
Review report of the statutory auditor to the general meeting of Sequana Medical NV with respect to the accounting and financial information included in the report of the board of directors as referred to in articles 7:180, 7:191 and 7:193 of the Belgian Companies and Associations Code

[...]

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accounting and financial information - included in the report of the board of directors that includes the justification for the issue/exercise price, the justification for the cancellation of the statutory preferential subscription right, and the impact on the shareholders' financial and membership rights - is not, in all material respects, fair and sufficient to inform the general meeting that is required to vote on the proposed operation.

We also note that the preferential subscription right is cancelled in favour of Bootstrap Europe S.C.Sp., a company incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 17 Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, registered in the Luxembourg Company Register under number B198842., whereby the Board of Directors has justified this decision and the issue/exercise price in detail as follows:

"The mechanisms pursuant to which the exercise price of the Bootstrap Warrants has been determined in the Conditions are the result of negotiations that occurred between the Company and Bootstrap in the past (when the Company was still an early stage private company incorporated in Switzerland).

*In the framework of the Company's IPO and listing on the regulated market of Euronext Brussels, a consolidation, split, exchange and conversion with respect to all outstanding shares and warrants of the Company (the "**IPO Share Consolidation**") was carried out on 12 February 2019 (based on an approval by the extraordinary shareholders' meeting on 18 January 2019). As a result of this IPO Share Consolidation, Bootstrap had the right to subscribe upon exercise of the Bootstrap Warrants, for a maximum of 302,804 new shares of the Company at an exercise price of EUR 3.21 per new share (which is equal to CHF 3.63 per new share after conversion using the then agreed upon conversion rate of EUR 1.00 for CHF 1.1316), or EUR 972,000.84 in total (which is equal to ca. CHF 1,099,916.15 after conversion using the agreed upon conversion rate of EUR 1.00 for CHF 1.1316).*

The board of directors underlines that the IPO Share Consolidation (and its dilutive impact on the then outstanding securities, including the Former Bootstrap Warrant granted to the benefit of Bootstrap) has been approved and agreed to by the Company's general shareholders' meetings held in the past (and which was reflected in Article 11.2 of the Company's articles of association).

The exercise price of the Bootstrap Warrants is subject to customary downward adjustments in case of certain dilutive corporate actions set out in the Conditions, 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.

As mentioned, the terms of the Conditions (including the exercise price of the Bootstrap Warrants) are a reflection of terms that have been determined during at arm's length negotiations between the Company and Bootstrap.

The aforementioned exercise price of the Bootstrap Warrants reflects a substantial discount to the Company's shares today, but this is the result of the agreed IPO Share Consolidation of February 2019 (which has already been approved by the Company's shareholders) and the contractual arrangements agreed to in September 2016 (when the Company was still an early stage private company incorporated in Switzerland).

Hence, in view of all of the foregoing, and the fact that the exercise price is a continuation of the same exercise price of the Former Bootstrap Warrant that expired, the board of directors believes that the exercise price of the Bootstrap Warrants can be sufficiently justified and is not prejudicial to the existing shareholders and, in so far as required, of existing holders of subscription rights (share options) of the Company."

We note that the issue/exercise price of the subscription rights to be issued in favour of Bootstrap have been determined in negotiations between unrelated parties. As such, this procedure can be considered sufficient to come to a price which is market conform. We have no comments to make in this respect.

[...]

Antwerp, 26 April 2022

The statutory auditor
PwC Bedrijfsrevisoren BV
represented by Mr. Peter D'hondt, auditor

[...]