

SEQUANA MEDICAL

Limited Liability Company

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VAT BE 0707.821.866 Register of Legal Entities Ghent, section Ghent

REPORT OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLES 7:180, 7:191 AND 7:193 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE

1. INTRODUCTION

On 2 September 2016, Bootstrap Europe S.C.Sp. ("**Bootstrap**") granted a secured loan to Sequana Medical AG (the legal form of Sequana Medical NV (the "**Company**") before its seat transfer from Switzerland to Belgium on 1 October 2018) for an aggregate maximum amount of up to CHF 10.0 million (of which an amount of CHF 5.0 million was drawn; the loan has in the meantime been repaid by the Company) (the "**Loan Facility**"). In consideration of the willingness of Bootstrap to provide the Loan Facility, the Company granted Bootstrap on 2 September 2016 the right to subscribe to a certain number of shares in the Company (the "**Former Bootstrap Warrant**") for a duration of ten years (which was allowed under Swiss law and not uncommon for that type of provided venture funding). These arrangements were set out in a warrant agreement dated 2 September 2016 and were amended on 28 April 2017, 1 October 2018 and 20 December 2018.

Within the framework of the Company's seat transfer from Switzerland to Belgium on 1 October 2018, the term of the Former Bootstrap Warrant was reduced to 5 years, but the Company agreed to issue a new subscription right upon expiry of the current 5 year term in order to reflect the initially agreed 10 year term. Furthermore, as a result of the Company's initial public offering ("**IPO**") in 2019 and the IPO Share Consolidation (as defined below) that occurred at that time, the Former Bootstrap Warrant was restructured to give the right to subscribe for an aggregate of 302,804 new shares at an exercise price of EUR 3.21 per share. Accordingly, as the Former Bootstrap Warrant would expire in its initial form as 'subscription right' on 2 September 2021, the Company agreed on 1 September 2021 to submit a proposal to its shareholders to approve a new subscription right to the benefit of Bootstrap to subscribe for new shares of the Company, having terms and conditions that are (*mutatis mutandis*) equivalent to the terms of the Former Bootstrap Warrant issued (as set out in the aforementioned warrant agreement), but with an exercise period ending on 2 September 2026 (*i.e.* ten years after the issuance of the Former Bootstrap Warrant).

In view hereof, the board of directors will submit to the extraordinary general meeting of shareholders of the Company to be convened on 27 May 2022 (or on 22 June 2022 should the required quorum not be achieved at the first meeting) (the "**EGM**") the proposal to issue ten new warrants to the benefit of Bootstrap, represented by ten separate subscription rights (the "**Bootstrap Warrants**") at the terms and conditions as further described below in this report, and 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), to the benefit of Bootstrap (and its permitted successors and assigns) (the "**Transaction**").

Shareholders should note that the transaction that the Company entered into with Bootstrap is complex, that the Bootstrap Warrants are a complex instrument, and that Bootstrap may benefit from an important discount when exercising its Bootstrap Warrants and subscribing for new shares, as described below.

Shareholders should also note that the Bootstrap Warrants are merely the continuation of a subscription right that has already been approved, granted and issued in the past (and which has been reflected in the Company's articles of association since 2018). In other words, the potential dilutive effects of the Bootstrap Warrants have already been approved in the past, and the approval of the new Bootstrap Warrants will not lead to an additional dilution.

This report has been prepared by the board of directors of the Company in accordance with Articles 7:180, 7:191 and 7:193 of the Belgian Companies and Associations Code (as defined below) for the purpose of the proposed issuance of the Bootstrap Warrants, with cancellation of the preferential subscription right of the Company's existing shareholders, and in so far as required, of the Company's existing holders of subscription rights (share options), to the benefit of Bootstrap (and its permitted successors and assigns).

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

In accordance with Article 7:191 of the Belgian Companies and Associations Code, the board of directors also provides in this report a justification of the proposed dis-application of the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing holders of subscription rights (share options) to the benefit of Bootstrap (and its permitted successors and assigns), and a description of the consequences thereof for the financial and shareholder rights of the shareholders.

In accordance with Article 7:193 of the Belgian Companies and Associations Code, the justification of the proposed Transaction and the proposed exercise price of the Bootstrap Warrants takes into account in particular the financial situation of the Company, the identity of Bootstrap, and the nature and importance of the contribution of Bootstrap.

This report must be read together with the report prepared in accordance with Articles 7:180, 7:191 and 7:193 of the Belgian Companies and Associations Code by the Company's statutory auditor, PwC Bedrijfsrevisoren BV, a private company with limited liability organised and existing under the laws of Belgium, with registered office at Culliganlaan 5, 1831 Diegem, Belgium, represented by Mr. Peter D'hondt, auditor.

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

2. CONTEXT OF THE TRANSACTION

As mentioned, on 2 September 2016, Bootstrap granted a secured loan to Sequana Medical AG (the Company's legal form before its seat transfer from Switzerland to Belgium on 1 October 2018) for an aggregate amount of CHF 10.0 million (of which an amount of CHF 5.0 million was drawn; the loan has in the meantime been repaid by the Company). In consideration of the willingness of Bootstrap to provide the Loan Facility, the Company granted Bootstrap on 2 September 2016 the right to subscribe to a certain number of shares in the Company for a duration of ten years (which was allowed under Swiss law and not uncommon for that type of

provided venture funding). These arrangements were set out in a warrant agreement dated 2 September 2016 and were amended on 28 April 2017, 1 October 2018 and 20 December 2018.

Within the framework of the Company's seat transfer from Switzerland to Belgium on 1 October 2018, the term of the Former Bootstrap Warrant was reduced to 5 years, but the Company agreed to issue a new subscription right upon expiry of the current 5 year term in order to reflect the initially agreed 10 year term.

As the Former Bootstrap Warrant would expire in its initial form as 'subscription right' on 2 September 2021, the Company will submit a proposal to the EGM to approve the issuance of the ten Bootstrap Warrants, having terms and conditions that are (*mutatis mutandis*) equivalent to the terms of the Former Bootstrap Warrant issued (as set out in the aforementioned warrant agreement), but with an exercise period ending on 2 September 2026 (*i.e.* ten years after the issuance of the Former Bootstrap Warrant) in line with what was initially agreed with Bootstrap and which was initially agreed when the Company was still a Swiss company.

Bootstrap is a Luxembourg-based private lender that provides growth debt to technology and life sciences companies in industries ranging from green energy and genetic testing to SaaS, fintech and Smart city solutions. Now at its third fund, the team at Bootstrap has invested in more than 260 growth debt transactions in Europe fast-growing companies, 12 jurisdictions with aggregate transaction values of over EUR 750 million. Bootstrap is headquartered in Luxembourg and has offices in Zurich and London.

The Company and Bootstrap agreed that the issuance of certain subscription rights (including the Bootstrap Warrants) to the benefit of Bootstrap was an essential part of the consideration offered to Bootstrap for providing the Loan Facility in September 2016 (when the Company was still an early stage private company incorporated in Switzerland). The terms of the contractual arrangements between the Company and Bootstrap (of which the issuance of certain subscription rights (including the Bootstrap Warrants) formed an integral part) had been determined during at arm's length negotiations between the Company and Bootstrap at the time. Bootstrap was and still is not related to the Company and its management.

3. PROPOSED TRANSACTION

3.1. Terms and conditions of the Bootstrap Warrants

In accordance with what was agreed between the Company and Bootstrap, the board of directors of the Company proposes to the EGM to approve the issuance of the Bootstrap Warrants, and 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 of the Company, to the benefit of Bootstrap (and its permitted successors and assigns).

The proposed terms and conditions (the "**Conditions**") of the Bootstrap Warrants are set out in Annex A to this report. The main Conditions can, for information purposes, be summarised as follows and are, *mutatis mutandis*, equivalent to the terms and conditions of the Former Bootstrap Warrant:

- (a) Issuer: The Company (Sequana Medical NV).
- (b) Number of subscription rights issued: Ten (10) subscription rights of the Company (the Bootstrap Warrants).
- (c) Subscription right for ordinary shares: The Bootstrap Warrants give Bootstrap the right to subscribe for a number of new ordinary shares of the Company, in whole or in part, at one or several occasions, through one of the following exercise mechanisms:

- (i) Condition 4.8(a) gives 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 (the "**Cash Exercise**");
- (ii) Condition 4.8(b) gives Bootstrap the right to subscribe to a reduced number of new shares by means of a cashless exercise mechanism in function of the value of the Company's shares on the regulated market of Euronext Brussels (the "**Cashless Exercise**");⁽¹⁾ and
- (iii) Condition 5 gives Bootstrap the right to exercise the Bootstrap Warrants without the issuance of new shares, whereby the Company pays Bootstrap the balance between the issue price of EUR 3.21 per new share and the value the Company's shares on the regulated market of Euronext Brussels, and this for up to 302,804 underlying shares (the "**Net Exercise**").⁽²⁾ This Net Exercise mechanism can only be exercised, case of (a) the completion of the sale or transfer of the legal or beneficial interest in any shares of the Company conferring in aggregate 50% or more of the voting rights at that time to one or more persons acting in concert, (b) the sale by the Company of the whole or substantially the whole of its undertaking, and (c) a merger or comparable transaction in which the Company is not the surviving entity.

Notes:

- (1) For more information on the exact number of shares to be issued to Bootstrap under the Cashless Exercise mechanism, reference is made to the formula included in Condition 4.8(b). By way of illustration, subject to the methodological reservations noted in paragraph 7.1, if all Bootstrap Warrants would be fully exercised in accordance with the Cashless Exercise mechanism set out in Condition 4.8(b), 156,969 new shares would need to be issued by the Company against an issue price of EUR 0.1036 per new share (assuming that the reference price of the Company's share on the regulated market of Euronext Brussels (used to determine the number of shares to be issued in accordance with the applicable formula set out in Condition 4.8(b)) is equal to EUR 6.45 per share (*i.e.*, the average of the closing prices of the Company's shares on the regulated market of Euronext Brussels over the thirty calendar day period ending on (and including) 14 April 2022).
- (2) For more information on the exact amount to be paid to Bootstrap under the Net Exercise mechanism, reference is made to the formula included in Condition 5. By way of illustration, subject to the methodological reservations noted in paragraph 7.1, if the Bootstrap Warrants are fully exercised in accordance with the Net Exercise mechanism set out in Condition 5 (which is only possible in the event of specific sale events), 0 new shares will be issued, but an amount of EUR 981,084.96 should be paid by the Company to Bootstrap (assuming that the reference price of the Company's share on the regulated market of Euronext Brussels (used to determine the amount to be paid in accordance with the applicable formula set out in Condition 5) is equal to EUR 6.45 per share) (*i.e.*, the average of the closing prices of the Company's shares on the regulated market of Euronext Brussels over the thirty calendar day period ending on (and including) 14 April 2022).

This number of shares to be issued upon exercise of the Bootstrap Warrants 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 authorisation that was provided or approved by the general shareholders' meeting (such as, but not limited to, the authorised capital) shall not lead to such adjustments.

- (d) Exercise price: The exercise price of the Bootstrap Warrants depends on the applicable exercise mechanism:

- (i) 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;
 - (ii) 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
 - (iii) In the event of a Net Exercise, no exercise price is to be paid by Bootstrap.
- (e) Duration: The Bootstrap Warrants have a term commencing on the date on which the Bootstrap Warrants have been issued by the EGM and ending on 11:59 p.m. (Belgian time) on 2 September 2026.
- (f) Nature of the shares issuable upon exercise: The Bootstrap Warrants shall entitle the holders thereof to subscribe for new ordinary shares to be issued by the Company in registered form. The new shares to be issued at the occasion of the exercise of the Bootstrap Warrants 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 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.
- (g) Capital increase and allocation of the exercise price: Upon each exercise of the Bootstrap Warrants 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 Conditions, upon exercise of the Bootstrap Warrants and issue of new shares, the aggregate amount of the exercise price of the Bootstrap Warrants 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.
- (h) Listing of the underlying shares: The new shares to be issued upon exercise of the Bootstrap Warrants shall need to be admitted to trading on the regulated market of Euronext Brussels in accordance with paragraph 3.5 below.
- (i) Form of the Bootstrap Warrants: The Bootstrap Warrants are issued in, and should remain in, registered form.
- (j) No listing of the Bootstrap Warrants: The Bootstrap Warrants will not be listed at any time on a securities exchange, regulated market or similar securities market.

- (k) Transferability of the Bootstrap Warrants: Bootstrap shall be entitled to transfer or assign the Bootstrap Warrants. Notwithstanding the foregoing, Bootstrap should notify the Company of its intent to transfer the Bootstrap Warrants. The Conditions also provide that Bootstrap shall not be entitled to transfer the Bootstrap Warrants 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.

For the sake of completeness, the board of directors will submit to the EGM the approval and ratification, insofar as required in accordance with Article 7:151 of the Belgian Companies and Associations Code, of all clauses included in the Conditions, which come into effect at the moment a change of control occurs and which fall or could be considered to fall within the scope of Article 7:151 of the Belgian Companies and Associations Code (relating to the granting of rights to third parties that substantially affect the Company's assets and liabilities, or give rise to a substantial debt or commitment on its behalf, when the exercise of these rights is subject to the launching of a public takeover bid on the shares of the Company or to a change in the control exercised over it), including, without limitation, the aforementioned Net Exercise mechanism in case of certain specific sale events set out in the Conditions.

3.2. Dis-application of the preferential subscription right of the existing shareholders

In order to allow the Company to allocate the Bootstrap Warrants to Bootstrap, as agreed between the Company and Bootstrap, the board of directors proposes to the EGM to dis-apply the preferential subscription right of the Company's existing shareholders and, in so far as required, of the Company's existing holders of subscription rights (share options), in accordance with Articles 7:191 and 7:193 of the Belgian Companies and Associations Code, to the benefit of Bootstrap (and its permitted successors and assigns as provided for by the Conditions). Bootstrap is a company incorporated under the laws of Grand Duchy of Luxembourg, with registered office at 17 Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourgish company register under number B198842.

Bootstrap is entitled to transfer or assign the Bootstrap Warrants. Notwithstanding the foregoing, Bootstrap should notify the Company of its intent to transfer the Bootstrap Warrants. The Conditions also provide that Bootstrap shall not be entitled to transfer the Bootstrap Warrants 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.

3.3. Exercise Price of the proposed Bootstrap Warrant

As set out above in paragraph 3.1(d), the exercise price of the Bootstrap Warrants depends on the applicable exercise mechanism:

- (a) In the event of a Cash Exercise, the Bootstrap Warrants can be exercised at a price of EUR 3.21 per new share;
- (b) 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
- (c) In the event of a Net Exercise, no exercise price is to be paid by Bootstrap.

Subject to, and in accordance with, the provisions of the Conditions, upon exercise of the Bootstrap Warrants and issue of new shares in the framework of a Cash Exercise or a Cashless Exercise, the aggregate amount of the exercise price of the Bootstrap Warrants 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.

3.4. The rights attached to the new shares to be issued upon exercise of the Bootstrap Warrants

As mentioned above, the new shares to be issued at the occasion of the exercise of the Bootstrap Warrants 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 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.

3.5. Admission to listing and trading of the new shares to be issued upon exercise of the Bootstrap Warrants

The new shares to be issued upon exercise of the Bootstrap Warrants shall need to be admitted to listing and trading on the regulated market of Euronext Brussels. For this purpose, the Company is to make the necessary filings and applications, and, as the case may be, prepare a listing prospectus, all as required by applicable regulations, in order to permit an admission to listing and trading on the regulated market of Euronext Brussels following the issuance of the new shares upon exercise of the Bootstrap Warrants in accordance with the provisions of the Conditions.

4. JUSTIFICATION OF THE PROPOSED TRANSACTION

The issuance of subscription rights to Bootstrap (including the Bootstrap Warrants) was one of the elements that had been agreed by the Company in consideration of the willingness of Bootstrap to provide the Loan Facility in September 2016 (when the Company was still an early stage private company incorporated in Switzerland). This loan has been repaid by the Company on 16 July 2020, but the right to subscribe to the Company's shares (through the Bootstrap Warrants) remains outstanding to date (as Bootstrap has not yet used its right to subscribe to shares in the Company).

The net proceeds paid to the Company by Bootstrap in the framework of the Loan Facility (of which the issuance of certain subscription rights (including the Bootstrap Warrants) formed an integral part) was an important source of funding that allowed the Company to finance its development and activities.

Furthermore, while it cannot be guaranteed that the Bootstrap Warrants will ultimately be exercised, the exercise of the proposed Bootstrap Warrants by Bootstrap, and the payment of the relevant exercise price of the Bootstrap Warrants by Bootstrap, if any, will enable the Company to obtain additional cash resources, which can be further used to fund the Company's business activities, and to strengthen its balance sheet.

The board of directors also notes that the Bootstrap Warrants are merely the continuation of a subscription right that has already been approved, granted and issued in the past (and which has

been reflected in the Company's articles of association since 2018), but which expired. In other words, the potential dilutive effects of the Bootstrap Warrants have already been approved in the past. In line with what was agreed at the time of the Company's seat transfer from Switzerland to Belgium, the Former Bootstrap Warrant will need to be renewed to reflect the initial 10 year term thereof. If the Company would not respect these contractual arrangements, it would not only be subject to potential (contractual liability) claim and litigation, but it would potentially also affect the Company's reputation towards other parties providing funding (which would not be in the interest of the Company and its stakeholders). The board of directors underlines that the approval of the new Bootstrap Warrants will not lead to an additional dilution.

For the justification of the exercise price of the Bootstrap Warrants, see paragraph 5 of this report.

In view hereof, the board of directors of the Company believes the proposed issuance of the Bootstrap Warrants to be in the interest of the Company and its stakeholders.

For the sake of completeness, it should be noted that the agreement between the Company and Bootstrap of 1 September 2021 provides that as long as the Bootstrap Warrants have not been issued, the board of directors shall, at Bootstrap's first request reasonably justified by the circumstances, provide to Bootstrap the possibility to subscribe for up to 302,804 new shares of the Company at an issue price of EUR 3.21 per new share, at terms and conditions that are (*mutatis mutandis*) equivalent to the terms of the Bootstrap Warrants that are to be issued, and to issue such new shares on the basis of the Company's authorised capital (or otherwise). Upon exercise by Bootstrap of such right to subscribe for new shares of the Company, the Company shall have a term of fifteen (15) business days to issue the relevant new shares to Bootstrap against payment of the relevant issue price of such new shares.

5. JUSTIFICATION OF THE EXERCISE PRICE OF THE BOOTSTRAP WARRANTS

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.

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

Within the framework of the contemplated issuance of the Bootstrap Warrants as described above, the board of directors proposes to the EGM to dis-apply the preferential subscription right of the Company's existing shareholders and, in so far as required, of the Company's existing holders of subscription rights (share options), in accordance with Articles 7:191 and 7:193 of the Belgian Companies and Associations Code, to the benefit of Bootstrap (and its permitted successors and assigns as provided for by Conditions) .

The dis-application of the preferential subscription right is necessary in order to allow the Company to issue the Bootstrap Warrants to the benefit of Bootstrap in accordance with the Conditions and the contractual arrangement between the Company and Bootstrap. For an overview of the justification and benefits of the proposed Transaction, reference is made to paragraph 4 above.

For all of the above reasons, the board of directors recommends that the EGM approves the contemplated issuance of Bootstrap Warrants with dis-application of the preferential subscription right to the benefit of Bootstrap (and its permitted successors and assigns as provided for by the Conditions), and this notwithstanding the dilution following from the exercise of the Bootstrap Warrants for the shareholders and, as the case may be, the holders of subscription rights (share options), is in the interest of both the Company and the existing shareholders and holders of subscription rights (share options).

7. CERTAIN FINANCIAL AND OTHER CONSEQUENCES

7.1. Introductory comments

The following paragraphs provide an overview of certain financial consequences of the exercise of the Bootstrap Warrants. For further information with regard to the financial consequences of the exercise of the Bootstrap Warrants, reference is also made to the report prepared in accordance with Articles 7:180, 7:191 and 7:193 of the Belgian Companies and Associations Code by the statutory auditor of the Company, PwC Bedrijfsrevisoren BV.

The actual financial consequences resulting from the exercise of the Bootstrap Warrants cannot yet be determined with certainty, as it is not known which of the different agreed exercise mechanisms Bootstrap will use upon exercise of the Bootstrap Warrants (see paragraph 3.1(c) above).

The actual financial consequences resulting from the exercise of the outstanding Share Options (as defined and further detailed below) and the issuance of new shares pursuant to the contribution in kind of the Convertible Loan Payable (as defined and further detailed below) cannot yet be determined with certainty.

Accordingly, the discussion herein of the financial consequences of the exercise of the Bootstrap Warrants for existing shareholders is purely illustrative and hypothetical, and is based on purely indicative financial parameters (where relevant). The actual number of shares to be issued in connection with the transactions and their issue price or exercise price may vary significantly from the hypothetical values used in this report.

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

- (a) At the date of this report, the share capital of the Company amounts to EUR 2,460,486.98, represented by 23,746,528 shares without nominal value, each representing the same fraction of the share capital, *i.e.*, rounded EUR 0.1036. The share capital is entirely and unconditionally subscribed for and is fully paid-up.
- (b) At the date of this report, 2,388,742 shares can still be issued by the Company, of which:
 - (i) 261,895 new shares can be issued upon the exercise 90,780 share options that are still outstanding (at the date of this report) under the "Executive Share Options" plan for staff members and consultants of the Company, entitling the holder thereof to acquire ca. 2.88 shares when exercising one of his or her share options (the "**Executive Share Options**");
 - (ii) 1,126,847 new shares can be issued upon the exercise of 1,126,847 share options (each share option having the form of a subscription right) that are still outstanding (at the date of this report) under the "2018 Share Options" plan for directors, employees and other staff members of the Company and its subsidiaries, entitling the holder thereof to acquire one new share when exercising one of his or her share options (the "**2018 Share Options**");
 - (iii) 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 (at the date of this report) 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**").

The Executive Share Options, the 2018 Share Options and the 2021 Share Options are hereinafter jointly referred to as the "**Share Options**". In this report, when reference is made to any "outstanding" Share Options, this refers to, respectively, Share Options that have not yet been granted but can still be granted and (depending on the terms and conditions of such Share Options) have not yet expired, and Share Options that have already been granted and (depending on the terms and conditions of such Share Options) have not yet expired. For the purpose of the full-dilution scenario calculations further below, it is assumed that all of the 2,217,627 existing Share Options (*i.e.*,

outstanding and still to be granted) were granted, have vested, are immediately exercisable (regardless of their terms and conditions), and have been fully exercised prior to the exercise of the Bootstrap Warrants.

- (c) In July 2020, the Company entered into a subordinated loan agreement with PMV/z-Leningen NV ("**PMV/z**"), which was amended in December 2021, for an aggregate principal amount of up to EUR 4.3 million, of which a loan for a principal amount of EUR 0.8 million can still be converted by PMV/z for new ordinary shares of the Company in the event of a future equity financing or sale of the Company. The conversion can be carried out by means of a contribution in kind of the respective payables due by the Company under the loan (whether as principal amount or as interest) (the "**Convertible Loan Payable**") to the share capital of the Company. The loan has a term of 60 months, and is repayable in full upon expiry of the term. The loan bears an interest of 6.5% per annum, except that the convertible portion of the loan bears an interest of 5.5% per annum. The price per share at which the Convertible Loan Payable can be converted through a contribution in kind in the event of an equity financing or sale of the Company will be equal to 75% of the price of the Company's shares as will be reflected in the relevant equity financing or sale. Although the proposed Transaction or an exercise of Bootstrap Warrants would not qualify as a relevant equity financing that triggers the right, but not the obligation, for PMV/z to contribute its Convertible Loan Payable, the full-dilution scenario calculations further below will, in order to reflect the maximum dilution, nevertheless assume that:

- (i) the Convertible Loan Payable is contributed in full to the share capital of the Company (taking into account, however, that PMV/z has no right to contribute its Convertible Loan Payable as a result of the Transaction or an exercise of the Bootstrap Warrants);
- (ii) for the purpose of the interest calculation, the contribution in kind is effected on 14 April 2022; and
- (iii) the Convertible Loan Payable will be contributed into the share capital of the Company at a subscription price per share of 75% of the closing price of the Company's share on the regulated market of Euronext Brussels on 14 April 2022 (EUR 6.66 per share).

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

	Principal Amount (in EUR)	Accrued Interests (in EUR) ⁽¹⁾	Amount to be contributed (in EUR) ⁽²⁾	New Shares to be issued upon contribution Subscription price of EUR 5.00 ⁽³⁾
PMV/z	800,000.00	76,022.22 ⁽¹⁾	876,022.22	175,204

Notes:

- (1) Carries an interest of 5.5% per annum (360-day period) as from 31 July 2020 and until 14 April 2022.
- (2) Sum of the principal amount of the relevant Convertible Loan Payable and the accrued interests.
- (3) Assuming a subscription price of EUR 5.00, representing a 25% discount to the closing price of the Company's share on the regulated market of Euronext Brussels on 14 April 2022 (EUR 6.66 per share).

- (d) It is assumed that the Bootstrap Warrants are validly issued by the EGM, have become fully exercisable, and have been validly exercised by Bootstrap in accordance with one of the agreed exercise mechanisms set out in the Conditions:
- (i) If the Bootstrap Warrants are fully exercised in accordance with the Cash Exercise mechanism set out in Condition 4.8(a), 302,804 new shares would need to be issued by the Company against an issue price of EUR 3.21 per new share;
 - (ii) If the Bootstrap Warrants are fully exercised in accordance with the Cashless Exercise mechanism set out in Condition 4.8(b), 156,969 new shares would need to be issued by the Company against an issue price of EUR 0.1036 per new share (*i.e.* the fractional value of the shares of the Company) (assuming that the reference price of the Company's share on the regulated market of Euronext Brussels (used to determine the number of shares to be issued in accordance with the applicable formula set out in Condition 4.8(b)) is equal to EUR 6.45 per share) (*i.e.*, the average of the closing prices of the Company's shares on the regulated market of Euronext Brussels over the thirty calendar day period ending on (and including) 14 April 2022); and
 - (iii) If the Bootstrap Warrants are fully exercised in accordance with the Net Exercise mechanism set out in Condition 5 (which is only possible in the event of specific sale events), 0 new shares will be issued, but an aggregate amount of EUR 981,084.96 should be paid by the Company to Bootstrap (assuming that the reference price of the Company's share on the regulated market of Euronext Brussels (used to determine the amount to be paid in accordance with the applicable formula set out in Condition 5) is equal to EUR 6.45 per share) (*i.e.*, the average of the closing prices of the Company's shares on the regulated market of Euronext Brussels over the thirty calendar day period ending on (and including) 14 April 2022).

Whether the Bootstrap Warrants will be effectively exercised will ultimately depend on the decision of Bootstrap. Such decision will likely be in function of the market price of the shares of the Company at the moment of exercise compared to the exercise price of the Bootstrap Warrants. Bootstrap could amongst other things realise a capital gain at the time of exercise of the Bootstrap Warrants if the market price of the shares of the Company at that moment is higher than the exercise price of the Bootstrap Warrants, and if the shares can be sold at such price on the market. As a result Bootstrap will likely not exercise the Bootstrap Warrants if the market price of the shares of the Company is less than EUR 3.21 per share (please note that the market price of the shares of the Company on the regulated market of Euronext Brussels on the trading day preceding the date of this report (*i.e.*, EUR 6.72 per share) is higher than the aforementioned exercise price of EUR 3.21 per share). The aforementioned also applies to the exercise of the Share Options.

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

Each share in the Company currently represents an equal part of the share capital of the Company and provides for one vote in function of the part of the capital it represents. The issuance of the new shares pursuant to the exercise of the Bootstrap Warrants will lead to a dilution of the existing shareholders of the Company and of the relative voting power of each share in the Company. It should be noted that the aforementioned dilution relating to the Bootstrap Warrants has already been approved by the Company's shareholders' meeting in the past (as the Bootstrap Warrants are merely the continuation of a subscription right that has

already been approved, granted and issued in the past (and which has been reflected in the Company's articles of association since 2018), but which expired).

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

Specifically, prior to the exercise of the Bootstrap Warrants (and the issuance of new shares pursuant to the outstanding Share Options and the issuance of new shares pursuant to the contribution in kind of the Convertible Loan Payable), each share of the Company participates equally in the profit and liquidation proceeds of the Company and each shareholder has a statutory preferential subscription right in case of a capital increase in cash or in case of the issuance of new subscription rights or convertible bonds. Upon the issuance of the new shares within the framework of the exercise of the Bootstrap Warrants, the new shares to be issued will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of their issuance and delivery and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of issuance and delivery of the shares. As a result (and to the extent the new shares will be issued and subscribed for), the participation by the existing shareholders in the profit and liquidation proceeds of the Company and their holder's statutory preferential subscription right in case of a capital increase in cash, shall be diluted accordingly.

The evolution of the share capital and the number of shares, with voting rights attached thereto, of the Company as a result of the exercise of the Bootstrap Warrants is simulated below and this in a scenario before exercise of outstanding Share Options, as well as in a scenario in which all Share Options are exercised.

Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the evolution of the number of outstanding shares, assuming a number of new shares to be issued to the benefit of Bootstrap equal to 302,804 new shares (in the event of a Cash Exercise), 156,969 new shares (in the event of a Cashless Exercise), and 0 new shares (in the event of a Net Exercise). For more information about the number of new shares to be issued to the benefit of Bootstrap in the framework of the exercise of the Bootstrap Warrants, see paragraph 7.1.

Evolution of the number of outstanding shares

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Before exercise of outstanding Share Options, the contribution of the Convertible Loan Payable, and after the exercise of the Bootstrap Warrants			
Outstanding shares.....	23,746,528	23,746,528	23,746,528
New shares to be issued upon exercise of the Bootstrap Warrants	302,804	156,969	0
Total shares outstanding	24,049,332	23,903,497	23,746,528
Dilution.....	1.26%	0.66%	0.00%
After exercise of outstanding Share Options and the contribution of the			

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Convertible Loan Payable, but prior to the exercise of the Bootstrap Warrants			
Outstanding shares.....	23,746,528	23,746,528	23,746,528
New shares to be issued upon exercise of the Executive Share Options.....	261,895	261,895	261,895
New shares to be issued upon exercise of the 2018 Share Options.....	1,126,847	1,126,847	1,126,847
New shares to be issued upon exercise of the 2021 Share Options.....	1,000,000	1,000,000	1,000,000
New shares to be issued upon contribution of the Convertible Loan Payable.....	175,204	175,204	175,204
Total shares after exercise of outstanding Share Options and after contribution of the Convertible Loan Payable.....	26,310,474	26,310,474	26,310,474
Dilution.....	9.74%	9.74%	9.74%
After exercise of outstanding Share Options, after contribution of the Convertible Loan Payable, and after the exercise of the Bootstrap Warrants			
Outstanding shares.....	23,746,528	23,746,528	23,746,528
Total shares after exercise of outstanding Share Options and after contribution of the Convertible Loan Payable.....	26,310,474	26,310,474	26,310,474
New shares to be issued upon exercise of the Bootstrap Warrants	302,804	156,969	0
Total shares outstanding, after exercise of outstanding Share Options, after contribution of the Convertible Loan Payable, and after exercise of the Bootstrap Warrants	26,613,278	26,467,443	26,310,474
Dilution.....	1.14%	0.59%	0.00%

Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the evolution of the share capital, assuming a number of new shares to be issued to the benefit of Bootstrap equal to 302,804 new shares (in the event of a Cash Exercise), 156,969 new shares (in the event of a Cashless Exercise), and 0 new shares (in the event of a Net Exercise). The maximum amount of share capital increase (excluding issue premium) is computed by multiplying the relevant number of new shares to be issued to Bootstrap with the fractional value of the shares of the Company, *i.e.*, currently rounded EUR 0.1036 per share.

Evolution of the share capital⁽¹⁾

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Before the exercise of the Bootstrap Warrants			

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Share capital (in EUR).....	2,460,486.98	2,460,486.98	2,460,486.98
Outstanding shares.....	23,746,528	23,746,528	23,746,528
Fractional value (in EUR) (rounded).	0.1036	0.1036	0.1036
Exercise of the Bootstrap Warrants			
Increase of share capital (in EUR) ⁽²⁾ ..	31,370.49	16,261.99	0.00
Number of new shares issued	302,804	156,969	0
After the exercise of the Bootstrap Warrants			
Share capital (in EUR).....	2,491,857.47	2,476,748.97	2,460,486.98
Outstanding shares, after exercise of the Bootstrap Warrants	24,049,332	23,903,497	23,746,528
Fractional value (in EUR) (rounded).	0.1036	0.1036	0.1036

Notes:

- (1) This simulation does not take into account the exercise of the outstanding Share Options, nor the contribution in kind of the Convertible Loan Payable.
- (2) A portion of the issue price that is equal to the fractional value of the existing shares of the Company (being rounded EUR 0.1036 per share) shall be booked as share capital. The portion of the issue price in excess of the fractional value shall be booked as issue premium.

7.3. Participation in the consolidated accounting net equity

The evolution of the consolidated accounting net equity of the Company as a result of the exercise of the Bootstrap Warrants is simulated below. The simulation is based on the following elements:

- (a) The audited consolidated annual financial statements of the Company for the financial year ended on 31 December 2021 (which have been prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("IFRS")) and which will be submitted for approval to the annual general shareholders' meeting of 27 May 2022. The consolidated accounting net equity of the Company as at 31 December 2021 amounted to EUR -786,919.00.
- (b) The simulation does not take into account any changes in the consolidated accounting net equity since 31 December 2021, except, however, that for the purpose of the simulation, the impact of the private placement completed on 10 March 2022, on the consolidated net equity (per share) will be taken into account.

As a result of the aforementioned completion of the private placement completed on 10 March 2022 (not taking into account possible effects of accounting items other than the share capital and the issuance premium (for example the expenses of said private placement)):

- (i) the share capital of the Company was increased as a result of which the Company's net equity was increased by an amount of EUR 28,419,974.00, whereby an amount of EUR 535,328.96 was booked as share capital and an amount of EUR 27,884,645.04 was booked as share premium; and

- (ii) the number of outstanding shares of the Company following the private placement completed on 10 March 2022 amounted to 23.746.528 shares (as 5.167.268 new shares were issued).

Consequently, for the purposes of the simulations below, the adjusted consolidated accounting net equity as at 31 December 2021 will be assumed to amount to EUR 27,633,055.00.

For further information regarding the Company's net equity position on 31 December 2021, reference is made to the financial statements of the Company, which are available on the Company's website.

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

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Consolidated net equity for FY 2021 (adjusted)			
Net equity (in EUR) (rounded) .	27,633,055.00	27,633,055.00	27,633,055.00
Outstanding shares	23,746,528	23,746,528	23,746,528
Net equity per share (in EUR) (rounded)	1.16	1.16	1.16
Exercise of the Bootstrap Warrants			
Increase/decrease of net equity (in EUR) ⁽¹⁾	972,000.84	16,261.99	-981,084.96 ⁽²⁾
Number of new shares issued	302,804	156,969	0
After the exercise of the Bootstrap Warrants			
Net equity (in EUR) (rounded) .	28,605,055.84	27,649,316.99	26,651,970.04
Outstanding shares, after exercise of the Bootstrap Warrants	24,049,332	23,903,497	23,746,528
Net equity per share (in EUR) (rounded)	1.19	1.16	1.12

Notes:

- (1) Consisting of the amount of the capital increase and the amount of the increase of issue premium, as the case may be, but not reflecting that the accounting of this amount may be subject to further adjustments pursuant to IFRS or IAS 34.
- (2) In the event of a Net Exercise (which is only possible in the event of specific sale events), the Company will need to pay Bootstrap and amount of EUR 981,084.96 (which would negatively impact the Company's cash position). For more information see paragraphs 3.1 and 7.1.

7.4. Financial dilution

The evolution of the market capitalisation as a result of the exercise of the Bootstrap Warrants is simulated below.

Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the impact of the exercise of the Bootstrap Warrants on the market capitalisation and the resulting financial dilution, assuming a number of new shares to be issued to the benefit of Bootstrap equal to 302,804 new shares (in the event of a Cash Exercise), 156,969 new shares in the event of a Cashless Exercise), and 0 new shares (in the event of a Net Exercise).

After close of trading on 14 April 2022, the Company's market capitalisation was EUR 158,151,876.48, on the basis of a closing price of EUR 6.66 per share. Assuming that, following the exercise of the Bootstrap Warrants, the market capitalisation increases exclusively with the funds raised (*i.e.*, EUR 972,000.84 funds raised in the event of a Cash Exercise, EUR 16,261.99 funds raised in the event of a Cashless Exercise, and EUR 0.00 funds raised in the event of a Net Exercise (it being understood that in the event of a Net Exercise, the Company shall need to pay an amount of EUR 981,084.96 to Bootstrap), the new market capitalisation would be (rounded) EUR 6.62 per share (in case of a Cash Exercise, a Cashless Exercise, and a Net Exercise). This would represent a (theoretical) financial dilution of (rounded) 0.60% per share (in case of a Cash Exercise, a Cashless Exercise, and a Net Exercise). This also shows that the effect of the different forms of exercise (Cash Exercise, Cashless Exercise and Net Exercise) from a financial dilution perspective is conceptually similar.

Evolution of the market capitalisation and financial dilution

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Before the exercise of the Bootstrap Warrants⁽¹⁾			
Market capitalisation (in EUR)	158,151,876.48	158,151,876.48	158,151,876.48
Outstanding shares	23,746,528	23,746,528	23,746,528
Market capitalisation per share (in EUR).....	6.66	6.66	6.66
Exercise of the Bootstrap Warrants			
Funds raised (in EUR).....	972,000.84	16,261.99	0.00
Amounts to be paid to Bootstrap (in EUR) ⁽²⁾	0.00	0.00	981,084.96
Number of new shares issued..	302,804	156,969	0
After the exercise of the Bootstrap Warrants⁽¹⁾			
Market capitalisation (in EUR)	159,123,877.32	158,168,138.47	157,170,791.52
Outstanding shares, after exercise of the Bootstrap Warrants	24,049,332	23,903,497	23,746,528
Market capitalisation per share (in EUR) (rounded)	6.62	6.62	6.62
Dilution	0.60%	0.60%	0.60%

Notes:

- (1) At the date of this report and not taking into account the potential issuance of new shares upon exercise of outstanding Share Options or upon contribution in kind of the Convertible Loan Payable.

- (2) In the event of a Net Exercise (which is only possible in the event of specific sale events), the Company will need to pay Bootstrap and amount of EUR 981,084.96 (which would negatively impact the Company's cash position). For more information see paragraphs 3.1 and 7.1.

7.5. Other financial consequences

It is expected that within the framework of the Company's consolidated financial statements in accordance with IFRS (as defined above), the Bootstrap Warrants will be accounted for in accordance with (amongst others) International Accounting Standard 32 ("*Financial Instruments: Presentation*"), as adopted by the European Union. The actual application of the reporting standard, the initial recognition moment, and the valuation of the Bootstrap Warrants is still to be determined and assessed. The accounting impact of the Bootstrap Warrants, if any, will be reported in the FY22 consolidated financial statements of the Company. The financial impact of the Bootstrap Warrants is expected to be material (it being noted that the aforementioned conclusion is still under review by the Company's management and has not yet been validated by the Company's statutory auditor).

8. EFFECT OF THE EXERCISE OF THE BOOTSTRAP WARRANTS ON THE SHAREHOLDING OF BOOTSTRAP

Following the issuance of new shares pursuant to the exercise of the Bootstrap Warrants, subject to the assumptions set out below, Bootstrap will hold the number of shares in the Company as illustrated below.

	Exercise of the Bootstrap Warrants		
	Cash Exercise	Cashless Exercise	Net Exercise
Before exercise of the Bootstrap Warrants			
Number of shares held of the Company	34,409	34,409	34,409
Percentage on a non-diluted basis	0.14%	0.14%	0.14%
Percentage on a fully-diluted basis	0.13%	0.13%	0.13%
After exercise of the Bootstrap Warrants			
Number of shares held of the Company ⁽¹⁾	337,213	191,378	34,409
Percentage on a non-diluted basis ⁽²⁾	1.40%	0.80%	0.14%
Percentage on a fully-diluted basis ⁽³⁾	1.27%	0.72%	0.13%

Notes:

- (1) Assuming a number of new shares to be issued to the benefit of Bootstrap upon exercise of the Bootstrap Warrants equal to 302,804 new shares (in the event of a Cash Exercise), 156,969 new shares (in the event of a Cashless Exercise), and 0 new shares (in the event of a Net Exercise). For further information on the elements used to calculate these numbers, reference is made to paragraph 7.1 of this report.
- (2) Based on a total number of shares equal to the sum of the 23,746,528 existing shares of the Company and the relevant number of new shares to be issued to the benefit of Bootstrap as set out in note (1) above.
- (3) Based on a total number of shares equal to the sum of the 23,746,528 existing shares of the Company, the relevant number of new shares to be issued to the benefit of Bootstrap as set out in note (1) above, the 2,388,742 new shares to be issued upon exercise of the outstanding Share Options, and the 175,204 new shares to be issued upon contribution in kind of the Convertible Loan Payable. For further information on the elements used to calculate these numbers, reference is made to paragraph 7.1 of this report.

[signature page follows]

Done on 26 April 2022.

On behalf of the board of directors,

By:



Director

Annex A

Conditions of the Bootstrap Warrants

Note: The Conditions below reflect the proposed terms and conditions of the Bootstrap Warrants. The Conditions have been prepared in English with a Dutch translation. In case of discrepancies between the English and the Dutch version, the Dutch version of the Conditions must be construed in accordance with the English version of the Conditions.

SEQUANA MEDICAL NV

BOOTSTRAP WARRANTS

WARRANTS TO SUBSCRIBE FOR NEW ORDINARY SHARES

CONDITIONS OF THE WARRANTS

On 2 September 2016, the Company (as defined below) granted Bootstrap (as defined below) the right to subscribe to shares of the Company in the framework of a broader financing arrangement. As a result of the "IPO Share Consolidation" that was approved by the extraordinary shareholders' meeting of the Company that was held on 18 January 2019, which entered into force on 12 February 2019, Bootstrap holds the right to subscribe for a maximum of 302,804 new shares of the Company at an exercise price of EUR 3.21 per new share.

On 2 September 2021, Bootstrap's aforementioned right expired in its initial form as a "subscription right" issued by the Company, but is to be renewed as contemplated by a warrant agreement dated 2 September 2016 that was entered into by the Company and Bootstrap, as amended and supplemented on 28 April 2017, 1 October 2018, 20 December 2018, and 1 September 2021.

The present terms and conditions contain the issue and exercise conditions of the renewed warrants (in the form of ten (10) "subscription rights") to be issued by the Company to the benefit of Bootstrap (as contemplated by the aforementioned contractual arrangements).

1 CERTAIN DEFINITIONS AND INTERPRETATION

1.1 Certain definitions

In these Conditions, unless the context otherwise requires, the following words and expressions that are not defined elsewhere in these Conditions shall have the following meanings:

"Adjustment Event" means any issue of Shares at a price less than the Strike Price, any reduction of the Company's share capital, general reserves (including share premium account), revaluation reserve or merger reserve, or the entering into any scheme of arrangement requiring the consent of the court or the purchase of any share capital or the reduction of any uncalled liability in respect thereof and every issue by way of capitalisation of profits or reserves and every rights issue, and the consolidation, subdivision or reduction of capital or other reconstruction or adjustment relating to the equity share capital and any amalgamation or reconstruction affecting the equity share capital (or any shares or securities derived from them) of the Company or any other event whereby the Company (i) raises cash (other than bank debt) or (ii) sells or disposes of any and/or all Key Assets (as defined below), which may adversely impact the value of the equity shares in the Company, provided, however, in any case that adjustments for capital increases, issuances of Shares or distributions to shareholders of the Company or other similar transactions or operations shall not constitute Adjustment Events, provided that these transactions or operations are approved by the Company's general shareholders' meeting or are implemented or occur on the basis of an authorization that was provided or approved by the Company's general shareholders' meeting (such as, but not limited to, the authorized capital);

"Affiliates" means in respect of a company, any business entity from time to time directly or indirectly controlling, controlled by, or under common control with, a shareholder of such a company;

"Affiliate Entity" has the meaning ascribed to such terms in Condition 6.3;

"**Articles of Association**" means the Company's articles of association (as the same may be amended from time to time);

"**Belgian Companies and Associations Code**" means the Belgian Companies and Associations Code of 23 March 2019, as amended from time to time, and the rules and regulations promulgated thereunder;

"**Board**" means the board of Directors of the Company;

"**Bootstrap**" means Bootstrap Europe S.C.SP, a company organised under the laws of the Grand Duchy of Luxembourg, with registered office at 17 Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourgish company register under number B198842;

"**Business Day**" means a day, except a Saturday or Sunday, on which banks are generally open for business in Luxembourg and Belgium;

"**Certificates**" means the certificates reflecting the Warrants substantially in the form set out in Schedule 1 and "**Certificate**" shall mean any one of them;

"**Company**" means Sequana Medical NV, a company organised under the laws of Belgium, with registered office at Kortrijksesteenweg 1110 (box 102), 9051 Sint-Denijs-Westrem (Belgium), registered with the Register of Legal Persons (Ghent, section Ghent) under number 0707.821.866;

"**Conditions**" means the conditions subject to, and with the benefit of, which the Warrants are held, as set out in this document;

"**Controlling Interest**" means an interest in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the share capital of the Company for the time being in issue;

"**Directors**" means the directors of the Company from time to time;

"**Encumbrances**" means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance of any kind, and any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

"**Exchange**" means a securities exchange, regulated market or a similar securities market (including the regulated market of Euronext Brussels) as long as the Company's shares are listed thereon;

"**Exercise Notice**" means the completed notice of exercise of a Warrant substantially in the form set out in Schedule 2;

"**Exercise Period**" means the period commencing on the Issue Date and ending on 11:59 p.m. (Belgian time) on 2 September 2026;

"**Exercise Rights**" means the right of a Holder to exercise a Warrant;

"**Exit**" means any of a Sale or a Winding-Up or Sale Event;

"**Fair Price**" means unless otherwise agreed by the board of Directors and the Holder Majority prior to service of the Exercise Notice, the price per Warrant Share that the Company's auditor (acting as an expert) or any other expert agreed by the Company and the Holder Majority (the "**Expert**"), shall certify to be in his or her opinion a fair price for the Warrant Shares (provided, however, that in the event of a failure to agree to appoint an expert, each of the Company and the Holder Majority may by notice in writing to the other party require that the determination of the price per Warrant Share be referred to an expert to be designated by the Chairman of the Belgian Institute of Registered Auditors (*Instituut van de Bedrijfsrevisoren/ Institut des Réviseurs d'Entreprises*) at the request of the referring party, which expert shall be requested to establish the price per Warrant Share). In arriving at his or her opinion the Expert will value the Warrant Shares as at the date the Exercise Notice is to be given on the basis that the Company operates as a going concern, as between a willing seller and a willing buyer or otherwise,

where applicable, taking into account any impending Exit, subject always to the provisions of the Articles of Association. The decision of the Expert as to the fair price for the Warrant Shares shall be final and binding and his or her costs shall be borne as the Expert shall determine. The Expert shall act as an expert (and not as an arbitrator) in accordance with article 1592 of the (old) Belgian Civil Code of 21 March 1804 (or any similar provision under applicable law) in making its determination which shall, in the absence of manifest error, be final and binding upon the Company and the Holders (*bindende derdenbeslissing/tierce décision obligatoire*) and, without prejudice to any other rights which they may respectively have under these Conditions, the Company and Holders expressly waive, to the extent permitted by law, any rights of recourse they may have otherwise to challenge it; in case the Expert does not want or cannot make its determination (as provided in article 1592, *in fine*, of the (old) Belgian Civil Code of 21 March 1804 (or any similar provision under applicable law)), another Expert must be appointed as described above;

"Group" means the Company, its subsidiaries, any holding company of the Company and any subsidiary of any such holding company from time to time and "Group Company" shall be construed accordingly;

"Holder Majority" means one or more Holders who hold Warrants conferring not less than 75% of the Subscription Rights attached to all Warrants then outstanding (measured in terms of the number of Warrant Shares which would fall to be issued if such Subscription Rights were all simultaneously exercised in full);

"Holders" means the persons from time to time entered in the warrant register as the holders of the Warrants and including their personal representatives;

"Issue Date" means the date on which the Warrants have been issued by the extraordinary general shareholders' meeting of the Company, i.e. *[date on which the Warrants are approved by the extraordinary shareholders' meeting]* 2022;

"Key Assets" means all present and future properties of every description directly related (i) to the Company's liver business or (ii) the Company's heart business;

"Net Issuance Exercise" has the meaning ascribed to such terms in Condition 3.1(c);

"Net Issuance Price" means the price for each of the Warrant Shares which are the subject of a Net Issuance Exercise as set forth in Condition 5.3 (as adjusted, if applicable, by Condition 6);

"New Holding Company" has the meaning ascribed to such terms in Condition 6.3;

"New Purchaser" has the meaning ascribed to such terms in Condition 3.7;

"New Warrants" has the meaning ascribed to such terms in Condition 3.7;

"Nominal Value Subscription Exercise" has the meaning ascribed to such terms in Condition 3.1(b);

"Sale" means (a) completion of the sale or transfer of the legal or beneficial interest in any Shares which would result in a Controlling Interest being obtained by a person (or persons acting in concert with them); or (b) the sale by the Company of the whole or substantially the whole of its undertaking; or (c) a merger or comparable transaction in which the Company is not the surviving entity;

"Sale Event" means unconditional completion of a bona fide sale of the entire issued share capital of the Company where as a result of such sale the shareholders of the Company hold:

- (a) no shares in the capital of the acquirer of the Company (the "**Purchaser**"); or
- (b) together hold shares in the capital of the Purchaser which confer in aggregate less than 30% of the total voting rights conferred on all the shares in the equity share capital of the Purchaser;

"Shares" means all shares in the capital of the Company from time to time, each having the rights and being subject to the restrictions as set out in the Articles of Association;

"Strike Price" means EUR 3.21 per new Warrant Share (if applicable, as adjusted pursuant to Condition 6);

"Strike Price Subscription Exercise" has the meaning ascribed to such terms in Condition 3.1(a);

"Subscription Exercise" means a Strike Price Subscription Exercise and/or a Nominal Value Subscription Exercise;

"Subscription Price" means in relation to each Warrant Share to be issued pursuant to a Subscription Exercise, the price to be paid for each Warrant Share calculated in accordance with Condition 4.8 (as adjusted, if applicable, by Condition 6);

"Subscription Rights" means the rights conferred by the Warrants in relation to a Subscription Exercise;

"Warrant" means the rights granted to a Holder pursuant to this Agreement and these Conditions and **"Warrants"** shall be the aggregate rights granted to all Holders for the time being;

"Warrant Shares" means the ordinary Shares capable of issue to all of the Holders on exercise of the Subscription Rights in full, the aggregate number of which shall be equal to 302,804 ordinary shares of the Company (if applicable, as adjusted pursuant to Condition 6); and

"Winding-Up" means any of the following events to have commenced: (i) if an order is made or an effective resolution passed for the winding up or dissolution of any Group Company (other than a winding up for the purposes of amalgamation or reconstruction) whether voluntarily or involuntarily; or (ii) if an encumbrancer takes possession or an administrator, receiver or administrative receiver is appointed over the whole or a material part of the assets or undertaking of any Group Company (and for this purpose a part of the assets or undertaking shall be material if the value thereof exceeds 10% of the value of the gross assets of the Group all as determined by reference to the latest published consolidated audited accounts of the Company subject to any adjustments as the Company's auditors for the time being (acting as experts and not as arbitrators) may consider necessary); or (iii) if the Company stops payment of its debts or ceases or threatens to cease to carry on its business or the greater part of its business; or (iv) if the Company is unable to pay its debts or certifies that it is unable to pay its debts as and when they fall due; or (v) the passing of a resolution for a solvent winding-up of the Company.

1.2 **Meaning of references**

In these Conditions (unless the context requires otherwise):

- (a) references to Conditions are to clauses in these Conditions, and references to sub-Conditions or paragraphs are to sub-clauses or paragraphs of the Condition in which such references appear;
- (b) references to clauses, Schedules, Conditions are references to clauses, schedules and conditions of these Conditions;
- (c) words denoting persons shall include corporations and firms;
- (d) references to the word "include" or "including" (or any similar term) are not to be construed as implying any limitation, and general words introduced by the word "other" (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things;
- (e) any reference to "writing" or "written" includes any method of reproducing words or text in a legible and non-transitory form but, for the avoidance of doubt, shall not include e-mail;

- (f) all periods of time set out herein shall be calculated from midnight to midnight local time in Brussels, Belgium. They shall start on the day following the day on which the event triggering the relevant period of time has occurred. The expiration date shall be included in the period of time. If the expiration date is not a Business Day, it shall be postponed until the next Business Day. Unless otherwise provided herein, all periods of time shall be calculated in calendar days. All periods of time consisting of a number of months (or years) shall be calculated from the day in the month (or year) when the triggering event has occurred until the eve of the same day in the following month(s) (or year(s)) ("*van de zoveelste tot de dag vóór de zoveelste*" / "*de quantième à veille de quantième*");
- (g) words denoting one gender shall include each gender;
- (h) references to any statute or statutory provision include a reference to that statute or statutory provision as from time to time amended, extended or re-enacted; and
- (i) clauses and the contents page are for convenience only and shall not affect the interpretation or construction of these Conditions.

1.3 Fractional value of Shares

For the purpose of these Conditions, the fractional value (*fractiewaarde / pair comptable*) of the Company's Shares from time to time shall be determined as a fraction, (a) the numerator of which is the amount of the Company's share capital at that time, and (b) the denominator of which is the aggregate number of actually issued and outstanding Shares of the Company at that time.

1.4 Language

The Conditions were drawn up in English, after which a Dutch translation was prepared. In the case of discrepancies between the English and the Dutch version, the English version shall prevail between the parties hereto to the fullest extent possible and permitted by Belgian law, notwithstanding any provision to the contrary in the Dutch version or in the notarial deed recording the issuance of the Warrants. Notwithstanding the foregoing, Belgian legal concepts which are expressed in English language terms, are to be interpreted in accordance with the Belgian legal terms to which they refer, and the use herein of Dutch and/or French words in these Conditions as translation for certain words or concepts shall be conclusive in the determination of the relevant legal concept under Belgian law of the words or concepts that are so translated herein.

2. WARRANTS

- 2.1 Each Warrant has been issued in the form of one subscription right (*inschrijvingsrecht/droit de souscription*) on the Issue Date, subject to the terms of these Conditions, which are binding upon the Company and the Holder. A total of ten (10) Warrants has been issued.
- 2.2 The Warrants have been issued pursuant to a resolution of the extraordinary general shareholders' meeting of the Company held on the Issue Date, 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), to the benefit of Bootstrap, in accordance with articles 7:180, 7:191 and 7:193 of the Belgian Companies and Associations Code.
- 2.3 The Warrants have been issued free from all Encumbrances to the Holders, the Company shall treat each such Holder as the absolute owner of the Warrants issued or assigned to it and accordingly the Company shall not be bound to recognise any equitable or other claim to or interest in such Warrants on the part of any other person.
- 2.4 Each Holder shall be entitled to a Certificate that shall be substantially in the form set out in Schedule 1.

- 2.5 The Conditions shall, subject to their terms, enure for the benefit of all Holders, each of whom may sue for the performance or observance of the provisions of these Conditions and so far as his or her holding of the Warrants is concerned.
- 2.6 Subject to the terms and conditions set forth in these Conditions and in particular the Adjustment Events provided in Condition 6, the aggregate number of Warrant Shares that can be issued upon exercise of the Subscription Rights in full shall be equal to 302,804 ordinary shares of the Company, whereby each Warrant can be exercised for a maximum number of Warrant Shares equal to 302,804 divided by 10 (it being understood that (i) the resulting number of Warrant Shares issuable upon exercise of the relevant Warrant shall be rounded up to the nearest higher whole number, and (ii) the aggregate number of Warrant Shares issued upon exercise of all Warrants can never be higher than 302,804 (which will need to be taken into account when determining the number of Warrant Shares issuable upon exercise of the last outstanding Warrant that had not been exercised earlier)).
- 2.7 Except as otherwise provided under Belgian law, the Holders of the Warrants are no shareholder of the Company solely by virtue of holding the Warrants, and therefore do not have the rights of a shareholder in relation to the Warrant Shares to be issued or delivered to the Holders of the Warrants upon an exercise of the Warrants until the issue or delivery of the relevant Warrant Shares pursuant to the exercise of the Warrants.
- 3. EXERCISE OF THE WARRANTS**
- 3.1 A Holder may elect, at its sole discretion, in whole or in part (on one or more occasions) during the Exercise Period to exercise its Exercise Rights either:
- (a) by mean of subscription of Warrant Shares in accordance with Condition 4.8(a) (the "**Strike Price Subscription Exercise**");
 - (b) by mean of a subscription of Warrant Shares in accordance with Condition 4.8(b) (the "**Nominal Value Subscription Exercise**"); or
 - (c) in case of a Sale, by mean of receipt of cash from the Company in accordance with Condition 5 (the "**Net Issuance Exercise**").
- 3.2 The Exercise Rights conferred by a Warrant may be exercised in whole or in part (on one or more occasions), except as otherwise provided for in these Conditions, by the relevant Holder at any time during the Exercise Period by the relevant Holder completing the Exercise Notice reflecting such election (and which shall state the date of completion or shall be such other date as agreed between the relevant Holder and the Company) and delivering the same to the Company, following which the Company shall pay to that Holder an amount of cash or issue to that Holder cash or a number of Shares (as applicable) and provided that any delay in giving such notice to the Company in relation to an Exit shall be no impediment on a Holder exercising its Exercise Rights.
- 3.3 Each Warrant can only be exercised for a whole number of Warrant Shares, and not with respect to fractions of Warrant Shares.
- 3.4 The Company shall give the Holders not less than ten (10) Business Days advance notice in writing of the proposed occurrence of an Exit, which notice shall state the date on which the Exit shall take place (or thereabouts) and (a) the number of Warrant Shares that such Holder shall be entitled to subscribe for in case of Subscription Exercise and (b) the amounts of cash such Holder shall be entitled to in case of Net Issuance Exercise, under the Warrants on or before the Exit. The Company shall at the same time as giving such notice to the Holders also provide each Holder with all relevant financial particulars in relation to any proposed Exit and other relevant legal documentation to enable the relevant Holder to decide whether to participate in such Exit through the exercise of such Holder's Exercise Rights.
- 3.5 Each Holder shall have the right at any time within the Exercise Period to exercise its Exercise Rights, and (at the option of the relevant Holder) if in respect of an Exit immediately prior to completion of the Exit. For the avoidance of doubt the Exercise Rights and Warrants shall not lapse on the occurrence of

a Sale Event or an Exit and shall be exercisable (in accordance with the terms of these Conditions) prior to, upon or following a Sale Event or an Exit.

- 3.6 Notwithstanding anything to the contrary in these Conditions, (i) in case of a Sale, the Company shall have the right to request the Holders to exercise the Exercise Rights conferred by a Warrant in whole by sending an Exercise Notice within fifteen (15) Business Days upon receipt of such notification from the Company. In case a Holder does not exercise its Exercise Rights conferred by a Warrant in whole within such time frame, the Exercise Rights and the Warrants of such Holder shall then lapse automatically and (ii) in case of a company reorganisation (for the avoidance of doubt, within the meaning of Condition 6.3) the Company shall have the right to cause to grant the Holders new warrants over the share capital of the New Holding Company and the Affiliate Entity and the Company shall procure such new warrants are granted with equivalent rights and on terms applying in these Conditions *mutatis mutandis*.
- 3.7 In the event that the entire issued share capital of the Company is sold or is to be sold where as a result of such sale the shareholders of the Company would hold shares in the capital of the acquirer of the Company (the "**New Purchaser**") which confer in aggregate 30% or more of the total voting rights conferred on all the shares in the share capital of that New Purchaser, provided that the Warrants have not been exercised and completed prior to the date of such sale, the Company shall use its best endeavours to procure that the New Purchaser issues warrants to the Holders in place of the Warrants under these Conditions on terms approved by the Holders, substantially similar to the terms of these Conditions and with the same economic benefit to the Holders (the "**New Warrants**"). Upon issue of the New Warrants, the Warrants under these Conditions shall lapse.
- 3.8 The Company will procure in the event of a Sale or a Sale Event that the Holders are not required for the purpose of, or in connection with, such event (i) to give any warranties or indemnities (other than as to title to shares registered in its/their respective name(s) or the names of their nominees, and as to their capacity and authority to effect the relevant event); or (ii) to appoint any party to act as their agent; or (iii) to make any contribution to the costs (including legal and accountancy fees and disbursements) incurred by any other party in connection with such Sale or Sale Event; or (iv) to agree to any lock-up period or any other restriction of the ability to sell or transfer the Warrant Shares.

4. SUBSCRIPTION EXERCISE PROCEDURE

- 4.1 The Subscription Rights conferred by a Warrant may be exercised in whole or in part (on one or more occasions) by the relevant Holder at any time during the Exercise Period by the relevant Holder completing the Exercise Notice (and which shall state the date of completion or shall be such other date as agreed between the relevant Holder and the Company) and delivering the same to the Company, provided that any delay in giving such notice to the Company in relation to an Exit shall be no impediment on a Holder exercising its Subscription Rights.
- 4.2 Upon receipt of the Exercise Notice, the Company may request the Holders in writing to provide to the Company with such further declarations and documents, which are necessary to comply with all applicable legal and regulatory provisions (as the case may be) in connection with the exercise of the Warrants and the issue or delivery of the Warrant Shares resulting therefrom.
- 4.3 After having delivered the Exercise Notice to the Company, the relevant Holder shall wire to a blocked account in the Company's name (as provided for in the Belgian Companies and Associations Code) that will be communicated by the Company at the latest three (3) Business Days after the receipt of the Exercise Notice by the Company (the "**Exercise Account**") the Subscription Price payable for the Warrant Shares in respect of which Subscription Rights are to be exercised. The Parties acknowledge that the Subscription Rights shall be validly executed on the day when the Subscription Price has been received on the aforementioned Exercise Account. The amount of the applicable aggregate Subscription Price must be paid by means of a wire transfer of such amount in immediately available funds in euro to the Exercise Account.

- 4.4 If the applicable aggregate Subscription Price is not paid in accordance with Condition 4.3 within a term of ten (10) Business Days following the date on which the Company shall have notified a Holder of Warrant(s) of the details of the Exercise Account in accordance with Condition 4.3, the Warrant(s) shall be deemed not to have been exercised, without prejudice to the right of the relevant Holder to exercise the Warrant(s) at later occasions during the Exercise Period subject to and in accordance with the terms and conditions set forth in these Conditions.
- 4.5 The Company undertakes that at the latest five (5) Business Days after confirmation by the relevant financial institution of the receipt of the Subscription Price on the Exercise Account for the Warrant Shares in respect of which Subscription Rights are to be exercised upon completion of the exercise of the Warrant concerned by the Holder in accordance with this Condition 4 it shall issue to the Holder the Warrant Shares constituted by such Warrants free from all Encumbrances, shall immediately enter the name of the Holder in the share register of the Company in respect of the number of Warrant Shares issued to it, and deliver to the Holder a Certificate in respect of such Warrant Shares on the relevant date of issue.
- 4.6 In accordance with applicable law, upon each exercise of a Warrant, the capital increase and issue of Warrant Shares resulting therefrom (as relevant) shall be formally recorded within the time period referred to in Condition 4.5 before a notary public by the board of Directors, one or more members thereof, or any proxyholder specifically authorized for that purpose in accordance with article 7:187 of the Belgian Companies and Associations Code. At its discretion, the Company can postpone the issuance and delivery of the Warrant Shares if this is necessary to comply with relevant Belgian and/or foreign laws or regulations.
- 4.7 The Warrant Shares issued on exercise of the Subscription Rights shall be delivered in registered form and shall have the same rights and benefits as, and rank *pari passu* in all respects including as to entitlement to dividends and other distributions, with the existing and outstanding ordinary shares at the moment of their issue and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of their issue. The rights and obligations attached to the ordinary shares that can be subscribed for upon exercise of a Warrant are as set out in the Articles of Association of the Company.
- 4.8 The Subscription Price for each of the Warrant Shares which are the subject of the Subscription Rights shall, at the absolute discretion of the relevant Holder, be either:
- (a) the payment in cash for each of the Warrant Shares at the Strike Price; or
- (b) payment in cash of the fractional value for each of the Warrant Shares to be issued to the relevant Holder upon exercise of a Warrant on a net issuance basis whereby the relevant Holder will then receive a number of Warrant Shares, credited as fully paid, being "X" where X is equal to Y-Z and Z is calculated as follows:

$$Z = \frac{Y(B-C)}{A}$$

Where:

X= the number of Warrant Shares to be issued to such Holder (disregarding any fractional entitlement (by rounding down the relevant result));

Y= the number of Warrant Shares with respect to which the relevant Holder is exercising its Subscription Rights;

- A= the fair market value of each Warrant Share on the date of exercise, calculated in accordance with Condition 4.9(a) or otherwise Condition 4.9(b);
- B= the Strike Price: and
- C= The fractional value of a Warrant Share.

4.9 Fair market value for each Warrant Share (being ("A")) shall be calculated as follows (in each case, as applicable on the date of exercise of the Subscription Rights):

- (a) if at the date of exercise of a Warrant the Company's Shares are listed on an Exchange, "A" shall be the average of the closing price of the Company's Shares on such Exchange over the thirty (30) calendar day period (or portion thereof if shorter) ending three (3) days prior to the date of delivery to the Company of the completed and signed Exercise Notice;
- (b) if at the date of exercise of a Warrant the Company's Shares are not listed on an Exchange, "A" shall be the Fair Price.

4.10 Each time upon an exercise of a Warrant and the issue of the relevant Warrant Shares pursuant to these Conditions, the applicable aggregate Subscription Price of the Warrant Shares with respect to which a Warrant is exercised shall be allocated to the share capital of the Company. If the applicable aggregate Subscription Price, per Warrant Share issued, is greater than the fractional value of the existing Shares immediately prior to the capital increase, then the applicable aggregate Subscription Price shall be allocated in such a manner that per Warrant Share issued (i) a part of the applicable aggregate Subscription 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 Subscription 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 relevant Warrant 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.

4.11 In the event that any part of a Warrant has not been exercised in full immediately prior to the expiry of the Exercise Period, then any unexercised part of this Warrant shall be deemed to have been exercised in full on the net issuance basis set out in Condition 4.8 immediately prior to expiry of the Exercise Period.

5. NET ISSUANCE EXERCISE PROCEDURE (IN CASE OF A SALE)

5.1 The Exercise Rights conferred by a Warrant in relation to a Net Issuance Exercise may, in case of a Sale, be exercised in whole or in part (on one or more occasions) by the relevant Holder at any time during the Exercise Period by the relevant Holder completing the Exercise Notice (as adapted to the Net Issuance Exercise and which shall state the date of completion or shall be such other date as agreed between the relevant Holder and the Company) and delivering the same to the Company, provided that any delay in giving such notice to the Company in relation to an Exit shall be no impediment on a Holder exercising its Exercise Rights

5.2 The Company undertakes that, within five (5) Business Days upon receipt of the Exercise Notice in respect of a Net Issuance Exercise, it shall pay the relevant Holder(s) the Net Issuance Price.

5.3 The Net Issuance Price for each of the Warrant Shares which are the subject of a Net Issuance Exercise shall be "X", calculated as follows:

Where: $X = (A-B)$

A= the fair market value of each Warrant Share on the date of exercise, calculated in accordance with Condition 4.9(a) or otherwise Condition 4.9(b); and

B= the Strike Price.

6. ADJUSTMENT EVENTS

- 6.1 If any Adjustment Event shall take place after the Issue Date but prior to completion of the exercise of a Warrant, then all the Warrant Shares which shall derive (whether directly or indirectly) from the relevant Warrant shall be deemed to be subject to such Adjustment Event (assuming for the purposes of calculating the adjustment to be made that the relevant Warrant had been exercised in full immediately prior to such Adjustment Event) so that references in these Conditions to the Warrant Shares and the Subscription Price and Net Issuance Price shall be appropriately adjusted to take account of such Adjustment Event.
- 6.2 Any dispute as to the Adjustment Event and the adjustment to the Warrant Shares and the Subscription Price and Net Issuance Price (if any) shall be referred to the auditors of the Company without delay by the Company (and at the Company's cost), who shall act as experts or an independent expert as agreed by the Company and the relevant Holders and not as arbitrators and their certificate as to the Adjustment Event, Warrant Shares and the Subscription Price and Net Issuance Price (if any) shall be final and binding on the parties.
- 6.3 A company reorganisation occurs if:
- (a) there is a qualifying exchange of shares so that a company (the "**New Holding Company**") acquires all the shares of the Company and the following conditions are
 - (i) consideration for all the shares in the Company (the "**Old Shares**") consists wholly of shares ("**New Company Shares**") in the New Holding Company;
 - (ii) that New Company Shares are issued in consideration of Old Shares only at times when there are no issued shares in the New Holding Company other than (i) subscriber shares; or (ii) New Company Shares previously issued in consideration of Old Shares;
 - (iii) consideration for New Company Shares is of Old Shares of the same class and carrying the same rights; and
 - (iv) New Company Shares are issued to the holders of Old Shares in proportion to their holding; and/or
 - (b) there is a transfer, assignment, sale or any similar event of a substantial part of the assets and/or the business and/or the operations of the Company to another entity, which is directly or indirectly affiliated to the Company (the "**Affiliate Entity**").
- 6.4 Where there is a company reorganisation the Holders may require the Company to grant or cause to grant the Holders new warrants over the share capital of the New Holding Company and the Affiliate Entity and the Company shall procure such new warrants are granted with equivalent rights and on terms applying in these Conditions *mutatis mutandis*.
- 6.5 If as a result of the Adjustment Events provided for in this Condition 6 or otherwise, the number of Warrant Shares issuable upon exercise of a Warrant results in a number of Warrant Shares that is not a whole number, but were to result in the issuance of a fraction of an ordinary Share, then (i) the number of Warrant Shares issuable upon exercise of the relevant Warrant shall be rounded down to the nearest higher whole number, (ii) such remaining fraction of a ordinary Share shall not be issuable, and (iii) the Holder of such Warrants so exercised shall not be entitled to any compensation (in cash or otherwise) in relation to such fraction of a ordinary Share that shall not be issuable.

7. COMPANY UNDERTAKINGS

- 7.1 The Company agrees and undertakes to each Holder to procure (so far as it is legally able) that it will:
- (a) until the earlier of completion of the exercise of the Warrants in full and the expiry of the Exercise Period, not in any way modify the rights attaching to the Warrant Shares;
 - (b) until the earlier of completion of the exercise of the Warrants in full and the expiry of the Exercise Period, give immediate notice in writing, with copies of all relevant documentation, of all communications generally with, and resolutions of, the members or creditors of the Company as a whole (or any class of creditors), including without limitation notices convening and minutes of meetings and circulars; and
 - (c) upon or as soon as possible after the issue of Warrant Shares apply to any Exchange upon which the Company is listed, on behalf of the relevant Holder and the Company's expense, for permission to deal in or for admission or quotation for such Warrant Shares or any of the shares into which the Warrant Shares are convertible (as the case may be) and shall use its best endeavours to secure such permission, admission or quotation not later than sixty (60) Business Days after the relevant subscription date. For that purpose and within the same period, the Company may and shall transform the Warrant Shares into dematerialized shares, at its expense, and take all actions and comply with all formalities required thereto.
- 7.2 Except where otherwise provided under Condition 3, if any offer or invitation is made to any holders of an class of Shares to acquire any of their Shares by way of purchase or pursuant to a scheme of arrangement or if any proposal or arrangement is put to any holders of any class of Shares while the Warrants remain to be exercised in full, the Company shall use its best endeavours to procure that such offer, invitation, proposal or arrangement is made or put (as the case may be) to the Holders and shall notify the Holders in writing in sufficient time (being not less than ten (10) Business Days notice of the happening of such event) to enable each Holder to fully exercise its Subscription Rights and to enable the relevant Holder, at its discretion, to accept such offer or invitation or participate in such proposal or arrangement.
- 7.3 Except where otherwise provided under Condition 3, if, on a date (or by reference to a record date) on or before the expiry of the Exercise Period, the Company makes any offer or invitation by way of a rights issue or other pre-emptive offer to the holder of the Shares, then the Company shall notify the Holders in writing and the same time (being not less than ten (10) Business Days before the happening of such event) to enable the Holders to fully exercise their Exercise Rights and to enable the Holders, at their discretion, to participate in such offer or invitation.

8. COMPANY WARRANTIES

- 8.1 The Company is duly authorised to issue the Warrants and the obligations of the Company under the Conditions constitute and impose valid legal and binding obligations on the Company fully enforceable in accordance with its terms.
- 8.2 The Company is a limited liability company (*naamloze vennootschap*) duly incorporated and validly existing in all respects under the laws of Belgium and has the power and authority to own its assets and to carry on its business as it is now being conducted.

9. FINANCIAL INFORMATION

The Company shall send to Bootstrap, unless to the extent such information is made available through the Investors section of the website of the Company:

- (a) at the same time they are sent to the Company's shareholders, copies of all notices, invitations, agendas and information sent to the Company's shareholders;

- (b) within five (5) Business Days after an ordinary or extraordinary general meeting of the Company's shareholders, copies of all resolutions of such general meeting;
- (c) a copy of its annual report and audited accounts together with all documents required by law to be annexed to that report within 180 calendar days after the end of each financial year; and
- (d) copies of every statement, notice or circular at the same time they are issued to a holder of Shares.

10. CERTIFICATES

Every Holder will be entitled to a Certificate stating the number of Warrants held by him or her and every such Certificate shall refer to these Conditions and shall bear a serial number. Joint Holders of a Warrant will be entitled only to one Certificate in respect of a Warrant held by them jointly, which will be delivered to the first-named of joint Holders.

11. LOST CERTIFICATES AND PARTIALLY EXERCISED WARRANTS

- 11.1 If a Certificate is defaced, lost, stolen or destroyed it will be replaced at the registered office of the Company for the time being upon payment by the claimant of such reasonable costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Company may reasonably require.
- 11.2 If a Holder exercises its Exercise Rights in part, the Company shall, at its own cost, and immediately upon such exercise, issue a new Certificate to such Holder with information on (i) the number of Warrants such Holder still holds and (ii) the number of Warrant Shares such Holder can still acquire.
- 11.3 Where a Certificate is required for delivery on any exercise of the Exercise Rights or on any transfer of the Warrants, and the relevant Holder is unable to produce such Certificate, the Directors may waive production of any such Certificate upon production to them of satisfactory evidence of the loss or destruction of such Certificate together with such indemnity as they may require.

12. REGISTER

- 12.1 Each Warrant is in registered form. In accordance with applicable law, each Warrant is recorded in a warrant register book of the Company, which is kept at the registered office of the Company. The Warrants cannot be converted into a bearer instrument or in dematerialized form.
- 12.2 The Company shall at all times cause the aforementioned warrant register to be maintained at its registered office showing the name and address of each Holder, the Warrants held by the relevant Holder, the Certificate numbers and the Issue Date of the Warrants. Only the person who has been recorded in the warrant register book of the Company as owner of the Warrants will be recognized as Holder of such Warrants.
- 12.3 Any change in the name or address of any Holder shall be notified to the Company, which shall cause the warrant register to be altered accordingly, unless in case of partial exercise of the Exercise Rights by a Holder in which case the Company shall immediately and without being notified by such Holder, alter the warrant register according to the new Certificate issued in accordance with Condition 11.2. Each Holder (or any person authorised by such Holder) shall be at liberty at all reasonable times during office hours to inspect the warrant register and to take copies of or extracts from the same of any part thereof.

13. DEATH OR BANKRUPTCY

- 13.1 The executors or administrators of a deceased Holder (not being one of two or more joint Holders) and in the case of the death of one or more of several joint Holders, the survivor or survivors of such joint Holders shall be the only person or persons recognised by the Company as having any title to or interest in the Warrants of such deceased Holder.

- 13.2 Any person becoming entitled to a Warrant in consequence of the death or bankruptcy of a Holder or any other event giving rise to the transmission of such Warrant by operation of law may, upon producing such evidence of his or her identity as the Company shall think sufficient, be registered himself as the relevant Holder of such Warrant.
- 13.3 Any person becoming entitled to a Warrant in consequence of death or bankruptcy of a Holder shall be entitled to receive and may give good discharge of any monies payable in respect thereof but shall not be entitled to receive notices of or to attend or vote at meetings of the Holders or (save as aforesaid) to any of the rights or privileges of a Holder until he shall have become a Holder in respect of such Warrant.

14. TITLE TO THE WARRANTS

- 14.1 The Company will recognise the registered Holder as the sole absolute owner of the relevant Warrants.
- 14.2 Any person becoming entitled to a Warrant in consequence of the death or bankruptcy of a Holder or otherwise than by transfer may, upon producing such evidence of title as the Company shall require and subject as provided in Condition 13.1, be registered as Holder of the relevant Warrant.
- 14.3 Any person claiming to be so entitled to be registered as a Holder by virtue of death or bankruptcy of a Holder shall notify the Company in writing of such fact and Condition 14.1 shall apply, *mutatis mutandis*, to such person as if he were a transferee.
- 14.4 A person claiming to be a Holder as a result of death or bankruptcy of a Holder shall only be entitled to the Exercise Rights when he shall have become the registered Holder of a Warrant.

15. TRANSFERS

- 15.1 The benefit of a Warrant shall enure for the benefit of the successors in title and personal representatives of the Holders concerned. The Warrants and Exercise Rights shall be freely transferable by the Holders concerned.
- 15.2 Notwithstanding the foregoing, a Holder should notify the Company of its intent to transfer the Warrants or Exercise Rights.
- 15.3 Notwithstanding the foregoing, the Holders shall not be entitled to transfer the Warrants or Exercise Rights to an entity that is a customer, competitor or supplier of the Company, or an entity that holds 20% or more of the issued share capital of any such customer, competitor or supplier.
- 15.4 In the event of any transfer, the Holders shall procure that the transferee shall enter into an undertaking in connection with its use of and the confidentiality of the information provided to it under Condition 8.
- 15.5 In the event that part only of the Warrants is transferred, the transferor may transfer such proportion of the Exercise Rights under the Warrants in proportion to the Warrants so transferred. In such case the transferor shall deliver its Certificate to the Company, and upon the Company issuing a new Certificate to the transferee for such transfer, it shall deliver to the transferor a balancing Certificate in respect of the balance of the Exercise Rights.
- 15.6 The Board may require the transferor or the person named as the transferee in the transfer form to provide the Company with such information and evidence as the Board reasonably request to identify the transferee.
- 15.7 A transfer made otherwise in accordance with this Condition 15 shall be void and of no effect, and shall not be enforceable *vis-à-vis* the Company, unless it has been approved in writing by the Company and a Holder Majority.

16. MEETINGS

- 16.1 The Company may (and shall at the written request of a Holder Majority) at any time convene a meeting of the Holders by not less than 10 Business Days' notice in writing of it specifying the place, day and

hour of the meeting and the terms of any resolution to be proposed at it to the Holders and such meeting shall have power by a resolution passed by a Holder Majority to sanction (subject to the consent by the Company) any modification, abrogation, consent or compromise or any arrangement in respect of the rights of the Holders against the Company, and to assent to any modification, abrogation, consent or compromise or any arrangement of these Conditions.

- 16.2 The non-receipt by any Holder of or the accidental omission to give to any Holder notice of any such meeting shall not invalidate the proceedings at it.
- 16.3 A resolution passed at a meeting of the Holders duly convened and held in accordance with the Conditions shall be binding upon each of the Holders whether present or not present at such meeting.
- 16.4 A resolution signed by Holders constituting a Holder Majority shall (subject to the consent of the Company) be as valid and effectual as if it had been passed at a meeting of the Holders duly convened and held and such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Holders.
- 16.5 The quorum at any meeting shall be a Holder Majority and such quorate number shall have the power to pass any resolution. If within fifteen minutes from the time being appointed for any meeting a quorum is not present the meeting shall stand adjourned to such day (not being less than 5 or more than 20 Business Days after the date of the meeting from which such adjournment takes place) and time and place as the chairperson of the meeting may determine and at the adjourned meeting the Holders present shall form a quorum. Notice of an adjourned meeting shall be given in like manner as for the original meeting and such notice shall state that the Holders present at such meeting whatever the number of the Warrants held or presented by them will constitute a quorum for all purposes.
- 16.6 For purposes of this Condition, reference to "**Holders**" shall be deemed to include reference to a single Holder and (subject to the other provisions of this Condition) one person present in person or by proxy shall constitute a quorum.
- 16.7 After the Issue Date, the Holders and the Company (as applicable) shall execute such documents and take such steps as may reasonably be required to fulfil the provisions of and to give to each Holder the full benefit intended by these Conditions.

17. NOTICES

- 17.1 Each Holder shall notify the Company in writing of an address to which notices can be sent.
- 17.2 Each Holder shall be bound by every notice in respect of such Warrants which prior to his or her name and address being entered on the warrant register shall have been duly given to the person from whom he or she derives his or her title to such Warrants.
- 17.3 Any notice to a Party under these Conditions shall be in writing signed by or on behalf of the party giving it and shall be served on a party if given personally, left at or sent by prepaid first class post or prepaid recorded delivery or special delivery or facsimile transmission to the address of the other Party set out in the warrant register (or facsimile number for the time being shown in the warrant register) or in the case of the Company at its registered office (or facsimile number for the time being shown in the warrant register or otherwise notified for such purpose). A notice shall be deemed to have been served at the time of delivery if delivered personally, 48 hours after posting, or 2 hours after transmission if served by facsimile provided that where the deemed time of service is after 6 p.m. (Belgian time) on a Business Day or on a day which is not a Business Day, the notice shall be served at 9 a.m. (Belgian time) on the next Business Day. The deemed service provisions of this Condition shall not apply to notices served by post if there is a national or local disruption of postal services that affects the giving of the notice.
- 17.4 In proving service it will be sufficient to prove:

- (a) in the case of personal service, that it was handed to the recipient or delivered to or left in an appropriate place for receipt of letters at its address;
- (b) in the case of a letter sent by post, that the letter was properly addressed, stamped and posted;
- (c) in the case of facsimile, that it was properly addressed and despatched to the number of the recipient.

17.5 Where a Warrant is held by joint Holders, it shall be sufficient for the Company to have sent notice to the first name appearing in the warrant register for such Holders on behalf of all such Holders, and any notice required to be given by the Company to the Holders shall be given to such persons who are entered in the warrant register as such Holders and such service shall for all purposes of these presents be deemed duly served and sufficient service of such notice or document on his or her executors or administrators and all persons (if any) jointly interested with him in any such Warrant.

18. GENERAL

18.1 Binding nature of the Conditions

In the case of subscription for the Warrants, Bootstrap shall be bound by, and deemed to have accepted, the present Conditions. In the event of a transfer of a Warrant (or any right thereto), the acquirer or transferee shall be bound by, and deemed to have accepted, the present Conditions.

18.2 Severability

Whenever possible, the provisions of the Conditions shall be interpreted in such a manner that they are valid and enforceable under the applicable legislation.

If, at any time, any term or provision in these Conditions shall be held to be illegal, invalid or unenforceable, in whole or in part, under any rule of law or enactment, such term or provision or part shall, to that extent, be deemed not to form part of these Conditions, but the enforceability of the remainder of these Conditions shall not be affected. In that event, the illegal, invalid or non-enforceable provision or part thereof is automatically replaced with the legal, valid and enforceable provision that is the closest to the original provision or part thereof as regards content, bearing and intention.

18.3 Specific Enforcement

Notwithstanding anything in these Conditions to the contrary, nothing in these Conditions shall in any way limit the ability of the Company and the Holders of the Warrants to seek or obtain from any court of competent jurisdiction any remedies available at law or in equity (including injunctive relief) to enforce any covenant or agreement of the Holders of the Warrants respectively the Company hereunder.

18.4 Costs and expenses

Each Holder of a Warrant shall pay any stamp, issue, registration, documentary or any taxes and duties, including interest and penalties, payable in Belgium on or in connection with the exercise, issue or delivery of the relevant Warrant Shares upon each exercise of the relevant Warrant.

Any other costs and expenses related with the issuance or exercise of the Subscription Rights or with the issuance, delivery and listing of the Warrant Shares shall be borne by the Company.

18.5 Governing law and jurisdiction

These Conditions and the rights and obligations of the Company and the relevant Holder shall be subject to the exclusive jurisdiction of courts within the city of Brussels (Belgium) in their territorial scope and, if permitted by law, using the Dutch language or, if not so permitted, using the French language, and shall be governed by and construed in accordance with Belgian substantive law (to the exclusion of conflict of law rules and international treaties, in particular the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980).

SCHEDULE 1
FORM OF CERTIFICATE

SEQUANA MEDICAL NV
Limited Liability Company

Kortrijksesteenweg 1110 (box 102), 9051 Sint-Denijs-Westrem (Belgium)
Register of Legal Persons VAT BE 0707.821.866 (Ghent, section Ghent)

(the "**Company**")

Warrant No. _____

Issue Date: _____ 2022

Issued by a resolution of the shareholders' meeting of the Company passed on _____ 2022.

THIS IS TO CERTIFY that **BOOTSTRAP EUROPE S.C.SP ("Bootstrap")** whose registered office is at 17 Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Luxembourg (the "**Holder**") is the registered holder of _____ Warrants representing _____ % of the Exercise Rights as are determined by the conditions endorsed on this certificate (the "**Conditions**"). The Warrants are issued pursuant to, and in accordance with, the aforementioned resolution of the shareholders' meeting of the Company and is subject to the Conditions.

IN WITNESS this Certificate has been executed and delivered on the date first below written.

Dated _____ 2022

EXECUTED

by **Sequana Medical NV**

acting by:

NOTES:

1. The Warrants are transferable subject to the provisions of Condition 14.
2. No transfer of the Warrants represented by this Certificate will be registered unless it is accompanied by this Certificate and delivered to the Company's registered office.
3. Where the context so admits, terms defined in the Conditions shall have the same meanings when used herein.

SCHEDULE 2
EXERCISE NOTICE

To: The Company Secretary
Sequana Medical NV

[DATE]

●, being the registered holder[s] of [a] Warrant[s], give[s] notice to the Company of [its] [his] [her] desire to exercise ●% of [his] [her] [its] Exercise Rights:

by mean of a [Strike Price Subscription Exercise][Nominal Value Subscription Exercise], to subscribe for the number of Warrant Shares at the aggregate Subscription Price both as set out below, in accordance with the Conditions. [I][We] enclose an irrevocable undertaking to pay the Subscription Price with this Exercise Notice together with [my] [our] Warrant Certificate.

Number of Warrant Shares: ●

Aggregate Subscription Price: EUR ●

Name of shareholder: ●

Address of shareholder: ●

Completion date: ●20●● (if not on or immediately prior to an Exit)

Please issue the Warrant Shares set out in this Exercise Notice. [I][We] agree to accept the Warrant Shares in accordance with the rights attaching to them as set out in the Company's Articles of Association.

Please enter the name of the shareholder (as stated above) in the share register of the Company and arrange for a Certificate for the Warrant Shares and a certificate for the balance of the Subscription Rights to be sent to the address stated above.

[by mean of Net Issuance Exercise, to have the Company within five (5) Business Days upon receipt of this Exercise Notice the Net Issuance Price of EUR [...] on the following bank account:

Bank [...]

Name of account holder [...]

IBAN [...]

SWIFT [...]

by

Signature(s)

Print name:

Address: