This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.
This statutory auditor's report includes information required by French law, such as the verification of the management report and the other documents provided to the shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and the professional standard relating to a statutory auditor's six-year engagement entrusted by small businesses.

Sensorion

Year ended December 31, 2025

Statutory auditor's report on the financial statements

ERNST & YOUNG Audit

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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.

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

Financial Statements

As of December 31, 2025

1.1. Balance Sheet

1.1.1.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**

1.1.2.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*

1.2. 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)**

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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

1.7. 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.

1.8. 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.

1.9. 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-