This is a translation into English of the statutory auditor's report on the consolidated 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 information concerning the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and the professional standards 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 consolidated financial statements

ERNST & YOUNG Audit

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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.

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

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

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)**	**(64,591)**	**236**	**44,479**

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 . 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.

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

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)
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

Type	Grant date	Number of warrants issued	Characteristics			Assumptions	
			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.

			Number of outstanding BSPCEs						
Type	**Grant date**	**Number of warrants granted**	**As of January 1, 2025**	**Granted**	**Exercised**	**Forfeited / Lapsed**	**As of December 31, 2025**	**Number of warrants exercisable**	**Maximum of shares to be issued if all conditions are met**
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.

			Characteristics			**Assumptions**	
Type	**Grant date**	**Number of warrants granted**	**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: As of January 1, 2024	Granted	Exercised	Forfeited	As of December 31, 2024	Number of warrants exercisable on December 31, 2024	Maximum of shares to be issued if all conditions are met
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: As of January 1, 2025	Granted	Exercised	Forfeited	As of December 31, 2025	Number of warrants exercisable on December 31, 2025	Maximum of shares to be issued if all conditions are met
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.*

Type	Grant date	Number of warrants granted	Characteristics			Assumptions	
			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**
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.