



Sensorion Successfully Closes on a €1.6 Million Euro Placement with Cochlear

Montpellier, December 21, 2015 (FR0012596468 — ALSEN) — Sensorion, a biotech specializing in the treatment of inner ear diseases (the "Company"), announces that it has today carried out a capital increase of € 1,614,449 reserved to Cochlear Investment Ltd.

Following signature of its collaboration agreement with Cochlear as announced on Monday December 18th, 2017, Sensorion has finalized the capital increase in accordance with the 13th resolution voted by the Shareholder's meeting of May 30th, 2017.

The Company has thus issued 533,755 new shares at a nominal value of €0.10 each for a total of €1,614,448.75.

"The confidence that our development partner, Cochlear, has expressed via this investment in our partnership is matched by our enthusiasm in this cutting-edge collaboration at the intersection between medtech and biotechnology," said Nawal Ouzren, CEO of Sensorion. "We look forward to exploring the potential complementarity of our small molecule SENS-401 with Cochlear's implantable devices."

Purpose of this capital increase

Sensorion will principally use the funds to finance the preclinical combination studies that will evaluate SENS-401's therapeutic effect on hearing outcomes achieved with Cochlear's implantable devices. The preclinical combination studies will evaluate SENS-401's therapeutic effect on hearing outcomes achieved with Cochlear's implantable devices. SENS-401 has demonstrated in preclinical models (noise and drug induced hearing loss) the capacity to enhance survival and preserve functional integrity of hair cells in the inner ear. It has the potential to improve hearing outcomes for patients undergoing cochlear implant surgery.

Preclinical combination studies will be initiated in 2018 with potential clinical trials to begin as soon as 2019. In exchange for its investment, Cochlear received a right of first negotiation for a global license to use SENS-401 in patients with certain implantable devices.

Terms of the operation

This operation was carried out following the decisions of the Board meeting of December 20th, 2017 in accordance with the delegation of powers granted by the Shareholders' Meeting of May, 30th, 2017 at a price representing the volume weighted average price over the 20 days before the decision.

The capital increase was carried out via the issuance of ordinary shares without preferential subscription rights through a placement reserved to certain beneficiaries.

The new shares carry dividend rights and were immediately admitted to trading on Euronext Growth regulated market in Paris under ISIN FR0012596468 and ticker ALSEN.

In accordance with its obligations, Cochlear has registered the shares in nominative form and has committed to not trade the shares for the duration of the research collaboration.

In addition, if Cochlear and Sensorion were to sign a license agreement at a later stage, Cochlear will have the opportunity to increase its shareholding in Sensorion in an amount and at a price to be then agreed upon.

Sensorion's share capital now consists of 8,761,996 shares.

Cochlear Investment Ltd holds 6.09% of Sensorion's share capital.

For information,

- Under not-fully diluted basis, a shareholder holding 1.00% of the Company's share capital prior to the

operation would now hold 0.94% of its issued share capital.

- On a fully diluted basis, and taking into consideration the conversion of outstanding convertible notes at a price of € 2.54 (last known conversion price), the same shareholder would own 0.80% of the fully diluted share capital before the capital increase and 0.76% after the capital increase.

Information available to the public

This operation will not lead to the drafting of a prospectus requiring a visa from the AMF (*Autorité des Marchés Financiers*, the French stock market authority). Detailed information about Sensorion, notably regarding its activity, results, outlook and related risk factors, are laid out in the Company's reference document registered with the AMF on September 6th, 2017 under reference number R.17-062, and can be found, along with other regulated information and all of the Company's press releases, on Sensorion's website (www.sensorion-pharma.com)

About SENS-401

SENS-401, R-azasetron besylate, is a drug candidate that aims to protect and preserve inner ear tissue when lesions are present that can cause progressive or sequela hearing impediments. A small molecule that can be taken orally or via an injection, SENS-401 has received Orphan Drug Designation in Europe for the treatment of sudden sensorineural hearing loss, and Orphan Drug Designation from the US FDA for the prevention of Cisplatin-induced ototoxicity in pediatric populations.

About Sensorion

Sensorion is a biotech company pioneering novel treatments for inner ear diseases, such as severe vertigo, tinnitus, or hearing loss. Two products are currently in the clinical development stage: SENS-111, in phase 2 in acute unilateral vestibulopathy (vestibular neuritis), and SENS-401, which has completed a phase 1 trial. The company was founded by Inserm (the French Institute of Health and Medical Research) and is utilizing its pharmaceutical R&D experience and comprehensive technology platform to develop first-in-class, easy-to-administer, notably orally active, drugs for treating and preventing hearing loss and the symptoms of bouts of vertigo and tinnitus. Based in Montpellier, Southern France, Sensorion has received financial support from Bpifrance, through the InnoBio fund, and Inserm Transfert Initiative.

Sensorion has been listed on the Euronext Growth Paris exchange since April 2015.

www.sensorion-pharma.com

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