolidated Financial Statements at 31 December 2024 and the comparative periods to translate the following currencies into EUR, are as follows:

Currency	December 31, 2024		December 31, 2023	
	Year-end	Average Rate	Year-end	Average Rate
Swiss Franc (CHF)	0.9412	0.9526	0.9260	0.9718
US Dollar (USD)	1.0321	1.0824	1.1050	1.0813

2.3.1.5 Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or payable to the respective tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance-sheet liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences and carry-forwards of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available. Deductible temporary differences, carry-forwards of unused tax credits and unused tax losses can be offset against taxable profit except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax positions associated with investments in subsidiaries are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available, against which they can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year the asset is realized or the liability settled, based on tax rates (and tax laws) enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if the Group has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same tax authority.

2.3.1.6 Property, plant and equipment

Property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. Costs for repair and maintenance are recognized in profit or loss as incurred.

Each item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated over its useful life. Sequana Medical NV recognizes the depreciation charge in profit or loss unless it is included in the carrying amount of another asset. At least annually, the Group reviews depreciation method, useful life on an asset and residual value, and if appropriate adjusts prospectively.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Asset class	Depreciation Method	Useful life
Installation & Machinery	Straight-line	5 - 10 years
Furniture, fixtures & vehicles	Straight-line	3 - 10 years
Other tangible fixed assets	Straight-line	2 - 10 years
Leased assets	Straight-line	Contract lease term
Assets under construction	Not depreciated	N/A

Leasehold improvements are reported as Other tangible fixed assets. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

2.3.1.7 Internally generated intangible assets

Expenditures on research activities are recognized as an expense in the period in which they are incurred.

In accordance with IAS38, an intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
b) its intention to complete the intangible asset and use or sell it;
c) its ability to use or sell the intangible asset;
d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. When no internally generated intangible asset can be recognized, development expenditures are recognized in the Consolidated Income Statement in the period in which they are incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses.

Due to uncertainties inherent to the development and registration with the relevant healthcare authorities of its products, Sequana Medical NV estimates the conditions for capitalization are not met until the regulatory procedures required by such healthcare authorities have been finalized.

The Company currently has no development expenditures that have been capitalized.

2.3.1.8 Trade receivables

In accordance with IFRS 9, trade receivables are classified and measured at amortised cost. The measurement bases are contractual terms, payment history and other sales evidence. Adjustments for doubtful receivables are only allowed to the extent losses are expected in the future or individually determinable. Any losses caused by amortization of receivables are booked in income statements.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

2.3.1.9 Other non-current assets

Other non-current assets are measured at amortized cost. They mainly consist of R&D incentives receivables. These receivables are future expected tax deductions or refunds resulting from tax incentives on research and development expenses. The non-current portion of these receivables are discounted over the period until maturity date according to appropriate discount rates. In the event the receivable (or part of) becomes current, it (the current part) is classified in current assets on the Consolidated Statement of Financial Position. The R&D incentives are accounted for in line with IAS12.

2.3.1.10 Inventory

Inventories are valued at the lower of initial cost and net realizable value. The cost of inventories shall comprise all costs of purchase (based on first-in, first- out method), costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.3.1.11 Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and cash equivalents. The cash is held with bank and financial institutions which have as a minimum an A rating.

2.3.1.12 Share capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are presented in equity as a deduction, net of tax, from the proceeds.

2.3.1.13 Provisions

Provisions are recognized when:

1) the Group has a present legal or constructive obligation as a result of past events;
2) it is probable that an outflow of resources will be required to settle the obligation; and
3) the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance cost.

If the Group has an onerous contract, it will be recognized as a provision.

Provisions are not recognized for future operating losses.

A provision for restructuring is only recorded if the Group demonstrates a constructive obligation to restructure at the date of the statement of financial position. The constructive obligation should be demonstrated by:

a) A detailed formal plan identifying the main features of the restructuring; and

b) Raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

2.3.1.14 Employee benefits

Short-term employment benefits

Short-term employee benefits are recorded as an expense in the income statement in the period in which the services have been rendered. Any unpaid compensation is included in 'Other payables'in the Consolidated Statement of Financial Position.

Post-employment benefits

The Group has both defined contribution plans and defined benefit plans.

In the case of defined contribution plans, contributions are paid to publicly or privately administered pension plans on a statutory, contractual, or voluntary basis. The Belgian defined contribution plan contains a legally guaranteed minimum return, which is payable by the employer. The contributions are recognized as personnel expenses.

Defined benefit plans require the Group to contribute to individual plans, for which the ultimate benefit to the employee is based on a defined benefit, e.g., based on a final salary level, defined performance of the plan, etc. For defined benefit plans, the Group obtains actuarial valuations to determine the required defined benefit pension obligation.

General

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Company.

Pension obligations

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and

- the date that the Company recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset and is disclosed in the respective expense by function.

The Group recognizes the service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements in the net defined benefit obligation under the respective expenses by function.

2.3.1.15 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest method. The amortization is included as finance costs in the Consolidated Income Statement.

The convertible loans are hybrid instruments and contain a liability as well as an embedded derivative (conversion option). There are two methods with respect to the accounting treatment for hybrid instruments (liability with an embedded derivative i.c. the conversion option). The instrument as a whole can either be accounted for as follows:

1) both the liability (host contract) and embedded derivative are classified at FVTPL (fair value through Profit and Loss)

or

2) the derivative is split and shown separately and accounted for at FVTPL (fair value through Profit and Loss) while the liability part (host contract) is valued at amortised cost.

The Group has elected to apply the method 1):

The entire instrument has been designated at fair value through profit or loss (FVTPL) on initial recognition and as such, the embedded conversion feature is not separated. The consideration received corresponds to the fair value at inception of the whole instrument.

Financial liabilities at fair value through profit or loss (FVTPL) (including derivatives that are liabilities) are subsequently measured at fair value at each year-end. A gain or loss resulting from this measurement shall be presented as follows (IFRS 9, 5.7.7):

a) The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, and
b) the remaining amount of change in the fair value of the liability shall be presented in profit or loss unless the treatment of the effects of changes in the liability's credit risk described in (a) would create or enlarge an accounting mismatch in profit or loss (in which case paragraph 5.7.8 applies).

With respect to the Kreos contract (see also note 8.7.2), originally signed in 2022 and recently amended in 2024, it was at inception accounted for as Fair Value Through P&L (FVTPL) for the embedded derivative being the Subscription Rights with the host liability being accounted for at amortized cost. For the Kreos loan contract recently amended in 2024, the Group also does not opt for the option to designate a financial liability at fair value through profit or loss. The Group has decided to measure the Kreos host loan of initially 10 million EUR at fair value as per initial recognition

(IFRS 9, 5.1.1) and subsequently at amortized cost (IFRS 9, 5.3.1 & 4.2.1). The effective interest rate method is used for subsequent calculation, adjusting for transaction fees and the fair value of the convertible loan component and subscription rights.

Substantial modifications of financial liabilities are treated as an extinguishment, and so de-recognition, of the existing liability and recognition of a new financial instrument based on the new contractual terms. Any difference is recognised as a gain or loss within profit or loss (IFRS 9, 3.3.3).

The Group has no other derivative financial instruments, in all material respect, to hedge interest rates and foreign currency risks.

Fair value measurement of financial instruments

a. Fair value hierarchy

This note presents the judgements and estimates made by the Group in determining fair values of the financial instruments recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Recognized fair value measurements:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted debt securities.

There were no transfers between levels for recurring fair value measurements during last year.

The Group's financial instruments measured at fair value on a recurring basis are classified as level 3 (refer to the table). This is due to the market interest rate, on which basis the valuation of the financial liabilities was performed, being based on the most current loans with related parties.

The following table presents the Group's financial liabilities measured and recognized at fair value:

Description	Note	Level	At 31 December 2024 (EUR)	At 31 December 2023 (EUR)
EUR denominated convertible loans at fair value through PL	8.6	3	35,181,024	979,453
Bootstrap Warrant	8.8.1	3	159,632	447,850
Kreos Subscription Rights	8.8.2	3	4,513,540	323,740
2023 Investor Warrant	8.8.3	3	2,714,150	1,995,759.76

The carrying amounts of other financial instruments that are not measured subsequently at fair value are not materially different from their fair values due to their nature.

b. Valuation techniques used to determine fair values

The fair value of the company's convertible loans is determined using discounted cash flow analysis, based on a market yield around 20% for similar loans, which is deemed to be the best indicator of the market interest rate for loans without conversion features for Sequana Medical NV. With respect to the valuation of the embedded derivative, the Company assumed that the conversion option will be exercised within the requirements set in the agreements.

For more details on valuation techniques used to determine fair values of Bootstrap Warrants, Kreos Subscription Rights and 2023 Investor Warrants, refer to notes 8.8.1, 8.8.2 and 8.8.3.

c. Valuation inputs and relationships to fair value

Description/Financial statement	Liability component of convertible bond denominated in EUR including the
Class of subsequent measurement	Fair value through profit or loss
Fair value at 31 December 2024	35,181,024
Unobservable inputs	Discount rate / market rate
Yield	20%
Relationship of unobservable inputs to fair value	An increase/decrease of the market interest rate of +2%pts/-2%pts would change the fair value of the liability by EUR + 234,744/ - 234,744

As the yield represents the only unobservable input, there are no inter-relationships between any unobservable inputs that affect fair values.

Decription/Financial statement	Bootstrap warrants	Kreos Subscription rights	2023 Investor Warrant
Class of subsequent measurement	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss
Fair value at 31 December 2024	159,632	4,513,540	2,714,150
Unobservable inputs	Market rate	Market rate	Market rate
Relationship of unobservable inputs to fair value	An increase/decrease of the market interest rate of +2%pts/-2%pts would change the fair value of the liability by EUR + 1,996/ - 1,997	An increase/decrease of the market interest rate of +2%pts/-2%pts would change the fair value of the liability by EUR + 11,912/ -12,330	An increase/decrease of the market interest rate of +2%pts/-2%pts would change the fair value of the liability by EUR + 20,955/ - 21,361

d. Valuation processes

The only level 3 inputs by the Group in measuring the fair value of financial liabilities are market interest rates. The inputs are derived and evaluated by recent comparable bonds having no conversion rights at the issue date.

2.3.1.16 Trade payables

Payables after and within one year are measured at amortised cost, i.e. at the net present value of the payable amount. Unless the impact of discounting is material, the nominal value is taken.

2.3.1.17 Share-based compensation transactions

The Group has offered equity-settled, share-based compensation plans to its employees, Executive Management and specific consultants. The cost with respect to the employee services received in compensation for the grant of these warrants is recognized as an expense on a pro rata basis over the

vesting period. The total amount of the expense is recognized over the vesting period and determined on the basis of the fair value of the warrants at grant date. The fair value of each warrant is estimated on the date of grant using the Black-Scholes model, which take into account the exercise price of the option, the share price at date of grant of the option, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. The total cost is initially estimated on the basis of the number of warrants that will become exercisable. At each balance date, the Group revises its estimated number of warrants that will become exercisable. The impact of the revision is recognised in the income statement over the remaining vesting period with a corresponding adjustment to equity. When the options are exercised, the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. The social security contributions payable in connection with the grant of the options are considered as a part of the grant itself.

The Company has also offered equity-settled Restricted Share Units ("RSU") to its non-executive independent directors. The cost with respect to the director services received in compensation for the grant of these RSUs is recognized as an expense on a pro rata basis over the vesting period. The total amount of the expense is recognized over the vesting period and determined on the basis of the fair value of the RSUs at grant date. As the vesting period of the RSUs is one year, the fair value of each RSU is estimated as the difference between share price at grant date and the subscription price to be paid. The total cost is initially estimated on the basis of the number of RSUs that will become automatically vested (and settled into shares) at the end of the vesting period. At each balance date, the Group revises its estimated number of RSUs that will become vested. The impact of the revision is recognised in the income statement over the remaining vesting period with a corresponding adjustment to equity. When the RSUs are vested and settled into shares, the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.3.1.18 Leases

The Group leases various company cars and buildings. Rental contracts for the cars are typically made for fixed periods of 3 to 5 years and the rental contracts for the offices are typically made for 2 to 9 years. The contracts may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments, if material:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Group uses the incremental borrowing rate as its discount rate. The discount rates applied range between 3.1% and 12%.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs (if material); and
- Restoration costs (if material).

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

2.3.1.19 Earnings/ (loss) per share

Basic net profit/ (loss) per share is computed on the basis of the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

Diluted net profit/ (loss) per share is computed based on the weighted-average number of ordinary shares outstanding including the dilutive effect of warrants and bonds. During 2024 and 2023 due to the losses incurred by the Group, these instruments had an anti-dilutive effect on the loss per share. Instruments that can be converted into ordinary shares shall only be treated as dilutive when their conversion into ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

2.3.2 Significant accounting judgments, estimates and assumptions

For the preparation of the Consolidated Financial Statements it is necessary to make judgments, estimates and assumptions to form the basis of presentation, recognition and measurement of the Group's assets, liabilities, items of income statements, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying Sequana Medical NV's accounting policies, management has made various judgments. Those which management has assessed to have the most significant effect on the amounts recognized in the Consolidated Financial Statements have been discussed in the individual notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, are also described in the individual notes of the related financial statement line items.

The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Sequana Medical NV is subject to risks and uncertainties, which may lead to actual results differing from these estimates, both positively and negatively. Sequana Medical's specific estimates including pension liabilities, fair value of financial instruments or share-based compensation are discussed in the relevant sections of the management's review and in the notes.

Significant estimates and judgments of the Group include:

- **Pensions (IAS 19) – key assumptions for measuring defined benefit for measuring post-employment benefit expense for a period and the defined benefit obligation at the period end;**
- **Share-based compensation;**
- **Accounting for research and development expenses;**
- **Accounting for R&D tax credit;**
- **Recognition deferred taxes;**
- **Fair value measurements of financial instruments;**
- **Going concern**

2.3.2.1 Post-employment benefits

The aggregate of the present value of the defined benefit obligation and the fair value of plan assets for each plan is recognized in the Consolidated Financial Position as a net defined benefit liability or net defined benefit asset. The defined benefit obligation is determined annually by independent actuaries using the projected unit credit method. Employee contributions are recognized in the period in which the related service is rendered. Plan assets are not available to the creditors of the Group.

Pension costs consist of three elements: service costs, net interest, and re-measurements of employee benefits.

- Service costs are part of personnel expenses and consist of current service costs, past service costs (gains/losses from plan amendments or curtailments), and gains/losses from plan settlements.

- Net interest is recorded in the financial result and is determined by applying the discount rate to the net defined benefit liability or net defined benefit asset that exists at the beginning of the year.

- Gains and losses resulting from the actuarial valuation are recorded in other comprehensive income (OCI) as re-measurements of employee benefits. The return on plan assets (excluding interest based on the discount rate) and any change in the effect of an asset ceiling are also recorded in OCI.

Significant other non-current employee benefits (mainly jubilee benefits) are also measured using the projected unit credit method, however re-measurements are recorded in the Consolidated Income Statement.

Detailed information about the assumptions and measurement of post-employment benefits are included in note 8.9.

Termination benefits are recognized on the date on which the Group can no longer withdraw the offer of this type of benefit or on which restructuring provisions are recorded.

2.3.2.2 Share-based payments

The Group used the Black & Scholes model for share-based payment calculation purposes for all its share-based option plans.

The volatility parameter has been based on the volatility of peer shares, listed on the STOXX Medtech stock exchange.

Employee turnover as a parameter for share-based payment calculations is considered to be limited.

We refer to note 0 Share-based compensation for more information.

2.3.2.3 Accounting for research and development expenses

Due to uncertainties inherent to the development and registration with the relevant healthcare authorities of its products, Sequana Medical NV estimates the conditions for capitalization are not met until the regulatory procedures required by such healthcare authorities have been finalized.

The Company currently has no development expenditures that have been capitalized.

2.3.2.4 Accounting for R&D tax credit

The tax credit is calculated as a percentage of qualifying investments in research and development; it can be offset against corporate income tax and is refunded to us in cash after four years to the extent it could not be offset.

2.3.2.5 Recognition deferred taxes

As the Company did not generate any taxable profits in the past and due to the fact that there is an uncertainty about the realization of future taxable profits the Company has decided to not recognize a deferred tax asset on the tax losses carried forward. Please refer to note 7.5 for more information.

2.3.2.6 Fair value measurement financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. All derivative financial instruments are, in accordance with IFRS 7, level 2. This means valuation methods are used for which all inputs that have a significant effect on the recorded fair value are observable in the market, either directly or indirectly.

2.3.2.7 Going concern

The accompanying consolidated financial statements have been prepared on a going concern basis. Please refer to note 4 for the detailed explanation of the going concern.

2.3.3 Issued standards, amendments or interpretations adopted and not yet adopted

The following **new standard and amendments** to standards are mandatory for the first time for the financial year beginning 1 January 2024 and have been endorsed by the European Union and have no material impact on the Group's Consolidated Financial Statements:

Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 1 January 2024), affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
- Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability's classification.

Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements. The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (effective 1 January 2024). The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur as these relate to the right of use terminated and not the right of use retained.

The following **new standards and amendments** have been issued, are **mandatory** for the first time for the financial year beginning 1 January 2024 but have **not been endorsed by the European Union**:

None

The following **amendments** have been issued, are not mandatory for the first time for the financial year beginning 1 January 2024 but have been endorsed by the European Union and have no material impact on the Group's Consolidated Financial Statements:

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025). IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:

- Determining when a currency is exchangeable into another and when it is not;

- Determining the exchange rate to apply in case a currency is not exchangeable;
- Additional disclosures to provide when a currency is not exchangeable.

The following **Standards** and **amendments** have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2024 and have not been endorsed by the European Union and are currently not expected to have a material impact on the Group's Consolidated Financial Statements:

Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement environment, social and governance (ESG) targets); and
- Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Amendments to IFRS 9 and to IFRS 7: Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective on 1 January 2026). On 18 December 2024, the IASB issued amendments to IFRS 9 and IFRS 7:

- clarify the application of the 'own-use' requirements;
- permit hedge accounting if these contracts are used as hedging instruments; and
- new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

IFRS 18 Presentation and Disclosure in Financial Statements (effective on 1 January 2027). The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027). The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 'Subsidiaries without Public Accountability: Disclosures' permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will

reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.

Annual improvements Volume 11 (effective 1 January 2026). The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The Group is continuously assessing the impact of the upcoming standards. The Group expects currently no material impact on the Sequana Medical Group consolidated financial statements.

There were no other standards, interpretations or amendments that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.3.4 Changes in accounting policies

New standards or interpretations applicable from 1 January 2024 do not have any significant impact on the Sequana Medical Group Consolidated Financial Statements.

3 Financial instruments and financial risk management

The nature of Sequana Medical NV's business and its global presence exposes the Group to market risks and liquidity risks. The Board of Directors is responsible for overseeing the Group's internal control system, which addresses risks to which the Group is exposed. These systems provide appropriate security against significant inaccuracies and material losses. Management is responsible for identifying and assessing risks that are of significance for the respective country.

3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risks consist primarily of foreign currency risks and, to a lesser degree, interest rate risks. Main currency exposures are the Swiss franc and the Euro. The Group is not hedging any of these risks.

3.1.1 Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The group identifies two main types of foreign currency risk: foreign currency transaction risk and foreign currency translation risk.

The Group incurs foreign currency transaction risk on accounts receivable, accounts payable and other monetary items that are denominated in a currency other than the Company's functional currency. Foreign currency transaction risk in the Group's operations also arises from the variability of cash flows in respect of forecasted transactions. The foreign currency transaction risk is not significant.

Foreign operations which do not have the Euro as their functional currency give rise to a translation risk. The Group operates internationally and is exposed to foreign exchange risks arising from currency exposures, primarily with respect to the Swiss Franc (CHF).

The carrying amounts of the Group's main foreign currency denominated assets and liabilities in CHF at the end of the reporting period are as follows:

CHF	31 December 2024	31 December 2023
Assets		
Inventory	1,925,936	2,125,800
Cash and cash equivalents	524,840	617,310
Liabilities		
Non-current liabilities	(709,664)	(618,382)
Current liabilities	(2,268,694)	(2,906,946)

The carrying amounts of the Group's main foreign currency denominated assets and liabilities in USD at the end of the reporting period are as follows:

USD	31 December 2024	31 December 2023
Assets		
Inventory	-	-
Cash and cash equivalents	548,181	299,772
Liabilities		
Non-current liabilities		
Current liabilities	(1,611,114)	(3,368,729)

The Group has exposures to the Swiss Franc (CHF) and the US dollar (USD) due to their net investments in foreign operations.

Foreign exchange exposures are currently not hedged.

The following table shows the sensitivity to foreign exchange rate changes (CHF / EUR and USD / EUR), with all other variables held constant, of the Group's income statement and equity:

As at 31 December 2024

EUR	Impact on income statement
5% decrease of average foreign exchange rate (CHF)	(247,723)
5% increase of average foreign exchange rate (CHF)	248,073
5% decrease of average foreign exchange rate (USD)	(188,274)
5% increase of average foreign exchange rate (USD)	188,385

As at 31 December 2023

EUR	Impact on income statement
5% decrease of average foreign exchange rate (CHF)	(417,529)
5% increase of average foreign exchange rate (CHF)	418,054
5% decrease of average foreign exchange rate (USD)	(330,645)
5% increase of average foreign exchange rate (USD)	330,777

As of 31 December 2024, if the EUR had weakened 5% against the CHF with all other variables held constant, the loss for the period would have been EUR 247,723 higher (2023: EUR 417,529). Conversely, if the EUR had strengthened 5% against the CHF with all other variables held constant, the loss of the period would have been EUR 248,073 lower (2023: EUR 418,054).

As of 31 December 2024, if the EUR had weakened 5% against the USD with all other variables held constant, the loss for the period would have been EUR 188,274 higher (2023: EUR 330,645). Conversely, if the EUR had strengthened 5% against the USD with all other variables held constant, the loss of the period would have been EUR 188,385 lower (2023: EUR 330,777).

As at 31 December 2024

EUR	Impact on equity
5% decrease of average foreign exchange rate	1,676
5% increase of average foreign exchange rate	(1,676)

As at 31 December 2023

EUR	Impact on equity
5% decrease of average foreign exchange rate	3,210
5% increase of average foreign exchange rate	(3,210)

As of 31 December 2024, if the EUR had weakened 5% against the CHF and against the USD with all other variables held constant, the equity for the period would have been EUR 1,676 lower (2023: EUR -3,210). Conversely, if the EUR had strengthened 5% against the CHF and the USD with all other variables held constant, the equity of the period would have been EUR 1,676 higher (2023: EUR 3,210).

3.1.2 Interest rate risks

Interest rate risks arise from changes in interest rates, which have negative repercussions on the Group's asset and earnings situation. Interest rate fluctuations lead to changes in interest income and interest expense on interest-bearing assets and liabilities.

The following table shows the sensitivity to interest rate changes, with all other variables held constant, of the Group's income statement and equity:

As at 31 December 2024 and 31 December 2023, the Group interest rates applied on material interest-bearing assets and liabilities are contractually fixed and therefore the above sensitivity is highly unlikely to materialise.

As at 31 December 2023	
EUR	**Impact on income statement and equity**
50 basis points increase / decrease	+/- 42,621

As at 31 December 2022	
EUR	**Impact on income statement and equity**
50 basis points increase / decrease	+/- 13,878

3.2 Liquidity risk

The Group's objective is to maintain sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Sequana Medical NV defines Liquidity risk, a risk of being unable to raise funds to meet payment obligations when they fall due.

		Cash outflows		
EUR	**Carrying amount**			
	31.12.2024	**Up to 1 year**	**1 to 3 years**	**More than 3 years**
Trade payables	1,888,948	1,888,948	-	-
Other payables	2,105,885	1,747,983	199,981	157,921
Financial debt at amortized cost	4,517,215	4,517,215	-	-
Financial debt at FVTPL	35,181,024	35,181,024	-	-
Total	**43,693,072**	**43,335,170**	**199,981**	**157,921**

		Cash outflows		
EUR	**Carrying amount**			
	31.12.2023	**Up to 1 year**	**1 to 3 years**	**More than 3 years**
Trade payables	2,906,877	2,906,877	-	-
Other payables	2,989,519	2,525,288	234,687	229,544
Financial debt at amortized costs	15,807,484	7,418,288	8,389,196	-
Financial debt at FVTPL	979,453	400,000	579,453	-
Total	**22,683,333**	**13,250,453**	**9,203,336**	**229,544**

3.3 Capital management

Management presently monitors its capital structure based on its legal, statutory requirements for stand-alone entities and, in particular, for the holding company. The Group's policy is to maintain sufficient capital to continue as a going concern, and sustain the future development of the business (see note 4 regarding the assessment of the going concern).

Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents on the basis of expected cash flows for the next 12 months. This is carried out in accordance with practice and limits set by management and in accordance with the statutory capital requirements of the holding company. In addition, the Group's liquidity management policy involves projecting cash flows in EUR, CHF and GBP and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements and maintaining debt-financing plans.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

3.4 General business risks

Over the years 2024 and 2023 the macroeconomic environment have been affecting businesses globally, including Sequana Medical NV. We refer to the risk factors defined in our Report of the Board of Directors (1.1.3 Information regarding major risks and uncertainties).

3.5 Effects of climate-related matters on financial statements

In view of climate related matters, the Group's operations are not likely to be impacted by extreme weather conditions such as droughts, earthquakes or floods. Consequently, the Group does not expect any significant indicators for impairment of any assets nor understatement of any liabilities.

4 Going concern

Although the Company received approval for the **alfa**pump from the US FDA, the Company still has to execute on its **alfa**pump US commercialization strategy. Furthermore, DSR is still in its development phase and further clinical trials will be required to achieve regulatory marketing approvals. Both programs incur various risks and uncertainties, including but not limited to the uncertainty of the development & commercialization process and the timing of achieving profitability. The Company's ability to continue operations also 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 impact of macroeconomic conditions and geopolitical situation on the Company's ability to secure additional financing rounds or undertake capital market transactions remains unclear at this point in time and will remain under review by the Executive Management and the Board of Directors.

The above conditions indicate the existence of material uncertainties, which may also cast significant doubt about the Company's ability to continue as a going concern.

The Consolidated Statement of Financial Position as at 31 December 2024 shows a negative equity in the amount of EUR 44.4 million and ending cash balance of EUR 3.8 million.

The Company will continue to require additional financing in the near future and in 2024 i) entered into a €3.0 million mandatory convertible loan agreement in February with Partners in Equity and Rosetta Capital, ii) successfully raised €11.5 million gross proceeds in March in a private equity placement via an accelerated bookbuild offering, iii) entered into several unsecured subordinated convertible loan agreements for a total amount of €7.6 million in Q3 and Q4. With the financing package announced on 18 March 2025, comprising the €4.0 million unsecured subordinated convertible loan from existing investors, the GEM share subscription facility of up to €60 million and the extension to the repayments of key loans, the Company expects the net proceeds from these financings, based on the expected drawdown of the initial €20 million commitment of the share subscription facility, together with the existing cash resources to extend the current cash runway to the end of 2025. The Company continues to evaluate equity and other financing options, including discussions with existing as well as new investors.

The Executive Management and the Board of Directors remain confident about the strategic plan, which comprises additional financing measures including equity and/or other financing sources, and therefore consider the financial information on a going concern basis as appropriate.

We refer for more details about the additional financing to note 14 *"Events after the reporting period in the Notes to Consolidated Financial Statements".*

5 *Revenues from customers*

The Group generates sales solely from the sale of **alfa**pump®, with the revenue recognized at a point in time, coinciding with the time the device is implanted in a patient. In case an advance payment is received prior to implant, a contract liability is booked, which is reversed only at the time revenue is recognized.

An overview of the receivables and contract liabilities from contracts with customers is as follows:

In EUR	2024	2023
Trade receivables	-	43,075
Contract liabilities (relating to customers' advance payments)	-	170,260

No significant financing component is included in the amount of advance payments received from customers.

Contract liabilities refer to advances received from customers, for which revenue is recognized only upon implant to the final customer. An overview of the changes in the contract liabilities from contracts with customers is as follows:

In EUR	2024	2023
Revenue recognized in the period (included in contract liability at the beginning of the period)	168,697	-
Increases due to cash received as advance payment	-	-
Effect of currency translation	1,563	5,768

In the period, there is EUR 168,697 revenue recognized from performance obligations satisfied.

The Group applies the practical expedient of IFRS 15 (paragraph 121), and does not disclose information about the aggregate transaction price of remaining performance obligations that have original expected durations of one year or less. The Group also applies the practical expedient in paragraph 94 of IFRS 15, whereby the incremental costs of obtaining contracts are expensed as incurred if the amortization period of the assets that the Group would otherwise have recognized is one year or less.

6 Segment information

Operating segments required to be reported are determined on the basis of the management approach. Accordingly, external segment reporting reflects the internal organizational and management structure used within the Group as well as the internal financial reporting to the Chief Operating Decision Maker (CODM), which has been identified as the Executive Management Board (EMB). The EMB is responsible for the operational management of the Group, in line with the instructions issued by the Board of Directors.

Based on the Group's structure Sequana Medical NV's only entity (branch), which performs production and procurement of its only product, **alfa**pump is located in Switzerland. All other entities are either administration or distribution entities and are not able to operate on a stand-alone basis. Therefore, Sequana Medical NV constitutes only one reportable segment, which is represented by the whole Group.

Nevertheless, the EMB monitors all revenues on a country-by-country basis.
An overview of revenue by primary geographic market for the Group's reportable segment is included below:

EUR	2024	2023
Germany	86,500	553,500
France	19,000	95,000
Switzerland		43,673
Rest of the world		20,000
Total revenue	**105,500**	**712,173**

Revenue decreased from EUR 0.71 million in 2023 to EUR 0.11 million in 2024 due to the decision to stop the European commercial activities in April 2023.

The Swiss branch is the sole operating entity within the Group, 36% of the assets are located in Switzerland compared to 40% last year. There are no significant concentrations of credit risk through exposure to individual customers.

7 Detailed information on profit or loss items

7.1 Breakdown of expenses by nature

EUR	2024	2023
Personnel costs	6,951,832	10,975,997
Clinical Studies	2,550,589	5,277,339
External consultancy	1,576,443	2,136,981
External accounting & legal services	1,767,327	947,947
Travel & Lodging	420,158	790,732
Rent & infrastructure expenses	277,537	336,441
Intellectual Property	196,859	297,213
Insurance & IT	824,264	920,711
Marketing	6,591	71,956
Depreciation and amortization (1)	615,157	661,280
Quality Audits / Regulatory Fees	1,002,758	2,397,278
Other	2,596,149	5,225,648
Total operating expenses	**18,785,663**	**30,039,522**

(1) The amount relating to amortization is not material, therefore depreciation and amortization are presented in a single position in the table above.

7.2 Operating Expenses – general and administration

Expenses (EUR)	2024	2023
Capital increase related expenses	297,787	365,397

The total amount of known and accrued capital raise related expenditure for 2024 is EUR 690,746, of which EUR 297,787 has been recognized in the Consolidated Income Statement as G&A expenses and EUR 392,959 has been reported under equity. The capital raise expenditure accounted for in equity relate to the issuance of equity instruments and represent the incremental costs attributed to new shares. They mainly consist of lawyer fees, audit fees, consulting fees and notary fees.

The total amount of known and accrued capital raise related expenditure for 2023 is EUR 1,043,612, of which EUR 365,397 has been recognized in the Consolidated Income Statement as G&A expenses and EUR 678,215 has been reported under equity. The capital raise expenditure accounted for in equity relate to the issuance of equity instruments and represent the incremental costs attributed to new shares. They mainly consist of lawyer fees, audit fees, consulting fees and notary fees.

7.3 Other Income

EUR	2024	2023
R&D Incentives	304,804	627,292
Other	178,773	1,977
Total Other income	**483,577**	**629,268**

Other income decreased from EUR 0.63 million in 2023 to EUR 0.48 million in 2024.

The R&D incentives income was predominantly composed of:

- Income from Belgian R&D incentives (tax credit) with regard to incurred R&D expenses amounting to EUR 304,387 in 2024 (2023: EUR 607,663).
- Reduction on payroll withholding taxes of R&D qualified employees in Belgium amounting to EUR 417 in 2024 (2023: EUR 19,629).

The Other income was predominantly composed of the release of the contract liabilities related to customer's advance payments.

7.4 Financial result

The financial result is split into the following categories:

EUR	2024	2023
Finance income	**212,712**	**1,052,196**
Interest income	(200)	1,978
Remeasurement at FVTPL on convertible loans	75,475	13,815
Foreign exchange gains	137,437	239,209
Remeasurement at FVTPL on subscription rights	0	797,195
Finance cost	**(26,362,918)**	**(4,287,957)**
Interest costs	(2,590,995)	(1,931,585)
Interest costs leasing	(44,803)	(58,738)
Remeasurement at FVTPL on convertible loans	(18,297,595)	(58,489)
Remeasurement at FVTPL on subscription rights	(5,231,930)	(1,995,760)
FV correction tax credit receivable	(43,138)	(1,891)
Foreign exchange losses	(154,457)	(241,495)
Net financial result	**(26,150,206)**	**(3,235,761)**

The remeasurement at FVTPL on convertible loans is relating to the 2024 Kreos loan amendment and the September-December 2024 unsecured subordinated convertible loan agreements as further disclosed in note 8.7.

The remeasurement at FVTPL on subscription rights is relating to the Bootstrap Warrant, the Kreos subscriptions rights and 2023 Investor Warrants as further disclosed in note 8.8.

The increase in interest costs is mainly relating to the various 2024 loan amendments as further disclosed in note 8.7.

7.5 Income taxes

Income tax expense

EUR	2024	2023
Current income taxes	(280,383)	(465,608)
Total income tax expense	**(280,383)**	**(465,608)**

The following elements explain the difference between the income tax expense at the applicable Group tax rate and the effective income tax expense:

EUR	2024	2023
Loss before tax	**(44,373,234)**	**(32,097,966)**
Tax rate	25%	25%
Income tax expense at the calculated tax rate	**(11,093,309)**	**(8,024,491)**
Effect of non-recognition of tax losses in current year and fair value measurements of financial instruments	(10,812,926)	(7,558,883)
Effective income tax expense	**(280,383)**	**(465,608)**

The tax rate is the domestic rate of tax in Belgium. No income tax was applicable for any items recorded directly in equity or OCI.

Taxes on unremitted earnings

At 31 December 2024 and 2023, there was no recognized deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries. The Group does not expect any distribution of retained earnings to the parent company within the next twelve months.

Deductible temporary differences and available tax loss carry – forwards

Deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized:

EUR	31 December 2024	31 December 2023
Deductible temporary differences for which no deferred tax asset has been recognised	-	-
Belgium	115,871,457	99,073,526
Switzerland	-	-
USA	982,595	785,954
Total unused tax losses	**116,854,051**	**99,859,480**

As of 2019, the unused tax losses are mainly incurred by the Belgian company. As the Company did not generate any taxable profits in the past and due to the fact that there is an uncertainty about the realization of future taxable profits the Company has decided to not recognize a deferred tax asset on the tax losses carried forward. The unused tax losses have no expiration date.

The Group obtained a tax ruling with the Swiss tax authorities. In this tax ruling, it has been agreed that the Swiss branch will be taxable on a cost-plus basis. The cost-plus percentage is 10%. The 2024 estimated tax amount, amounting to CHF 252,654 or EUR 268,438 has been accrued for in the statement of financial position, Other payables.

7.6 Loss per share

The calculation of the basic earnings per share is based on the loss/profit attributable to the holders of ordinary shares and the weighted average number of ordinary shares outstanding during the period.

The Group offers its employee's share-based compensation benefits (see note 9), which may have a dilutive effect on the basic earning per share.
For the purpose of calculating diluted earning per share, the number of ordinary shares shall be the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued in case of conversion into ordinary shares of all instruments that can be converted into ordinary shares.

Due to the losses incurred by the Group, these instruments had an anti-dilutive effect on the loss per share. Instruments that can be converted into ordinary shares shall only be treated as when their conversion into ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

EUR, except number of shares	2024	2023
Net loss attributable to shareholders	(44,653,617)	(32,563,574)
Weighted average number of shares -	36,749,188	26,774,116
Basic loss per share	**(1.22)**	**(1.22)**

8 Detailed information on statement on financial position items

8.1 Cash and cash equivalents

The Group held cash and cash equivalents of EUR 3,807,358 at 31 December 2024 (2023: EUR 2,584,128).

The cash is held with bank and financial institutions which are rated A as a minimum. All investments are highly liquid.

8.2 Trade receivables, other receivables and prepaid expenses

EUR	31 December 2024	31 December 2023
Trade receivables	-	43,075
Other receivables	301,177	312,871
Prepaid expenses	261,898	1,060,578

Other receivables mainly consist of VAT.

The total amount of Prepaid expenses in the statement of financial position amounts to EUR 261,898 (in 2023: EUR 1,060,578). For 2024, this is mainly related to deferred rent, deferred IT license fees and insurances.

8.3 Inventories

Inventories are categorized as follows:

EUR	31 December 2023	31 December 2022
Finished goods	304,432	322,090
Subassembly	298,184	321,229
Components	1,443,633	1,652,354
Total	**2,046,249**	**2,295,673**

As a result of the design transfer required to obtain the FDA PMA approval, an inventory write-down amounting to 320,000 CHF (335,923 EUR) has been recorded in 2024.

No write-downs of inventories to net realisable value have been recorded.

8.4 Property, plant and equipment

Reconciliation of beginning and ending balance by classes of assets:

EUR				Fully owned
	Installation & machinery	Furniture, fixtures & vehicles	Other tangible fixed assets & AUC (1)	Total
Acquisition value				
1 January 2023	**178,251**	**1,345,298**	**510,624**	**2,034,173**
Additions	2,472	72,991	681,842	757,305
Disposals	-	-	-	-
Transfers	-	-	-	-
Currency translation effects	11,420	75,547	4,361	91,328
31 December 2023	**192,143**	**1,493,836**	**1,196,827**	**2,882,806**
Additions	33,208	-	61,992	95,200
Disposals	-	-	-	-
Transfers	-	-	-	-
Currency translation effects	(2,844)	(22,034)	(788)	(25,665)
31 December 2024	**222,508**	**1,471,802**	**1,258,031**	**2,952,340**
Depreciations				
1 January 2023	**94,943**	**746,977**	**55,198**	**897,118**
Additions	13,943	301,791	39,931	355,665
Disposals	-	-	-	-
Currency translation effects	6,707	57,219	2,239	66,165
31 December 2023	**115,593**	**1,105,987**	**97,368**	**1,318,948**
Additions	16,873	224,324	60,413	301,610
Disposals	-	-	-	-
Currency translation effects	(1,788)	(15,826)	(177)	(17,791)
31 December 2024	**130,679**	**1,314,485**	**157,604**	**1,602,768**
				-
Net book value 31 December 2023	**76,550**	**387,848**	**1,099,459**	**1,563,858**
Net book value 31 December 2024	**91,829**	**157,317**	**1,100,427**	**1,349,573**

(1) AUC = Assets Under Construction

EUR	Land & building	Furniture, fixtures & vehicles	Right-of-use Total
Acquisition value			
December 31, 2022	**1,514,542**	**340,927**	**1,855,469**
Additions	68,532	88,737	157,269
Disposals	-	(278,288)	(278,288)
Currency translation effects	-	-	-
December 31, 2023	**1,583,074**	**151,376**	**1,734,451**
Additions	55,106	35,734	90,840
Disposals	(110,151)	(167,091)	(277,242)
Currency translation effects	-	-	-
December 31, 2024	**1,528,029**	**20,019**	**1,548,049**
Depreciations			
December 31, 2022	**694,381**	**230,184**	**924,565**
Additions	230,782	75,862	306,644
Disposals	-	(249,192)	(249,192)
Currency translation effects	-	-	-
December 31, 2023	**925,163**	**56,854**	**982,017**
Additions	301,722	11,958	313,680
Disposals	(110,151)	(61,662)	(171,813)
Currency translation effects	-	-	-
December 31, 2024	**1,116,735**	**7,150**	**1,123,884**
			-
Net book value 31 December 2023	**657,911**	**94,523**	**752,434**
Net book value 31 December 2024	**411,295**	**12,869**	**424,164**

8.5 Other non-current assets

Other non-current assets are composed of R&D incentives, which the Group has applied for starting in 2021. The R&D incentives receivables are future expected tax deductions or refunds resulting from tax incentives on research and development expenses in Belgium. The non-current R&D incentives receivables are discounted over the period until maturity date and therefore reported at net present value. The discount rate applied in 2024 embeds a Belgian OLO rate of 2.30% (2023: 2.18%).

8.6 Share capital, Share Premium and Reserves

8.6.1 Share capital and Share Premium

The share capital of the Company is EUR 4,603,936.18 and is represented by 44,436,192 ordinary shares. The share capital is fully paid-in. During 2024, several capital increases took place.

EUR, except number of shares	Shares	Share capital	Share premium	Total
December 31, 2022	**23,746,528**	**2,460,487**	**170,324,139**	**172,784,626**
April 2023 Equity Placement	4,445,205	460,523	15,319,955	**15,780,478**
Capital increase RSU 10/23	51,020	5,286	327	**5,612**
December 31, 2023	**28,242,753**	**2,926,296**	**185,644,420**	**188,570,716**
March 2024 Equity Placement	7,666,667	794,267	10,705,734	**11,500,001**
Capital increase RSU & Retention Shares 07/24	312,176	32,341	104,310	**136,652**
Capital increase convertible loans Rosetta & PIE 07/2024	4,021,922	416,671	2,901,415	**3,318,086**
Capital increase Retention Shares 10/24	261,346	27,075	1,673	**28,748**
Capital increase convertible loan Belins 11/2024	3,931,328	407,286	2,207,048	**2,614,333**
December 31, 2024	**44,436,192**	**4,603,936**	**201,564,600**	**206,168,536**

At 26 March 2024, the Company announced that in the context of the private placement of new shares that was announced and priced on 20 March 2024, with pricing of EUR 1.50 per new share announced on 21 March 2024, by means of a private placement through an accelerated bookbuilding procedure of new shares, the Company's share capital has increased on 25 March 2024 from EUR 2,926,295.90 to EUR 3,720,562.60 and the number of issued and outstanding shares has increased from 28,242,753 to 35,909,420 shares, through the issuance of a total of 7,666,667 new shares.

2,000,789 of the new shares (representing ca. 7.08% of the currently outstanding shares of the Company were immediately admitted to listing and trading on the regulated market of Euronext Brussels upon their issuance (on the basis of applicable listing prospectus exemptions), while the remaining shares have been admitted to trading and listing on the regulated market of Euronext Brussels after the approval of a listing prospectus by the FSMA.

At 5 July 2024, the Company announced that in the context of (i) a subscription to new shares by certain non-executive independent directors pursuant to the "restricted share unit" or "RSU" plan as approved by the Company's extraordinary shareholders' meeting of 10 February 2023, and (ii) a subscription to new shares by certain members of the Company's management team upon recommendation of the Company's nomination and remuneration committee (including the subscription by the Company's executive management team of EUR 110.409,00 for 73,606 new shares at an issue price per share of EUR 1.50), the Company's share capital has increased on 5 July 2024 from EUR 3,720,562.60 to EUR 3,752,904.03 and the number of issued and outstanding shares has further increased from 35,909,420 to 36,221,596 ordinary shares, through the issuance of a total of 312,176 new shares.

At 10 July 2024, the Company announced that in the context of the confirmation of the contribution in kind of the receivables outstanding under the unsecured and subordinated convertible loan agreement entered into on 7 February 2024 between the Company and existing shareholders Partners in Equity and Rosetta Capital (and as approved in principle by the general shareholders' meeting on 23 May 2024), the Company's share capital has increased on 10 July 2024 from EUR 3,752,904.03 to EUR 4,169,575.15 and the number of issued and outstanding shares has further increased from 36,221,596 to 40,243,518 ordinary shares, through the issuance of a total of 4,021,922 new shares at an issue price per share of EUR 0.825.

At 21 October 2024, the Company announced that in the context of a subscription to new shares by certain members of the Company's management team upon recommendation of the Company's nomination and remuneration committee (including the subscription by the Company's executive management team of EUR 28,748.06 for 261,346 new shares at an issue price per share of EUR 0.11), the Company's share capital has increased on 21 October 2024 from EUR 4,169,575.15 to EUR 4,196,650.60 and the number of issued and outstanding shares has further increased from 40,243,518 to 40,504,864 ordinary shares, through the issuance of a total of 261,346 new shares.

At 14 November 2024, the Company announced that in the context of a contribution in kind of receivables outstanding under the loan agreement entered into on 27 July 2020 between the Company and Belfius Insurance NV (as amended from time to time), the Company's share capital has increased on 13 November 2024 from EUR 4,196,650.60 to EUR 4,603,936.18 and the number of issued and outstanding shares has further increased from 40,504,864 to 44,436,192 ordinary shares, through the issuance of a total of 3,931,328 new shares at an issue price per share of EUR 0.665.

The new shares issued within the framework of the capital increases are common shares with the same rights
and benefits, and in all respects a grade equivalent, including dividend rights, as the existing and outstanding
shares of the Company at the time of their issue.

As of 31 December 2024 the Company does not hold any Treasury shares.

Authorised capital

The Extraordinary General Meeting on May 23, 2024 decided to grant the Board of Director's authorisation to increase the share capital on one or several occasions by a maximum aggregate amount of EUR 3,720,562.60. This authorisation is valid for a period of five years as from the date of publication in the Annexes to the Belgian Official Gazette of an extract of the minutes of the extraordinary general shareholders' meeting of the company held on 23 May 2024.

8.6.2 Reserves

in EUR	Reserves
December 31, 2022	**(2,425,934)**
Other comprehensive income	(355,896)
Transaction costs for equity instruments	(678,215)
Share-based compensation	563,866
December 31, 2023	**(2,896,178)**
Other comprehensive income	(104,947)
Capital increase convertible loans to shares	2,852,573
Transaction costs for equity instruments	(392,959)
Share-based compensation	(179,210)
December 31, 2024	**(720,722)**

At 10 July 2024, the Company announced that in the context of the confirmation of the contribution in kind of the receivables outstanding under the unsecured and subordinated convertible loan agreement entered into on 7 February 2024 between the Company and existing shareholders Partners in Equity and Rosetta Capital (and as approved in principle by the general shareholders' meeting on 23 May 2024), the Company's share capital has increased on 10 July 2024 from EUR 3,752,904.03 to EUR 4,169,575.15 and the number of issued and outstanding shares has further increased from 36,221,596 to 40,243,518 ordinary shares, through the issuance of a total of 4,021,922 new shares at an issue price per share of EUR 0.825. As a consequence, the fair value of the respective convertible loans has been subsequent measured as per 10 July 2024 using the Black and Scholes model. The effect of these fair value adjustments on the 2024 Consolidated Income Statement of the Group is an expense of EUR 1,378,287 for the Partners in Equity convertible loan and EUR 471,797 for the Rosetta Capital convertible loan. The same amount is reclassed to equity so that the net effect on the Group's equity is zero.

At 14 November 2024, the Company announced that in the context of a contribution in kind of receivables outstanding under the loan agreement entered into on 27 July 2020 between the Company and Belfius Insurance NV (as amended from time to time), the Company's share capital has increased on 13 November 2024 from EUR 4,196,650.60 to EUR 4,603,936.18 and the number of issued and outstanding shares has further increased from 40,504,864 to 44,436,192 ordinary shares, through the issuance of a total of 3,931,328 new shares at an issue price per share of EUR 0.665. As a consequence, the fair value of the convertible loan has been subsequent measured as per 14 November 2024 using the Black and Scholes model. The effect of this fair value adjustment on the 2024 Consolidated Income Statement of the Group is an expense of EUR 1,002,489. The same amount goes through reserves in equity so that the net effect on the Group's equity is zero.

The total amount recorded per 31 December 2024 in the reserves resulting from these subsequent fair value adjustments, equals to EUR 2,852,573.

8.7 Financial debts / net debt

8.7.1 Subordinated loan agreements

In July 2020, the Company entered into subordinated loan agreements with PMV/z Leningen NV ("PMV/z" later "PMV Standaardleningen"), Sensinnovat BV ("Sensinnovat") and Belfius Insurance NV

("Belfius Insurance"), for an aggregate principal amount of EUR 7.3 million, of which loans for a principal amount of EUR 1.4 million could be converted for new shares in the event of an equity financing or sale of the Company.

In March 2023, the Company had obtained an amendment to its subordinated debts with PMV/z loans, Belfius Insurance and Sensinnovat BV whereby the repayment of the outstanding amount would not take place in 8 quarterly payments starting on 30 September 2023. Under the amended agreement, the outstanding amount had to be repaid in 4 quarterly payments starting on 30 September 2024. The nominal interest rate was retroactively increased by 0.5%. The result of this amended agreement was that in 2023 the repayment of this subordinated debt had decreased by EUR 1.7 million. The impact of the modification has been recognized in the Condensed Consolidated Income Statement for the 6 months ending 30 June 2023 and was considered as not material.

In February 2024, the Company also entered into amendments in relation to (i) the EUR 4,300,000 partially convertible loan with PMV Standaardleningen NV (formerly known as PMV/z Leningen NV) (the "PMV Loan"), (ii) the EUR 2,000,000 loan with Belfius Insurance NV (the "Belfius Loan"), and (iii) the EUR 400,000 loan with Sensinnovat BV (the "Sensinnovat Loan"). The main amendments to the PMV Loans, the Belfius Loan and the Sensinnovat Loan consist of (a) an extension of the final maturity date to 31 December 2025, (b) a rescheduling of the principal repayments under the relevant loan agreements so that the principal amount outstanding under the loans thereunder will be repaid in four equal monthly instalments starting on 30 September 2025, and (c) an increase of the applicable interest rates under each of the relevant loan agreements with 0.5% per annum (counting as of 1 February 2024).

In September 2024, the Company also entered into amendments in relation to (i) the EUR 4,300,000 partially convertible loan with PMV Standaardleningen NV (formerly known as PMV/z Leningen NV), (ii) the EUR 2,000,000 loan with Belfius Insurance NV, and (iii) the EUR 400,000 loan with Sensinnovat. The main amendments to these loans consist of (a) an increase of the applicable interest rates under each of the relevant loan agreements with 1.0% per annum and (b) including a conversion right allowing each of these lenders to convert all amounts outstanding under its loan into shares of the Company at a conversion price equal to the arithmetic average of the daily volume weighted average trading price per share of the Company's shares traded on Euronext Brussels during the period of thirty (30) consecutive trading days ending on (and including) the third trading day before the date on which the Company has received the equity conversion exercise notice, minus a discount of 25%.

The amendments to the loan agreements were considered as a substantial modification and as a consequence, treated as a debt extinguishment and the recognition of a new financial liability based on the new contractual terms. The difference has been recognised as a financial gain within profit and loss amounting to EUR 106,936.

All subordinated loan agreements described in this section have been concluded with similar terms and conditions on an at arm’s length basis.

At initial recognition, the convertible liabilities have been measured at its fair value. The fair value of the convertible liabilities have been subsequent measured at fair value at 31 December 2024 and the fair value adjustments have been determined at EUR 2,078,344. The fair value adjustments have been reported as ‘Finance cost’ in the Consolidated Income Statement.

8.7.2 Secured loan facility agreement Kreos

In April 2023, the Company had obtained an amendment to its debt financing with Kreos Capital VII (UK) Limited. The amended agreement was subject to a number of conditions. If the Company succeeded in securing equity financing, of at least EUR 15,000,000 and no later than 30 June 2023, capital repayments would be reduced by 75% until 31 December 2023. The end date of the reduced capital repayments might be extended to 31 March 2024 if the company succeeded in starting up the

first clinical site of its MOJAVE study no later than 31 December 2023. If the Company succeeded in completing an additional equity financing (additional to the previously described equity financing no later than 30 June 2023) of at least EUR 20,000,000 no later than 31 December 2023, the capital repayments would be reduced by 50% for an additional period of 6 months.

The agreement was subject to a number of conditions as described before, including an increase of the end of loan payment from 1.25% to 1.75%.

Given the April 2023 Equity placement, the capital repayments have been reduced by 75% until 31 December 2023. In July 2023, the Company succeeded the startup of the first clinical site of its MOJAVE study resulting in an extension of the reduced capital repayments until 31 March 2024.

The April 2023 amendment to the loan agreement was treated as a loan modification.

In February 2024, the Company also entered into an agreement in relation to the amendment of certain repayment and other terms of the EUR 10,000,000 loan with Kreos Capital VII (UK) Limited (together with its affiliates “Kreos”, and the "Kreos Loan")[79].

The main amendments to the Kreos Loan can be summarized as follows:

- Payment holiday: Suspension of the repayment of any principal or interest amounts under the Kreos Loan until the earlier of (i) three months following the date on which the Company has obtained a PMA decision for the **alfa**pump by the US FDA (irrespective whether such decision is positive or otherwise), (ii) date on which the Company has obtained a PMA approval for the **alfa**pump by the US FDA and has completed an equity raise of at least EUR 20.0 million, and (iii) 31 December 2024.
- Maturity date extension: If the Company (i) completes an equity raise resulting in additional cash proceeds of the higher of: (x) EUR 30.0 million, and; (y) such amount as required to provide the Company with cash runway until 31 March 2026 determined by reference to a budget approved by the board at the time of such equity raise, and (ii) receives a PMA approval for **alfa**pump before the payment resumption date, the maturity date of the Kreos Loan would be extended from 30 September 2025 to March 2026.
- Interest rate increase: The applicable interest rate of the Kreos Loan would increase from 9.75% per annum to 11.5% per annum (counting as of 1 February 2024).
- New restructuring fee: Kreos will be entitled to a certain restructuring fee equal to 1.5% of the principal amount outstanding as at 1 February 2024 and accrued interest outstanding as at 31 January 2024, which shall accrue interest of 11.5% per annum until payment.
- Increase of the end of loan fee: The applicable end of loan fee due at expiration of the Kreos Loan would increase from 1.75% to 2.25% of the total principal amount of the Kreos Loan or, if earlier, on prepayment in full of the relevant amount.
- Convertibility feature: 30% of the principal amounts outstanding under the Kreos Loan as at 31 January 2024 will be convertible into new shares of the Company (through a contribution in kind of receivables) at the option of Kreos against a conversion price equal to the lower of (i) the applicable loan conversion price under the Convertible Loan agreement with Partners in Equity and Rosetta Capital, and (ii) the issue price in any other future equity or equity linked investment in the Company completed prior to the conversion of the Kreos Loan.
- Kreos warrants amendment: The Company agreed to submit a proposal to amend the exercise price of the subscription rights (warrants) issued by the Company's extraordinary shareholders' meeting to the benefit of Kreos on 10 February 2023. The amended exercise price would be equal to the lower of (i) the applicable loan conversion price under the Convertible Loan agreement with

[79] BlackRock Inc. announced the completion of its acquisition of Kreos, a leading provider of growth and venture debt financing to companies in the technology and healthcare industries, on 2 August 2023.

Partners in Equity and Rosetta Capital, and (ii) the issue price in any other future equity or equity linked investment in the Company completed prior to the exercise of the relevant warrants.

- Contractual restrictions: The amendments set out in the agreement with Kreos are conditional upon, among other things, the Company's plans to focus on the **alfa**pump business and to pause the DSR product.

Under IFRS 9, the February 2024 amendments to the Kreos loan are considered to be substantially different from the original terms and therefore, the substantial modifications have been accounted for as an extinguishment of the original liability and a recognition of a new non-convertible liability and a convertible liability.

In addition, the convertibility feature where 30% of the principal amounts outstanding under the Kreos Loan as at 31 January 2024 will be convertible into new shares of the Company (through a contribution in kind of receivables) at the option of Kreos against a conversion price equal to the lower of (i) the applicable loan conversion price under the Convertible Loan agreement with Partners in Equity and Rosetta Capital, and (ii) the issue price in any other future equity or equity linked investment in the Company completed prior to the conversion of the Kreos Loan, resulted in the recognition of a new convertible liability.

At initial recognition, the non-convertible liability has been measured at its fair value using the effective interest method.

At initial recognition, the convertible liability has been measured at its fair value using the Monte Carlo valuation model.

In September 2024, the Company also entered into a (non-binding) letter of intent in relation to the amendment of certain repayment and other terms of the EUR 10,000,000 loan with Kreos Capital VII (UK) Limited (together with its affiliates "Kreos", and such loan the "Kreos Loan").80 , resulting in the definitive agreement on December 2, 2024. The main amendments to the Kreos Loan can be summarized as follows:

- *Repayment holiday*: All payments required by the Company under the Kreos Loan (including both capital and interest payments) will be postponed until 1 July 2025 (the "Payment Resumption Date"). On the Payment Resumption Date, payments shall resume in cash in full as monthly repayments of principal and interest to the final repayment date of 1 September 2025 (the "Final Repayment Date"), subject to any extension to the Final Repayment Date. In the event that the Company does not receive at least EUR 3,000,000 in cash (i.e., the second tranche of the Convertible Bridge Loan), or from a third party on substantially similar terms and no worse economic terms as the Convertible Bridge Loan Agreement, by no later than 4:00 p.m. on 30 November 2024, there will be an event of default under the Kreos Loan. The Final Repayment Date can, subject to certain conditions, be extended to 31 March 2026.
- *Mandatory prepayment*: If the Company or DSRCo achieves an investment into DSRCo of at least EUR 7,500,000 pursuant to a Hive-Down Future Investment, the Company shall repay at least

[80] BlackRock Inc. announced the completion of its acquisition of Kreos, a leading provider of growth and venture debt financing to companies in the technology and healthcare industries, on 2 August 2023.

EUR 4,000,000 of principal outstanding under the Kreos Loan (without any early prepayment penalty).

- *Interest rate*: Interest shall continue to accrue at 11.5% per annum.
- *New restructuring fee*: Upon execution of an amendment and restatement agreement, a one-off restructuring fee of EUR 200,000 shall be applied to the principal amount outstanding under the Kreos Loan as of 1 September 2024, which shall accrue interest at the interest rate and in accordance with the terms of the Kreos Loan until repayment.
- *Hive-Down*: Any Hive-Down shall be permitted, but subject to certain agreed conditions, including with respect to Kreos's existing first ranking security over all the assets the Company and its subsidiaries, including intellectual property.
- *Kreos Conversion*: If the Company or DSRCo raises equity or a convertible or exchangeable investment pursuant to a Hive-Down Future Investment, EUR 1,000,000 of principal amount outstanding under the Kreos Loan shall be converted into shares or convertible or exchangeable debt of DSRCo at mutatis mutandis the same terms.
- *Board observer*: A representative of Kreos shall be appointed as a board observer within 10 business days of entry into an amendment and restatement agreement.
- *Financial covenant*: Following the satisfaction of the conditions for the extension of the Final Repayment Date from 1 September 2025 to 31 March 2026, the Company shall ensure that it maintains sufficient cash runway up to and including 31 March 2026.

Under IFRS 9, the December 2024 amendments to the Kreos loan are considered to be substantially different from the original terms and therefore, the substantial modifications have been accounted for as an extinguishment of the original liability and a recognition of a new non-convertible liability and a convertible liability. In addition, the convertibility feature where 30% of the principal amounts outstanding under the Kreos Loan as at 31 January 2024 will be convertible into new shares of the Company (through a contribution in kind of receivables) at the option of Kreos against a conversion price equal to the lower of (i) the applicable loan conversion price under the Convertible Loan agreement with Partners in Equity and Rosetta Capital, and (ii) the issue price in any other future equity or equity linked investment in the Company completed prior to the conversion of the Kreos Loan, resulted in the recognition of a new convertible liability.

Also the Kreos Conversion whereby EUR 1,000,000 of principal amount outstanding under the Kreos Loan can be converted into shares or convertible or exchangeable debt of DSRCo, resulted in the recognition of a new convertible liability.

The debt extinguishment resulted in a financial gain within the consolidated profit and loss statement amounting to EUR 2,741,180.

At initial recognition, the non-convertible liability has been measured at its fair value using the effective interest method.

At initial recognition, the convertible liability has been measured at its fair value using the Monte Carlo valuation model and has been determined at EUR 2,222,373. The fair value of the convertible liability has been subsequent measured at fair value at 31 December 2024 and has been determined at EUR 12,021,375. The fair value adjustment amounting to EUR 9,799,002 has been reported as ‘Finance cost’ in the Consolidated Income Statement.

In the framework of the Kreos Loan Agreement, the Company and Kreos Capital VII Aggregator SCSp entered into a subscription rights agreement in July 2022 (the "Kreos Subscription Rights Agreement") pursuant to which the Company agreed to issue and allocate subscription rights to Kreos Capital VII

Aggregator SCSp (the "Kreos Subscription Rights") to subscribe to new shares of the Company, approved by the extraordinary general shareholders' meeting on 10 February 2023.

On 20 December 2024, the extraordinary general shareholders' meeting approved the issuance of the "New Kreos Subscription Rights" and the cancellation of the outstanding "Kreos Subscription Rights" issued on 10 February 2023.

We refer to section 8.8.2. Kreos subscription rights and section 14 Events after the reporting period for more information.

8.7.3 Unsecured subordinated convertible loan agreements

On 30 September 2024, the Company announced an unsecured subordinated convertible loan of up to EUR 6.1 million from existing shareholders, with an initial tranche of EUR 3.05 million. This financing was subsequently increased to EUR 7.6 million through the support of additional existing shareholders and the receipt of the second tranche from all participating investors.

At initial recognition, the convertible liabilities have been measured at its fair value using the Black and Scholes valuation model. The fair value of the convertible liabilities have been subsequent measured at fair value at 31 December 2024 using the Black and Scholes valuation model and has been determined at EUR 14,906,820. The fair value adjustments amounting to EUR 6,534,520 have been reported as 'Finance cost' in the Consolidated Income Statement.

The table below contains an analysis of the net financial debt and the relevant movements for the periods presented. The amounts disclosed in the table are substantially different to the undiscounted contractual cash flows due to the subsequent fair value measurements explained above.

in EUR	2024	2023
Cash and cash equivalents	3,807,358	2,584,128
Borrowings - repayable within one year	(39,698,239)	(7,818,288)
Borrowings - repayable after one year	-	(8,968,649)
Net financial debt	**(35,890,881)**	**(14,202,809)**

EUR	Cash and cash equivalents	Borrowings due within 1 year	Borrowings due after 1 year
Net financial debt as per 31 December 2022	**18,874,959**	**4,482,914**	**12,192,829**
Cash flows	(16,324,000)	(982,417)	-
Fair value adjustment at inception date (non-cash item)	-	-	
Paid interest (cash item)	-	-	(928,914)
Interest expenses accrued on non-convertible loans (non-cash item)	-	-	1,978,073
Transfer (non-cash item)	-	4,317,792	(4,317,792)
Converted to equity (non-cash item)	-		
Remeasurement at FVTPL on convertible loans (non-cash item)	-	-	44,453
Foreign exchange impact (non-cash item)	33,169	-	-
Net financial debt as per 31 December 2023	**2,584,128**	**7,818,289**	**8,968,649**
Net financial debt as per 31 December 2023	**2,584,128**	**7,818,289**	**8,968,649**
Cash flows	1,197,031	(157,741)	
Fair value adjustment at inception date (non-cash item)	-	4,761,371	
Paid interest (cash item)	-	(162,162)	
Interest expenses accrued on non-convertible loans (non-cash item)	-	916,754	
Interest expenses accrued on convertible loans (non-cash item)		1,092,529	
Transfer (non-cash item)	-	8,968,649	(8,968,649)
Converted to equity (non-cash item)	-	(2,480,667)	
Remeasurement at FVTPL on convertible loans (non-cash item)	-	18,941,216	
Foreign exchange impact (non-cash item)	26,199		
Net financial debt as per 31 December 2024	**3,807,358**	**39,698,239**	**-**

The loans are presented in the statement of financial position as follows:

EUR	31 December 2024	31 December 2023
Fair value of convertible loans issued at recognition date	18,720,476	800,000
Conversion convertible loan to shares	(2,480,667)	-
Cumulative remeasurement at FVTPL on convertible loans	18,941,216	179,453
Total convertible loans	**35,181,025**	**979,453**
Fair value of non-convertible loans	3,600,460	15,133,363
Subordinated loan agreements		*5,900,000*
Kreos loan agreement	*3,600,460*	*9,233,363*
Cumulative interest expenses accrued on non-convertible loans (amortized cost)	916,754	2,291,466
Paid interest Kreos loan agreement		(1,243,430)
Advance payment Kreos loan agreement		(373,915)
Total non-convertible loans	**4,517,214**	**15,807,484**
Total short term and long term financial debt	**39,698,239**	**16,786,937**

8.7.4 Leases

The lease debts are presented in the statement of financial position as follows:

EUR	31 December 2024	31 December 2023
Long term lease debts	357,902	464,231
Short term lease debts	55,389	268,604
Total	**413,291**	**732,835**

The amounts recognized in the income statement related to depreciation of these right-of-use assets are as follows:

Leases	
Buildings	301,722
Vehicles	9,098
IT equipment	2,860
Total	**313,680**

The expenses related to low-value leases and variable lease payments not recognised as lease liability are considered not to be material.

8.8 Other current financial liabilities

8.8.1 Bootstrap warrants

The extraordinary general shareholders' meeting of the Company dd. 27 May 2022 approved the issuance of 10 new subscription rights for shares of the Company, named the "Bootstrap Warrants", to the benefit of Bootstrap Europe S.C.Sp. ("Bootstrap"), as initially stipulated in the Bootstrap Loan Agreement dd. 2 September 2016 (as amended over time).

The Bootstrap Warrants give Bootstrap the right to subscribe upon exercise of the 10 Bootstrap Warrants for an aggregate of up to 302,804 new shares of the Company at an issue price of EUR 3.21 per underlying new share, in whole or in part, at one or several occasions (the 'Cash Exercise'). The conditions also provide for a 'Cashless Exercise' and, in case of specific sale events, a 'Net Issuance Exercise' mechanism. The number of shares to be issued upon exercise of the Bootstrap is subject to certain adjustments in case of certain dilutive corporate actions, it being understood that transactions or operations approved by the general shareholders' meeting of the Company or which are implemented or occur on the basis of an authorization that was provided or approved by the general shareholders' meeting (such as, but not limited to, the authorized capital) shall not lead to such adjustments.

It is at the sole discretion of Bootstrap to apply for a Cash Exercise or a Cashless Exercise.

The exercise price of the Bootstrap Warrants depends on the applicable exercise mechanism:

- In the event of a Cash Exercise, the Bootstrap Warrants can be exercised at a price of EUR 3.21 per new share. This exercise price is subject to certain adjustments in case of certain dilutive corporate actions, it being understood that transactions or operations approved by the general shareholders' meeting of the Company or are implemented or occur on the basis of an authorisation that was provided or approved by the general shareholders' meeting (such as, but not limited to, the authorised capital) shall not lead to adjustments;
- In the event of a Cashless Exercise, the Bootstrap Warrants can be exercised at a price equal to the fractional value of the shares of the Company, i.e., currently rounded EUR 0.1036 per share; and
- In the event of a Net Exercise, no exercise price should be paid by Bootstrap.

The Bootstrap Warrants have a term commencing on 27 May 2022 and ending on 11:59 p.m. (Belgian time) on 2 September 2026.

Bootstrap shall be entitled to transfer or assign the Bootstrap Warrants, except to an entity that is a customer, competitor or supplier of the Company, or an entity that holds 20% or more of the Company's share capital of any such customer, competitor or supplier.

The Bootstrap Warrants are accounted for in accordance with 'IAS 32 - *Financial Instruments: Presentation*' (measurement category: derivative financial instruments at FVTPL) and are classified in the Consolidated Statement of Financial Position as '*Other current financial liabilities*'. The fair value of the Bootstrap Warrants as at 31 December 2024 amounts to EUR 159,632 (2023: EUR 447,850) and the fair value adjustment amounting to EUR 288,218 has been reported as '*Finance income* ' in the Consolidated Income Statement.

The fair value of the Bootstrap Warrants as at 31 December 2024 has been calculated using the Black & Scholes model with parameters as described in below table.

	Bootstrap warrants
Number of warrants granted	10
Fair value / warrant (in EUR)	0.53
Share price (in EUR)	1.07
Exercise price (in EUR)	3.21
Expected volatility	153%
Lifetime (in years)	3
Risk-fee interest rate	2.29%
Expected dividends	0%

The expected volatility is based on the volatility of the Company's shares.

The share price is calculated, in line with the terms and conditions of the Bootstrap Warrants, as the average of the closing price of the Company's shares on Euronext Brussels over the 30 calendar day period ending 3 days prior to the balance sheet date.

8.8.2 Kreos subscription rights

In the framework of the Kreos Loan Agreement, the Company and Kreos Capital VII Aggregator SCSp entered into a subscription rights agreement in July 2022 (the "Kreos Subscription Rights Agreement") pursuant to which the Company agreed to issue and allocate subscription rights to Kreos Capital VII Aggregator SCSp (the "Kreos Subscription Rights") to subscribe to new shares of the Company. Notably, subject to approval by the Company's extraordinary general shareholders' meeting at the latest at the date of the annual shareholders' meeting of the Company to be held in 2023, Kreos Capital shall receive, free of charge, (a) subscription rights for new shares in an aggregate amount of EUR 650,000, at an exercise price per new Share equal EUR 5.31 (based on the arithmatic average of the daily volume weighted average price of the Shares traded on Euronext Brussels during the period of 30 consecutive tradings ending on (and including) the third trading days prior to the date of signing of the Kreos Loan Agreement), and (b) further subscription rights for new Shares for an aggregate amount of up to EUR 225,000 pro rata to the drawdowns under the initial facility, at an exercise price per new Share equal to the arithmatic average of the daily volume weighted average price of the Shares traded on Euronext Brussels during the period of 30 consecutive tradings ending on (and including) the third trading days prior to the date of the relevant drawdowns. The subscription rights have an initial term which expires five years after the date of the Kreos Loan Agreement or (if earlier) the completion of (i) a public takeover bid with respect to the Shares and other outstanding voting securities of the Company or securities granting access to voting rights, or (ii) a sale of the entire issued share capital of the Company to a bona fide third party on arm's length terms for cash consideration

(a "Share Sale"). If at the end of the initial five-year period the subscription rights have not been fully exercised and no Share Sale has yet taken place, the Company will issue new subscription rights on similar terms for an additional period of two years (or until the completion of a Share Sale, if earlier).

The Extraordinary General Meeting, dated 10 February 2023 approved the related clause.

On 20 December 2024, the extraordinary general shareholders' meeting resolved to approve the cancellation of the 875,000 Original Kreos Subscription Rights issued 10 February 2023, and in view of this cancellation to approve (i) the issuance of the 875,000 New Kreos Subscription Rights to the benefit of Kreos (and its permitted successors and assigns) (giving the holder the right to subscribe to new shares of the Company for an aggregate maximum issue price of EUR 875,000.00) exercisable at an exercise price per underlying new share equal to the lowest subscription price paid or agreed to be paid for a share in the share capital of the Company pursuant to any round of equity financing (or other financing convertible or exchangeable into equity) by the Company (taking into account any discounts including those arising on conversion or cancellation or indebtedness and/or interest thereon, but not taking into account any further anti-dilution adjustment mechanisms included in such rights or securities) prior to the exercise of the New Kreos Subscription Rights, and subject to certain exempted events (set out below in section (a)) that shall not be taken into account when determining the applicable exercise price per underlying new share, and (ii) dis-apply, in the interest of the Company and for the purposes of the issuance of the New Kreos Subscription Rights, the preferential subscription right of the existing shareholders of the Company and, as far as needed, of the holders of outstanding subscription rights (share options) of the Company, to the benefit of Kreos (and its permitted successors and assigns).

The main terms of the New Kreos Subscription Rights can, for information purposes, be summarised as follows:

(i) Subscription rights for ordinary shares : The 875,000 New Kreos Subscription Rights give the holder the right to subscribe to new shares of the Company for an aggregate maximum issue price of EUR 875,000.00 at an exercise price per underlying new share equal to the lowest subscription price paid or agreed to be paid for a share in the share capital of the Company pursuant to any round of equity financing (or other financing convertible or exchangeable into equity) by the Company (taking into account any discounts including those arising on conversion or cancellation or indebtedness and/or interest thereon, but not taking into account any further anti -dilution adjustment mechanisms included in such rights or securities) prior to the exercise of the New Kreos Subscription Rights, provided, however, that any subscription or issue price paid, or agreed to be paid, in the framework of the following transactions shall not be considered when determining the aforementioned exercise price:

(A) the issuance of new shares or other securities that, directly or indirectly, can be exercised, converted or exchanged for shares in the Company (and the issuance of shares pursuant to such exercise, conversion or exchange) within the framework of a share based incentive plan for members of the personnel as defined in article 1:27 of the Belgian Companies and Associations Code, whether issued, created or put in place before or after 8 July 2024; or

(B) the issuance of new shares in the Company pursuant any of the other warrants or subscription rights issued by the Company prior to 8 July 2024.

The abovementioned exercise price per new share underlying the New Kreos Subscription Rights is subject to certain adjustments in case of any sub-division (or stock split) or consolidation (or reverse stock split), as set out in the New Conditions. The abovementioned New Kreos Subscription Rights may be exercised in whole or in part, it being understood that New Kreos Subscription Rights cannot be exercised with respect to fractions of shares. The New Conditions also provide that on one occasion only, in lieu of the payment in cash of the relevant aggregate exercise price for each of the relevant shares issuable, Kreos may in respect of all of the shares that would otherwise be issuable elect to

receive a reduced number of shares, to be issued to Kreos as fully paid up, which reduced number of shares shall be determined in accordance with the formula included in New Condition 6.3.3 and described in the report of the board of directors referred to in item 1(a) of the agenda (the "Net Issuance Exercise").

In case of Net Issuance Exercise, the relevant shares will be issuable against an issue price equal to the fractional value of the Company's shares at that time (currently rounded EUR 0.1036 per share).

(ii) Duration: The New Kreos Subscription Rights have an initial term commencing on the date on which the New Kreos Subscription Rights have been issued and expiring on 19 July 2027, at 12 a.m., or (if earlier) the completion of (i) a public takeover bid in respect of the Company's shares and other outstanding voting securities of the Company or securities granting access to voting rights, or (ii) a sale of the entire issued share capital of the Company to a bona fide third party on arm's length terms for cash consideration (a "Share Sale"). To the extent that the New Kreos Subscription Rights have not, or only partly, been exercised by 19 July 2027 and provided that no Share Sale has taken place prior to such expiry date, the Company will issue a number of new subscription rights calculated by subtracting the number of New Kreos Subscription Rights already exercised, at conditions that shall be mutatis mutandis the same as the New Conditions, for an additional period of two years. The aforementioned new subscription rights cannot be exercised prior to the expiry of the New Kreos Subscription Rights.

(iii) Transferability: Kreos shall be entitled to transfer or assign the New Kreos Subscription Rights. Notwithstanding the foregoing, Kreos (i) should notify the Company of its intent to transfer the New Kreos Subscription Rights, and (ii) Kreos shall not be entitled to transfer the New Kreos Subscription Rights to an entity that is a customer, competitor or supplier of the Company or a group company, or an entity that holds 20% or more of the share capital of any such customer, competitor or supplier.

(c) Underlying shares: The New Kreos Subscription Rights shall entitle the holder thereof to subscribe for new ordinary shares to be issued by the Company at the occasion of the exercise of the New Kreos Subscription Rights. The new ordinary shares shall be issued as fully paid up, shall have the same rights and benefits as, and rank pari passu in all respects, including as to entitlements to dividends and other distributions, with, the existing and outstanding ordinary shares of the Company at the moment of their issuance, 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) Disapplication of the preferential subscription right to the benefit of Kreos (and its permitted successors and assigns) : The general shareholders' meeting resolved, in accordance with Articles 7:191 and 7:193 of the Belgian Companies and Associations Code, to dis-apply, in the interest of the Company, the preferential subscription right of the existing shareholders of the Company and, as far as needed, of the holders of outstanding subscription rights (share options) of the Company, to the benefit of Kreos (and its permitted successors and assigns), and to issue the New Kreos Subscription Rights to Kreos, as further explained in the report of the board of directors.

(e) Capital increase and allocation of the exercise price : Upon each exercise of the New Kreos Subscription Rights and the resulting issuance of new shares, the Company's share capital will be increased. Subject to, and in accordance with, the provisions of the New Conditions, upon exercise of the New Kreos Subscription Rights and issue of new shares, the aggregate amount of the applicable exercise price of the relevant New Kreos Subscription Rights will be allocated to the share capital of the Company. If the applicable issue price, per underlying new share issued, is greater than the fractional value of the existing shares immediately prior to the capital increase, then the applicable aggregate issue price shall be allocated in such a manner that per new share issued (i) a part of the applicable aggregate issue price equal to the fractional value of the existing shares immediately prior to the capital increase shall be booked as share capital, and (ii) the balance of the applicable aggregate issue price shall be booked as issue premium. 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. Following the issue of the new shares and the capital increase resulting therefrom, each of the shares (existing and new) shall represent the same fraction of the Company's share capital.

The Kreos subscription rights are accounted for in accordance with 'IAS 32 - *Financial Instruments: Presentation*' (measurement category: derivative financial instruments at FVTPL) and are classified in the Consolidated Statement of Financial Position as '*Other current financial liabilities*'.

The fair value of the Kreos 2024 subscription rights at inception has been calculated using the Monte Carlo model and has been determined at EUR 3,923,644. Subsequent measurement at 31 December 2024 resulted in a fair value adjustment amounting to EUR 589,896 and has been reported as 'Finance cost' in the Consolidated Income Statement.

The fair value of the Kreos 2024 subscription rights as at 31 December 2024 has been calculated using the Black & Scholes model with parameters as described in below table.

	Kreos 2024 subscription rights
Number of warrants granted	875,000
Fair value / warrant (in EUR)	2.88
Share price (in EUR)	3.06
Exercise price (in EUR)	0.56
Expected volatility	153%
Lifetime (in years)	3
Risk-fee interest rate	2.30%
Expected dividends	0%

The expected volatility is based on the volatility of the Company's shares.

The share price applied aligns with the closing price of the Company's shares on Euronext Brussels on the balance sheet date.

8.8.3 2023 Investor Warrants

At 27 April 2023, the Company announced that it successfully raised an amount of EUR 15.78 million in gross proceeds by means of a private placement of new shares and subscription rights (the " 2023 Investor Warrants"), at a ratio of one (1) new subscription right per four (4) new shares, via an accelerated bookbuild offering of 4,445,205 new shares (being approximately 18.72% of the Company's current outstanding shares) at an issue price of EUR 3.55 per new share and 1,111,294 new subscription rights (if exercised into 1,111,294 new shares, representing approximately 4.68% of the Company's current outstanding shares) at an exercise price of EUR 5.10 per underlying new share. For more information, refer also to note 9.2 Share capital and Share Premium. The 2023 Investor Warrants are accounted for in accordance with 'IAS 32 - Financial Instruments: Presentation' (measurement category: derivative financial instruments at FVTPL) and are classified in the Consolidated Statement of Financial Position as 'Other current financial liabilities'.

The fair value at initial recognition of the 2023 Investor Warrants has been calculated using the Black & Scholes model.

The fair value of the 2023 Investor Warrants as at 31 December 2023 has been determined at EUR 1,995,760. Subsequent measurement at 31 December 2024 resulted in a fair value adjustment

amounting to EUR 718,390 and has been reported as 'Finance cost' in the Consolidated Income Statement.

The fair value of the 2023 Investor Warrants as at 31 December 2024 has been calculated using the Black & Scholes model with parameters as described in below table.

	2023 Investor Warrants
Number of warrants granted	1,111,294
Fair value / warrant (in EUR)	2.44
Share price (in EUR)	3.06
Exercise price (in EUR)	5.10
Expected volatility	153%
Lifetime (in years)	4
Risk-fee interest rate	2.30%
Expected dividends	0%

The expected volatility is based on the volatility of the Company's shares. The share price applied aligns with the closing price of the Company's shares on Euronext Brussels on the balance sheet date.

8.9 Post-employment benefits

The Group operates different employee benefit plans. The plans for all three countries, Switzerland, Germany and Belgium, remained unchanged compared to end of 2022.

8.9.1 Pension plan in Switzerland

This pension plan is governed by the Swiss Federal Law on Occupational Retirement, Survivor's and Disability Pension Plans (BVG), which states that pension plans are to be managed by independent, separate legal entities. It also stipulates that a pension plan's most senior governing body (Board of Trustees) must be composed of equal numbers of employee and employer representatives.

Plan participants are insured against the financial consequences of old age, disability and death. The insurance benefits are subject to regulations, with the BVG specifying the minimum benefits that are to be provided. The employer and employees pay contributions to the pension plan. If a plan is underfunded, various measures can be taken, such as a reduction of the interests or compensation premiums by the employees.

The Group has entered into an agreement with PKG Joint Foundation. PKG is responsible for the governance of the plan; the Board is composed of an equal number of representatives from the employers and employees chosen from all affiliated companies. PKG has set up investment guidelines, defining in particular the strategic allocation with margins. PKG has taken out reinsurance for the pure risk benefits, like disability pension, spouse and orphans pension as well as lump sum in case of death.

Related plan assets are measured at fair value.

Reconciliation of the amount recognised in the statement of financial position at the end of period	**2024**	**2023**
Defined benefit obligation	4,417,858	4,347,759
Fair value of plan assets	3,663,840	3,679,969
Deficit	754,018	667,791
Net defined benefit liability	**754,018**	**667,791**

The net defined benefit liability[81] increased from EUR 667,797 in 2023 to EUR 753,997 in 2024, mainly as a result of the decreased discount rate.

Components of defined benefit cost in profit or loss	2024	2023
Current service cost (employer)	335,728	261,352
Plan amendment / Past Service Cost	(121,696)	55,981
Interest expense on defined benefit obligation	65,948	72,178
Interest income on plan assets	(56,210)	(66,860)
Administration cost excl. cost for managing plan assets	11,348	13,254
Defined benefit cost recognised in profit or loss	**235,118**	**335,904**
thereof service cost and administration cost	225,381	330,586
thereof net interest on the net defined benefit liability (asset)	9,738	5,318

The present value of the defined benefit obligation is determined annually by independent actuaries using the projected unit credit method.

Defined benefit obligation (DBO)[82]

The difference between the reconciliation and the valuated defined benefit obligation as of 31 December 2024 corresponds to an actuarial loss of EUR 392,392. The changes in financial assumptions led to an actuarial loss of EUR 349,211. The changes in demographic assumptions led to an actuarial loss of EUR 43,181. The changes in experience adjustments had not impact. These three components led to a total actuarial loss of EUR 392,392.

The plan assets are carried forward until 31 December 2024 taking into consideration employees' and employer's contributions as well as paid benefits and are compared with the assets of the pension fund. The difference between the carried forward plan assets and the plan assets as of 31 December 2024 corresponds to an actuarial loss of EUR 273,825.

The total actuarial loss of EUR 118,567 (loss on defined benefit obligations of EUR 392,392 and gain on plan assets of EUR 273,825) have been recognized in OCI.

Components of defined benefit cost in OCI	2024	2023
Actuarial (gain) / loss on defined benefit obligation	392,392	547,606
Return on plan assets excl. interest income	(273,825)	(161,782)
Defined benefit cost recognised in OCI	**118,567**	**385,825**

Components of actuarial gain/losses on obligations	2024	2023
Actuarial (gain) / loss arising from changes in financial assumptions	349,211	503,387
Actuarial (gain) / loss arising from changes in demogr. assumptions	43,181	44,220
Actuarial (gain) / loss arising from experience adjustments	-	-
Actuarial (gain) / loss on defined benefit obligation	**392,392**	**547,606**

[81] Immaterial rounding differences are possible between the underlying actuarial tables and the statement of financial position information due to the foreign currency translation of the source actuarial tables, which are initially prepared in CHF, to EUR.
[82] Immaterial rounding differences are possible between the underlying actuarial tables and the statement of financial position information due to the foreign currency translation of the source actuarial tables, which are initially prepared in CHF, to EUR.

Reconciliation in net defined benefit liability	2024	2023
Net defined benefit liability at 1.1.	636,315	228,185
Defined benefit cost recognised in profit or loss	235,118	335,904
Defined benefit gain recognised in OCI	117,149	367,639
Contributions by the employer	(256,440)	(298,446)
Currency translation adjustments	-	-
Net defined benefit liability at 31.12.	**745,005**	**636,315**

Reconciliation of defined benefit obligation	2024	2023
Defined benefit obligation at 1.1.	4,103,613	2,950,140
Interest expense on defined benefit obligation	65,948	72,178
Current service cost (employer)	335,728	261,352
Contributions by plan participants	256,440	298,446
Plan amendment / Past Service Cost	(121,696)	55,981
Benefits (paid) / deposited	(796,993)	(69,533)
Administration cost (excl. cost for managing plan assets)	11,348	13,254
Actuarial (gain) / loss on defined benefit obligation	387,702	521,796
Currency translation adjustments	-	-
Defined benefit obligation at 31.12.	**4,242,090**	**4,103,613**

Reconciliation of fair value of plan assets	2024	2023
Fair value of plan assets at 1.1.	3,470,332	2,721,955
Interest income on plan assets	56,210	66,860
Contributions by the employer	256,440	298,446
Contributions by plan participants	256,440	298,446
Benefits (paid) / deposited	(796,993)	(69,533)
Return on plan assets excl. interest income	270,552	154,157
Currency translation adjustments	-	-
Fair value of plan assets at 31.12.	**3,512,981**	**3,470,332**

Contributions are paid regularly to the pension funds. Furthermore, the investment strategy respects the need to guarantee the liquidity of the plan at all times. The Group does not make use of any assets held by the pension plan.

Maturity profile of defined benefit obligation	2024	2023
Weighted average duration of DBO in years	19.6	18.0

There are no retired plan participants for the years 2024 and 2023.

For the reporting year 2025, employer contributions of EUR 205,600 are expected.

Significant actuarial assumptions:

Actuarial assumptions	2024	2023
Discount rate (DR) at 1.1.	1.50%	2.30%
Discount rate (DR) at 31.12.	1.00%	1.50%
Interest rate on retirement savings capital (IR) at 31.12.	2.00%	2.00%
Future salary increases (SI) at 31.12.	1.00%	1.75%
Future pension increases (PI) at 31.12.	0.00%	0.00%
Future inflation at 31.12.	~0.75%	~1.50%
Mortality tables	BVG 2020 GT	BVG 2020 GT
Date of last actuarial valuation	12/31/2024	12/31/2023

Sensitivities of significant actuarial assumptions

The following impacts on the defined benefit obligation would result from changes in actuarial assumptions:

Sensitivity	2024	2023
DBO = Defined benefit obligation, SC = Service cost (employer)		
DBO at 31.12. with DR -0.25%	4,661,145	4,535,596
DBO at 31.12. with DR +0.25%	4,192,520	4,163,562
DBO at 31.12. with IR -0.25%	4,311,205	4,267,407
DBO at 31.12. with IR +0.25%	4,515,717	4,420,389
DBO at 31.12. with SI -0.25%	4,466,632	4,389,011
DBO at 31.12. with SI +0.25%	4,370,412	4,297,683
DBO at 31.12. with life expectancy +1 year	4,510,356	4,437,633
DBO at 31.12. with life expectancy -1 year	4,317,077	4,445,603
SC of next year with DR +0.25%	254,690	355,008
SC of next year with IR +0.25%	287,858	394,403

The sensitivity analysis is based on reasonable possible changes as at the end of the reporting year. Each change in a significant actuarial assumption was analysed separately as part of the test. Interdependencies were not taken into account.

8.9.2 Pension plan in Belgium

According to IAS 19, Defined Contribution plans are those, which do not bear any financial or actuarial risks. All the plans, which do not meet this definition, are Defined Benefit Plans.

Article 24 of the Belgian WAP/LPC obliges employers to ensure that plan members receive, when leaving the plan, at least the amount of the contributions capitalized at the statutory guaranteed minimum rate. As a result, the Belgian Defined Contribution plans do not meet the definition of Defined Contribution plans as stated in IAS-19 and should, by default, be classified as Defined Benefit plans.

According to IAS 19, the net (i.e. before taxes and social security contributions) total pension obligation at valuation date is equal to the Defined Benefit Obligation (DBO). For a given participant, the DBO “retirement” is the maximum between the individual vested reserves at valuation date and the discounted value of future pension obligations, taking into account the assumptions made.

According to IAS 19, the net total obligation must be compared to the plan assets at the same date, namely the vested mathematical reserves of the participants increased by the assets of the financing

fund at AXA if any. The comparison of these amounts gives the amount of the net Defined Benefit Liability (DBL), which represents the net deficit at the valuation date, according to IAS 19:

Net DBL = - (DBO - Assets)

The gross Defined Benefit Liability is equal to the net Defined Liability increased by the Belgian tax of 4,40% and the Belgian social security contribution of 8,86%, namely a total of 13,26%.

Per 31 December 2024, the Net Defined Benefit Liability equals to EUR 0 (2023: EUR 0).

As per 31 December 2024, there are no employees in the plan.

Funded status and recognised/unrecognised amounts	2024	2023
Defined Benefit Obligation at end of year	212,391	212,391
Fair value assets at end of year	212,391	212,391
Funded status: plan assets above/(below) DBO		-
Unrecognised net (gain)loss		-
Unrecognised past service costs		-
Unrecognised net transition obligation/(asset)		-
Unrecognised balance sheet asset (because of limit)		-
Defined benefit Liability at end of year	**-**	**-**

The contributions recognised in 2024 for the defined contribution plan in Belgium amounted to EUR 12,955 (2023: 38,780).

For the reporting year 2025, no employer contributions are expected.

In view of materiality, Sequana Medical NV decided not to disclose any additional information regarding the pension plan in Belgium.

8.9.3 Pension plan in Germany

The contributions paid to the defined contribution plan in Germany amounted to EUR 2,081 (2023: EUR 5,033).

8.10 Trade payables, other payables and accrued liabilities

EUR	31 December 2024	31 December 2023
Trade payables	**1,888,948**	**2,736,617**
Other payables	**1,692,594**	**2,256,685**
Accrued liabilities	**2,488,396**	**3,447,728**
Provision warranty	*16,382*	*79,988*
Accrued liabilities	*2,472,014*	*3,367,740*

Other payables mainly consist of salary related provisions, VAT, income taxes payable, social security, employee insurances and other employee provisions (e.g. holiday pay and bonus).

The total amount of Accrued Liabilities in the Consolidated Statement of Financial Position amounts to EUR 2,488,396 (in 2023: EUR 3,447,728) and are mainly accruals related to clinical expenses and other liabilities.

9 Share-based compensation

The following table sets forth a summary of subscription rights outstanding and exercisable on 31 December 2024 per subscription right plan:

Subscription right plan	Grant date	Expiry date	Exercise price (€) - (1)	Outstanding per 1 January 2024	Granted during the year	Exercised during the year	Forfeited during the year	Expired during the year	Outstanding per 31 December 2024	Exercisable per 31 December 2024
Executive share options - CEO (2)	9/27/2018	9/27/2028	0.92	75,025	-	-	-	-	75,025	75,025
Executive share options - other (2)	9/30/2018	9/30/2028	9.19	15,755	-	-	-	-	15,755	15,755
2018 Share Options	2/13/2019	2/13/2029	7.46	170,808	-	-	30,672	-	140,136	140,136
2018 Share Options	5/24/2019	2/13/2029	6.22	10,192	-	-		-	10,192	10,192
2018 Share Options	8/20/2019	2/13/2029	6.78	-	-	-		-	-	-
2018 Share Options	7/30/2020	2/13/2029	6.19	249,898	-	-	92,112	-	157,786	157,786
2018 Share Options	1/5/2021	2/13/2029	8.61	50,000	-	-		-	50,000	50,000
2018 Share Options	3/23/2021	2/13/2029	8.38	217,600	-	-	67,600	-	150,000	150,000
2018 Share Options	7/29/2021	2/13/2029	7.88	20,000	-	-		-	20,000	20,000
2018 Share Options	3/22/2022	2/13/2029	6.21	218,070	-	-	75,100	-	142,970	131,014
2021 Share Options	3/22/2022	5/27/2031	6.21	5,030	-	-		-	5,030	4,609
2021 Share Options	7/7/2023	5/27/2031	3.17	810,130		-	675,130	-	135,000	204
2018 Share Options	9/11/2023	2/13/2029	3.67	6,000		-	6,000	-	-	-
2023 Share Options	7/27/2024	7/26/2034	1.21		480,853				480,853	
2023 Share Options	10/8/2024	10/7/2034	0.72		445,125				445,125	
Subtotal Executive Share Options				**90,780**	-	-	-	-	**90,780**	**90,780**
Subtotal 2018 Share Options				**942,568**	-	-	**271,484**	-	**671,084**	**659,128**
Subtotal 2021 Share Options				**815,160**	-	-	**675,130**	-	**140,030**	**4,813**
Subtotal 2023 Share Options				**-**	**925,978**	-	-	-	**925,978**	-

(1) equals the market value of the underlying shares on the grant date

(2) *one share option of the Executive share options plan entitles the holder thereof to acquire ca. 2.88 shares when exercising one of his or her share options*

9.1 Executive Share Options

Early October 2018, Sequana Medical NV implemented an option plan for a certain group of employees and granted 111,177 share options, which each entitle the holder for a subscription of one share. The options are accounted for as equity-settled share-based payments.

The Group used the Black & Scholes model for share-based payment calculation purposes in order to determine the fair value of the Executive share-based option plan. The volatility parameter has been based on the volatility of relevant peer shares, listed on the STOXX Medtech stock exchange.

The share price considered per 31 December 2018 is EUR 9.25 and is the lowest based on the expected gross amount of IPO proceeds of EUR 30.0 million, whereas probability weighted scenarios between EUR 9.25 and EUR 10.50 per share have been applied.

The effect of the share-based payment transactions on the 2024 Consolidated Income Statement of the Group is an expense of 0 EUR. The same amount goes through reserves in equity so that the net effect on the Group's equity is zero.

One share option of the Executive Share Options plan entitles the holder thereof to acquire ca. 2.88 shares when exercising one of his or her share options.

Presented below is a summary of subscription right activities for the reported periods.

Executive Share Options

	Subscription rights	Weighted average exercise price (EUR)
Granted during the year	-	
Forfeited during the year	-	
Exercised during the year	-	
Expired during the year	-	
Outstanding on 31 December, 2023	**90,780**	**2.36**
Exercisable on 31 December, 2023	90,780	2.36
Granted during the year		
Forfeited during the year		
Exercised during the year		
Expired during the year		
Outstanding on 31 December, 2024	**90,780**	**2.36**
Exercisable on 31 December, 2024	90,780	2.36

9.2 2018 Share Option Plan

The extraordinary shareholders meeting of 18th of January 2019 approved the new Share options for directors, employees and other staff members of Sequana Medical NV (the ''2018 Share Options''). There was no obligation for the holders of the 2011 Share Options and Executive Share Options to exercise the Share options prior to the closing of the Offering. The number of options is equal to 10% of the total number of New Shares outstanding after the closing of the Offering and after the allocation of the over-allotment option.

The Group used the Black & Scholes model for share-based payment calculation purposes in order to determine the fair value of the 2018 share-based option plan. The volatility parameter has been based on the volatility of relevant peer shares, listed on the STOXX Medtech stock exchange.

The effect of the share-based payment transactions on the 2024 Consolidated Income Statement of the Group is an income of EUR 414,714. The same amount goes through reserves in equity so that the net effect on the Group's equity is zero.

Presented below is a summary of subscription right activities for the reported periods.

2018 Share Options

	Subscription rights	Weighted average exercise price (EUR)
Granted during the year	6,000	3.67
Forfeited during the year	115,656	6.91
Exercised during the year	-	-
Expired during the year	-	-
Outstanding on 31 December, 2023	**942,568**	**7.08**
Exercisable on 31 December, 2023	826,083	7.16
Granted during the year		
Forfeited during the year	271,484	6.83
Exercised during the year		
Expired during the year		
Outstanding on 31 December, 2024	**671,084**	**7.18**
Exercisable on 31 December, 2024	659,128	7.20

9.3 2021 Share Option Plan

The Extraordinary General Meeting of 27th of May 2021 approved the new Share options for directors, employees and other staff members of Sequana Medical NV (the ‘‘2021 Share Options’’). There was no obligation for the holders of the 2011 Share Options and Executive Share Options to exercise the Share options prior to the closing of the Offering. The number of options is equal to 10% of the total number of New Shares outstanding after the closing of the Offering and after the allocation of the over-allotment option.

The Group used the Black & Scholes model for share-based payment calculation purposes in order to determine the fair value of the 2021 share-based option plan. The volatility parameter has been based on the Company’s shares.

The effect of the share-based payment transactions on the 2024 Consolidated Income Statement of the Group is an income of EUR 109,088. The same amount goes through reserves in equity so that the net effect on the Group’s equity is zero.

Presented below is a summary of subscription right activities for the reported periods.

2021 Share Options

	Subscription rights	Weighted average exercise price (EUR)
Granted during the year	810,130	3.17
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding on 31 December, 2023	**815,160**	**3.19**
Exercisable on 31 December, 2023	-	-
Granted during the year		
Forfeited during the year	675,130	3.17
Exercised during the year		
Expired during the year		
Outstanding on 31 December, 2024	**140,030**	**3.28**
Exercisable on 31 December, 2024	4,813	6.08

No stock options under the 2021 Share Options plan have been granted in 2024.

Below is an overview of the parameters used in relation to the determination of the fair value of the grants during 2023:

Stock options granted in	**July 2023**	**September 2023**
Subscription right plan	2021 Share Options	2018 Share Options
Number of options granted	810,130	6,000
Fair value of options (in €)	0.69	0.55
Share price (in €)	3.10	3.23
Exercise price (in €)	3.17	3.67
Expected volatility	40%	40%
Expected option life (in years)	7.89	7.71
Risk-fee interest rate	3.11%	2.96%
Expected dividends	-	-

9.4 2023 Share Option Plan

The Group has established, after approval of the board of directors dated 6 November 2023, a 2023 Share Option Plan. As at 31 December 2024, 925,978 of the 1,000,000 "2023 Share Options" have been granted.

The Group used the Black & Scholes model for share-based payment calculation purposes in order to determine the fair value of the 2023 share-based option plan. The volatility parameter has been based on the Company's shares.

The effect of the share-based payment transactions on the 2024 Consolidated Income Statement of the Group is an expense of EUR 67,347. The same amount goes through reserves in equity so that the net effect on the Group's equity is zero.

Presented below is a summary of subscription right activities for the reported periods.

2023 Share Options

	Subscription rights	Weighted average exercise price (EUR)
Granted during the year		
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding on 31 December, 2023	**-**	
Exercisable on 31 December, 2023	-	-
Granted during the year	925,978	0.97
Forfeited during the year	-	-
Exercised during the year		
Expired during the year		
Outstanding on 31 December, 2024	**925,978**	**0.97**
Exercisable on 31 December, 2024	-	-

Below is an overview of the parameters used in relation to the determination of the fair value of the grants during 2024:

Stock options granted in	**July 2024**	**October 2024**
Subscription right plan	2023 Share Options	2023 Share Options
Number of options granted	480,853	445,125
Fair value of options (in €)	0.28	0.32
Share price (in €)	0.82	0.65
Exercise price (in €)	1.21	0.72
Expected volatility	88%	104%
Expected option life (in years)	9.58	11.70
Risk-fee interest rate	2.69%	2.57%
Expected dividends	-	-

10 Contingencies and arbitrations

At present there are no significant contingencies and arbitrations.

11 Commitments

11.1 Capital commitments

The Group has no material contracted expenditures for the acquisition of property, plant and equipment at 31 December 2024.

11.2 Asset pledges

The Kreos secured loan facility is secured by the Company's bank accounts, receivables and movable assets, including IP rights. The Company has no other meaningful pledges as per December 31, 2024.

12 Transactions with related parties

Related parties primarily comprise members of Executive Management, members of the Board of Directors and significant shareholders. There are no significant transactions with related parties except for:

1) the remuneration and reimbursement of expenses paid, if any, to the members of Board of Directors and Executive Management in fulfilling their responsibilities as disclosed in notes 12.3, 12.4 and 12.5.
2) the subordinated loan agreements concluded with amongst others PMV/z-Loans as described in notes 8.7.1 and 12.2.

12.1 Consolidated companies

We refer to note 13.0 for the list of subsidiaries.

12.2 Relations with the shareholders

We refer to notes 0.1 Share Capital and Share Premium and 0 Financial debts / net debt for the changes in the relations with the shareholders as well as the Corporate Governance section 1.11.

There exist no other relations with the shareholders as those described in the sections above.

12.3 Relations with non-executive members of the Board of Directors

The non-executive directors earned the following compensation (gross), based on the approved fees:

EUR	2024	2023
Pierre Chauvineau	62,875	71,500
Wim Ottevaere (WIOT BV)	42,250	52,500
Jackie Fielding	37,625	49,000
Alexandra Clyde	37,625	49,000
Doug Kohrs	28,042	45,500

No remuneration or compensation was paid to the non-executive directors, other than the reimbursement of travel and hotel expenses incurred by the directors in connection with their attendance of meetings of the board of directors.

On 10 February 2023, the extraordinary general meeting of the Company (the "EGM"), upon the recommendation of the nomination and remuneration committee, decided to amend the remuneration policy to allow non-executive independent directors ("INEDs") to receive remuneration in the form of shares of the Company in addition to their fixed remuneration in cash. Since the

Company does not have distributable reserves (and therefore does not meet the legal requirements to conduct a share buy-back and subsequent allocation), the remuneration policy provides for the Company to grant so-called "Restricted Share Units" (the "RSUs") to INEDs. In implementation of the abovementioned EGM resolution, the Company proposed in September 2023 to grant RSUs to the then current INEDs. Ultimately, Pierre Chauvineau, WIOT BV (with Wim Ottevaere as permanent representative), Douglas Kohrs and Alexandra Taylor Clyde accepted to be awarded RSUs. The particular terms of the grant (e.g., the number of RSUs granted (retroactively) and the applicable reference period and price) were set forth in written "RSU Award Agreements" and can be summarized as follows:

- Each INED is granted, in relation to each reference year during which the relevant INED exercises his or her mandate as an INED and provided that the grant conditions (as contractually defined) are still met in relation to such reference year, a number of RSUs. The number of RSUs granted annually to the relevant INED is calculated by dividing an amount of EUR 75,000.00 by the volume weighted average price of the Company's shares on Euronext Brussels during a period of 30 calendar days preceding the start of a reference year (where a reference year starts on the date of the annual general meeting).
- Each RSU represents the contractual obligation of the relevant INED to subscribe for one new underlying share of the Company at a subscription price of EUR 0.11 per new share (regardless of the share's market price at that time) (the "RSU Shares") after the expiry of a specified time period. The RSU is not an option that leaves the director discretion as to whether or not to exercise it. Upon expiration of the specified time period, the relevant INED must subscribe for the new RSU Shares.

On 4 October 2023, the following RSU Shares relating to the first reference year 2022-2023 were issued resulting in an increase in share capital from EUR 2,921,010.22 to EUR 2,926,295.90 and the number of issued and outstanding shares has further increased from 28,191,733 to 28,242,753 ordinary shares, through the issuance of a total of 51,020 new RSU Shares that were subscribed for in the capital increase.

Reference year 2022-2023

Name independent director	RSU Reference Price (EUR)	# RSUs	# Underlying RSU Shares	Subscription price paid (EUR)
Pierre Chauvineau	5.88	12,755	12,755	1,403
Wim Ottevaere (WIOT BV)	5.88	12,755	12,755	1,403
Alexandra Clyde	5.88	12,755	12,755	1,403
Doug Kohrs	5.88	12,755	12,755	1,403

On 5 July 2024, the following RSU Shares relating to the second reference year 2023-2024 were issued resulting in an increase in share capital from EUR 3,720,562.60 to EUR 3,730,244.64 and the number of issued and outstanding shares has further increased from 35,909,420 to 36,002,876 ordinary shares, through the issuance of a total of 93,456 new RSU Shares that were subscribed for in the capital increase.

Reference year 2023-2024

Name independent director	RSU Reference Price (EUR)	# RSUs	# Underlying RSU Shares	Subscription price paid (EUR)
Pierre Chauvineau	3.21	23,364	23,364	2,570
Wim Ottevaere (WIOT BV)	3.21	23,364	23,364	2,570
Alexandra Clyde	3.21	23,364	23,364	2,570
Doug Kohrs	3.21	23,364	23,364	2,570

With respect to the third reference year (25 May 2024 till 23 May 2025), the following RSU shares have been granted, which will vest on 23 May 2025.

Reference year 2024-2025

Name independent director	RSU Reference Price (EUR)	# RSUs	# Underlying RSU Shares	Subscription price paid (EUR)
Pierre Chauvineau	1.52	49,342	49,342	5,428
Wim Ottevaere (WIOT BV)	1.52	49,342	49,342	5,428
Alexandra Clyde	1.52	49,342	49,342	5,428
Doug Kohrs	1.52	49,342	49,342	5,428

The RSUs have been accounted for in accordance with IFRS 2 Share Based Payments and resulted into a cost of EUR 288.992 in 2024.

For more information regarding the RSUs, the underlying RSU Shares and the RSU Award Agreements, reference is made to the most recent version of the Company's remuneration policy, as well as the report of the board of directors dated 4 October 2023 prepared in accordance with article 7:198 juncto articles 7:179 and 7:191 of the Belgian Companies and Associations Code, in each case as available on the Company's website.

12.4 Relations with Executive Management

The Executive Management consists of the Chief Executive Officer and the Chief Financial Officer.

The Executive Management include those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

12.5 Executive Management compensation

The compensation for the Executive Management is as follows:

2024 Executive Management compensation

EUR (except number of share options)	Short-term Employee benefits	Post-employment benefits	Number of share options
Ian Crosbie	449,579	15,538	590,256
Kirsten Van Bockstaele	361,312	-	168,892

2023 Executive Management compensation

EUR (except number of share options)	Short-term Employee benefits	Post-employment benefits	Number of share options
Ian Crosbie	425,031	15,538	525,256
Kirsten Van Bockstaele	355,983	-	136,392

13 Belgian GAAP disclosures

13.1 Subsidiaries included in or excluded from the consolidation scope, and associates

The consolidated financial statements of Sequana Medical Group include:

Company	Purpose	Share capital	Investment 2024	Investment 2023
Sequana Medical NV	Holding/Sales	EUR 4,603,936	n/a	n/a
Sequana Medical NV branch (Switzerland)	Production and research	n/a	n/a	n/a
Sequana Medical GmbH (Germany)	Distribution	25,000.00	100 %	100 %
Sequana Medical US Inc. (USA)	Administration	USD 0.00	100 %	n/a
Sequana Medical Inc (USA)	Administration	USD 0.00	100 %	100 %
DSRCo BV (Belgium)	Production and research	EUR 2,357,109	100 %	n/a

There are no non-controlling interests or structured entities. All entities have been newly established by the Group, and included in the consolidated financial statements as from their respective date of incorporation.

13.2 Subsidiaries included in or excluded from the consolidation scope, and associates

	2024	2023
Average number of employees	48	62

13.3 Employee benefits and advances given to parent company directors by the parent company, subsidiaries and associates

EUR (except number of share options)	2024	2023
Short term employee benefits	449,579	425,031
Post-employment benefits	15,538	15,538
Number of share options	590,256	525,256

14 Events after the reporting period

14.1 Conversions into equity on 24 January 2025

On 24 January 2025, the Company announced that its outstanding indebtedness has decreased with an aggregate amount of EUR 4,495,280.67 in the context of contributions in kind of (i) all receivables (for an aggregate amount of EUR 531,766.67) due under the convertible loan agreement entered into on 17 July 2020 between the Company and Sensinnovat BV (as amended), (ii) certain receivables (for an aggregate amount of EUR 1,281,900.00) due under the convertible loan agreement entered into on 30 September 2024 between the Company and various shareholders (including Sensinnovat BV) (as amended), and (iii) all convertible receivables (for an aggregate amount of EUR 2,681,614.00) due under the loan agreement entered into on 19 July 2022 between the Company and Kreos Capital VII (UK) Limited (as amended). The contributions in kind took place following the exercise of conversion rights that were agreed to in the aforementioned loan agreements. The applicable issue prices of the new shares were determined in accordance with the conversion mechanisms of the applicable loan agreements.

As a result of the loan conversions and contributions in kind, the Company's share capital has increased on 24 January 2025 from EUR 4,603,936.18 to EUR 5,430,706.55 and the number of issued

and outstanding shares has further increased from 44,436,192 to 52,416,601 ordinary shares, through the issuance of a total of 7,980,409 new shares.

14.2 Financing March 2025

On 18 March 2025, the Company announced that it has secured significant additional financing through (i) the granting of a new unsecured subordinated convertible loan of EUR 4.0 million (the "2025 Convertible Loan") by certain of its major shareholders, namely Partners in Equity V B.V. ("Partners in Equity") and EQT Health Economics 3 Coöperatief U.A. ("EQT"), and (ii) the entering into a share subscription facility agreement (the "Facility") with GEM Global Yield LLC SCS ("GEM") for up to EUR 20 million in cash (with Sequana Medical's option to increase the commitment to up to EUR 60 million in cash, once the aforementioned EUR 20 million has been drawn down) (the "Capital Commitment"). GEM is a USD 3.4 billion, Luxembourg based alternative investment group with offices in Paris, New York, and Bahamas. Pursuant to the Facility, GEM agreed to commit, subject to certain conditions, an amount up to the aforementioned Capital Commitment, within a maximum term of three years in exchange for new ordinary shares in Sequana Medical and subject to certain share lending arrangements being in place.

These financing arrangements are expected to extend the Company's cash runway to the end of 2025 based on expected drawdowns of the initial EUR 20 million Capital Commitment under the Facility. In addition, the Company agreed with its existing debt providers to restructure several features of the Company's debt, subject to certain conditions and as further described below.

About the unsecured investor financing of EUR 4.0 million

Under the 2025 Convertible Loan, Partners in Equity and EQT will grant a new unsecured subordinated convertible loan to the Company for an initial aggregate principal amount of EUR 4.0 million. In addition to the new EUR 4.0 million loan, any amounts owed by the Company to Partners in Equity and EQT as lenders under the convertible loan agreement entered into on 30 September 2024 between, among others, the Company as borrower and Partners in Equity and EQT as lenders (the "**2024 Convertible Loan Agreement**") will be rolled-over to the 2025 Convertible Loan together with, in accordance with the provisions of the 2024 Convertible Loan Agreement, a conversion fee of 33% on such amounts. Further, the other lenders under the 2024 Convertible Loan Agreement (the "**Remaining 2024 CLA Lenders**") will have the option to also accede to the 2025 Convertible Loan within 10 business days from the date of the 2025 Convertible Loan. In case a Remaining 2024 CLA Lender elects to accede to the 2025 Convertible Loan, any amounts owed to such Remaining 2024 CLA Lender plus a conversion fee of 33% on such amounts shall thus be rolled-over to the 2025 Convertible Loan Agreement. Any lender under the 2025 Convertible Loan may also at any time increase the amount of loan provided by it thereunder, up to an aggregate principal amount of new money under the 2025 Convertible Loan of EUR 14 million (for the avoidance of doubt, excluding any amounts rolled over to the 2025 Convertible Loan Agreement (as described above) and excluding any interest compounded as from the date falling one business day after the date of 2025 Convertible Loan).

The principal amount and interest of the 2025 Convertible Loan can be converted (in whole or in part) by the lenders for new shares of the Company at any time before the 2025 Convertible Loan has been repaid, converted or settled, at a conversion price equal to the lower of (i) the arithmetic average of the daily volume weighted average trading price per share of the Company's shares traded on Euronext Brussels during the period of twenty (20) consecutive trading days ending on (and including) the third trading day before the date on which the Company has received the equity conversion exercise notice, minus a discount of 25%, and (ii) 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 equity conversion exercise notice, minus a discount of 25%. A lender, however, cannot acquire more than 29.9% of the outstanding issued shares of the Company through an equity conversion.

If the Company enters into a new (subordinated) convertible loan which includes conversion or settlement rights equivalent to those under the 2025 Convertible Loan, each lender will be entitled to convert its 2025 Convertible Loan (in whole or in part) plus a conversion fee of 33% of all amounts owed under the 2025 Convertible Loan into the new (subordinated) convertible loan.

In addition, subject to certain conditions, following the hive-down of the DSR® business into a separate entity set-up by the Company ("**DSRCo**") (which hive-down has already taken place) and in the event of a hive-down of the **alfa**pump® business into a separate entity to be set-up by the Company ("**LiverCo**"), if the Company obtains a potential equity investment or a convertible or exchangeable debt investment into LiverCo or DSRCo for an amount of at least EUR 15 million and EUR 7.5 million respectively (a "**Hive-Down Future Investment**"), each lender will have the possibility to have its loan repaid (in whole or in part) by means of a payment in kind, consisting of a transfer by the Company to the relevant lender of shares issued or to be issued by LiverCo or by DSRCo. The number of LiverCo or DSRCo shares to be transferred will be equal to (i) the relevant portion of the 2025 Convertible Loan to repaid in kind (in principal and interest), divided by (ii) the issue price of the new shares which are or will be issued by LiverCo or DSRCo at the occasion of the potential Hive-Down Future Investment, minus a discount of 25%.

Unless the 2025 Convertible Loan has been converted or repaid in kind as aforementioned, the respective loans of each lender will need to be repaid in cash in case of default or upon request subject to prior notice, provided, however, that a repayment request may only occur on or after the later of: (A) (x) the date falling one year after the date on which the hive-down of the **alfa**pump® business and the respective Hive-Down Future Investment has been completed; or (y) the date on which the Company and the lenders would determine, in good faith, that the Hive-Down of the **alfa**pump® business is not reasonably likely to occur; and (B) the date falling two years after the date of the 2025 Convertible Loan.

The 2025 Convertible Loan bears interest of 15% per annum, which shall be compounded on a monthly basis. In case of conversion or repayment in kind, the minimum amount to be converted for new shares or a new convertible loan will in any event be deemed to be 10% of the aggregate initial principal amount of the loans provided by the relevant lender (minus any compounded and accrued interest which has already been paid, converted or paid in kind to the relevant lender). The proceeds from the loan will be used to finance general working capital requirements (including, without limitation, the implementation of the relevant preparatory steps with respect to each Hive-Down).

About the GEM committed share subscription facility of up to EUR 60 million

The Capital Commitment will be released on the basis of drawdowns by the Company in the form of subscription request notices that the Company has the right to issue at its sole discretion. Each such subscription request notice shall require GEM, subject to certain conditions, to subscribe for new ordinary shares that are to be issued by the Company. The drawdown amount reflected in such subscription request notices will be determined by the Company in function of certain parameters such as the Company's trading volume during a certain lookback period preceding the relevant subscription request notice, and the volume weighted average price (VWAP) of the Company's shares on the trading day immediately preceding the date of the relevant subscription request notice. The issue price of the new shares to be subscribed to by GEM upon settlement of a subscription request notice will be determined on the basis of 90% of the average volume weighted average price (VWAP) of the Company's shares during a forward-looking pricing period (ranging between 1 and 20 consecutive trading days following the subscription request notice and ignoring certain knockout days), it being noted that such issue price shall not be lower than a floor price that can be set by the Company in the relevant subscription request notice (and which floor price may be different in each subscription request notice).

After the aforementioned pricing period, GEM will have to subscribe for a number of new ordinary shares ranging between a minimum of 50% and a maximum of 150% of the drawdown amount

requested to be subscribed for by the Company (subject to certain corrections). GEM agreed not to hold an excess of 19.9% of the ordinary shares of Sequana Medical.

Existing shareholders Partners in Equity and LSP HEF Sequana Holding B.V. ("**LSP**") agreed to adhere to the Facility, and such lending shareholders will provide GEM a number of existing Sequana Medical shares for loan covering the draw down amount reflected in the relevant subscription notice request (the "**Share Lending**") and subject to certain additional and bilateral arrangements regarding the share lending arrangements provided for in the Facility and as set out in a share provision support agreement (the "**Support Agreement**"). The aforementioned lending shareholders are not compensated for providing the Share Lending to GEM, but related expenses will be covered by the Company.

In consideration for entering into the Facility, GEM is entitled to receive warrants (subscription rights) to subscribe for up to 2,620,000 new ordinary shares of the Company. The Company will seek the approval by an extraordinary shareholders' meeting ("**EGM**") to issue the warrants. The warrant will give GEM the right to subscribe for new shares of the Company at an exercise price per underlying ordinary share that shall be equal to the lower of (x) EUR 1.95, and (y) 117% of the average volume weighted average price (VWAP) of the Company's shares during the 10 trading days preceding the date on which the warrants will be issued by the EGM. The warrants will have a term of three years as of issuance, will be immediately exercisable, and will be subject to customary anti-dilution adjustments.

An affiliate of GEM is also entitled to a commitment fee of EUR 400,000, which will be settled in ordinary shares of the Company at an issue price that is equal to 90% of the average volume weighted average price (VWAP) of the Company's shares during the 10 trading days preceding the trading day preceding the date on which the relevant ordinary shares will be issued. The relevant share issue will in principle occur on the business day prior to the settlement of the Company's first subscription request notice.

About the amendments to the existing loan agreements

Together with the entering into the 2025 Convertible Loan and the Facility, the Company also entered into an amendment agreement (the "**Kreos Amendment Agreement**") pursuant to which certain repayment and other terms of the EUR 10,000,000 loan with Kreos Capital VII (UK) Limited (together with its affiliates "Kreos", and such loan the "**Kreos Loan**")[1] will be amended. The main amendments to the Kreos Loan can be summarised as follows (for information purposes):

- All amortisation repayments required by the Company under the Kreos Loan will be postponed until 1 January 2026 (the "**Amortisation Resumption Date**"). On the Amortisation Resumption Date, payments shall resume in cash in full until the final repayment date of 1 April 2026 (the "**Final Repayment Date**");
- As from 1 April 2025 until the Amortisation Resumption Date, PIK interest will cease to apply, and cash interest will resume and will be due and payable each month at a rate of 11.5% *per annum*;
- The (currently capitalising) restructuring fees (relating to the Kreos Loan amendments which occurred in February 2024 and October 2024) will be due on 1 January 2026;
- The restructuring fee applicable to the current Kreos Amendment Agreement shall be paid by means of the retention by Kreos of the EUR 373,914.73 advanced payment deposit (which was provided to Kreos in lieu of an upfront fee and which was deducted from the first drawdown under the Kreos Loan), in order to limit the cash impact to the Company.
- The Kreos Loan shall become 100% convertible (convertible at Kreos' discretion) under the same terms as the 2025 Convertible Loan.

- The terms and conditions of the warrants that have been issued by the Company's extraordinary shareholders meeting of 20 December 2024 to the benefit of Kreos Capital VII Aggregator SCSp will not be amended.

The Company will also enter into amendments in relation to the EUR 4,300,000 partially convertible loan with PMV Standaardleningen NV (formerly known as PMV/z Leningen NV) ("**PMV**") (the "**PMV Loan**"). The main amendments to this loan consist of:

- the extension of the final maturity date of the PMV Loan to 1 May 2026, it being understood that any and all outstanding amounts under the PMV Loan (in principal and accrued interest) shall be repaid (as a bullet payment) on 1 May 2026; and
- a one-off restructuring fee of EUR 250,000, payable by the Company to PMV on 1 May 2026.

15 *Audit fees*

EUR	2024	2023
Fees of the independent auditor with the respect to the statutory audit mandate for the Company and the group (Belgium)	77,791	85,397
Additional Services rendered by the auditor's mandate:	112,560	65,300
Audit related fees		-
Tax advisory & compliance services		-
Due diligence fees		-
Other Services	*112,560*	*65,300*
Subtotal	**190,351**	**150,697**
Fees of independent auditor's network with respect to a statutory audit mandate at the level of the Group (foreign operations)	-	-
Additional Services rendered by the auditor's mandate:	-	-
Audit related fees	-	-
Tax advisory & compliance services	-	-
Due diligence fees	-	-
Other Services	-	-
Subtotal	**-**	**-**
Total	**190,351**	**150,697**

9. Condensed Statutory Financial Statements of Sequana Medical NV

1 *Statutory Income Statement*

EUR	2024	2023
Operating income	3,836,795	10,839,227
Operating charges	(26,870,874)	(38,747,738)
Operating loss	**(23,034,079)**	**(27,908,511)**
Financial result	(3,440,318)	(1,433,466)
Loss for the period before taxes	**(26,474,397)**	**(29,341,977)**
Income taxes	(263,078)	(441,255)
Loss for the period	**(26,737,475)**	**(29,783,232)**

2 *Statutory Balance Sheet*

EUR	2024	2023
Intangible assets	6,450,194	13,075,655
Tangible assets	1,273,562	1,479,365
Financial fixed assets	99,158	100,440
Participating interests	2,382,109	25,000
Non current-assets	**10,205,023**	**14,680,460**
Amounts receivable after more than one year	1,108,105	1,387,979
Inventory	1,600,804	1,811,345
Amounts receivable within one year	934,461	950,435
Deferred charges and accrued income	261,898	1,056,588
Cash and cash equivalents	3,688,193	2,286,958
Current assets	**7,593,461**	**7,493,305**
TOTAL ASSETS	**17,798,485**	**22,173,765**
Capital	4,603,936	2,926,296
Share premium	201,564,600	185,644,420
Reserves	659,587	686,404
Accumulated losses	(219,824,301)	(193,086,827)
Total Equity	**(12,996,178)**	**(3,829,707)**
Provisions	753,997	667,797
Amounts payable after more than one year	-	9,597,366
Financial debt	-	9,597,366
Amounts payable within one year	27,795,071	12,339,931
Financial debt	24,293,265	7,263,550
Trade debts	1,886,036	2,864,181
Taxes, remuneration and social security	1,615,771	2,212,200
Accruals and deferred income	2,245,596	3,398,378
Amounts payable	**30,040,667**	**25,335,675**
TOTAL EQUITY AND LIABILITIES	**17,798,485**	**22,173,765**

The full version of the accounts (including the auditor's report) is available on the company's website and can be obtained free of charge.