

Sensorion Announces a €15 Million Financing, Extending Cash Runway Until the End of 2025

- **Support from existing investors including Redmile Group, Invus, Sofinnova Partners and a large investment management firm**
- **Financing will enable the Company to extend its cash runway through the end of 2025**

Montpellier, April 8, 2024, 7.30am CET – Sensorion (FR0012596468 – ALSEN) a pioneering clinical-stage biotechnology company which specializes in the development of novel therapies to restore, treat and prevent hearing loss disorders, today announced a €15 million offering reserved to specific categories of investors (the “Reserved Offering”) through the issuance of 24,574,694 new ordinary shares of the Company (the “New Shares”) at a price per New Share of €0.63 (the “Subscription Price”) to the benefit of existing shareholders including Redmile Group, Invus, Sofinnova Partners and a large investment management firm. The settlement-delivery of the Reserved Offering is expected to take place around April 11, 2024, subject to customary conditions.

Nawal Ouzren, Sensorion’s Chief Executive Officer, said: “We are thrilled to announce another successful capital raise, securing an additional EUR 15 million to accommodate interest expressed by certain existing investors. This builds on the earlier EUR 50 million financing announced in February 2024, adding up to a total of EUR 100 million raised in less than 9 months. With this new financing, we are well-positioned to accelerate our gene therapy programs, including the progression of SENS-501 through its Phase 1/2 clinical study, Audiogene, and the advancement of our second program, GJB2-GT, towards Clinical Trial Applications submission in H1 2025. The capital increase enables the Company to finance its activities until the end of 2025. We remain deeply thankful for the ongoing support of our shareholders and partners as we strive to make a meaningful difference in the lives of those affected by hearing loss disorders.”

Khalil Barrage, Interim Chairman of Sensorion's Board of Directors, said: “We are immensely grateful for the continued support and confidence shown by our existing investors. Their participation in this transaction reaffirms their confidence in Sensorion's vision and commitment to advancing innovative therapies for patients with hearing disorders.”

Impact on cash flow and use of proceeds

The Company intends to use the net proceeds from the Reserved Offering, which amount to c. €14.8 million (based on the aggregate Subscription Price), to fund the company’s R&D activities until the end of 2025, covering GJB2 CTA submission and the first two cohorts of the Audiogene Phase 1/2 clinical trial, which was approved in Europe in January 2024 as well as for other R&D and corporate overhead expenses.

Based on its forecasted expenses, cash and cash equivalents as of December 31st, 2023, of c. €37 million, as well as the net proceeds from the reserved offering executed in February 2024¹ together with the net proceeds from this Reserved Offering, the Company believes that it will be able to finance its operations until the end of 2025. The company continues to pursue non-dilutive financing.

Main terms of the Reserved Offering

Sensorion’s board of directors and Chief Executive Officer using the delegation of powers granted by the 8th resolution of the extraordinary shareholders’ general meeting held on December 20th, 2023 (capital increase with cancellation of preferential subscription rights in favor of categories of persons with specific characteristics) and in accordance with article L. 225-138 *et seq.* of the French Commercial Code (*Code de commerce*), have decided on April 5, 2024, to complete the issuance of the New Shares. The New Shares were issued at a price of €0.63, which represents a 10% discount to the weighted average share price on the day preceding the date

¹ https://s27.q4cdn.com/232015521/files/doc_news/2024/02/Sevilla-EN-CP-PIPE-08-02-2024_vFinal.pdf



Press release

on which the issuance price is set, in accordance with the 8th resolution of the extraordinary shareholders' meeting of the Company held on December 20th, 2023.

The issuance of the 24,574,694 New Shares will result in an immediate capital increase of €15,482,057.22 (i.e., a nominal amount of €2,457,469.40 and a total issuance premium of €13,024,587.82 and corresponding to a nominal value of 10 cents (€0.10) plus an issuance premium of €0.53 per New Share), representing approximately 9% of the Company's share capital and voting rights outstanding before the Reserved Offering.

Redmile Group, Invus and Sofinnova Partners who are existing shareholders and are also represented on the Board of Directors of the Company, will participate in the Reserved Offering for subscription amounts of €1.8 million, €1.7 million and €1.0 million, respectively, representing 11.3%, 10.7% and 6.5% of the aggregate gross amount of the Reserved Offering, respectively. It is specified that Redmile Group, Invus and Sofinnova Partners, who are also members of Sensorion's Board of Directors, did not take part in the vote of the Reserved Offering at the Board of Directors' meeting held on April 5, 2024.

Following the settlement-delivery expected to occur on April 11, 2024, the Company's total share capital will be €30,025,022.50 divided into 300,250,225 ordinary shares, each with a par value of €0.10. The New Shares will be fungible with the existing ordinary shares of the Company and will be admitted to trading on Euronext Growth in Paris under the ISIN FR0012596468.

Leerink Partners LLC ("**Leerink Partners**") and Stifel Europe AG ("**Stifel**") are acting as lead agents in connection with the Reserved Offering. Chardan Capital Markets LLC ("**Chardan**") is acting as placement agent in connection with the Reserved Offering (Leerink Partners together with Stifel and Chardan, the "**Placing Agents**"). Stifel is also acting as Centralizing Agent. Namsen Capital is acting as equity capital markets advisor.

Shareholding Structure after the Reserved Offering

On an illustrative basis, a shareholder holding 1% of the Company's share capital before the Reserved Offering and who did not participate in the Reserved Offering will hold 0.92% of the Company's share capital after the issuance of the New Shares.

To the Company's knowledge, the shareholding structure, before and after the Reserved Offering, breaks down as follows:

Press release



	Shareholding Structure as of April 5th, 2024 (non diluted)			
	Number of shares	Number of shares (%)	Number of Voting Rights	Number of Voting Rights (%)
Redmile Group LLC	63,270,676	23.0%	63,270,676	23.0%
Invus / Artal Group	78,345,050	28.4%	78,345,050	28.4%
Sofinnova Partners	52,750,159	19.1%	52,750,159	19.1%
WuXi App Tec	5,249,608	1.9%	5,249,608	1.9%
3SBio	4,055,150	1.5%	4,055,150	1.5%
Innobio	3,499,874	1.3%	3,499,874	1.3%
SONOVA AG	2,941,176	1.1%	2,941,176	1.1%
Cochlear	533,755	0.2%	533,755	0.2%
Sub Total Institutional Shareholders	210,645,448	76.4%	210,645,448	76.4%
Officers	160 000	0,06%	160 000	0,06%
Directors	-	-	-	-
Employees & consulting	-	-	-	-
Treasury shares	126,753	0,05%		
Free Float	64,743,330	23.5%	64,743,330	23.5%
TOTAL	275,675,531	100.0%	275,548,778	100.0%

Shareholding Structure POST FINANCING (non diluted)			
Number of shares	Number of shares (%)	Number of Voting Rights	Number of Voting Rights (%)
66,052,590	22.0%	66,052,590	22.0%
80,980,547	27.0%	80,980,547	27.0%
54,337,460	18.1%	54,337,460	18.1%
5,249,608	1.7%	5,249,608	1.7%
4,055,150	1.4%	4,055,150	1.4%
3,499,874	1.2%	3,499,874	1.2%
2,941,176	1.0%	2,941,176	1.0%
533,755	0.2%	533,755	0.2%
217,650,160	72.5%	217,650,160	72.5%
160,000	0.05%	160,000	0.05%
-	-	-	-
-	-	-	-
126,753	0.04%	-	-
82,313,312	27.4%	82,313,312	27.4%
300,250,225	100.0%	300,123,472	100.0%

Shareholding Structure POST FINANCING (fully diluted)			
Number of shares	Number of shares (%)	Number of Voting Rights	Number of Voting Rights (%)
83,909,733	35.6%	83,909,733	35.6%
80,980,547	34.4%	80,980,547	34.4%
54,337,460	23.1%	54,337,460	23.1%
5,249,608	2.2%	5,249,608	2.2%
4,055,150	1.7%	4,055,150	1.7%
3,499,874	1.5%	3,499,874	1.5%
2,941,176	1.2%	2,941,176	1.2%
533,755	0.2%	533,755	0.2%
235,507,303	72.2%	235,507,303	72.3%
4,010,355	1.2%	4,010,355	1.2%
1,365,290	0.4%	1,365,290	0.4%
2,352,020	0.7%	2,352,020	0.7%
126,753	0.04%	-	-
82,609,312	25.3%	82,609,312	25.4%
325,971,033	100.0%	325,844,280	100.0%

Press release

Lock-up agreements

In connection with the Reserved Offering, the Company has entered into a lock-up agreement restricting the issuance of additional ordinary shares for a period ending 90 days following the date of settlement-delivery of the New Shares, subject to customary exceptions. The Company's management, Board members and shareholders represented at the Board of Directors who hold ordinary shares of the Company are also subject to a lock-up for a period of 90 days following date of settlement-delivery of the New Shares, subject to customary exceptions.

Settlement-delivery of the Reserved Offering

The admission of the New Shares to trading on the Euronext Growth market in Paris is scheduled for the time of settlement and delivery, which is expected to take place on April 11, 2024.

The New Shares will be immediately assimilated to the Company's existing shares already traded on Euronext Growth in Paris, and will be able to be traded, from their issuance, on the same listing line (ISIN code: FR0012596468).

The Reserved Offering has not given rise to a prospectus submitted for approval by the AMF.

Risk Factors

The Company draws the public's attention to the risk factors related to the Company and its activities presented in section I.3 of the *Rapport annuel* for the year ended December 31st, 2023, which is available free of charge on the website of the Company (www.sensorion.com).

In addition, investors are invited to consider the following risks: (i) shareholders stake in the Company will be diluted further to the issuance of the New Shares for the shareholders who did not participate to the Reserved Offering, (ii) the market price for the Company's shares may fluctuate and fall below the subscription price of the shares issued pursuant to the Reserved Offering, (iii) the volatility and liquidity of the Company's shares may fluctuate significantly, (iv) sales of the Company's shares may occur on the market and have a negative impact on the market price of the shares, and (v) the Company's shareholders could undergo a potentially material dilution resulting from any future capital increases that are needed to finance the Company.

About Sensorion

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. 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.

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Mnemonic: **ALSEN**



Forward-looking statements

This press release contains certain forward-looking statements concerning Sensorion and its business. Such forward looking statements are based on assumptions that Sensorion considers to be reasonable. However, there can be no assurance that such forward-looking statements will be verified, which statements are subject to numerous risks, including the risks set forth in the 2023 full year annual report published on March 14, 2024, and available on Sensorion's website and to the development of economic conditions, financial markets and the markets in which Sensorion operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Sensorion or not currently considered material by Sensorion. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Sensorion to be materially different from such forward-looking statements. This press release and the information that it contains do not constitute an offer to sell or subscribe for, or a solicitation of an offer to purchase or subscribe for, Sensorion shares in any country. The communication of this press release in certain countries may constitute a violation of local laws and regulations. Any recipient of this press release must inform oneself of any such local restrictions and comply therewith.

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This announcement is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "Prospectus Regulation").

In France, the Reserved Offering described above is exclusively carried out in the form of a placement to a category of institutional investors, in accordance with Article L. 225-138 of the Code de commerce and applicable regulations.

With respect to Member States of the European Economic Area (including France), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release which would require the publication of a prospectus (pursuant to article 3 of the Prospectus Regulation) in any Member State.

This press release and the information it contains is not an offer to sell, nor the solicitation of an offer to subscribe for or buy the New Shares in the United States or any other jurisdiction where restrictions may apply including notably Canada, Australia or Japan. Securities may not be offered or sold in the United States absent registration under the Securities Act or an exemption from registration thereunder. Sensorion does not intend to register the New Shares under the Securities Act or conduct a public offering of the New Shares in France, the United States, or in any other jurisdiction.

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