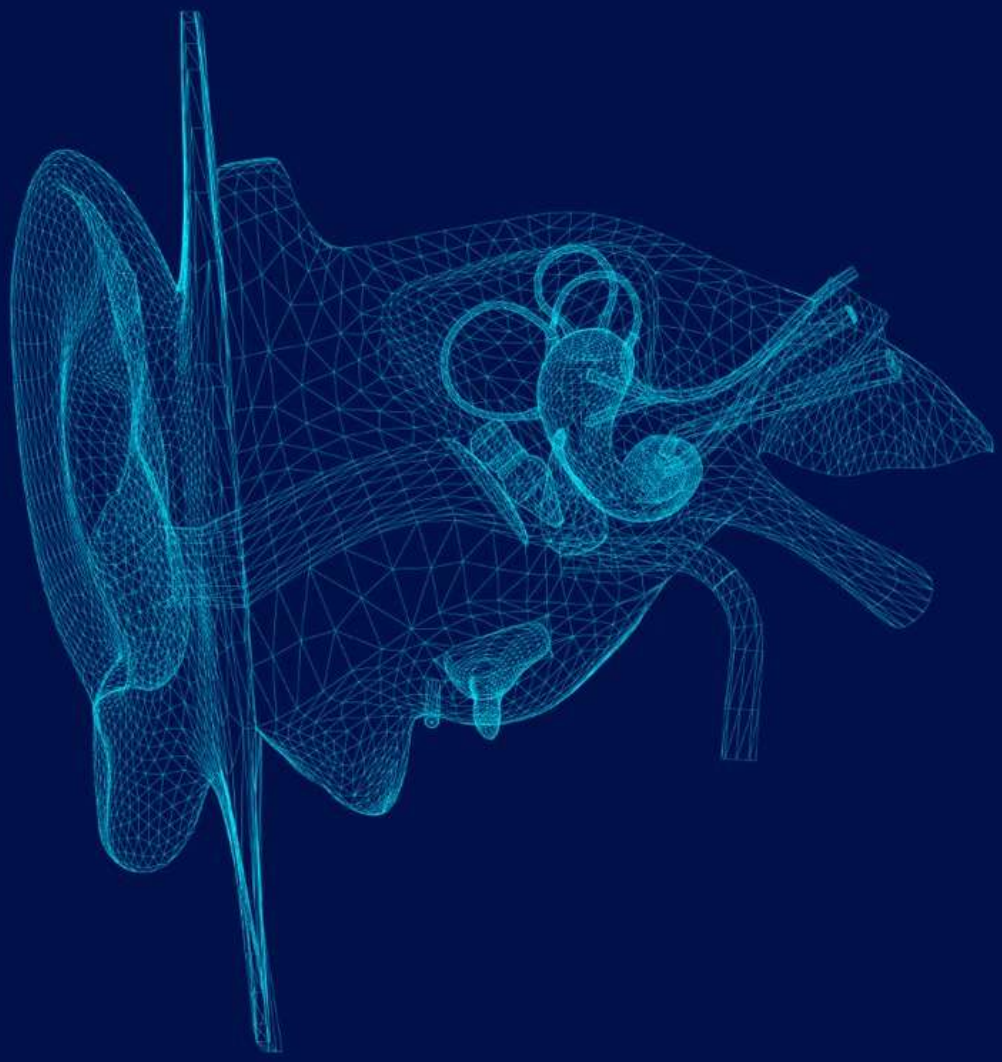
Annual Report
As of December 31, 2025



A French *société anonyme* (French limited company)
with share capital of €51,494,694.00

Registered office: 375 rue du Professeur Joseph Blayac

34080 Montpellier

Montpellier Trade and Companies Register (RCS) 512 757 725

Sensorion

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SENSORION

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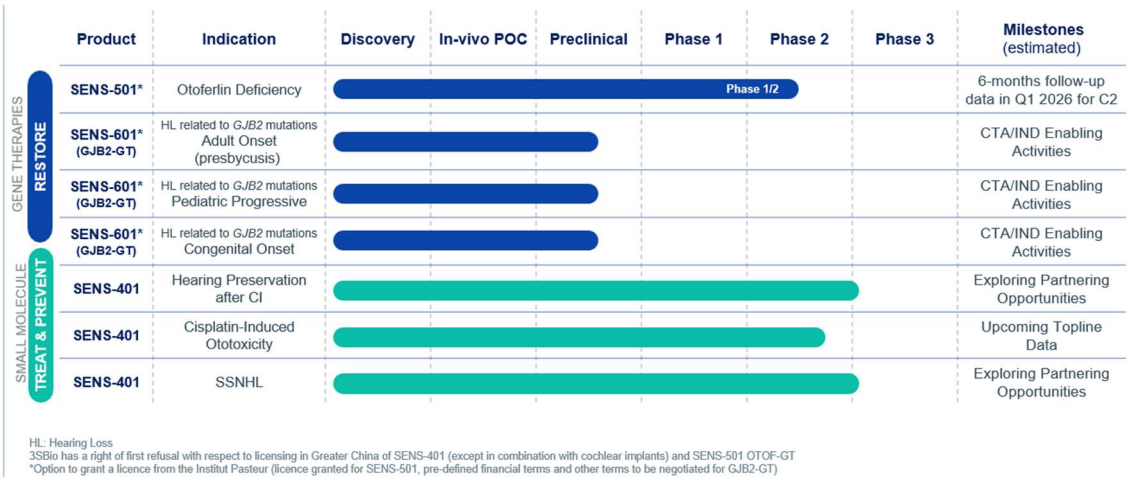
1. REPORT OF THE BOARD OF DIRECTORS

INCLUDING THE REPORT ON OPERATIONS AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025 AND THE CORPORATE GOVERNANCE REPORT

1.1. Position and activity of the company during the past fiscal year

Pipeline overview



1.1.1. Gene Therapies for Hereditary Monogenic Hearing Loss

In 2025, Sensorion progressed in its portfolio of gene therapies developed in collaboration with the Institut Pasteur. It achieved several clinical milestones with its candidate SENS-501, for the treatment of hearing loss caused by otoferlin deficiency and continued to advance final CTA enabling studies for SENS-601, its candidate for the treatment of hearing loss caused by mutations of the GJB2 gene.

1.1.1.1. SENS-501: Gene therapy program to restore hearing in OTOF patients

Sensorion's SENS-501 (OTOF-GT) dual AAV vector gene therapy development product aims at restoring hearing in patients with mutations in OTOF gene who suffer from severe to profound sensorineural prelingual non syndromic hearing loss. The otoferlin is a protein expressed in the inner hair cells (IHC) present in the cochlea and is critical for the transmission of the signal to the auditory nerve. Otoferlin related hearing loss is responsible for up to 8% of all cases of congenital hearing loss, with around 20,000 people affected in the US and Europe[1]. Sensorion's gene therapy program, SENS-501, has been developed as part of its collaboration focused on the genetics of hearing with the Institut Pasteur, initiated in 2019. SENS-501 received the Orphan Drug Designation from the European Commission in 2022 and the US Food and Drug Administration (FDA) granted Rare Pediatric Disease Designation (RPDD) and Orphan Drug Designation to SENS-501 in 2022.

In July 2023, Sensorion submitted a Clinical Trial Application (CTA) to initiate Audiogene, a Phase 1/2 clinical trial of SENS-501, and approval was received for the use of both the gene therapy product and the injection device system into the cochlea in January 2024 in Europe (in France as first country). The CTA approval follows extensive preclinical studies assessing the safety and efficacy of SENS-501 and successful manufacturing of the gene therapy Drug Product for the clinical trial.

Audiogene aims to evaluate the safety, tolerability, and efficacy of intra-cochlear injection of SENS-501 for the treatment of OTOF gene-mediated hearing impairment in pediatric patients aged 6 to 31 months at the time of gene therapy treatment. Targeting the first years of life, the time period when the auditory system plasticity is optimal, will maximize the chances of these young children with pre-lingual hearing loss to acquire normal speech and language. The design of the study consists of two cohorts of two doses followed by an expansion cohort at the selected dose. While the safety will be the primary endpoint for the dose escalation cohort, the auditory brainstem response (ABR) will be

[1] Rodríguez-Ballesteros M, *et al.,*A multicenter study on the prevalence and spectrum of mutations in the otoferlin gene (OTOF) in subjects with nonsyndromic hearing impairment and auditory neuropathy. Hum Mutat. 2008 Jun;29(6):823-31. doi: 10.1002/humu.20708. PMID: 18381613.

the primary efficacy endpoint of the dose expansion cohort. Audiogene also assesses the clinical safety, performance, and usability of the administration device system developed by Sensorion.

On December 27, 2024, Sensorion announced the completion of patient enrollment of the first cohort of three patients in the Audiogene trial and on February 21, 2025, Sensorion received positive recommendation from Data Monitoring Committee (DMC). The DMC recommended the continuation of the Audiogene trial after reviewing first cohort safety data.

On July 1, 2025, Sensorion announced preliminary positive data from the first cohort of the Audiogene clinical trial. The results from all patients dosed at that date (5) confirmed that SENS-501 and the corresponding surgical procedure were well tolerated by all participating infants and toddlers having received a gene therapy injection of a low dose of SENS-501 of 1.5E11 vg/vector/ear, corresponding to the minimally effective dose in preclinical studies. The patients were aged 6 to 31 months and naive of cochlear implants at the time of the injection, as per study protocol. Intracochlear administration of SENS-501 was uneventful, and no serious adverse events or serious side effects were reported. Three patients were enrolled into Cohort 1 and received. The clinical response observed in Patient 3 (aged 11 months at the time of the injection) was evaluated using standard hearing tests carried out by the investigators (Auditory Brainstem Response ABR, Pure Tone Audiometry PTA, and Patient (Parents) Reported Outcomes PROs). Three-month data from the Patient 3 included positive ABR responses at two frequencies, with the best frequency reaching 70 dB, improvement of hearing levels across two speech frequencies with best frequency reaching 90 dB level, per PTA, and meaningful changes in responses to sounds and voices as reported by the parents with an IT-MAIS test and expected auditory milestones based on an age-based parent questionnaire and according to the patient's age (LittlEARS).

On July 29, 2025, Sensorion announced the completion of patient enrollment of the second cohort of 3 patients in the Audiogene trial, and on December 8, 2025, Sensorion received positive recommendation from the DMC. The DMC recommended the continuation of the Audiogene Phase 1/2 clinical trial of SENS-501after reviewing second cohort safety data. Sensorion observed in the second cohort early directional improvements in two of the three treated patients by Month 3 on pure-tone audiometry. At Month 3, Patient 4 demonstrated a behavioral threshold of approximately 60 dB HL at the best-performing frequency, while Patient 5 demonstrated approximately 70 dB HL at the best- performing frequency.

The Company announced it will review the upcoming six-month efficacy data and will communicate during Q1 2026 once the dataset has reached sufficient maturity.

OTOCONEX, the Company's Natural History Study to document the natural course of disease progression in otoferlin deficiency patients and in children with hearing loss related to GJB2 mutations, is running across Europe and plays an important role in identifying patients as early as possible.

1.1.1.2. GJB2-GT: Gene therapy program to restore hearing in GJB2 patients

Sensorion's AAV-based GJB2 gene therapy program, initiated in 2021 and developed in collaboration with the Institut Pasteur, has the potential to address three pathologies related to GJB2 mutations: pediatric congenital deafness, progressive forms of hearing loss in children, and early onset of presbycusis in adults.

In October 2024, the Company provided GJB2-GT Proof-of-Concept data at the European Society of Cell & Gene Therapy (ESGCT), in Rome, Italy, and in May 2025, data was presented at the American Society of Cell & Gene Therapy (ASGCT) in New-Orleans, USA.

On September 17, 2025, as part of its half year results announcement, the Company indicated that to support the CTA submission, Sensorion started preliminary discussions with the American and European regulatory agencies in Q3 2025. The program is on track for CTA filing during H1 2026.

1.1.2.SENS-401, Sensorion's small molecule for the prevention of hearing loss

SENS-401 (Arazasetron) is a small molecule that Sensorion develops in three indications: (i) to treat Sudden Sensorineural Hearing Loss SSNHL (Phase 2b completed), (ii) to prevent residual hearing loss following cochlear implantation, in partnership with Cochlear Limited (Phase 2a completed), and (iii) to prevent Cisplatin-Induced Ototoxicity (Phase 2a completed). SENS-401 is an orally available small molecule that aims at protecting and preserving inner ear tissue from damage, responsible for hearing impairment. SENS-401 has been granted Orphan Drug Designation in Europe for the treatment of SSNHL, and in the U.S. for the prevention of Cisplatin-Induced Ototoxicity in pediatric population.

In 2019, the French government awarded the PATRIOT consortium a Structuring Research and Development Project for Competitiveness ("*Projet de recherche et développement Structurant pour la Compétitivité*" - PSPC) non-dilutive funding for the development of the SENS-401 program for the treatment of SSHNL. As such, Bpifrance granted Sensorion a repayable advance and a grant in connection with its participation, as part of a consortium, in the "PATRIOT" Project. During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

1.1.2.1. SENS-401 to prevent residual hearing loss after cochlear implantation

Sensorion advanced its small molecule SENS-401 in a multicentric, randomized, controlled open-label Phase 2a Proof-of-Concept (POC) trial aimed at evaluating the presence of SENS-401 in the cochlea (perilymph) after 7 days of twice-daily oral administration in adult patients prior to cochlear implantation. Patients started treatment with SENS-401 7 days before implantation and continued to receive SENS-401 for a further 42 days.

A total of 25 patients were included and implanted with a cochlear implant: 16 in the treated arm and 9 in the control non-treated arm. In the treated arm, the presence of SENS-401 in the perilymph at a level compatible with potential therapeutic efficacy has been confirmed in 100% of the patients sampled, 7 days after the start of the treatment, confirming that the primary endpoint was met.

On September 20, 2024, investigator Professor Stephen O'Leary, M.D., Ph.D., during the symposium organized by Sensorion at the World Congress of Audiology, and Professor Christophe Vincent in a ddicated session on auditory implants for adults, reported analysis of Sensorion's final data of SENS-401. After 7 weeks of treatment with SENS-401 (and 6 weeks after cochlear implantation), the reduction in residual hearing loss was systematically better at the 3 frequencies 250, 500 & 750Hz in the group treated with SENS-401. This protective effect was maintained 8 weeks after cessation of treatment (14 weeks after cochlear implantation). The results show that patients treated with SENS-401 have 'complete' hearing preservation (40% of patients) compared with the control group (0% of patients) according to the Skarzynski index. In addition, the favorable safety profile of SENS-401 has been validated, in line with previous studies on SENS-401.

1.1.2.2. SENS-401 to prevent Cisplatin Induced Ototoxicity (CIO)

Cisplatin and other platinum compounds are essential chemotherapeutic agents for many malignancies. Unfortunately, platinum-based therapies cause ototoxicity, or hearing loss, which is

permanent, irreversible and particularly harmful to 50-60%[2] of adult patients and 90% of pediatric patients who survive cancer.

The NOTOXIS Phase IIa trial is an exploratory, multicenter, randomized, controlled, open-label study designed to characterize the natural history of cisplatin-induced ototoxicity, to document oncologist prescribing practices, and explore whether SENS-401 may have a potential role in preventing ototoxicity in adult patients with neoplastic disease four weeks after completion of cisplatin-based chemotherapy. Eligible participants are randomized on Day 1 to either Arm A or Arm B in ratio 1:1. In Arm A, patients receive 43.5mg of oral SENS-401 one week before the start of the chemotherapy, continues throughout the entire chemotherapy duration, and extends for up to four weeks post-chemotherapy. This study is conducted in comparison to a control group of patients receiving chemotherapy alone, Arm B. The patients entering the study are to receive high doses of cisplatin, exceeding 70mg/m2 per treatment cycle and 210 mg/m2 in total over the course of their chemotherapy regimen.

On September 20, 2024, Professor Yann Nguyen reported preliminary safety and efficacy data in Sensorion's NOTOXIS trial, during the World Congress of Audiology (WCA). The preliminary data showed that a cumulative dose of cisplatin is a key factor of ototoxicity severity. A good safety profile of SENS-401 was confirmed in the long term, with the drug being administered for the first time for an average duration of up to 23 weeks. The preliminary results suggest a trend toward an otoprotective effect of SENS-401 beyond a cisplatin dose of 300 mg/m2. Despite significant exposure to cisplatin in the treatment group, most participants showed only mild ototoxicity.

On March 7, 2025, Sensorion announced the completion of patient recruitment in NOTOXIS, and the End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure.

During the first quarter of 2026, results showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

These insights are intended to inform potential next steps for the overall development plan for SENS-401.

1.1.3.Scientific communications

Sensorion presented at various scientific congresses in 2025, including:

- On February 12, 2025, Sensorion announced its participation in the Association for Research in Otolaryngology (ARO) Annual Meeting. The following presentations were made during the conference: "GJB2-GT, a Novel Adeno Associated Vector-Based Gene Therapy as a Treatment for the Autosomal Recessive Non-Syndromic Deafness 1A (DFNB1A)", "GJB2 Gene Therapy-Response of Two Pre-Clinical Mouse Models of the Most Frequent Form of Human deafness, DFNB1".

- On April 16, 2025, Sensorion announced hosting a Symposium during ISIET's International Conference on Inner Ear Therapies. the symposium, entitled: "Hearing Loss Innovation: Expanding Frontiers in Protection & Restoration", was moderated by Nawal Ouzren, Chief Executive Officer of Sensorion. Pr. Yann Nguyen, ENT Surgeon, Pitié Salpêtrière Hospital, Paris, France, led a session on the potential of SENS-401 to protect hair cells and preserve hearing and Pr. Natalie Loundon, pediatric ENT Surgeon, Director of the Center for Research in Pediatric Audiology, Necker Enfants Malades Hospital, AP-HP, in Paris, France, and

[2] CO Oncology practice, ASCO, volume 19, Issue 5/ CIO: a concise review of the burden, prevention and interception strategies, May 2024 Chattaraj.

Laurent Désiré, Ph.D., Head of Preclinical Development at Sensorion, co-hosted a session on OTOF and GJB2 gene therapies for children with severe to profound hearing loss.

- On April 25, 2025, Sensorion announced Presentation by Pr. Natalie Loundon at the 2025 American Society of Pediatric Otolaryngology Annual Meeting. The presentation was entitled "Principle and Practice of a Gene Therapy for Hearing loss: A Phase 1/2 Clinical Trial with SENS-501 in Children Suffering from Severe to Profound Hearing Loss".

- On May 6, 2025, Sensorion announced its Participation in the American Society of Cell and Gene Therapy (ASGCT) Annual Meeting. Rafik Boudra, Preclinical Group Leader Technology and Innovation Platform at Sensorion presented two posters "Safety and efficacy of GJB2-GT, an adeno associated viral vector-based gene therapy treatment candidate for the autosomal recessive non-syndromic deafness 1A (DFNB1A)" and "GJB2 gene therapy-response of two pre-clinical mouse models of the most frequent form of human deafness DFNB1A".

- On September 4, 2025, Sensorion announced its Participation in the 60th Annual Inner Ear Biology Workshop. Géraldine Honnet, M.D. Sensorion's Chief Medical Officer made the following presentation: "SENS-501 Gene Therapy in Young Children with Severe to Profound Hearing Loss Due to Otoferlin Mutations". Anne-Gabrielle Harrus, Ph.D., Preclinical Scientist II, made the following presentation: " Safety and efficacy of GJB2-GT, an adeno-associated vector-based therapy treatment candidate for autosomal recessive non-syndromic deafness 1A (DFNB1A)".

1.1.4.Strengthening the Board of Directors and senior leadership

On April 2, 2025, Sensorion announced the nomination Amit Munshi as Chairman of the Board and Independent Director. Mr. Munshi succeeded Mr. John Furey who stepped down as an Independent Board Member. Mr. Munshi was then appointed Chairman of the Board, replacing Khalil Barrage who served as the Company's interim Chairman since March 31, 2023. Mr. Barrage continued to serve as a director on Sensorion's Board. This appointment by the Board of directors was performed by way of co-optation, the mandate of Amit Munshi to replace John Furey was then submitted to Sensorion's shareholders and ratified at the Company's General Meeting in May 2025.

Amit Munshi brings to Sensorion 35 years of experience in the healthcare industry with specific expertise in executive leadership having led multiple biotech companies to successful transformational growth milestones and exits. Amit was most recently the Chief Executive Officer of Orna Therapeutics, and previously ReNAgade Therapeutics which was acquired by Orna in May 2024. Amit's career includes serving as President and CEO of Arena Therapeutics (Nasdaq: ARNA) commencing in 2016, where he led the company's transformation from a $300 million market cap company into a late clinical stage organization, before its $6.7 billion acquisition by Pfizer (March, 2022). During his tenure at Arena, Amit also spun-out assets into Longboard Therapeutics (NASDAQ: LBPH; recently acquired by Lundbeck AS for $2.6 billion). He was the co-founder and Chief Business Officer of Kythera Biopharmaceuticals, Inc (Nasdaq: KYTH), where he identified the lead asset (Kybella®), led several rounds of financing and completed a $370 million ex-North America license transaction with a division of Bayer. KYTH was sold to Allergan (NYSE: AGN) for $2.1 billion (June 2015). Additional corporate leadership highlights include multiple roles at Big Pharma such as an 8-year tenure at Amgen Inc. where Amit was the General Manager of the Company's European Nephrology Business Unit based in Switzerland with responsibility for Aranesp® and Mimpara®/Sensipar®. Prior to his time in Switzerland, Amit was responsible for Amgen's inflammation / immunology marketing including the launch of Kineret® and the acquisition of Immunex Corp (Nasdaq: IMNX). Amit received an MBA from The Peter Drucker Graduate School of Management at Claremont Graduate University and holds a BA in History and a BS in Quantitative Economics from the University of California, Riverside.

1.1.5 Strengthening of Sensorion's capital

On January 28, 2026, Sensorion announced a €60 million offering reserved to specific categories of investors through the issuance of 214,285,714 new ordinary shares of the Company at a price per New Share of €0.28 to the benefit of Sanofi for €20 million, and Redmile Group, Artal, which is advised by Invus, and Sofinnova Partners, existing shareholders, and other investors including Cormorant Asset Management, Coastlands Capital and Sphera Healthcare, for €40 million.

The Company intends to use the net proceeds from the Reserved Offering, which amount to circa €56 million, to fund principally the company's R&D activities related to its Gene Therapy programs, SENS-501 and SENS-601 (GJB2-GT), evenly, as well as for other R&D and corporate overhead expenses.

1.2. Analysis of business evolution

Sensorion is a biotechnology company created in 2009 and whose technology was the result of research conducted by INSERM in Montpellier.

The Company initially was focused on the identification and development of drug candidates treating diseases of the vestibule, one of the parts of the inner ear responsible for our balance. From 2012, the Company has extended its activity to all pathologies of the inner ear, adding diseases of the cochlea, the part of the inner ear responsible for hearing. Today, Sensorion specializes in the development of novel therapies to restore, treat and prevent hearing loss disorders, a significant global unmet medical need.

In the first half of 2019, Sensorion announced the signature with the Institut Pasteur (Paris, France) of a framework agreement for a research partnership granting Sensorion an exclusive option to an exclusive license in order to develop and commercialize drug candidates in gene therapy for the restoration, treatment and prevention of hearing problems. In January 2024, the partnership was extended for an additional five-year period.

Within the framework of this strategic partnership with the Institut Pasteur, Sensorion launched several gene therapy programs aimed at correcting hereditary monogenic forms of deafness: SENS-501, the most advanced program, targets deafness caused by mutations in the gene coding for otoferlin. The successful completion of the efficacy preclinical package advanced the program with the development of the SENS-501 product towards clinical stage. A Clinical Trial Application (Audiogene, a Phase 1/2 clinical study) was approved in January 2024 to evaluate the safety, tolerability, and efficacy of intra-cochlear injection of SENS-501 in patients aged 6 to 31 months suffering from otoferlin gene-mediated hearing loss.

2025 saw the advancement of SENS-501 program with the positive recommendation from Data Monitoring Committees (DMC) of Audiogene recommending the continuation of the trial after reviewing first cohort and second cohort data in February and December 2025, respectively. In July 2025 the Company announced preliminary positive data from the first cohort of the Audiogene. In December 2025, Sensorion announced it had observed in the second cohort early directional improvements in two of the three treated patients by Month 3 on pure-tone audiometry. At Month 3, Patient 4 demonstrated a behavioral threshold of approximately 60 dB HL at the best-performing frequency, while Patient 5 demonstrated approximately 70 dB HL at the best- performing frequency. The Company announced as well in December it will review the upcoming six-month efficacy data and will communicate during Q1 2026 once the dataset has reached sufficient maturity.

The research partnership successfully led to a second gene therapy program with GJB2-GT, announced in 2021, for which a drug candidate, selected in April 2023, is currently in preclinical development. GJB2-GT targets deafness linked to mutations in the *GJB2* gene, the most common form of childhood deafness. Three indications, all linked to *GJB2* mutations, are currently being evaluated: early presbycusis, progressive hearing loss during childhood, and congenital hearing loss. The selected candidate is designed with a specific adeno-associated virus (AAV) capsid that targets key cells in the ear that normally express GJB2 and avoids ototoxicity.

In September 2025, as part of its half year results announcement, the Company indicated that to support the CTA submission, Sensorion started preliminary discussions with the American and European regulatory agencies in Q3 2025. The program is on track for CTA filing in H1 2026.

SENS-401 (Arazasetron), the Company's most advanced drug candidate has a dual mode of action, combining the inhibition of two targets, 5-HT3 and calcineurin, both of which have an action preventing cell apoptosis, and here more specifically external hair cells. The safety of SENS-401 was evaluated in 2016-2017 in a Phase 1 study with healthy volunteers. This study did not show any significant side effects. SENS-401 is currently being developed in a Phase 2 clinical trial.

The Company has selected SENS-401 in three indications:

- For the treatment of sudden sensorineural hearing loss: the Company completed in January 2022 a Phase 2 study that started in early 2019, AUDIBLE-S. SENS-401 for the treatment of SSNHL was safe and well tolerated. Although the primary efficacy endpoint was not met at day 28, further evaluation of the secondary and exploratory endpoints revealed that SENS-401 demonstrated a statistically significant treatment effect on complete hearing recovery at D84, on the word recognition score in a subgroup of idiopathic population at D84, and a superior responder rate to placebo in all treatment groups. In particular, many patients entering the study with profound hearing loss improved to a mild hearing loss. This is the first time that this level of improvement has been demonstrated in profound hearing loss SSNHL patients. SENS-401 received orphan drug designation from the European Medicines Agency.
- For the prevention of residual hearing loss following cochlear implantation, in a Phase 2a study that was completed in September 2024. Sensorion has met the primary endpoint of this study with the confirmed presence of SENS-401 in the perilymph of 100% of sampled patients treated with the small molecule. Analysis of the final data of SENS-401 showed clinically significant effects on the preservation of residual hearing in patients treated with the small molecule compared to the control group.
  The Company has signed a collaboration agreement with the Australian company Cochlear Limited (Cochlear) to evaluate this combination in preclinical models in December 2017. In exchange for an investment in the Company, Cochlear has obtained the right to first negotiate a potential license for this indication.
- For the prevention of hearing loss related to Cisplatin-Induced Ototoxicity, the company completed a Phase 2a proof of concept clinical study, NOTOXIS. Preliminary safety and efficacy data were reported during the World Congress of Audiology (WCA), in September 2024. The preliminary data showed that a cumulative dose of cisplatin was a key factor of ototoxicity severity, and a good safety profile of SENS-401 was confirmed in the long term, with the drug being administered for the first time for an average duration of up to 23 weeks. The preliminary results suggested a trend toward an otoprotective effect of SENS-401 beyond a cisplatin dose of 300 mg/m2. End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure. Primary analysis showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

Sensorion has developed, in its laboratories, a unique R&D platform to expand its understanding of the pathophysiology and etiology of inner ear diseases. This approach enables the Company to select the best therapeutic targets and most appropriate mechanisms of action for its drug candidates. Sensorion is also working on identifying biomarkers to improve diagnosis of these underserved or inadequately treated diseases.

Thanks to its R&D platform and its pipeline of drug candidates the Company is uniquely positioned to make a lasting improvement in the quality of life of hundreds of thousands of people who suffer from inner ear disorders, a significant unmet medical need in the world.

In 2022, to further strengthen its technology base, Sensorion has expanded its CMC (Chemistry, Manufacturing and Control) gene therapy platform. The Company has acquired bioreactors (2L, 10L and 50L scale) to develop the AAV process in suspension and automates to increase the throughput analysis for process and product characterization.

The Company uses the skills of its researchers, engineers and technicians to develop its products and identify future products. It regularly evaluates the adequacy of its organization with its needs. Thus, it subcontracts a portion of its work to consultants and companies whose businesses do not justify internalizing skills and/or whose cost-efficiency ratio is more favorable. For example, the manufacturing of products or the conduct of clinical trials are subcontracted to specialized companies.

It explains that purchases and external expenses are high compared to the total amount of operating expenses:

In thousand euros	12.31.2025	12.31.2024
Purchases	1,039	873
Other external expenses	23,839	22,145
Total operating expenses	37,528	33,898
Percentage of purchases and other external expenses compared to operating expenses	66.3%	67.9%

Information on the research and development activity is presented in sections 1.1 et 1.7.

Information on the Company's financial debt is presented in section 1.8.

More broadly, financial information is presented in section 3 onwards.

1.3. Main risks factors faced by the company/the group[3]

The Company operates in a constantly changing environment, which involves numerous risks, some of which are beyond its control. Before subscribing to or acquiring shares in the Company, investors are advised to consider all the information contained in this report, including the risks described below.

The risk factors contained in this report are limited to the risks that the Company considers, as of the date of this document, to be specific to itself and/or its securities and that are important for making an informed investment decision, as corroborated by the content of this report.

As part of the preparation of this report, the Company has reviewed the risks that could have a material adverse effect on the Company, its business, financial position or ability to achieve its objectives, and is not aware of any significant risks other than those described herein. However, attention is drawn to the fact that pursuant to Article 16 of the Prospectus Regulation, the list of risks presented in this section is not exhaustive and that other risks, which are unknown or the occurrence of which is not considered, as of the date of this document, to be likely to have an adverse effect on the Company, its business, financial situation, results or prospects, may or could exist.

[3] The risks are presented at the company level, as the risks borne by the Group are identical.

In preparing this document, the Company has assessed the significance of risk factors based on the likelihood of their materialization and the estimated magnitude of their negative impact. It has thus categorized the various risks according to its scientific and economic model, as follows:

- Financial risks: as the Company is a biotechnology company with no marketed drugs to date, it does not generate revenues and needs financial resources to pursue all its programs and projects (3.1);
- Risks related to the development of its drug candidates: the Company is working on drug candidates at the pre-clinical and clinical stages, which implies certain specific risks related to experimental and theoretical research, or to the early phases of verification of the properties of a potential future drug (3.2);
- Risks related to the Company's organization: the Company has limited personnel resources and depends to a large extent on its subcontractors and partners, which implies various risks inherent in the relationships with its partners and the working tools used (3.3);
- Risks related to the commercialization of drugs: the Company is working towards the future commercialization of drug candidates, which presupposes obtaining the necessary regulatory approvals and strong protection of its intellectual property, mainly its patents but also other intellectual property (3.4);
- Market risks, which are inherent to any listed company (3.5).

Each identified risk is assessed in terms of probability of occurrence and potential impact, taking into account the possible consequences, in particular from a financial, legal and reputational point of view, as well as on the achievement of the Company's objectives.

Risk mapping is a management tool that makes it possible, where appropriate, to define and monitor the preventive or corrective mitigation measures to be implemented in relation to the various risks identified. The associated action plan specifies the actions to be taken, the persons responsible, the deadlines to be met and if relevant the budget associated with each action.

The Audit Committee reviewed the risk mapping prepared by Company management with the support of a consulting firm during 2025. This chapter, prepared in accordance with this mapping, was submitted to an Audit Committee and a Board of Directors.

The table below summarizes the main risks organized according to the categories described above. In each of the categories, the residual risks remaining after the implementation of management measures are classified according to the level of criticality (combination of probability of occurrence and estimated impact) assessed during the risk mapping. Only risks assessed with a "significant" level of criticality are detailed in this chapter.

1.3.1	Financial risks	Occurrence	Impact
1.3.1.1	Risks related to uncertain capital resources and uncertain additional financing	high	high
1.3.1.2	Liquidity risk	low	moderate
1.3.1.3	Risks related to access to the Research Tax Credit	moderate	moderate
1.3.1.4	Risks related to historical and future losses and the future use of tax loss carryforwards	moderate	moderate
1.3.1.5	Risk related to the control of foreign investment in France	moderate	moderate
1.3.1.6	Risks related to access to public advances	moderate	low
1.3.1.7	Dilution risks	high	low
1.3.2	Risks related to the Company's activity		
1.3.2.1	Risks related to the clinical development of projects	high	high
1.3.2.2	Risks related to the highly innovative nature of the Company's products and the early nature of their development	high	high
1.3.2.3	Market and Competition Risks	high	moderate
1.3.2.4	Risks related to the Company's commercial and strategic development	high	high
1.3.3	Risks related to the Company's organization		
1.3.3.1	Risks of dependence on third parties	high	moderate

1.3.3.2	Risk of losing key employees and not being able to attract new qualified people	low	high
1.3.3.3	Risks related to managing the Company's growth	moderate	moderate
1.3.3.4	Risks related to trade policy and tariff uncertainties	moderate	low
1.3.3.5	Risks related to a cyber security incident	low	high
1.3.4	Regulatory and legal risks		
1.3.4.1	Risks related to a restrictive and evolving regulatory framework	high	high
1.3.4.2	Specific risks related to the preclinical studies and clinical trials that will be required to obtain marketing authorizations for the Company's therapeutic products	high	high
1.3.4.3	Risks related to the reimbursement and delisting of drugs and treatments	high	moderate
1.3.4.4	Risks related to patent and license portfolios	high	moderate
1.3.4.5	Product Liability Risks	moderate	moderate
1.3.4.6	Risks related to potential conflicts that may affect the company's relationship with potential licensees	low	moderate
1.3.5	Market risks		
1.3.5.1	Credit risk	moderate	moderate
1.3.5.2	Interest rate risk	moderate	moderate
1.3.5.3	Currency risks	low	low

1.3.5.4	Equity risks	moderate	moderate

1.3.1 Financial risks

1.3.1.1 Risks related to uncertain capital resources and uncertain additional financing

In the future, the Group will continue to experience significant financing requirements in order to develop its technology, pursue its clinical development programs, and manufacture and market its products.

The Group will be required to seek external sources of financing, such as additional capital increases.

The Group's financing requirements and their timing depend on a number of factors, some of which are largely beyond The Group's control, such as:

- higher costs and slower progress than anticipated for its research and development programs and clinical studies;
- higher costs for the products, raw materials and consumables required, which are billed back by service providers (pass-through costs);
- the costs of preparing, filing, defending and maintaining its patents and other intellectual property rights;
- the scope of prior research work and the time frames required to sign license agreements with industrial partners;
- higher costs, more complicated processes and/or longer time frames than anticipated to obtain regulatory market authorizations and eligibility for reimbursement of its products;
- new opportunities for developing new products or acquiring technologies, products or companies.

Like most companies, the Group is impacted by inflation, resulting in higher prices for the products, raw materials and consumables it needs, as well for the fees invoiced by its counterparties and subcontractors. This represents a significant increase in the Company's expenses that are not offset by revenues or possible re-invoicing to other counterparties or on the price of the Company's drugs as there is no commercialisation at this date.

Steps taken to fund the Group

To cover future needs, the Group is considering or may consider taking one or more of the following steps to secure the necessary funding:

- searching for financing solutions, primarily through collaborations;
- licensing agreements with one or more pharmaceutical companies for one or more of their candidate products; as well as
- agreements to secure grants and/or repayable advances specifically relating to the Group's research programs.
- These financing solutions could also take the following forms:
- debt, either vanilla loans or through the issuance of convertible or non-convertible bonds;
- issuance of immediate or deferred equity securities (such as pre-financed warrants); and/or
- a fundraising round through future capital increases (reserved or not) from existing shareholders and new investors, with or without dilutive instruments attached, including a listing on other reference financial markets abroad (such as Nasdaq, if market conditions permit).

The Group may not be able to raise additional capital when required, or this capital may not be available on financial terms acceptable to the Group. If the Group seeks financing through the issuance of new shares, existing investors' ownership could be diluted. Debt financing, if available, could impose restrictive covenants on the Group and its shareholders.

Above average interest rates could affect investor appetite to invest in the biotech industry in general and in Sensorion shares in particular. Sensorion's access to capital may be adversely affected as a result.

In addition, limited analyst coverage and investor awareness may reduce the liquidity of the Company's shares and its market visibility, which could make future fundraising more difficult or more costly, or result in financing being obtained on less favorable terms.

In addition, the impact of political or geopolitical instability (or changes in the policies of leading countries on the financial markets) on financial market volatility could significantly increase this risk, making it more difficult or more expensive to raise funds.

If the necessary funds are not available, the Group may have to:

- delay, reduce or eliminate the number or scope of its preclinical and clinical trial programs;
- license its technologies to partners or third parties on terms less favourable to it than those it might have been able to negotiate in a different context ; or
- enter into new collaboration agreements on terms less favourable to it than those it might have been able to negotiate in a different context.

1.3.1.2 Liquidity risks

Background

Since inception, the Group has financed its growth by strengthening its equity base through successive capital increases, issuing a convertible bond, obtaining public innovation grants and aid in the form of repayable advances and claiming research tax credit receivables.

With the exception of government guaranteed loans granted in connection with the COVID-19 crisis for a total of €2 million (see Note 14 to the consolidated financial statements), the Group has not taken on any bank loans to date.

Repayable innovation aid and repayment schedules

The Group is not exposed to an immediate liquidity risk, the contracts for repayable advances received (ADI-2010 and ADI-2014) have been fully repaid in 2018 and 2023 and the innovation grant PTZI-2016 has been fully repaid in 2025.

The Group received financing in the form of a repayable advance in connection with its participation in the "PATRIOT" competitiveness clusters fundamental R&D project.

In 2019, the French government awarded the PATRIOT consortium a Structuring Research and Development Project for Competitiveness ("*Projet de recherche et développement Structurant pour la Compétitivité*" - PSPC) non-dilutive funding for the development of the SENS-401 program for the treatment of SSHNL. As such, Bpifrance granted Sensorion a repayable advance and a grant in connection with its participation, as part of a consortium, in the "PATRIOT" Project. During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

In 2020, Sensorion received loans of €3,000,000, including loans of €2,000,000 guaranteed by the French government and a Research, Development and Innovation loan of €1,000,000 from Bpifrance. The Group began repaying these loans in 2021 and full repayment is expected by end 2026.

Liquidity risk to date

Substantial research and development expenses in connection with clinical studies have been incurred since the Group's operations began, which have to date generated negative operating cash flows. These negative operating cash flows amounted to -€21,330 k€ and -€27,564 k€ for the fiscal years ending December 31, 2024 and 2025, respectively.

At December 31, 2025, the Group had 47.5 million euros in cash and cash equivalents.

The Group choses leading financial institutions for its cash investments and believes that it is not exposed to significant credit risk on its cash and cash equivalents.

The Board of Directors has adopted the going concern basis of accounting.

Given cash and cash equivalents amounted to €47,5 million at 31 December 2025, and a private placement of €60 million, with net proceeds of around €56 million (received on 30 January 2026) announced on 28 January 2026, at the date of the closing of the accounts, the Company has sufficient net working capital to meet its cash requirements beyond the next twelve months, i.e. until the end of June 2027.

Beyond that date, the progress of the Group's research and development programmes will continue to generate significant financing needs. The Group's ultimate profitability will depend primarily on its ability to enter into collaboration or licensing agreements for its drug candidates with industrial partners, which generate upfront and milestone payments, and then royalties on sales after marketing authorisation. These processes are lengthy and the Group, which has incurred net operating losses since the start of its research and development activity, anticipates further losses over the next few years as its activities continue.

This risk is particularly sensitive to geopolitical risks, especially in terms of financial market volatility. Developments in regional crises or conflicts (Russian-Ukrainian conflict, conflict in the Middle East), could significantly amplify this risk, as could an extension of existing geopolitical crises to other countries or regions, by reducing, delaying, or making more complicated or costly the Group's ability to finance itself on the markets.

1.3.1.3 Risks related to access to the Research Tax Credit

To contribute to its funding efforts, the Group has historically relied on the French research tax credit (CIR), which is a tax incentive mechanism designed to encourage scientific and technical research by French companies by granting a tax credit. Research expenses eligible for the research tax credit include salaries and remuneration paid to researchers and research technicians, depreciation of non-current assets used for research purposes, services subcontracted to accredited research organizations (public or private), and the costs of obtaining and maintaining patents.

If requested by the tax authorities, companies must provide supporting evidence of the amount of the research tax credit claimed and the eligibility of the research work considered to qualify for the tax incentive. In 2025, the Group received a research tax credit of 4,418 k€ related to FY 2024. In 2026, the Group will apply for 2025 related RTC of 4,709 k€.

The tax authorities may challenge the methodology used by the Group to calculate research and development expenses for the purpose of determining the amount of the research tax credit. A challenge of the RTC received by the group is therefore possible, noting however that any challenge will be time limited and may be raised only until the end of the third year following the year in which an RTC claim is filed.

The amount of research tax credit received may fluctuate from one year to the next due to variations in research costs, as well as the impact of the collection and repayment of public aid for innovation (grants or repayable advances).

If the research tax credit were called into question due to a change in the law or due to a specific challenge by the tax authorities, this could have an adverse impact on the Group's financial situation.

1.3.1.4 Risks related to historical and future losses and the use of tax loss carryforwards

The Group has posted operating losses every year since its creation. The Group's net losses reported on the IFRS financial statements for the years ended December 31, 2025 and December 31, 2024 totalled 29,429 k€ and 25,972 k€ respectively. These losses, which are reported in the annual financial statements prepared under IFRS, are mainly related to internal and external research and development expenses, in particular in connection with conducting preclinical and clinical trials.

In the near future, the Group expects to experience higher operating losses than in the past, mainly due to:

- clinical study programs planned to develop SENS-501;
- preclinical gene therapy programs conducted under the agreement signed with the Institut Pasteur in particular GJB2-GT;
- the need to conduct new preclinical and clinical trials conducted to address new market segments;
- increased regulatory requirements governing the manufacture of its products;
- the pursuit of an active research and development policy that could involve the development or acquisition of new technologies, products or licenses.

An increase in such expenses could increase the losses reports by the Group.

Moreover, because of its losses, the Group has never made a dividend distribution and does not expect to distribute any dividends in the next three years. In subsequent years, the dividend policy will depend on earnings generated and on an assessment of the resources required to ensure the Group's development.

As of December 31, 2025, after recognizing the net loss for the year, the Group had a tax loss carry-forward in France of €199,873,346. Currently, this tax loss can be carried forward indefinitely and set off against future profits.

In France, for fiscal years ending on or after December 31, 2012, the set-off of these tax losses is limited to €1 million, plus 50% of the share of profits exceeding this limit. The unused balance of the tax loss may be carried forward to subsequent years and may be set off subject to the same conditions without any time limit.

It cannot be ruled out that future developments in corporate tax law may abolish, in whole or in part, the possibility of setting off past tax losses against future profits or limit it in time.

If this situation were to occur, it could have an adverse impact on the Group's financial situation.

1.3.1.5 Risks related to the control of foreign investment in France

As stipulated in the French Monetary and Financial Code, the completion of any investment (i) by (a) an individual of foreign nationality, (b) any individual of French nationality not domiciled in France within the meaning of Article 4B of the General Tax Code, (c) any entity governed by foreign law and (d) any entity governed by French law controlled by one or more entities mentioned in (a) to (c), (ii) which would result in (a) the acquisition of control - within the meaning of Article L. 233-3 of the French Commercial Code - of a French company, (b) acquiring all or part of a branch of activity of a French company, or (c) for individuals who are not nationals of a Member State of the European Union or of a State party to the Agreement on the European Economic Area that has entered into an administrative assistance agreement with France and/or are not domiciled in one of these States, or for legal entities where at least one of the members of the control chain is not governed by the law of one of these States or is not a national and/or is not domiciled in one of these States, to cross the threshold of 25% of the voting rights of a French company listed on Euronext Growth and (iii) whose activities concern, even occasionally, the research and development of so-called critical technologies, such as biotechnologies, and considered essential for the protection of public health, is subject to authorisation by the French Minister for the Economy.

If an investment in the Company requiring the prior authorisation of the French Minister for the Economy is made without such authorisation having been granted, the Minister for the Economy may

cancel the transaction or order (possibly under penalty) the investor concerned (i) to submit an application for authorisation, (ii) to have the previous situation restored at its own expense or (iii) to modify the investment. In addition, the Minister may impose undertakings and conditions on the investor (including a commitment to regular reporting). The investor concerned could also be declared criminally liable and be punished, in particular, by exclusion from any public contract or by a fine which may not exceed the highest of the three following amounts: (i) twice the amount of the investment concerned, (ii) 10% of the Company's annual pre-tax turnover and (iii) 5 million euros (for a company) or 1 million euros (for an individual).

If the undertakings and conditions required by the French Minister for the Economy to authorize an investment are considered unacceptable by investors or if investors consider the risk thereof too high, this could act as a potential hinderance on investments made by investors located outside the European Economic Area (and more specifically US investors) and could therefore limit the Company's access to sources of financing.

1.3.1.6 Risks related to access to public advances

In the past, the Group has received various types of aid and grants, in particular in connection with:

- the development of a neuromodulation therapy to treat vertigo (Eureka/Eurostars grant for the "H4 INVEST: Histamine H4 receptor antagonists, an innovative therapy for the treatment of vestibular disorders" project);
- the proof of concept, in vitro and in vivo, of new vestibuloplegic compounds and the study of their potential protective effects against vestibular deficits (ADI-2010 repayable advance from Bpifrance and the Languedoc-Roussillon region);
- the development of an innovative therapeutic solution to protect against inner ear injuries (ADI-2014 repayable advance from Bpifrance and the Languedoc-Roussillon region);
- the development of a high content screening platform (zero-interest innovation loan from Bpifrance and the Occitanie region);
- setting up a medical practice dedicated to the treatment of noise-induced hearing loss by integrating the development of new diagnostic approaches (support for the "PATRIOT" fundamental research and development for competitiveness project);
- the development of a therapy for congenital neurosensorial deafness ("AUDINNOVE").

In the future, the Group may to continue to apply for aid and grants in order to pursue its development.

Although it is not currently essential for the Group's development that it obtain aid or grants, the Group cannot guarantee that it will have the necessary additional financial resources, time, or the possibility of replacing these financial resources with others.

1.3.1.7 Dilution risks

Founders' warrants, share warrants and stock options

Under incentive programmes for officers and employees who play a significant role in the Group's development, the Group has, since its creation, issued and awarded founders' warrants, share warrants and stock options.

As of December 31, 2025, the outstanding founders' warrants, share warrants, and stock options granted to their holders the right to subscribe, under certain conditions, for 36,282,038 shares.

At the date hereof, the outstanding founders' warrants, share warrants, and stock options give their holders the right to subscribe, under certain conditions, to 34,282,037 shares.

Pre-Funded Warrants issued to Redmile Group

The €35m private placement announced on 3rd august 2023 included the subscription by Redmile Group of 17,857,143 pre-funded warrants against the payment of a pre-funded amount per warrant of €0.18. On 24th January 2024, the Company Sensorion announced amended terms for those pre-funded

warrants, including the payment of an additional prefunded amount of €0.09 per warrant and the postponement of the maturity to 31st December 2033. The pre-funded warrants may be exercised at any moment against the payment of €0.01 per Warrant Share until that date.

To cover future financing needs, the Group is considering or may consider the following financing solutions which could imply dilution for existing shareholders:

- debt, either vanilla loans or through the issuance of convertible or non-convertible bonds;
- issuance of immediate or deferred equity securities (such as pre-financed warrants); and/or
- a fundraising round through future capital increases (reserved or not) from existing shareholders and new investors, with or without dilutive instruments attached, including a listing on other reference financial markets abroad (such as Nasdaq, if market conditions permit).

Dilution tables

The dilution tables as of December 31, 2025, and as of the date of this report are presented in Section 1.13.5 of this report.

1.3.2 Risks related to the Company's activity

1.3.2.1 Risks related to the clinical development of projects

The development of the Company's drug candidates could be delayed or not completed

The development of a drug candidate is a long and costly process with uncertain outcomes, taking place in several phases, the objective of which is to demonstrate the therapeutic benefit provided by the drug candidate for one or more given indications.

Any failure during one of the various preclinical and clinical phases for a given indication could delay the development, registration, production and marketing of the therapeutic product concerned or even lead to the termination of its development.

During clinical trials, the Company may encounter difficulties in determining and recruiting the appropriate patient profile. These profiles could also vary according to the different phases of the clinical trials. The recruitment of patients may not be carried out according to a schedule that is compatible with the Company's financial resources.

Two phase 2 clinical studies with SENS-401 and SENS-501 were recruited in 2025:

- Prevention of ototoxicity related to Cisplatin (Notoxis)
- Treatment of severe to profound hearing loss due to otoferlin gene mutations (Audiogene study)

Sensorion announced the end of patient inclusion in Notoxis on March 7, 2025.

The risks associated with recruitment for the Audiogene study are mainly due to the fact that the indication is very rare and the number of eligible patients is limited to a defined age criterion between 6 and 31 months. In order to limit these risks, a number of actions are underway: a natural history study to pre-identify potential patients, enabling systematic genotyping of new patients (Otoconex), a communication campaign in each country participating in the study via the study investigators, scientific societies and patient associations, drastic selection of participating countries and clinical centers. At each phase of clinical development, the Company must seek authorization from the competent authorities of the different countries according to its development plan to conduct clinical trials and then submit the results of its clinical studies to the same authorities. The authorities may refuse the necessary authorizations for clinical trials, have additional requirements, for example, with respect to study protocols, patient characteristics, treatment duration, post-treatment follow-up, certain differences in interpretation of results among local regulatory agencies and, if applicable, require additional studies. The fact that the studies are being conducted in several countries adds to the complexity of these clinical trials. Any refusal or decision by the health authorities to request additional trials or examinations would be likely to interrupt or delay the development and registration

of the products concerned. All these actions have enabled us to rapidly recruit the second cohort in 2025.

The Company cannot guarantee that its development of drug candidates from its various research programs will one day be successful, and even less so within a timeframe that is compatible with its financial resources or the needs of the market.

If a significant delay occurs in a trial and development times deviate significantly from estimates, the Company could be required to abandon the development of one or more of its product candidates and be unable to generate sufficient revenues through partnerships, which could have a material adverse effect on the Company's business, results, financial position and prospects.

In addition, delays in clinical trials could shorten the operating periods during which the Company's products are protected by patent(s) and allow its competitors to commercialize their products in the shorter term, which could adversely affect Sensorion's ability to license or successfully commercialize its drug candidates.

Finally, the appearance of side effects that cannot be identified based on current knowledge could delay or even interrupt the development of the Company's drug candidates. In addition, if, after their marketing authorization ("MA") obtained by the Company or its partners, the Company's products were to cause unacceptable or undetected side effects during the clinical trial period, it would be impossible for the Company to transfer them or to grant them to partners for their commercialization, which would have a very significant adverse effect on its business, prospects, financial position, results and development.

The Company's development is largely based on the success of its portfolio diversification and expansion.

As part of its research and development programs, the Company must conduct preclinical animal testing and clinical trials on humans in order to demonstrate the safety and efficacy of its drug candidates.

Although the Company conducts its trials with the utmost care, in particular, in the definition of protocols, the use of associated experts and the study of competing products, events that could lead to the failure of a clinical development include the following:

- the occurrence of deaths or unexpected and serious adverse events, whether or not related to the drug candidate subject to the trial, that are believed to outweigh its potential benefits: in such a case, the Company may choose, or the regulatory authorities may require the Company to suspend or terminate clinical trials;
- negative or unconvincing efficacy results: in this case, the Company could decide to give-up development projects that it initially believed to be promising or it could be required to conduct other clinical studies, which would result in higher than expected costs.

Regarding the development of SENS-401, the results of the Phase 2 AUDIBLE-S study of SENS-401 in 115 patients for the treatment of SSNHL announced on 17 January 2022 have demonstrated that SENS-401 was safe and well tolerated. Good tolerability was confirmed in the second study on the prevention of residual hearing after cochlear implant surgery in 16 patients treated with SENS-401. The safety of the product has been confirmed during prolonged administration for up to 23 weeks in the phase 2 study (Notoxis) which has been completed in June 2025.

In AUDIBLE-S, data showed positive findings demonstrated a statistically significant effect with the high dose on pure tone audiometry (PTA) vs placebo in per protocol idiopathic population treated with corticosteroids and it was observed that patients entering the study with profound hearing loss emerged post-treatment with mild hearing loss, meaning that they did not have difficulty hearing what is being said in quiet environments. SENS-401 induces a significative PTA change of at least 19 dB on day 28 and up to 25 dB at Day 84 allowing a reduction of the hearing loss degree from profound to mild hearing loss.

In Cochlear study, the results were positive, with the primary objective achieved, with SENS-401 measured at concentrations above the limit of detection in all treated patients. The secondary endpoints

results showed that administration of SENS-401 reduced hearing loss after cochlear implantation six weeks after cochlear implantation (corresponding to the end of SENS-401 treatment). These good results remained clinically significant until the last visit of the trial, fourteen weeks after cochlear implantation, and confirm the key role of SENS-401 in preserving residual hearing.

For the prevention of hearing loss related to Cisplatin-Induced Ototoxicity, the company completed a Phase 2a proof of concept clinical study, NOTOXIS. End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure. Primary analysis showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

SENS-501 entering clinical development alongside SENS-401 allows to spread the potential risk of the Company's inability to successfully complete clinical trials and to decrease the negative impact on its ability to generate future revenues, its financial position and its development. Recruitment of the second cohort (3 patients) of Audiogene study has been completed in 2025. The surgical administration procedure was uneventful in the 6 patients. The safety reported in the first six patients shows no dose limiting toxicities, no serious adverse events, a vestibular function intact and unchanged from baseline and presence of otoacoustics emissions. In Cohort 2 (high dose), early promising improvements in two of the three treated patients by Month 3 on Pure Tone Audiometry:

- Patient 4: 60 dB HL threshold at best performing frequency
- Patient 5: 70 dB HL threshold at best performing frequency

In December 2025, the Data Monitoring Committee raised no safety concerns and supported the continuation of the study. Furthermore, promising results from its drug candidates SENS-401 and/or gene therapy programs during the pre-clinical and initial clinical phases, and even after advanced clinical trials, do not guarantee that any of the Company's drug candidates can be licensed out and/or successfully marketed and commercialized.

The absence of products of the same type on the market generates many unknowns

The Company is developing drug candidates for the treatment, prevention and restoration within the field of inner ear disorders. The therapeutic objective is to treat acute dysfunctions (for example, sudden hearing loss) or to offer a background anti-lesional treatment for very severe or repeated inner ear disorders. As of the date of this document, no treatment for sudden sensorineural hearing loss (SSNHL) has yet been approved for marketing by the competent health authorities and one drug has been approved to reduce the risk of ototoxicity associated with cisplatin in pediatric patients with localized, non-metastatic solid tumors. The prospects for the development and profitability of Sensorion's most advanced drug candidate (SENS-401), the Company's ability to develop, formulate or produce it under economically acceptable conditions, its safety, efficacy and its acceptance by patients, healthcare prescribers and paying agencies are therefore still highly uncertain.

As a result, the prospects for the development and profitability of drug candidates, their safety, efficacy and acceptance by patients, physicians and paying agencies are uncertain. Preclinical and clinical data on the safety and efficacy of these drug candidates are still limited. Not only are animal tests not necessarily predictive of future results in humans, but positive results of drug candidates in early clinical phases, obtained on a limited number of patients, may not be confirmed by later phases on a larger number of patients. Such a situation would have a very significant adverse impact on the Company's business, results, financial situation and development.

1.3.2.2 Risks related to the highly innovative nature of the Company's products and the early nature of their development

The risks associated with the failure to develop a drug candidate are closely linked to the stage of maturity of this drug candidate. Given the relatively early stage of the Company's drug candidates, there is a significant risk that some or all of the Company's drug candidates may not be developed, formulated or produced under acceptable economic conditions, may be discontinued, may not be the

subject of partnership or licensing agreements, may not obtain regulatory approval or may never be commercialized.

SENS-401 candidate demonstrated preclinical studies results in severe acoustic trauma and cisplatin-induced hearing loss models, that could allow for the development of both the treatment of sudden sensorineural hearing loss (SSNHL) and the prevention of cisplatin-induced ototoxicity (CIO). Its mechanism of action appears to be linked to an antagonistic effect of the 5-HT3 receptor (setron family) and to the inhibition of calcineurin (see section 1 of this document).

Based on the results of the Phase 2 AUDIBLE-S study of SENS-401 in 115 patients for the treatment of SSNHL, Sensorion has continued the development of SENS-401 in two new indications. Sensorion started two proof-of-concept clinical (POC) studies. One study to prevent the loss of residual hearing at the time of the cochlear implantation (CI). This study has been completed and the results presented in 2024. The second study to prevent Cisplatin Induced Ototoxicity (CIO) has been completed in 2025 and the analysis of the data and the final study report will be available in Q1 2026.

A disciplined capital allocation approach supports Sensorion willingness to look for potential partner to pursue SENS-401 development in all 3 indications (SSNHL, CIO and in CI.

With regard to SENS-501, designed to treat congenital deafness of genetic origin linked to mutations in the otoferlin gene (DFNB9 deafness), clinical entry is a significant step forward in the development of Sensorion's portfolio. The two first cohorts assessing two doses of SENS-501 have been completed. Across both cohorts, the surgical procedure and SENS-501 were well tolerated, and no serious adverse events or serious side effects have been reported. Sensorion has observed in the second cohort early directional improvements in two of the three treated patients by Month 3. In December 2025, the follow-up is ongoing to assess the durability of these effects, and the Data Monitoring Committee (DMC) has supported the continuation of the Audiogene Phase 1/2 clinical trial of SENS-501.

For its other early-stage gene therapy product, drug candidate in preclinical development is based on scientific partnerships (see section 3.3.2 below) or on the "Inner Ear" technology platform developed by the Company. The pre-clinical gene therapy program, aimed at correcting hereditary monogenic forms of deafness linked to mutations in GJB2 gene, is progressing with the successful GMP manufacturing of the gene therapy clinical product, SENS-601.

The platform of the Company includes in-vitro capabilities to realize cellular assays on major cell types in the cochlea, tissue on explants, and electrophysiology for neuronal activity. It also includes in-vivo capabilities through specific preclinical models of pathologies and lesions related to the inner ear, accompanied by technologies for measuring hearing parameters and analyzing the results obtained.

If the studies conducted on the drug candidates were to reveal safety and/or therapeutic efficacy problems or if the use of the platform infringed an intellectual property right held by a third party, this could call into question the use and the very functioning of the technological platform and require new research and development efforts as well as additional time and costs to remedy these difficulties, without any guarantee of success. The development of drug candidates in preclinical testing based on this platform would be affected.

The "Inner Ear" technology platform is in a research center with the highest levels of accreditation (AAALAC). A malfunction, a shutdown of the platform or the loss of AAALAC accreditation could occur.

The occurrence of one or more of these events would have a material adverse effect on the Company's business, prospects, development, financial condition and results.

1.3.2.3 Market and Competition Risks

The Company cannot guarantee the commercial success of the drug candidates being developed.

If the Company and/or one or more of its commercial partners succeed in obtaining a marketing authorization allowing them to commercialize the therapeutic products developed by the Company, it may nevertheless take time to gain the support of the medical community, healthcare prescribers and third-party payers.

The degree of market acceptance of each of the Company's products will depend on a number of factors, including:

- the perception of the therapeutic benefit of the product by prescribers and their patients;
- the possible occurrence of adverse reactions once marketing authorization has been obtained;
- the frequency of use of drug candidates;
- the ease of use of the product, particularly in terms of its mode of administration;
- the cost of treatment;
- reimbursement policies of governments and other third parties;
- the effective implementation of a scientific publication strategy; and
- the development of one or more competing products for the same indication.

The Company and/or its partners could also suffer from controversies affecting drug candidates or other therapeutic approaches similar but not competing with those developed by the Company, negatively impacting the public's perception of the therapeutic benefit of these drug candidates.

Even if the drug candidates developed by the Company are likely to provide a therapeutic response to a need that has not been met to date, poor market penetration resulting from one or more of the factors described above would have an adverse effect on their commercialization and on the Company's ability to generate profits under the agreements that it may enter into with industrial partners, which would have a negative impact on its business, prospects, financial position, results and development. Similarly, the Company cannot guarantee that the assumptions used and developed to determine the characteristics of the market it targets will be confirmed. If all or part of these assumptions are not realized, the size of the market estimated by the Company could change.

The Company cannot guarantee the absence of competitors in its target markets.

Several pharmaceutical laboratories, biotechnology companies, institutions, universities and other research organizations are actively engaged in the research, discovery, development and commercialization of preventive and therapeutic responses to the inner ear dysfunctions targeted by the Company.

Besides current competitors on the market, the potential development and positive growth of the market targeted by the Company makes it probable that new competitors currently in preclinical or clinical development will enter this market. More specifically, the Company believes that SENS-401 and Otoferlin and GJB2 coding for the Connexin 26 protein have potential that makes them attractive to competitors in a promising market with high unmet medical needs. Some companies active in the drug industry have much greater resources than the Company and may commercialize competing products by dedicating resources and experience in clinical development, management, manufacturing, marketing and research much greater than those of the Company.

The Company's drug candidates are being developed to provide a therapeutic solution to address unmet medical needs. The Company cannot guarantee that its competitors will not commercialize, at the same time or subsequently, alternative therapeutic solutions that make less attractive or obsolete those currently being developed or that will be preferred by medical centers, physicians or patients. Such events would have a material adverse effect on the Company's business, results, financial condition and development prospects.

The Company may encounter difficulties in carrying out potential external growth operations.

The Company's current strategy does not include plans to acquire companies or technologies in order to facilitate or provide access to new drugs, new research projects, new geographical areas or to express synergies with its existing activities.

However, should such acquisitions prove necessary or opportunistic, the Company may not be able to complete such acquisitions on satisfactory terms (including price), or to effectively integrate the newly acquired companies or businesses, achieving its operating objectives, or the expected cost savings or synergies. In addition, the Company may not be able to obtain financing for such acquisitions on

favorable terms and may be forced to finance such acquisitions with cash that would otherwise have been allocated for other purposes within existing operations.

If the Company encounters difficulties in implementing or executing its external growth policy, this could affect its ability to achieve its financial objectives and develop its market share, which could have a significant adverse effect on its business, financial position, results or prospects.

1.3.2.4 Risks related to the Company's commercial and strategic development

The Company may not be able to find industrial partners to pursue the clinical and commercial development of its drug candidates.

If the Company's strategy so requires, and/or if the Company is unable to obtain adequate financing, the Company may have to enter into one or more licensing and distribution partnerships with one or more pharmaceutical institution(s) in order to finance the completion of the clinical development of SENS-401 and/or the progress of its gene therapy programs. The Company will, therefore, have to find one or more partners with sufficient capacity to conduct Phase I, IIb or III clinical trials (depending on its drug-candidates) on an international scale, manufacture at industrial scale, obtain marketing authorization, distribute and commercialize the Company's drug candidates. If the Company were to enter into one or more such partnership(s), the commercialization of its products would therefore depend in part on the clinical development, regulatory, industrial, marketing and commercialization efforts deployed by its commercial partner(s), as well as on the capacity of such partner(s) to produce and sell its drug candidates. Any failure on the part of such partner(s) would have adverse consequences for the Company, its development and its prospects.

It is also possible that the Company may not be able to enter into partnership(s) on economically reasonable terms. This could have a material adverse effect on the Company's business, prospects, financial position, results and development.

Obtaining pre-commercialization approvals is uncertain

In Europe, the United States, Japan and many other countries, access to the drug market is controlled and the marketing of a drug such as those developed by the Company must be authorized by a regulatory authority that issues a Marketing Authorization ("MA").

Although the Company is not concerned by a marketing authorization issue for a certain number of years, a marketing authorization file is built up over the entire development period of a drug candidate. The Company is therefore careful to comply with good practices at all times so as not to jeopardize its chances, in the long term, of obtaining marketing approval for its drug candidates, either directly or through its commercial partners.

Obtaining and maintaining marketing approval for the drug candidates that the Company and/or its partners wish to develop requires compliance with the stringent standards imposed by the regulatory authorities and the communication to the authorities of a large amount of information concerning the new product, including its toxicity, dosage, quality, efficacy and safety. The process of obtaining a new product involves significant investment, while the outcome remains uncertain.

The maintenance or obtaining of a Good Manufacturing Practices ("GMP") certificate by the Company and/or its future partners may be necessary for the manufacturing of the Company's drug candidates (for clinical trials or in the commercialization phase). The Company cannot guarantee that it and/or its partners will obtain or maintain this certificate, nor can it guarantee that certain additional constraints related to this certificate will not be imposed on them in the future.

If no marketing authorization or GMP certificate is obtained, the products concerned may not be manufactured or marketed by the Company and/or its partners. In addition, a product may not obtain a marketing authorization or a GMP certificate for a given geographical area, which could significantly restrict its commercialization. Finally, even if a marketing authorization or GMP certificate is regularly obtained, it may be suspended, particularly in the event of non-compliance with manufacturing regulations or the discovery of an adverse effect.

A Marketing Authorization can also be modified, suspended or withdrawn by regulatory authorities and introduce delays in the marketing of drug candidates. In this respect, changes in the policies of countries issuing marketing authorizations may have an impact on the Company's situation, potentially making it more difficult, longer or more expensive to obtain them.

The occurrence of one or more of these events would have a material adverse effect on the Company's business, prospects, financial condition, results of operations and development.

1.3.3 Risks related to the Company's organization

1.3.3.1 Risks of dependence to third parties

When the Company conducts research and manufacturing projects for its products under collaborative agreements, certain key tasks or functions are the responsibility of its partners, including without limitation:

- Institut Pasteur participates in various gene therapy programs targeting Otoferlin deficiency and the GJB2 gene encoding the Connexin26 protein;

As a result, the Company is exposed to the risk that its partners and subcontractors do not properly fulfill their part of the project. Furthermore, decisions may be under the control of its partners or subject to their approval. The Company and its partners may also have different views. Failures in the development process or disagreements in terms of priorities may arise and adversely affect the activities conducted under these agreements. The Company may also encounter potential conflicts or difficulties with its partners during the term of its agreements or when they are renewed or renegotiated. The relationship with its partners may also be subject to uncertainties.

In addition, if a current or future partner encounters difficulty in the supply of its own biological products needed to develop and manufacture its own products or in obtaining the regulatory authorizations required for this purpose, or in its own financial situation, it would result in a delay, discontinuation or reorientation of the Company's or the partnership's work, which could significantly affect Sensorion's business, prospects, financial situation, results and development.

For its other products, the Company cannot guarantee that, in due course, it will be able to identify a suitable partner or conclude a partnership on the most favorable commercial terms for it. The Company's inability to enter into agreements with one or more partners for the further development of its drug candidates would have a material adverse effect on its ability to generate future revenues, its financial condition and its development.

All of these events may affect the development, launch and/or marketing of some of its products or drug candidates and adversely affect its operating income.

More generally, the Company may misjudge the scientific and medical results of development operations at the time of entering into a partnership agreement, and therefore the compensation related to such partnerships, or it may not have the means or access to all the information necessary to fully assess them, in particular with respect to the potential of research and development portfolios, difficulties related to production, compliance issues or the monitoring of the outcome of ongoing litigation.

The Company could find itself in a situation of dependence on its subcontractors.

As part of its development, the Company uses subcontractors, in particular for the manufacturing of batches of finished or semi-finished products for preclinical studies and clinical trials.

The Company works with Contract Manufacturer Organizations for the production of the drug candidates. Relationships with Contract Manufacturer Organizations are key for the large-scale production of therapeutic products. The Company intends to deploy all its efforts to achieve a technology transfer that will allow its subcontractors to carry out this large-scale production under the best possible conditions, but uncertainties exist regarding the possibility of carrying out this custom manufacturing on a large scale.

Thermofisher is in charge of process development and production (cell culture, AAV expression, purification, aseptic distribution and quality control) of the two AAV vectors designed for the Sensorion OTOF-GT and GJB2-GT projects and will provide Sensorion with batches of Finished Product for preclinical and clinical studies;

In addition, as the Company does not have sufficient resources at this stage of its development to conduct all of the clinical trials required for the development of its drugs, they are outsourced to companies specializing in clinical trial management, in particular Clinical Research Organizations (CROs).

The outsourcing of clinical trials generates risks and costs related to the selection of these subcontractors. Operational difficulties could also arise, in particular due to the remoteness or geographic dispersion of clinical study centers.

Any failure on the part of these subcontractors involved in a preclinical or clinical trial could have consequences on the schedule, or even the continuation of clinical studies on the various drug candidates, as well as on the quality of the data, which must meet strict standards (Good Clinical Practice, Good Manufacturing Practice or the "ICH Harmonized Tripartite Guideline for Good Clinical Practice") imposed by the various regulatory authorities, and thus delay the marketing of products.

Similarly, if any of these subcontractors were to encounter difficulties in the supply of its own biological products required to develop and manufacture its own products or in the regulatory approvals required for this purpose, or in its own financial situation, this would result in a delay, discontinuation or reorientation of the Company's or the partnership's work, which could have a material adverse effect on Sensorion's business, prospects, financial situation, results and development.

In addition, the fact that subcontractors re-invoice the Company for the costs of the products, raw materials and consumables it needs (pass-through costs), and that these costs can increase in manner that is not pre-determined at the start of the contract, could lead to a delay or reorientation of the Company's or the subcontractor's work or an increase in costs that could significantly affect Sensorion's business, prospects, financial situation, results and development.

Similarly, the hacking of data relating to the Company's drug candidates tested at Sensorion or its partners (including at patient recruitment sites, CROs, service providers that the Company uses to advance its preclinical or clinical trials, or more broadly in completed or future clinical trials) could, for example, delay obtaining regulatory approvals. If a disruption or act of hacking results in the corruption of the Company's data or applications, or other data or applications relating to its technology or drug candidates, or the unauthorized dissemination of confidential or proprietary information, the partner could be subject to sanctions, but, in turn, the Company's competitive position could be affected and the development and commercialization of its drug candidates could be delayed, which could have adverse financial, legal and operational effects and harm its reputation (as well as the reputation of such partner).

In addition, the Company cannot guarantee that the amount of potential damages related to the clinical research of the products it develops will not exceed the compensation ceiling provided in the contracts entered into with the CROs prior to registration, depending on the progress of the clinical study.

Such events would have a material adverse effect on the Company's business, prospects, financial condition, results and development.

The Company could find itself in a situation of dependence on its partners

The Company is involved in several partnership agreements and consortiums with public and private partners aimed at developing drug candidates at different stages of development.

As regards preclinical gene therapy programs, the quality of the results of the trials depends in particular on the quality of the services expected by the Institut Pasteur and their compliance with the specifications initially set (correction of hereditary monogenic forms of deafness, in particular deafness caused by mutations in the gene coding for Otoferlin and in the GJB2 gene). The failure of Institut Pasteur could adversely affect the validity of the Company's pre-clinical studies.

Likewise, Sensorion's preferential right to all of Institut Pasteur's research programs in the field of genetic diseases of the inner ear during the five years of the partnership is directly dependent on the research that Institut Pasteur will be able to develop for this future collaboration.

In addition, Sensorion is involved in consortium for which Sensorion is dependent on the partners to carry out their own share of collaborative projects.

The unavailability of partners to carry out their share of the project, their inability or their failure to do so, the loss of data, delays or errors in the data treatment could have an adverse effect on the development of products, their availability or their compliance, thereby affecting the conduct of trials or procedures concerning them and, ultimately, the Company's ability to generate future revenues, its financial position and its development.

Under these consortium agreements, if one of the partners fails without a possible alternative and despite the best efforts of the other partners, this could lead to the failure of the program as a whole. The Company may not find partners or may not find the right partners to develop its products. If it does find such partners, they could decide to withdraw from the agreements. The Company may also not succeed in entering into new agreements for its other drugs. The Company cannot control the amount or timing of resources that its existing or future partners will devote to the development, manufacturing and marketing of its products. These partners may not fulfill their obligations as anticipated by the Company. As a result, the Company may experience significant delays or be unable to successfully introduce its products in certain markets.

The occurrence of one or more of these risks could have a significant adverse effect on the Company's business, prospects, financial situation, results and development.

1.3.3.2 Risk of losing key employees and not being able to attract new qualified people

The development of its technologies and the conduct of clinical trials by the Company depends in particular on its ability to hire and retain qualified personnel

The success of the Company depends largely on the work and expertise of its management team and the Chief Executive Officer. Although the Company has taken out a "key person" insurance policy, the temporary or permanent unavailability of these individuals could impair the Company's ability to achieve its objectives, in particular by depriving it of their know-how and technical capabilities.

In addition, the Company will need to recruit new senior management and qualified scientific personnel for the development of its activities and as the Company expands into areas that will require additional skills. The Company competes with other companies, research organizations and academic institutions to recruit and retain highly qualified scientific, technical and management personnel. To the extent such competition is intense, the Company must remain vigilant to attract or retain key personnel on economically acceptable terms.

The Company's inability to attract and retain such key personnel could prevent it from achieving its objectives and could have a material adverse effect on its business, results, financial position and prospects.

1.3.3.3 Risks related to managing the Company's growth

The Company's development depends in particular on its ability to manage its growth and internal resources.

As part of its development strategy, the Company will have to recruit additional staff and develop its operational capabilities, which could significantly mobilize its internal resources.

To this end, the Company will need to:

- train, manage, motivate and retain a growing number of employees;
- Anticipate the expenses related to this growth as well as the associated financing needs;

- increase the capacity of its existing operational, financial and management information systems;
- manage the outsourcing of the production of its developed drugs; and
- manage partnership agreements with the Company's industrial partners in charge of pursuing the clinical development and commercialization of the Company's products.

In order to meet demand within the timeframe agreed upon with its future partners, the Company may need to enter into new subcontracting agreements.

The Company's inability to manage growth, or unexpected difficulties encountered during its expansion, could have a significant adverse effect on its business, results, financial condition, development and prospects.

1.3.3.4 Risks related to trade policy and tariff uncertainties

Changes in trade policies, including the imposition of new tariffs or trade restrictions, could impact the global supply chain of the biotech industry. Our business relies on cross-border movement of specialized raw materials, laboratory equipment, pharmaceutical products, talent and services which may be subject to regulatory or cost fluctuations due to evolving trade policies.

Logistical disruptions, increased costs, or trade-related delays could impact our research and development timelines, constrain our manufacturing processes, and adversely affect our operational performance and financial prospects.

1.3.3.5 Risks related to a cyber security incident

The Group is exposed to several categories of cyber risks, including:

- External threats: malware attacks, ransomware, phishing, and network intrusions;
- Internal threats: human errors, unauthorized system usage, or malicious actions by employees or third parties;
- Systemic vulnerabilities: system obsolescence, lack of regular updates, and dependence on third-party suppliers; and
- Third-party risks: risks related to partners and subcontractors that could serve as entry points for attacks.

A breach in the security of information systems could lead to a temporary or prolonged disruption of the Group’s activities, leakage or alteration of personal, confidential, financial, or regulatory information, costs associated with system repairs, crisis management, and a negative impact on the confidence of investors, partners, and employees.

To mitigate its exposure to these risks, the Group has implemented cybersecurity management tools based on infrastructure measures (firewalls, intrusion detection, and anti-malware solutions), regular updates of critical software, the establishment of procedures, and a recurring cybersecurity awareness program for all staff.

In addition, the Group has subscribed to a cyber insurance policy currently in force, which contributes to mitigating the financial impact of potential cyber incidents and further limits the Group’s exposure to cyberattacks risks.

1.3.4 Regulatory and legal risks

1.3.4.1 Risks related to a restrictive and evolving regulatory framework

One of the challenges for a growth company like Sensorion is to succeed in developing, with the help of partners, products integrating its technologies in the context of an evolving regulatory environment. The pharmaceutical industry is faced with an ever-changing legal and regulatory environment and oversight by competent authorities such as the Agence Nationale de Sécurité du Médicament et des Produits de Santé ("ANSM") in France, the European Medicines Agency ("EMA") in Europe, the

Food and Drug Administration ("FDA") in the United States and other regulatory authorities in the rest of the world. At the same time, the public is demanding more guarantees regarding the safety and efficacy of medicines.

Health authorities oversee research and development work, preclinical studies, clinical studies, the regulation of pharmaceutical establishments, as well as the manufacturing and marketing of drugs. This evolution of the legislative and regulatory framework is common throughout the world, although the requirements vary from one country to another. Adding new requirements can impact on the timing and cost of development of our candidates.

The regulatory approval process for novel product candidates notably in gene therapy can be more expensive and take longer than for other, better known or more extensively studied product candidates. The limited number of gene therapy products approved by regulatory authorities as of the date of this Annual Financial Report makes it difficult to determine how long it will take or how much it will cost to obtain regulatory approvals for our product candidates in either the United States, the United Kingdom or the European Union or how long it will take to commercialize our product candidates. Since the EMA, the FDA and others have different procedures and evaluation criteria, approvals by authority may not be indicative of what the others may require for approval, and vice versa. The assessment of product in view of marketing authorization requires early alignment with Health Authorities to define the data package suitable for successful approval. Any new or unforeseen regulatory requirement at that stage may lead to a lengthier and more expensive approval process.

As a result, the authorization process is long and costly and can take several years. In this respect, changes in the policies of countries issuing marketing authorizations may make the authorization process more difficult, longer or more expensive.

To the extent that new legal or regulatory provisions increase the costs of obtaining and maintaining marketing authorizations for products or limit the economic value of a new product for its inventor, the growth prospects of the pharmaceutical industry and the Company could be reduced.

In addition, the Company collects, processes, uses or transfers personal data of individuals located within the European Union in the course of its business, including health data, in the context of clinical trials conducted within the European Union. A significant portion of the personal data that the Company uses is managed by third parties (mainly CROs in the context of clinical trials). The collection and use of personal health data in the European Union is governed by the provisions of the General Data Protection Regulation (EU) 2016/679 (GDPR). Failure to comply with the requirements of the GDPR and the national data protection laws of the EU Member States, including data managed by third parties, for which the Company is unable to ensure compliance with the GDPR, may result in substantial fines, other administrative sanctions and civil actions against it, which could have a material adverse effect on its business, prospects, financial condition and results.

1.3.4.2 Specific risks related to the preclinical studies and clinical trials that will be required to obtain marketing authorizations for the Company's therapeutic products

The organization of preclinical studies in animals and clinical trials in humans is essential to obtain a marketing authorization for the products developed by the Company. They are generally carried out over several years and are very costly.

Since these studies and trials must be conducted by preclinical and clinical research centers, their quality and value will largely depend on the ability of the Company and its partners to select the preclinical and clinical research centers and, with respect to human trials, to recruit the necessary number of patients within a relatively limited time frame in order to be able to publish results rapidly, as well as to select, as the case may be, the appropriate service providers responsible for implementing the study protocol defined by the Company or its partners. The remoteness or geographic dispersion of clinical or preclinical study centers may also raise operational and logistical difficulties, which could result in additional costs and delays.

If the Company or its partners do not succeed in recruiting the expected patients, which would result in delays in clinical studies and the publication of their results, this would result in a gap in the acceptance of both learned societies and professionals in the relevant medical fields, and the marketing

of the Company's products would be affected, which could have a material adverse effect on its business, financial condition, results, development and prospects.

1.3.4.3 Risks related to the reimbursement and delisting of drugs and treatments

The conditions for setting the selling price for drug reimbursement are beyond the control of pharmaceutical companies. They are respectively decided by the competent public commissions and bodies as well as by social organizations or private insurances. In the current context of controlling healthcare spending and the economic and financial crisis, pressure on sales prices and reimbursement levels is intensifying, due in particular to the price controls imposed by many States and the increased difficulty in obtaining and maintaining a satisfactory reimbursement rate for medicines.

When the time comes, the conditions for determining the price and reimbursement rate of the Company's products will be a key factor in their commercial success. The Company's ability to receive royalties from its industrial partner(s) on the sale of its treatments will depend on these pricing and reimbursement conditions. If delays in price negotiations result in a significant delay in the marketing of a product or if one of the Company's products does not obtain an appropriate level of reimbursement, its profitability would be reduced.

Nor can the Company guarantee that it will be able to maintain the price level of its drugs over time or the accepted rate of reimbursement. In this respect, changes in the policies of countries allowing reimbursement of drugs may make such reimbursement even more difficult, longer or less profitable for the Company. Under these conditions, its revenues, profitability and outlook could be significantly affected.

Finally, products already approved may prove to be unsafe and may be withdrawn from the market at the request of health authorities, or may produce effects different from those initially anticipated, which could limit or prohibit their commercial use. The occurrence of some or all of these events could have a material adverse effect on the Company's business, results and prospects.

Although the Company is considering the advanced development of SENS-401 in partnership, the Phase 2 and Phase 3 clinical trials, as well as the preparation of its market launch and strict manufacturing conditions, require and will continue to require from Sensorion and its partners significant investments of time and financial resources, as well as the special attention of the Company's most qualified personnel. As a result, if Sensorion or its partner(s) do not receive marketing authorization in the targeted indications by the end of these steps, the Company's financial condition, results and prospects will be materially and adversely affected.

1.3.4.4 Risks related to patent and license portfolios

The protection offered by patents and other intellectual property rights is uncertain

The Company's business plan, and in particular the development of its drug candidates, depends, among other things, on its ability to obtain, maintain and enforce against third parties the protection of its patents and patent applications, trademarks and related applications, as well as its other intellectual property or similar rights (such as trade secrets, business secrets and know-how) or those it is authorized to use in the course of its business.

It is also important for the success of its business that the Company be able to obtain similar protection for all of its intellectual property rights in a sufficiently large geographical area, i.e. in Europe, the United States and other key countries (Canada, Japan, China and Korea). The Company devotes significant financial and human resources to this effort and intends to pursue its policy of protecting its intellectual property rights by filing new patents whenever it deems it appropriate. The Company believes that its technology is currently effectively protected by patents and patent applications that it has filed, which it owns or co-owns, or for which it has an exclusive license.

However, the Company may not be able to maintain the protection of its intellectual property rights. In such an event, the Company would lose its technological and competitive advantage.

The Company's intellectual property rights provide protection for a term that may vary (for example, in the case of patents, the term is 20 years from the date of filing of the patent applications).

In addition, the Company may encounter difficulties in the filing and examination of certain of its patent, trademark or other intellectual property rights applications currently under examination/registration. Indeed, at the time a patent application is filed, other patents or patent applications may constitute an opposable anteriority but may not yet be published or, even if published, may not be known to the Company. Despite the prior art searches and the monitoring it conducts, the Company cannot be certain that it is the first to have filed a patent application. In particular, patent applications are published 18 months after the filing of the applications themselves. Furthermore, even where patents are granted, they may subsequently be challenged by third parties through opposition, nullity or other invalidation proceedings, and there can be no assurance that such patents will be maintained as granted. Similarly, when one of its trademarks is filed in a country where it is not covered, the Company may find that the trademark in question is not available in that country. A new trademark would then have to be sought for the given country or an agreement negotiated with the owner of the prior sign. There can therefore be no assurance that the Company's current and future applications for patents, trademarks and other intellectual property rights will result in grants/registrations and that such rights will be effectively protected.

As a result, given the recent nature of the patent families that the Company wholly owns, it is not possible to determine at this time the scope of protection that could reasonably be granted.

Specific criteria are applicable in Europe to protect the therapeutic applications of known or new products. When only the therapeutic application is new compared to what was already known, or when the novelty of the application is new only in the context of treatment conditions (selection of sponsoring patient groups, particular administration regime...), the European Patent Office ("EPO") requires in principle that concrete elements in the form of experimental results be provided to grant protection to the application. In addition, the EPO sometimes asks for the demonstration of unexpected properties of the invention compared to what was known in the state of the art, in relation to related applications. These questions could arise in the course of the examination of the Company's patent applications. The scientific results obtained by the Company in the coming years may naturally support the arguments in favor of granting these patents.

The mere issuance of a patent, trademark or other intellectual property right does not guarantee its validity or enforceability. Any person with an interest in such rights could at any time challenge the validity or enforceability of patents, trademarks or related claims of the Company before a court or in other specific proceedings, which, depending on the outcome of such challenges, could reduce their scope or result in their invalidity.

Developments, changes or differing interpretations of the legal framework governing intellectual property in Europe, the United States or other countries could allow competitors to use the Company’s inventions or intellectual property rights and to develop the Company’s products and technologies without financial compensation. In addition, there are still certain countries that do not protect intellectual property rights in the same way as in Europe or the United States, in which the effective procedures and rules necessary to ensure the protection of the Company's rights may not exist. There can therefore be no assurance that the Company’s existing and future patents, trademarks and other intellectual property rights will not be challenged or invalidated, or that they will provide effective protection against competition and third-party patents covering similar inventions.

As a result, the Company's rights to its patents, trademarks, related applications and other intellectual property rights may not provide the expected protection against competition. The Company cannot guarantee that:

- the Company is able to obtain, at a reasonable cost and on terms acceptable to it, exclusive licensing rights to patents held in co-ownership by the co-owners;
- the Company can obtain licensing rights to patents owned by third parties on which its own patents or technologies are dependent, under financial terms and conditions acceptable to the Company. Otherwise, the Company may have to interrupt or modify certain activities or processes (development, sales, use), or even develop or obtain alternative technologies;

- applications for patents and other rights owned, co-owned or licensed to the Company that are under review, including recent patent applications by the Company, will effectively result in the issuance of patents, trademarks or other registered intellectual property rights within a reasonable time, or that are issued with the scope necessary to protect the technology, in one or more jurisdictions, including in all territories identified as strategic by the Company;
- the Company will succeed in developing new inventions that could be the subject of a patent application or grant;
- patents or other intellectual property rights issued to the Company will not be challenged, invalidated or circumvented;
- the scope of protection conferred by patents, trademarks and other intellectual property rights of third parties rights will be effective against competition and third party patents, trademarks and intellectual property rights covering competing devices, products, technologies or developments.

The occurrence of one or more of these risks could have a significant adverse effect on the Company's business, prospects, financial situation, results and development.

The Company's ability to continue the development of some of its drug candidates is dependent on the continuation in force of the licenses entered into

The Company has entered into license agreement through its partnership, with:

- Institut Pasteur: partnership on gene therapy programs including aspects of intellectual property such as exclusive license granted to Sensorion to exploit the OTOF patents resulting from Institut Pasteur research.

These partnerships or licenses are essential to the development and future commercial exploitation of certain of the Company's R&D programs. The loss or significant modification of one or more of these partnership or license agreements could prevent the Company from achieving its objectives and thus have a significant adverse effect on its business, results, financial position and prospects.

The Company may infringe intellectual property rights held by third parties

The Company's success will depend in part on its ability to develop products or technologies that do not infringe on patents or other rights belonging to third parties. It is important for the success of our business that the Company be able to freely exploit its products without infringing on patents or other intellectual property rights and, conversely, without third parties infringing on its intellectual property rights or those of its partners and other licensors necessary for the development and operation of the R&D programs of the Company.

As a result, the Company cannot guarantee:

- that there are no patents or other prior rights, in particular intellectual property rights of third parties that may cover certain products, processes, technologies, results or activities of the Company and that, as a result, third parties are acting in counterfeit or violation of their rights against the Company with a view to obtaining, in particular, damages and/or the cessation of its manufacturing and/or marketing activities for products, processes and other products thus incriminated;
- that there are no trademark rights or other prior rights of third parties that could give rise to an action for infringement or liability against the Company; and/or
- that the Company's domain names will not be the subject of a UDRP ("Uniform Dispute Resolution Policy") or similar procedure or an infringement action by a third party that has prior rights (for example, trademark rights).

The growth of the research-based pharmaceutical industry and the corresponding increase in the number of patents filed increases the risk that the Company's products and technologies may infringe the rights of third parties, including intellectual property rights.

In the event of litigation regarding the intellectual property it uses, the Company may be required to:

- cease or cause to cease the development, sale or use of the product(s) that would depend on the disputed intellectual property;
- revise the design of some of its products/technologies or, in the case of trademark applications, rename its products, in order to avoid infringing on the intellectual property rights of third parties, which may prove impossible or time-consuming and costly, and could, in fact, impact the marketing efforts of the products concerned by the Company and/or its partners.

The Company therefore continues to carry out, as it has done to date, the preliminary studies it deems necessary in light of the aforementioned risks before making investments to develop its various products/technologies. In particular, the Company keeps a close watch on the business (particularly in terms of patent applications) of its competitors.

However, to date, the Company has not been confronted with any of these situations, nor has it been involved in any litigation relating to the rights, in particular intellectual property rights, held by third parties.

The Company cannot guarantee the absence of infringement of intellectual property rights against it.

Monitoring the unauthorized use of the Company's drug candidates and technology and the infringement of its own intellectual property and other rights is sensitive

The Company cannot guarantee that it will be able to prevent and obtain compensation for misappropriation or unauthorized use of its drug candidates and technology, particularly in foreign countries where its rights would be less well protected due to the territorial scope of industrial property rights.

Third parties (or even employees of the Company) could use or attempt to use elements of the Company's technology that are protected by an intellectual property right, which would create a harmful situation for the Company. The Company could therefore be forced to take legal or administrative action against these third parties and/or employees in order to enforce its intellectual property rights (patents, trademarks, designs and models or domain names) in court.

Any litigation or dispute, regardless of its outcome, could result in substantial costs, affect the Company's reputation, adversely affect the Company's results and financial position and possibly not provide the protection or remedy sought. Competitors with greater resources than those of the Company may be better able to bear the costs of litigation.

However, to date, the Company has not been confronted with any of these situations, nor has it been involved in any litigation relating to its rights, in particular intellectual property rights.

The Company may not be able to prevent disclosure of information by third parties or employees that could have an impact on its future intellectual property rights

It is important for the Company to guard against the unauthorized use and disclosure of its confidential information, know-how and trade secrets. Indeed, non-patented and/or non-patentable proprietary technologies, processes, methods, know-how and data are considered trade secrets, which the Company tries to protect in part through confidentiality agreements. In addition, the rules governing the devolution to the Company of inventions that its employees have made or may make, as well as their compensation terms, are governed by article L.611-7 of the French Intellectual Property Code, which is a matter of public policy.

In the context of collaboration, partnership, research or other types of cooperation agreements entered into by the Company with researchers from academic institutions as well as with other public or private entities, subcontractors, or any other third party, various information and/or products may be entrusted to them, in particular in order to conduct certain tests and clinical trials. In such cases, the Company requires the signature of confidentiality agreements. In addition, the Company ensures that the collaboration, partnership or research contracts it signs give it full ownership or, at the very least, co-

ownership of the results and/or inventions resulting from such collaboration, as long as it has effectively participated in the creation of the results and/or the invention. The Company also seeks, in the context of license agreements that it will sign with its partners, to maintain control over the management of patents or to grant licenses only in specific fields that it does not exploit.

It cannot be excluded that the agreements put in place to protect the Company's technology and trade secrets and/or the know-how put in place may not provide the protection sought or may be violated, that the Company may not have appropriate remedies against such violations, or that its trade secrets may be disclosed to or independently developed by its competitors. In addition, the Company has very limited control over the conditions under which the third parties with which it contracts, themselves use third parties, and protect its confidential information, regardless of the fact that the Company provides in its agreements with its co-contractors that they undertake to pass on these confidentiality obligations to their own co-contractors.

Such agreements therefore expose the Company to the risk that the third parties concerned may (i) claim the benefit of intellectual property rights on the Company's inventions or other intellectual property rights, (ii) fail to ensure the confidentiality of unpatented innovations or improvements to the Company's confidential information and know-how, (iii) disclose the Company's trade secrets to its competitors or independently develop such trade secrets and/or (iv) violate such agreements, without the Company having an appropriate remedy against such violations.

As a result, the Company's rights to its confidential information, trade secrets and know-how may not provide the expected protection against competition and the Company cannot guarantee:

- that its know-how and trade secrets may not be obtained, usurped, circumvented, transmitted without its authorization or used by unauthorized third parties;
- that the Company's competitors have not already developed technology, products or devices similar or similar in nature or purpose to those of the Company;
- that no other party to an agreement will claim the benefit of all or part of the intellectual property rights to inventions, knowledge or results that the Company owns or co-owns, or for which it may be required to obtain a license; or
- that employees of the Company will not claim rights or payment of additional compensation or a fair price for inventions in which they participated.

The occurrence of one or more of these risks could have a significant adverse effect on the Company's business, prospects, financial situation, results and development.

1.3.4.5 Product Liability Risks

The Company could be exposed to liability risks during the clinical development of its products (in particular, product liability related to the testing of therapeutic products in humans and animals). Its liability could thus be incurred by patients participating in clinical trials in connection with the development of the therapeutic products tested and due in particular to the unexpected side effects that could result from the administration of these products.

The Company could also be held liable during the commercialization phase of its products. Civil or criminal proceedings could be instituted against the Company by patients, regulatory agencies, pharmaceutical companies and any other third party using or marketing its products. These actions may include claims resulting from the acts of its partners, licensees and subcontractors, over which the Company has little or no control.

The Company cannot guarantee that its current insurance coverage is sufficient to respond to actions that may be brought against it, or to respond to an unexpected situation.

If its liability or that of its partners, licensees and subcontractors were thus called into question, if it or its partners, licensees and subcontractors were unable to obtain and maintain appropriate insurance coverage at an acceptable cost, or if the Company were unable to protect itself in any way against liability claims, this would seriously affect the marketing of the Company's products and, more generally, adversely affect its business, results, financial position and development prospects.

1.3.4.6 Risks related to potential conflicts that may affect the company's relationship with potential licensees

As described above, the Company's strategy may involve licensing its drug candidates to pharmaceutical laboratories. The conclusion of such license agreements and their future could therefore be fundamental for the Company.

Conflicts may arise with licensees during the performance of the contracts between them and the Company, which could affect their continuation and, consequently, the manufacture and marketing of products developed by the Company. These conflicts may relate to the terms and conditions of the contracts or the proper performance by either party of its obligations under such contracts. Such conflicts of interest could significantly affect the Company's business, financial position, results, development and prospects.

1.3.5 Market risks

1.3.5.1 Credit risk

The Group manages its available cash prudently. The Group's cash and cash equivalents consist of cash held in current accounts and term deposits. As of December 31, 2025, the Group holds cash and term deposits amounted to €47.5 million, which are invested in risk-free investment products that are readily available or have a maturity of less than six months. Credit risk is associated with deposits held with banks and financial institutions. The Group uses leading financial institutions for its cash investments and, therefore, its cash is not exposed to any material credit risk.

1.3.5.2 Interest rate risk

The Group has no variable rate debt. Therefore, its debt repayments are not subject to interest rate risk.

The Group's only exposure to interest rate risk relates to the investment of cash in cash equivalents, which are comprised of term deposits, where the interest paid is determined by reference to ECB reference rates. The Group considers that any change of +/-1% would not have a material impact on its net income compared to the losses generated by its business operations.

1.3.5.3 Exchange risk

The Group's strategy is to enter into contracts denominated in euros.

As of December 31, 2025, the Group considers that it is not exposed to material currency risk because only a relatively small share of its supplies and expenses are purchased outside the euro zone and invoiced in foreign currencies. Furthermore, The Group's cash is invested exclusively in euro-denominated investment products. Because the sums involved are not significant, at this stage in its business development, The Group has not set up any hedges to protect its business against currency fluctuations. The Group cannot rule out the possibility that a significant upturn in its business volumes may generate greater exposure to currency risk. In such case, The Group may consider implementing an appropriate policy to hedge this risk.

1.3.5.4 Equity risk

Other than treasury shares, the Group holds no marketable securities or investment instruments.

1.4. Insurance and risk coverage

The Company considers that its insurance policies adequately cover the insurable risks inherent in its business activities, and that its policy with respect to insurance is consistent with practices in its business sector. The Company has taken out insurance policies with insurance companies with a good

financial rating that have been chosen for their ability to support The Company's development. The Company does not foresee any particular difficulty in maintaining adequate insurance levels in the future, subject to market conditions.

Nevertheless, The Company cannot guarantee that it will always be able to maintain or, if necessary, to obtain similar insurance coverage at an acceptable cost, which may oblige it to take out more expensive insurance policies and/or to assume greater risks, in particular as its business activities expand. The occurrence of one or more major losses, even if covered by its insurance policies, could seriously impact its business and financial position due to the interruption of its activities that such events could cause, the time periods required to obtain compensation from the insurance companies, the possibility that coverage limits may be exceeded, and the resulting increase in premiums. Current insurance policies cover comprehensive industrial risks, premises, the general and criminal liability of officers, professional and business liability, clinical trials, employees' vehicles during business travel, and personal assistance in the event of illness, serious injury or death on terms customarily applied in the industry.

1.5. Extraordinary events and disputes

During the 12-month period preceding the date of this document, The Company has not been involved in any administrative, criminal, judicial or arbitration proceedings that may have a material adverse impact on The Company, its business, financial position, earnings or expansion and that are not reflected in its financial statements. Furthermore, to The Company's knowledge, no exceptional event has occurred during the same period that would generate additional risk or additional unplanned costs for it.

1.6. Progress already made or difficulties encountered

Progress made and difficulties encountered are presented below.

1.7. Post-closing events[4]

Since the end of the fiscal year, the key business updates are as follows:

During the second half of 2025 the PATRIOT consortium requested an adjustment to the PATRIOT project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

On January 28, 2026, Sensorion announced a €60 million offering reserved to specific categories of investors through the issuance of 214,285,714 new ordinary shares of the Company at a price per New Share of €0.28 to the benefit of Sanofi for €20 million, and Redmile Group, Artal, which is advised by Invus, and Sofinnova Partners, existing shareholders, and other investors including Cormorant Asset Management, Coastlands Capital and Sphera Healthcare, for €40 million. The Company intends to use the net proceeds from the Reserved Offering, which amount to circa €56 million, to fund principally the company's R&D activities related to its Gene Therapy programs, SENS-501 and SENS-601 (GJB2-GT), evenly, as well as for other R&D and corporate overhead expenses.

On February 6, 2026, Sensorion announced its Participation in the Association for Research in Otolaryngology ARO 49th Annual Midwinter Meeting in Puerto Rico, USA.

On February 17, 2026, Sensorion announced that Nawal Ouzren, Sensorion's Chief Executive Officer and a Director on the Company's Board, was stepping down from both roles due to a personal matter

[4] Post-closing events are presented at the company level, as those relating to the Group are identical.

incompatible with serving as Chief Executive Officer. Amit Munshi, who is serving as the Chairman of Sensorion is also assuming the role of Interim Chief Executive Officer and Mrs. Ouzren will remain temporarily as a consultant to the Company to ensure an effective transition. The Board has commenced its search for a permanent Chief Executive Officer.

During the first quarter of 2026, Sensorion disclosed additional data for SENS-401 investigated into the prevention of hearing loss related to Cisplatin-Induced Ototoxicity (Phase 2a proof of concept clinical study NOTOXIS). End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure. Primary analysis showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

1.8. Foreseeable changes in the Company's situation and future prospects

1.8.1.Strategy Update

The Group’s R&D projects are carried out by Sensorion France, and as such, this section focuses on that entity.

Sensorion received approval to initiate its lead gene therapy program, Audiogene, into a Phase 1/2 clinical trial of SENS-501 in some European countries (France as first country), in January 2024. This gene therapy is intended at restoring hearing in babies born deaf due to mutations in the gene coding for otoferlin. In December 2025, the Company announced that the Data Monitoring Committee (DMC) supported the continuation of the Audiogene Phase 1/2 clinical trial of SENS-501. The Company will review the upcoming six-month efficacy data and will communicate during Q1 2026 once the dataset has reached sufficient maturity.

Sensorion has advanced its gene therapy candidate to treat hearing loss related to mutations in GJB2 gene and is now conducting IND/CTA enabling studies. Sensorion expects to submit the CTA for GJB2-GT in H1 2026.

The company has also progressed with its small molecule SENS-401 currently being assessed in two Phase 2a clinical trials. Sensorion completed its Phase 2 clinical trial to evaluate SENS-401 in combination with cochlear implantation and reported an analysis of the final results in September 2024. As for the second program assessing SENS-401 in Cisplatin-Induced Ototoxicity, the company ended the study during the first quarter of 2026.

Expected future milestones and estimated timelines:

- Q1 2026 – SENS-501: Cohort two 6-months follow-up data of Phase 1/2 Audiogene trial
- H1 2026 – SENS-601 (GJB2-GT): Clinical Trial Application Submission

Sensorion's strategy is to become one of the leading companies developing innovative treatments for inner ear diseases. Sensorion will continue to actively develop its small molecule now in clinical trial, to advance its gene therapy programs while conducting research within its screening technology platform. The Company also expects to pursue its strategy of discovering new research programs using Sensorion's proprietary technology platform, alone or in partnership with other companies.

Like all biotechnology companies, the Company has sought, and continues to seek, financing solutions, primarily through industrial collaborations or licensing agreements with one or more manufacturers on one or more of its product candidates, but also through agreements for grants and/or repayable advances specifically related to the Company's research programs. These financing solutions could also take the following forms:

- debt, whether simple or debenture, convertible or not;
- new financing from historical shareholders;

- the search for investors in the context of a capital raising that could take the form of further capital increases (reserved or not) including via a listing on other reference financial markets abroad (such as Nasdaq, if market conditions so permit);

In addition, the Company may resize its operating plans, in particular by delaying or limiting the scope of its research and development programs.

1.8.2. The Company's Research and Development Activities

Sensorion is a biotechnology company specializing in the research of new drugs for the treatment of inner ear diseases. Research and development is the Company's core business.

Most of the expenses incurred by the Company, since its creation, relate to the development of its technology, the development of new drugs and the acquisition and registration of licenses and patents protecting its activities.

1.8.3. Research and development expenses

Research and development costs are expensed and are not capitalized as fixed assets, since the chances of technical success and commercial profitability are not proven in the medium term. The Company therefore recognizes these expenses in the income statement in the period in which they are incurred.

Group research and development expenses amounted to €28,840k in 2025 compared to €25,664k in 2024 mainly related to:

- Continuation of the clinical phase of SENS-401 to prevent Cisplatin Induced Ototoxicity (CIO)
- Continuation of research on two preclinical gene therapy programs targeting GJB2 and Otoferlin deficiency, two monogenic forms of hereditary deafness.

The portion of these costs eligible for the French research tax credit for the 2025 financial year amounted to €15,696k net of subsidies and conditional grants received.

A French research tax credit of €4,709k was accounted for in 2025.

1.8.4. Patents and licenses

Our ability to obtain patents in France, Europe, the United States and elsewhere in the world to protect our technologies, processes and products is fundamental to our ability to market our products on an exclusive basis. Sensorion's general policy is to strengthen its portfolio of technologies and products either by filing new patents itself or by gaining access, through collaborations and licensing agreements, to elements of technologies or products over which third parties may have rights. Where appropriate, the Company may also abandon patents when the costs of maintaining them exceed the expected future benefits or when the assumptions made therein are obsolete.

The Company currently has a portfolio of eleven patent families.

In its dealings with third parties, Sensorion also relies on confidentiality agreements to protect its technology, drug candidates and trade secrets.

1.8.5. Debt Situation

The Group's debts according to consolidated IFRS financial statements amount to €13,407k as of December 31, 2025, compared to €17,138k as of December 31, 2024. The main elements break down as follows:

- Loans and debts from credit institutions: €760k as of December 31, 2025 compared to €1,240k as of December 31, 2024, (government guaranteed loans and research, development, and innovation loan);

- Loans and various financial debts: €881k as of December 31, 2025 compared to 1,096k as of December 31, 2024. These are refundable advances in the context of funding research projects;
- Rental debts: €475k as of December 31, 2025, compared to €874k as of December 31, 2024;
- Suppliers: €5,562k as of December 31, 2025 compared to €6,905k as of December 31, 2024; and
  Other current liabilities: €5,294k as of December 31, 2025 compared to €3,854k as of December 31, 2024.

The Company's debts amount to €13,045k as of December 31, 2025, compared to €14,476k as of December 31, 2024. The main elements break down as follows:

- Loans and debts from credit institutions: €545k as of December 31, 2025 compared to €1,292k as of December 31, 2024, (government guaranteed loans and research, development, and innovation loan);
- Loans and various financial debts: €1,509k as of December 31, 2025 compared to 1,604k as of December 31, 2024. These are refundable advances in the context of funding research projects;
- Suppliers: €5,436k as of December 31, 2025 compared to €6,863k as of December 31, 2024; and
  Other current liabilities: €5,555k as of December 31, 2025 compared to €4,717k as of December 31, 2024.

1.9. Annual Presentation of Statutory Accounts

Annual statutory accounts for the year ending December 31st, 2025 which will be subjected to your approval have been prepared in accordance with the presentation rules and valuation methods provided by the regulation in force.

The presentation rules and valuation methods used are similar to those for the previous years, except for the application of the new ANC Regulation 2022-06, applicable as from January 1, 2025, to the statutory financial statements of Sensorion prepared under the French accounting framework.

Balance sheet, income statement and appendices are attached to this report.

Schedule including the results of the Company over the past 5 years is also attached in this report in accordance with the Article R. 225-102 of the French Commercial code (***Appendix 1***).

1.9.1.Economic and financial results consolidated accounts

Main items in the income statement for the year ended December 31st, 2025, are the following:

- revenue excluding VAT is zero as the previous year.
- other revenues excluding are €5,814k compared to €6,653k in the previous year; it is mainly composed of Research Tax Credit for France.
- operating expenses amounted to €36,536k compared to €35,054k for the previous year, which represents an increase of 4%.
- operating result is – €30,722k compared to –€28,401k for the previous year and represents a decrease of approximately 8%.
- headcount is 66 as of December 31, 2025, and increased compared to prior year.

With a financial result of €1,298k compared to €2,555k in FY2024 and a corporate income tax of -€4k the net result is – €29,429k compared to – €25,972k prior year.

As of December 31, 2025, shareholders' equity amounted to €44,478k and total balance sheet of the Company amounted to €57,887k compared to €89,277k prior year.

1.9.2.Economic and financial results statutory accounts

Main items in the income statement for the year ended December 31st, 2025, are the following:

- revenue excluding VAT is zero as the previous year.
- total of operating income amounted to 3,338k euros compared to 1,642k euros in the previous year;
- operating expenses amounted to 37,528k euros compared to 33,898k euros for the previous year, which represents an increase of 11 % primarily due to an increase of R&D activities on the gene therapy programs.
- operating result is – 34,190k euros compared to –32,255k euros for the previous year, and represents a deterioration of 6 %.
- wages and salary amount 5,457k euros and 5,534k euros for the previous year and represents a decrease of 1%
- social charges amount to 2,545k euros compared to 2,564k euros the previous year; it represents a decrease of 1%.
- headcount is 63 as of December 31, 2025.

With a financial result of 1,606k euros compared to 2,818k euros in FY2024, result before tax in 2025 is – 35,583k euros compared to – 29,438k k euros prior year.

Considering the items above, the extraordinary result of 0k euros compared to 127k euros prior year and the research tax credit of 4,709k euros compared to 4,422k euros prior year, the net result shows a loss of 27,875k euros compared to a loss of 25,143k euros for prior year.

As of December 31, 2025, shareholders' equity amounted to 44,144k euros and total balance sheet of the Company amounted to 57,619k euros compared to 88,390k euros prior year.

1.9.3.Non-tax deductible expenses

Pursuant to the provisions of Articles 223 quater and 223 quinquies of the French General Tax Code, we hereby inform you that the financial statements for the past financial year don't include any non-deductible expenses or charges referred.

1.9.4.Reminder of paid dividends

With the focus on financing the company's growth and development, and the company not making a profit, we remind you, in accordance with the provisions of Article 243 bis of the French General Tax Code, that no dividend has been paid since the Company's incorporation.

1.9.5.Information on payment terms

Pursuant the application of the French commercial code, we inform you about the breakdown, in accordance with the models established by the decree of March 20, 2017 of our suppliers and customers payment terms, with (i) the invoices received but not paid at the closing date of the fiscal year whose term is expired and (ii) the invoices issued but that were late in payment during the year.

	Article D 441-6, 1° of the french Commercial Code **Invoices received with VAT not paid at the closing date whose term is expired**				
	1 to 30 days	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 days and more)**
(A) **Portion with late payment**					
Number of invoices	44				
Total amount of invoices	729,876.60€	521,554.81€	-	80,263.30€	1,331,694.71€
Percentage of the total amount of purchases	2.6%	1.8%	0%	0.3%	4.7%

Percentage of revenue	NOT APPLICABLE
(B) **Invoices excluded (A) related to litigious payables and receivables not recorded**	
Number of invoices excluded	NOT APPLICABLE
Total amount of invoices excluded	NOT APPLICABLE
(C) **Payment terms used (contractual or legal term)**	
Payment terms used to calculate late payment	30 days (contractual terms)

	Article D 441-6, 1° of the french Commercial Code **Invoices issued with VAT not paid at the closing date whose term is expired**				
	1 to 30 days	**31 to 60 days**	**61 to 90 days**	**91 days and more**	**Total (1 days and more)**
(A) **Portion with late payment**					
Number of invoices	NOT APPLICABLE				
Total amount of invoices					
Percentage of the total amount of purchases					
Percentage of revenue					
(B) **Invoices excluded (A) related to litigious payables and receivables not recorded**					
Number of invoices excluded	NOT APPLICABLE				
Total amount of invoices excluded	NOT APPLICABLE				
(C) **Payment terms used (contractual or legal term)**					
Payment terms used to calculate late payment	NOT APPLICABLE				

1.10. Report on corporate governance

This report on corporate governance has been prepared in accordance with the provisions of Article L.225-37 of the French Commercial Code. It was approved by the Board of Directors in its meeting of 17 March 2026. Its purpose is, in particular, to report on the organisation and composition of the administrative, management and board bodies and the delegations of powers and authority granted to the Company's Board of Directors.

1.10.1. Terms and conditions of general management

In accordance with Article L.225-39 of the French Commercial Code, we remind you that your Board of Directors has decided to separate the functions of Chairman of the Board of Directors and Chief Executive Officer.

However, following the resignation of Mrs. Nawal Ouzren as Chief Executive Officer on February 16th, 2026, the Board appointed Mr. Amit Munshi, Chairman of the Board of Directors, as Chief Executive Officer, pending the appointment of a new Chief Executive Officer.

1.10.2. Agreements entered into by an officer or significant shareholder of the Company with a subsidiary

None.

1.10.3. Third party related agreements

The Company has put in place a procedure for regularly assessing whether the agreements relating to current transactions and entered into on arm's length terms referred to in Article L. 225-39 of the French Commercial Code meet these conditions. At the date of this report, this procedure had been implemented and the analysis confirmed that this was the case.

The following third-party related agreement, already approved by the shareholders in previous financial years: CEO mandate agreement concluded with Mrs. Nawal Ouzren, after authorization by the Board of Directors on April 12, 2017, continued during the financial year ended December 31, 2025. It is in the Company's interest to set the terms of remuneration for its Chief Executive Officer.

In addition, the acquisition of shares by the Invus/Artal group, Sofinnova Partner and Redmile on the occasion of the February, April 2024 and January 2026 private placements were considered as third-party related agreements. It is in the Company's interest that cornerstone investors reinvest and show their support to the Company in order to support subscriptions and attract other investors.

1.10.4. Corporate Officers

1) *Designation of Corporate Officers*

As of the date of this report, the Directors are:

- **Mr.Amit Munshi**, also Chairman of the Board of Directors, and CEO
- **Mr.Khalil Barrage,**
- **Redmile Bipharma Investments III LP**, represented by Mrs. Natalie Berner,
- **Mr. Aniz Girach**,
- **Health Opportunities**, represented by Mr. Eric Forquenot de la Fortelle,
- **Sofinnova Partners** represented by Mr. Cédric Moreau,
- **Mr. Julien Miara,**
- **Mr. Federico Mingozzi**

2) Independent Directors

As of the date of this report, the Company considers that the following Directors are independent in accordance with the independence criteria defined by the MiddleNext Code:

- Health Opportunities represented by Mr. Eric Forquenot de la Fortelle,
- Mr. Aniz Girach, and
- Mr. Federico Mingozzi.

An independent director meets the following criteria set out in the Middlenext Corporate Governance Code as revised in September 2021:

- He or she must not, during the previous five years, have been an employee or executive officer of the company or any of its affiliates;
- Not to have been, during the last two years, and not to be in a significant business relationship with the company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- Not be a reference shareholder of the Company or hold a significant percentage of voting rights;
- Not to have a close family relationship with a corporate officer or a reference shareholder;
- Not to have been the company's statutory auditor for the last six years.

The company assesses the independence of directors when they are first appointed. This assessment is also reviewed by the Board of Directors each year prior to publication of the annual report. Provided it justifies its position, the Board may consider that one of its members is independent even though he or she does not meet all these criteria; conversely, it may also consider that one of its members who does meet all these criteria is not independent.

3) Status of Directors' terms of office (during the 2025 fiscal year)

The terms of office of **Mrs. Nawal Ouzren** and **Mr. Julien Miara**, were renewed pursuant to the decisions of the Shareholders' Meeting of May 24, 2023, for a period of three years, i.e. until the end of the Shareholders' Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025.

At the date of this report, Mrs. Nawal Ouzren resigned from her position as Chief Executive Officer on February 16, 2026 . On the same date, Mr. Amit Munshi was appointed as Chief Executive Officer.

Sofinnova Partners, Mr. Khalil Barrage, and **Mr. Aniz Girach** were renewed pursuant to the decisions of the Shareholders' Meeting of May 12,2025 for a term of three years, i.e. until the end of the shareholders' meeting to be held in 2025 to approve the financial statements for the year ending 31 December 2027.

The mandate of **Health Opportunities** was renewed under the terms of the decisions of the shareholders' meeting held on 29 May 2024, for a new period of three (3) years, i.e. until the end of the general meeting of shareholders held in 2027 to approve the accounts for the financial year ending 31 December 2026.

Redmile was provisionally appointed as a Director by the Board of Directors on August 3, 2023, and this appointment has been confirmed pursuant to the decisions of the Shareholders' Meeting of December 20, 2023, until the end of the Shareholders' Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025.

Mr. Federico Mingozzi was provisionally appointed as director by the Board of Directors on January 24, 2024, and this appointment has been confirmed pursuant to the decisions of the Shareholders' Meeting of May 29, 2024, until the end of the Shareholders' Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025.

Mr. Amit Munshi was provisionally appointed as director and Chairman by the Board of Directors on April 1st, 2025 and this appointment has been confirmed pursuant to the decisions of the Shareholders' Meeting of May 12, 2025 until the end of the Shareholders' Meeting to be held in 2028 to approve the financial statements for the year ending December 31, 2027.

Summary of directors' status

At the date of this report, the terms of office of the directors are as follows:

Name surname, corporate name	Independency	Date of first appointment (shareholders meeting)	Term of mandate	Main position within the company	Expertise brought
Khalil Barrage	NO	29/07/2019	AGM approving the 2027 accounts	Director, member of the Remuneration Committee	Finance and US
Aniz Girach	YES	31/05/2022	AGM approving the 2027 accounts	Director	Science
Health Opportunities	YES	24/02/2012	AGM approving the 2026 accounts	Director, chairman of the Audit Committee	Finance and Asia

Julien Miara	NO	29/07/2019	AGM approving the 2025 accounts	Director, member of the Audit Committee	Finance
Federico Mingozzi	YES	29/05/2024	AGM approving the 2025 accounts	Director	Science
Redmile Group LLC	NO	20/12/2023	AGM approving the 2025 accounts	Director	Finance and US
Sofinnova Partners	NO	29/07/2019	AGM approving the 2027 accounts	Director, member of the Remuneration Committee	Finance
Amit Munshi	NO	12/05/2025	AGM Approving the 2027 accounts	Chairman of the Board of Directors, CEO, member and Chairman of the Remuneration Committee	Strategy and US

This table confirms that directors' renewal is staggered over several years.

Changes in Board and Committee membership during fiscal 2025:

	Departure	**Appointment**	**Renewal**
Board of directors	John Furey (01/04)	Amit Munshi (01/04)	Aniz Girach (12/05) Khalil Barrage (12/05) Sofinnova Partners (12/05) Amit Munshi (12/05)
Audit Committee	N/A	N/A	Eric Forquenot de la Fortelle (12/05) Julien Miara (12/05)

Remuneration and governance Committee	John Furey (01/04)	Amit Munshi (12/05)	Khalil Barrage (12/05) Cédric Moreau (12/05)

4) *Status of the CEOs' term of office*

Mrs. Nawal Ouzren was appointed as Chief Executive Officer pursuant to the decisions of the Board of Directors on April 12, 2017 and renewed for five (5) years by the Board of directors held on 31 May 2022, i.e. until the end of the General Meeting of shareholders to be held in 2027 to approve the financial statements for the year ending 31 December 2026.

At the date of this report, Mrs. Nawal Ouzren has resigned from her position as Chief Executive Officer on February 16, 2026. On the same date, Mr. Amit Munshi, was appointed as Chief Executive Officer.

5) *Mandates and functions performed by corporate officers*

In accordance with the provisions of Article L. 225-37-4 1° of the French Commercial Code, the list of offices and positions held by corporate officers in other companies during the past financial year is set out in **Appendix 2** to this report.

6) Organisation of the Board of directors

The organization of the Board of Directors is set out in the Articles of Association (Articles 15 et seq.). It is supplemented by the provisions of the Internal Regulations.

The Internal Regulations in force are the Regulations as updated by decision of the Board of Directors on April 12, 2017. The complete version of the Board of Directors' Internal Regulations can be consulted on the Company's website. The Internal Rules contain all the provisions relating to the allocation of governance between the Company's various bodies. They set out in detail the powers of the Board of Directors and all its committees, as well as those of the Chairman of the Board of Directors and the Chief Executive Officer. The Internal Regulations also contain rules of professional conduct detailing all the principles to be observed by the Company's directors, in particular with regard to insider trading and market transactions.

In addition to the mandatory Board meetings (to approve the annual and half-yearly financial statements), the Board may also hold meetings as required by the progress of business.

During 2025, the Company's Board of Directors met 10 times:

- January 28 (Corporate objectives)
- February 21 (Pre approval – non audit services)
- March 13 (FY 2024, Launch AGM, Warrants)
- April 1 (Change chairman, SO 2024-3)
- May 12 (Committees, SO 2025-1, Warrants NEDs)
- May 20 (Financial update)
- July 09 (Financial update, audit fees and Warrants)
- September 16 (HY 2025, Q4 consolidated financial statements, financial update)
- November 06 (program information)
- December 2 (program information, financial update)

The average attendance rate of Board members was 96%.

A non-executive session is organized at each Board meeting.

At its meeting on March 13, 2025, the Board of Directors took note of the points set out in the “points de vigilance” section of the Middlenext Code.

The performance of the Board of Directors is assessed annually, in the form of a self-assessment carried out under the guidance of an external consultant. This assessment covers the Board's composition, organization and operation. On this occasion, the Board devotes an item of discussion to its functioning.

1.10.5. Specialised Committees

1) ***Audit Committee***

At the date of this report, members of the Audit Committee are:

- **Mr. Eric Forquenot de la Fortelle**, also Chairman, and
- **Mr. Julien Miara**

Renewed under the terms of the decisions of the Board of Directors on May 12, 2025, for a period of three years.

The committee met five times in 2025: March 12, May 19, July 8, September 15 and December 2.

2) ***Remuneration Committee***

At the date of this report, members of the Remuneration Committee are:

- **Mr. Amit Munshi, Chairman**,
- **Mr. Khalil Barrage**, and
- **Mr. Cédric Moreau**

appointed under the terms of the decisions of the Board of Directors on May 12, 2025, for a period of three years.

This committee met twice in 2025: January 28 and March 10.

1.10.6. Stock-Options and free shares granted to Corporate Officers

The Board of Directors has not imposed any restrictions on the Stock-Options and free share grants, with the exception of the retention of shares

- by Mrs. Nawal Ouzren, Chief Executive Officer:
  - at least 20% of the free shares granted until April 12, 2020,
  - at least 10% of the free shares granted until the end of her term of office,
  - at least 5% of the shares resulting from the exercise of Stock-Options until the end of his term of office.
- by Mr. Amit Munshi, Chairman of the Board of Directors: at least 5% of the shares resulting from the exercise of Stock-Options until the end of his term of office.

1.10.7. MiddleNext reference corporate governance code

In order to comply with the requirements of Article L. 22-10-10 of the French Commercial Code, the Company has designated the Corporate Governance Code as published by MiddleNext on its website www.middlenext.com (the "*MiddleNext Code*") as its reference code.

The Board of Directors acknowledged the elements presented in the "points of vigilance" section of the Middlenext Code.

The table below details the progress of the Company's reflections on the application of the principles of the MiddleNext Code:

- the Company believes that it complies with the recommendations of the MiddleNext Code set out in the table under the heading "Applied".
- the Company is currently considering the recommendations of the MiddleNext Code with which it believes it does not currently comply and which are listed in the table under the heading "Not applied".

MiddleNext Code recommendations	Applied	Not applied
I. "Supervisory" body		
R1 : Conduct of Board members	X	
R2 : Conflicts of interest	X	
R3 : Composition of the Board – Presence of independent members on the Board	X	
R4 : Reporting to Board Members	X	
R5: training of the Board Members		X(1)
R65 : Organisation of Board and Committee meetings	X	
R7 : Board Committees	X	
R8: implementation of the specialized committee on Corporate Social Responsibility (CSR)		X(2)
R9 : Internal rules for the Board	X	
R10 : Selection of each Board member	X	
R11 : Terms of office of Board members	X	
R12 : Remuneration of Board members	X	
R13 : Assessment of the Board's work	X	
R14 : Relations with shareholders	X	
II. Executive power		
R15: Diversity and equity policy within the company		X (3)
R16 : Definition and transparency of remuneration paid to executive corporate officers	X	
R17 : Succession planning for executives		X (4)
R18 : Combination of an employment contract and role as corporate officer	X	
R19 : Severance pay	X	
R20 : Supplementary pension plan	NA	NA (5)
R21 : Stock-Options and bonus share awards	X	
R22 : Review of areas for attention	X	

1) R5: the Company considers that the profile, experience and professional environment of the members of the Board of Directors allows them to be up to date with corporate governance obligations and best practices on their own.

(2) R8: The Company considers that given its size and field of activity, a CSR Committee is not justified.

(3) R15: The Company is aware of the lack of gender balance on the Board of Directors. The Board takes this criterion into account when selecting directors, even if it is not the main criterion. The Board favors profiles based primarily on the skills and experience of candidates and wishes to take the time to analyze the consequences of such a policy. With regard to Group employees, the Company also aims to achieve a balance between men and women.

(4) R17: The Company has not put in place a management succession plan, considering the quality of the members of the Board of Directors and the management team to fill in on an interim basis in case of unforeseen vacancies.

(5) R20: the Company has not and does not intend to set up a supplementary pension scheme for executives.

1.10.8. Delegations of authority and powers granted to the Board of Directors

In accordance with the provisions of article L. 225-37-4 of the French Commercial Code, a table summarizing the valid delegations of authority and powers granted by the Shareholders' Meeting to the Board of Directors in connection with capital increases is attached as ***Appendix 3*** to this report, showing their use during the past financial year and since the beginning of the current financial year.

We remind you that in connection with the use of these delegations of authority, the Board of Directors has, in accordance with the provisions of Article R. 225-116 of the French Commercial Code, prepared additional reports, which are presented to you in the context of this meeting. The additional reports by the auditor on the use of these delegations will also be presented.

1.11. Statutory auditor

1.11.1. Status of the Statutory Auditor's mandates

The General Meeting of May 31, 2022, decided to renew:

- ERNST & YOUNG AUDIT as Statutory Auditor, and

- AUDITEX as Substitute Auditor,

for a period of six (6) financial years, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027.

1.11.2. Audit of the Statutory Auditor

The Statutory Auditor will present his report on the annual accounts in accordance with the French accounting framework, his report on consolidated accounts with the IFRS accounting framework and his report on the third party related agreements.

1.12. Compensation of corporate officers

1.12.1. Executive compensation

Given the Company's structure, which consists solely of a Chief Executive Officer, the Company is unable to disclose all executive compensation, as this would result in disclosing the individual compensation of the Chief Executive Officer.

Mrs. Ouzren is remunerated as Chief Executive Officer and does not combine this position with an employment contract.

1.12.2. Remuneration of Directors (ex attendance fees)

The general shareholders' meeting of May 12, 2025 set at €500,000 the amount of Directors' fees to be allocated to the members of the Board of Directors and the various committees for the financial year 2025, as well as for each subsequent financial year, until otherwise decided by the ordinary general shareholders' meeting.

In FY2025, the directors received a total of 356,080 euros.

1.13. Composition of share capital

1.13.1. Share capital

At December 31, 2025, the Company's share capital of €30,066,122.60 consisted of 300,661,226 shares with a par value of €0.10 each.

1.13.2. Voting rights

In accordance with Article 14 of the Company's bylaws, no double voting rights are attached to shares, regardless of the length of time they have been held in registered form by a shareholder.

1.13.3. Identity of shareholders holding more than 5 %, 10 %, 15 %, 20 %, 25 %, 33 1/3 %, 50 %, 66 2/3 %, 90 % et 95 % of the share capital or voting rights as of December 31, 2025

In accordance with the provisions of Article L. 233-13 of the French Commercial Code, and based on the information received pursuant to Articles L. 233-7 and L. 233-12 of the same Code, we disclose below the identity of shareholders holding more than 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 66.66%, 90% and 95% of the share capital or voting rights at December 31, 2025.

	Shares	**Voting Rights**
FYNVEUR (ARTAL INTERNATIONAL)	> 25 %	> 25 %
REDMILE GROUP LLC	> 20 %	> 20 %
SOFINNOVA PARTNERS	> 15 %	> 15 %

1.13.4. Transactions carried out by managers on their securities

With the exception of transactions relating to the capital increases referred to in Appendix 3, for which subscribers are represented on the Board of Directors by individual directors, the company has not been informed of transactions in excess of €20,000 during the calendar year carried out on the Company's shares by directors, senior managers and related parties.

1.13.5. Securities giving access to the capital

Capitalization on December 31, 2025:

	Non-diluted basis		Fully diluted basis [2]	
	Number of shares	Equity holding	Number of fully diluted shares	Equity holding
Fynveur / Artal International	80,980,547	26.93%	80,980,547	24.03%
Redmile Group LLC	66,052,590	21,97%	83,909,733	24.90%
Sofinnova Partners	54,337,460	18.07%	54,337,460	16.13%
SONOVA AG	2,941,176	0.98%	2,941,176	0 87%
Cochlear	533,755	0.18%	533,755	0.16%
Management, employees, directors [1]	160,000	0.05%	17,085,037	5.07%
Treasury shares	314,000	0.10%	314,000	0.09%
Other Institutional Shareholder and Free Float	95,341,698	31.71%	96,841,556	28.74%
Total	**300,661,226**	**100.00%**	**336,943,264**	**100.00%**

(1) Including 160,000 free shares allocated on May 29,2018

(2) Including securities giving access to the capital and stock-options described below

At December 31, 2025, outstanding securities giving access to the capital and stock-options (founders' share warrants, equity warrants and Options described in paragraph VI.6) give the right to subscribe to 36,282,038 new shares.

Dilution table on December 31, 2025

In respect of the table below and at December 31, 2025:

- the **Non-Diluted Reference** corresponds to shares in circulation only, i.e. **300,661,226** shares
- the **Diluted Reference** corresponds to **336,943,264** shares, i.e. Non-Diluted Reference and 36,282,038 shares resulting from the possible exercise of the founders' warrants, equity warrants and Options outstanding

Description of dilutive instruments	Number of shares	Dilution as per Diluted Reference
outstanding founders' warrants, equity warrants and Options	36 282 038	10,77%

Dilution for a shareholder holding 1 % of the capital

	Before dilution	**After dilution**
Diluted Reference	1.00%	0.89%

Capitalization at the date of this report:

	Non-diluted basis		Fully diluted basis [2]	
	Number of shares	Equity holding	Number of fully diluted shares	Equity holding
Fynveur / Artal International	104,194,832	20.23%	104,194,832	18.97%
Redmile Group LLC	84,981,161	16.50%	102,838,304	18.72%
Sanofi Aventis Participations	71,428,571	13.87%	71,428,571	13.01%
Sofinnova Partners	65,051,745	12.63%	65,051,745	11.84%
SONOVA AG	2,941,176	0.57%	2,941,176	0.54%
Cochlear	533,755	0.10%	533,755	0.10%
Management, employees, directors [1]	160,000	0.03%	15,085,036	2.75%
Treasury shares	277,228	0.05%	277,228	0.05%
Other Institutional Shareholder and Free Float	185,378,472	36.00%	186,878,330	34.03%
Total	**514,946,940**	**100.00%**	**549,228,977**	**100.00%**

(1) Including 160,000 free shares allocated on May 29,2018

(2) Including securities giving access to the capital and stock-options described below

At the date of this report, outstanding securities giving access to the capital and stock-options (founders' share warrants and equity warrants described in paragraph VI.6) give the right to subscribe to 34,282,037 new shares.

Dilution table at the date of this report

In respect of the table below and at the date of this report:

- the **Non-Diluted Reference** corresponds to shares in circulation only, i.e. **514 946 940** shares
- the **Diluted Reference** corresponds to **549 228 977** shares, i.e. Non-Diluted Reference and 33 219 554 shares resulting from the possible exercise of the founders' warrants, equity warrants and Options outstanding

Description of dilutive instruments	Number of shares	Dilution as per Diluted Reference
outstanding founders' warrants and equity warrants	34 282 037	6,24%

Dilution for a shareholder holding 1 % of the capital

	Before Dilution	**After Dilution**
Diluted Reference	1.00%	0,94%

1.13.6. Special report on Stock-Options granted or exercised during the year

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, we hereby inform you of the transactions carried out pursuant to the provisions of Articles L. 225-177 to L. 225-186 of the French Commercial Code.

Four plans for the subscription of new shares and four warrants' plans were set up in 2025.

Stock subscription and purchase options granted or exercised in 2025 - Corporate Officers

	PLAN 1 BSA 2025	**PLAN 1 bis BSA 2025**	**PLAN 2 BSA 2025**	**PLAN 3 BSA 2025**	**PLAN 3 SO 2024**	**PLAN 1 SO 2025**
Grant date	12/05/2025	09/07/2025	09/07/2025	09/07/2025	01/04/2025	12/05/2025
Nature of stock-option	BSA	BSA	BSA	BSA	SO	SO
Number of beneficiaries	3	1	1	1	1	1
Number of stock-options/shares granted	442 581	13 400	250 000	13 400	2 500 000	506 612
Performance conditions	No	No	No	No	No	No
Condition of présence	Yes	Yes	Yes	Yes	Yes	Yes
Vesting time by 1/3 over 3 years	Yes	Yes	Yes	Yes	Yes	Yes
Strike price	0.33892 €	0.353 €	0.353 €	0.353 €	0,4988€	0,33892€
Expiry date	12/05/2032	09/07/2032	09/07/2032	09/07/2032	01/04/2032	12/05/2032
Number of stock-options/shares exercised during the year	0	0	0	0	0	0
Number of stock-options/shares cancelled during the year	0	0	0	0	0	0
Number of stock-options/shares exercisable as of 12.31.2025	442 581	13 400	250 000	13 400	2 500 000	506 612

Stock subscription and purchase options granted or exercised in 2025 – Managers

	PLAN 2 **OPTIONS 2024**
Grant date	04/03/2025
Nature of stock-option	SO
Number of beneficiaries	4
Number of stock-options/shares granted	1 645 834
Performance conditions	No
Condition of présence	Yes
Vesting time by 1/3 over 3 years	Yes
Strike price	0.6235 €
Expiry date	04/03/2032
Number of stock-options/shares exercised during the year	0
Number of stock-options/shares cancelled during the year	0
Number of stock-options/shares exercisable as of 12.31.2025	1 645 834

Stock subscription and purchase options granted or exercised in 2024 – Employees and Consultants – excluding Managers

	PLAN 2 **OPTIONS 2024**	**PLAN 1 bis** **BSA 2025**
Grant date	04/03/2025	09/07/2025
Nature of stock-option	SO	SO
Number of beneficiaries	56	1
Number of stock-options/shares granted	2 314 175	141 643
Performance conditions	No	No
Condition of présence	Yes	No
Vesting time by 1/3 over 3 years	Yes	Yes
Strike price	0.6235 €	0.353 €
Expiry date	03/04/2032	09/07/2032

Number of stock-options/shares exercised during the year	0	0
Number of stock-options/shares cancelled during the year	175 000	0
Number of stock-options/shares exercisable as of 12.31.2025	2 139 175	141 643

1.13.7. Special report on Stock-Options granted or exercised at the date of this report

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, we hereby inform you of the transactions carried out pursuant to the provisions of Articles L. 225-177 to L. 225-186 of the French Commercial Code.

No plan for the subscription of new shares was set up in 2026.

1.13.8. Grant of free shares

On May 30, 2017, the Board of Directors, pursuant to the authorization granted to it by the Shareholders' Meeting of April 29, 2016 under the terms of the 22nd resolution, proceeded with the allocation of 160,000 free shares to the benefit of Mrs. Nawal Ouzren, in her capacity as Chief Executive Officer.

The vesting period set at one (1) year ended on May 29, 2018, with definitive vesting having taken place on May 30, 2018.

Mrs. Nawal Ouzren shall retain:

- at least 20% of the free shares, i.e. 32,000 shares, until April 12, 2020,
- at least 10% of the free shares, i.e. 16,000 shares, until the end of his term of office.

1.13.9. Participation of employees in the capital

At the closing date of the past financial year, Employees did not hold any registered shares in the Company coming from an employee share plan, as the Company has not set up a collective share management system.

1.13.10. Subsidiaries, affiliates and controlled companies

At the closing date of the past financial year, the Company owned three subsidiaries: one in the USA (Sensorion Inc.), one in Australia (Sensorion Australia Pty Ltd) and one in UK (Sensorion Limited).

Companies	Country	Group control in %
Sensorion SA	France	Parent company
Sensorion Inc.	United States	100%
Sensorion Australia Pty Ltd	Australia	100%
Sensorion Limited	United Kingdom	100%

It did not own other interest in other companies.

	Share capital	Reserves & retained earnings (deficit) before appropriation of profit (loss)	Percent interest	Gross value of shares	Net value of shares	Outstanding loans and advances by the Company	Guarantees given by the Company	Latest published net sales	Latest published operating income	Latest published profit or loss	Dividends received by the Company during the year
(In thousands of euros)											
Sensorion Inc.	US$ 100	-€313k	100%	€87	€87	€423k	-	-	€142k	-€32k	
Sensorion Australia Pty Ltd	AU$ 1	€216k	100%	€1	€1	-	-	-	-	-€68k	
Sensorion Limited	£100	-19	100%	€117	€117	€107k	-	-	€1,079k	-€8k	
As of December 31, 2025											

Results and sales converted at the average annual exchange rate for 2025 (Banque de France) - Reserves, retained earnings, loans and advances converted at the month-

1.14. Reciprocal shareholders between companies

We inform you that the Company does not hold any reciprocal interests.

1.15. Share Buy Backs Programs

The shareholder's general meeting of the company dated by May, 12, 2025, approved the Board of Directors to implement for a period of eighteen (18) months after the general meeting, a liquidity contract for the company under the terms of articles L. 225-209 and after of the French Commercial Code.

The Board of Directors used this delegation of authorities to implement this liquidity contract according to the code of ethics recognized by the AMF, signed with the company Kepler Cheuvreux.

During the year ended December 31st, 2025, the company proceeded to the following operations in the framework of the liquidity contract:

• ordinary shares purchased during the year	1 103 856
• ordinary shares sold during the year	963 557
• volume-weighted average share price of purchases	0.35€
• volume-weighted average share price of sales	0.36€
• amount of trading costs	N/A
• number of shares hold by the company as of December 31, 2024	173 701
• number of shares hold by the company as of December 31, 2025	314 000
• nominal value of shares	0.10€
• percentage of share capital as of December 31st, 2025	0.10%

As of June 30, 2025, in the half-year report of the liquidity contract, the following assets appeared on the liquidity account:

- 202 720 ordinary shares
- 6,740.58 €

As of December 31, 2024, in the annual report of the liquidity contract, the following assets appeared on the liquidity account:

- 173 701 ordinary shares
- 14,205.05 €

* * *

*

For the Board of Directors

Mr. Amit Munshi

2. APPENDICES

2.1. APPENDIX 1

Table of the last five years results (in thousand of euros)

(Article r. 225-102 of the French Commercial Code)

Nature of Indications / Periods	12/31/2025	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Duration of the financial year	12 months	12 months	12 months	12 months	12 months
a) Share capital	30 066	30 066	18,708	7,994	7,994
b) Number of shares outstanding	300 661 226	300 661 226	187 080 794	79 937 938	79 938 918
c) Number of convertible bonds	0	0	0	0	0
a) Revenues excluding tax	0	0	0	0	0
b) Profit before tax, amortization & provisions	-33,433	-27,244	-25,290	-25,522	-16,690
c) Income tax	-4,709	-4,422	-4,263	-3,654	-2,921

d) Profit after tax, before amortization & provisions	-28,724	-22,822	-21,026	-21,868	-13,769
e) Profit after tax, amortization & provisions	-27,875	-25,143	-21,598	-22,840	-14,126
f) Amount of profit paid outs	0	0	0	0	0
g) Employee profit sharing	0	0	0	0	0

c) Dividend per share	0	0	0	0	0

a) Number of employees	63	63	57	46	39
b) Payroll expense	5,457	5,534	4,731	3,928	3,256
c) Amount paid for employee benefits	2,545	2,564	2,072	1,560	1,627

2.2. APPENDIX 2

LIST OF MANDATES AND FUNCTIONS HELD BY CORPORATE OFFICERS

(ARTICLE L. 225-37-4 1° OF THE FRENCH COMMERCIAL CODE)

As at 31 December 2025

	Mandates in the Company	Mandates or functions held in other companies
Mr Amit Munshi	Director, Chairman of the Board of Directors Chairman of the Remuneration Committee	Director Inhibikase Therapeutics (audit & compensation) Chairman audit, Zura Bio Chairman Enterprise Therapeutics Director, Galecto Sole member Adrista LLC Founder Oxeia Biopharmaceuticals Director Arcultis
Mr. Khalil Barrage	Director (Invus Representative) Member of the Remuneration Committee	Director of Orthobond (United-States) Director of Elevate Bio
Mrs. Nawal Ouzren	CEO and Director	Non executive Director of Croda (UK) Director Lundbeck Foundation
Mr. Eric Forquenot de la Fortelle	Representative of Health Opportunities	Managing Director of Health Opportunities GmbH (Switzerland) Managing Director of Cathay Health Director, Ganymed Robotics SAS (France)

	Mandates in the Company	Mandates or functions held in other companies
	Member and Chairman of the Audit Committee	Heald of Business Development and Strategy for Institute of molecular and clinical Ophthalmology Basel (IOB) (Switzerland)
Mrs. Natalie Berner	Representative of Redmile Group LLC	Managing Director, Redmile Group, LLC Director, Hansa Biopharma AB Director of BioInvent International AB Director of Redx Pharma Ltd
Mr. Julien Miara	Director Member of the Audit Committee	CEO and Director of Valerio Therapeutics SA
Mr. Cédric Moreau	Representative of Sofinnova Partners Member of Remuneration Committee	Director of GenSight Biologics SA Director of Mainstay Medical plc Director of the Life Sciences Acceleration Alliance (LSAA)
Dr. Aniz Girach	Director	Employee (Chief Medical Officer) at SpliceBio SL
Mr. Federico Mingozzi	Director	Nava Therapeutics, CEO Director and treasurer in the board of the American Society for Cell and Gene Therapy

2.3 APPENDIX 3

SUMMARY TABLE OF DELEGATIONS VALIDLY GRANTED TO THE BOARD OF DIRECTORS IN CONNECTION WITH AN INCREASE IN SHARE CAPITAL

DURING THE 2025 FISCAL YEAR

(ARTICLE L. 225-100 OF THE FRENCH COMMERCIAL CODE)

Resolution reference	Purpose of the resolutions of the General Meeting on May 12, 2025	Upper limit (nominal value)	Validly period	Use
23th Resolution	**Authorization granted to the Board of Directors to grant stock options (Options 2025) in employees and officers**	**€1 100,000** **Independent limit** *******	**38 months** **Until July 12,2028**	**Board of 05.12.2025** **Grant of 506 612** **2025-1 Options**
21th Resolution	**Authorization granted to the Board of Directors to proceed with the issue of warrants (BSA 2025) in favor of a category of persons**	**€ 11 000,000** **Independent limit**	**18 months** **Until November 12, 2026**	**Board of 07.09.2025** **Grant of 68 168** **2025-1 Warrants.** **Grant of 250 000** **2025 -2 Warrants.** **Then grant of 13 400** **2025-3 Warrants.** **Board of 05.12.2025** **Grant of 442 581** **2025-1 Warrants**

Resolution reference	Purpose of the resolutions of the General Meeting on May 12, 2025	Upper limit (nominal value)	Validly period	Use
13th Resolution	Delegation of authority granted to the Board of Directors to decide on the issue of shares and/or securities giving immediate or future access to the share capital or giving entitlement to a debt security, **with cancellation of the shareholders' preferential subscription right and public offering**, excluding the offers referred to in 1° of Article L. 411-2 of the Monetary and Financial Code	Nominal amount of the capital increases: 30 M€ * Nominal amount of bonds and other debt securities giving access to the capital: 100 M € **	26 months Until July 12, 2027	no
14th Resolution	Delegation of authority to be granted to the Board of Directors to decide on the issue of shares and/or securities giving immediate or future access to the share capital or giving entitlement to a debt security, **with cancellation of the preferential subscription right**, as part of an offer referred to in 1° of Article L. 411-2 of the Monetary and Financial Code	Nominal amount of the capital increases: 30 M€ * Nominal amount of bonds and other debt securities giving access to the capital: 100 M € **	26 months Until July 12,2027	no
15th Resolution	Delegation of authority to the Board of Directors to decide on the issue of shares and/or securities giving immediate or future access to the share capital or giving entitlement to a debt security, **with cancellation of the shareholders' preferential subscription right in favour of categories of beneficiaries**	Nominal amount of the capital increases: 30 M€ * Nominal amount of bonds and other debt securities giving access to the capital: 100 M € **	18 months Until November 12, 2026	No****
16th Resolution	Delegation of authority to the Board of Directors to decide on the issue of financial instruments consisting of and/or giving the right (upon exercise of warrants) to debt securities giving access to the Company's capital to which share warrants are attached, **with cancellation of the shareholders' preferential subscription right in favour of a category of persons** in accordance with Article L. 225-138 of the Commercial Code	Nominal amount of the capital increases: 30 M€ * Nominal amount of bonds and other debt securities giving access to the capital: 100 M € **	18 months Until November 12, 2026	no

17th Resolution	Delegation of authority to the Board of Directors to decide on the issue, **with preferential subscription rights**, of shares and/or securities giving immediate or future access to the capital or giving entitlement to a debt security	Nominal amount of the capital increases: 30M€ * Nominal amount of bonds and other debt securities giving access to the capital: 100 M € **	26 months Until July 12, 2027	no
18h Resolution	Delegation of authority to the Board of Directors to decide to increase the share capital by capitalization of premiums, reserves, profits or other	Nominal amount of the capital increases: 30 M€	26 months Until July 12,2027	no
19th Resolution	Authorization to be given to the Board of Directors to increase the number of shares issued in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, in the event of implementation of the delegations of authority with maintenance or cancellation of the preferential subscription right, as the case may be (**Over-allotment Option**)	15% of the initial issue	26 months Until July 12,2027	no
22nd Resolution	Authorization granted to the Board of Directors to proceed with the issue of founders' warrants (**BSPCE 2025)** in favor of a category of persons	€1.100.000 *** Independent limit	18 months Until November 12, 2026	no
24th Resolution	Authorization granted to the Board of Directors to proceed with the allocation of free shares to be issued or existing shares in favor of the members of the salaried employees and executive officers (**AGA 2025**)	€110,000 *** Independent limit	38 months Until July 12, 2028	no

* The nominal amount of the authorized capital increase upper limit will be deducted from the global authorized upper limit of €30,000,000 in the 20th Resolution of the General Meeting on May 12, 2025.

** The nominal amount of the upper limit of the bonds and other debt securities giving access to the capital authorized will be deducted from the global authorized upper limit of €100,000,000 in the 20th Resolution of the General Meeting on May 12, 2025.

*** Non-common ceiling, which does not count against the individual amount of each financial instrument or against the overall ceiling of €30,000,000 authorised in the 20th Resolution of the General Meeting of May 12, 2025. Besides, the use of these delegations may not result in the total number of shares resulting from the exercise of BSPCEs, BSAs, Stock-Options and free shares held by the Company's employees, directors, corporate officers and consultants representing more than 10% of the share capital on a fully diluted basis.

**** The Board of Directors made use of this delegation of authority to decide on the capital increase carried out on January 27, 2026.

3. ANNUAL ACCOUNTS AS OF DECEMBER 31, 2025 IN ACCORDANCE WITH IFRS AND REPORT OF STATUTORY AUDITORS

A French *société anonyme* (corporation) with share capital of €51,494,694.00

Registered office: 375 rue du Professeur Joseph Blayac

34080 Montpellier

Financial statements as of December 31, 2025, presented in accordance with IFRS

ERNST & YOUNG Audit
14, rue du Vieux Faubourg
59042 Lille cedex

Tel. : +33 (0) 3 28 04 35 00
www.ey.com/fr

Sensorion

Year ended December 31, 2025

Statutory auditor's report on the consolidated financial statements

To the Annual General Meeting of Sensorion,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Sensorion for the year ended December 31, 2025.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2025 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under this standard are further described in the *Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from January 1, 2025 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you that, in our professional judgment, the most significant assessments we made were related to the appropriateness of the accounting policies used, to the reasonableness of the significant accounting estimates and to the overall presentation of the consolidated financial statements.

S.A.S. a capital variable
344 366 315 R.C.S. Nanterre

Societe de Commissaires aux Comptes
Societe d'expertise comptable inscrite au Tableau
de l'Ordre de la Region Hauts-de-France

Siege social : 1-2, place des Saisons - 92400 Courbevoie - Paris-La Defense 1

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Lille, March 17, 2026

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Sandrine Ledez

Consolidated statement of profit or loss and other comprehensive income

(*All amounts are in thousands of euros, unless stated otherwise*)

	Notes	Year ended December 31, 2025	Year ended December 31, 2024
Other operating income	**4**	5,814	6,653
Research and development expenses	**5**	(28,840)	(25,664)
Overhead expenses	**5**	(7,727)	(9,390)
Operating loss		**(30,753)**	**(28,401)**
Financial income	**6**	1,613	2,886
Financial expenses	**6**	(285)	(331)
Financial income		**1,328**	**2,555**
Income tax expense	**7**	(4)	(126)
Net loss for the period		**(29,429)**	**(25,972)**
Basic/Diluted loss per share (in euros per share)	**20**	(0.10)	(0.09)
Weighted average number of shares outstanding used to calculate basic/diluted loss per share		300,417,376	283,969,129

(*All amounts are in thousands of euros, unless stated otherwise*)

	Notes	Year ended December 31, 2025	Year ended December 31, 2024
Net loss for the period		**(29,429)**	**(25,972)**
Currency translation differences		33	(27)
Items that may be reclassified subsequently to profit or loss		**33**	**(27)**
Remeasurement losses on defined benefit obligation	**15**	24	162
Items that may not be reclassified subsequently to profit or loss		**24**	**162**
Other Comprehensive loss		**57**	**134**
Total comprehensive loss		**(29,372)**	**(25,837)**

Consolidated statement of financial position

(IN THOUSANDS OF EUROS)

ASSETS	Notes	As of December 31, 2025	As of December 31, 2024
Non-current assets			
Intangible assets	**8**	989	746
Property, plant and equipment	**9**	1,350	1,671
Rights-of-use assets	**10**	534	1,034
Non-current financial assets		124	123
Total non-current assets		**2,997**	**3,574**
Current assets			
Other current assets	**11**	7,433	18,934
Cash and cash equivalents	**12**	47,457	66,769
Total current assets		**54,890**	**85,703**
TOTAL ASSETS		**57,887**	**89,277**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	**13**	30,066	30,066
Additional paid-in-capital	**13**	78,886	103,907
Treasury shares	**13**	(119)	(82)
Retained earnings		(64,590)	(61,931)
Other reserves		236	(178)
Total Shareholders' equity		**44,479**	**72,138**
Non-current liabilities			
Non-Current other financial liabilities	**14**	881	1,005
Long term debt	**14**	-	573
Non-current lease liabilities	**14**	124	452
Provisions for retirement benefit obligations	**15.1**	309	222
Other non-current liabilities	**16**	127	1,234
Total non-current liabilities		**1,441**	**3,486**
Current liabilities			
Current other financial liabilities	**14**	-	92
Short term debt	**14**	760	667
Current lease liabilities	**14**	350	422
Provisions	**15.2**	-	1,714
Trade payables and related accounts	**16**	5,562	6,905
Other current liabilities	**16**	5,294	3,854
Total current liabilities		**11,966**	**13,653**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**57,887**	**89,277**

Consolidated statement of cash flow

(IN THOUSANDS OF EUROS)

	Year ended December 31, 2025	Year ended December 31, 2024
Cash flows used in operational activities		
Net loss for the period	(29,429)	(25,972)
Elimination of other non-cash income and expenses		
Amortization of intangible assets	256	178
Depreciation of property, plant and equipment and rights-of-use assets	1,103	982
Depreciation of retirement pension obligations	82	97
Allowance for provision	(1,693)	1,714
Share-based payment plans expenses	1,625	1,024
Interest expenses	148	157
Interest income	(1,613)	(2,879)
Interest received	1,827	2,665
Income tax expenses	-	126
Foreign currency gain (loss)	23	(8)
Effect of unwinding the discount related to conditional advances	114	174
Other	(7)	(176)
Cash flows used in operations before change in working capital	**(27,564)**	**(21,918)**
Decrease / (increase) in other current assets	1,274	(2,438)
Increase / (decrease) in trade payables and related accounts	(1,331)	3,216
Increase / (decrease) in tax and social security liability	903	404
Increase / (decrease) in deferred income	(521)	(672)
Increase / (decrease) in other liabilities	(40)	78
Tax, interest and changes in operating working capital	**285**	**588**
Net cash flow used in operational activities	**(27,279)**	**(21,330)**
Cash flows used in investment activities		
Purchases of property, plant and equipment	(253)	(705)
Purchases of intangible assets	(503)	(416)
Other cash flows from investing activities	(1)	(14)
Term deposits	10,000	(10,000)
Net cash flow used in investment activities	**9,243**	**(11,135)**
Cash flows provided by financing activities		
Share capital increase, including premium	-	66,116
Transaction costs on share capital increase	-	(4,198)
Warrants issuance	122	1,756
Interest paid	(110)	(74)
Repayments of loans and conditional advances	(846)	(893)
Repayments of lease liabilities	(434)	(446)
Net cash flow provided by financing activities	**(1,268)**	**62,261**
Impact of change in exchange rates	(10)	-
Net increase in cash and cash equivalents	**(19,313)**	**29,796**
Net cash and cash equivalents at beginning of period	66,770	36,974
Net cash and cash equivalents at end of period	**47,457**	**66,770**

Consolidated statement of changes in equity

(IN THOUSANDS OF EUROS, EXCEPT NUMBER OF SHARES)

	Number of shares issued	Share capital	Additional paid-in-capital	Treasury Shares	Retained earnings / (Accumulated deficits) or equivalent	Other Reserves	Shareholders' equity
At January 1, 2024	**187,080,794**	**18,708**	**73,190**	**(86)**	**(58,581)**	**44**	**33,275**
Net loss for the period	-	-	(21,598)	-	(4,374)	-	(25,972)
Other comprehensive loss	-	-	-	-	-	134	134
Total comprehensive loss	**-**	**-**	**(21,598)**	**-**	**(4,374)**	**134**	**(25,838)**
Issue of ordinary shares in connection with private placement	113,420,430	11,342	54,664	-	-	-	65,981
Issue of pre-funded warrants	-	-	1,756	-	-	-	1,756
Transaction costs related to the issue of share capital	-	-	(4,198)	-	-	-	(4,198)
Operations with treasury shares	-	-	-	4	-	-	4
Share-based payment compensation expense	-	-	-	-	1,024	-	1,024
Other	-	-	-	-	-	-	-
Exercise of warrants and share options	411,011	41	93	-	-	-	134
At December 31, 2024	**300,661,226**	**30,066**	**103,907**	**(82)**	**(61,931)**	**178**	**72,138**

	Number of shares issued	Share capital	Additional paid-in-capital	Treasury Shares	Retained earnings / (Accumulated deficits) or equivalent	Other Reserves	Shareholders' equity
At January 1, 2025	**300,661,226**	**30,066**	**103,907**	**(82)**	**(61,931)**	**178**	**72,138**
Net loss for the period	-	-	-	-	(29,429)	-	(29,429)
Other comprehensive loss	-	-	-	-	-	57	57
Total comprehensive loss	**-**	**-**	**-**	**-**	(29,429)	57	**(29,372)**
Classification of Sensorion SA loss to premium	**-**	**-**	(25,143)	-	25,143	-	**-**
Issue of pre-funded warrants	-	-	122	-	-	-	122
Operations with treasury shares	-	-	-	(37)	-	-	(37)
Share-based payment compensation expense	-	-	-	-	1,625	-	1,625
At December 31, 2025	**300,661,226**	**30,066**	**78,886**	**(119)**	**(64,592)**	**236**	**44,476**

Note 1. Significant events

1.1 The Company

Sensorion is a pioneering clinical-stage biotech company, which specializes in the development of novel therapies to restore, treat and prevent hearing loss disorders, a significant global unmet medical need. The consolidated financial statements of the company Sensorion include Sensorion SA, Sensorion Inc, Sensorion Australia Pty Ltdand Sensorion Limited (the group is designated as "Sensorion" or the "Company" or the "Group").

Sensorion has built a unique R&D technology platform to expand its understanding of the pathophysiology and etiology of inner ear related diseases, enabling it to select the best targets and mechanisms of action for drug candidates.

It has two gene therapy programs aimed at correcting hereditary monogenic forms of deafness, developed in the framework of its broad strategic collaboration focused on the genetics of hearing with the Institut Pasteur. SENS-501 (OTOF-GT) targets deafness caused by mutations of the gene encoding for otoferlin and is currently developed in a Phase 1/2 clinical study, and GJB2-GT targets hearing loss related to mutations in GJB2 gene to potentially address important hearing loss segments in adults and children. The Company is also working on the identification of biomarkers to improve diagnosis of these underserved illnesses.

Sensorion's portfolio also comprises clinical-stage small molecule programs for the treatment and prevention of hearing loss disorders. Sensorion's clinical-stage portfolio includes one Phase 2 product: SENS-401 (Arazasetron) progressing in a Phase 2 proof of concept clinical study of SENS-401 in Cisplatin-Induced Ototoxicity (CIO) and, with partner Cochlear Limited, in a study of SENS-401 in patients scheduled for cochlear implantation. A Phase 2 study of SENS-401 was also completed in Sudden Sensorineural Hearing Loss (SSNHL) in January 2022.

The consolidated financial statements of Sensorion include Sensorion SA, Sensorion Inc, Sensorion Australia Pty Ldt, and Sensorion Limited (the group is referred to as "Sensorion," the "Company," or the "Group").

1.2. Financing

As of December 31, 2025, the Company's share capital totaled €30,066 thousand, representing 300,661,226 shares with a nominal value of €0.10 each.

The Group's available cash totaled €47,457 thousand as of December 31, 2025, compared to €66,769 thousand as of December 31, 2024.

On January 28, 2026, Sensorion announced a €60 million offering reserved to specific categories of investors through the issuance of 214,285,714 new ordinary shares of the Company at a price per New Share of €0.28 to the benefit of Sanofi for €20 million, and Redmile Group, Artal, which is advised by Invus, and Sofinnova Partners, existing shareholders, and other investors including Cormorant Asset Management, Coastlands Capital and Sphera Healthcare, for €40 million.

Taking into account cash and cash equivalents as of December 31, 2025 and this private placement, the Group deems that it is in a position to finance its activities for a period of at least twelve months from December 2025.

1.3. Governance

On April 1, 2025, Mr. Amit Munshi was appointed as Chairman of the Board of Directors and independent director.

1.4. Share-based payments

On April 1st, 2025, the Board of Directors decided to grant the following incentives:

- 2,500,000 stock-options ("SO 2024-3") to the Chairman of the Board.

On May 12, 2025, the Board of Directors decided to grant the following incentives:

- 442,581 share warrants ("BSA 2025") to independent Company Directors, with a subscription price of €0.339.
- 506,612 Stock options ("SO 2025-1") to the Chairman of the Board.

On July 9, 2025, the Board of Directors decided to grant the following incentives:

- 418,443 share warrants ("BSA 2025-1 (1) "BSA 2025-2" and "BSA 2025-3") to independent Company Directors, with subscription prices of respectively €0.19 and €0.20.

The plans are described in Note 13.2 Shares warrants, founders' warrants and stock options.

1.5. Research and development

In 2025, Sensorion progressed in its portfolio of gene therapies developed in collaboration with the Institut Pasteur. It achieved several clinical milestones with its candidate SENS-501, for the treatment of hearing loss caused by otoferlin deficiency and continued to advance final CTA enabling studies for SENS-601, its candidate for the treatment of hearing loss caused by mutations of the GJB2 gene.

SENS-501: Gene therapy program to restore hearing in OTOF patients

Sensorion's SENS-501 (OTOF-GT) dual AAV vector gene therapy development product aims at restoring hearing in patients with mutations in OTOF gene who suffer from severe to profound sensorineural prelingual non syndromic hearing loss. The otoferlin is a protein expressed in the inner hair cells (IHC) present in the cochlea and is critical for the transmission of the signal to the auditory nerve. Otoferlin related hearing loss is responsible for up to 8% of all cases of congenital hearing loss, with around 20,000 people affected in the US and Europe[5]. Sensorion's gene therapy program, SENS-501, has been developed as part of its collaboration focused on the genetics of hearing with the Institut Pasteur, initiated in 2019. SENS-501 received the Orphan Drug Designation from the European Commission in 2022 and the US Food and Drug Administration (FDA) granted Rare Pediatric Disease Designation (RPDD) and Orphan Drug Designation to SENS-501 in 2022.

In July 2023, Sensorion submitted a Clinical Trial Application (CTA) to initiate Audiogene, a Phase 1/2 clinical trial of SENS-501, and approval was received for the use of both the gene therapy product and the injection device system into the cochlea in January 2024 in Europe (in France as first country). The CTA approval follows extensive preclinical studies assessing the safety and efficacy of SENS-501 and successful manufacturing of the gene therapy Drug Product for the clinical trial.

Audiogene aims to evaluate the safety, tolerability, and efficacy of intra-cochlear injection of SENS-501 for the treatment of OTOF gene-mediated hearing impairment in pediatric patients aged 6 to 31 months at the time of gene therapy treatment. Targeting the first years of life, the time period when the auditory system plasticity is optimal, will maximize the chances of these young children with pre-lingual hearing loss to acquire normal speech and language. The design of the study consists of two cohorts of two doses followed by an expansion cohort at the selected dose. While the safety will be the primary endpoint for the dose escalation cohort, the auditory brainstem response (ABR) will be the primary efficacy endpoint of the dose expansion cohort. Audiogene also assesses the clinical safety, performance, and usability of the administration device system developed by Sensorion.

On December 27, 2024, Sensorion announced the completion of patient enrollment of the first cohort of three patients in the Audiogene trial and on February 21, 2025, Sensorion received positive recommendation from Data Monitoring Committee (DMC). The DMC recommended the continuation of the Audiogene trial after reviewing first cohort safety data.

On July 1, 2025, Sensorion announced preliminary positive data from the first cohort of the Audiogene clinical trial. The results from all patients dosed at that date (5) confirmed that SENS-501 and the corresponding surgical procedure were well tolerated by all participating infants and toddlers having received a gene therapy injection of a low dose of SENS-501 of 1.5E11 vg/vector/ear, corresponding to the minimally effective dose in preclinical studies. The patients were aged 6 to 31 months and naive of cochlear implants at the time of the injection, as per study protocol. Intracochlear administration of SENS-501 was uneventful, and no serious adverse events or serious side effects were reported. Three patients were enrolled into Cohort 1 and received. The clinical response observed in Patient 3 (aged 11 months at the time of the injection) was evaluated using standard hearing tests carried out by the investigators (Auditory Brainstem Response ABR, Pure Tone Audiometry PTA, and Patient (Parents) Reported Outcomes PROs). Three-month data from the Patient 3 included positive ABR responses at two frequencies, with the best frequency reaching 70 dB, improvement of hearing levels across two speech frequencies

[5] Rodríguez-Ballesteros M, *et al.,*A multicenter study on the prevalence and spectrum of mutations in the otoferlin gene (OTOF) in subjects with nonsyndromic hearing impairment and auditory neuropathy. Hum Mutat. 2008 Jun;29(6):823-31. doi: 10.1002/humu.20708. PMID: 18381613

with best frequency reaching 90 dB level, per PTA, and meaningful changes in responses to sounds and voices as reported by the parents with an IT-MAIS test and expected auditory milestones based on an age-based parent questionnaire and according to the patient's age (LittlEARS).

On July 29, 2025, Sensorion announced the completion of patient enrollment of the second cohort of 3 patients in the Audiogene trial, and on December 8, 2025, Sensorion received positive recommendation from the DMC. The DMC recommended the continuation of the Audiogene Phase 1/2 clinical trial of SENS-501after reviewing second cohort safety data. Sensorion observed in the second cohort early directional improvements in two of the three treated patients by Month 3 on pure-tone audiometry. At Month 3, Patient 4 demonstrated a behavioral threshold of approximately 60 dB HL at the best-performing frequency, while Patient 5 demonstrated approximately 70 dB HL at the best- performing frequency.

The Company announced it will review the upcoming six-month efficacy data and will communicate during Q1 2026 once the dataset has reached sufficient maturity.

OTOCONEX, the Company's Natural History Study to document the natural course of disease progression in otoferlin deficiency patients and in children with hearing loss related to GJB2 mutations, is running across Europe and plays an important role in identifying patients as early as possible.

GJB2-GT: Gene therapy program to restore hearing in GJB2 patients

Sensorion's AAV-based GJB2 gene therapy program, initiated in 2021 and developed in collaboration with the Institut Pasteur, has the potential to address three pathologies related to GJB2 mutations: pediatric congenital deafness, progressive forms of hearing loss in children, and early onset of presbycusis in adults.

In October 2024, the Company provided GJB2-GT Proof-of-Concept data at the European Society of Cell & Gene Therapy (ESGCT), in Rome, Italy, and in May 2025, data was presented at the American Society of Cell & Gene Therapy (ASGCT) in New-Orleans, USA.

On September 17, 2025, as part of its half year results announcement, the Company indicated that to support the CTA submission, Sensorion started preliminary discussions with the American and European regulatory agencies in Q3 2025. The program is on track for CTA filing during H1 2026.

SENS-401, Sensorion's small molecule for the prevention of hearing loss

SENS-401 (Arazasetron) is a small molecule that Sensorion develops in three indications: (i) to treat Sudden Sensorineural Hearing Loss SSNHL (Phase 2b completed), (ii) to prevent residual hearing loss following cochlear implantation, in partnership with Cochlear Limited (Phase 2a completed), and (iii) to prevent Cisplatin-Induced Ototoxicity (Phase 2a completed). SENS-401 is an orally available small molecule that aims at protecting and preserving inner ear tissue from damage, responsible for hearing impairment. SENS-401 has been granted Orphan Drug Designation by in Europe for the treatment of SSNHL, and in the U.S. for the prevention of Cisplatin-Induced Ototoxicity in pediatric population.

In 2019, the French government awarded the PATRIOT consortium a Structuring Research and Development Project for Competitiveness ("Projet de recherche et développement Structurant pour la Compétitivité" - PSPC) non-dilutive funding for the development of the SENS-401 program for the treatment of SSHNL. As such, Bpifrance granted Sensorion a repayable advance and a grant in connection with its participation, as part of a consortium, in the "PATRIOT" Project. During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

SENS-401 to prevent residual hearing loss after cochlear implantation

Sensorion advanced its small molecule SENS-401 in a multicentric, randomized, controlled open-label Phase 2a Proof-of-Concept (POC) trial aimed at evaluating the presence of SENS-401 in the cochlea (perilymph) after 7

days of twice-daily oral administration in adult patients prior to cochlear implantation. Patients started treatment with SENS-401 7 days before implantation and continued to receive SENS-401 for a further 42 days.

A total of 25 patients were included and implanted with a cochlear implant: 16 in the treated arm and 9 in the control non-treated arm. In the treated arm, the presence of SENS-401 in the perilymph at a level compatible with potential therapeutic efficacy has been confirmed in 100% of the patients sampled, 7 days after the start of the treatment, confirming that the primary endpoint was met.

On September 20, 2024, investigator Professor Stephen O'Leary, M.D., Ph.D., during the symposium organized by Sensorion at the World Congress of Audiology, and Professor Christophe Vincent in a ddicated session on auditory implants for adults, reported analysis of Sensorion's final data of SENS-401. After 7 weeks of treatment with SENS-401 (and 6 weeks after cochlear implantation), the reduction in residual hearing loss was systematically better at the 3 frequencies 250, 500 & 750Hz in the group treated with SENS-401. This protective effect was maintained 8 weeks after cessation of treatment (14 weeks after cochlear implantation). The results show that patients treated with SENS-401 have 'complete' hearing preservation (40% of patients) compared with the control group (0% of patients) according to the Skarzynski index. In addition, the favorable safety profile of SENS-401 has been validated, in line with previous studies on SENS-401.

SENS-401 to prevent Cisplatin Induced Ototoxicity (CIO)

Cisplatin and other platinum compounds are essential chemotherapeutic agents for many malignancies. Unfortunately, platinum-based therapies cause ototoxicity, or hearing loss, which is permanent, irreversible and particularly harmful to 50-60%[6] of adult patients and 90% of pediatric patients who survive cancer.

The NOTOXIS Phase IIa trial is an exploratory, multicenter, randomized, controlled, open-label study designed to characterize the natural history of cisplatin-induced ototoxicity, to document oncologist prescribing practices, and explore whether SENS-401 may have a potential role in preventing ototoxicity in adult patients with neoplastic disease four weeks after completion of cisplatin-based chemotherapy. Eligible participants are randomized on Day 1 to either Arm A or Arm B in ratio 1:1. In Arm A, patients receive 43.5mg of oral SENS-401 one week before the start of the chemotherapy, continues throughout the entire chemotherapy duration, and extends for up to four weeks post-chemotherapy. This study is conducted in comparison to a control group of patients receiving chemotherapy alone, Arm B. The patients entering the study are to receive high doses of cisplatin, exceeding 70mg/m2 per treatment cycle and 210 mg/m2 in total over the course of their chemotherapy regimen.

On September 20, 2024, Professor Yann Nguyen reported preliminary safety and efficacy data in Sensorion's NOTOXIS trial, during the World Congress of Audiology (WCA). The preliminary data showed that a cumulative dose of cisplatin is a key factor of ototoxicity severity. A good safety profile of SENS-401 was confirmed in the long term, with the drug being administered for the first time for an average duration of up to 23 weeks. The preliminary results suggest a trend toward an otoprotective effect of SENS-401 beyond a cisplatin dose of 300 mg/m2. Despite significant exposure to cisplatin in the treatment group, most participants showed only mild ototoxicity.

On March 7, 2025, Sensorion announced the completion of patient recruitment in NOTOXIS, and the End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure.

During the first quarter of 2026, results showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.
These insights are intended to inform potential next steps for the overall development plan for SENS-401.

Expected future milestones and estimated timelines

- Q1 2026 - SENS-501: Cohort two 6-months follow-up data of Phase 1/2 Audiogene trial
- H1 2026 - SENS-601 (GJB2-GT): Clinical Trial Application Submission

[6] CO Oncology practice, ASCO, volume 19, Issue 5/ CIO: a concise review of the burden, prevention and interception strategies, May 2024 Chattaraj.

Note 2. Basis of preparation and declaration of compliance

2.1. Basis of preparation

The financial statements are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated. Calculations, however, are based on exact figures, therefore, the sum of the numbers in a column of a table may not conform to the total figure displayed in the column.

Statement of compliance

The balance sheet date of the annual financial statements is December 31.

The consolidated financial statements as of December 31, 2025, were approved by the Board of Directors on March 17, 2026.

These 2025 consolidated financial statements have been prepared in accordance with both International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and IFRS as adopted by the European Union ("EU") regulation n°1606/2002 of July 19, 2002. The term "IFRS" refers collectively to International Accounting Standards ("IAS") and IFRS as well as the interpretations issued by the Standing Interpretations Committee ("SIC") and the International Financial Reporting Interpretations Committee ("IFRIC"), whose application is mandatory.

Going Concern

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. See Note 3.16 *Material Accounting Estimates and Judgments*.

New, revised or amended standards and interpretations

The accounting policies used to prepare these consolidated financial statements are identical to those applied by the Group as of December 31, 2024, with the exception of the following:

- texts effective from January 1, 2025;
- the specific provisions of IAS 34 used to prepare the interim financial statements.

The new amendments to IAS 21 – "The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability" are effective for annual reporting periods beginning on or after January 1, 2025. The Group has analyzed the impact of applying these standards and concluded that the impact is negligible.

The following standards and interpretations were not yet effective as of December 31, 2025:

- Amendments to IFRS 9 – "Financial Instruments" and IFRS 7 – "Financial Instruments: Disclosures" – "Amendments to the Classification and Measurement of Financial Instruments", effective for annual reporting periods beginning on or after January 1, 2026 (not yet approved by the EU);
- Amendments to IFRS 9 – "Financial Instruments" and IFRS 7 – "Financial Instruments: Disclosures" – "Contracts Referencing Nature-dependent Electricity", effective for annual reporting periods beginning on or after January 1, 2026 (not yet approved by the EU);
- IFRS 19 – "Subsidiaries without Public Accountability: Disclosures", effective for annual reporting periods beginning on or after January 1, 2027 (not yet approved by the EU).
- Annual Improvements to IFRS Accounting Standards – Volume 11, effective for annual reporting periods beginning on or after January 1, 2026 (not yet approved by the EU).

These texts are not yet effective and have not been early adopted and are not expected to have a material impact on the Group's financial statements.

IFRS 18 – "Presentation and Disclosure in Financial Statements" will replace IAS 1 and will be effective for annual periods beginning on or after 1 January 2027, with retrospective application.

The Group is currently assessing the potential effects of this standard on its consolidated financial statements. The Group will apply IFRS 18 – Presentation and Disclosure in Financial Statements from its mandatory effective date of January 1, 2027, and will restate comparative information in accordance with IFRS 18.

2.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent and its subsidiaries for the year ended December 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the consolidated statement of profit or loss and other comprehensive income. Any investment retained is recognised at fair value.

2.3. Group companies

As of December 31, 2025, the Group comprises the following entities:

Companies	**Country**	**Group control in %**
Sensorion SA	France	Parent company
Sensorion Inc	United States	100%
Sensorion Australia Pty Ltd	Australia	100%
Sensorion Limited	United Kingdom	100%

As of December 31, 2025, the scope of consolidation consists of four entities, the parent, Sensorion SA and its 100% owned subsidiaries, Sensorion Inc., Sensorion Australia Pty Ltd. And Sensorion Limited for which no non-controlling interest is recognized.

	Date of incorporation	**Percent of Ownership Interest**	**Accounting Method**
Sensorion Inc.	June 2021	100%	Fully Consolidated
Sensorion Australia Pty Ltd.	July 2021	100%	Fully Consolidated
Sensorion Limited	May 2024	100%	Fully Consolidated

2.4. Foreign currency translation

Functional and presentation currency

The Company's consolidated financial statements are presented in euros, which is also its functional currency of Sensorion SA. The functional currency of Sensorion Inc. is the U.S. dollar and for Sensorion Australia Pty Ltd. it's the Australian dollar. All amounts presented in these notes to the consolidated financial statements are denominated in euros unless otherwise stated.

Translation of financial statements into presentation currency

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

- Assets and liabilities for each balance sheet presented are translated at the closing rate on the date of that balance sheet,
- Income and expenses for each statement of (income) loss and statement of comprehensive (income) loss are translated at average exchange rates (which is an approximate value of the exchange rate on the transaction date in the absence of significant fluctuations. Income and expenses are translated at the transaction dates if the exchange rates fluctuate significantly), and
- All resulting exchange differences are recognized in other comprehensive income.

Exchange rate (USD per EUR)	**As of December 31, 2025**	**As of December 31, 2024**
Average exchange rate for the year	1,1296	1,0824
Exchange rate at year end	1,1750	1,0389

Exchange rate (AUD per EUR)	**As of December 31, 2025**	**As of December 31, 2024**
Average exchange rate for the year	1,7515	1,6397
Exchange rate at year end	1,7581	1,6772

Exchange rate (GBP per EUR)	**As of December 31, 2025**	**As of December 31, 2024**
Average exchange rate for the year	0,8567	0,8405
Exchange rate at year end	0,8726	0,8292

Note 3. Accounting policies

3.1. Intangibles assets

In accordance with IAS 38, intangible assets acquired are recognized as assets on the balance sheet at their acquisition cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Research and Development Costs

Research costs are systematically expensed.

In accordance with IAS 38, development costs are recognized as intangible assets only if all of the following criteria are met:

- the technical feasibility needed to complete the development project is established;
- the Company's intention is to complete the project and use it;
- the Company has the ability to use the intangible asset;
- the Company is able to demonstrate that the asset will generate probable future economic benefits;
- the Company has the technical, financial and other resources to complete the project; and
- the development costs are measured reliably.

The initial measurement of the asset is the sum of expenses incurred starting on the date on which the development project meets the above criteria. Because of the risks and uncertainties related to regulatory authorizations and to the research and development process, the Company believes that the six criteria stipulated by IAS 38 have not yet been fulfilled to date and the application of this principle has resulted in all development costs being expensed as incurred in all periods presented.

Patents

Costs in connection with the acquisition of patents are capitalized on the basis of acquisition costs incurred.

These costs are amortized on a straight-line basis over the period of use, which is estimated at five years, with the exception of the Palau license, which is amortized over 14 years.

Licenses

Costs in connection with the acquisition of licenses are capitalized on the basis of costs incurred to acquire the rights of use.

These costs are amortized on a straight-line basis over a period equal to their legal protection or their useful life, whichever is shorter.

3.2. Property, plant and equipment

Property, plant and equipment are recognized at their acquisition cost or, if applicable, their production cost.

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Improvements to leased premises are depreciated over the shorter of their specific useful lives or the term of the lease.

The following depreciation periods are applied:

- Fixtures and improvements to buildings: 3 to 10 years
- Laboratory equipment: 3 to 5 years
- Furniture: 5 years
- Office and computer equipment: 3 to 5 years

The useful lives of property, plant and equipment as well as any residual values are reviewed at each year-end and, in the event of a significant change, the depreciation is revised prospectively.

3.3. Financial instruments

IFRS 9 — Financial Instruments, which has been in effect since fiscal year 2018, addresses the three aspects of accounting for financial instruments:

- Classification and measurement
- Impairment
- Hedge accounting

Loans and borrowings are initially recognized at fair value (less attributable transaction costs) and subsequently measured at amortized cost using the effective interest (EIR) method. For additional information, please refer to Note 3.8 *Research Tax Credit, Grants and Conditional Advances*.

3.4. Recoverable Amount of Non-Current Intangible and Tangible Assets

Tangible and intangible non-current assets with a finite life are tested for impairment if the recoverability of their carrying amount is in doubt due to indications of impairment. Impairment is recognized in the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

3.5. Cash and Cash Equivalents

Cash equivalents are held for the purpose of meeting short-term cash obligations, rather than for investment or other purposes. They are readily convertible to a known cash amount and are exposed to an insignificant risk of changes in value. Cash and cash equivalents consist of immediately available cash, highly liquid investments that can be used without an undue notice period and without significant penalty, and marketable securities (short-term money market funds).

Marketable securities are readily convertible to a known cash amount and are exposed to an insignificant risk of changes in value. They are measured at fair value and changes in value are reported in financial income.

3.6 Capital

Ordinary shares are classified as equity. The costs of capital transactions directly attributable to issues of shares or options that meet the definition of equity instruments are recognized in equity and deducted from the proceeds of the issue net of tax.

The Company's own shares bought in the context of a liquidity agreement entered with an independent broker are presented as a reduction of shareholders' equity until their cancellation, their reissuance or their disposal. Any difference between the carrying amount and the consideration, if reissued, is recognized in the Treasury Shares reserve.

3.7 Share-Based Payments

Since its creation, the Company has set up several equity-settled compensations plans under which "founders' warrants" (BSPCEs) are granted free of charge to employees and/or officers, "share warrants" (BSAs) are granted to scientific consultants or service providers, and "stock options" (SOs) are granted to employees.

In accordance with IFRS 2 *Share-Based Payment*, these instruments are measured at fair value on the grant date. This fair value is determined by applying the most appropriate measurement model based on the characteristics of each plan.

The fair value of the grants is spread on a straight-line basis over each milestone comprising the vesting period (the period between the grant date and the maturity date of the plan) and is recognized in the income statement with a corresponding increase in Retained earnings. The associated expense from equity-settled share-based payment transactions is reported in payroll expense and is allocated to the expense category based on the work function of each grantee.

On each balance sheet date, the Company reviews the number of rights that may be acquired by beneficiaries, i.e., the number of shares that are expected to vest. The company adjusts share-based payment expenses in the period when unvested share-based payment instruments are forfeited by reversing the expenses recognized in the income statement against Retained earnings.

Some options and warrants could be subject to performance conditions corresponding to the achievement of a milestone by a given date. At closing date, there is no unvested plan containing performance conditions.

The characteristics of the instruments are described in greater detail in Note 13.2 - *Shares warrants, founders' warrants and stock options*.

3.8 Research Tax Credit, Grants and Conditional Advances

Research Tax Credit

The French tax authorities grant companies a Research Tax Credit (CIR) to encourage them to conduct technical and scientific research. Companies that can substantiate expenditures meeting the required criteria (research costs in France or, since January 1, 2005, within the European Community or in another State that is a party to the agreement on the European Economic Area and has signed a tax treaty with France containing an administrative assistance clause) are eligible for a tax credit that can be used to pay the corporate income tax owed for the fiscal year in which the expenses are incurred and the following three fiscal years, or may be refunded the excess share of the tax credit, if any. The expenses taken into account for the calculation of the research tax credit are restricted to Research and Development expenses.

The Company has been entitled to a research tax credit since its inception.

The companies meeting the EU definition of a small or medium-sized entity ("SME") are eligible for payment in cash of their CIR to the extent not used to offset corporate taxes payable, in the year following the request for reimbursement. Sensorion SA meets the EU definition of an SME and therefore should continue to be eligible for prepayment.

The CIR is presented under "Other operating income" in the statements of income (loss) as it is accounted for as a government grant as defined in IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance, and as "Other receivables and related accounts" in the statement of financial position until its payment is received.

The Australian tax authorities grant companies a research tax credit to encourage them to conduct technical and scientific research within Australia. Companies that can substantiate expenditures meeting the required criteria are eligible for a tax credit that can be used to pay the corporate income tax or may be refunded for the excess part of the tax credit. The research tax offset is either refundable or non-refundable depending on the aggregated

turnover of the company, allowing them to offset future income tax should they have access to sufficient non-refundable offsets.

The Company has been entitled to a research tax credit, used to offset the Australian corporate income tax for the fiscal year 2024.

The research tax credit is presented under "Other operating income" in the statements of income (loss) as it is accounted for as a government grant as defined in IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance, and as "Other current assets" in the statement of financial position until its payment is received.

Grants

Grants received by the Company are recognized in the financial statements when there is reasonable assurance that the Company will comply with the conditions attached to the subsidies and the subsidies will be received.

A government grant receivable either as compensation for expenses or losses already incurred or as immediate financial support to the Company with no future related costs is recognized as income in the period in which it becomes receivable.

A grant is recognized on the income statement based on the actual progress of the projects for which it is awarded. More specifically, the grant is recognized as deferred income and reported on the income statement based on the progress of the projects, which is assessed by taking into account, firstly, the time spent by employees and, secondly, subcontracting expenses allocated to the projects and covered by the grant.

Conditional advances and loans at below-market interest rates

The Company receives a certain amount of government assistance in the form of conditional advances. Details of this assistance are provided in Note 14 - *Financial liabilities* and in Note 4 - *Other operating income*.

Funds received in the form of conditional advances are recognized as financial liabilities, as the Company has a contractual obligation to reimburse such conditional advances in cash based on a repayment schedule depending on the specific provisions of the agreements. Each award of an advance is made to help fund a specific development milestone. More details on conditional advances are provided in Note 14.2 – *Other financial liabilities*. Receipts or reimbursements of conditional advances are reflected as financing transactions in the statements of cash flows.

The difference between the present value of the advance at market rate (i.e., present value of contractual cash flows including principal and interest, discounted using a market rate as effective interest rate in accordance with IFRS 9) and the amount received as cash from the organization constitutes a subsidy within the meaning of IAS 20. Considering that these advances do not finance fixed assets, these subsidies are presented as "Deferred income" in the statement of financial position and recognized in the statement of net income (loss) as "Other operating income" on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

The incremental interest expense resulting from the difference between (a) the market interest rate and the (b) below-market rate is spread over the contractual period until the last repayment and recognized in the statement of income (loss) accordingly, using the effective interest rate (EIR) method. In the event of a change in estimate of contractual cash flows due under the conditional advances, the Company recalculates the book value of the debt resulting from the discounting of the anticipated new future cash flows at the initial EIR. The adjustment is recognized in the statements of income (loss) for the period during which the modification is recognized.

In the statement of financial position, these conditional advances are recorded in "Other financial liabilities" as current or non-current portion depending on their maturity. In the event the organization waived the repayment of the advance, the corresponding liability is derecognized and treated as a grant in the statement of income (loss).

3.9 Provisions

Contingency and loss provisions

Provisions for contingencies and litigation correspond to obligations arising from litigation and miscellaneous risks, the timing and amount of which are uncertain.

A provision is recognized if the Company has a legal or constructive obligation to a third party as a result of a past event that is probable or certain to result in an outflow of resources to the third party, without at least equivalent consideration expected from the third party, and the future outflow of resources can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation.

3.10 Defined benefit plans

The Company's employees are entitled to the retirement benefits required by law in France:

- a retirement allowance, paid by the Company, when they retire (a defined benefit plan);
- a retirement pension paid by Social Security, which is financed by contributions from companies and employees (State defined contribution plan).

For defined benefit plans, which are self-funded by the Company, the cost of retirement benefits is estimated using the projected credit units method. Under this method, the cost of pensions is recognized in the income statement and spread over the length of service of employees. Pension obligations are measured at the present value of estimated future payments using, for discounting purposes, the market rate based on long-term bonds of first-rate companies with a term equal to that estimated for the payment of benefits.

The Company uses external actuaries to perform an annual review of the valuation of these plans.

The difference between the amount of the provision at the start of a period and the amount at year-end is recognized as a payroll expense, categorized in either Research and Development or Overhead expenses for the services rendered component, as a financial expense for the financial interest component, and as other comprehensive income for the actuarial gains and losses component. As they will never be reclassified into profit or loss, they are immediately recorded in Other reserves.

The Company's payments for defined contribution plans are recognized as an expense in the income statement in the period to which they relate.

The Group applied the IFRS IC decision on IAS 19 - *Employee benefits* which revised the methods for calculating commitments for defined benefit plans. In accordance with the adoption elected, the Company has applied the full retrospective transition method.

3.11 Revenue from Ordinary Operations

The Company does not yet have revenue from ordinary operations.

3.12 Collaboration agreement income

Incomes from research collaboration agreement that are not within the scope of IFRS 15 nor within the joint arrangement guidance of IFRS 11, are accounted for by analogy in line with IAS 8.10. The Company recognizes income as Other operating income, only when the income is highly probable, using the input method that is based on the costs already incurred on the respective collaboration project compared to the total estimated cost.

3.13 Leases

At the commencement date of a lease, a lessee recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees are required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Measurement of the Right of Use Assets

At the effective date of a lease, the right-of-use asset is measured at cost and comprises:

- the initial amount of the liability, plus advance payments made to the lessor, if any, less incentives received from the lessor, if any;
- if applicable, any initial direct costs incurred by the lessee to enter into the contract. These are incremental costs that would not have been incurred if the contract had not been entered into;
- estimated costs for uninstalling and restoring the leased asset in accordance with the terms of the contract. At the date of initial recognition of the right of use, the lessee will add to these costs the discounted amount of the restoration and/or uninstallation expenses, offsetting a restoration liability or provision.

Right to use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term.

Measurement of the lease liability

On the effective date of the contract, the lease liability is measured at the present value of the lease payments over the term of the contract.

The amounts included in lease payments for purposes of measuring the liability are:

• fixed lease payments (including in-substance fixed lease payments whose form may contain some variability but that are, in substance, unavoidable);

• variable lease payments that depend on an index or rate on the effective date of the contract;

• amounts expected to be payable by the lessee under residual value guarantees;

• penalties to be paid if an option to terminate or not renew the lease is exercised, if the lease term is determined assuming the lessee will exercise the option.

Changes in the lease liability are measured as follows:

• it is increased by the amount of interest expense calculated by applying the discount rate to the liability at the beginning of the period; and

• decreased by the amount of payments made.

Interest expense for the period, and variable payments not included at the time of the initial measurement of the liability and incurred during the period, are recognized as financial expenses.

Furthermore, the liability may be remeasured in the following situations:

• a change in the lease term;

• a change due to an assessment that the exercise of an option is reasonably certain (or not);

• a revaluation in relation to residual value guarantees;

• a revision of the rates or indices on which lease payments are based when lease payments are adjusted.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liability. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain company-specific estimates.

The following practical expedients have been applied by the Company:

- Applying the recognition exemption for short-term leases, i.e. to those leases that have a lease term of 12 months or less from the commencement date and do not contain an option to extend the lease, or the Company is not reasonably certain to exercise such an option.
- ending within 12 months from the date of initial application, without an option for the lessee to prolong the contract to more than 12 months or it is not reasonably certain to exercise such an option, and without a purchase option;
- Excluding low-value leases (value of the underlying asset below €5.0 thousand)

The Company leases relate to real-estate leases of office premises and leases of premises dedicated to research and development activities. The lease term corresponds to the non-cancellable period of the lease. The Company has a lease contract that includes a renewal option.

Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

3.14 Current and deferred tax

Tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities, using tax rates and tax laws enacted or substantively enacted at the end of the reporting period.

The income tax charge for the period comprises current tax due and the deferred tax charge. The tax expense is recognized in the statement of income (loss) unless it relates to items recorded in other comprehensive income and expense or directly in equity, in which case the tax is also recorded in other comprehensive income and expense or directly in equity.

Current taxes

The current tax expense is calculated based on taxable profit for the period, using tax rates enacted or substantively enacted at the end of the year in the countries where the Company's subsidiaries operate and generate taxable income.

Deferred taxes

Deferred taxes are recognized for all timing differences arising from the difference between the tax and accounting bases of assets and liabilities in the financial statements. The main timing differences relate to tax loss carryforwards. The statutory tax rates on the balance-sheet date are used to calculate deferred taxes.

Deferred tax assets are recognized only to the extent that it is probable that future earnings will be sufficient to absorb losses carried forward. Due to its stage of development and the uncertainties as to when a taxable profit will be earned, the Company has not recognized any deferred tax assets on the balance sheet.

3.15 Segment Reporting

The Company does business in a single operating segment: conducting research and development to discover drugs to treat inner ear disorders with a view to their future marketing. The assets, liabilities and operating loss realized are located in France, in the U.S, in United Kingdom and in Australia.

3.16 Material Accounting Estimates and Judgments

The estimates and judgments that management makes in applying the accounting policies described above are based on historical information and other factors, including expected future events deemed reasonable under the circumstances. These estimates and judgments concern primarily the following items.

Basis of preparation

Useful life estimates, identification of indications of impairment and, if necessary, performing impairment tests on intangible assets. See Note 2.1 – *Basis of preparation*.

Going Concern

As of December 31, 2025, the cash and cash equivalents of the Group amounted to €47,457 million

Given cash and cash equivalents at 31 December 2025, and a private placement of €60 million, with net proceeds of around €56 million (received on 30 January 2026) announced on 28 January 2026, at the date of authorization of the financial statements, the Company has sufficient net working capital to meet its cash requirements beyond the next twelve months, i.e. until the end of June 2027.

Therefore, the Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Collaboration agreement income

The accounting treatment of collaboration agreements with partners to conduct research programs. In the absence of an IFRS that specifically applies to a transaction, other event or condition, management shall use its judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and reliable, in that the financial statements. The management used significant judgement when developing accounting treatment by analogy in line with IAS 8.10. See Note 3.12 – *Collaboration agreement income*.

Cash equivalents

Cash equivalents consist of highly liquid investments that can be used without an undue notice period and without significant loss of value, and marketable securities (short-term money market funds). The Company estimate that they are readily convertible to a known cash amount and are exposed to an insignificant risk of changes in value and estimate their measurement at fair value. See Note 3.5 – *Cash and Cash equivalents*.

Shares warrants, founders' warrants and stock options

The fair value of founders' warrants (BSPCE), warrants (BSA) and stock options granted to employees and/or officers, non-employee members of the Board of Directors, scientific consultants and service providers is measured using actuarial models. These models require that the Company make certain calculation assumptions, such as the expected volatility of underlying equity instruments. See Note 3.7 – *Share-Based Payments* and Note 13.2 – *Shares warrants, founders' warrants and stock options*.

Leases

The Group cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate (IBR) to measure the lease liability. The Company uses judgment in estimating the IBR using observable inputs (such as market interest rates) when available and makes certain company-specific estimates.

Furthermore, the Company shall determine the lease term as the non-cancellable period for each lease. To this end, the management uses judgment to determine the periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and the periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. See Note 3.13 – *Leases*

Financial liabilities

The low interest loans and advances are treated in accordance with requirements of IAS20 *Accounting for Government Grants and Disclosure of Government Assistance* and IFRS9 *Financial Instruments* The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received.

The Company recognizes the loan at fair value by applying the adjusted intrinsic effective interest rate (EIR) of the below-market rate loan to the prevailing market rate. The Company applies judgement to estimate the applicable market rates (when incorporating the cost of debt and additional credit spreads) using observable inputs (such as current observable market rates) and makes specific estimates relevant to the profile of the Company. See Note 14 – *Financial liabilities*.

On March 16, 2020, Bpifrance Financement granted Sensorion a refundable advance in connection with its contribution to the "PATRIOT" competitiveness clusters fundamental R&D project (see Note 14 – *Financial liabilities*). The calculation of the fair value of the debt at initial recognition (see Note 3.8 – paragraph *Conditional advances and loans at below-market interest rates)* relies on the adjusted effective interest rate and the future cash flows provided in the contract which includes Company estimation of the probability of the "PATRIOT" R&D project success.

3.17 Fair value measurement

Financial instruments are measured at fair value according to a hierarchy comprising three levels of valuation inputs:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

There are no financial assets or liabilities measured at fair value on December 31, 2025. See Note 17 - *Financial instruments recorded on the balance sheet*.

3.18 Management and assessment of financial risks

The principal financial instruments held by the Company are cash and cash equivalents. The purpose of holding these instruments is to finance the ongoing business activities of the Company. It is not the Company's policy to invest in financial instruments for speculative purposes. The Company does not use derivative financial instruments for hedging purposes.

The principal risks to which the Company is exposed are liquidity risk, interest rate risk, foreign currency exchange risk and credit risk.

- *Liquidity risk*

The Group is exposed to liquidity risk due to the maturity of its financial liabilities and the fluctuations of its operating cash-flow. Furthermore, fluctuations in the Group's operating cash flow during accounting periods also generate liquidity risks. Prudent liquidity risk management therefore implies maintaining sufficient cash resources, cash equivalents and short-term deposits in order to satisfy ongoing operating requirements and the ability to close out market positions. Extraordinary conditions on the financial markets may, however, temporarily restrict the possibility to liquidate certain financial assets.

Given cash and cash equivalents amounted to €47,5 million at 31 December 2025, and a private placement of €60 million, with net proceeds of around €56 million (received on 30 January 2026) announced on 28 January 2026, at the date of authorization of the financial statements, the Company has sufficient net working capital

- *Interest rate risk*

The Company is not exposed to market risks in connection with its medium and long-term borrowings as all of them are subject to fixed interest rates.

- *Foreign currency risk*

The Company is exposed to a risk of exchange rates fluctuations on commercial transactions performed in currencies different from the functional currency of the Company entity recording the transactions.

At this stage, the Company has not adopted any other recurring mechanism of hedging to protect its activity against currency fluctuations. The Company may consider in the future using a suitable policy to hedge exchange risks in a more significant manner if needed.

- *Credit risk*

The credit risk related to the Company's cash and cash equivalents is insignificant in light of the quality of the co-contracting financial institutions. While the Company's deposit accounts are insured up to the legal limit, the maintained balances may, at times, exceed this insured limit. The Company has not experienced any losses in such accounts and does not believe that it is exposed to any significant credit risk related to these instruments.

The credit risk related to the Company's other receivables and related account is insignificant.

Note 4. Other operating income

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31 ,2024
Research tax credits	4,709	4,642
Grants and other R&D contracts income	393	1,273
Collaboration agreement income	682	738
Other	30	-
Total other operating income	**5,814**	**6,653**

Research Tax Credit

The Group carries out research and development projects. As such, it has benefited from a research tax credit in France (CIR) for an amount of €4,418 thousand and in Australia for an amount of €220 thousand, for the period ended December 31, 2024. As of December 31, 2025, it totals €4,709 thousand for the tax credit in France (CIR).

Grants and other R&D contracts income

Income corresponding non-refundable advances (see below) and subsidies components of loans (See Note 10.3 - *Innovation loans*) and conditional refundable advances (See Note 14.2 - *Other financial liabilities*) taken out at below-market rates. Where the funds have been used to finance project research expenses, the grant is recognized as a liability (deferred income) and taken to income (other operating income) in line with the costs incurred on the project.

Bpifrance Financement granted the Company a non-refundable advance in connection with its contribution to the "PATRIOT" competitiveness clusters fundamental R&D project. This non-refundable grant will be paid in the amount of 15% of the recoverable advance (See Note 14.2 - *Other financial liabilities*) (i.e. maximum €794 thousand). Sensorion has received €119 thousand at the initiation (2020) and €128 thousand in August 2023.
During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).
On November 27, 2020, the *Agence Nationale de la Recherche and Assistance Publique Hôpitaux de Paris* awarded Sensorion €4,396 thousand in funding for the "Audinnove: Therapy for congenital neurosensory

deafness" project, of which €440 thousand has already been paid in advance following the signing of a pre-financing agreement on November 29, 2019. The balance will be paid in 5 instalments until the end of the project. The total estimated cost of the project for the consortium is €29.8 million. Sensorion has communication obligations and therefore cannot record subsidies until the funds have been received. Aid already received is non-refundable. As at December 31, 2024, cumulative income recognized on the project amounted to €3.945 million. No additional income was recognized in other operating income during 2025, as the related milestone was deferred to 2026.

Collaboration agreement income

The income as of December 31, 2024 are related to collaboration agreements with Cochlear and Sonova A.G.

The income as of December 31, 2024, for €343 thousand are related to collaboration agreement with Cochlear. On December 16, 2017, Cochlear and Sensorion entered in Subscription Agreement and a Research Collaboration Agreement.

The income as of December 31, 2024 for €395 thousand and €668 thousand as of December 31, 2025 are related to a collaboration agreement with Sonova A.G. On September 14, 2021, Sonova and Sensorion entered into a Study and Co-Development Agreement. The aim was to conduct a Presbycusis Natural History Study.

The accounting treatment of collaboration agreement income is described in Note 3.12 - Collaboration agreement income.

Note 5. Operating expenses

Research and development expenses break down as follows:

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Sub-contracting, studies and research	15,892	13,974
Payroll expenses	7,498	6,502
Research material	1,356	1,120
Provision for tax on salaries*	-	1,077
Depreciation and amortization expense	1,209	1,016
Consulting and professional fees	1,676	914
Patent fees	186	122
Other research and development expenses	1,023	939
Total research and development expenses	**28,840**	**25,664**

**As mentioned in Note 15.2 Provisions*

A breakdown of overhead expenses by type is shown below:

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Consulting and professional fees	2,254	3,715
Payroll expense	3,922	3,463
Provision for tax on salaries*	-	637
Attendance fees	281	356
Travels expenses	267	284
Depreciation and amortization expense	148	143
Other general and administrative expenses	855	792
Total overhead expenses	**7,727**	**9,390**

**As mentioned in Note 15.2 Provisions*

As of December 31, 2024 and December 31, 2025, Other general and administrative expenses mainly include consulting fees and public relation expenses.

Payroll expenses

The Company employed 65 persons on December 31, 2024. As of December 31, 2025, the Company employed 66 persons.

Payroll expenses (R&D and overheads) break down as follows:

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Salaries and wages	6,414	6,089
Tax and social contributions on salaries	4,817	2,723
Pension costs	136	128
Share-based payments	1,625	1,024
HR litigation Provision	22	-
Provision for tax on salaries (reversal)	(1,594)	-
Total payroll expenses	**11,420**	**9,964**

The rise in payroll expenses between 2024 and 2025 is mainly due to the tax on salaries 2021 to 2025 and an increase in staff (*see Note 15.2 Provision*).

Note 6. Financial income and expenses

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Financial income related to term and demand deposits	1,582	2,878
Foreign currency exchange gain	-	7
Other	31	1
Financial income	**1,613**	**2,886**
Interests on loans	(159)	(189)
Interest expenses on lease liabilities	(52)	(62)
Foreign currency exchange loss	(23)	-
Other	(51)	(80)
Financial expenses	**(285)**	**(330)**
Total financial income	**1,328**	**2,555**

Note 7. Income taxes

The theoretical tax that would be payable based on the French tax rate breaks down as follows:

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Income/Loss before tax	(29,424)	(25,846)
Theoretical tax rate	25.00%	25.00%
Tax benefit at theoretical rate	**(7 356)**	**(6,461)**
Share-based payments	406	253
Permanent differences	-	-
Of which reintegration of corporate income tax	76	178
Of which deduction of research tax credit	(1,177)	(1,161)
Non capitalization of tax losses for the period	8,055	7,316
Tax recognized in the income statement	**(4)**	**(126)**

Under the laws in force, the Company has tax losses that can be carried forward indefinitely in France for a total amount of €167,523 thousand as of December 31, 2024.

As of December 31, 2025, the tax losses that can be carried forward indefinitely in France is €199,873 thousand.

The tax rate applicable to the company is the rate in force in France, i.e., 25%.

Note 8. Intangible assets

(in thousands of Euros)	January 1, 2024	Additions	Transfer	Disposals	Other	December 31, 2024
Patents, licenses, trademarks	1,231	407	-	-	13	1,651
Software	114	8	-	-	-	122
Total cost	**1,345**	**415**	-	-	**13**	**1,773**
Accumulated amortization of patents, licenses and trademarks	(735)	(169)	-	-	(11)	(914)
Accumulated amortization of software	(104)	(10)	-	-	-	(113)
Total Accumulated amortization	**(839)**	**(179)**	**-**	-	**(11)**	**(1,028)**
Net book value	506	239	-	-	2	746

(in thousands of Euros)	January 1, 2025	Additions	Transfer	Disposals	Other	December 31, 2025
Patents, licenses, trademarks	1,651	503	-	(4)	-	2,150
Software	122	-	-	-	-	122
Total cost	**1,773**	**503**	-	(4)	**-**	**2,272**
Accumulated amortization of patents, licenses and trademarks	(914)	(252)	-	1	-	(1,166)
Accumulated amortization of software	(113)	(4)	-	-	-	(117)
Total Accumulated amortization	**(1,028)**	**(256)**	**-**	1	**-**	**(1,283)**
Net book value	**746**	**247**	**-**	**(3)**	**-**	**989**

Over the financial year presented, acquisitions of intangible assets comprise primarily the capitalized costs of filing and maintaining patents.

No material impairment losses in application of IAS 36 were recognized in the financial year presented.

Note 9. Property, plant and equipment

(in thousands of Euros)	January 1, 2024	Additions	Disposals	Transfer	Other	December 31, 2024
Industrial and laboratory equipment	2,341	660	(49)	268		3,220
Building fixtures and fittings	340	-		-	(300)	40
Computer equipment	208	44	(45)	-	(3)	204
Office furniture	22	-	(22)	-	-	-
Property, plant and equipment in progress	391	-	-	(268)	(123)	-
Total	**3,302**	**704**	**(116)**	**-**	**(426)**	**3,465**
Accumulated amortization of industrial and laboratory equipment	(1,154)	(477)	19	-	-	(1,612)

(in thousands of Euros)	January 1, 2024	Additions	Disposals	Transfer	Other	December 31, 2024
Accumulated amortization of building fixtures and fittings	(41)	(34)	-	-	36	(39)
Accumulated amortization of computer equipment	(146)	(44)	45	-	3	(145)
Accumulated amortization of office furniture	(22)		22	-	-	-
Total accumulated amortization	**(1,363)**	**(555)**	**86**	-	**39**	**(1,793)**
Net book value	**1,939**	**149**	**(30)**	-	**(387)**	**1,671**

(in thousands of Euros)	January 1, 2025	Additions	Disposals	Transfer	Other	December 31, 2025
Industrial and laboratory equipment	3,220	222	(49)	-	-	3,393
Building fixtures and fittings	40	2	-	-	-	42
Computer equipment	204	29	(7)	-	-	227
Office furniture	-	-	-	-	-	-
Property, plant and equipment in progress	-	-	-	-	-	-
Total	**3,465**	**253**	**(56)**	**-**	**-**	**3,662**
Accumulated amortization of industrial and laboratory equipment	(1,612)	(561)	47	-	-	2,127
Accumulated amortization of building fixtures and fittings	(39)	(34)	-	-	61	12
Accumulated amortization of computer equipment	(145)	(34)	4	-	-	175
Accumulated amortization of office furniture	-	-	-	-	-	-
Total accumulated amortization	**(1,793)**	**(630)**	**51**	**-**	**61**	**2 312**
Net book value	**1,672**	**(377)**	**(5)**	**-**	**61**	**1,350**

Property, plant and equipment comprise laboratory and technical equipment, as well as computer equipment and furniture.

As of December 31, 2025, the additions in industrial and laboratory equipment relates to preclinical and manufacturing activities and Medical Device.

Note 10. Rights-of-use assets

(in thousands of Euros)	January 1, 2024	Additions	Termination of duration	Other	December 31, 2024
Rights-of-use (Gross amount)	1,968	462	(554)	159	2,036
Total rights-of-use (Gross amount)	**1,968**	**462**	**(554)**	**159**	**2,036**
Accumulated amortization	(1,285)	(450)	554	179	(1,002)
Total accumulated amortization	**(1,285)**	**(450)**	**554**	**179**	**(1,002)**
Net book value	**683**	**12**	**-**	**338**	**1,034**

(in thousands of Euros)	January 1, 2025	Additions	Termination of duration	Other	December 31, 2025
Rights-of-use (Gross amount)	2,036	35	-	-	2,071
Total rights-of-use (Gross amount)	**2,036**	**35**	**-**	**-**	**2,071**
Accumulated amortization	(1,002)	(473)	-	(61)	(1,536)
Total accumulated amortization	**(1,002)**	**(473)**	**-**	**(61)**	**(1,536)**
Net book value	**1,034**	**(438)**	**-**	(61)	**534**

As of December 31, 2025, real estate rights-of-use were measured at a gross amount of €2,071 thousand and a net amount of €534 thousand compared to a gross amount of €2,036 thousand and a net amount of €1,034 thousand as of December 31, 2024.

As of December 31, 2025 their residual term was 0.5 to 1.5 years compared to 1.5 to 2.5 years as of December 31, 2024.

Depreciation allowances on rights-of-use totaled €450 thousand in fiscal year 2024, the principal repayments under lease liabilities totaled €446 thousand, and financial interest amounted to €61 thousand.

As of December 31, 2025, depreciation allowances on rights-of-use totaled €473 thousand, the repayments under lease liabilities totaled €434 thousand, and financial interest amounted to €52 thousand.

The Group did not enter into any new lease agreements during the year.

No sublease agreements were in effect during the period. The Company's leases do not include any restrictions or covenants.

Expenses recognized for short-term leases and leases of low-value assets not restated in accordance with IFRS 16 were not material during 2025 (€78 thousand) and 2024 (€113 thousand).

Note 11. Other Current Assets

(in thousands of Euros)	As of December 31, 2025	As of December 31 2024
Term deposit	-	10 214
State, Research tax credits	4,713	4,514
State, VAT	1,908	2,131
Prepaid expenses	627	1,515
Collaboration agreement receivables	-	196
Prepayments to suppliers	117	184
Other miscellaneous debtors	68	180
Net total	**7,433**	**18,934**

As of December 31, 2024, term deposit with less than one year of maturity amounts to €10.2 million and relates to an 18-month term deposit subscribed in second quarter of 2024 and maturing in the next twelve months. As of December 31, 2025, this term deposit was collected.

Research tax credits receivables mainly include 2024 French research tax credit (CIR) for €4,422 thousand and €4,709 thousand in 2025.

The Company received refunds of €4,418 thousand for the 2024 French research tax credit on November 24, 2025 and €220 thousand for the 2024 Australian tax credit on August 8, 2025.

The refund of the 2025 research tax credit of €4,709 thousand is expected in 2026 pursuant to the Community SME scheme. The increase in this receivable is linked to the increase in R&D staff costs and subcontracting expenses eligible for the research tax credit.

Prepaid expenses are essentially of costs associated with manufacturing activities.

Research Tax Credit

(in thousands of Euros)	Research tax credit
As of January 1, 2024	**4,390**
Income France	4,422
Income Australia	220
Offset against income tax payable	(126)
Exchange difference	(2)
Payments received	(4,391)
Receivable as of December 31, 2024	**4,513**

(in thousands of Euros)	Research tax credit
As of January 1, 2025	**4,513**
Income France	4,709
Income Australia	-
Offset against income tax payable	-
Exchange difference	(4)
Payments received	(4,505)
Receivable as of December 31, 2025	4,713

The Company qualifies for the provisions of Articles 244 quater B and 49 septies F of the French Tax Code on the research tax credit. In accordance with the principles described in Note 2.12 of the notes to the IFRS financial statements prepared as of December 31, 2025, the research tax credit is recognized in "Other income" in the year to which the qualifying research expenses relate.

The request for the refund of €4,418 thousand for the 2024 research tax credit was filed in April 2025, and the refund was received on November 24, 2025.

The Group also has a tax credit receivable of €124 thousand in Australia for the 2024 research tax credit of €218 thousand. This amount was received on August, 8, 2025. The 2023 research tax credits for €296 thousand was received in October 2024.

Note 12. Cash and cash equivalents

(in thousands of Euros)	As of December 31, 2025	As of December 31, 2024
Cash at bank and on hand	20,670	14,807
Cash equivalents	26,787	51,962
Total cash and cash equivalents	**47,457**	**66,769**

Cash includes cash-at-bank and cash on hand. Cash equivalents include short-term bank deposits that can be assigned or sold on very short notice and are subject to insignificant risk of changes in value in response to fluctuations in interest rates.

As of December 31, 2024, cash at bank and on hand totaled €66,769 thousand, mainly comprising five deposits. These deposits were set up in March and December 2024.

As of December 31, 2025, cash at bank and on hand totaled for €47,457 thousand, mainly composed of three deposits. These deposits were subscribed in August, November, and December 2025.

Note 13. Capital

13.1 Share capital and additional paid-in-capital

As of December 31, 2025, the share capital was a total of €30,066 thousand. It is divided into 300,661,226 fully subscribed ordinary shares with a nominal value of €0.10 each.

This number excludes share warrants (BSAs), founders' warrants (BSPCEs) and stock options (SOs) granted to certain individuals who may or may not be Company employees.

All shares confer on their holders the right to a proportional share of the Company's results and net assets.

The table below shows the history of the capital during the period presented:

(in thousands of Euros, except number of shares and nominal value)	Share capital	Additional paid-in-capital	Number of shares issued	Nominal value
As of January 1, 2024	**18,708**	**73,190**	**187,080,794**	**€0.10**
Classification of Sensorion SA loss to premium	-	(21,598)	-	N/A
Capital increase by issuance of ordinary shares	11,317	54,664	113,169,431	€0.10
Issue of pre-funded warrants	-	1,756	-	€0.10
Exercice of warrants	39	88	390,000	€0.10
Exercice of stock-options	2	5	21,001	€0.10
Expenses deducted from additional paid-in-capital	-	(4,198)	-	N/A
As of December 31, 2024	**30,066**	**103,907**	**300,661,226**	**€0.10**

(in thousands of Euros, except number of shares and nominal value)	Share capital	Additional paid-in-capital	Number of shares issued	Nominal value
As of January 1, 2025	**30,066**	**103,907**	**300,661,226**	**€0.10**
Classification of Sensorion SA loss to premium	-	(25,143)	-	N/A
Exercice of warrants	-	122	-	€0.10
As of December 31, 2025	**30,066**	**78 886**	**300,661,226**	€0.10

Number of shares	As of December 31, 2025	As of December 31, 2024
Ordinary shares issued (€0.10 par value per share)	**300,661,226**	**300,661,226**
Less treasury shares	(314,000)	(173,701)
Ordinary shares outstanding	**300,347,226**	**300,487,525**

The Company held 314,000 of its own shares as of December 31, 2025, under its liquidity agreement signed with the company Kepler Cheuvreux. The Board of Directors used delegation of authority to implement this liquidity agreement according to the code of ethics recognized by the AMF (*Autorité des Marché Financiers*).

13.2 Shares warrants, founders' warrants and stock options

The Company issued share warrants (BSAs), founders' warrants (BSPCEs) and stock options (SOs) as follows:

13.2.1 BSAs plans

			Number of outstanding warrants						
Type	**Grant date**	**Number of warrants issued**	**As of January 1, 2024**	**Granted**	**Exercised**	**Lapsed**	**As of December 31, 2024**	**Number of warrants exercisable**	**Maximum of shares to be issued if all conditions are met**
BSA 2012*	4/30/2014	2,000	**1,000**	-	-	(1,000)	**-**	-	-
BSA 2016	2/02/2016	3,750		-	-	-	**-**	**-**	-
BSA 2016	5/19/2017	20,000	**15,000**	-	-	(15,000)	-	-	-
BSA 2018	4/29/2019	30,000	**30,000**	-	-	-	**30,000**	30,000	30,000
BSA 2020	2/02/2021	2,000	**2,000**	-	-	-	**2,000**	1,333	2,000
BSA 2021	1/03/2022	70,000	**70,000**	-	-	-	**70,000**	23,333	70,000
BSA 2022	5/31/2022	336,085	**336,085**	-	-	(10,000)	**326,085**	217,390	326,085
BSA 2022	3/15/2023	660,000	**660,000**	-	(220,000)	-	**440,000**	220,000	440,000
BSA 2023	5/24/2023	1,170,595	**1,070,595**	-	(170,000)	-	**900,595**	180,198	900,595
BSA M	1/24/2024	250,000	-	250,000	-	-	**250,000**	-	250,000

BSA 2024-1	6/20/2024	270,268	-	270,268	-	-	**270,268**	-	270,268
Total		**2,814,698**	**2,184,680**	**520,268**	**(390,000)**	**(26,000)**	**2,288,948**	**672,254**	**2,288,948**

**Exercise ratio of 1 BSA per 10 shares*

			Number of outstanding warrants						
Type	**Grant date**	**Number of warrants issued**	**As of January 1, 2025**	**Granted**	**Exercised**	**Lapsed**	**As of December 31, 2025**	**Number of exercisable warrants**	**Maximum number of shares to be issued if all conditions are met**
BSA 2018	4/29/2019	30,000	**30,000**	**-**	**-**	**-**	**30,000**	30,000	30,000
BSA 2020	2/2/2021	2,000	**2,000**	**-**	**-**	-	**2,000**	2,000	2,000
BSA 2021	1/3/2022	70,000	**70,000**	**-**	**-**	(70,000)	**-**	-	-
BSA 2022	5/31/2022	336,085	**326,085**	**-**	-	-	**326,085**	326,085	326,085
BSA 2022	3/15/2023	660,000	**440,000**	**-**	-	-	**440,000**	440,000	440,000
BSA 2023	5/24/2023	1,170,595	**900,595**	**-**	-	(58,955)	**841,640**	841,640	841,640
BSA M	1/24/2024	250,000	**250,000**	-	-	(250,000)	**-**	-	-
BSA 2024-1	6/20/2024	270,268	**270,268**	-	**-**	(67,567)	**202,701**	67,567	202,701
BSA 2025-1	5/12/2025	442,581	**-**	442,581	**-**	**-**	**442,581**	**-**	442,581
BSA 2025-1 (1)	7/9/2025	155,043	**-**	155,043	**-**	**-**	**155,043**	51,681	155,043
BSA 2025-2	7/9/2025	250,000	**-**	250,000	**-**	**-**	**250,000**	83 333,33	250,000
BSA 2025-3	7/9/2025	13,400	**-**	13,400	**-**	**-**	**13,400**	8,933	13,400
Total		**3,649,972**	**2,288,948**	**861,024**	**-**	**(446,522)**	**2,703,450**	1,851,239	2,703,450

			Characteristics			**Assumptions**	
Type	**Grant date**	**Number of warrants issued**	**Maturity date**	**Subscription price**	**Exercise price**	**Volatility**	**Risk-free rate**
BSA 2018	4/29/2019	**30,000**	4/28/2026	€ 0.12	€ 1.20	71%	(0.58)%
BSA 2020	2/02/2021	**2,000**	2/01/2028	€ 0.17	€ 1.7273	62%	(0.60)%
BSA 2021	1/03/2022	**70,000**	1/02/2029	€ 0.18	€ 1.8404	62%	(0.29)%
BSA 2022	5/31/2022	**336,085**	5/30/2029	€ 0.19	€ 0.46	61%	0.73%
BSA 2022	3/15/2023	**660,000**	3/15/2030	€ 0.19	€ 0.36	67%	2.31%
BSA 2023	5/24/2023	**1,170,595**	5/24/2030	€ 0.14	€ 0.28	61%	2.51%
BSA M	1/24/2024	**250,000**	1/24/2031	€ 0.27	€ 0.47	65%	2.05%
BSA 2024-1	6/20/2024	**270,268**	6/20/2031	€0.30	€ 0.74	67%	2.68%
BSA 2025-1	5/12/2025	**442,581**	5/12/2032	€0.24	€ 0.34	67%	2.02%
BSA 2025-1 (1)	7/9/2025	**155,043**	7/9/2032	€0.20	€ 0.353	70%	2.13%
BSA 2025-2	7/9/2025	**250,000**	7/9/2032	€0.19	€ 0.353	70%	2.13%
BSA 2025-3	7/9/2025	**13,400**	7/9/2032	€0.19	€ 0.353	75%	2.13%
Total		**3,649,972**					

Details of BSA Plans are summarized below:

Type	**Vesting period**	**Other vesting conditions**
BSA 2012	N/A	N/A
BSA 2016	16.67% as of 2/02/2017 16.67% as of 2/02/2018 16.67% as of 2/02/2019	• 25% in the event of an external growth operation before 2/02/2019 • 25% if the Company's market capitalization exceeds €150 million
BSA 2016	16.67% as of 5/19/2018 16.67% as of 5/19/2019 16.67% as of 5/19/2020	• 25% in the event of an external growth operation before May 31, 2020 • 25% if the Company's market capitalization exceeds €175 million
BSA 2018	N/A	• 35% in the event an agreement is signed with Institut Pasteur • 22.5% if the Company obtains financing of €12.5 million before July 31, 2019 - Part 1 • 22.5% if the Company obtains financing of €12.5 million before December 31, 2019 - Part 2 • 10% if a partnership on SENS-401 is approved before December 31, 2020 • 10% if a partnership on SENS-111 is approved before December 31, 2020

BSA 2020	1/3 as of 2/01/2022 1/3 as of 2/01/2023 1/3 as of 2/01/2024	N/A
BSA 2021	1/3 as of 2/03/2023 1/3 as of 2/03/2024 1/3 as of 2/03/2025	N/A
BSA 2022	1/3 as of 5/31/2023 1/3 as of 5/31/2024 1/3 as of 5/31/2025	N/A
BSA 2022	1/3 as of 3/15/2024 1/3 as of 3/15/2025 1/3 as of 3/15/2026	N/A
BSA 2023	1/3 as of 5/24/2024 1/3 as of 5/24/2025 1/3 as of 5/24/2026	N/A
BSA M	1/3 as of 1/24/2025 1/3 as of 1/24/2026 1/3 as of 1/24/2027	N/A
BSA 2024-1	1/3 as of 6/20/2025 1/3 as of 6/20/2026 1/3 as of 6/20/2027	N/A
BSA 2025-1	1/3 at 5/12/2026 1/3 at 5/12/2027 1/3 at 5/12/2028	N/A
BSA 2025-1 (1)	1/3 at 7/9/2025 1/3 at 1/24/2026 1/3 at 1/24/2027	N/A
BSA 2025-2	1/3 at 7/9/2025 1/3 at 1/24/2026 1/3 at 1/24/2027	N/A
BSA 2025-3	2/3 at 7/9/2025 1/3 at 1/24/2026	N/A

13.2.2 BSPCEs plans

			Number of outstanding BSPCEs						
Type	**Grant date**	**Number of warrants granted**	**As of January 1, 2024**	**Granted**	**Exercised**	**Forfeited / Lapsed**	**As of December 31, 2024**	**Number of warrants exercisable**	**Maximum of shares to be issued if all conditions are met**
BSPCE 2014-2*	6/17/2014	2,100	**100**	-	-	(100)	**-**	**-**	**-**
BSPCE 2014-M*	11/20/2014	15,600	**13,600**	-	-	(13,600)	**-**	**-**	**-**
BSPCE 2016	5/19/2017	213,000	**13,500**	-	-	(13,500)	**-**	**-**	**-**
BSPCE 2017	5/30/2017	260,000	**195,000**	-	-	(195,000)	**-**	**-**	**-**
BSPCE 2017	5/30/2018	70,500	**16,500**	-	-	(7,500)	**9,000**	9,000	9,000
BSPCE 2018	4/29/2019	455,500	**386,000**	-	-	(25 000)	**361,000**	361,000	361,000
BSPCE 2019	9/06/2019	347,235	**305,110**	-	-	(10,000)	**295,110**	295,110	295,110
Total		**2,210,285**	**929,810**	**-**	**-**	**(264,700)**	**665,110**	**665,110**	**665,110**

** Exercise ratio of 1 BSPCE per 10 shares*

During 2024, the Group took note that the BSCPE 2014-2 warrants, issued on June 17, 2014, the BSPCE 2014-M warrants, issued on November 20, 2014, the BSPCE 2016 issued on May 19, 2017 and the BSPCE 2017 issued on May 30, 2017, had lapsed.

Type	Grant date	Number of warrants granted	Number of outstanding BSPCEs					Number of warrants exercisable	Maximum of shares to be issued if all conditions are met
			As of January 1, 2025	Granted	Exercised	Forfeited / Lapsed	As of December 31, 2025		
BSPCE 2017	5/30/2018	70,500	**9,000**	-	-	(9,000)	**-**	-	-
BSPCE 2018	4/29/2019	455,500	**361,000**	-	-	-	**361,000**	361,000	361,000
BSPCE 2019	9/06/2019	347,235	**295,110**	-	-	-	**295,110**	295,110	295,110
Total		**873 235**	**665,110**	**-**	**-**	**(9,000)**	**656,110**	**656,110**	**656,110**

** Exercise ratio of 1 BSPCE per 10 shares*

During 2025, the Group took note that the BSCPE 2017 warrants, issued on May 30, 2018 had lapsed.

Type	Grant date	Number of warrants granted	Characteristics			Assumptions	
			Maturity date	Subscription price	Exercise price	Volatility	Risk-free rate
BSPCE 2017	5/30/2018	70,500	5/29/2025	€ 0.00	€ 2.50	69%	0.20%
BSPCE 2018	4/29/2019	455,500	4/28/2026	€ 0.00	€ 1.20	72%	(0.26)%
BSPCE 2019	9/06/2019	347,235	9/05/2026	€ 0.00	€ 1.28	70%	(0.69)%
Total		**873 235**					

BSPCEs plans were fully vested as of January 1, 2023.

13.2.3 SOs plans

Type	Grant date	Number of warrants granted	Number of outstanding SO					Number of warrants exercisable on December 31, 2024	Maximum of shares to be issued if all conditions are met
			As of January 1, 2024	Granted	Exercised	Forfeited	As of December 31, 2024		
SO 2020	5/20/2020	100,000	**100,000**	-	-	-	**100,000**	100,000	100,000
SO 2020	7/30/2020	165,000	**145,000**	-	-	-	**145,000**	145,000	145,000
SO 2020	8/22/2020	100,000	**100,000**	-	-	-	**100,000**	100,000	100,000
SO 2020	2/2/2021	47,370	**37,900**	-	-	(2,870)	**35,030**	25,267	35,030
SO 2021	8/11/2021	1,814,855	**1,594,855**	-	-	-	**1,594,855**	1,594,855	1,594,855
SO 2021	12/19/2021	900,000	**-**	-	-	-	**-**	-	-
SO 2021	2/03/2022	85,120	**73,320**	-	-	(6,000)	**67,320**	44,800	67,320
SO 2022	5/31/2022	100,000	**-**	-	-	-	**-**	-	-
SO 2023	3/15/2023	2,100,800	**2,090,800**	-	(21,001)	(40,570)	**2,029,229**	676,433	2,029,299
SO 2023	12/20/2023	255,000	**255,000**	-	-	-	**255,000**	85,000	255,000
SO 2023-2	4/10/2024	2,745,000	**-**	2,745,000	-	(27,500)	**2,717,500**	-	2,717,500
SO 2023-3	4/10/2024	1,000,000	**-**	1,000,000	-	-	**1,000,000**	-	1,000,000
SO 2024	1/07/2024	515,000	**-**	515,000	-	-	**515,000**	-	515,000
Total		**9,928,145**	**4,396,875**	**4,260,000**	**(21,001)**	**(76,940)**	**8,558,934**	**2,771,355**	**8,558,934**

**For the year ended December 31, 2024, 75,940 SOs were forfeited due to resignation of beneficiaries.*

Type	Grant date	Number of warrants granted	Number of outstanding SO					Number of warrants exercisable on December 31, 2025	Maximum of shares to be issued if all conditions are met
			As of January 1, 2025	Granted	Exercised	Forfeited	As of December 31, 2025		
SO 2020	5/20/2020	100,000	**100,000**	-	-	-	**100,000**	100,000	100,000
SO 2020	7/30/2020	165,000	**145,000**	-	-	-	**145,000**	145,000	145,000

SO 2020	8/22/2020	100,000	**100,000**	-	-	-	**100,000**	100,000	100,000
SO 2020	2/2/2021	47,370	**35,030**	-	-	(870)	**34,160**	34,160	34,160
SO 2021	8/11/2021	1,814,855	**1,594,855**	-	-	-	**1,594,855**	1,594,855	1,594,855
SO 2021	2/3/2022	85,120	**67,320**	-	-	(3,420)	**63,900**	63,900	63,900
SO 2023	3/15/2023	2,100,800	**2,029,229**	-	-	(52,930)	**1,976,299**	1,317,533	1,976,299
SO 2023	12/20/2023	255,000	**255,000**	-	-	(15,000)	**240,000**	160,000	240,000
SO 2023-2	4/10/2024	2,745,000	**2,717,500**	-	-	(213,000)	**2,504,500**	834,833	2,504,500
SO 2023-3	4/10/2024	1,000,000	**1,000,000**	-	-	-	**1,000,000**	333,333	1,000,000
SO 2024-1	1/7/2024	515,000	**515,000**	-	-	-	**515,000**	171,667	515,000
SO 2024-2	3/4/2025	3,960,009	**-**	3,960,009	**-**	(175,000)	**3,785,009**	-	3,785,009
SO 2024-3	4/1/2025	2,500,000	**-**	2,500,000	**-**	**-**	**2,500,000**	**-**	2,500,000
SO 2025-1	5/12/2025	506,612	**-**	506,612	**-**	**-**	**506,612**	**-**	506,612
Total		**15,894,766**	**8,558,934**	**6,966,621**	**-**	**(460,220)**	**15,065,335**	**4,855,281**	**15,065,335**

**For the year ended December 31, 2024, 75,940 SOs were forfeited due to resignation of beneficiaries.*

			Characteristics			**Assumptions**	
Type	**Grant date**	**Number of warrants granted**	**Maturity date**	**Subscription price**	**Exercise price**	**Volatility**	**Risk-free rate**
SO 2020	5/20/2020	100,000	5/19/2027	€ 0.00	€ 0.76	76%	(0.58)%
SO 2020	7/30/2020	165,000	7/29/2027	€ 0.00	€ 0.90	74%	(0.59)%
SO 2020	8/22/2020	100,000	9/21/2027	€ 0.00	€ 1.20	74%	(0.60)%
SO 2020	2/2/2021	47,370	2/01/2028	€ 0.00	€ 1.73	62%	(0.56)%
SO 2021	8/11/2021	1,814,855	8/10/2028	€ 0.00	€ 1.81	56%	(0.60)%
SO 2021	2/03/2022	85,120	2/03/2029	€ 0.00	€ 1.10	67%	(0.03)%
SO 2023	3/15/2023	2,100,800	3/15/2030	€ 0.00	€ 0.36	66%	2.78%
SO 2023	12/20/2023	255,000	13/20/2030	€ 0.00	€ 0.46	68%	2.24%
SO 2023-2	4/10/2024	2,745,000	4/10/2031	€ 0.00	€ 0.81	72%	2.44%
SO 2023-3	4/10/2024	1,000,000	4/10/2031	€ 0.00	€ 0.81	72%	2.44%
SO 2024-1	1/07/2024	515,000	1/07/2031	€ 0.00	€ 0.69	70%	2.44%
SO 2024-2	3/4/2025	3,960,009	3/4/2032	€0.00	€ 0.62	68.3%	2.08%
SO 2024-3	4/1/2025	2,500,000	4/1/2032	€0.00	€ 0.50	68.3%	2.20%
SO 2025-1	5/12/2025	506,612	5/12/2032	€0.00	€ 0.34	68.3%	2.16%
Total		**15,894,766**					

Type	**Vesting period**	**Other vesting conditions**
SO 2020	N/A	N/A
SO 2020	11.11% as of 7/30/2021 11.11% as of 7/30/2022 11.11% as of 7/30/2023	• 33.33% if the SENS 401 phase II study is completed by June 30, 2021 • 16.7% if the OTOF project clinical study request is submitted before December 31, 2022 • 16.7% if the USHER project clinical study request is submitted before December 31, 2024
SO 2020	1/3 as of 8/22/ 2021 1/3 as of 8/22/ 2022 1/3 as of 8/22/ 2023	N/A
SO 2020	1/3 as of 2/01/2022 1/3 as of 2/01/2023 1/3 as of 2/01/2024	N/A
SO 2021	1/3 as of 12/19/2022 1/3 as of 12/19/2023 1/3 as of 12/19/2024	N/A
SO 2021	1/3 as of 2/03/2023 1/3 as of 2/03/2024 1/3 as of 2/03/2025	N/A

SO 2023	1/3 as of 3/15/2024 1/3 as of 3/15/2025 1/3 as of 3/15/2026	N/A
SO 2023	1/3 as of 12/20/2024 1/3 as of 12/20/2025 1/3 as of 12/20/2026	N/A
SO 2023-2	1/3 as of 4/10/2025 1/3 as of 4/10/2026 1/3 as of 4/10/2027	N/A
SO 2023-3	1/3 as of 4/10/2025 1/3 as of 4/10/2026 1/3 as of 4/10/2027	N/A
SO 2024-1	1/3 as of 1/07/2025 1/3 as of 1/07/2026 1/3 as of 1/07/2027	N/A
SO 2024-2	1/3 at 3/4/2026 1/3 at 3/4/2027 1/3 at 3/4/2028	N/A
SO 2024-3	1/3 at 4/1/2026 1/3 at 4/1/2027 1/3 at 4/1/2028	N/A
SO 2025-1	1/3 at 5/12/2026 1/3 at 5/12/2027 1/3 at 5/12/2028	N/A

Share-based compensation expense relates to BSPCEs, BSAs and SOs granted to employees and to the Company directors. For the year ended December 31, 2025, the breakdown of the expense is as follows:

(in thousands of Euros)	**Grant Date**	**Share based compensation expense for the Year ended December 31, 2025**		
Type		**R&D**	**G&A**	**Total**
SO 2023	03/15/2023	(25)	(28)	(53)
SO 2023	12/20/2023	(15)	—	(15)
SO 2023-2	4/10/2024	(317)	(54)	(371)
SO 2023-3	4/10/2024	—	(156)	(156)
SO 2024	7/01/2024	(3)	(91)	(94)
SO 2024-2	3/4/2025	(366)	(250)	(616)
SO 2024-3	4/1/2025	—	(256)	(256)
SO 2025	5/12/2025	—	(64)	(64)
Total SOs		**(726)**	**(899)**	**(1,625)**
Total share-based payment expense		**(726)**	**(899)**	**(1,625)**

There were no cancellation or modification to the awards in 2025.

The main assumptions used to determine the fair value of the share-based compensation at grant date, resulting from applying the Black-Scholes valuation model are as follows:

- Risk-free interest rate: (0.60)% to 2.78%
- Dividends: none
- Volatility: between 56% and 76% corresponding to the average historical volatility of a panel of comparable listed companies
- Expected term: 4,5 years.

See in the above tables for more details by plan.

Note 14. Financial liabilities

14.1 Maturity of Financial Liabilities

The maturity of financial and lease liabilities is determined as of December 31, 2024:

(in thousands of euros)	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Conditional advances	1,005	-	-	1,005
Zero-Interest Innovation Loan	91	91	-	-
Other financial liabilities	**1,096**	**91**	-	**1,005**
Government Guaranteed loans	1,240	667	573	-
Debts	**1,240**	**667**	**573**	-
Lease liabilities	**874**	**422**	**452**	-
As of December 31, 2024	**3,210**	**1,181**	**1,025**	**1,005**

The maturity of financial and lease liabilities is determined as of December 31, 2025:

(in thousands of euros)	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Conditional advances	1,119	237	-	881
Zero-Interest Innovation Loan	-	-	-	-
Other financial liabilities	**1,119**	**237**	**-**	**881**
Government Guaranteed loans	523	523	-	-
Debts	**523**	**523**	**-**	**-**
Lease liabilities	**475**	**350**	**124**	**-**
As of December 31, 2025	**2,116**	**1,111**	**124**	**881**

14.2 Other financial liabilities

Other financial liabilities are composed of conditional advances that have been received from public authorities under contracts with *Bpifrance Financement* (formerly OSEO Innovation) and the *Languedoc-Roussillon region*.

The portion of conditional advances to be repaid in more than one year is recognized in non-current liabilities, and the portion to be repaid within one year is recognized in current liabilities.

The table below shows the changes in liabilities over the reporting period:

(in thousands of Euros)	Zero-Interest Innovation Loan	Patriot	Total Conditional advances
As of January 1, 2024	**285**	**831**	**1,116**
Proceeds	**-**	**-**	-
Repayments	(190)	**-**	**(190)**
Subsidies	-	**-**	-
Impacts of discounting and accretion	-	**-**	-
Interest capitalized	-	174	**174**
Financial expenses	20	**-**	**20**

Other …….....	(24)	-	**(24)**
**As of December 31, 2024..... **	**91**	**1,005**	**1,096**

(in thousands of Euros)	**Zero-Interest Innovation Loan**	**Patriot**	**Total Conditional advances**
**As of January 1, 2025..... **	**91**	**1,005**	**1,096**
Proceeds.....	-	-	-
Repayments	(95)	-	**(95)**
Subsidies	-	-	-
Impacts of discounting and accretion.....	-	-	-
Interest capitalized	-	-	-
Financial expenses.....	4	114	**118**
Other …….....	-	-	-
**As of December 31, 2025..... **	**-**	**1,119**	**1,119**

Zero-Interest Innovation Loan

On January 13, 2017, the Company received a zero-interest innovation loan (PTZI), which was granted jointly by *Bpifrance Financement* and the *Occitanie* region. This loan of €950 thousand is repayable in 20 quarterly instalments of €47 thousand. The first instalment was reimbursed on December 31, 2019, and the second instalment was reimbursed in September 2020 following a six-month deferral of all payments to Bpifrance pursuant to the COVID-19 measures implemented by the French government. A third instalment was reimbursed in December 2020. In fiscal year 2021, the Company repaid four additional instalments totaling €190 thousand.

In fiscal year 2022, the Company repaid three additional installments totaling €142 thousand.

In fiscal year 2023, the Company repaid four additional installments totaling €190 thousand.

In fiscal year 2024, the Company repaid four additional installments totaling €190 thousand.

In fiscal year 2025, the Company repaid four additional installments totaling €95 thousand.

As of December 31, 2025, this loan was fully repaid, and outstanding balance amounted to €0.

Patriot

Bpifrance Financement granted the Company a refundable advance in connection with its contribution to the "PATRIOT" competitiveness clusters fundamental R&D project.

This subsidy of a maximum amount of €4,833 thousand breaks down as follows:

- First payment upon signing the contract: €724 thousand (payment received in August 2020)
- Key stage 1 & 2: €785 thousand disbursed in August 2023
- Key stage 3: €2,168 thousand as of February 1, 2025,
- Key stage 4: €430 thousand as of February 1, 2028,
- Balance of the subsidy: €726 thousand as of February 1, 2029.

The refundable advance will be refund according to the following provisional schedule:

- as of July 31, 2031: €1,250 thousand
- as of July 31, 2032: €1,250 thousand
- as of July 31, 2033: €1,250 thousand
- as of July 31, 2034: €1,250 thousand

After refund of the refundable advance, the Company could make additional payments for a period of five years of up to €2,450 thousand depending on the achievement of a cumulative turnover of €40,000 thousand.

On December 31, 2024, the fair value of the non-current conditional advances, determined with a discount rate of 8.5%, is €863 thousand and of 8,72%, is €957 thousand as of December 31, 2025.

During the second half of 2025 the PATRIOT consortium requested an adjustment to the PATRIOT project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment amounting to €0.3 million. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

14.3 Government Guaranteed Loans

Movements relevant to debts relating to government guaranteed loans break down as follows:

(in thousands of Euros)	Government Guaranteed Loans
As of January 1, 2024	**1,991**
Proceeds	-
Repayments	(703)
Interests paid	-
Interest capitalized	52
Other	(100)
As of December 31, 2024	**1,240**

(in thousands of Euros)	Government Guaranteed Loans
As of January 1, 2025	**1,240**
Proceeds	-
Repayments	(751)
Interests paid	-
Interest capitalized	34
Other	-
As of December 31, 2025	**523**

The Company received two Government Guaranteed Loans (GGL) and one innovation loan R&D in the context of the COVID-19 crisis.

On October 1, 2020, the Company obtained a GGL from Société Générale for an amount of €1,500 thousand. This loan is repayable in 48 instalments starting on October 24, 2022. The annual interest rate is 0.58%.

On October 8, 2020, the Company obtained a GGL from CIC for an amount of €500 thousand. This loan is repayable in 48 instalments starting on November 05, 2022. The annual interest rate is 0.70%.

On September 8, 2020, the Company obtained an innovation loan R&D issued by Bpifrance Financement and the Ministry of the Economy, Finance and Recovery in the amount of €1,000,000. This loan is repayable in 20 instalments starting on December 31, 2021 and ending on September 30, 2026.

14.4 Lease liabilities

Movements relevant to debts relating to lease liabilities break down as follows:

(in thousands of Euros)	Lease liabilities
As of January 1, 2024	**874**
Additions	462
Repayments	(446)
Impacts of discounting and accretion	-
Other	(16)
..	
As of December 31, 2024	**874**

(in thousands of Euros)	Lease liabilities
As of January 1, 2025	**874**
Additions	35
Repayments	(434)
Impacts of discounting and accretion	-

Other.....	-
..	
As of December 31, 2025.....	**475**

Lease liabilities amounted to €0.9 million as at December 31, 2024 and €0,5 million as at December 31, 2025. The residual maturity of the lease contracts was 1.5 to 2.5 years as of December 31, 2024 and 0.5 to 1.5 years as of December 31, 2025. In calculating the present value of lease payments, the Group uses the incremental borrowing rate of 7.90% to 8,26% as of December 31, 2025.

The lease liabilities mainly relate to offices and laboratories in Montpellier for which the lease began on July 1st, 2018, for a term of 9 years. The lease can be extended for a further 3, 6 or 9 years at the end of each term. The undiscounted potential future payments relating the 9 years periods of the extension options not included in the lease term amount to €2,268 thousand. There is no termination options expected to be exercised.

Note 15. Provisions

15.1 Provisions for retirement benefit obligations

Retirement benefit obligations are determined based on the rights set forth in the national collective bargaining agreement for the French pharmaceutical industry (IDCC 176/Brochure 3104) and in accordance with IAS 19 – *Employee Benefits*. These rights depend on the employee's salary and tenure within the Company as of the date of their retirement.

The main actuarial assumptions used to measure the obligation:

Parameters	**As of December 31, 2025**	**As of December 31, 2024**
Retirement age (executives).....	67 years	67 years
Payroll taxes.....	45%	45%
Salary growth rate.....	2%	2%
Discount rate.....	3.60%	3.35%
Mortality table.....	INSEE 2022	INSEE 2022

- Departure terms: voluntary departure
- Degressive staff turnover based on age

The discount rate corresponds to the rates of Eurozone AA-rated corporate bonds with maturities of over ten years.

No employees retired in 2025.

Changes in the net provision

Changes in the present value of defined benefit plans are as follows:

(in thousands of Euros)	**As of December 31, 2025**	**As of December 31, 2024**
Provision at beginning of period.....	**222**	**281**
Other changes.....	-	(2)
Net benefit expense.....	89	104
Benefits paid.....	-	-

Actuarial gains or losses recognized in other comprehensive income	(24)	(161)
Provision at end of period	**287**	**222**

The actuarial gains (losses) resulted from demographic differences mainly relate to salary adjustments. And changes in actuarial assumptions relate to movements in the discount rate (3.35% in 2024 to 3.60% in 2025).

Breakdown of expense recognized for the year

The expense recognized in the statement of income (loss) breaks down as follows:

(in thousands of Euros)	**As of December 31, 2025**	**As of December 31, 2024**
Service cost for the period	82	97
Interest expenses for the period	7	7
Net benefit expense	**89**	**104**

For the year ended December 31, 2025, the total expense related to the retirement benefit obligation decreases by 15 thousand in comparison to 2024.

15.2 Provision

In 2024, this risk provision of €1,714 thousand was for an uncertain tax position related to social obligations, recognized in accordance with IAS 37.

The Company has been notified by the French tax authorities of an investigation related to the application of legislation relating to the tax on salaries for fiscal years 2020, 2021, 2022 and 2023.

A tax reassessment proposal was subsequently received by the Company on May 6, 2024, for a total claim of €505 thousand relating to fiscal years 2021 and 2022 (including €66 thousand in penalties and late payment compensation), and on September 5, 2024 for a total claim of €558 thousand relating to fiscal year 2023 (including €58 thousand in penalties and late compensation).

A provision was recognized in the financial statements as of December 31, 2024 for an amount of €1,063 thousand for the 2020-2023 period, and €651 thousand for fiscal year 2024.

Tax on salaries for fiscal year 2024 was paid to the tax authorities in the first half of 2025, generating a tax expense of €604 thousand and a provision reversal of €651 thousand. The company intends to pay in 2026 the tax on salaries from 2021 to 2023 generating a tax expense of €970 thousand (including penalties) and a provision reversal of €1,063 thousand.

The tax on salaries for fiscal year 2025 generates a tax expense of €662 thousand.

Note 16. Trade payables and related accounts, and Other non-current and current liabilities

16.1 Trade payables and related accounts

Trade payables and related accounts amount to €6,904 thousand as of December 31, 2024 and €5,562 thousand as of December 31, 2025.

No discount was applied to payables and related accounts maturity does not exceed one year. As a result, fair value approximates the carrying amount. Trade payables and related accounts are carried at amortized cost.

16.2 Other non-current and current liabilities

Other non-current and current liabilities break down as follows:

(in thousands of Euros)	As of December 31, 2025	As of December 31, 2024
Deferred income	127	1,234
Other non-current liabilities	**127**	**1,234**
Social security liabilities	1,402	2,183
Tax liabilities	1,996	320
Other debts	47	87
Deferred income	1,849	1,264
Other current liabilities	**5,294**	**3,854**

Deferred income includes advances received in connection with:

- a collaborative agreement with Sonova (€1,977 thousands as of December 31, 2025 and €2,140 as of December 31, 2024) detailed in Note 4 *Other operating income – Collaboration agreement income* including €1,234 thousands over one year as of December 31, 2024 and €127 thousands as of December 31, 2025 ;
- and income generated by discounting conditional advances (€358 thousands as of December 31, 2024), detailed in Note 4 *Other operating income - Grants and other R&D contracts income*.

Social security liabilities correspond to bonus and vacation payables for an amount of € 1,402 thousands.

Tax liabilities correspond to VAT and tax on salaries to be paid for 2021 to 2023 and 2025 (cf Note 15.2 *Provisions*).

Note 17. Financial instruments ; recorded on the balance sheet

	As of December 31, 2024				
(in thousands of Euros)	Book value on the statement of financial position	Financial assets/liabilities carried at fair value through profit or loss	Financial assets carried at amortized cost	Liabilities carried at amortized cost	Fair value
Financial assets					
Non-current financial assets [1]	123	-	123	-	123
Other current assets [2]	18,934	-	18,934	-	18,934
Cash and cash equivalents [3]	66,770	-	66,770	-	66,770
Total financial assets	**85,827**	**-**	**85,827**	**-**	**85,827**
Financial liabilities					
Current financial liabilities [4]	1,181	-	-	1,181	1,181
Non-Current financial liabilities [5]	2,029	-	-	2,029	2,029
Trade payables and related accounts [4]	10,758	-	-	10,758	10,758
Total financial liabilities	**13,968**	**-**	**-**	**13,968**	**13,968**

	As of December 31, 2025				
(in thousands of Euros)	Book value on the statement of financial position	Financial assets/liabilities carried at fair value through profit or loss	Financial assets carried at amortized cost	Liabilities carried at amortized cost	Fair value
Financial assets					
Non-current financial assets [1]	124	-	124	-	124
Other current assets [2]	7,433	-	7,433	-	7,433
Cash and cash equivalents [3]	47,457	-	47,457	-	47,457
Total financial assets	**55,014**	-	**55,014**	-	**55,014**

(in thousands of Euros)	As of December 31, 2025				
	Book value on the statement of financial position	Financial assets/liabilities carried at fair value through profit or loss	Financial assets carried at amortized cost	Liabilities carried at amortized cost	Fair value
Financial liabilities					
Current financial liabilities [4]	1,111	-	-	1,111	1,111
Non-Current financial liabilities [5]	1,005	-	-	1,005	1,005
Trade payables and related accounts [4]	10,856	-	-	10,856	10,856
Total financial liabilities	**12,972**	-	-	**12,972**	**12,972**

Tax and employee-related payables are non-financial liabilities and are therefore excluded from the above table.

(1) The non-current financial assets correspond to tenant deposit qualify as financial asset according to IAS 32. The difference between the fair value of the tenant deposits and carrying amount is not material.

(2) The other current assets correspond to prepayments to suppliers. The carrying amount of short-term financial assets measured at amortized cost is deemed to be a reasonable estimation of fair value.

(3) The fair value of cash and cash equivalents is determined based on Level 1 fair value measurements and corresponds to the market value of the assets.

(4) The carrying amount of short-term financial liabilities measured at amortized cost is deemed to be a reasonable estimation of fair value.

(5) According to IAS 7.29, disclosures of fair value are not required for lease liabilities. The fair value of the other non-current financial liabilities is described in note 14.2 *Other financial liabilities*.

The Company is exposed to liquidity risk, interest rate risk, foreign currency exchange risk and credit risk. See Note 3.18 Management and assessment of financial risks. Management assessed the exposure to currency exchange and credit risks is insignificant.

Note 18. Off-balance sheet commitments

18.1 Commitments given

Lease guarantees, such as deposits, are booked under other financial assets. There are no other lease obligations apart from those described in note 14.

The Group enters into contracts for its business needs with Clinical Research Organizations (CROs) for clinical trials and toxicity studies in particular, as well as with Contract Manufacturing Organizations (CMOs) for clinical supply manufacturing.

The Group's agreements are generally cancellable contracts and provide for termination with specified periods of advance notice and cancellation fees.

The Company has not identified any other material off balance sheet commitments as of December 31, 2025.

18.2 Commitments received

The Company has not received any guarantee.

Note 19. Related-party transactions

The remuneration shown below, which was paid to the members of the Company's Board of Directors, was expensed during the periods presented:

(in thousands of Euros)	Year ended December 31, 2025	Year ended December 31, 2024
Short-term employee benefits including salaries, bonus and social security contributions	1,442	1,325
Attendance fees	281	356
Consulting fees	-	-
Share-based payments	659	341
Net Total	**2,382**	**2,022**

Non-executive directors are not entitled to pension benefits from the Group.

Note 20. Basic and diluted loss per share

Basic earnings (loss) per share are calculated by dividing net income (loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

	Year ended December 31, 2025	Year ended December 31, 2024
Net loss for the period (in thousands of Euros)	(29,429)	(25,972)
Weighted average number of shares outstanding used to calculate basic/diluted loss per share [(1)]	300,417,376	283,969,129
Basic / diluted loss per share (in Euros per share)	**(0.10)**	**(0.09)**

(1) In accordance with IAS 33.19, basic/diluted loss per share exclude treasury shares held by the Group as of December 31, 2025.

As the Company recorded a loss in 2024 and 2025, diluted earnings (loss) per share are identical to basic earnings (loss) per share. Share based payment plans (1,851,239 BSAs, 656,110 BSPCEs and 4,855,281 SOs, representing 7,362,630 issuable shares as of December 31, 2025 and 672,254 BSAs, 665,110 BSPCEs, 2,771,355 SOs as of December 31, 2024) are not included as their effects would be anti-dilutive.

Note 21. Events after the reporting date

Since the end of the fiscal year, the key business updates are as follows:

During the second half of 2025 the PATRIOT consortium requested an adjustment to the PATRIOT project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

On January 28, 2026, Sensorion announced a €60 million offering reserved to specific categories of investors through the issuance of 214,285,714 new ordinary shares of the Company at a price per New Share of €0.28 to the benefit of Sanofi for €20 million, and Redmile Group, Artal, which is advised by Invus, and Sofinnova Partners, existing shareholders, and other investors including Cormorant Asset Management, Coastlands Capital and Sphera Healthcare, for €40 million. The Company intends to use the net proceeds from the Reserved Offering, which amount to circa €56 million, to fund principally the company's R&D activities related to its Gene Therapy programs, SENS-501 and SENS-601 (GJB2-GT), evenly, as well as for other R&D and corporate overhead expenses.

On February 6, 2026, Sensorion announced its Participation in the Association for Research in Otolaryngology ARO 49th Annual Midwinter Meeting in Puerto Rico, USA.

On February 17, 2026, Sensorion announced that Nawal Ouzren, Sensorion's Chief Executive Officer and a Director on the Company's Board, was stepping down from both roles due to a personal matter incompatible with serving as Chief Executive Officer. Amit Munshi, who is serving as the Chairman of Sensorion is also assuming the role of Interim Chief Executive Officer and Mrs. Ouzren will remain temporarily as a consultant to the Company to ensure an effective transition. The Board has commenced its search for a permanent Chief Executive Officer.

During the first quarter of 2026, Sensorion disclosed additional data for SENS-401 investigated into the prevention of hearing loss related to Cisplatin-Induced Ototoxicity (Phase 2a proof of concept clinical study NOTOXIS). End

of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure. Primary analysis showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

Financial Statements

As of December 31, 2025

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Sensorion

Year ended December 31, 2025

Statutory auditor's report on the financial statements

To the Annual General Meeting of Sensorion,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Sensorion for the year ended December 31, 2025.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2025 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

- Audit Framework

We conducted our audit in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under this standard are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

- Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from January 1, 2025 to the date of our report.

Emphasis of Matter

We draw your attention to Note "Change in accounting principles" to the financial statements which sets out the change in accounting policy resulting from the application of ANC Regulation No. 2022-06. Our opinion is not modified in respect of this matter.

S.A.S. a capital variable
344 366 315 R.C.S. Nanterre

Societe de Commissaires aux Comptes
Societe d'expertise comptable inscrite au Tableau
de l'Ordre de la Region Hauts-de-France

Siege social : 1-2, place des Saisons - 92400 Courbevoie - Paris-La Defense 1

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you that, in our professional judgment, the most significant assessments we made were related to the appropriateness of the accounting policies used, to the reasonableness of the significant accounting estimates and to the overall presentation of the financial statements.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific Verifications

We have also examined the documents provided to the body called to approve the financial statements, in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses.

- Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

- Information relating to Corporate Governance

We attest that the section of the management report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (*Code de commerce*).

- Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.

- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Lille, March 17, 2026

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Sandrine Ledez

4.1. Balance Sheet

4.1.1.Assets

		Dec. 31, 2025			Dec. 31, 2024
(In thousands of euros)	Note	Gross	Depr., amort. & provisions	Net	Net
Intangible assets:	**1**				
Concessions, patents, licenses, trademarks, processes, software, rights and similar intangible assets		2,272	1,283	989	746
Property, plant and equipment:	**2**				
Buildings		342	109	233	265
Technical installations, machinery and industrial equipment		3,393	2,128	1,266	1,608
Other plant and equipment		227	172	54	62
Asset in progress, prepayments to suppliers of property, plant and equipment		2	-	2	61
Financial investments:	**3**				
Investments in subsidiaries		-	-	-	-
Other financial assets		263	1	262	251
Total non-current assets		**6,499**	**3,694**	**2,805**	**2,993**
Inventory:					
Advance payments and deposits paid on orders		116	-	116	123
Receivables:					
Trade receivables and related accounts	**4**				
Other receivables		7,179	332	6,847	7,030
Prepaid expenses		610	-	610	1,335
Marketable securities:					
Term deposits and tokens held		26,787	-	26,787	62,177
Cash at bank and in hand		20,399	-	20,399	14,676
Total current assets		**55,091**	**332**	**54,759**	**85,342**
Unrealised foreign exchange losses and valuation adjustments - asset		55	-	55	55
TOTAL ASSETS		**61,645**	**4,026**	**57,619**	**88,390**

4.1.2.Equity and Liabilities

(In thousands of euros)	Note	Dec. 31, 2025	Dec. 31, 2024
Share capital (of which paid-up : 30,066)	**5**	30,066	30,066
Additional paid-in capital		78,886	103,907
Retained earnings:			
Retained earnings/(deficit)		(36,934)	(36,934)
Net loss or profit for the period		(27,875)	(25,143)
Total equity		**44,143**	**71,896**
Provisions for charges	**6**	364	1,990
Total provisions		**364**	**1,990**
Bank borrowings [2]	**7**	545	1,292
Other borrowings	**7**	1,509	1,604
Trade payables	**8**	5,436	6,863
Taxes and payroll costs payable	**8**	3,366	2,289
Amounts due to suppliers of fixed assets	**8**	110	147
Other payables	**8**	103	141
Deferred income	**9**	1,977	2,140
TOTAL LIABILITIES [1]		**13,046**	**14,476**
Translation differences and valuation adjustments - liability		66	27
TOTAL EQUITY AND LIABILITIES		**57,619**	**88,390**
(1) Due beyond 1 year		*1,400*	*3,335*
(1) Due within 1 year		*11,646*	*11,142*
(2) Including current bank overdrafts and credit balances with banks		*8*	*4*

4.2. Statement of Income

(In thousands of euros)	Note	2025	2024
Operating income:			
Sales of goods		-	-
Grants		36	849
Provision and amortization reversals		2,590	381
Proceeds from disposals of intangible and tangible fixed assets		-	-
Other income		712	412
Total operating income (I)		**3,338**	**1,642**
Operating expenses:	**10**		
Purchases of raw materials and others supplies		1,039	873
Other purchases and external charges		23,839	22,145
Taxes other than on income		2,250	104
Salaries		5,457	5,534
Payroll taxes		2,545	2,564
Depreciation and amortization expense, impairment losses:			
Depreciation expense on fixed assets		*885*	*710*
Impairment losses on fixed assets		-	-
Impairement of current assets		-	-
Provision expense		972	1,532
Book value of intangible and tangible assets disposed		7	-
Other expenses		534	437
Total operating expenses (II)		**37,528**	**33,898**
OPERATING LOSS (I-II)		**(34,190)**	**(32,255)**
Financial income:			
Other interest income		1,599	2,912
Provision and amortization reversals		159	-
Foreign exchange gains		-	2
Net proceeds from disposals of marketable securities and cash instruments		18	-
Total financial income (III)		**1,775**	**2,914**
Financial expenses:			
Amortization and provision expense, impairment losses		43	80
Interest expense		45	15
Foreign exchange losses		-	1
Net loss from disposals of marketable securities and cash instruments		80	-
Total financial expenses (IV)		**169**	**96**
NET FINANCIAL INCOME (III-IV)	**11**	**1,606**	**2,818**
LOSS FROM ORDINARY ACTIVITIES BEFORE TAX (I-II+III-IV)		**(32,584)**	**(29,438)**
Non-recurring income (V)		**-**	**56**
Non-recurring expenses (VI)		**-**	**183**
NET NON-RECURRING INCOME (V-VI)	**12**	**-**	**127**
Income taxes	**15**	(4,709)	(4,422)
Total income		5 113	4 612
Total expenses		32 988	29 755
NET LOSS FOR THE PERIOD		**(27,875)**	**(25,143)**

4.3. Notes to the parent company financial statements

The Company's fiscal year covers the 12 months from January 1 to December 31, 2025.

The following notes form an integral part of the balance sheet, which shows total assets of €57,619 thousand, and the income statement, which shows a net loss of €27,875 thousand.

4.4. The Company

Sensorion (the 'Company') is a pioneering clinical-stage biotech company, which specializes in the development of novel therapies to restore, treat and prevent hearing loss disorders, a significant global unmet medical need.

Sensorion has built a unique R&D technology platform to expand its understanding of the pathophysiology and etiology of inner ear related diseases, enabling it to select the best targets and mechanisms of action for drug candidates.

It has two gene therapy programs aimed at correcting hereditary monogenic forms of deafness, developed in the framework of its broad strategic collaboration focused on the genetics of hearing with the Institut Pasteur. SENS-501 (OTOF-GT) targets deafness caused by mutations of the gene encoding for otoferlin and is currently developed in a Phase 1/2 clinical study, and GJB2-GT targets hearing loss related to mutations in GJB2 gene to potentially address important hearing loss segments in adults and children. The Company is also working on the identification of biomarkers to improve diagnosis of these underserved illnesses.

Sensorion's portfolio also comprises clinical-stage small molecule programs for the treatment and prevention of hearing loss disorders. Sensorion's clinical-stage portfolio includes one Phase 2 product: SENS-401 (Arazasetron) progressing in a Phase 2 proof of concept clinical study of SENS-401 in Cisplatin-Induced Ototoxicity (CIO) and, with partner Cochlear Limited, in a study of SENS-401 in patients scheduled for cochlear implantation. A Phase 2 study of SENS-401 was also completed in Sudden Sensorineural Hearing Loss (SSNHL) in January 2022.

4.5. Significant events of the year

Gene therapies for hereditary monogenic hearing loss

In 2025, Sensorion progressed in its portfolio of gene therapies developed in collaboration with the Institut Pasteur. It achieved several clinical milestones with its candidate SENS-501, for the treatment of hearing loss caused by otoferlin deficiency and continued to advance final CTA enabling studies for SENS-601, its candidate for the treatment of hearing loss caused by mutations of the GJB2 gene.

SENS-501: Gene therapy program to restore hearing in OTOF patients

Sensorion's SENS-501 (OTOF-GT) dual AAV vector gene therapy development product aims at restoring hearing in patients with mutations in OTOF gene who suffer from severe to profound sensorineural prelingual non syndromic hearing loss. The otoferlin is a protein expressed in the inner hair cells (IHC) present in the cochlea and is critical for the transmission of the signal to the auditory nerve. Otoferlin related hearing loss is responsible for up to 8% of all cases of congenital hearing loss, with around 20,000 people affected in the US and Europe . Sensorion's gene therapy program, SENS-501, has been developed as part of its collaboration focused on the genetics of hearing with the Institut Pasteur, initiated in 2019. SENS-501 received the Orphan Drug Designation from the European Commission in 2022 and the US Food and Drug Administration (FDA) granted Rare Pediatric Disease Designation (RPDD) and Orphan Drug Designation to SENS-501 in 2022.

In July 2023, Sensorion submitted a Clinical Trial Application (CTA) to initiate Audiogene, a Phase 1/2 clinical trial of SENS-501, and approval was received for the use of both the gene therapy product and the injection device system into the cochlea in January 2024 in Europe (in France as first country). The CTA approval follows extensive preclinical studies assessing the safety and efficacy of SENS-501 and successful manufacturing of the gene therapy Drug Product for the clinical trial.

Audiogene aims to evaluate the safety, tolerability, and efficacy of intra-cochlear injection of SENS-501 for the treatment of OTOF gene-mediated hearing impairment in pediatric patients aged 6 to 31 months at the time of gene therapy treatment. Targeting the first years of life, the time period when the auditory system plasticity is optimal, will maximize the chances of these young children with pre-lingual hearing loss to acquire normal speech and language. The design of the study consists of two cohorts of two doses followed by an expansion cohort at the

selected dose. While the safety will be the primary endpoint for the dose escalation cohort, the auditory brainstem response (ABR) will be the primary efficacy endpoint of the dose expansion cohort. Audiogene also assesses the clinical safety, performance, and usability of the administration device system developed by Sensorion.

On December 27, 2024, Sensorion announced the completion of patient enrollment of the first cohort of three patients in the Audiogene trial and on February 21, 2025, Sensorion received positive recommendation from Data Monitoring Committee (DMC). The DMC recommended the continuation of the Audiogene trial after reviewing first cohort safety data.

On July 1, 2025, Sensorion announced preliminary positive data from the first cohort of the Audiogene clinical trial. The results from all patients dosed at that date (5) confirmed that SENS-501 and the corresponding surgical procedure were well tolerated by all participating infants and toddlers having received a gene therapy injection of a low dose of SENS-501 of 1.5E11 vg/vector/ear, corresponding to the minimally effective dose in preclinical studies. The patients were aged 6 to 31 months and naive of cochlear implants at the time of the injection, as per study protocol. Intracochlear administration of SENS-501 was uneventful, and no serious adverse events or serious side effects were reported. Three patients were enrolled into Cohort 1 and received. The clinical response observed in Patient 3 (aged 11 months at the time of the injection) was evaluated using standard hearing tests carried out by the investigators (Auditory Brainstem Response ABR, Pure Tone Audiometry PTA, and Patient (Parents) Reported Outcomes PROs). Three-month data from the Patient 3 included positive ABR responses at two frequencies, with the best frequency reaching 70 dB, improvement of hearing levels across two speech frequencies with best frequency reaching 90 dB level, per PTA, and meaningful changes in responses to sounds and voices as reported by the parents with an IT-MAIS test and expected auditory milestones based on an age-based parent questionnaire and according to the patient's age (LittlEARS).

On July 29, 2025, Sensorion announced the completion of patient enrollment of the second cohort of 3 patients in the Audiogene trial, and on December 8, 2025, Sensorion received positive recommendation from the DMC. The DMC recommended the continuation of the Audiogene Phase 1/2 clinical trial of SENS-501after reviewing second cohort safety data. Sensorion observed in the second cohort early directional improvements in two of the three treated patients by Month 3 on pure-tone audiometry. At Month 3, Patient 4 demonstrated a behavioral threshold of approximately 60 dB HL at the best-performing frequency, while Patient 5 demonstrated approximately 70 dB HL at the best- performing frequency.

The Company announced it will review the upcoming six-month efficacy data and will communicate during Q1 2026 once the dataset has reached sufficient maturity.

OTOCONEX, the Company's Natural History Study to document the natural course of disease progression in otoferlin deficiency patients and in children with hearing loss related to GJB2 mutations, is running across Europe and plays an important role in identifying patients as early as possible.

GJB2-GT: Gene therapy program to restore hearing in GJB2 patients

Sensorion's AAV-based GJB2 gene therapy program, initiated in 2021 and developed in collaboration with the Institut Pasteur, has the potential to address three pathologies related to GJB2 mutations: pediatric congenital deafness, progressive forms of hearing loss in children, and early onset of presbycusis in adults.

In October 2024, the Company provided GJB2-GT Proof-of-Concept data at the European Society of Cell & Gene Therapy (ESGCT), in Rome, Italy, and in May 2025, data was presented at the American Society of Cell & Gene Therapy (ASGCT) in New-Orleans, USA.

On September 17, 2025, as part of its half year results announcement, the Company indicated that to support the CTA submission, Sensorion started preliminary discussions with the American and European regulatory agencies in Q3 2025. The program is on track for CTA filing during H1 2026.

SENS-401, Sensorion's small molecule for the prevention of hearing loss

SENS-401 (Arazasetron) is a small molecule that Sensorion develops in three indications: (i) to treat Sudden Sensorineural Hearing Loss SSNHL (Phase 2b completed), (ii) to prevent residual hearing loss following cochlear implantation, in partnership with Cochlear Limited (Phase 2a completed), and (iii) to prevent Cisplatin-Induced Ototoxicity (Phase 2a completed). SENS-401 is an orally available small molecule that aims at protecting and preserving inner ear tissue from damage, responsible for hearing impairment. SENS-401 has been granted Orphan

Drug Designation by in Europe for the treatment of SSNHL, and in the U.S. for the prevention of Cisplatin-Induced Ototoxicity in pediatric population.

In 2019, the French government awarded the PATRIOT consortium a Structuring Research and Development Project for Competitiveness ("*Projet de recherche et développement Structurant pour la Compétitivité*" - PSPC) non-dilutive funding for the development of the SENS-401 program for the treatment of SSHNL. As such, Bpifrance granted Sensorion a repayable advance and a grant in connection with its participation, as part of a consortium, in the "PATRIOT" Project. During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

SENS-401 to prevent residual hearing loss after cochlear implantation.

Sensorion advanced its small molecule SENS-401 in a multicentric, randomized, controlled open-label Phase 2a Proof-of-Concept (POC) trial aimed at evaluating the presence of SENS-401 in the cochlea (perilymph) after 7 days of twice-daily oral administration in adult patients prior to cochlear implantation. Patients started treatment with SENS-401 7 days before implantation and continued to receive SENS-401 for a further 42 days.

A total of 25 patients were included and implanted with a cochlear implant: 16 in the treated arm and 9 in the control non-treated arm. In the treated arm, the presence of SENS-401 in the perilymph at a level compatible with potential therapeutic efficacy has been confirmed in 100% of the patients sampled, 7 days after the start of the treatment, confirming that the primary endpoint was met.

On September 20, 2024, investigator Professor Stephen O'Leary, M.D., Ph.D., during the symposium organized by Sensorion at the World Congress of Audiology, and Professor Christophe Vincent in a ddicated session on auditory implants for adults, reported analysis of Sensorion's final data of SENS-401. After 7 weeks of treatment with SENS-401 (and 6 weeks after cochlear implantation), the reduction in residual hearing loss was systematically better at the 3 frequencies 250, 500 & 750Hz in the group treated with SENS-401. This protective effect was maintained 8 weeks after cessation of treatment (14 weeks after cochlear implantation). The results show that patients treated with SENS-401 have 'complete' hearing preservation (40% of patients) compared with the control group (0% of patients) according to the Skarzynski index. In addition, the favorable safety profile of SENS-401 has been validated, in line with previous studies on SENS-401.

SENS-401 to prevent Cisplatin Induced Ototoxicity (CIO).

Cisplatin and other platinum compounds are essential chemotherapeutic agents for many malignancies. Unfortunately, platinum-based therapies cause ototoxicity, or hearing loss, which is permanent, irreversible and particularly harmful to 50-60% of adult patients and 90% of pediatric patients who survive cancer.

The NOTOXIS Phase IIa trial is an exploratory, multicenter, randomized, controlled, open-label study designed to characterize the natural history of cisplatin-induced ototoxicity, to document oncologist prescribing practices, and explore whether SENS-401 may have a potential role in preventing ototoxicity in adult patients with neoplastic disease four weeks after completion of cisplatin-based chemotherapy. Eligible participants are randomized on Day 1 to either Arm A or Arm B in ratio 1:1. In Arm A, patients receive 43.5mg of oral SENS-401 one week before the start of the chemotherapy, continues throughout the entire chemotherapy duration, and extends for up to four weeks post-chemotherapy. This study is conducted in comparison to a control group of patients receiving chemotherapy alone, Arm B. The patients entering the study are to receive high doses of cisplatin, exceeding 70mg/m2 per treatment cycle and 210 mg/m2 in total over the course of their chemotherapy regimen.

On September 20, 2024, Professor Yann Nguyen reported preliminary safety and efficacy data in Sensorion's NOTOXIS trial, during the World Congress of Audiology (WCA). The preliminary data showed that a cumulative dose of cisplatin is a key factor of ototoxicity severity. A good safety profile of SENS-401 was confirmed in the long term, with the drug being administered for the first time for an average duration of up to 23 weeks. The preliminary results suggest a trend toward an otoprotective effect of SENS-401 beyond a cisplatin dose of 300 mg/m2. Despite significant exposure to cisplatin in the treatment group, most participants showed only mild ototoxicity.

On March 7, 2025, Sensorion announced the completion of patient recruitment in NOTOXIS, and the End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure.

During the first quarter of 2026, results showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

These insights are intended to inform potential next steps for the overall development plan for SENS-401.

Strengthening the Board of Directors and senior leadership

On 1 April 2025, Mr. Amit Munshi was appointed Chairman of the Board and Independent Director.

4.6. Significant events after the reporting date

Since the end of the fiscal year, the key business updates are as follows:

During the second half of 2025 the PATRIOT consortium requested an adjustment to the PATRIOT project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment amounting to €0.3 million. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

On January 28, 2026, Sensorion announced a €60 million offering reserved to specific categories of investors through the issuance of 214,285,714 new ordinary shares of the Company at a price per New Share of €0.28 to the benefit of Sanofi for €20 million, and Redmile Group, Artal, which is advised by Invus, and Sofinnova Partners, existing shareholders, and other investors including Cormorant Asset Management, Coastlands Capital and Sphera Healthcare, for €40 million. The Company intends to use the net proceeds from the Reserved Offering, which amount to circa €56 million, to fund principally the company's R&D activities related to its Gene Therapy programs, SENS-501 and SENS-601 (GJB2-GT), evenly, as well as for other R&D and corporate overhead expenses.

On February 6, 2026, Sensorion announced its Participation in the Association for Research in Otolaryngology ARO 49th Annual Midwinter Meeting in Puerto Rico, USA.

On February 17, 2026, Sensorion announced that Nawal Ouzren, Sensorion's Chief Executive Officer and a Director on the Company's Board, was stepping down from both roles due to a personal matter incompatible with serving as Chief Executive Officer. Amit Munshi, who is serving as the Chairman of Sensorion is also assuming the role of Interim Chief Executive Officer and Mrs. Ouzren will remain temporarily as a consultant to the Company to ensure an effective transition. The Board has commenced its search for a permanent Chief Executive Officer.

During the first quarter of 2026, Sensorion disclosed additional data for SENS-401 investigated into the prevention of hearing loss related to Cisplatin-Induced Ototoxicity (Phase 2a proof of concept clinical study NOTOXIS). End of study data confirmed the favorable safety profile in all patients treated with cisplatin with no new adverse event or serious adverse events related to SENS-401 reported after 23 weeks of twice-daily oral exposure. Primary analysis showed comparable change in hearing thresholds from baseline to the end of treatment in both arms. Subgroup and post hoc analyses reproduced the trend observed at WCA 2024, suggesting a potential benefit of SENS-401 in patients exposed to the highest cumulative cisplatin doses.

Sensorion's next milestones

- Q1 2026 – SENS-501: Cohort two 6-months follow-up data of Phase 1/2 Audiogene trial
- H1 2026 – SENS-601 (GJB2-GT): Clinical Trial Application Submission

4.7. Group companies

As of December 31, 2025, Sensorion had the following subsidiaries

Company	Country	% interest
Sensorion SA	France	Parent company
Sensorion, Inc.	United States	100%
Sensorion Australia Pty Ltd	Australia	100%
Sensorion Limited	United Kingdom	100%

The consolidated financial statements, prepared by Sensorion, SIRET 512 757 725, domiciled at 375 avenue du Professeur Joseph Blayac, 34800 Montpellier, are available on the Company's website.

4.8. Summary of significant accounting policies

The annual financial statements have been prepared in accordance with ANC Regulation No. 2022-06 of the French Accounting Standards Authority (Autorité des Normes Comptables), published in the Official Journal on December 30, 2023, relating to the French General Chart of Accounts (Plan Comptable Général). This regulation amends ANC Regulation No. 2014-03, which was approved by ministerial order dated September 8, 2014.

The conventions below have been applied in compliance with the principle of prudence, in accordance with the following basic assumptions:
- the consistency concept;
- the accruals concept;
- the comparability and going concern concepts,
in accordance with the general rules for preparing and presenting annual financial statements.

The annual financial statements were prepared on a going concern basis in the context described below.

The Board of Directors decided to apply the going concern assumption.

The Company had available net cash of €47.2 million as of December 31, 2025.

Given cash and cash equivalents at 31 December 2025, and a private placement of €60 million, with net proceeds of around €56 million (received on 30 January 2026) announced on 28 January 2026, at the date of the closing of the accounts, the Company has sufficient net working capital to meet its cash requirements beyond the next twelve months, i.e. until the end of June 2027.

Accounting policies

Property, plant and equipment and intangible assets are carried in the balance sheet at their contributed value or initial acquisition cost. Depreciation of property, plant and equipment is calculated using the straight-line or reducing balance method to match the reduction in the assets' economic value.

As of the reporting date, if events or market trends indicate that the value of an intangible asset or item of property, plant and equipment may be impaired, the future revenue expected to be derived from the use of the asset is compared with its net carrying amount and, if necessary, a provision for impairment is recorded to reduce the carrying amount to its value in use.

Intangible assets

Research costs are expensed as incurred.

Development costs are recognised as intangible assets only if all of the following can be demonstrated:

a) the technical feasibility of completing the intangible asset;

b) the Company's intention to complete the intangible asset and use it;
c) the Company’s ability to use the intangible asset;
d) how the intangible asset will generate probable future economic benefits;
e) the availability of adequate technical, financial and other resources to complete the development; and
f) the Company’s ability to measure reliably the expenditure attributable to the intangible asset during its development.

In light of the risks and uncertainties associated with the regulatory approval process and research and development process, the Company considers that the six criteria set out above are met only once the Marketing Authorization has been obtained.

Intangible assets consist of patents and purchased software licenses. They are amortized on a straight-line basis over their estimated useful life.

Intangible assets	Amortization period
Patents	5 years
Software	1 year
Palau licence	14 years

Property, plant and equipment

Property, plant and equipment are measured at acquisition or production cost, including any costs incurred in bringing the assets to their working condition and after deducting trade discounts or rebates and cash discounts.

The Company considers that it does not hold any assets comprising significant components with varying useful lives.

Depreciation is calculated on a straight-line basis over the following expected useful lives:

Property, plant and equipment	Depreciation period
Buildings and fixtures	3 to 10 years
Laboratory equipment	3 to 5 years
Office and computer equipment	3 to 5 years
Furniture	3 to 5 years

Depreciation of property, plant and equipment is included in operating expenses, unless otherwise specified

Non-current financial assets

Non-current financial assets are recognized at historical cost and a provision is recorded for any impairment of value.

Financial assets mainly comprise:

- cash allocated to the liquidity agreement signed with a financial intermediary to ensure the liquidity of the Company’s shares and stabilize the share price;

- shares held in treasury for liquidity agreement transactions;

- paid deposits and bonds.

Trade receivables and payables

Receivables and payables are measured at their face value and a provision for impairment is recorded, if necessary, to cover any risk of non-recovery.

Receivables and payables in foreign currencies are converted into euros at the reporting date exchange rate and conversion differences are recorded in an accruals account on the assets or liabilities side of the balance sheet,

depending on whether it represents an unrealized loss or gain. Unrealized foreign exchange losses are covered by a provision.

Accrued income related to cash and cash equivalents

Accrued income related to cash and cash equivalents consists of accrued interest on term deposits calculated as of the reporting date.

Cash and bank overdrafts

Cash at bank and in hand is measured at nominal value.

Immediately available cash and cash equivalents in foreign currencies are converted into euros at the exchange rate ruling on the reporting date.

Provisions

The Company records provisions for contingencies and charges in accordance with the definition given in CRC Notice 00-06 on liabilities, as follows:

- a provision for contingencies and charges is a liability of uncertain timing or amount;
- a liability is a component of an entity's net assets with a negative economic value, i.e. an obligation towards a third party, the settlement of which is expected to result in an outflow of resources to the third party without at least equivalent consideration expected from the third party in return.

Grants and conditional advances

The Company receives public aid in the form of government grants and conditional advances. Grants are recognized in the period in which they become certain, taking into account the conditions attached to the grant.

Operating grants are recorded as revenue in the period or periods in which the expenses covered by the grant are incurred, in order to comply with the principle of matching expenses to income.

Advances received from public bodies to finance the Company's research activities that are repayable only if the research is successful, are recorded on the liabilities side of the balance sheet under "Other equity". Any portion of the advance that is repayable even if the research is unsuccessful is reclassified under "Other financial liabilities".

Commitments to employees

The Company consistently applies the recommended method set out in regulation ANC 2013-02 for the recognition of provisions for retirement allowances.

Company employees may receive an allowance on retirement.

The obligation for the payment of these allowances is measured at the year-end using a statistical method.

The calculation is performed separately for each individual employee and the Company's commitment is the sum of the individual commitments.

The total commitment is recognized under "Provisions for contingencies and charges".

On November 5, 2021, the Board of the ANC amended the provisions of recommendation no. 2013-02 of November 7, 2013 concerning the recognition and measurement of obligations for the payment of retirement pensions and other benefits. The amendment introduced a change of method that modifies the recognition of benefit rights and the vesting period.

Since December 31, 2021, the Company has applied the method whereby vested rights are determined based on (i) the employees' length of service for a capped maximum amount and (ii) their continued presence within the Company when they reach retirement age. In accordance with this method, as of the measurement date the obligation is prorated over employees' years of service up to retirement age (intermediate steps method).

Capital increase costs

These costs are deducted from the amount of the share premium relating to the capital increase, provided that the premium is sufficient. Where applicable, any excess costs are recognized as expenses. These share issuance costs are offset before tax effects, due to the Company's structurally loss-making position during its development phase.

Change in accounting principles

In accordance with ANC Regulation No. 2022-06 dated November 4, 2022 and approved on December 30, 2023, the financial statements as of December 31, 2025 have been prepared using the new presentation formats.

ANC Regulation No. 2022-06 notably introduces:

- A new definition and presentation of extraordinary income and expenses, now limited to income and expenses directly related to a major and unusual event, together with certain items recognised by nature as extraordinary (purely tax-driven accounting entries, changes in accounting methods recognised in profit or loss, and error corrections);
- The elimination of the "expense transfers" mechanism, replaced by the direct recognition of expense reimbursements and recharges within operating income and expenses;
- Amendments to and simplification of the chart of accounts;
- The modernization and streamlining of the financial statement formats, as well as the reorganisation of disclosures in the notes to the financial statements.

These reclassifications have no impact on net income or shareholders' equity.

The comparative statement of financial position and income statement for the prior year (N-1), presented using the new formats, may differ from the previously approved and published N-1 financial statements due to reclassifications required by the application of ANC Regulation No. 2022-06.

For information purposes, for the 2024 financial year, extraordinary income and expenses were broken down as follows. The total amount of extraordinary income and expenses remains unchanged for the year ended December 31, 2024, presented above for comparative purposes.

	2024
Non-recurring income from capital transactions	55
Non-recurring income from revenue transactions	1
Provision reversals	-
Total non-recurring income	**56**
Non-recurring expenses on revenue transactions	165
Non-recurring expenses on capital transactions	18
Total non-recurring expenses	**183**
NET NON-RECURRING INCOME	**127**

For information purposes, in 2025, the following items are no longer classified as extraordinary income (loss) but are presented as follows:

- Financial result, under "Other financial income", relating to gains on treasury share buybacks, amounting to €18 thousand as of December 31, 2025;
- Financial result, under "Other financial expenses", relating to losses on treasury share buybacks, amounting to €80 thousand as of December 31, 2025;
- Operating result, under "Proceeds from disposals of intangible and tangible fixed assets", relating to proceeds from the disposal of intangible and tangible fixed assets, amounting to €0.4 thousand as of December 31, 2025;

- Operating result, under "Carrying amount of intangible and tangible fixed assets disposed of", relating to the carrying amount of intangible and tangible fixed assets disposed of, amounting to €7 thousand as of December 31, 2025;
- Operating result, under "Other operating expenses", relating to penalties and fines, amounting to €91 thousand as of December 31, 2025.

4.9. NOTES

NOTE 1 - Intangible assets

Intangible assets break down as follows:

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Gross	**1,773**	**503**	**4**	**2,272**
Concessions, patents, software	1,773	503	4	2,272

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Amortization	**1,028**	**256**	**1**	**1,283**
Concessions, patents, software	1,028	256	1	1,283

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Net	**746**	**247**	**4**	**989**

NOTE 2 - Property, plant and equipment

Property, plant and equipment can be analyzed as follows:

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Gross	**3,765**	**253**	**56**	**3,962**
General installations	340	2	-	342
Technical installations, machinery and equipment	3,221	222	49	3,393
Office and IT equipment	205	29	7	227

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Depreciation	**1,830**	**630**	**51**	**2,409**
General installations	75	34	-	109
Technical installations, machinery and equipment	1,613	561	47	2,128
Office and IT equipment	143	34	4	172

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Net	**1,935**	**-377**	**5**	**1,551**

Increases for the year mainly concern mainly clinical equipment (injection system).

NOTE 3 — Non-current financial assets

Non-current financial assets break down as follows:

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Gross	**265**	**792**	**793**	**264**
Shares in subsidiaries and affiliates	-	-	-	-
Other long-term investments	129	384	409	104
Treasury shares (liquidity agreement)	14	407	384	38
Paid deposits and bonds	121	1	-	122

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Provisions for impairment	**14**	**1**	**14**	**1**
Other long-term investments	14	1	14	1

	Jan. 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Net	**251**	**790**	**779**	**263**

Share in subsidiaries and affiliates correspond to shares in the following subsidiaries:

- Sensorion pharmaInc., wholly-owned by Sensorion SA, for US$100;
- Sensorion Australia Pty Ltd, wholly-owned by Sensorion SA, for AU$1;
- Sensorion Limited, wholly-owned by Sensorion SA, for £100.

Other long-term investments include Sensorion shares held in treasury that were acquired under the liquidity agreement, i.e. 314,000 shares valued in the accounts at the average price for the last month of the year.

Deposits and bonds consist of guarantee deposits paid for the Company's premises.

NOTE 4 - Receivables

A breakdown of receivables is provided in the table below:

	Due within 1 year	Due beyond 1 year	Gross	Impairment	Net
(In thousands of euros)					
Prepayments to suppliers	116	-	116	-	116
Employee advances and prepaid payroll costs	17	-	17	-	17
Research tax credit	4,713	-	4,713	-	4,713
Recoverable VAT	1,903	-	1,903	-	1,903
Other receivables	15	-	15	-	15
Advances to subsidiaries and affiliates	531	-	531	332	199
Prepaid expenses	610	-	610	-	610
Net	**7,905**	-	**7,905**	**332**	**7,573**

Details of current accounts receivables from participating interests and depreciation of current accounts receivables from participating interests :

	Jan 1, 2025	Increases	Decreases	Dec. 31, 2025
(In thousands of euros)				
Receivables related to equity investments – Sensorion, Inc.	318	242	141	420
Receivables related to equity investments – Sensorion, Australia, PTY.	166	54	220	-
Receivables related to equity investments – Sensorion, UK.	-59	1,234	1,069	106
Current account receivables from participating interests – Sensorion, Inc. – accrued interest	41	11	49	3
Current account receivables from participating interests – Australia PTY. – accrued interest	3	2	6	-
Current account receivables from participating interests – Sensorion, UK. – accrued interest	3	3	6	1
Gross	**532**	**416**	**417**	**531**
Depreciation - current accounts receivables from participating interests Sensorion, Inc.	353	332	354	332
Depreciation- current accounts receivables from participating interests Sensorion Australia, PTY	52	-	52	-
Depreciation	**405**	**332**	**405**	**332**
NET	**126**	**84**	**11**	**199**

As of December 31, 2025, the Company had research tax credits of €4,709 thousand generated during the year. Under current legislation, this tax receivable is recoverable immediately.

Prepaid expenses consist of costs to manufacturing activities.

Invoices received and issued in foreign currencies are initially converted and accounted for in euros at the exchange rate prevailing on the recognition date, and foreign currency receivables and payables are converted in the balance sheet at the exchange rate prevailing on December 31. The resulting unrealized foreign exchange loss or gain is recorded under accruals on the assets or liabilities side of the balance sheet.

The same accounting treatment is applied to unrealized losses and gains on foreign currency receivables and payables recorded in the balance sheet.

In the case of unrealized foreign exchange losses, a provision is recorded for the same amount under “Provisions for contingencies and charges”.

NOTE 5 - Equity

5.1 – Share capital

As of December 31, 2025, the share capital totaled €30,066,122, divided into 300,661,226 shares with a par value of €0.10 each.

On March 13, 2025, the Board of Directors acknowledged the subscription, payment and issuance of 160,000 new shares of the Company. This subscription resulted from the partial exercise of the rights attached to the 540,000 2023-1 share subscription warrants (BSA 2023-1) granted by the Board of Directors on May 24, 2023.

The number of shares does not include share warrants (BSAs), founders’ warrants (BSPCEs) and stock options (SOs) granted to certain individuals who may or may not be Company employees.

	Jan. 1, 2025	Shares issued during the year	Shares cancelled during the year	Dec. 31, 2025	Share capital in euros
Shares	300,501,226	160,000	-	300,661,226	30 066 122,60
Total	300,501,226	160,000	-	300,661,226	30 066 122,60

All issued shares are in the same class.

5.2 – Share warrants (BSAs)

Details of outstanding share warrants as of December 31, 2025 are presented below:

Type	Date	Number of warrants issued	Number of warrants lapsed	Number of warrants exercised	Number of warrants outstanding	Number of potential shares
BSA 2018	Apr. 29, 2019	30,000	-	-	30,000	30,000
BSA 2020	Feb. 2, 2021	2,000	-	-	2,000	2,000
BSA 2021	Jan. 3, 2022	70,000	70,000	-	-	-
BSA 2022	May 31, 2022	336,085	10,000	-	326,085	326,085
BSA 2022	Mar. 15, 2023	660,000	-	220,000	440,000	440,000
BSA 2023	May 24, 2023	1,170,595	158,955	170,000	841,640	841,640
BSA 2024	Jan. 24, 2024	250,000	250,000	-	-	-
BSA 2024-1	June 20, 2024	270,268	67,567	-	202,701	202,701
BSA 2025-1	May 12, 2025	442,581	-	-	442,581	442,581
BSA 2025-1 (1)	Jul. 9, 2025	155,043	-	-	155,043	155,043
BSA 2025-2	Jul. 9, 2025	250,000	-	-	250,000	250,000
BSA 2025-3	Jul. 9, 2025	13,400	-	-	13,400	13,400
Total		**3,649,972**	**556,522**	**390,000**	**2,703,450**	**2,703,450**

April 29, 2018 BSAs

Each warrant is exercisable for one ordinary share at a price of €1.20 per share.
They are exercisable until April 28, 2026 on the following basis:
- 35% in the event of an agreement signed with Institut Pasteur
- 22.5% if the Company obtained financing of €12.5 million before July 31, 2019 - Part 1
- 22.5% if the Company obtained financing of €12.5 million before December 31, 2019 - Part 2
- 10% if a partnership on SENS-401 was approved before December 31, 2020
- 10% if a partnership on SENS-111 was approved before December 31, 2020

February 2, 2021 BSAs

Each warrant is exercisable for one ordinary share at a price of €1.73 per share.
They are exercisable until February 1, 2028 on the following basis:
- 33.33% from February 1, 2022
- 33.33% from February 1, 2023
- 33.33% from February 1, 2024

January 3, 2022 BSAs

Each warrant is exercisable for one ordinary share at a price of €1.8404 per share.
They are exercisable until January 2, 2029. on the following basis:
- 33.33% from February 3, 2023
- 33.33% from February 1, 2024
- 33.33% from February 1, 2025

May 31, 2022 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.46 per share.
They are exercisable until May 30, 2029 on the following basis:
- 33.33% from May 31, 2023
- 33.33% from May 31, 2024
- 33.33% from May 31, 2025

March 15, 2023 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.36 per share.
They are exercisable until March 15, 2030 on the following basis:
- 33.33% from March 15, 2024

- 33.33% from March 15, 2025
- 33.33% from March 15, 2026

May 24, 2023 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.28 per share. The warrants are exercisable until May 24, 2030 on the following basis:
- 33.33% from May 24, 2024
- 33.33% from May 24, 2025
- 33.33% from May 24, 2026

January 24, 2024 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.47 per share. They are exercisable until January 24, 2031 on the following basis:
- 33.33% from January 24, 2025
- 33.33% from January 24, 2026
- 33.33% from January 24, 2027

June 20, 2024 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.74 per share. The warrants are exercisable until June 20, 2031 on the following basis:
- 33.33% from June 20, 2025
- 33.33% from June 20, 2026
- 33.33% from June 20, 2027

May 12, 2025 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.34 per share. The warrants are exercisable until May 12, 2032 on the following basis:
- 33.33% from May 12, 2026
- 33.33% from May 12, 2027
- 33.33% from May 12, 2028

July 9, 2025 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.353 per share. The warrants are exercisable until July 9, 2032 on the following basis:
- 33.33% from July 9, 2025
- 33.33% from January 24, 2026
- 33.33% from January 24, 2027

July 9, 2025 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.353 per share. The warrants are exercisable until July 9, 2032 on the following basis:
- 33.33% from July 9, 2025
- 33.33% from January 24, 2026
- 33.33% from January 24, 2027

July 9, 2025 BSAs

Each warrant is exercisable for one ordinary share at a price of €0.353 per share. The warrants are exercisable until July 9, 2032 on the following basis:
- 66.67% from July 9, 2025
- 33.33% from January 24, 2026

5.3 - BSPCE founders' warrants

Details of outstanding BSPCE founders' warrants as of December 31, 2025 are as follows:

Type	Date	Number of warrants issued	Number of warrants lapsed	Number of warrants exercised	Number of warrants outstanding	Number of potential shares
BSPCE 2017	May 30, 2018	70,500	70,500	-	0	0
BSPCE 2018	April 29, 2019	455,500	94,500	-	361,000	361,000
BSPCE 2019	Sept. 6, 2019	347,235	52,125	-	295,110	295,110
Total		**873,235**	**217,125**	**-**	**656,110**	**656,110**

General exercise conditions:

BSPCEs may be exercised within 10 years of the date of issue.

The BSPCE 2017 warrants issued on May 30, 2018 are exercisable for one ordinary share at a price of €2.50 per share.

The BSPCE 2018 warrants issued on April 29, 2019 are exercisable for one ordinary share at a price of €1.20 per share.

The BSPCE 2019 warrants issued on September 6, 2019 are exercisable for one ordinary share at a price of €1.28 per share.

During 2025, the Group noted that the BSPCE 2017 warrants issued on May 30, 2018 had lapsed.

5.4 - Stock options (SO)

Details of outstanding stock options as of December 31, 2025 are as follows:

Type	Date	Number of options granted	Number of options lapsed	Number of options exercised	Number of options outstanding
SO2020	May 20, 2020	100,000	-	-	100,000
SO2020	July 30, 2020	165,000	20,000	-	145,000
SO2020	Aug. 22, 2020	100,000	-	-	100,000
SO2020	Feb. 2, 2021	47,370	13,210	-	34,160
SO2021	Aug. 11, 2021	1,814,855	220,000	-	1,594,855
SO2021	Feb. 3, 2022	85,120	21,220	-	63,900
SO2023	Mar. 15, 2023	2,100,800	103,500	21,001	1,976,299
SO2023	Dec. 20, 2023	255,000	15,000	-	240,000
SO 2023-2 (2)	Apr. 10, 2024	2,745,000	240,500	-	2,504,500
SO 2023-2 (3)	Apr. 10, 2024	1,000,000	-	-	1,000,000
SO 2024-1	July 1, 2024	515,000	-	-	515,000
SO2024-2	Mar. 4, 2025	3,960,009	175,000	-	3,785,009
SO2024-3	Apr. 1, 2025	2,500,000	-	-	2,500,000
SO2025-1	May 12, 2025	506,612	-	-	506,612
Total		**15,894,766**	**808,430**	**21,001**	**15,065,335**

On May 20, 2020, the Board of Directors granted 100,000 stock options to a single beneficiary. These options are exercisable for one ordinary share at a price of €0.76 per share.

They are exercisable until May 19, 2027 without any vesting conditions.

On July 30, 2020, the Board of Directors granted 165,000 stock options to six beneficiaries. These options are exercisable for one ordinary share at a price of €0.90 per share.

They are exercisable until July 29, 2027 on the following basis:
- 33.33% if the SENS-401 phase II study was completed by June 30, 2021
- 11.11% from July 30, 2021

- 11.11% from July 30, 2022
- 16.7% if the OTOF project clinical study request was submitted before December 31, 2022
- 11.11% from July 30, 2023
- 16.7% if the USHER project clinical study request was submitted before December 31, 2024

On August 22, 2020, the Board of Directors granted 100,000 stock options to a single beneficiary. These options are exercisable for one ordinary share at a price of €1.20 per share.

They are exercisable until August 21, 2027 on the following basis:
- 33.33% from August 22, 2021
- 33.33% from August 22, 2022
- 33.33% from August 22, 2023

On February 2, 2021, the Board of Directors granted 47,370 stock options. These options are exercisable for one ordinary share at a price of €1.73 per share.

They are exercisable until February 1, 2028 on the following basis:
- 33.33% from February 1, 2022
- 33.33% from February 1, 2023
- 33.33% from February 1, 2024

On August 11, 2021, the Board of Directors granted 1,814,855 stock options. These options are exercisable for one ordinary share at a price of €1.81 per share.

They are exercisable until August 10, 2028 on the following basis:
- 33.33% from August 11, 2022
- 33.33% from August 11, 2023
- 33.33% from August 11, 2024

On February 3, 2022, the Board of Directors granted 85,120 stock options. These options are exercisable for one ordinary share at a price of €1.1012 per share.

They are exercisable until February 3, 2029 on the following basis:
- 33.33% from February 3, 2023
- 33.33% from February 3, 2024
- 33.33% from February 3, 2025

On March 15, 2023, the Board of Directors granted 2,100,800 stock options. These options are exercisable for one ordinary share at a price of €0.36 per share.

They are exercisable until March 15, 2030 on the following basis:
- 33.33% from March 15, 2024
- 33.33% from March 15, 2025
- 33.33% from March 15, 2026

On December 20, 2023, the Board of Directors granted 255,000 stock options. These options are exercisable for one ordinary share at a price of €0.46 per share.

They are exercisable until December 20, 2030 on the following basis:
- 33.33% from December 20, 2024
- 33.33% from December 20, 2025
- 33.33% from December 20, 2026

On April 10, 2024, the Board of Directors granted 2,745,000 stock options. These options are exercisable for one ordinary share at a price of €0.8086 per share.

They are exercisable until April 10, 2031 on the following basis:
- 33.33% from April 10, 2025
- 33.33% from April 10, 2026

- 33.33% from April 10, 2027

On April 10, 2024, the Board of Directors granted 1,000,000 stock options. These options are exercisable for one ordinary share at a price of €0.8086 per share.

They are exercisable until April 10, 2031 on the following basis:
- 33.33% from April 10, 2025
- 33.33% from April 10, 2026
- 33.33% from April 10, 2027

On July 1, 2024, the Board of Directors granted 515,000 stock options. These options are exercisable for one ordinary share at a price of €0.6854 per share.

They are exercisable until July 1, 2031 on the following basis:
- 33.33% from July 1, 2025
- 33.33% from July 1, 2026
- 33.33% from July 1, 2027

On March 4, 2025, the Board of Directors granted 3,960,009 stock options. These options are exercisable for one ordinary share at a price of €0.62 per share.

They are exercisable until March 4, 2032 on the following basis:
- 33.33% from March 4, 2026
- 33.33% from March 4, 2027
- 33.33% from March 4, 2028

On April 1, 2025, the Board of Directors granted 2,500,000 stock options. These options are exercisable for one ordinary share at a price of €0.5 per share.

They are exercisable until April 1, 2032 on the following basis:
- 33.33% from April 1, 2026
- 33.33% from April 1, 2027
- 33.33% from April 1, 2028

On May 12, 2025, the Board of Directors granted 506,612 stock options. These options are exercisable for one ordinary share at a price of €0.34 per share.

They are exercisable until May 12, 2032 on the following basis:
- 33.33% from May 12, 2026
- 33.33% from May 12, 2027
- 33.33% from May 12, 2028

5.5 - Statement of changes in equity

	Share capital	Additional paid-in capital	Retained earnings/(deficit)	Net loss for the period	Total equity
(In thousands of euros)					
As of January 1, 2025	**30,066**	**103,907**	**(36,934)**	**(25,143)**	**71,896**
Appropriation of prior period net loss	-	(25,143)	-	25,143	-
Issue of shares	-	-	-	-	**-**
Issue of pre-funded warrants	-	122	-	-	**122**
Net loss for the period	-	-	-	(27,875)	**(27,875)**
As of December 31, 2025	**30,066**	**78,886**	**(36,934)**	**(27,875)**	**44,143**

5.6 - Ownership structure and information on the exercise of share warrants (BSAs), founders' warrants (BSPCEs) and stock options (SO)

	Number of shares	% interest	Number of shares resulting from the exercise of BSAs, BSPCEs and Stock Options	Fully diluted number of shares	Full-diluted % interest
Fynveur / Artal International	80 980 547	26.93%	-	80 980 547	24.03%
Redmile Group LLC	66 052 590	21,97%	17 857 143	83 909 733	24.90%
Sofinnova Partners	54 337 460	18.07%	-	54 337 460	16.13%
SONOVA AG	2 941 176	0.98%	-	2 941 176	0,87%
Cochlear	533 755	0.18%	-	533 755	0.16%
Management, employees, directors [1]	160 000	0.05%	16 925 037	17 085 037	5.07%
Treasury shares	314 000	0.10%	-	314 000	0.09%
Other Institutional Shareholder and Free Float	95 341 698	31.71%	1 499 858	96 841 556	28.74%
Total	**300 661 226**	**100.00%**	**36 282 038**	**336 943 264**	**100.00%**

The diluted loss per share amounts to at -€0.09 for 2025.

NOTE 6 — Provisions for contingencies and charges

	Jan. 1, 2025	Increases	Provisions used	Unused provisions	Dec. 31, 2025
(In thousands of euros)					
Provisions for foreign exchange losses	55	55	55	-	55
Provision for retirement benefits	221	288	-	221	288
Provisions for tax risks: payroll tax	1,714	663	2,377	-	-
Provisions for litigation	-	22	-	-	22
As of December 31, 2025	**1,990**	**1,028**	**2,432**	**221**	**364**

The provision for retirement benefits of €288 thousand corresponds to allowances payable to employees on retirement.

It covers allowances payable to all employees on the Company's payroll as of December 31, 2025. Retirement benefits are governed by the collective bargaining agreement for the pharmaceutical industry.

Parameters	As of December 31, 2025	As of December 31, 2024
Retirement age (executives and non-executives)	67 years	67 years
Payroll taxes	45%	45%
Salary growth rate	2%	2%
Discount rate	3,60%	3,35%
Mortality table	INSEE 2022	INSEE 2022

- Departure terms: voluntary departure
- Degressive staff turnover based on age

• The discount rate corresponds to the rates of Eurozone AA rated corporate bonds with maturities of over ten years.
• No employees retired in 2025.

The Company has elected to recognize actuarial gains and losses immediately and in full in the income statement. The provision is considered as a long-term provision, as no benefits are payable in less than one year.

The Company has not recognised any material impact following any changes resulting from the law on pensions.

The Company has not recognised any costs relating to retirement indemnities for members of its administrative or management bodies, as none of them have an employment contract with the Company.

In 2024, the provision for tax risk of €1,714 thousand was for an uncertain tax position related to social obligations.

The Company has been notified by the French tax authorities of an investigation related to the application of legislation relating to the tax on salaries for fiscal years 2020, 2021, 2022 and 2023.

A tax reassessment proposal was subsequently received by the Company on May 6, 2024, for a total claim of €505 thousand relating to fiscal years 2021 and 2022 (including €66 thousand in penalties and late payment compensation), and on September 5, 2024 for a total claim of €558 thousand relating to fiscal year 2023 (including €58 thousand in penalties and late compensation).

A provision was recognized in the financial statements as of December 31, 2024 for an amount of €1,063 thousand for the 2020-2023 period, and €651 thousand for fiscal year 2024.

Tax on salaries for fiscal year 2024 was paid to the tax authorities in the first half of 2025, generating a tax expense of €604 thousand and a provision reversal of €651 thousand. The company intends to pay in 2026 the tax on salaries from 2021 to 2023 generating a tax expense of €970 thousand (including penalties) and a provision reversal of €1,063 thousand.

The tax on salaries for fiscal year 2025 generates a tax expense of €662 thousand.

NOTE 7 - Borrowings

7.1 - Refundable advances

Bpifrance Financement granted the Company a refundable advance in connection with its contribution to the "PATRIOT" competitiveness clusters fundamental R&D project.

This subsidy, representing a maximum amount of €4,833,248, breaks down as follows:

- First payment upon signing the contract: €724,000 (payment received in August 2020),
- Key stages 1 and 2: €785,135 disbursed in August 2023,
- Key stage 3: €2,167,864 from February 1, 2025,
- Key stage 4: €430,000 from February 1, 2028,
- Balance of the subsidy: €726,248 from February 1, 2029.

The advance will be refunded according to the following provisional schedule:

- As of July 31, 2031: €1,250,000,
- As of July 31, 2032: €1,250,000,
- As of July 31, 2033: €1,250,000,
- As of July 31, 2034: €1,250,000.

After payment of the refundable advance, the Company could make additional payments for a period of five years of up to €2,450,000 depending on the achievement of cumulative revenue of €40,000,000.

Income from Patriot grants is recognised in the income statement when received.

During the second half of 2025 the consortium requested an adjustment to the project, which Bpifrance declined, thereby bringing the project and its related funding to an end. In January 2026, Sensorion was informed that the review of eligible expenses under the project resulted in the recognition of an overpayment to Sensorion amounting to €0.3 million, to be repaid. Sensorion is currently in discussions with Bpifrance regarding the terms for the repayment of the €1.3 million repayable advance received (net of the overpayment).

7.2 - Zero-interest innovation loan

On January 13, 2017, the Company received a zero-interest innovation loan (PTZI), which was granted jointly by Bpifrance Financement and the Occitanie region. The €950,000 loan is repayable in 20 quarterly instalments of €47,500. The first instalment was paid on December 31, 2019, and the second instalment in September 2020 following a six-month deferral of all payments to Bpifrance pursuant to the Covid-19 measures implemented by the French government. A third instalment was paid in December 2020.
In 2021, the Company paid four additional instalments totaling €190,000.
In 2022, the Company paid three additional instalments totaling €142,500.
In 2023, the Company paid four additional instalments totaling €190,000.
In 2024, the Company paid four additional instalments totaling €190,000.
In 2025, the Company repaid the remaining balance of the loan in the amount of €95,000.

As of December 31, 2025, the loan has been fully repaid.

7.3 - R&D Innovation Loan

The Company received an R&D innovation loan of €1,000,000 from Bpifrance Financement as part of a package of measures to boost its cash position at the time of the Covid-19 crisis. The annual interest rate on the loan is 2.25%. Interest expense on the loan is being recognized on a straight-line basis over 5 years.

The loan's provisional repayment schedule is as follows:
- December 31, 2021: €50,000, repaid in 2021
- December 31, 2022: €200,000, of which €50,000 repaid in January 2023
- December 31, 2023: €200,000, of which €50,000 repaid in January 2024
- December 31, 2024: €200,000, of which €50,000 repaid in January 2025
- December 31, 2025: €200,000
- December 31, 2026: €150,000

7.4 – Government-backed loans

The Company received two government-backed loans (GBL) in the wake of the Covid-19 crisis.

On October 1, 2020, the Company obtained a GBL from Société Générale for an amount of €1,500,000.
This loan is repayable in 48 annual instalments starting on October 24, 2022. The annual interest rate on the loan is 0.58%.

On October 8, 2020, the Company obtained a GBL from CIC for an amount of €500,000.
This loan is repayable in 48 annual instalments starting on November 5, 2022. The annual interest rate is 0.70%.

NOTE 8 - Other liabilities

Other liabilities break down as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
(In thousands of euros)				
Trade payables	5,436	-	-	5,436
Amounts due to suppliers of fixed assets	110	-	-	110
Wages and salaries payable	720	-	-	720
Payroll taxes payable	652	-	-	652
VAT payable	264	-	-	264
Other taxes and levies payable	1,730	-	-	1,730
Other payables	103	-	-	103
Total	**9,015**	-	-	**9,015**

Accrued expenses break down as follows:

	Less than 1 year	More than 1 year	Total
(In thousands of euros)			
Goods and services received but not yet invoiced	1,894	-	1,894
Accrued wages and salaries	472	-	472
Accrued vacation pay	243	-	243
Accrued payroll taxes on wages and salaries	246	-	246
Accrued payroll taxes on vacation pay	108	-	108
Accrued taxes other than on income	1,662	-	1,662
Other accrued expenses	39	-	39
Total	**4,664**	-	**4,664**

The goods and services received but not yet invoiced correspond mainly to Research & Development expenses.

NOTE 9 - Deferred income - accrued income

The deferred income of €1,976 thousand relating to the SONOVA collaboration contract has been allocated between the portion due in less than one year and the portion due in more than one year in the footnote to the balance sheet (for 2024 and 2025 fiscal years).

Deferred incomes break down as follows:

	Less than 1 year	More than 1 year	Total
(In thousands of euros)			
Collaboration contract with Sonova	127	1 ,850	1,977
TOTAL	**127**	**1,850**	**1,977**

Accrued income breaks down as follows:

	Less than 1 year	More than 1 year	Total
(In thousands of euros)			
Prepaid and recoverable payroll taxes	17	-	17
Grants receivable	-	-	-
Research tax credit receivable	4,713	-	4,713
Interest receivable	162	-	162
Total	**4,892**	-	**4,892**

The interest receivable includes interests on term deposits for €157 thousand and interests related to current accounts with subsidiaries for €5 thousand.

NOTE 10 - Research and development costs

As explained in the summary of significant accounting policies, R&D costs are not capitalized, but are recognized as operating expenses. Research costs expensed in 2025 amounted to €28,189 thousand.

The portion of these costs eligible for the research tax credit in respect of 2025, corresponding to actual costs incurred less grants received and conditional advances received and repaid, totaled €15,696 thousand.

The research tax credit recorded in the 2025 accounts amounted to €4,709 thousand.

NOTE 11 - Net financial income

	2025
(In thousands of euros)	
Financial income	**1,775**
Other interest income	1,598
Provision reversals	159
Foreign exchange gains	-
Other financial income	18
Financial expenses	**169**
Interest expense	45
Amortization and provision expense	43
Foreign exchange losses	1
Other financial expenses	80
Net financial income	**1,606**

Amortization and provision expense corresponds to the partial write-down of the current accounts of Group subsidiaries and a provision for unrealized foreign exchange losses.

Other interest income consists for the most part to interest on cash and term deposits.

Reversals of provisions during the year relate to foreign exchange differences, impairment of treasury shares and the provision for payroll tax.

In accordance with ANC Regulation No. 2022-06, gains and losses recognized on the repurchase of treasury shares are recorded under other financial income and other financial expenses, respectively.

NOTE 12 – Exceptional result and charge transfers

In accordance with ANC Regulation No. 2022-06, extraordinary income and expenses are strictly limited to items directly related to a major and unusual event. Certain items defined by their nature also remain classified as extraordinary, such as purely tax-driven accounting entries, changes in accounting methods recognized in profit or loss, and error corrections.

In view of the transactions carried out during the 2025 financial year, the Company reports no extraordinary income or expenses as of December 31, 2025.

NOTE 13 - Number of employees

	2025	Average
Executives	48	49.2
Non-executives	15	14.7
Total	**63**	**63.9**

NOTE 14 - Unrecognized deferred tax assets and liabilities (base)

Based on current tax laws, the Company has tax losses in France that can be carried forward indefinitely for a total of €199,873k as of December 31, 2025.

The Company's effective tax rate, corresponding to the statutory tax rate in France, is 25%.

NOTE 15 - Research tax credit

The Company qualifies for the research tax credit under the provisions of Articles 244 *quater* B and 49 *septies* F of the French Tax Code

Changes in the research tax credit over the last two years were as follows:
- 2023: €4,263k, reimbursed on October 17, 2024
- 2024: €4,422k, reimbursed on November 24, 2025 for €4,417
- 2025: €4,709k

NOTE 16 - Compensation paid to corporate officers

The compensation paid to the Company's corporate officers in respect of 2025 amounted to €1,330 thousand.

NOTE 17 - Fees paid to the statutory auditors

The Auditors' fees expensed in 2024 and 2025 are presented below

(In thousands of euros)	2025	2024
Account certification (EY)	215	32
Services other than account certification (SACC) (EY)	392	952
Total fees	**607**	**984**

NOTE 18 – Off-balance sheet commitments

Commitments given:

The Company enters into contracts for its business needs with Clinical Research Organizations (CROs) for clinical trials and toxicity studies in particular, as well as with Contract Manufacturing Organizations (CMOs) for clinical supply manufacturing.

The Company's agreements are generally cancellable contracts and provide for termination with specified periods of advance notice and cancellation fees.

The Company has not identified any other material off balance sheet commitments as of December 31, 2024.

Commitments received:

The Company has not received any commitment and / or guarantees.

NOTE 19 - Related parties

All transactions with related parties, other than compensation paid to corporate officers (Note 16) and loans to subsidiaries (see table in the notes), are considered as having been entered into on arm's length terms. The main transactions concerned consist of amounts re-billed between Group companies.

NOTE 20 - Financial risks

The principal financial instruments held by the Company are financial assets, cash and cash equivalents. The purpose of holding these instruments is to finance the ongoing business activities of the Company. It is not the Company's policy to invest in financial instruments for trading purposes. The Company does not use any derivative financial instruments.

The principal risks to which the Company is exposed are interest rate risk and credit risk.

Liquidity risk

The Company may need to increase its equity or raise additional financing to support its development.

Since its creation, growth has been financed by equity, through successive capital increases, and by reimbursed research tax credits, without taking on any bank debt. As a result, the Company is not exposed to any liquidity risk that could arise from the triggering of acceleration clauses.

Significant amounts have been invested in research and development since the Company's launch, and net cash from operations has systematically been negative to date.

Going forward, the Company will continue to have significant financing needs for the development of its technology, the pursuit of its clinical development program and, in the future, for the production and marketing of its products. The Company may become unable to self-finance its growth, leading it to seek other sources of financing, in particular through further capital increases.

The level and timing of the Company's financing needs depend on factors largely beyond its control, such as:

- higher-than-expected costs and slower-than-expected progress on R&D programs and clinical trials;
- higher-than-expected costs billed by the Company's service providers on a pass-through basis for products, raw materials and consumables;
- the costs of preparing, filing, defending and maintaining its patents and other intellectual property rights;
- the scale of preliminary research work and the time taken to sign licensing agreements with industrial partners;
- higher-than-expected costs, more complicated processes and/or longer-than-expected lead times for obtaining regulatory authorizations to market its products and secure their inclusion on the list of products reimbursable by the social security system;
- new opportunities to develop new products or acquire technologies, products or companies.

The Company may not be able to raise additional capital when it is needed, or raise the capital it needs on acceptable financial terms. If the necessary funds were not available, the Company might have to:

- postpone or reduce the number or scope of its preclinical and clinical trials or cancel them;
- grant licenses for its technologies to partners or third parties on less favorable terms than could have been obtained in a different context; or
- enter into new collaboration agreements on less favorable terms than would have been obtained in a different context.

The occurrence of one or more of these risks could have a material adverse effect on the Company, its business, financial position, results, development and outlook.

Given cash and cash equivalents amounted to €47,2 million at 31 December 2025, and a private placement of €60 million, with net proceeds of around €56 million (received on 30 January 2026) announced on 28 January 2026, at the date of the closing of the accounts, the exposure of the Company to liquidity risk is therefore considered to be limited.

Interest rate risk

The Company's exposure to interest rate risk primarily concerns its portfolio of marketable securities.

These consist of term deposits. Changes in interest rates have a direct impact on the rate of return on these investments and the cash flows generated.

The Company has no variable rate debt and its debt repayments are not exposed to interest rate risk.

To date, the Company has not taken out any loans with banks other than loans indicated in parts 7.2, 7.3 and 7.4 and is therefore only marginally exposed to interest rate risk.

Credit risk

The Company's exposure to credit risk on its cash and short-term financial instruments is not material given the high credit quality of the financial institutions that are its counterparties.

The table below presents condensed financial information for the Company's three subsidiaries:

	Share capital	Reserves & retained earnings (deficit) before appropriation of profit (loss)	Percent interest	Gross value of shares	Net value of shares	Outstanding loans and advances by the Company	Guarantees given by the Company	Latest published net sales	Latest published operating income	Latest published profit or loss	Dividends received by the Company during the year
(In thousands of euros)											
Sensorion Inc.	US$ 100	€(313)k	100%	€87	€87	€423k	-	-	€142k	€(32)k	-
Sensorion Australia Pty Ltd	AU$ 1	€216k	100%	€1	€1	-	-	-	-	€(68)k	-
Sensorion Limited	£100	€(19)k	100%	€117	€117	€107k	-	-	€1,079k	€(8)k	-
As of December 31, 2025											

Results and sales converted at the average annual exchange rate for 2025 (Banque de France) - Reserves, retained earnings, loans and advances converted at the month-

5. SPECIAL REPORT OF THE AUDITOR ON REGULATED AGREEMENTS

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Sensorion

Annual General Meeting held to approve the financial statements for the year ended December 31, 2025

Statutory auditor's report on related party agreements

To the Annual General Meeting of Sensorion,

In our capacity as statutory auditor of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)* of the continuation of the implementation, during the year ended December 31, 2025, of the agreements previously approved by the annual general meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors *(Compagnie nationale des commissaires aux comptes)* relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized and concluded during the year ended December 31, 2025 to be submitted to the annual general meeting for approval in accordance with Article L. 225-38 of the French Commercial Code *(Code de commerce)*.

Agreements previously approved by the Annual General Meeting

In accordance with Article R. 225-30 of the French Commercial Code *(Code de commerce)*, we have been notified that the implementation of the following agreements, which were approved by the annual general meeting in prior years, continued during the year ended December 31, 2025.

S.A.S. à capital variable
344 366 315 R.C.S. Nanterre

Société de Commissaires aux Comptes
Société d'expertise comptable inscrite au Tableau
de l'Ordre de la Région Hauts-de-France

Siège social : 1-2, place des Saisons - 92400 Courbevoie - Paris-La Défense 1

- **With Mrs. Nawal Ouzren, Chief Executive Officer and member of the Board of Directors of your Company**

Nature, purpose and conditions

At its meeting held on April 12, 2017, your Board of Directors authorized the conclusion of the Chief Executive Officer mandate agreement with Mrs. Nawal Ouzren. This agreement was renewed on May 31, 2022.

- **With Invus Public Equities LP, Sofinnova Partners and Redmile Group LLC, shareholders owning more than 10% of your Company's voting rights**

Nature, purpose and conditions

A securities purchase agreement was authorized by the Board of Directors on February 8, 2024 and signed on February 13, 2024 between your Company and the above-mentioned shareholders.

- **With Artal International, Sofinnova Partners and Redmile Group LLC, shareholders owning more than 10% of your Company's voting rights**

Nature, purpose and conditions

A securities purchase agreement was authorized by the Board of Directors on April 5, 2024 and signed on April 11, 2024 between your Company and the above-mentioned shareholders.

Lille, March 17, 2026

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Sandrine Ledez