



Press Release

## Sensorion successfully raises € 8.65 million from institutional investors

- Strengthening of the shareholding structure of the Company internationally
- Validation of the strategic plan and continuation of the dynamic development

**Montpellier, May 18, 2018 (8:30 am CEST) – Sensorion (FR0012596468 – ALSEN)**, a biotechnology company specializing in the treatment of inner ear diseases, announces today the success of its capital increase without preferential subscription rights for an amount of € 8.65 million via an accelerated book-build offering.

The transaction, announced on May 17, 2018, consists in the issuance of 3,844,108 new shares, i.e. 42.4% of the Company's existing share capital. The issuance is priced at € 2.25 per share, representing a 26.6% discount to the volume-weighted average of the last twenty trading days preceding the pricing (i.e. € 3.0644) and a 25.2% discount to the last closing price preceding that same date (i.e. € 3.01).

Institutional investors in Europe, including in France, and internationally, including those specialized in biotechnology have participated in the share capital increase, reinforcing the Company's international shareholding structure.

Nawal Ouzren, CEO of Sensorion, comments: *"The success of this capital raise demonstrates growing appreciation of Sensorion's position as a reference player in the treatment of inner ear diseases. The Company expects to deliver numerous key value-creating milestones in the next 12 months as we progress on our innovative portfolio as well as our strong research capabilities, and in the light of SENS-111 expected results. We would like to thank the specialized long-term healthcare investors that have participated in this transaction together with Innobio (Bpifrance Investissement). This capital raise reflects the confidence of investors in Sensorion strategy and will allow to implement it in the best conditions as well as to reinforce our cash position and diversify our shareholder base".*

The funds raised aim at financing the acceleration of research & development of Sensorion pipeline of products, more specifically:

- the ongoing Phase 2 clinical trial for SENS-111 (vestibular neuritis), for which results are expected for the end of 2018 ;
- the initiation of a Phase 2 clinical trial for SENS-401 relating to the treatment of sudden deafness before the end of the first half of 2018 (intermediate results are expected mid-2019); and
- the preparation of a Phase 2 clinical trial for the prevention of ototoxicity induced by cisplatin in a pediatric population, to be launched in 2019.

The funds will also be allocated to the working capital requirements as well as current activities of the Company.



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This transaction will reinforce the cash position of the Company which amounted to €7.6 million as of December 31, 2017 and will extend Sensorion's financial visibility until the end of the first half of 2019.

Oddo BHF SCA acted as sole Global coordinator and bookrunner.

**Key highlights of the offering**

The new shares, representing 42.4% of the issued share capital of the Company prior to the share capital increase, was subscribed by institutional investors falling into one of the categories referred to in the 13<sup>th</sup> resolution of the extraordinary shareholders' general meeting of the Company dated May 30, 2017, as part of the implementation of said authorization conferred by the extraordinary general meeting by the board of directors of the Company on May 17 2018, upon decisions of the CEO of the Company acting pursuant to the sub-delegation conferred to by the board of directors and in accordance with Article L. 225-138 of the French Commercial Code. The book order was based on demand from new and existing investors, including Innobio (Bpifrance Investissement), the reference shareholder of the Company, Novalis Lifesciences Investments LLC, Alto Invest and Nyenburgh which become significant shareholders of the Company.

On an illustrative basis, a shareholder holding 1% of Sensorion's capital before the offering will now hold a stake of 0.70%. Innobio (Bpifrance Investissement) has subscribed 30% of the new shares and its subscription has been fully allocated. On this basis, after completion of the capital increase, Innobio (Bpifrance Investissement) will hold 27.1% of the share capital of the Company and the voting rights.

11 new investors have subscribed 70% of the new shares, representing 21% of the new share capital of the Company. Amongst these investors, Novalis Lifesciences Investments LLC, an investment company founded by Dr. Marijn Dekkers, current Chairman of Unilever and former chief executive officer of Bayer AG, has subscribed 17% of the new shares and now holds 5.2% of the share capital of the Company. Alto Invest has subscribed, for its part, 16% of the new shares and now holds 4.9% of the share capital of the Company and Nyenburgh has subscribed 17% of the new shares and now holds 5.2% of the share capital of the Company.

The new shares will have a par value of 0.10 euro each, carry dividend rights as from their issue date and be immediately fungible in all respects with the Company's existing shares. Settlement and delivery of the new shares and the new shares' admission to trading are expected to occur on May 22, 2018 on the Euronext Growth market of Euronext in Paris.

The transaction is not subject to a prospectus to be approved by the French financial markets authority (Autorité des marchés financiers).

**Standstill and lock-up provisions**

Innobio (Bpifrance Investissement) as well as some directors of the Company have entered into a lock-up agreement with regard to the Company's shares that they hold, ending 90 calendar days after the settlement date of the offering, subject to customary exceptions. Moreover, the Company has committed not to issue shares or other securities giving access to the capital for a period of 90 calendar days from the date of the settlement of the shares issued, subject to customary exceptions.



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## **Risk factors**

Attention is drawn to the risk factors related to the Company presented in section 4 of the 2016 reference document registered by the Autorité des marchés financiers on September 7, 2017, under number R.17-0062, which is available on the Autorité des marchés financiers website ([www.amf-france.org](http://www.amf-france.org)) or on the Company's website ([www.sensorion-pharma.com](http://www.sensorion-pharma.com)).

## **About Sensorion**

Sensorion is a biotech company pioneering novel treatments of 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](http://www.sensorion-pharma.com)

### **Contacts**

#### **Sensorion**

Nawal Ouzren  
CEO

Tél : +33 (0)4 67 20 77 30

Label: **SENSORION**  
ISIN: **FR0012596468**  
Mnemonic: **ALSEN**



### **Investor Relations**

#### **LifeSci Advisors LLC**

Chris Maggos, Managing Director, Europe  
[chris@lifesciadvisors.com](mailto:chris@lifesciadvisors.com)  
Tél. : +41 79 367 6254

### **Presse**

#### **Alize RP**

Caroline Carmagnol & Wendy Rigal  
[sensorion@alizerp.com](mailto:sensorion@alizerp.com)  
Tél. : +33 (0)1 44 54 36 66

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This announcement is published for information purpose only and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the “**Prospectus Directive**”).

With respect to the member States of the European Economic Area which have implemented the Prospectus Directive, no action has been undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any relevant member State. As a result, the securities may not be offered in any relevant member State except in accordance with the exemptions set forth in Article 3(2) of the Prospectus Directive, if they have been implemented in that relevant member State, or under any other circumstances which do not require the publication by Sensorion of a prospectus pursuant to Article 3 of the Prospectus Directive and/or to applicable regulations of that relevant member State.

For the purposes of the provisions above, the expression “offer to the public” in relation to any shares of Sensorion (the “**Shares**”) in any relevant member State, means any communication, to individuals or legal entities, in any form and by any means, of sufficient information on the terms and conditions of the offering and on the Shares to be offered, thereby enabling an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that relevant member State.

These selling restrictions with respect to relevant member States apply in addition to any other selling restrictions which may be applicable in the relevant member States.

The Shares have not been offered or sold, directly or indirectly, to the public in France. Any offer or sale of the Shares and distribution of any offering material relating to the Shares have been made in France as part of a placement in favour of categories of persons as referred to in the 13<sup>th</sup> resolution of the extraordinary shareholders’ general meeting of the Company dated May 30, 2017 and in accordance with Article L. 225-138 of the French Commercial code only to (a) persons providing investment services relating to portfolio management for the account of third parties (personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers), and/or (b) qualified investors (investisseurs qualifiés) and/or a restricted circle of investors acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French monetary and financial code (code monétaire et financier).

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Any investment decision to buy Shares must be made solely on the basis of publicly available information regarding Sensorion.

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