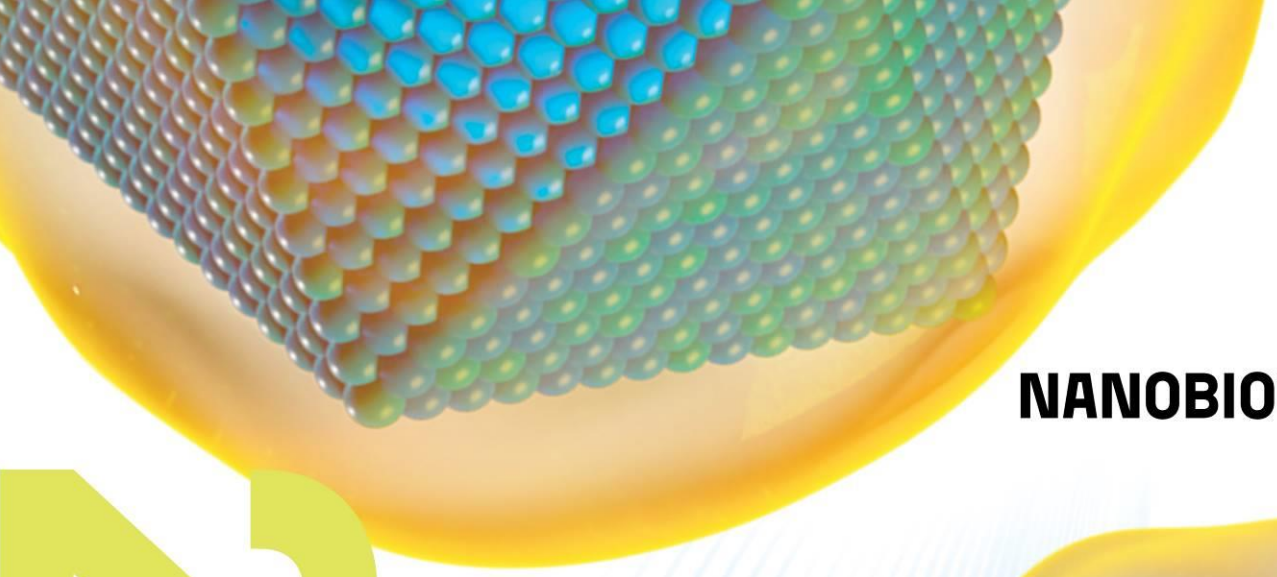
NANOBIOTIX

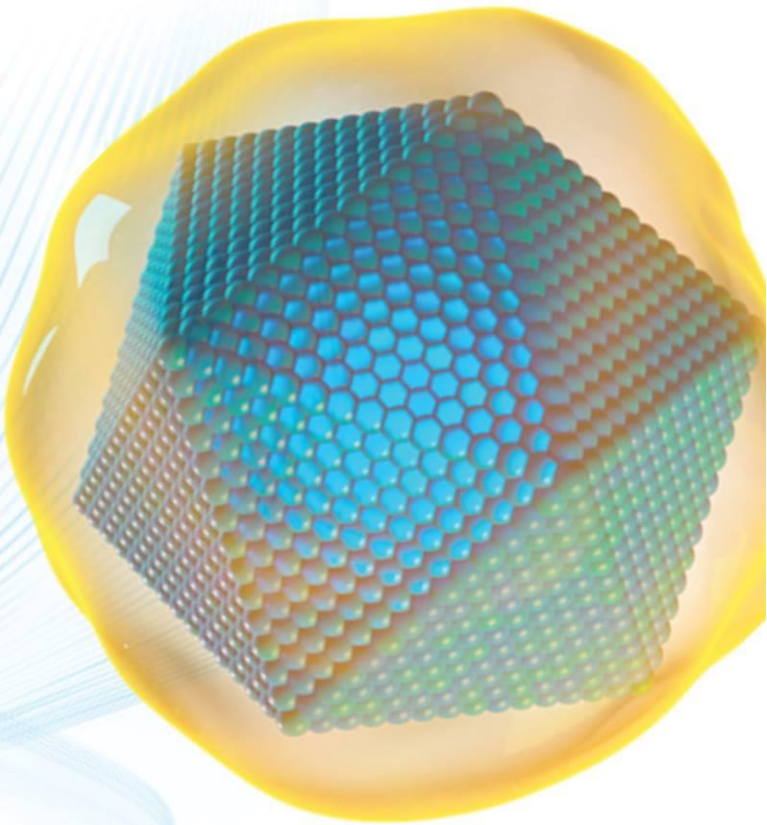
EXPANDING LIFE

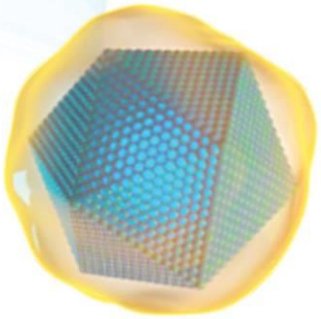
2019

UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT







AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This universal registration document has been approved on May 12, 2020 by the French Financial market authority (*Autorité des marchés financiers – AMF*), as competent authority under Regulation (EU) 2017/1129.

The AMF approves this universal registration document after having verified that the information contained therein is complete, consistent and comprehensive. The universal registration document bears the following approval number: R.20-010.

Such approval should not be considered as an endorsement of the issuer that is the subject of this universal registration document.

This universal registration document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a security note and, if applicable, its summary and amendment(s).

It is valid until May 11, 2021 and, during that period and at the latest in the same time as the securities note and in accordance with articles 10 and 23 of Regulation (EU) 2017/1129, shall be completed by an amendment to this universal registration document in the event of significant new facts or substantial errors or inaccuracies.

PROFILE

For more than 17 years, Nanobiotix, one of the pioneers and leaders in nanomedicine, has developed new approaches to cancer treatment and aims to bring about a major change in cancer treatment.

Nanobiotix has developed an innovative approach, which differs from the conventional approaches of pharmaceutical or biotechnology companies: a new way of treating patients through nanophysics applied to the heart of the cell. Nanobiotix is focusing its efforts on the development of its leading, fully patented, NBTXR3. The goal of Nanobiotix's product candidates is to help millions of patients receiving radiation therapy by improving its effectiveness in tumor cells without increasing the dose received by surrounding healthy tissue.

Nanobiotix develops first-in-class products, with the goal of providing maximum benefit with minimum change in medical practice, thereby limiting the cost to the healthcare system.

NOTES

Definitions

In the Universal Registration Document, and unless otherwise stated:

The terms "Company" or "Nanobiotix" refer to Nanobiotix, headquartered at 60, rue de Wattignies, 75012 Paris, registered in the Paris Trade and Corporate Register under number 447 521 600;

The term "Group" refers to the group of companies formed by the Company and its subsidiaries;

The term "we" refers to the Company or the Group, as appropriate.

A glossary defining certain terms used in the Universal Registration Document can be found in Section 6.6 of the Universal Registration Document.

The Universal Registration Document includes, among other things, the Company's financial statements prepared in accordance with accounting standards applicable in France for the year ended December 31, 2019, as well as a set of consolidated financial statements for the same year in accordance with IFRS accounting standards adopted by the European Union.

In accordance with Article 19 of the Regulation (EU) 2017/1129, the following information is incorporated by reference in the Universal Registration Document:

- the consolidated financial statements and the related statutory auditors' report, as well as the management report for the year ended December 31, 2018, included in the annual financial report and the Company's annual financial statements (statutory accounts) published on April 30, 2019, under reference R.19-018 and
- the consolidated financial statements and the related statutory auditors' report, as well as the management report for the year ended December 31, 2017, included in the annual financial report and the Company's annual financial statements (statutory accounts) published on March 30, 2018.

The 2017 annual financial report and the 2018 registration document (*Document de Référence*) are available on the Company's website.

Disclaimer

Market and competition information

The Universal Registration Document includes, in particular in Section 1.3 "Description of activities," information relating to the Group's markets and its competitive position. This information comes in particular from studies carried out by external sources. Publicly available information, which the Company considers reliable, has not been verified by an independent expert, and the Company cannot guarantee that a third party using different

methods to collect, analyze or calculate data on these markets would achieve the same results.

Forward-looking information

The Universal Registration Document contains information on the Group's prospects and development strategy. These indications are sometimes identified by the use of the future, conditional or forward-looking terms such as "consider," “anticipate”, "think," "aim," "expect," "intend," "must," "ambition," "estimate," "believe," "wish," "may" or, as the case may be, the negative form of those same terms, or any other similar variation or terminology. This information is not historical data and should not be construed as guarantees that the stated facts and data will occur. This information is based on data, assumptions and estimates considered to be reasonable by the Company. It is subject to change or modification due to uncertainties related in particular to the economic, financial, competitive or regulatory environment. This information is mentioned in various chapters of the Universal Registration Document and contains data on the Group's intentions, estimates and objectives concerning, in particular, the market in which it operates, its strategy, growth, results, financial position, cash flow and forecasts. The forward-looking information mentioned in the Universal Registration Document is given only as of the date of the Universal Registration Document. The Group operates in a competitive and ever-changing environment. It therefore cannot anticipate any risks, uncertainties or other factors that could affect its business, their potential impact on its business or the extent to which the materialization of a risk or combination of risks could have significantly different results from those mentioned in any forward-looking information, it being recalled that none of this forward-looking information constitutes a guarantee of actual results.

Risk factors

Investors are encouraged to carefully read the risk factors described in Section 1.5 "Risk Factors" in the Universal Registration Document before making any investment decision. The realization of some or all of these risks could have a significant adverse effect on the Group's business, financial situation, results or future prospects. In addition, other risks, not yet identified or considered insignificant by the Company as of the date of the Universal Registration Document, could also have a significant adverse effect.

Message from the CEO

2019 was an excellent year for Nanobiotix. However, before revisiting some of our key achievements, it is important that we provide context on the current situation. COVID-19 has rapidly become a major challenge for all of us and Nanobiotix is no different. The fast-evolving epidemic and subsequent confinement protocols implemented around the world have created logistic challenges that make it difficult to execute any clinical development pipelines. Whether it be recruiting patients, monitoring sites, traveling to international conferences, or simply operating with our teams internally, all aspects of our business have been affected.

However, at Nanobiotix we have always embraced pioneering the unknown and we face this new challenge with the same spirit. To protect the long-term interests of the Company, we are exploring several options to control costs including the measures implemented by the governments in countries where we operate.

Most importantly, although we face immense uncertainty, one thing is unchanged—our commitment to the patients we serve. Even in the midst of a global economic slowdown, the needs of patients remain urgent and our focus is unwavering to ensure we can help them as soon as possible. Given the progress we made in 2019 and our plans for 2020, we are as confident as ever that NBTXR3 and other technologies from Nanobiotix could significantly improve treatment outcomes for millions. We will continue to work closely with health care professionals, investors, partners, and internal team members—and are grateful for their steadfast commitment to the Company and our mission.

2019 was a year of momentum for the Group and our development pipeline, as well as a year where we opened new avenues for Nanobiotix technology outside of oncology. Our first-in-class radioenhancer, NBTXR3, received its first market approval in Europe for the treatment of soft tissue sarcoma of the extremity and trunk wall under the brand name Hensify®. We launched a large-scale clinical collaboration with The University of Texas MD Anderson Cancer Center (MD Anderson) that includes nine (9) Phase I clinical trials across several indications. Positive pre-clinical data from our pre-clinical collaborations with MD Anderson and the Weill Cornell College of Medicine were presented at major conferences globally, signaling for all that NBTXR3 could play a role in the immuno-oncology treatment paradigm.

Following Hensify®'s European market approval (CE Marking), we re-structured our organization to align with strategic priorities for the Group moving forward. Getting to proof of concept and market approval were necessary steps to prove that our science is sound and our Group is equipped to bring a product to market. The re-structuring ensures that we are prepared to prioritize our plans for head and neck cancer and immuno-oncology applications.

In terms of financing, Nanobiotix received the second disbursement of a non-dilutive loan from the European Investment Bank, raised capital through the issuance of new shares, and our management continued to invest in the Company. More information can be found in note 12 to the Company's consolidated financial statements in section 4.1 of the Universal Registration Document.

In May 2019, Nanobiotix announced the launch of Curadigm—a new nanotechnology platform for healthcare. Curadigm technology features a "nanoprimer" that transiently

occupies the liver, allowing therapeutics delivered intravenously to pass through and reach their targeted areas of the body in higher quantities. The technology aims to change the balance between efficacy and toxicity in drug design and delivery. Curadigm is a wholly-owned subsidiary of Nanobiotix operating in France and the U.S with a dedicated team.

We ended 2019 with humbling recognition. Hensify was awarded the French Prix Galien Award for Innovation. The Prix Galien Award recognizes outstanding achievement in biomedical technology that improves the human condition.

With the past year and its successes behind us, we turn our eyes toward the present and the future. There will be unprecedented challenges in 2020 and beyond but embracing the unknown has always been fundamental to Nanobiotix. Nearly two decades ago, we set out to revolutionize therapeutic outcomes for patients by bringing nanophysics to the heart of the cell. Oncology remains our focus, with the US and Europe as priority targets for registration of NBTXR3. Additionally, we are eager to continue expanding into other therapeutic areas through Curadigm and our exploration of nanotechnology applications for the treatment of central nervous system disorders. We are confident that the challenges and opportunities presented in 2020 will reinforce our strength, and we offer our sincere gratitude for your continued support on our journey to help millions of patients around the world.

Thank you,

Laurent Levy

Key events

Nanobiotix, founded in 2003, is a pioneering and leading nanomedicine company that has developed new approaches to local cancer treatment. Nanobiotix aims to become a major player in healthcare, providing new and innovative solutions for the benefit of patients, while creating sustainable value for its shareholders.

_2003
Creation of the Company, a spin-off of the University of Buffalo in the State of New York (USA).

_2007-2010
Development of the NanoXray research program, leading to the filing of several patent families and the launch of preclinical trials.

_2011
Approval of the Affsaps (ex ANSM) to start the first Phase I/II clinical trial in humans for patients with soft tissue sarcoma.

_2012
In August, the Company entered into a licensing agreement for the development and commercialization of NBTXR3 in the Asia-Pacific region with the Taiwanese company PharmaEngine. On October 29, 2012, Nanobiotix shares were listed on the regulated market of Euronext Paris.

_2013
Approval of the ANSM to start a new Phase I clinical trial in head and neck cancer.

_2014
In September, the Company's first U.S. subsidiary was established in Cambridge, Massachusetts. At the same time, authorization from the ANSM to start the Phase II/III trial of NBTXR3 in locally advanced soft tissue sarcomas.

_2015
In July, the ANSM authorized the start of a Phase I/II clinical trial of NBTXR3 in primary and metastatic liver cancers. In late December, approval from the U.S. Food and Drug Administration (FDA) regarding the application for Investigational New Drug (IND) status to start the first clinical trial in the United States of NBTXR3 in prostate cancer.

_2016
Launch of a new immuno-oncology research program with NBTXR3. Filing the first application for market authorization (CE mark) for NBTXR3.

_2017
Opening of its own manufacturing site at BioPark in Villejuif (France) to increase the production capacity of NBTXR3 so as to meet the growing future demand related to clinical trials and patient needs. At the same time, FDA approval of the IND application for the first

Immuno-Oncology trial in the United States of NBTXR3 in combination with an anti-PD-1 antibody in patients with lung and head and neck cancers. Creation of two new subsidiaries, one in Germany and the other in Spain.

_2018

Non-dilutive financial partnership with the European Investment Bank (EIB) to boost the Company's research, development and innovation activities, in the form of a loan of up to 40 million euros until July 26, 2020, subject to the achievement of a set of agreed upon performance criteria. Disclosure of positive Phase II/III results for NBTXR3 in soft tissue sarcoma, which demonstrated significant superiority and clinical benefits over the standard of care. This randomized clinical trial validates the mode of action of NBTXR3.

_2019

In January, the Company launched a new collaboration with the MD Anderson Cancer Center at the University of Texas, a large-scale global clinical research center, with, initially, nine new Phase I and II clinical trials of NBTXR3 in six different types of cancer - head and neck, pancreatic, thoracic, thoracic, pulmonary, gastrointestinal and genitourinary cancers – involving approximately 340 patients.
A €14 million second tranche disbursement of loan financing from the European Investment Bank (EIB) was received in March.
In March, following the US Food and Drug Administration (FDA)'s feedback, the Company also announced its clinical registration plan in head and neck cancers in the United States.
In April, Hensify®(NBTXR3) received European market approval (CE mark), enabling the Company to commercialize Hensify® for the treatment of locally advanced soft tissue sarcoma in 27 EU countries. Concurrently, the Company announced it raised €29.5 million through a private placement.
In December, the Company was awared the French 2019 Prix Galien award for most innovative MedTech.

_2020

In January, the Company announced plans for a global Phase III head and neck cancer registration trial along with overall development updates.
In February, the Company announced it was granted fast track designation by the US FDA for the investigation of its first in class product candidate, NBTXR3, in head and neck cancer.
In May, the Company announced that the first Phase I trial in collaboration with MD Anderson Cancer Center with NBTXR3 in pancreatic cancer was safe to proceed per US FDA.

NBTXR3 / Hensify® key figures

First European market approval (CE mark) obtained, enabling the marketing of Hensify® for the treatment of locally advanced soft tissue sarcoma in 27 EU countries

16 clinical trials in several types of cancer

Used alone or in combination with anti-PD-1 immunotherapy, used in different standards of care

Proof of concept in soft tissue sarcoma (STS) featured in *The Lancet Oncology*

300+ patents issued or in process of being issued

Fast track designation granted by U.S. FDA for investigation in head and neck cancer

Clinical trials ongoing in 15 countries

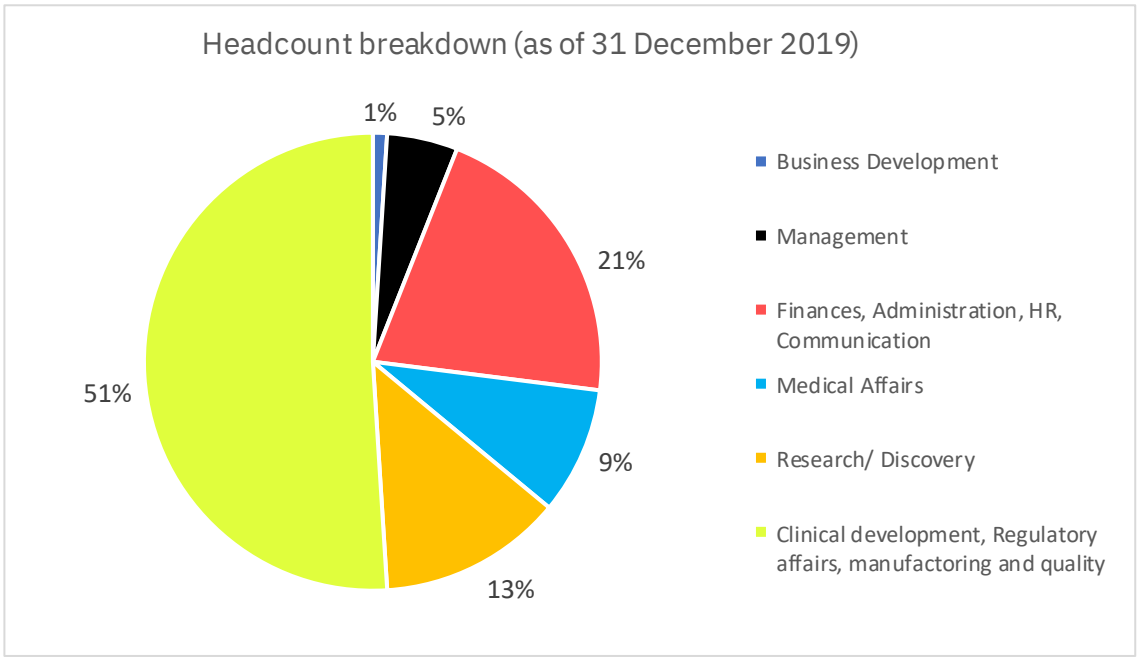
250+ patients recruited in the studies

400+ physicians involved in clinical trials

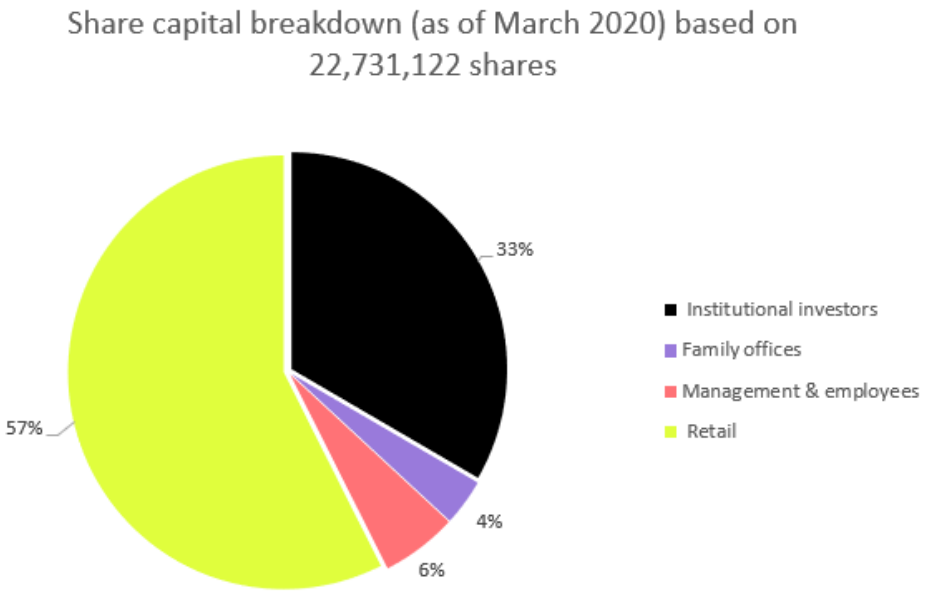
Countries where Nanobiotix runs clinical trials: France, Belgium, Italy, Spain, Poland, Norway, Hungary, Romania, Hong Kong, Taiwan, Philippines, Germany, USA, South Africa, Australia

Key financial figures

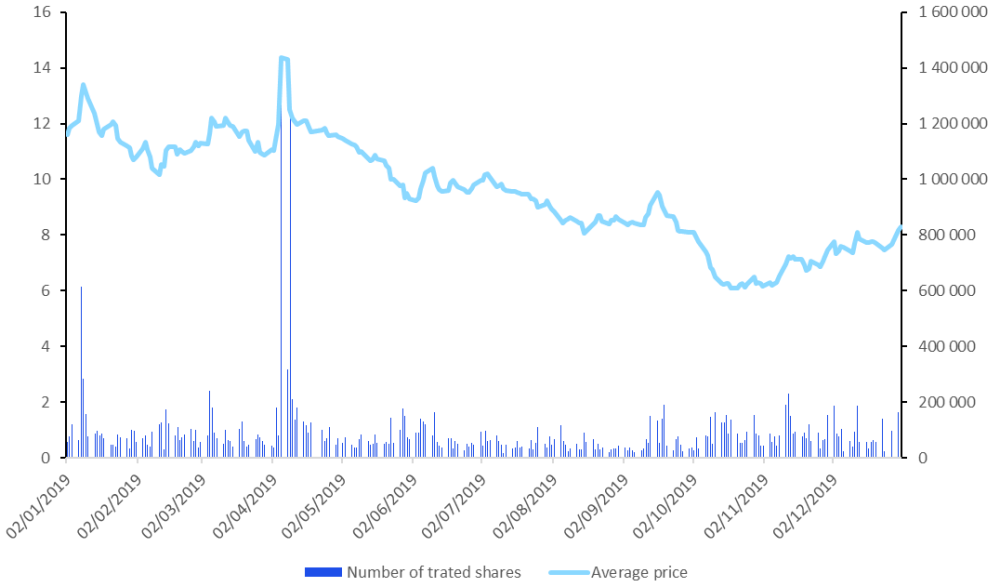
More than € 224 million raised since its creation
110 employees (excluding trainees), as of 31 December 2019
Headquarters in Paris, 4 wholly owned subsidiaries based in France, Cambridge, USA, Madrid, Spain and Munich, Germany, including Curadigm a spin-off based in Paris, France and Boston, USA.



Stock market information



2019 share price & volume evolution



Stock market data

Share code
Name: Nanobiotix
Mnemonic code: NANO
Place of listing: regulated market of Euronext Paris, compartment B
ISIN code: FR0011341205
Date of initial public offering: 29 October 2012

Index
CAC Health Care
CAC Mid & Small
CAC Pharma & Bio
CAC Small
CAC® PME
NEXT 150
NEXT BIOTECH
TECH 40

Additional information
Share eligible for SRD

Tickers
Reuters: NANO.PA
Bloomberg: NANO.FP

International analyst coverage

Nanobiotix has benefited from international analyst coverage since its initial public offering, mainly in France, the United States, the Netherlands and the United Kingdom:

STIFEL (UK)	Christian Glennie
JEFFERIES (UK)	Peter Welford
GILBERT DUPONT (FR)	Jamila El Bougrini
KEMPEN (NL)	Ingrid Gafanhao
KEPLER CHEUVREUX (FR)	Arsène Guekam
H.C. WAINWRIGHT & Co. (US)	Ramakanth Swayampakula
PORTZAMPARC (FR)	Christophe Dombu
DEGROOF PETERCAM (BE)	Benoit Louage

Financial publication calendar

Revenue for Q2 2020 Announcement: July 17, 2020

NBTXR3 pipeline

Following proof-of-concept and European market approval for NBTXR3 in locally advanced soft tissue sarcoma of the extremities and trunk wall (Brand Name: Hensify®) in 2019, Nanobiotix will continue to prioritize its registration pathway in the US and EU for the treatment of head and neck cancers, while also working to advance the Nanobiotix immuno-oncology (I/O) program and evaluate NBTXR3 in other indications such as lung, pancreatic, esophageal, hepatocellular carcinoma (HCC), prostrate, and rectal cancers.

To implement this plan, Nanobiotix will focus on head and neck cancers while its partners (i.e. The University of Texas MD Anderson Cancer Center (MD Anderson) in the US and PharmaEngine in Asia) are working on other indications.

Development in head and neck cancers moving forward

There are approximately 700,000 new head and neck cancer patients worldwide each year—300,000 of these patients reside in the US and the European Union (EU)[1]. 70-80% of all head and neck cancer patients will receive radiation therapy, but significant unmet medical needs remain regarding either local control, systemic control, toxicity, or some combination of the three[2]. This is especially challenging for patients ineligible for platinum based chemotherapy (cisplatin).

Nanobiotix has begun interacting with the US Food and Drug Administration (FDA) on its regulatory pathway and met with the agency in October 2019 to fine-tune the design elements of Study 312 — a Phase III dual-arm, investigator's choice, randomized (1:1) global registration trial including elderly head and neck cancer patients who are ineligible for platinum-based chemotherapy (cisplatin).

Patients in the control arm will receive radiation therapy with or without cetuximab (investigator's choice), and patients in the treatment arm will receive NBTXR3 activated by radiation therapy with or without cetuximab (investigator's choice). The trial will recruit around 500 patients, the initial readout will be based on event-driven progression-free survival (PFS), and the final readout will be based on PFS and overall survival (OS). The study will aim to demonstrate the OS superiority of NBTXR3 activated by radiation therapy. In addition, quality of life (QoL) will be measured as a key secondary outcome.

In February 2020, the U.S. Food and Drug Administration reviewed the Company's request for Fast Track designation and concluded that investigation of NBTXR3 activated by radiation therapy, with or without cetuximab, for the treatment of patients with locally advanced head and neck squamous cell cancer who are not eligible for platinum-based chemotherapy meets the criteria for a Fast Track development program.

A futility analysis is expected 18 months after the first patient is randomized, the interim analysis for PFS superiority is expected at 24-30 months, and final analysis will report on PFS and OS. In the event of favorable data from the initial readout, Nanobiotix plans to apply for conditional registration in the US.

Confirming efficacy with Phase I (Study 102) expansion

Nanobiotix has already reported promising early signs of efficacy for patients with head and neck cancer through Study 102[3] — a Phase I trial of NBTXR3 nanoparticles activated by intensity-modulated radiation therapy (IMRT) in the treatment of advanced head and neck squamous cell carcinoma (HNSCC). The patient population for Study 102 includes elderly and frail patients who are ineligible for cisplatin or intolerant to cetuximab. As a result of

this report, the Company launched an expansion cohort with 44 additional patients to strengthen preliminary efficacy data. Recruitment for the expansion cohort has reached 38 of 44 patients and the initial readout is expected by mid-2020. Depending on the favorability of the final expansion phase data, the Company may seek to expedite the regulatory process in the EU.

Additional development in head and neck with partners

To serve as many head and neck cancer patients as possible, Nanobiotix is engaged in ongoing clinical collaborations with MD Anderson in the US and PharmaEngine in Asia. The Company is collaborating with MD Anderson on nine (9) clinical trials across multiple indications, three (3) of which are expected to evaluate head and neck cancer in patient populations outside of the trials Nanobiotix is executing alone (e.g. borderline resectable, inoperable and neck cancer (re-irradiation), etc.) The head and neck portion of the PharmaEngine collaboration features a Phase I/II trial designed to evaluate the safety and feasibility of NBTXR3 activated by radiation therapy in combination with cisplatin for patients with locally advanced cancer of the oral cavity and oropharynx.

Immuno-oncology program with NBTXR3

In addition to the main program evaluating the use of NBTXR3 as a single agent, and as mentioned above, Nanobiotix is running a global I/O program. For the past decade, there has been excitement around the ability of I/O agents (immune checkpoint inhibitors or ICIs) to activate the immune system to attack tumor cells.

However, many tumors exhibit little or no response to these therapies and are considered "cold," due to a lack of immunogenicity. As a result, a small fraction of patients realizes the benefits of ICIs[3]. The Nanobiotix I/O program is comprised of Study 1100—an I/O basket trial in the US—a pre-clinical collaboration with MD Anderson, and a large-scale clinical collaboration with MD Anderson including several trials. The program aims to evaluate the potential for NBTXR3 activated by radiation therapy in combination with immune checkpoint inhibitors to convert checkpoint inhibitor non-responders into responders; provide better local and systemic control; and increase survival. Study 1100 evaluates NBTXR3 in combination with anti-PD-1, includes three cohorts, is recruiting and has four activated sites. The head and neck cohort includes patients with locoregional recurrent (LRR) or recurrent and metastatic (R/M) head and neck squamous cell carcinoma (HNSCC). The remaining cohorts include patients with lung and liver metastasis. While cohorts two and three initially called for liver and lung metastasis patients with HNSCC or non-small cell lung cancer (NSCLC) as the primary tumor, the protocol was recently expanded to include patients with lung and liver metastases from any primary cancer eligible for anti-PD-1 therapy (e.g. metastatic melanoma, metastatic NSCLC, metastatic small cell lung cancer, metastatic HNSCC, metastatic cervical cancer, metastatic urothelial cancer, metastatic gastric cancer, metastatic Merkel cell carcinoma, and metastatic microsatellite-high or mismatch repair deficient cancers, etc.). The I/O portion of the Nanobiotix clinical collaboration with MD Anderson plans to evaluate NBTXR3 activated by radiation therapy in combination with immune checkpoint inhibitors (anti-PD-1, anti-PD-L1, and anti-CTLA4) in patients with locally advanced and metastatic lung cancer.

Development across other indications

Study 103—evaluating NBTXR3 activated by radiation therapy for the treatment of patients with HCC and liver metastasis—is recruiting the last patient at the 5th (last) dose level and final results are expected in the first quarter of this year. Furthermore, the Company is evaluating NBTXR3 activated by radiation therapy for patients with prostate cancer through Study 104; for patients with naïve oesophageal cancer, and pancreatic cancer through the clinical collaboration with MD Anderson; and in combination with chemotherapy for patients with rectal cancers through the PharmaEngine collaboration. Two additional trials with MD Anderson are under discussion.

Next steps in soft tissue sarcoma

Given positive Phase III results and market approval for NBTXR3 in Europe for the treatment of soft tissue sarcoma of the extremities and trunk wall, the Company is currently preparing a post-registrational trial that will continue evaluating safety and efficacy, and will provide patients with access to the product. Around 100 patients should be recruited for this trial, which is expected to launch in the second half of 2020.

Upcoming milestones in the context of the COVID-19 crisis

- Global Phase III in head and neck cancers (Study 312): currently under review by U.S. Food and Drug Administration (FDA)
- Phase I expansion in head and neck cancers (Study 102): preliminary efficacy and safety data to be presented at ASCO May 29th to May 31, 2020
- Phase I in immuno-oncology (Study 1100): on track to report first new data on patient already recruited within the next few months
- Phase I/II in liver cancers (Study 103): recruitment in dose escalation phase completed, final data to be shared by the end of the year
- Phase I in prostate cancer (Study 104): currently under review, updates to be provided in due time
- Post-registrational trial in soft tissue sarcoma (Act.in.Sarc): launch expected in Q2 2021
- PharmaEngine head and neck cancer trial: last patient recruited by the end of the year
- PharmaEngine rectum cancer trial: last patient recruited by the end of the year

Additional updates will be delivered once the Company has clearer visibility on the operational impact of systemic healthcare restrictions in the coming months.

About NBTXR3

NBTXR3 is a first-in-class product designed to destroy tumors through physical cell death when activated by radiotherapy. NBTXR3 has a high degree of biocompatibility, requires one single administration before the first radiotherapy treatment session, and has the ability to fit into current worldwide standards of radiation care. The physical mode of action of NBTXR3 makes it applicable across solid tumors such as lung, prostate, liver, glioblastoma, and breast cancers.

[1] Bray, F., Ferlay, J., Soerjomataram, I., Siegel, R. L., Torre, L. A., & Jemal, A. (2018). Global cancer statistics 2018: GLOBOCAN estimates of incidence and mortality worldwide for 36 cancers in 185 countries. CA: a cancer journal for clinicians, 68(6), 394-424.

[2] Delaney, G., Jacob, S., Featherstone, C., & Barton, M. (2005). The role of radiotherapy in cancer treatment: estimating optimal utilization from a review of evidence-based clinical guidelines. Cancer: Interdisciplinary International Journal of the American Cancer Society, 104(6), 1129-1137.

3 Spigel, David R., et al. (2015): 8009-8009. ; Ferris, Robert L., et al. New England Journal of Medicine 375.19 (2016): 1856-1867. ; Borghaei, Hossein, et al. New England Journal of Medicine 373.17 (2015): 1627-1639. ; Garon, Edward B., et al. New England Journal of Medicine 372.21 (2015): 2018- 2028. ; Seiwert, Tanguy Y., et al. The lancet oncology 17.7 (2016): 956-965. ; Antonia, Scott J., et al. New England Journal of Medicine 377.20 (2017): 1919-1929

Table of Contents

1. NANOBIOTIX AND ITS ACTIVITIES PRESENTATION

1.1. SELECTED FINANCIAL INFORMATION

The main financial information below is extracted from the consolidated financial statements of the Company and was prepared with IFRS standards as published by the IASB (International Accounting Standards Board) and approved by the European Union on the date of preparation of these financial statements.

1.1.1. Indicators and key figures

Simplified balance sheet

Based on consolidated accounts (€K)	Dec 31, 2019 audited	Dec 31, 2018[1] audited	Dec 31, 2017 audited
Non current assets	**10,078**	**3,544**	**4,358**
Intangible assets	163	102	136
Property, plant and equipment	9,386	2,884	2,990
Financial assets	529	558	1,232
Current assets	**46,127**	**42,651**	**53,109**
Other current assets	11,033	6,448	5,897
Cash and cash equivalents	35,094	36,203	47,212
Total assets	**56,205**	**46,195**	**57,467**
Equity	**(1,908)**	**14,243**	**43,922**
Non-current liabilities	**43,766**	**20,358**	**3,981**
incl. financial liabilities – non-current	43,435	20,021	3,747
Current liabilities	**14,347**	**11,597**	**9,564**
incl. financial liabilities - current	1,091	500	770
Total equity and liabilities	**56,205**	**46,195**	**57,467**

[1] The Company applies the new IFRS 16 Lease accounting standard. Starting January 1, 2019, following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1 of the consolidated financial statements in section 4.1 of the Universal Registration Document for further details on the impacts of first application).

Simplified income statement

Based on consolidated accounts (€K)	2019 12 months Audited	2018 12 months Audited	2017 12 months Audited
Total revenues and other income	**2,541**	**3,479**	**3,722**
incl. Revenues	68	116	252
Operating loss	**(46,779)**	**(30,067)**	**(25,267)**
Financial loss	**(4,133)**	**(277)**	**(876)**
Net loss for the period	**(50,915)**	**(30,345)**	**(26,143)**
Total comprehensive loss	**(50,863)**	**(30,478)**	**(57,708)**

Operating expenses are divided between research and development costs and selling, general & administrative costs. Details are presented below:

Research and development costs

(€K)	2019 12 months Audited	2018 12 months Audited	2017 12 months Audited
Purchases, sub-contracting and other expenses	(16,804)	(11,358)	(10,215)
Payroll costs (incl. Share-based payments)	(11,980)	(9,002)	(7,151)
Depreciation, amortization and provision expenses	(1,627)	(534)	(367)
Total research and development costs	**(30,411)**	**(20,894)**	**(17,733)**

Selling, general and administrative (SG&A) expenses

(€K)	2019	2018	2017
Rent fees and other expenses	(9,435)	(5,918)	(5,709)
Payroll costs (incl. Share-based payments)	(9,205)	(6,701)	(5,568)
Depreciation, amortization and provision expenses	(270)	(35)	22
Total selling, general and administrative expenses	**(18,910)**	**(12,653)**	**(11,255)**

Simplified cash flow

Based on consolidated accounts (€k)	2019 12 months Audited	2018 12 months Audited	2017 12 months Audited
Cash flows used in operations, before tax and changes in working capital	(39,647)	(27,063)	(22,643)
Changes in working capital	(1,522)	1,078	1,694
Cash flows used in operating activities	**(41,169)**	**(25,985)**	**(20,949)**
Cash flows used in investing activities	**(1,459)**	**71**	**(1,563)**
Cash flows from financing activities	**41,489**	**14,850**	**48,549**
Impact of exchange rates changes on cash	29	54	117
Net cash flow	**(1,109)**	**(11,009)**	**26,154**

1.1.2. Highlights of the financial year

2019 was an important year for Nanobiotix and its leading product NBTXR3 with several major developments in the clinical, preclinical and financial field.

Clinical

Clinical registration in head and neck cancers for the United States

In March 2019, Nanobiotix announced its clinical registration plan in head and neck cancers for the United States following the United States Food and Drug Administration (FDA) feedback.

First ever Radio-enhancer to receive European market approval in Soft Tissue Sarcoma

In April 2019, the Company announced that Hensify® (the NBTXR3 brand name for the treatment of locally advanced soft tissue sarcoma (STS)) received European market approval (CE mark) enabling commercialization in 27 European Union countries for the treatment of locally advanced STS.

In July 2019, results from the randomized Phase II/III clinical trial evaluating NBTXR3 in patients with advanced STS were published in *The Lancet Oncology* journal. The data from the registration study (Act.In.Sarc) demonstrated a significant advantage in both pathological complete response (pCR) and rate of margin-negative resection (R0) for those treated with NBTXR3 activated by standard of care radiation therapy versus radiation therapy alone. Data showed that an increase in efficacy was achieved with the addition of NBTXR3 without a significant difference in the safety profile compared to radiation therapy alone.

Phase I study results show NBTXR3 could present as a valuable option for patients with hepatocellular carcinoma or liver metastasis

During an oral presentation at the ASTRO 2019 annual meeting, Nanobiotix announced results from the Company's Phase I study evaluating NBTXR3 activated by stereotactic body radiation in liver cancer. The study showed positive signs of efficacy for hepatocellular carcinoma patients, as every evaluable patient responded and over half (62.5%) reached complete response. Moreover, given that the safety profile was very good, a fifth dose escalation level has been added to the trial.

Clinical collaboration with The University of Texas MD Anderson Cancer Center

Nanobiotix and The University of Texas MD Anderson Cancer Center announced a large-scale, comprehensive clinical collaboration on NBTXR3.

In January 2019, the Company announced it entered into a large-scale, comprehensive clinical research collaboration with the University of Texas MD Anderson cancer center. The collaboration is expanding clinical development of NBTXR3, with the initial launch of nine new clinical trials involving around 340 patients, focused on evaluating the potential clinical benefit of NBTXR3 when activated by radiotherapy, either as a monotherapy or in combination with checkpoint inhibitors.

Pre-clinical collaboration results

Nanobiotix, announced preclinical data from studies currently being conducted under its collaborations with The University of Texas MD Anderson Cancer Center and the Weill Cornell Medical College.

At the AACR Annual Meeting 2019, in April 2019, the Company presented pre-clinical data demonstrating efficacy of the combination of NBTXR3, radiotherapy, and anti-PD-1 immunotherapy in treating resistant pre-clinical in vivo models of lung cancer.

Nanobiotix announced new results from its pre-clinical immuno-oncology study

During the 2019 Annual Meeting of the Society for Immunotherapy of Cancer (SITC) in November 2019, Nanobiotix announced new results from its pre-clinical collaboration with The University of Texas MD Anderson Cancer Center. The data demonstrates superiority for NBTXR3 activated by radiation therapy and anti-PD-1 in combination versus the radiation therapy and anti-PD-1 combination in an *in vivo* anti-PD-1 resistant model. The data also shows generation of adaptive immune response—turning cold tumors into hot tumors—better local control, better abscopal effect, and significantly increased survival. Finally, data from an in vivo RadScopal™ model shows superior local control along with significant increases in abscopal effect and survival for treatments combining NBTXR3 activated by radiation therapy with anti-PD-1 and anti-CTLA-4 versus all other tested combinations.

Finance

Nanobiotix could potentially conduct a registered public offering in the United States

In January 2019, Nanobiotix announced that it planned to conduct a registered public offering of ordinary shares, including in the form of American Depositary Shares (ADSs) in the United States, and has confidentially submitted a draft registration statement on Form F-1 to the U.S. Securities and Exchange Commission. In March 2020, the Company confirmed that its intention to list shares on the Nasdaq remains, nevertheless the project is postponed until better market conditions are met.

Nanobiotix received €14 million through the second tranche disbursement of financing from the European Investment Bank

In March 2019, Nanobiotix received €14 million through the second tranche disbursement of the non-dilutive loan from the European Investment Bank (EIB), which was originally announced on July 26, 2018. The payment was triggered by the achievement of two key Company milestones:

- The determination of the recommended dose at 22% of the tumor volume for head and neck cancers treatment following the end of Phase I clinical trial with NBTXR3;
- The reception of the positive evaluation of the clinical benefit/risk ratio of NBTXR3 in soft tissue sarcomas in phase II/III by the clinical expert mandated by the French medical device notified body, GMED.

€29.5m capital increase through placement of new shares

In April 2019, the Company raised approximately €29.5 million through the issuance of new shares to a specific class of investors.

Laurent Levy, CEO, increased his stake in Nanobiotix's capital

At the end of April 2019, Laurent Levy, CEO of the Company, subscribed to 160,000 new shares through the exercise of 160,000 founder's warrants (bons de souscription de parts de créateur d'entreprise or "BSPCE") for a total amount of EUR 960,000, bringing his ownership to 3.3% of capital and 5.5% of voting rights of the Company.

Corporate

New organizational structure

Nanobiotix announced new organizational structure to align with strategic priorities post European market approval for Hensify® (NBTXR3 brand name for the treatment of locally advanced STS), through changes in the composition of its Executive Board as well as the appointment of new officers.

Launch of Curadigm

In May 2019, Nanobiotix announced the launch of Curadigm, a new nanotechnology platform for healthcare. Curadigm is a wholly owned subsidiary of Nanobiotix that operates in France and in the US with a dedicated team. Curadigm opens new growth pathways for Nanobiotix beyond oncology, built on the success and know-how established through the development of NBTXR3. Curadigm's "Nanoprimer" technology aims to prime the body to receive various therapeutics and could reshape the balance between efficacy and toxicity for patients.

Nanobiotix received the 2019 Prix Galien Award

In December 2019, Nanobiotix received the French 2019 Prix Galien Award for Most Innovative MedTech for Hensify®, NBTXR3 brand name for the treatment of locally advanced STS. The Prix Galien Award recognizes outstanding biomedical and medical technology product achievements that improve the human condition.

1.1.3. Recent events

Research and development updates

In January 2020, the Company announced its head and neck Phase III registration trial and global development strategy for 2020. After establishing proof-of-concept and first market approval for NBTXR3 in soft tissue sarcoma of the extremities and trunk wall, the Company is now focused on developing this product in the United States and the European Union for the treatment of head and neck cancers.

As per the plan, the Company's resources are focused on head and neck cancers, as these indications have a high incidence, unmet medical needs, and offer a prime opportunity to demonstrate medical and economic value for NBTXR3.

The Company is also moving forward with its evaluation of NBTXR3 as a potential pillar of immuno-oncology, given positive data showing that the product may generate an immune response in patients on its own, and also increase the efficacy of immune checkpoint inhibitors in combination. In parallel, Nanobiotix collaborators will continue to develop NBTXR3 across several additional indications including lung, esophageal, pancreatic, and others.

In February 2020, Nanobiotix announced it was granted Fast Track designation by the U.S. Food and Drug Administration for the investigation of NBTXR3 activated by radiation therapy, with or without cetuximab, for the treatment of patients with locally advanced head and neck squamous cell cancer who are not eligible for platinum-based chemotherapy. Fast Track is a process designed to facilitate the development and accelerate the review of drugs for serious conditions and that have the potential to address unmet medical needs. The purpose is to expedite the availability of new treatment options for patients.

In May 2020, Nanobiotix announced that the first Phase I trial with NBTXR in pancreatic cancer was safe to proceed per US FDA. The trial is a Phase I dose escalation study evaluating the safety and feasibility of NBTXR3 activated by radiation therapy in patients with locally advanced or borderline-resectable pancreatic ductal adenocarcinoma.

COVID-19 Pandemic

Developments around the COVID-19 pandemic since its emergence in early 2020 are being closely monitored by the Company and its management. However, given the great uncertainty regarding the evolution of COVID-19 pandemic, global confinement measures and a possible resulting economic downturn, the potential impact of the pandemic on the Group’s activities and future results remains highly uncertain.

The Group’s first priority is the safety of its employees and partners. It is taking all possible measures to protect those working in countries impacted by this epidemic.

As of the date of the Universal Registration Document, the Company choose to adapt in terms of staffing, finance and development by reducing the pace and scope of some non-strategic activities temporarily so as to respond to the uncertainty caused by the pandemic. It will nevertheless continue to regularly assess the impact of COVID-19 on its business and will communicate any significant evolution on the subject to the market.

1.2. PRESENTATION AND EVOLUTION OF THE COMPANY

1.2.1. General presentation of the Company's activities

Nanobiotix, a spin-off from the University of Buffalo, SUNY, was created in 2003. Nanobiotix is a pioneering and leading company in nanomedicine, developing new approaches to radically improve the benefits for patients and bring nanophysics to the heart of the cell. Nanobiotix's philosophy is to use physics to design and deliver innovative, effective and scalable solutions to address important unmet medical needs.

The first product in a new class, NBTXR3, for which Nanobiotix has proprietary technology, aims to extend the benefits of radiation therapy to millions of cancer patients. In addition, Nanobiotix's Immuno-Oncology program has the potential to bring a new dimension to immunotherapies in oncology.

Nanobiotix has been listed on the regulated market of Euronext in Paris since 2012. The Company's headquarters are located in Paris, France. The Company has a wholly owned subsidiary in Cambridge, United States as well as three wholly owned subsidiaries in Europe, in France, Spain and Germany, including a spin-off, Curadigm, based in Paris, France and Boston, United States. Curadigm has itself a wholly owned subsidiary, Curadigm Corp., in Cambridge, United States.

Milestone in the Company's development

_2003

- Creation of the Company as the spin-off from the University of Buffalo in New York.

_2004

- **May**: 1st round of financing of €241 thousand.

_2005

- Second fundraising of €650 thousand (€325 thousand in April 2005 and the same amount in November 2005).

_2006

- **November**: Another round of financing of €3 million.

_2008

- Fourth round of financing of €1.1 million to increase the activity of the Company.

_2009

- **March:** Obtention of a refundable OSEO assistance amounting to €450 thousand.

_2010

- **April**: Fifth round of financing of €10.9 million.
- **November**: Obtention of a refundable OSEO assistance of €500 thousand.

_2011

- **August:** Authorization of the Affsaps (predecessor of the ANSM) to start the first Phase I / II (pilot) clinical study on humans.
- **September:** Nanobiotix starts clinical trial with product candidate NBTXR3 in Soft Tissue Sarcoma.

- **November:** Nanobiotix receives €1 million in grant from OSEO.

_2012

- **February:** Additional financing of €1 million from existing shareholders.
- **May:**
  - Bonds redeemable into shares of €1.5 million;
  - Recruitment of the 5th patient in phase I/II clinical trial.
- **August:** PharmaEngine and Nanobiotix sign Asia-Pacific exclusive license and collaboration agreement with an initial upfront payment of US$ 1 million.
- **October:** Capital raise of €14.2 million (excluding transactions expenses) for the Company's IPO in NYSE-Euronext Paris.
- **November:** Recruitment of a second group of 5 patients.

_2013

- **June:**
  - Nanobiotix NBTXR3 achieves clinical milestone reaching proof-of-concept in Phase I trial of Soft Tissue Sarcoma;
  - Nanobiotix receives approval from the ANSM to start a new clinical trial with NBTXR3 in locally advanced cancers of the oral cavity or oropharynx (Head and Neck).
- **July:** Nanobiotix announces €2.8 million grant from Bpifrance to accelerate the development of NBTXR3 in a third indication, liver cancer (hepatocellular carcinoma).
- **December:** Nanobiotix strengthens its NanoXray pipeline with the launch of a gel containing nanoparticles.

_2014

- **January:** With the NICE project, Nanobiotix receives €460 thousand in grants and refundable advances.
- **March:** Capital increase of €28.1 million.
- **June:** Nanobiotix presents successful Phase I results for NBTXR3 in Soft Tissue Sarcoma during the ASCO conference and during the Best of ASCO.
- **September:** Nanobiotix expands operations in the USA, opening its first US office in Boston, Massachusetts.
- **October:**
  - PharmaEngine joins Nanobiotix pivotal trial for NBTXR3 in Soft Tissue Sarcoma to accelerate its development in the Asia-Pacific region. In October 2014, Nanobiotix received a milestone payment of $1 million;
  - Within the NICE project, Nanobiotix received a second milestone payment from Bpifrance of €1.1 million in grants and refundable advances;
  - Nanobiotix receives the approval of the ANSM to start its Phase II/III registration trial of its product candidate NBTXR3 in the locally advanced Soft Tissue Sarcoma indication.
- **November:** investment by a new American investor, Capital Ventures International, through a private placement and the issue of new shares with attached warrants for a total amount of €10.4 million with a potential

additional € 24.1 million (1) (were all the warrants attached to the shares issued during the capital increase exercised and Company's additional drawdown facility used) to address the American market and announcement of the new development plan for NBTXR3.

_2015

- **February:** Professor Robert Langer, Institute Professor at the Massachusetts Institute of Technology (MIT) becomes Scientific Advisor to Nanobiotix.
- **March**: Nanobiotix appoints CordenPharma as its manufacturing partner.
- **May:** Nanobiotix announces the expansion of Soft Tissue Sarcoma pivotal clinical trial in Europe and beyond.
- **June:** Nanobiotix reports positive preliminary results in Head and Neck cancer Phase I/II clinical trial.
- **July:** Nanobiotix starts Phase I/II clinical trial in liver metastasis and hepatocellular cancer with NBTXR3.

_2016

- **January:**
  - Nanobiotix announces that the US Food and Drug Administration (FDA) has approved its Investigational New Drug (IND) application on December 30, 2015. This allows Nanobiotix to launch its first clinical study in US for its product candidate NBTXR3 in prostate cancer, a new indication affecting a very large population.
  - Nanobiotix launches a new research program in Immuno-Oncology with its leading product NBTXR3.
- **March:** Nanobiotix completes a €21.3 million private placement of new ordinary shares. The new ordinary shares were issued mainly to investors specialized in Life Sciences, the majority of which are located in the United States.
- **May:**
  - Nanobiotix establishes promising preclinical proof-of-concept in Immuno-Oncology Nanobiotix announces that it has established a preliminary proof of concept with its leading product NBTXR3 in its new Immuno-Oncology (IO) program;
  - Nanobiotix receives its US$1 million milestone payment from PharmaEngine following the treatment of the first patient in the Soft Tissue Sarcoma trial in Asia;
- **June:** Nanobiotix announces exercise of 50,000 warrants by Capital Ventures International, resulting in the issue of 50,000 new shares, representing a capital increase of €893,500.
- **July:** Nanobiotix reports successful results from Phase I/II trial of NBTXR3 in Head and Neck.
- **August:** Nanobiotix announces submission for first market approval of product candidate NBTXR3 in Europe in the treatment of Soft Tissue Sarcoma. The application was based on, among others, currently available information from the Act.in.sarc. trial for the treatment of locally advanced STS as well as other clinical trials conducted with NBTXR3.

- **September:** Bpifrance grants Nanobiotix a €2 million interest-free loan to support final stage development of product candidate NBTXR3.
- **October:** Nanobiotix partner, PharmaEngine, launchs a new NBTXR3 clinical trial in patients with head and neck cancers in Asia.
- **November:** Nanobiotix presents NBTXR3 preclinical data demonstrating its potential usage as in situ vaccine for cancer at the Society for Immunotherapy of Cancer annual meeting.
- **December:**

o Nanobiotix presents preliminary safety and feasibility data in the first patients in the Phase I/II trial evaluating NBTXR3 in primary liver cancer (hepatocellular carcinoma, HCC) and liver metastases;

o Nanobiotix announces that three members of the Executive Board and the Chairman of the Supervisory Board have increased their stake in the Company's capital following the exercise of founders' warrants and warrants.

_2017

- **March:**

o Nanobiotix presents preclinical studies on NBTXR3 demonstrating 1) the *in vivo* antitumor efficacy of NBTXR3 in five different types of cancer and 2) the antitumor efficacy of NBTXR3 in combination with chemotherapy, in both *in vitro* and *in vivo* studies;

o Nanobiotix announces that the Independent Data Monitoring Committee (IMDC) recommends the continuation of the Phase II/III clinical trial of NBTXR3 in Soft Tissue Sarcoma (Act.in.sarc trial) on the basis of the available safety and efficacy data.

- **April:**

o Nanobiotix announces the expansion and acceleration of its clinical development plan: acceleration of the development of the head and neck cancer program and presentation of the Phase I data at the ASCO conference, and expansion of the Immuno-Oncology program in humans, with the aim of turning cold tumors into hot tumors;

o The Company raises €25.1 million by private placement of new ordinary shares. The new ordinary shares were issued mainly to qualified and institutional investors in the United States and Europe. The book was largely covered due to a strong demand from new investors in the US and Europe, both mainstream and specialized in Life Sciences, as well as from existing shareholders strengthening their position.

- **May:** Nanobiotix announces first positive data in humans in its IO program, showing that NBTXR3 could become a backbone in immuno-oncology.
- **June:**

o Nanobiotix presents promising data from Phase I/II head and neck cancer trial with NBTXR3 at the American Society of Clinical Oncology's annual conference;

o Nanobiotix presents new translational data during the "Immunotherapy workshop – Incorporating Radiation Oncology into Immunotherapy"

workshop organized by the American Society of Radiation Oncology (ASTRO), the National Cancer Institute (NCI) and the Society for Immunotherapy of Cancer (SITC).

- **September:** Nanobiotix plans to conduct its first clinical trial with NBTXR3 in combination with immune checkpoint inhibitors in the U.S. The aim of this trial is to extend the potential of NBTXR3 to recurrent and metastatic diseases.
- **October:**
  - Nanobiotix announces the inclusion of patient of the Phase II/III trial in Soft Tissue Sarcoma has been completed;
  - Nanobiotix successfully completes approximately €27.2 million placement of new shares via accelerated book-building.
- **November:** Nanobiotix presents new clinical and pre-clinical data confirming NBTXR3's significant potential role in Immuno-Oncology at SITC Annual Meeting.
- **December:** FDA approves Nanobiotix's first immuno-oncology trial. A Phase I/II study of NBTXR3 activated by radiation therapy (SABR) for patients with non-small cell lung cancer or head and neck squamous cell carcinoma cancer treated with an anti PD1 antibody (nivolumab or pembrolizumab).

_2018

- **January:**
  - Nanobiotix partners with the *Providence Cancer Institute* to run a immunotherapeutic preclinical research program in pancreatic cancers;
  - Nanobiotix presents promising initial data from Phase I/II liver cancers trial of NBTXR3 at the American Society of Clinical Oncology Gastrointestinal Annual Meeting (ASCO GI).
- **April:**
  - Nanobiotix and the University of Texas, MD Anderson Cancer Center launch an immunotherapeutic pre-clinical research program combining NBTXR3 and nivolumab in lung cancer;
  - Nanobiotix presents preclinical data evaluating the activation of the cGAS-STING pathway by NBTXR3 to the American Association for Cancer Research (AACR);
  - Nanobiotix is included in Euronext's Tech 40 label, recognizing the best performing Tech SMEs listed on Euronext markets.
- **May:** Nanobiotix partners with Weill Cornell Medicine for a program of non-clinical studies to evaluate the impact of NBTXR3 on cGAS-STING pathway in mammary cancers.
- **June:** Nanobiotix announces positive Phase II/III topline data in Soft Tissue Sarcoma with NBTXR3.
- **July:** Nanobiotix signs a €40 million non-dilutive financing agreement with the European Investment Bank.
- **September:**

- Nanobiotix updates data on its Head and Neck Phase I/II trial with NBTXR3 and other data presented at the l'International Conference on Immunotherapy Radiotherapy Combinations (ImmunoRad 2018);
- Nanobiotix presents positive results from its Phase II/III clinical trial of NBTXR3 in patients with Soft Tissue Sarcoma and other ongoing Phase I/II trials at the ESMO and ASTRO annual conferences.

▪ October:

- Nanobiotix receives a €16 million first tranche disbursement of its loan from European Investment Bank;
- Nanobiotix presents positive Phase II/III results from NBTXR3 in Soft Tissue Sarcoma at the European Society of Medical Oncology (ESMO) 2018 conference. NBTXR3 is the first radiotherapy amplifier that demonstrates a significant clinical benefit for patients with locally advanced Soft Tissue Sarcoma compared to radiotherapy alone.

_2019

▪ January:

- Nanobiotix and the University of Texas MD Anderson Cancer Center announce a large-scale global clinical collaboration on NBTXR3. The 9 clinical trials will evaluate NBTXR3 in 6 different cancers involving approximately 340 patients. Nanobiotix will fund this collaboration for a minimum total amount of approximately $11 million;
- Nanobiotix announces plans to conduct a registered public offering in the United States.

▪ March:

- Nanobiotix receives a payment of €14 million under the second tranche of the loan granted by the European Investment Bank;
- Nanobiotix announces its clinical registration plan in Head and Neck cancers in the United States following FDA feedback.

▪ April:

- Nanobiotix announces preclinical data from studies currently being conducted under its collaborations with the University of Texas MD Anderson Cancer Center and the Weill Cornell Medical College. These results were presented during two posters sessions at the American Association for Cancer Research (AACR);
- Nanobiotix announces that Hensify® (NBTXR3), first ever radioenhancer, has obtained European market approval (CE mark) for the treatment of locally advanced soft tissue sarcoma;
- Nanobiotix raises approximately €29.5 million in a placement of new ordinary shares with new investors and existing shareholders from the United States and Europe.
- Laurent Levy, CEO, increases his stake in Nanobiotix's capital.

- **May:**
  - Nanobiotix announces the launch of Curadigm SAS as a wholly owned subsidiary of Nanobiotix. The technology aims to prime the body to receive various therapeutics and could reshape the balance between efficacy and toxicity for patients.
- **July:**
  - Nanobiotix announces new organizational structure as the Company enters its next stage after first European Market Approval;
  - Nanobiotix announces publication of Phase III Soft Tissue Sarcoma data for first-in-class NBTXR3 in *The Lancet Oncology*;
- **September:**
  - Nanobiotix announces that Phase I study results show first-in-class NBTXR3 could present a valuable option for patients with hepatocellular carcinoma or liver metastasis.
- **November:**
  - At SITC 2019, Nanobiotix announces new results from preclinical collaboration in immuno-oncology with the University of Texas MD Anderson Cancer Center.
- **December:**
  - Nanobiotix receives the 2019 Prix Galien award for first-in-class Hensify® for the Most Innovative Medtech.

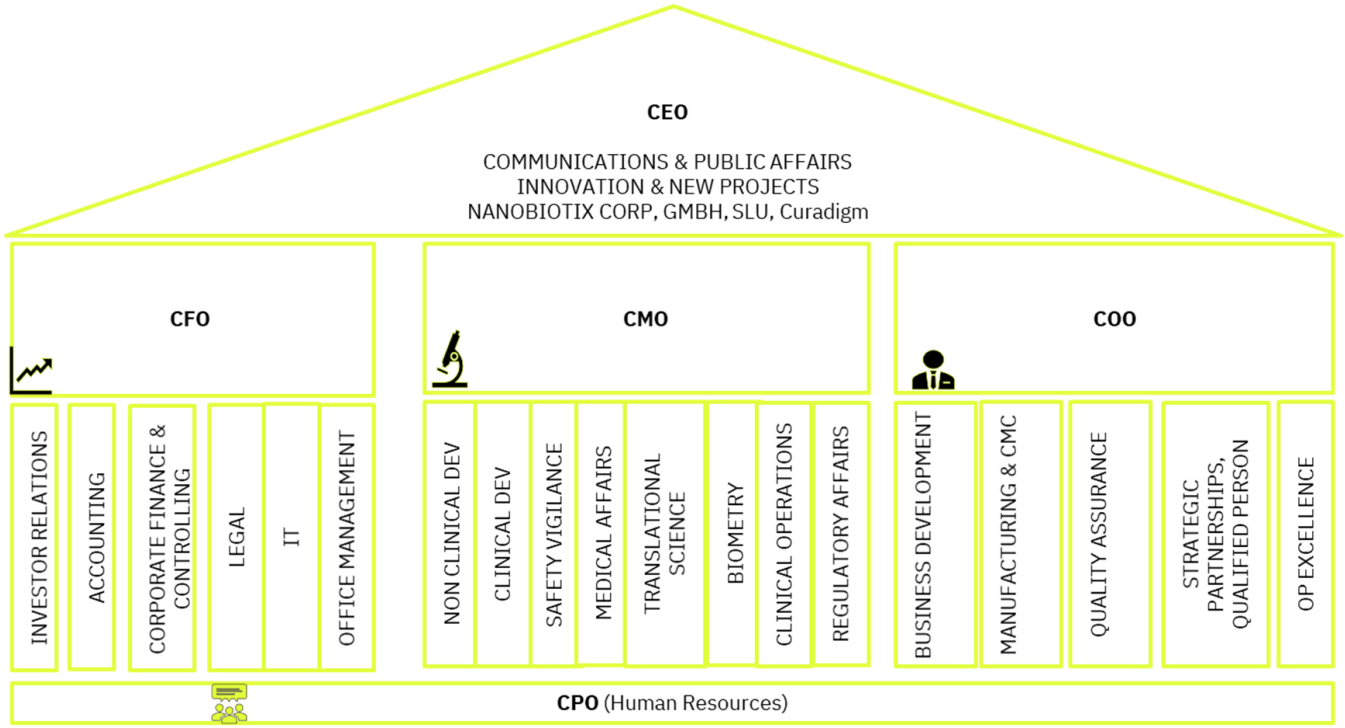
_2020

- **January:**
  - Nanobiotix announces plan for global Phase III Head and Neck cancer registration trial along with overall development update.
- **February:**
  - Nanobiotix announces fast track designation granted by U.S.FDA for investigation of first in class NBTXR3 in Head and Neck cancer.
- **April:**
  - Nanobiotix provides updates on clinical development continuity in the context of the COVID-19 crisis.
  - Nanobiotix announces Q1 2020's revenue and cash position as of March 31, 2020.
- **May:**
  - Nanobiotix announces first Phase I trial with NBTXR3 in pancreatic cancer is safe to proceed per US FDA.

1.2.2. Organizational chart

Nanobiotix headcount counts 110 employees (excluding trainees) at the end of the 2019 financial year, supervised by a team of complementary and highly experienced management and a supervisory board as well as a Supervisory Board composed of experts in their respective fields.

1.2.2.1. Operational chart



1.2.2.1.1. Innovation and new projects

This Nanobiotix team is dedicated to finding innovative therapeutic solutions for cancer treatment. They present complementary expertise to conduct all key activities within the Company.

The project teams manage the Company's innovative projects autonomously, efficiently and reactively. To carry out their work and when necessary, research teams use subcontractors with state-of-the-art technologies.

The research team proactively acts in each Phase of the product development cycle and supports the development of new technologies and projects.

1.2.2.1.2. Clinical and non-clinical development

Nanobiotix is dedicated to the development of innovative treatments in the field of oncology for patients with significant unmet medical needs. This team ensures the integrity of research and the application of the highest ethical standards at all levels of clinical development organization and safety vigilance. It is also the guarantor of the application of national and international regulations.

In addition, the introduction of safe and effective therapies for cancer patients is the essential mission of clinical development and the safety-vigilance team. In particular, the Safety Vigilance team is responsible for training personnel in device vigilance and has been able to expand and improve the Nanobiotix program, which encompasses the legislative and regulatory context of device vigilance and the Company's preparation for the management of potential incidents and crisis situations. The development team works closely with the research team to ensure a safe transition from animal to human for its innovative products, when they have reached their development phase. The operational model of Nanobiotix's development is designed around obtaining "proof of concept," which requires close interaction between different specialties and rapid decision-making.

With a model based on innovation and value creation, the Company designs and directs its clinical development programs and study protocols in close collaboration with its advisory committee. On the other hand, their implementation is carried out in partnership with specialized providers approved by national and international regulatory agencies according to the specifics of the activities.

1.2.2.1.3. Regulatory affairs department

The management of regulatory affairs is a strategic function for the Company: internally, it is the link between the development, market access, manufacturing and clinical research departments. Outside the Company, it is the key contact with the regulatory authorities. In France, it liaises with the competent authority, the Agence Nationale de Sécurité du Médicament et des Produits de Santé (National Agency for the Safety of Medicines and Health Products or ANSM), and to the French medical device agency (GMED).

The Regulatory Affairs department is responsible for regulatory oversight and compliance with all regulations and standards. As the regulatory environment is constantly changing, the Regulatory affairs department provides advice on the necessary adaptations to the development plans and applications of target products. The regulatory affairs department has been involved in the strategy of new health products since the launch of their development. It plays an important operational role, anticipating regulatory constraints and requirements, weighing the best registration procedures to follow, managing communication and negotiations with the authorities, preparing and submitting relevant regulatory applications to health authorities, and obtaining their approvals. It is responsible for maintaining marketing authorizations or CE markings (including labelling, notice and packaging), and is involved in managing a product's lifecycle. At the end of the day, the Regulatory affairs department, acting as the Company's support department, works in close collaboration with:

- The quality assurance department, so as to ensure the quality and traceability of documents filed with the health authorities;
- The department of safety-vigilance which also supports device vigilance/pharmacovigilance and ensures the filing of adverse reactions within the allotted timeframes and in accordance with the regulations in force, and
- The legal department in understanding and implementing complex regulations.

1.2.2.1.4. Clinical operations

The Clinical operations department is made up of several teams including the clinical team and it relies on the CMO entity. The ultimate goal of human research is to improve the management and treatment of patients at all stages of the disease. Clinical trials assess the efficacy and tolerance of new treatments before they can be offered to all affected patients.

The department's missions and objectives are the setting of strategy of the clinical research of which Nanobiotix is the advocate, the management of projects including the implementation of risk management plans, the management of complex study budgets and associated resources (organization, administration, management, control, technical-regulatory support of clinical trials), as well as hospital and academic policy and partnerships in collaboration with the Business Development.
Fundamental operational objectives can be summed up as follows:

- Ensuring the quality of clinical trials conducted in health facilities;
- Accelerating patient recruitment in clinical trials;
- Ensuring the safety of patients included in clinical trials; and
- optimizing the means dedicated to clinical research.

To achieve these goals, the department relies on multidisciplinary collaborators:

- Tasked with filings with regulatory authorities, logistics, and monitoring of national, European or international clinical trials conducted by Nanobiotix;
- Who devote part of their activities to the design of the trial methodology, data management, analysis and publication of the results.

Nanobiotix outsources the following operations:

- Clinical monitoring and part of its management to a specialized organization with extensive oncology registration experience;
- Data management including electronic data storage and part of its data management;
- Statistical analysis and management of Independent Data Monitoring Committee (external trial committees, responsible for assessing patient safety); and
- Pharmacovigilance, storage and internal management in accordance with the recommendations of the EMA and the FDA.

The subcontractors selected by the Company have a Quality Assurance system and have obtained the Research Tax Credit (CIR) certification issued by the French Ministry of Research. These collaborations are mostly carried out within the framework of service agreements (provision of technology, scientific expertise, pharmacovigilance logistics, etc.). The results and data obtained through these service agreements belong exclusively to the Company. Usually, in addition to the payment of the sums owed under the agreements, Nanobiotix must, in some cases, add the partner's name with the Company's scientific publications, including publications on oncology medicine.

In all cases, clinical studies have been granted regulatory approval from health authorities, follow rigorous scientific protocols, and respect, in accordance with the principles of ethics, the interests of those subject to medical research.

1.2.2.1.5. Quality assurance department

The quality assurance department determines key processes, guides objectives, corrects potential malfunctions, and improves existing products or services for the whole of the Company's quality system. It aims to mobilize all staff around the "quality" objectives. Quality improvement is also sought by an improvement in processes carried out step by step. The approach is iterative and aims for successive and continuous improvements. The quality assurance Department uses a methodical approach to problem solving and the treatment of any dysfunctions (deviation processing system). The processing of changes is based on the appropriate use, as a group, of quality methods and tools (change control system), as well as information meetings or training sessions on various types of topics.

In addition, the quality assurance department promotes quality research through a constant improvement in the technical competence of Nanobiotix staff. Indeed, specialization has increased within the Company and the number of well trained and competent professionals, needed for the control of manufacturing processes, analytical results and/or rendering of a service, has greatly increased.

Finally, the quality policy is also part of the regulatory certifications and CE-marking approval procedures, coordinated by the department of regulatory affairs. These procedures are necessary for the marketing of products in Europe in particular. CMC (Chemistry, Manufacturing and Control) documentation will be established and added to the marketing application files.

1.2.2.1.6. Medical affairs department

Since the second half of 2017, Nanobiotix has been building a strong international team of medical science managers and experienced medical writers, so as to ensure the dissemination of scientific information and use of NBTXR3 within the international medical community prior to product approval.
The majority of medical science managers and medical writers are Doctors of Medicine, Doctors of Pharmacy, or Doctors of Science, scientific experts in the health industry and more specifically in oncology. The core business objectives of this team can be summed up as follows:

- Providing scientific and medical information in response to the requests of health professionals;
- Providing appropriate scientific and medical information (clinical, development, publications, etc.) based on the needs of health experts or professionals, through individual interviews or scientific meetings, and to write medical information materials, respond, as needed, to specific and medical questions, during medical commissions of hospitals in charge of the proper use of the product;
- Developing scientific partnerships aimed at optimizing patient care;
- Implement the medical strategy at the regional, national, European and American levels;
- Contribute to the coordination of clinical studies;
- Ensure the communication of clinical study results to Scientific conferences;
- Writing scientific publications presenting the results clinics;
- Providing scientific oversight.

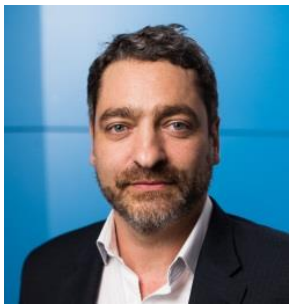
The medical affairs department relies on the CMO entity and works closely with the development and the department responsible for market access.

1.2.2.2. Management

The management of the Company includes highly experienced professionals.

Executive Board

Laurent Levy, Ph.D., Co-founder, CEO



Nationality: French

Corporate office renewal date: March 8, 2016

Term of corporate office: at the end of the general shareholders meeting which shall approve the accounts for the financial year ended December 31, 2023

Biography

Laurent Levy is the co-founder of Nanobiotix and has served as our Chief Executive Officer since March 2003. He was first appointed as Chairman of the Executive Board of the Company on May 27, 2004. He has extensive experience in sciences and techniques related to nanotechnologies. His research at the frontier of biotechnology and nanotechnologies has resulted in the development of a number of concrete applications such as NBTXR3, which could open a new method for cancer treatment.

Prior to joining Nanobiotix, from 2000 to 2003, he served as consultant for Altran Technologies and worked in the development of the application of nanotechnologies with companies such as Sanofi S.A., Guerbet S.A., and Rhodia S.A., as well as for early-stage biotechnology companies. He has served as president of the supervisory board of Valbiotis S.A. (Euronext Paris: ALVAL) since March 2017, as a founding member of the Nanomedicine Translation Advisory Board since June 2014 and as vice chairman of the executive board of the European Technology Platform on Nanomedicine since December 2012. He is the author of more than 35 international scientific publications and communications, has applied for several patents, and regularly speaks on the topic of using nanoparticles to fight cancer, including at a recent TEDxParis event. He holds a Doctorate in Physical Chemistry, specializing in nanomaterials, from the Pierre and Marie Curie University (Université Paris VI Pierre et Marie Curie) in Paris and from the CEA (Commissariat à l'Énergie Atomique et aux Énergies Alternatives), and a DEA (advanced studies and diplomas) in Physics of condensed matter from the UPVI-ESPCI (Paris), followed by a post-doctoral fellowship at the Institute for Lasers, Photonics and Biophotonics, SUNY (State University of New York), Buffalo, USA.

Philippe Mauberna, Chief financial Officer

Nationality: French
Corporate office renewal date: March,8 2016

Term of corporate office: at the end of the general shareholders meeting which shall approve the accounts for the financial year ended December 31, 2023

Biography

Mr. Philippe Mauberna has served as our Chief Financial Officer since May 2013 and as an executive board member since August 2013. Mr. Mauberna has also served as Owner and Director of Impulse Consulting Ltd. since September 2012.

Prior to that, he served as General Manager of MitryChem from 2011 to 2012, as Principal, Life Sciences at Capgemini Consulting from 2010 to 2011 and in senior financial and operation roles at Astellas Pharma from 2002 to 2008. An expert in management and development of financial and operational projects for the pharmaceutical industry, Mr. Mauberna has been involved in several international projects (UK, Saudi Arabia, South Africa and Indonesia). He has also been heavily involved in financial projects for start-up launches and innovative small and medium-size enterprise development. As a consultant, he has provided strategic change management support for European pharmaceutical companies during their development phases.

Mr. Mauberna received his master's degree in finance, management, administration and economy from University Paris 2 Assas and his specialized master's in finance, marketing and law from ISG (Institut Supérieur de Gestion), extended by management training from INSEAD, each in Paris.

Anne-Juliette Hermant, Chief People Officer

Nationality: French

Appointment date: July 1, 2019

Term of corporate office: at the end of the general shareholders meeting which shall approve the accounts for the financial year ended December 31, 2023

Biography

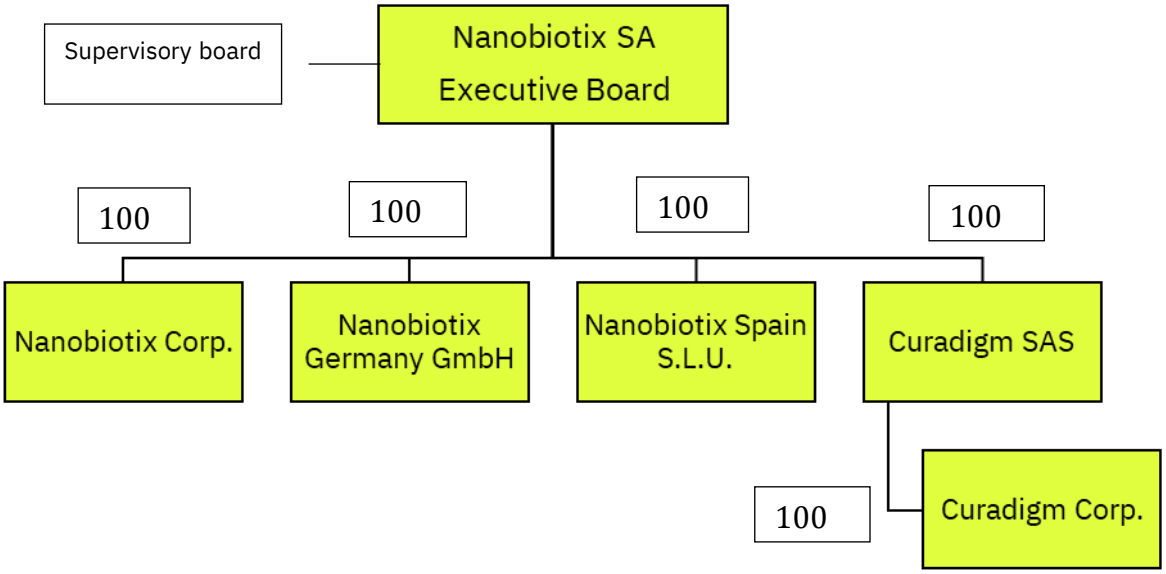
Anne-Juliette Hermant brings over 14 years in talent management and development acquired in different entities at AXA. She worked at AXA Partners for 3 years as Global Head of Talent, Development, Culture and Corporate Responsibility. Before AXA Partners, Anne-Juliette served as Chief Learning Officer of the AXA Group and was the Founder and Head of

the AXA Research Fund, a €100 million fund created by the AXA Group to support frontier science in all fields related to an understanding of the risks faced by human society.

Anne-Juliette was born in Strasbourg, France and grew up between the French Caribbean islands of Guyane, Martinique and Guadeloupe. She relocated to Paris to pursue her studies and has remained in the city throughout her career.

Anne-Juliette holds a Ph. D in French literature from the Ecole Normale Supérieure and studied Politics at Sciences Po Paris.

1.2.2.3. Legal Group chart



1.2.2.3.1. List of subsidiaries, branches, and secondary establishments

The Company holds a 100% interest in four subsidiaries: Nanobiotix Corp., a Delaware state law firm, Nanobiotix Spain S.L.U., a Spanish company, Nanobiotix Germany GmbH, a German company, and Curadigm SAS, a company incorporated under the laws of France. Curadigm SAS has itself a wholly owned subsidiary located in Cambridge, United States

For more information on these subsidiaries, see section 5.5 of the Universal Registration Document.

The Company does not have any branches. The Company has a secondary establishment located at 1, Mail of Professor Georges Mathé, 94 800 Villejuif, where its manufacturing site is located.

1.2.2.3.2. Main intragroup transactions

In the course of business, the Company has set up agreements relating to the organization of financial and other services within the Group according to the following structure:

- Cash agreement: entered into between the Company and its U.S. subsidiary in 2015, where advances made by any of the Group's entities, up to a maximum of €5 million, are paid for at the legal rate in France;
- Service agreements: service agreements have been entered into between the Company and its American, Spanish, and German subsidiaries in 2018, allowing subsidiaries to be remunerated for activities carried out for the benefit of the parent company;
- An agreement is also in place since 2019 with Curadigm SAS, for the purpose of re-invoice the overheads related to the space occupied by the subsidiary at the Company’s headquarters in Paris.

Further details can be found in the Company’s annual financial statements set forth in the notes to the income statement in the statutory accounts’ appendices in section 4.3 of the Universal Registration Document.

1.2.3. Property, plants and equipment

The Company does not own any real estate. It leases its headquarters in Paris and, since 2017, the premises in the BioPark in Villejuif, near Paris, for production activities currently in the testing and testing phases. The lease has a term of 9 years, ending June 30, 2026. It also leases workspaces in the United States, in Cambridge, Massachusetts, for its US subsidiary, and in New York on a monthly basis. The Group's European subsidiaries do not rent premises, as employees are itinerant. The Company owns equipment for its research, development and manufacturing activities. This equipment was valued at €747 thousand (after depreciation) as of December 31, 2019 compared to €802 thousand at December 31, 2018.

Curadigm does not have any lease contracts in France or the United States but has an agreement with Nanobiotix to get access to the laboratories in Nanobiotix headquarters.

Information about lease agreements

For its head office, the Company rents space in two buildings at 60 rue de Wattignies in the 12th arrondissement of Paris. In 2017, the Company consolidated its leases where its head office is located. The single lease for the space leased at head office has a term of ten years, ending June 30, 2027, and the Company may give leave at the end of each three-year period. On January 24, 2019, in addition to the original lease agreement, an amendment was signed for an additional annual rent of €225 thousand, effective and retroactive to January 1, 2019. As a result, the overall annual rent will be increased to €686 thousand. The Company benefited from a rent-free period of 8 months from January to August 2019 to allow the Company to convert the newly leased space. No other material expenditures are expected in the short term, as of the date of the Universal Registration Document.

Since 1 January 2019, following the application of IFRS 16 – *Leases*, the Company recognizes all of its lease contracts in its consolidated balance sheet (see chapter 4.1. of the Universal Registration Document for further details, including the basis of calculation of the discount rate of 5.33% for buildings in France, which represent more than 98% of the assets recognized under IFRS 16 at January 1, 2019).

Below is a list of the main running lease agreements the Company has entered into.

Information on leases in €K

	INFORMATION RELATED TO LEASE AGREEMENTS (€k)								
	UTILISATION	Contractual status as of December 31, 2019				Contractual status as of December 31, 2018			
		SURFACES (m^2)	DEPOSIT OR GUARANTEE	QUATERLY RENT	END OF TERM	SURFACES (m^2)	DEPOSIT OR GUARANTEE	QUATERLY RENT	END OF TERM
Head office	Offices, laboratory, archives and parking	2,622	170	172	30/06/2027	1,873	112	112	30/06/2027
Manufacturing site	Manufacturing and development activities	1,195	173	87	30/06/2026	1,195	173	87	30/06/2026
US offices	Administration	36	16	34	Renewal clause	36	16	34	Renewal clause

Payments due per period at December 31, 2019

Contractual obligations (€k)	Payments due per period			
	At 1 year the most	At more than 1 year and up to 5 years	Over 5 years	Total
Simple leases	1,170	4,136	2,585	**7,892**

1.2.4. Investments

For the reporting period, the main net investments related to the Company's business were as follows:

Nanobiotix's net investments

Based on consolidated accounts (€K)	Dec 31, 2019 audited	Dec 31, 2018[1] audited	Dec 31, 2017 audited
Intangible assets	163	102	136
Property, plant and equipment	9,386	2,884	2,990
Financial assets	529	558	1,232
TOTAL	**10,078**	**3,544**	**4,358**

[1] The Company applies the new IFRS 16 Lease accounting standard. Starting January 1, 2019, following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1 of the consolidated financial statements in section 4.1. of the Universal Registration Document for further details on the impacts of first application).

The main property, plant and equipment held by the Company consist mainly of fixtures and fittings and equipment. in premises leased by the Company, technical equipment for research, development and production, as well as office and computer equipment. These fixed assets are shown in note 6 to the consolidated financial statements prepared under IFRS in chapter 4 of the Universal Registration Document.

Investments underway

As of the date of the Universal Registration Document, the majority of investments are made in France, since it is where the head office and the manufacturing site and 85% of the employees are located.

The Company does not have any short or long-term investments planned.

Upcoming investments

The Company also anticipates expenditures in laboratory equipment, but the period in which they will be carried out has not yet been decided. On the other hand, the Company may incur expenses in the development of its non-NBTXR3 research program.

1.3. DESCRIPTION OF ACTIVITIES

1.3.1. Information on the Company's activities

Founded as a spin-off from the State University of New York, Buffalo in 2003, we have over a decade of experience developing our technology and believe that we are a pioneer and leader in the field of nanomedicine. We have built an integrated, multidisciplinary team that combines expertise in physics, biology and medicine. We believe that our unique expertise in nanotechnology will provide us with opportunities to expand our product pipeline and to advance the development of our product candidates, either on our own or in collaboration with third parties. Our corporate headquarters and manufacturing facilities are located in Paris, France, with U.S. operations in New York and Cambridge, Massachusetts.

We are a clinical-stage nanomedicine company focused on developing first-in-class product candidates that use proprietary nanotechnology to transform cancer treatment by increasing the utility and efficacy of radiotherapy. Our lead product candidate, NBTXR3, is a sterile aqueous suspension of crystalline hafnium oxide nanoparticles designed for injection directly into a malignant tumor prior to standard radiotherapy. When exposed to ionizing radiation, NBTXR3 amplifies locally, intratumor cell killing effect of that radiation and may also prime the body's immune response to fight the cancer. NBTXR3 is designed to enhance the overall efficacy of radiotherapy without resulting in additional side effects on the surrounding healthy tissues. More than 180 patients have been treated with NBTXR3 to date. We are currently conducting eight clinical trials worldwide to evaluate NBTXR3 activated by radiotherapy as a potential treatment in different cancer indications. In our recently completed Phase II/III clinical trial in patients with locally advanced soft tissue sarcoma (''STS'') of the extremity, trunk wall, treatment with NBTXR3 activated by radiotherapy resulted in statistically significant improvements of clinically meaningful patient outcomes compared to radiation therapy alone. Following the publication of the positive topline data of the Phase II/III clinical trial, NBTXR3 received European market approval (CE Mark) enabling commercialization in 27 European Union (the "EU") countries for the treatment of locally advanced STS of the extremity, gridle and trunk wall.

Radiotherapy, also called radiation therapy, involves the use of X-rays or other high-energy particles or rays to kill malignant tumor cells. It is among the most common cancer treatments, both as a standalone therapy and in combination with surgery, chemotherapy or biological therapies. In developed countries with access to radiotherapy, approximately 60% of all cancer patients will receive radiotherapy at least once, either alone or as a part of a multimodal treatment during the course of their illness. Nevertheless, many of these patients still die from the progression of their cancer because they are not able to receive a high enough radiation dose to completely destroy their tumor without resulting in an unacceptable level of damage to surrounding healthy tissues. We believe that by mitigating these limitations, NBTXR3 may improve the survival rate and quality of life for cancer patients.

Our pioneering approach uses nanophysics to bring a physical mode of action to destroy cancer cells. Unlike traditional chemotherapies or biologics, NBTXR3 has a broadly applicable mechanism of action that has the potential to be used in the treatment of all solid tumor types eligible to radiotherapy. Our nanoparticles have a high electron density, which allows the NBTXR3-containing tumor to absorb more energy than could otherwise be absorbed by the cancer cells alone. This controlled concentration of energy leads to greater localized cancer cell destruction without adding toxicity to surrounding healthy tissues. When exposure to radiation ceases, the nanoparticles return to their inactive, inert state.

We believe that NBTXR3's mode of action could improve outcomes for patient populations across all solid tumors that may be treated with radiotherapy. This represents a significant market opportunity for NBTXR3 to be used in the treatment for all cancer patients who are candidates for radiotherapy. Moreover, we believe NBTXR3 could bring new opportunities to patients with cancers that cannot currently be treated with radiotherapy because of the radiosensitivity, or other characteristics, of the tissues near the tumor. The three most advanced indications for which we have announced positive clinical trial results are locally advanced STS, locally advanced head and neck cancers and liver cancers.

The first indication for which we are evaluating NBTXR3 is the treatment of patients with locally advanced STS. In 2018, we announced statistically significant positive results from our Phase II/III clinical trial, in which approximately twice as many STS patients who received NBTXR3 plus radiotherapy achieved a pathological complete response, which is defined as less than 5% residual viable cancer cells in the tumor and which was the primary endpoint of the trial, compared to patients who received radiotherapy alone. In addition, in the subgroup of patients with a more aggressive STS type, pathological complete response was achieved in four times as many patients who received NBTXR3 plus radiotherapy compared to patients who received radiotherapy alone. NBTXR3 also achieved the secondary endpoint of the trial, with improvement in surgical margin rate for patients treated with NBTXR3 plus radiotherapy compared to patients treated with radiotherapy alone. NBTXR3 was well tolerated in the trials.

We are also evaluating NBTXR3 for the treatment of patients with locally advanced head and neck cancers. We are currently conducting a Phase I and Phase I expansion clinical trials in elderly and frail patients with locally advanced head and neck squamous cell carcinoma of the oropharynx or oral cavity, ineligible for chemotherapy and cetuximab therefore typically treated with radiotherapy alone. In the dose escalation part of the trial NBTXR3 activated by radiotherapy demonstrated a well-tolerated profile, with no dose limiting toxicity and the maximal tolerated dose not reached. Preliminary efficacy assessment showed that, nine out of the 16 evaluable patients who received the intended dose of NBTXR3 and radiotherapy achieved a complete response in the injected lesion, according to the response evaluation criteria in solid tumors (‘‘RECIST’’), a set of published rules that define when tumors in cancer patients reduce, stay the same or progress during treatment. Of the patients who received the two highest doses of NBTXR3 plus radiotherapy, more than 70% of patients alive at the 12-month cut-off date were still alive at 24 months following treatment.

The implications of this result could represent a significant benefit for this patient population, as 50% of these patients typically succumb to their cancer within 12 months from the start of radiotherapy. Patients treated with NBTXR3 in this trial also have not experienced any serious adverse events associated with NBTXR3. Based on these preliminary results, we believe NBTXR3 has the potential to extend survival and improve quality of life in this advanced cancer patient population with a high unmet medical need and generally poor prognosis.

In addition, we are currently conducting an open-label Phase I/II clinical trial evaluating NBTXR3 in patients with late-stage liver cancers, including hepatocellular cancer (‘‘HCC’’) and liver metastases from other tumors. Preliminary data from this trial suggests a favorable safety profile, and no dose-limiting toxicities have been observed to date. Of the eight evaluable patients evaluated for best response in HCC, five achieved a complete response and three achieved a partial response of the injected lesion. We believe these preliminary results suggest meaningful potential in an indication with typically extremely poor prognoses. Although the data is preliminary, it further supports the potential transferability of NBTXR3 across multiple solid tumor indications.

We are also pursuing a development program to explore the use of radiotherapy-activated NBTXR3 in combination with immune checkpoint inhibitors across several solid tumor indications. In recent years, significant attention has been focused on the potential of immuno-oncology (‘‘I-O’’) treatments, and in particular, immune checkpoint inhibitors.

Immune checkpoint inhibitors are a type of immunotherapy that function to block proteins that stop the immune system from attacking cancer cells. In doing so, they enable T cells to recognize cancer cells that would otherwise be invisible to immune attack. However, many tumors exhibit little or no response to checkpoint inhibition (these tumors are referred to as ‘‘cold’’ tumors). Our preclinical and preliminary clinical results suggest that NBTXR3 plus radiotherapy may prime the immune response, thereby rendering otherwise cold tumors more prone to recognition by the patient’s immune system (‘‘hot tumors’’) and therefore potentially more responsive to I-O treatments such as checkpoint inhibitors. As part of our I-O combination development program, our investigational new drug application (‘‘IND’’) with the U.S. Food and Drug Administration (the ‘‘FDA’’) to begin a clinical trial in the United States of NBTXR3 in combination with nivolumab (Opdivo) and pembrolizumab (Keytruda), which are anti-PD-1 antibodies that are the standard of care in the specific patient populations we intend to treat in the trial, went into effect in December 2017. This trial is targeting patients with locoregionally recurrent or recurrent and metastatic head and neck squamous cell carcinoma, and lung or metastasis or liver metastasis originating from any primary tumor, who have never received or were previously refractory to anti-PD-1 therapy.

Our competitive strength

By relying on our nanotechnology products, we aim to improve patient outcomes and respond to important medical benefit that remain unmet nowadays. We have strong assets to carry out our mission and position ourselves as a leading figure in the development of nanomedicine:

- **An advanced pipeline and promising clinical data, in various oncology indications.**
  To date, our candidate product NBTXR3 has been administered to more than 180 patients with different types of cancers. Our most advanced clinical trial showed a statistically improvement in the rate of complete pathological response, following treatment with the NBTXR3/radiotherapy combination, compared to radiotherapy alone in locally advanced STS. Preliminary results from our clinical study indicate that NBTXR3 is likely to generate a complete and lasting response and lengthen patient survival in several indications of solid tumors for which current therapeutic alternatives remain limited. Our clinical studies to date have shown a good tolerance of the candidate product NBTXR3. NBTXR3 received marketing authorization (CE mark) in the European Union for the treatment of locally advanced STS.

- **A considerable market opportunity in solid tumors.**
  At some point, nearly 60% of cancer patients receive radiation therapy in their care journey. As a result, we are convinced that the mode of action of NBTXR3 is likely to benefit all populations of oncology patient candidates for radiation therapy. In addition, in our opinion, NBTXR3 is a real vector of hope for patients with cancers ineligible for radiation therapy because of the sensitivity of the tissues surrounding the tumor.

- **An improved benefit/risk ratio through an injection directly into the heart of the tumor.**
  NBTXR3 is administered clinically, through a single intra-tumor injection, ahead of the first radiation therapy session. Through this method, we obtain high

concentrations of the candidate product within the tumor itself, while avoiding systemic exposure, inherent in other methods such as intravenous injection. NBTXR3 is only active if it is subjected to ionizing radiation; otherwise, it remains inert in the body until a new radiotherapy is administered.

- **A product-candidate that is highly compatible and complementary to current standards of care.**
  NBTXR3 is very easy to incorporate into radiotherapy standards. Hospitals and health centres that have radiotherapy equipment are therefore not required to acquire new equipment or invest heavily in new technology to be able to offer NBTXR3 to their patients.

- **Actively protected intellectual property and preserved know-how.**
  Our technology and candidate products are protected by more than 300 patents filed or in the process of being filed. None of our patent applications, 19 patent families worldwide and covering NBTXR3 technology, are expected to expire until 2036. In addition, we strive to maintain a high proportion of proprietary know-how in the design and manufacture of our nanoparticles. We believe that our IP strategy protects us from potential competition from companies wishing to use metal nanoparticles as "*radio-enhancers*"(radiotherapy amplifier).

- **A recently established production site with a high capacity.**
  NBTXR3 is currently manufactured at a third-party site in France. We recently opened our own production facility near Paris, which should allow us to expand our production capacity to more than 200,000 doses of NBTXR3 per year. With this improvement in our production capacity, we believe we can meet the requirements of the clinical trials currently underway and ensure the planned commercial launch in its initial phase. We have designed our own manufacturing process, so that new production lines can be added without major investments.

Our strategy

Our goal is to make our Company a leader in the biotechnology industry, with a fully integrated chain of operations, based on the systematic combination of NBTXR3/radiotherapy in the treatment of solid tumors. For these purposes, our strategy is based on the following goals:

- **Finalize the development of the NBTXR3 candidate product in the treatment of locally advanced head and neck cancers and meet applicable regulatory requirements.**
  We recently completed the Phase I dose escalation study conducted in Europe, looking at NBTXR3 in locally advanced head and neck cancers. We have tabled an endorsement to the protocol to expand the current study and include more patients to be treated at the recommended dose with the opening of several additional investigation centres. Based on the initial results of this Phase I trial, we plan to rapidly develop the candidate product NBTXR3 in locally advanced head and neck cancers and meet regulatory requirements prior to its commercialization. In March 2019, Nanobiotix announced the clarification of its regulatory approval procedure

for the treatment of head and neck cancers with NBTXR3 in the United States. Following the FDA's feedback, the Company plans to establish a randomized global registrational Phase III trial, with 50% of patients receiving NBTXR3 activated by radiation therapy with or without cetuximab (investigator's choice) and 50% of patients receiving standard radiation therapy with or without cetuximab (investigator's choice). The total number of patients treated estimated in this overall study is expected to be about 500. The initial readout will be based on event-driven progression-free survival (PFS), and the final readout will be based on overall survival (OS). A futility analysis is expected at 18 months after the first patient is randomized, the interim analysis for PFS superiority is expected at 24-30 months, and final analysis will report on PFS and OS. NBTXR3 received US FDA's Fast Track designation in this setting.

- **Meet the regulatory requirements to launch Hensify® (NBTXR3) in the processing of locally advanced STS in the European Union market.**
  In June 2018, we announced positive results for our Phase II/III clinical trial, which involved an evaluation of NBTXR3 in locally advanced STS, with the main and secondary endpoints of the study being met. In April 2019, Hensify® (NBTXR3) received a marketing authorization (CE Marking) in Europe allowing its marketing in 28 European Union countries for the treatment of locally advanced STS. Post-approval studies are planned in Europe and discussions on next steps for potential future developments are under way.

- **Expand the application of NBTXR3 to liver cancers and other types of solid tumors.**
  Because of its physical mode of action, the Company considers that NBTXR3 is likely to be applicable to other solid tumors. Thus, we plan to continue its development in other indications, and we have already made progress in our Phase I/II studies in prostate cancer in the United States and in rectal cancer in several Asia-Pacific countries. Within a few years, we also plan to implement additional clinical studies in other indications of solid tumors in Europe and the United States. If we can demonstrate that NBTXR3 is applicable to lung, prostate, and other solid tumor cancers, we would be able to test its application to other candidate populations of patients seeking radiation therapy and meet their needs. In addition, we recently partnered with MD Anderson as part of our intention to launch nine new clinical trials in the United States involving NBTXR3–one of which, evaluating NBTXR3 in pancreatic cancer, was launched in May 2020. The global development plan will involve around 340 patients.

- **Make the candidate product NBTXR3 the reference complementary product of checkpoint inhibitors.**
  Based on preliminary preclinical and clinical results, the Company expects to continue the NBTXR3/checkpoint inhibitors development program. The Company has begun a Phase I clinical trial in the United States to evaluate the activation of NBTXR3 by radiotherapy, combined with the administration of anti-PD-1 antibodies, in squamous cell carcinoma of the head and neck or and non-small cell lung cancer. Initial results of this study are expected to be presented mid-2020.

- **Build a global business infrastructure for our NBTXR3 product by developing marketing capabilities and creating new partnerships.**
  Once the approvals have been obtained, we plan to launch and market NBTXR3 in the European and US markets. Through our global medical liaison team, we have forged key strategic relationships with a number of leading opinion leaders, hospitals, clinics and cancer treatment centers in the United States and key European markets. They were able to familiarize themselves with NBTXR3. More than 400 doctors participated in our clinical trials. An agreement with PharmaEngine, Inc. ("PharmaEngine") is for the development and eventual marketing of NBTXR3 in Asia-Pacific. We retain NBTXR3's development and marketing rights in all other regions of the world and are considering the possibility of marketing NBTXR3 in certain specific regions, either autonomously or in the form of partnerships.

1.3.2. Current cancer treatment options and limitations

In general, there are four commonly used cancer treatment methods: surgery, radiotherapy, chemotherapy and targeted therapies, in which drugs target specific molecules of the tumor tissue. These treatments may be used individually or in combination with one another.

Surgery remains the primary method for the eradication of solid cancers that are discovered at an early stage. Surgery aims to remove not only the tumor from the body, but also a ring of surrounding healthy tissues (referred to as the surgical margin), to try to ensure that all cancer cells are removed. Surgery may not be a viable option based on a patient's health or the characteristics of the patient's cancer. For example, when a patient's cancer has spread, or metastasized, surgery alone may not be adequate to remove the cancer. When surgery is an option, it is often combined with radiotherapy or chemotherapy either before the surgery, in order to try to reduce the size of the tumor so that it is easier to remove with clean margins, or after the surgery, in order to eliminate residual cancer cells.

Radiotherapy is the administration of ionizing radiation, which are high-energy particles or rays such as X-rays, gamma rays, electron beams or protons, to destroy or damage cancer cells by blocking their ability to grow, divide and multiply. Radiotherapy is delivered over a period of several days to several weeks at a specific dose. Typically, patients receive a fraction of the dose per day. The duration and dosage of radiotherapy are based on the standard of care specific to the cancer indication.

Radiotherapy is typically measured in grays (''Gy''), a unit of ionizing radiation dose with one Gy representing the absorption of one joule of energy per kilogram. In developed countries with access to radiotherapy, approximately 60% of all cancer patients will receive radiotherapy at least once, either alone or as a part of the more complex treatment protocol.

The primary growth drivers for the radiotherapy market globally are technological advancements and the associated growing adoption of radiotherapy devices and procedures. Improving the accuracy and precision of the delivery of radiation enhances the efficacy of radiotherapy and reduces the side effects and damage to surrounding healthy tissues, which has led to greater adoption of these techniques by the medical community and more widespread use among cancer patients. Because high-dose radiotherapy can be

delivered in a more precise way, it can be used to target tumors that were previously inaccessible, such as brain tumors, thereby opening the radiotherapy market to additional patient populations. In addition, new technologies that require lower doses of radiation to destroy cancer cells can now be used in patients who may previously have been considered too fragile for higher-dose radiation.

Despite these technological advancements and the increasing use of radiotherapy in treating cancer, there remain significant limitations to its use. Although radiotherapy is a local approach, it often causes damage to surrounding healthy tissues, and may not be an effective treatment for cancers that have spread, or metastasized. As a result, physicians may decide to withhold radiotherapy, because a high enough dose to kill the tumor cells would create unacceptable damage to surrounding healthy tissues and cause other toxic side effects.

Cancer treatments also include the I-O approach, a relatively new approach to fighting cancer that does not directly target the tumor, but instead aims to stimulate and activate the patient's own immune system, allowing it to recognize cancer cells and destroy them. I-O treatments have demonstrated efficacy in the treatment of many types of cancer, including leukemia, melanoma, lung, prostate, skin, digestive system, ovarian and brain cancers. However, not all patients may benefit from I-O therapy. I-O therapy may be ineffective when a patient's tumor is ''cold,'' meaning that the cancer either has not been recognized or has not provoked a strong enough response by the patient's immune system. The challenge remains to find new ways to turn a cold tumor into a hot tumor—one that will be responsive to I-O treatment approaches.

1.3.3. NBTXR3: Addressing the challenges of radiotherapy and immuno-oncology

We have designed NBTXR3 to address limitations inherent to radiotherapy, either alone or in combination with other treatment approaches. NBTXR3 amplifies efficacy of radiations by enhancing locally the dose within cancer cells and dose enhancement localized do not add toxicity to surrounding healthy tissues.

With respect to I-O approaches to fighting cancer, our preclinical and preliminary clinical results suggest that NBTXR3 plus radiotherapy may prime the immune response, thereby rendering otherwise cold tumors more prone to recognition by the patient's immune system and therefore potentially more responsive to I-O treatments such as checkpoint inhibitors.

1.3.4. Our NBTXR3 technology

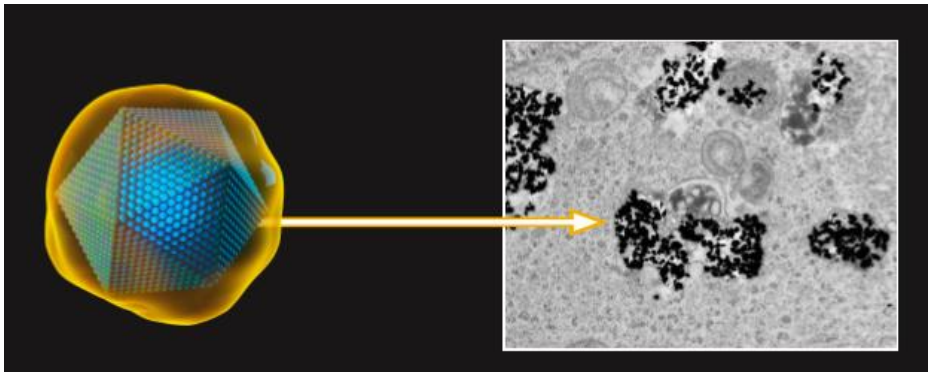
We are exploring the potential for nanotechnologies to provide solutions to unmet therapeutic needs in oncology. Our pioneering approach uses nanophysics to bring a physical mode of action to destroy cancer cells from within. When used in conjunction with radiotherapy, our NBTXR3 nanoparticles increase the absorption of the administered radiation, thereby magnifying and focusing the dose locally within a malignant tumor, but without causing incremental damage to surrounding healthy tissues. In magnifying the effect of the radiation, we believe our NBTXR3 technology improves the benefit-risk ratio of radiotherapy for patients.

The amount of energy that can be deposited in a cell through radiotherapy is a function of the cell's ability to absorb the radiation, which depends on the amount and form of energy used and the electron density of the receiving molecules.

A cell is primarily composed of water, which has a very low electron density. At an average size of approximately 50 nanometers in diameter, our nanoparticles are directly injected into a malignant tumor prior to standard radiotherapy and can be internalized into the cell through endocytosis to function as radio-enhancers. The inert nanoparticles have an inorganic core of crystallized hafnium oxide, which has a high electron density. When exposed to radiation, the high electron density of the nanoparticles allows the cancer cells to absorb more energy than would otherwise be absorbed by the water molecules in the tumor. The high electron density of the nanoparticles is essential for their effective interaction with radiation, while their physical and chemical properties do not cause incremental damage to surrounding healthy tissues.

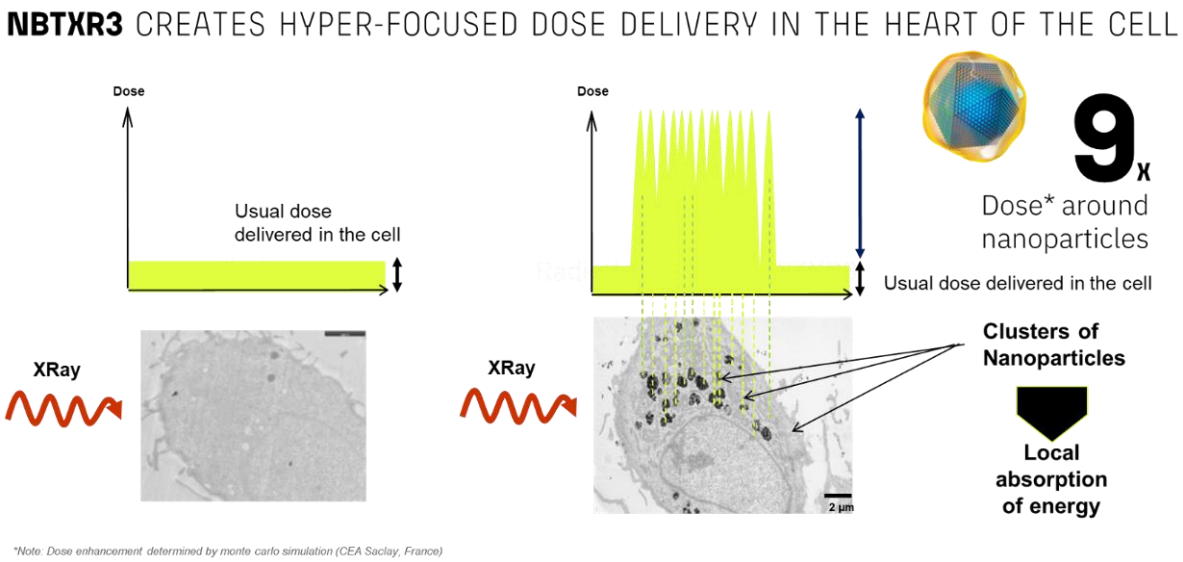
The following image is a transmission electron micrograph of a cross-section slice of a tumor with nanoparticles after injection.

Clustered 50 nm Nanoparticles in cytoplasm



NBTXR3 is a novel approach to the local treatment of cancer that we believe provides a solution to the basic limitation of radiotherapy—an inability to deliver a radiation dose sufficient to eradicate the tumor because of the low radiation tolerance of the surrounding healthy tissues.

The following illustration shows a representative increase in the radiation dose absorbed around the NBTXR3 nanoparticles administered into cancer cells.



Mode of action of NBTXR3 nanoparticles

During radiotherapy, the interaction between the radiation and the targeted cell molecules ionizes atoms, freeing electrons from the orbit of the atoms. These electrons dissipate their energy in multiple interactions with surrounding molecules, producing free radicals, which are highly reactive ionized molecules in the cell. These free radicals are primarily responsible for the effectiveness of radiotherapy in causing DNA damage, ultimately leading to cell death.

The mode of action of NBTXR3 nanoparticles can be described in four stages:

Stage 1: Activity/ inactivity principle

Our nanoparticles are inert, meaning that they produce no effect without ionizing radiation. When activated by radiation, a number of phenomena occur. First, the radiation is absorbed by the hafnium oxide core of the nanoparticles. Because the core of the nanoparticle has a significantly higher electron density than water, it can absorb significantly more energy than a tumor cell could without the cluster of nanoparticles. Greater energy absorption generates more electrons, and ultimately more free radicals.

Stage 2: Cell damage

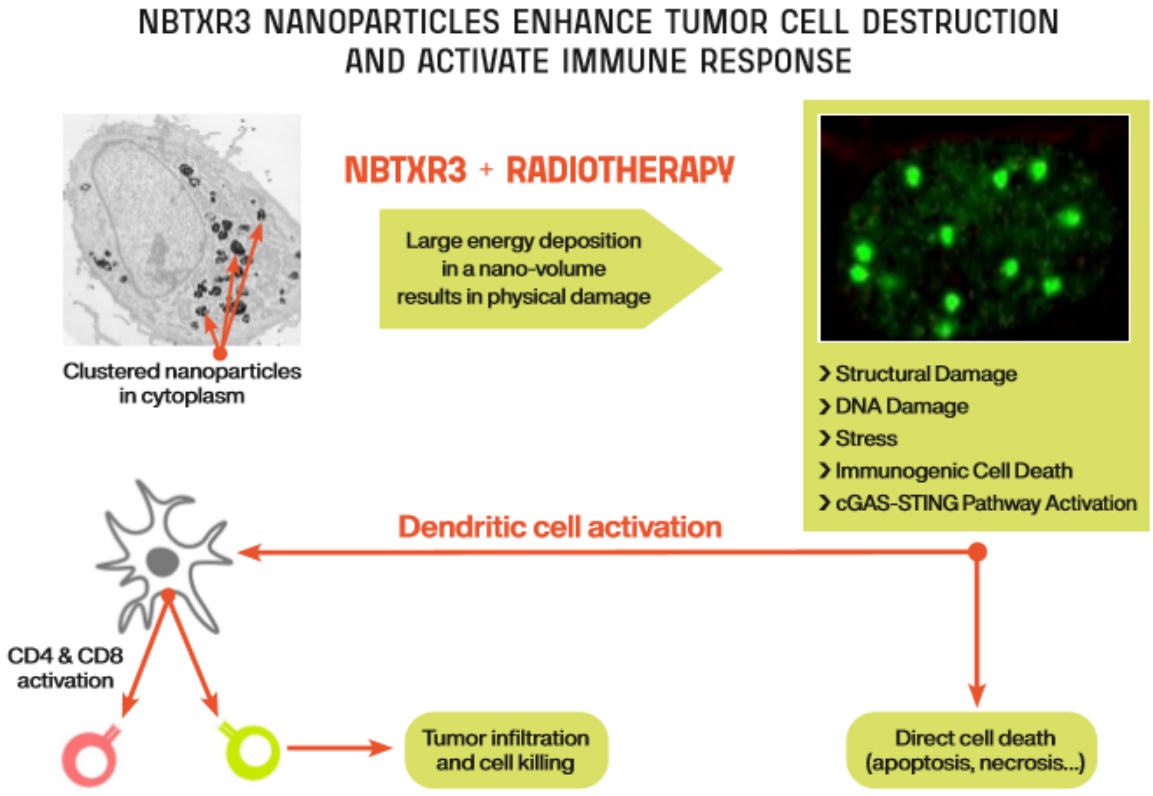
Free radicals are highly reactive and tend to destroy the covalent links of the molecules they interact with, such as DNA, RNA and proteins. Specifically, they cause severe and irreparable DNA damage. It is this DNA damage which is mainly responsible for the lethal effect of ionizing radiation on cells. The free radicals therefore increase localized cancer cell destruction.

Stage 3: Subsequent action in the cells

The destructive effect of free radicals is amplified and localized by the radiation-activated nanoparticles, which generate a controlled concentration of energy within the tumor. Ionizing radiation can be applied to the nanoparticles repeatedly because they return to their inactive, inert state after each exposure to radiation. Multiple courses of radiotherapy can be administered to a tumor that has received a single injection of our nanoparticles.

Stage 4: Immune activation

In our preclinical studies, the radiation-activated nanoparticles in the primary tumor have also been observed to trigger distant (secondary) tumor response and decrease in number of metastasis appearance due to immunogenic cell death (a specific form of cell death related to the immune system), leading to activation of the immune system. Based on these observations we believe that our nanoparticles may prime the body's immune response, rendering tumors more prone to recognition by a patient's immune system. In the illustration below, clusters of NBTXR3 nanoparticles are injected into the cell and, when activated by radiotherapy, cause destruction of cancer cells due to the high energy absorption. This destruction may include structural damage, DNA damage, cellular stress, immunogenic cell death and cGAS-STING pathway activation (an immune sensing mechanism). This results in both direct cell death and activation of dendritic cells (a type of immune cells). Once activated, dendritic cells trigger additional immune system activation, including the activation of lymphocytes, or white blood cells in the immune system, including T cells such as CD4 and CD8 (cytotoxic T cells). This activation of lymphocytes has the effect of ''priming'' the immune system to be able to better recognize and kill cancer cells.



1.3.5. NBTXR3 presentation

NBTXR3, a sterile aqueous suspension of crystalline hafnium oxide nanoparticles, is administered through a single image-guided local injection directly into the tumor prior to radiotherapy. In our clinical trials, the dosage of injected NBTXR3 is based on a percentage of the baseline tumor volume and is determined during the initial phase of the respective clinical trial for different indications. NBTXR3 nanoparticles have a negative-charge surface coating, which allows them to interact with the surface of the tumor and accumulate inside the tumor cells. NBTXR3 is designed to render the targeted tumor more operable or help destroy it completely.

NBTXR3 can easily be incorporated into the current standard of care in radiotherapy. Hospitals and medical facilities where radiotherapy is delivered do not need any new equipment or to otherwise make significant capital investments in new technology in order to treat patients with NBTXR3.

The initial cancer indications we are pursuing for NBTXR3 are locally advanced STS, locally advanced head and neck cancers, primary and secondary liver cancers, rectal cancer, prostate cancer and non-small cell lung cancer. We believe NBTXR3 has the potential to treat all solid tumors where radiotherapy can be used. We have also observed that NBTXR3 activated by radiotherapy could modulate the antitumor immune response, supporting the rationale for its use as an *in-situ* cancer vaccine, potentially in combination with I-O treatments. The initial cancer indications for NBTXR3 in combination with immune checkpoint inhibitor anti-PD-1 antibodies as part of our I-O combination development program are head and neck squamous cell carcinoma and liver and lung metastases originating from any primary tumor. NBTXR3 is currently in the clinical trial stage in 7 different cancer patient populations. See section 1.3.6. ‘‘—Our Clinical Programs.’’ of the Universal Registration Document. NBTXR3 can be combined with a gel to create a new formulation, which we refer to as NBTXR3-gel, for direct application in the tumor cavity following surgical removal of the tumor. Potential cancer indications for NBTXR3-gel include certain types of breast cancer, operable lung cancers, vertebral metastases and retroperitoneal STS.

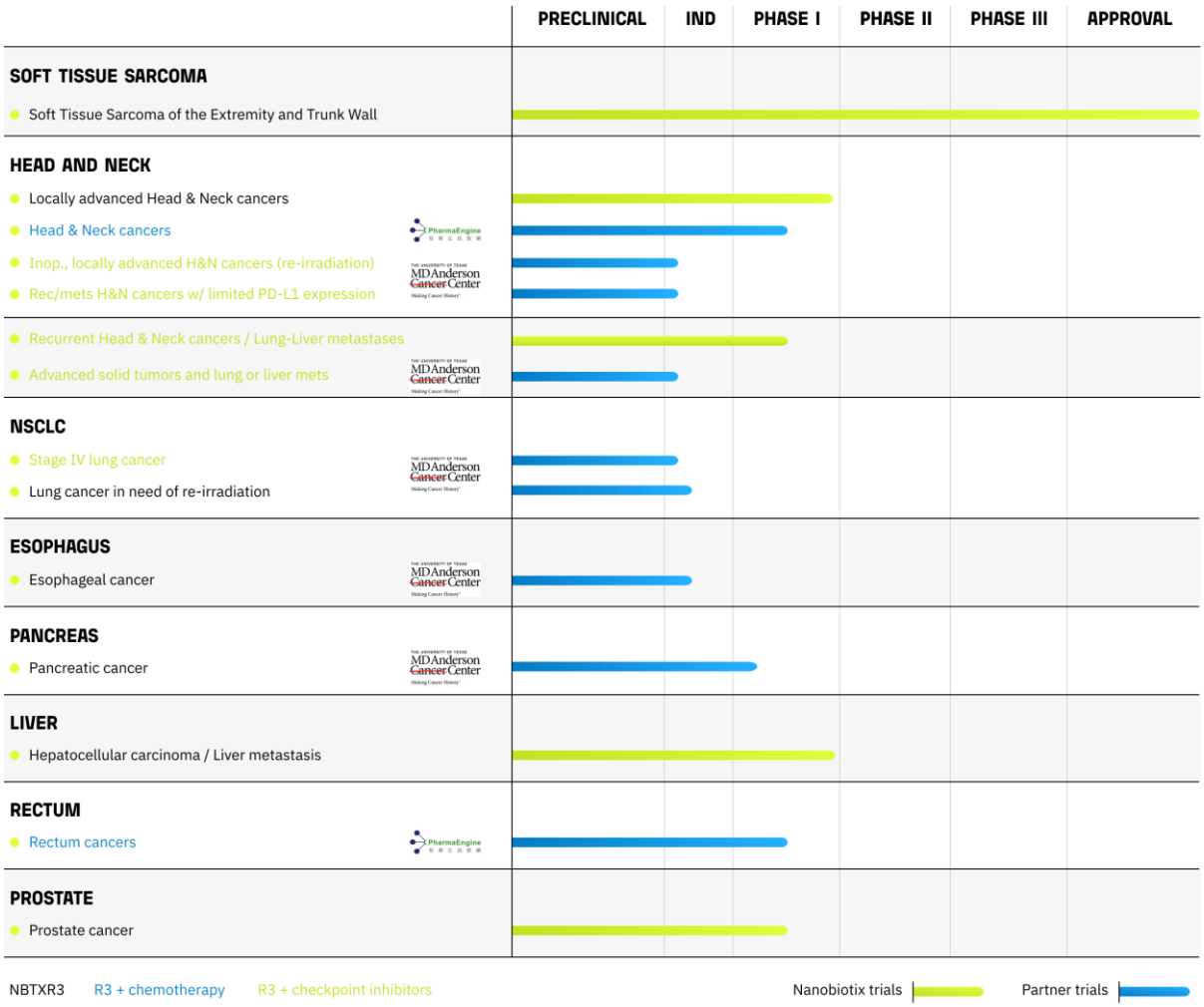
NBTXR3 is currently being evaluated in eight clinical trials worldwide.

In January 2019, we entered a large-scale comprehensive clinical collaboration with The University of Texas MD Anderson Cancer Center to cover 9 additional clinical trials in different indications.

In August 2012, we entered into an exclusive license and collaboration agreement with PharmaEngine for the development and commercialization of NBTXR3 in the Asia-Pacific region. See section 1.3.13. *“Our main contracts—PharmaEngine.”* of the Universal Registration Document. PharmaEngine is currently conducting two NBTXR3 clinical trials in the Asia-Pacific region.

Overall, NBTXR3 will be evaluated in 16 clinical trials worldwide, in different cancer patient populations. The following chart shows 14 of these clinical trials, two clinical trials are still being in discussion within the MD Anderson collaboration.

NBTXR3 clinical trials pipeline



1.3.6.1. Locally advanced soft tissue sarcoma

Background and opportunity

STSs are rare cancers that develop in different types of soft tissues, including muscles, joint structures, fat, nerves and blood vessels. Although STS can develop at any anatomic site, it occurs in the extremities (arms and legs) in approximately 60% of cases. The American Cancer Society estimates that in 2020 in the United States, approximately 13,130 patients will be diagnosed with STS, and approximately 5,350 STS patients will die from this cancer. In the EU, over 23,000 patients are diagnosed with STS each year. The National Cancer Institute estimates that the five-year survival rate for STS patients is approximately 65%. Median overall survival for patients with advanced, metastatic STS is estimated to be 18–19 months. Radiotherapy followed by surgery is part of the typical treatment regimen for STS patients in Europe.

Achieving local control of the tumor is critical to improving survival rates and reducing the need for limb amputations. Patients with locally advanced STS are high-risk patients and have few therapeutic options capable of achieving local control. Consequently, innovative treatments to improve cancer cell destruction and the feasibility of surgical resection are

needed. NBTXR3, when activated by radiotherapy, is designed to enhance the efficacy of radiation both by destroying more tumor cells and rendering the tumor more susceptible to surgical resection, thereby improving patient outcomes.

Phase I trial design

We conducted a Phase I clinical trial to evaluate the tolerance and feasibility of increasing doses of NBTXR3 by intratumoral injection, activated by external radiotherapy, in patients with locally advanced STS of the extremity. Through the course of this dose escalation study, we treated 22 patients at two sites in France with a single intratumoral injection of NBTXR3 prior to the first radiotherapy session.

The primary endpoints of the Phase I trial were to evaluate the feasibility of NBTXR3 intratumoral injection and early dose-limiting toxicities and tolerance of NBTXR3. The secondary endpoints were to evaluate the tumor response to NBTXR3 activated by radiotherapy, measured in terms of the destruction of malignant cells, evaluate the response rate to NBTXR3 activated by radiotherapy by medical imaging and characterize the body kinetic profile NBTXR3 implanted within tumor over time.

Results

Initial data from the Phase I trial established NBTXR3's long-term intratumoral bioavailability and an absence of leakage to surrounding healthy tissues. We observed persistence of the nanoparticles in the tumor mass throughout five weeks of radiotherapy, confirming the feasibility of local injection of NBTXR3 and the clinical relevance of a single injection.

A single injection was sufficient to achieve long-term intratumoral residence in all histological types and sizes for the sarcomas. No grade three or four adverse events were observed at the recommended dose of 10%. The initial data established feasibility for our NBTXR3 therapeutic approach. As a result, we broadened the target patient population for the trial, amending the research protocol in 2013 to include patients with sarcoma of the trunk wall.

The final Phase I trial results were positive—on average, we observed 40% shrinkage in treated tumor size and an average pathological response of 73% in tumors known to be treatment-resistant across different sarcoma subtypes, including undifferentiated sarcoma, rhabdomyosarcoma, and synovial sarcoma. All patients that participated in the trial underwent complete extended surgical resection of the tumor, which was the therapeutic aim. Complete tumor resection is optimal because it impacts the local recurrence rate and improves prognosis and survival rates. The following graphic depicts shrinkage of the tumor in a representative patient in the trial after five weeks of treatment.

3D Reconstruction of CT Scan of Locally Advanced STS Patient

Phase II/III trial design

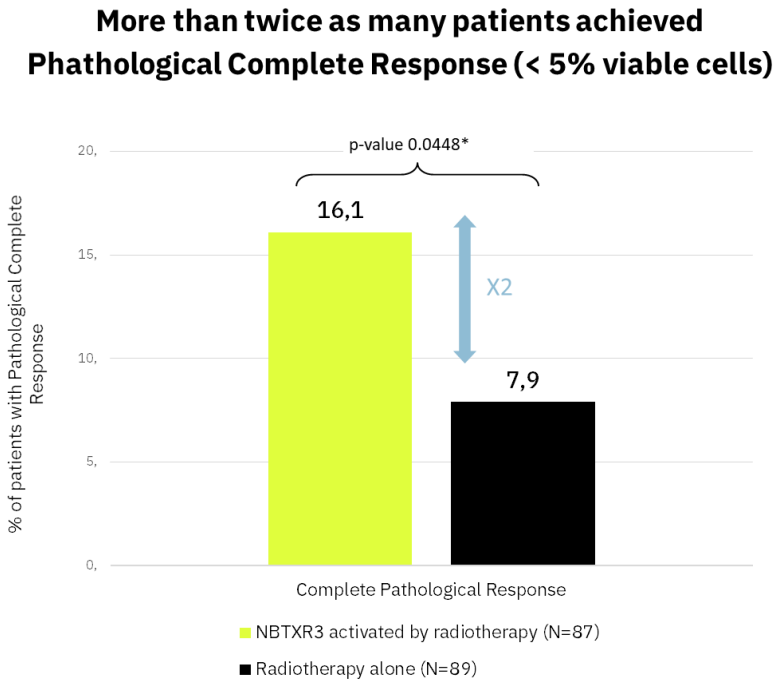
Following the positive results of our Phase I trial described below, we commenced a Phase II/III trial to measure the antitumor activity of preoperative NBTXR3 activated by radiotherapy (external beam radiation therapy or ‘‘EBRT’’), as compared to radiotherapy alone, in patients with locally advanced STS. The trial was conducted at more than 30 sites worldwide, primarily in Europe and Asia. Through the course of the study, a total of 180 adult patients with locally advanced STS of the extremity or trunk wall were randomized, at a 1:1 ratio, to treatment under one of two arms: (i) single intratumoral injection of NBTXR3 at the recommended dose (10% of the tumor volume), followed by five weeks of radiotherapy (the ‘‘NBTXR3 arm’’), or (ii) five weeks of radiotherapy alone (the ‘‘control arm’’). In both cases, the radiotherapy was followed by surgical resection of the tumor. Of the 180 patients recruited for the trial, 176 were analyzed for efficacy; three patients were incorrectly diagnosed with STS and one patient was found to be ineligible for pre-operative radiotherapy and did not receive treatment.

The primary endpoint of the Phase II/III trial was an increase in the pathological complete response rate in the NBTXR3 arm, as compared to the control arm. The primary endpoint was evaluated, in accordance with European Organization for Research and Treatment of Cancer guidelines, by a centralized group of pathologists who were blinded to the arm of treatment. The secondary endpoints included evaluation of the safety profile of NBTXR3 activated by radiotherapy, comparison of the rate of tumor surgery with R0 margins (meaning no cancer cells could be seen microscopically at the resection margin), the percentage of tumor necrosis/infarction, limb amputation rates and tumor response as measured by RECIST 1.1.

Results

Pathological complete response rate

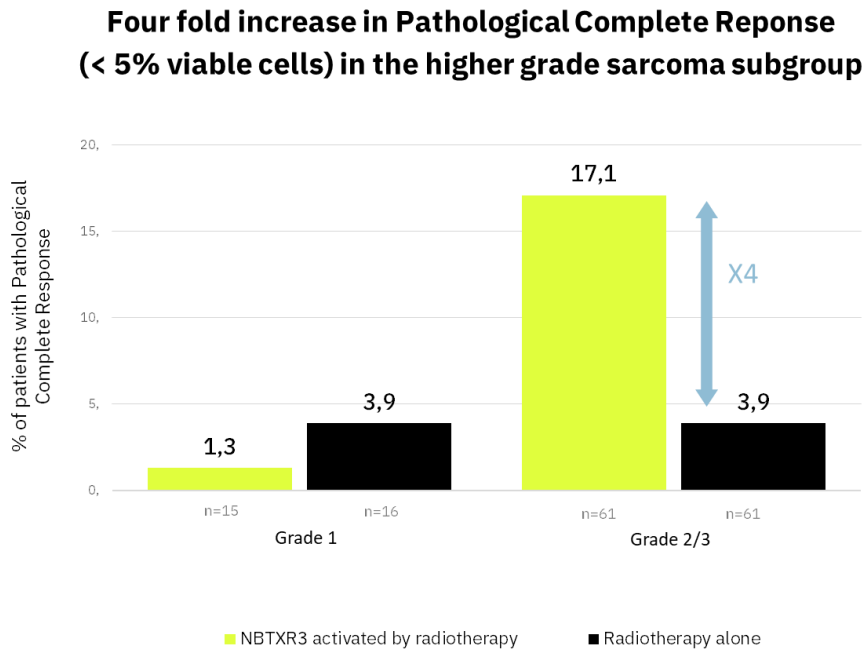
The trial achieved its primary endpoint, with 16.1% of patients in the NBTXR3 arm having a pathological complete response (defined as less than 5% of residual viable cancer cells in the tumor) compared to 7.9% of patients in the control arm. The difference was statistically significant, with a p-value of 0.0448. A p-value of less than 0.045 usually denotes significant difference between the groups tested. P-value represents the probability of finding the observed (or more extreme) results when the null hypothesis (H0 – in this case, no difference between the two groups) is true.



**ITT FAS = Intention To Treat Full Analysis Set; statistically significant at α threshold of 0.04575*

In addition, in the subgroup of patients with a higher histology grade (i.e., a more aggressive disease), which represented the majority of patients in the trial, pathological complete response was achieved in four times as many patients in the NBTXR3 arm (17.1%) compared to patients in the control arm (3.9%). The following graph shows the percentage of patients in each arm achieving a complete pathological response based on whether they were considered to have Grade 1 or Grade 2/3 tumors. The remaining patients in each arm of the trial had tumor of unknown grade.

Grade 1 Grade 2/3



Pathological complete response

NBTXR3 activated by radiotherapy

Radiotherapy alone

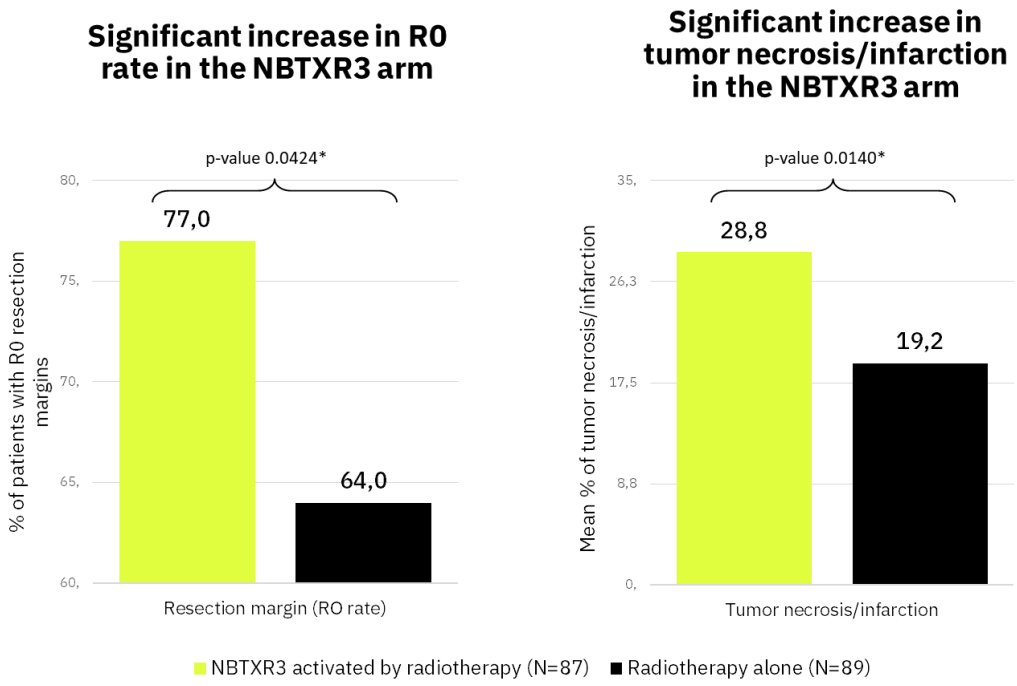
Patients in the NBTXR3 arm were more likely to have a pathological response (not limited to a complete response). The portion of patients with pathological ‘‘nearly’’ complete response (defined as less than 7% of residual viable cancer cells in the tumor) and pathological response with 10% or less of residual viable cancer cells were 24.7% and 34.6%, respectively, in patients in the NBTXR3 arm as compared to 14.8% and 19.8%, respectively, in patients in the control arm.

R0 resection margin

The main secondary endpoint of the trial, the rate of tumor surgery with R0 margins, was also met. R0 resection margin was observed in 77% of the patients in the NBTXR3 arm, compared to 64% of patients in the control arm. This result was statistically significant, with a p-value of 0.0424.

Tumor necrosis/ infarction

Based on histologic analysis, we observed that the mean percentage of tumor necrosis/infarction achieved was 28.8% for patients in the NBTXR3 arm, compared to 19.2% for patients in the control arm, a result that was also statistically significant, with a p-value of 0.014.



Safety profile similarity between NBTXR3 and control arms

Similar safety profiles were observed in the NBTXR3 arm and the control arm, including the rate of postsurgical wound complications. NBTXR3 did not impair the patients' ability to receive the planned dose of radiotherapy. In the NBTXR3 arm, 7.9% of patients experienced grade 3-4 acute immune reactions, which were manageable and of short duration. Furthermore, NBTXR3 showed a good local tolerance in patients and did not have any impact on the severity or incidence of radiotherapy-related adverse events (''AEs'' in the table below). Long-term patient follow-up is currently ongoing to evaluate the time-to-local/distant recurrence and local/distant recurrence rates at 12 and 24 months. The table below illustrates the overall safety analysis of the trial.

	Arm A NBTXR3 activated by RT (N=89)	Arm B RT alone (N=90)
Patients with any TEAE[a]	**87 (97.8%)**	**87 (96.7%)**
Patients with any NBTXR3 related TEAE	31 (34.8%)	NA
Patients with any TEAE leading to death (death regardless the causality assessment)	0	2 (2.2%)
Patients with any serious TEAE	**28 (31.5%)**	**14 (15.6%)**
Patients with any serious NBTXR3 related TEAE	9 (10.1%)	NA
Patients with any serious TEAE related to radiation therapy	5 (5.6%)	5 (5.6%)
Patients with any serious AE[b]	**35 (39.3%)**	**27 (30.0%)**
Patients withdrawn from study treatment due to TEAE	1 (1.1%)	0

[a] Treatment Emergent AEs are AE observed during the on-treatment period.
[b] Serious AEs are adverse events reported during the whole study period (i.e. on-treatment and follow-up periods).
NA, not applicable

The trial results were presented in October 2018 at the European Society for Medical Oncology (''ESMO'') 2018 Congress and the American Society for Radiation Oncology ("ASTRO") 60th Annual Meeting and further published online in the peer-reviewed journal *The Lancet Oncology* in July 2019.

The positive results from the trial were submitted to support the certification of NBTXR3 in the EU. In April 2019, NBTXR3 received its first European market approval enabling commercialization in 27 European Union countries for the treatment of locally advanced soft tissue sarcoma of the extremity, girdle and trunk wall. Given positive Phase II/III results and market approval for NBTXR3, we are currently preparing a post-registrational trial in STS that will continue evaluating safety and efficacy of NBTXR3 activated by radiotherapy; and will provide patients with access to the product. Around 100 patients should be recruited for this trial, which is expected to be launched in H2 2020.

1.3.6.2. Locally advanced head and neck cancers in elderly and frail patients

Background and opportunity

Head and neck cancers include cancers of the oral cavity, tongue and oropharynx, a part of the throat. These structures play a critical role in a human's ability to swallow, breathe and speak. The American Cancer Society estimates that in 2020 in the United States, approximately 53,260 patients will be diagnosed with oral or oropharyngeal cancer and approximately 10,750 patients will die from the cancer.

According to Globocan 2018 estimates, around 890,000 patients are diagnosed each year with head and neck cancer in the world. The five-year survival rate for patients with oral and

oropharyngeal cancer is approximately 65%. These cancers represent a major public health concern.

Chemotherapy in combination with concomitant radiation (chemoradiation) is the standard treatment for locally advanced head and neck cancers in both the United States and the EU. However, it is often not an option for elderly and frail patients who are unable to endure the toxicity associated with chemotherapy treatments. The alternative treatment to chemoradiation is cetuximab in combination with radiotherapy, but it has a limited efficacy in elderly patients. These patients are estimated to account for approximately 25% of patients with head and neck cancers. Data from real world evidence, presented at the Multidisciplinary Head and Neck Cancer Symposium (MHNCS) 2020, suggest that elderly and frail patients treated with radiotherapy alone or radiotherapy in combination with cetuximab had a median progression free survival (defined as “change in N or M staging”, “change of treatment” or “death”) of 7.3 months. Such patients also generally have short overall survival (often less than 12 months following diagnosis) and typically experience poor quality of life. they thus have limited therapeutic option and a high unmet medical need. The intended use of NBTXR3 in this patient population is to improve current radiotherapy outcomes by achieving better local control of the tumor and improving systemic benefit, as well as quality of life.

Phase I and Phase I expansion trials design

We are conducting a Phase I clinical trial of NBTXR3, in escalating doses, activated by intensity-modulated radiation therapy, followed by a dose expansion, in patients with locally advanced squamous cell carcinoma of the oral cavity or oropharynx who are ineligible for cisplatin, the frontline chemotherapy drug for advanced head and neck cancers, or intolerant to cetuximab, a monoclonal antibody used as part of targeted cancer therapy in head and neck cancers. The dose escalation is being conducted at five sites in Europe. In the dose escalation portion of the trial, 19 patients received an injection of NBTXR3, followed by intensity-modulated radiation therapy (70Gy in total, or 2Gy per day, five days a week for seven weeks), in accordance with standard medical practice, commencing 1–5 days after NBTXR3 injection.

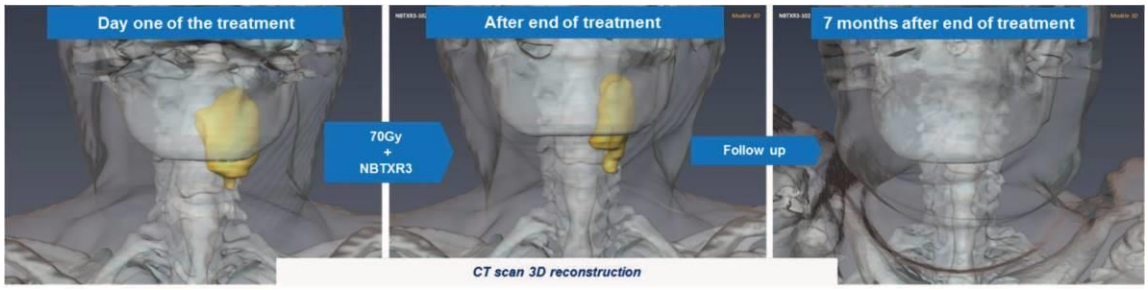
The primary endpoint of the dose escalation is to evaluate the safety and determine the recommended dose of NBTXR3 activated by radiotherapy and the primary endpoints of the dose expansion are to confirm that the recommended dose is safe and to obtain preliminary evidence of efficacy. The secondary endpoints of both parts include to evaluate the safety and tolerability of NBTXR3, to evaluate the overall response rate and the complete response rate (based on the RECIST 1.1) of NBTXR3, to evaluate the local and general progression-free survival, assess the feasibility of local administration by intratumoral injection of NBTXR3, and characterize the body kinetics NBTXR3 administered by intratumoral injection.

Results

The recruitment in the dose escalation is completed and the recommended dose has been established as equivalent to 22% of tumor volume. Preliminary results suggested a favorable safety and tolerability profile, with no serious side effects related to NBTXR3 observed, and feasibility of injection at all dose levels (5%, 10%, 15% and 22%) with no leakage to surrounding healthy tissues. The following figure depicts shrinkage of the tumor over time following treatment in a representative patient from the trial. The tumor

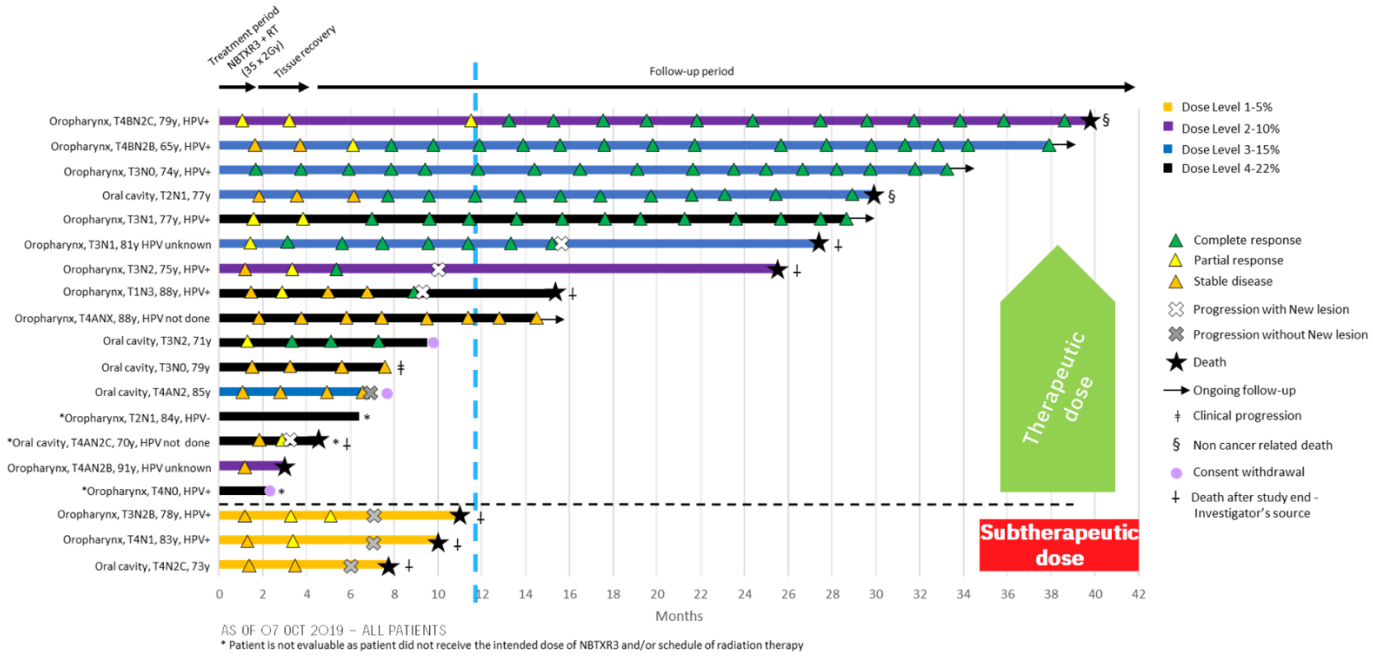
continued to shrink after the end of treatment, with the patient achieving a complete response at seven months.

3D reconstruction of CT scan of locally advanced Head and Neck cancer patient



As of October 2019, nine out of the 16 evaluable patients who received the intended dose NBTXR3 and radiotherapy had achieved a complete response of the injected lesion, according to the RECIST 1.1. Of the patients who received the two highest doses of NBTXR3 plus radiotherapy, more than 70% of patients alive at the 12-month cut-off date were still alive at 24 months following treatment. Of the 13 evaluable patients receiving the highest dose levels (therapeutic doses 10%, 15%, and 22%), nine patients achieved a complete response of the injected lesion. The trial is ongoing, with the follow up of treated patients. Based on the preliminary results, we believe NBTXR3 has the potential to extend survival and improve quality of life in this advanced cancer patient population. The following chart shows follow-up data of the 19 treated patients at the various NBTXR3 dose levels, including the type of cancer, tumor grade, age and human papilloma virus status for each patient.

Patient follow-up in ongoing Phase I locally advanced Head and Neck cancers trial



-- Historical median overall survival (OS)

These preliminary results were presented in November 2019 at International Society of Geriatric Oncology 2019 and in September 2019 at the American Society for Radiation Oncology 2019.

As a result of these positive data, we launched an expansion cohort (Phase I expansion) with 44 additional patients to strengthen preliminary efficacy data. Recruitment for the expansion cohort is ongoing and the initial readout is expected by mid-2020. Depending on the favourability of the final expansion phase data, we may seek to expedite the regulatory process in the EU.

Phase III registrational trial for NBTXR3 in head and neck cancer patients ineligible for cisplatin

Nanobiotix has begun interacting with the US Food and Drug Administration (FDA) on its regulatory pathway and met with the agency in October 2019 to refine the design elements of Study 312— a Phase III investigator's choice, dual-arm, randomized (1:1) global registration trial including elderly head and neck cancer patients who are ineligible for platinum-based chemotherapy (cisplatin).

More than half of head and neck cancers include large primary tumors which may invade underlying structures and/or spread to regional nodes. Treatment of these locally advanced forms of the disease ordinarily requires aggressive, concerted measures. Due to potential comorbidities and toxicities associated with treatment, elderly and frail patients suffer from limited therapeutic options. Study 312 aims to target the unmet needs of this population.

Patients in the control arm will receive radiation therapy with or without cetuximab (investigator's choice), and patients in the treatment arm will receive NBTXR3 activated by

radiation therapy with or without cetuximab (investigator's choice). The trial will recruit around 500 patients, the initial readout will be based on event-driven progression-free survival (PFS), and the final readout will be based on PFS and overall survival (OS). The study will be powered to demonstrate the OS superiority of NBTXR3 activated by radiation therapy. In addition, quality of life (QoL) will be measured as a key secondary outcome.

A futility analysis is expected 18 months after the first patient is randomized, the interim analysis for PFS superiority is expected at 24-30 months, and final analysis will report on PFS and OS. In the event of favourable data from the initial readout, Nanobiotix plans to apply for conditional registration in the US.

In February 2020, we announced Fast Track designation granted by the US FDA in this specific setting underscoring the urgent need for potential new treatment options for patients in this population.

1.3.6.3. Head and neck cancers treated with radiotherapy plus chemotherapy (PharmaEngine Trial)

Trial design

In addition to our ongoing Phase I clinical trial of NBTXR3 in patients with locally advanced squamous cell carcinoma of the oral cavity or oropharynx who are ineligible for cisplatin and cetuximab, our collaborator PharmaEngine is also conducting a Phase I/II clinical trial of NBTXR3 (PEP503) for patients with head and neck cancers to be treated by radiotherapy with concurrent chemotherapy (cisplatin). The trial is being conducted at one site in Taiwan and is expected to treat up to 42 patients. The last patient in the fifth last dose level is expected to be recruited in H2 2020.

The primary endpoints are to determine the safety profile and recommended dose of NBTXR3 and to assess the preliminary safety and efficacy of NBTXR3 administered by intratumoral injection in combination with radiotherapy plus chemotherapy.

Additional development in head and neck with MD Anderson

The Company is collaborating with MD Anderson on nine (9) clinical trials across multiple indications, three (3) of which are expected to evaluate head and neck cancer in patient populations outside of the trials Nanobiotix is executing alone (e.g. borderline respectable, inoperable and neck cancer (re-irradiation), etc.).

1.3.6.4. Liver cancers

Background and opportunity

According to the World Health Organization, liver cancer is currently the fourth most common cause of cancer death in the world and is estimated to cause over 782,000 deaths in 2018. The American Cancer Society estimates that in 2020 in the United States, approximately 42,810 people will be diagnosed with liver cancer and approximately 30,160 patients will die of the disease. In Europe, an estimated 47,000 patients die of liver cancer each year. The five-year survival rate for patients with localized liver cancer is approximately 31%; once the cancer has spread to other organs or tissues, this survival rate drops to approximately 3%.

Two types of liver cancer are hepatocellular carcinoma, or HCC, the most common type of liver cancer, and secondary liver cancer, or liver metastasis, which occurs when cancer from another part of the body spreads to the liver. Surgical resection is often not an option for patients with either HCC or liver metastasis, and there are few local and systemic treatment options, with significant limitations. Radiotherapy has been shown to improve outcomes for these patients, as third-party clinical trials have observed a direct correlation between higher doses of radiation and increased survival rates. However, radiation dose is limited due to potential toxicity to surrounding tissues and the need to preserve liver function. Our ongoing Phase I/II clinical trial described below is evaluating NBTXR3 in patients with liver cancers in need of an alternative treatment, when standard care protocols either cannot be used or do not exist. By increasing the absorption of the administered radiation dose within the tumor itself, without causing additional damage to surrounding healthy tissues, and causing more effective tumor destruction, we believe NBTXR3 can improve prognoses for this patient population.

Phase I/II trial design

We are conducting a Phase I/II clinical trial to evaluate the use of NBTXR3 with high-precision radiation therapy, delivered as high-energy dose fractions (known as stereotactic body radiation therapy, or ‘‘SBRT’’) in liver cancers. SBRT is a commonly used radiotherapy for the treatment of malignant liver tumors. The trial is being conducted at six sites and recruited 22 patients, divided in two subgroups: patients with primary liver cancer (HCC) and patients with secondary liver cancer (liver metastasis).

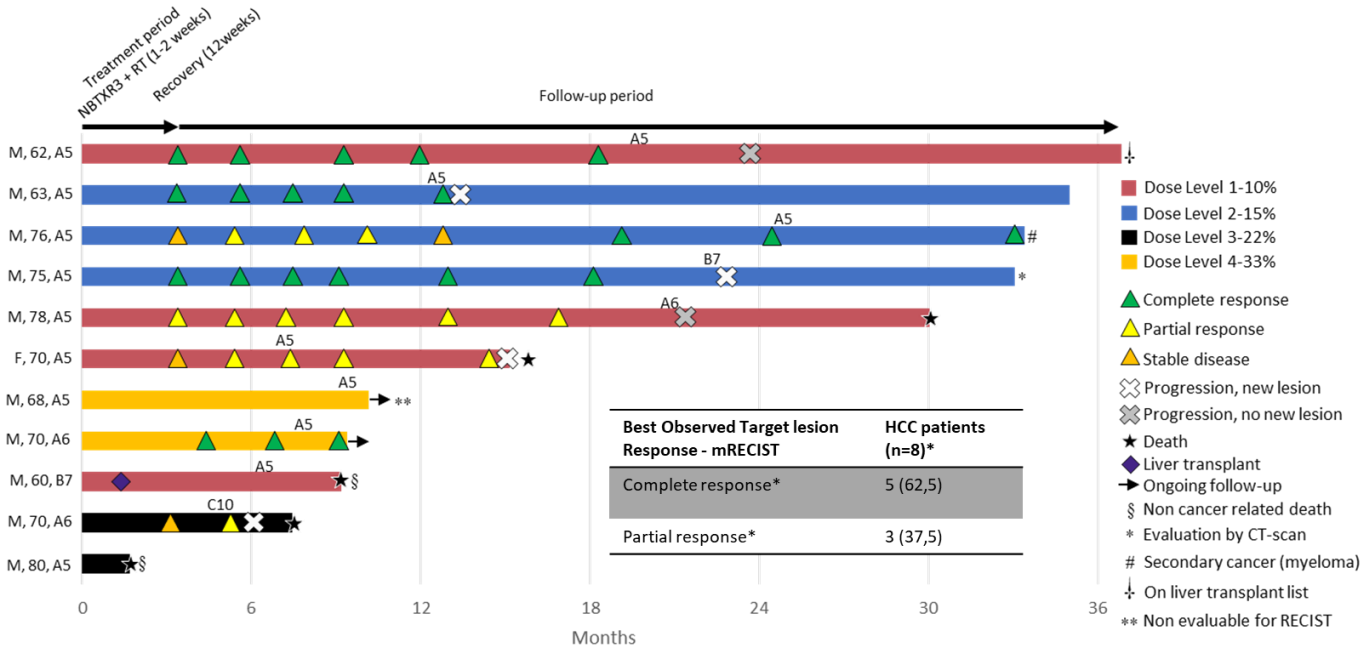
The endpoint of the Phase I part of the trial is to determine the recommended dose of NBTXR3. In this portion of the trial, patients received a single intra-lesional injection of NBTXR3, at increasing dose levels, in each case activated by SBRT.

Results

In September 2019, we announced preliminary results with favorable safety and tolerability profile, which motivated the addition of a 5th dose escalation level which is currently recruiting. The results also showed feasibility of injection at the 10%, 15%, 22%, and 33% dose levels with no leakage to surrounding healthy tissues.

Preliminary results showed positive signs of efficacy for hepatocellular carcinoma (HCC) patients, as every evaluable patient responded and over half (62.5%) reached complete

response. Of the eight patients evaluated for best response in HCC, five achieved a complete response and three achieved a partial response.



+ 6 additional patients have been recruited (42% dose level) but not yet evaluated

In the metastatic setting, out of the 6 patients evaluated for efficacy, 5 patients presented a partial response and 1 patient a stable disease.

1.3.6.5. Prostate cancer

Background and opportunity

Prostate cancer is the second leading cause of death from cancer and the second-most common form of cancer in the United States in men. The American Cancer Society estimates that in 2020 in the United States, approximately 191,930 men will be diagnosed with prostate cancer and approximately 33,330 patients will die from the disease. Worldwide, there are estimated to be approximately 1.3 million new cases in 2018. Patient prognosis is good for local and regionalized prostate cancer, but for prostate cancer that has spread to other parts of the body, the five-year survival rate is approximately 30%.

Achieving local control is key for treatment of prostate cancer to prevent relapse and subsequent spreading of the disease. Prostate cancer patients typically receive one of the two following forms of radiotherapy—EBRT or brachytherapy combined with EBRT. Third-party clinical data has shown that radiotherapy, and specifically the increasing of the radiation dose delivered, significantly improves local control of prostate tumors and reduces recurrence and metastasis.

Phase I/II trial design

We are conducting a Phase I/II clinical trial of NBTXR3 for the treatment of prostate cancer under an active IND application, which took effect in January 2016. In this trial, we are enrolling patients with intermediate and high-risk prostate cancer who are eligible to receive one of the two radiotherapy standards of care. For one group of patients, we will

evaluate NBTXR3 activated by EBRT delivered as intensity-modulated radiation therapy. In the other patient group, we will evaluate NBTXR3 activated brachytherapy boost and EBRT. The trial is being conducted at one site in the United States and is expected to treat up to 24 to 54 patients in Phase I and 40 patients in Phase II.

The primary endpoints of the Phase I dose escalation trial are to determine the maximum tolerated doses, the recommended doses and early dose-limiting toxicities of NBTXR3 activated by EBRT or brachytherapy plus EBRT. The secondary endpoints include to evaluate the dose toxicity and tolerance of NBTXR3, to evaluate the complete response rate of NBTXR3, to evaluate the local and general progression-free survival time and the overall survival rate, to assess the feasibility of local NBTXR3 administration by intratumoral injection, and evaluate the biochemical failure before activation by intensity-modulated radiation therapy.

1.3.6.6. Rectal cancer (PharmaEngine Trial)

Background and opportunity

The American Cancer Society estimates that in 2020 in the United States, approximately 43,340 people will be diagnosed with rectal cancer. Deaths from rectal cancer are often misclassified as colon cancer; deaths from colon and rectal cancer combined are estimated to exceed 53,000 in 2020 in the United States. Worldwide, colorectal cancer is the third most common cancer in men and the second most common cancer in women, with an estimated 1.8 million new cases expected in 2018. The five-year survival rate for patients with rectal cancer varies greatly depending on the stage of the cancer and whether the cancer has spread. For advanced (stage III) rectal cancer, the five-year survival rate ranges from approximately 58% to 83%, and for metastatic (stage IV) rectal cancer, this rate drops to approximately 13%.

Trial design

Our collaborator PharmaEngine is conducting an open-label Phase Ib/II clinical trial of NBTXR3 with radiotherapy in combination with chemotherapy for patients with unresectable rectal cancer. The goal of the trial is to evaluate NBTXR3 activated by radiotherapy in combination with chemotherapy as a potential treatment to shrink tumor size and expedite the surgical removal. The trial is being conducted at one site in Taiwan and is expected to treat up to 42 patients.

Primary objectives of the dose escalation (Phase Ib) are to assess the safety profile and determine the dose-limiting toxicity, to determine the recommended dose of NBTXR3 and the primary objective of the dose expansion (Phase II) is to assess the antitumor activity by evaluating the response rate of NBTXR3 administered by intratumoral injection and activated by external beam radiation, with concurrent chemotherapy treatment in patients with unresectable rectal cancer.

1.3.6.7. Pancreatic cancer (MD Anderson)

Background and opportunity

Pancreatic cancer is a rare, deadly form of the disease. Worldwide, there were approximately 460,000 new cases in 2018. Given that surgery with R0 resection (i.e. macroscopically complete tumor removal with negative microscopic surgical margins) remains the only hope for long-term survival, clinical trials have investigated various neoadjuvant strategies—wherein patients receive anti-cancer drugs or radiation prior to surgery—to increase the surgery-eligible population while also increasing the R0 resection rate.

In support of the rationale for neoadjuvant therapy, a retrospective analysis demonstrated a near doubling in overall survival (OS) in PDAC patients who underwent surgery, which was attributed, at least in part, to the increased proportion of BRPC patients who became eligible for surgery as a result of neoadjuvant intervention. Importantly, there are also select cases of LAPC patients being considered for surgical resection based on their response to therapy. Given the poor prognosis of PDAC, therapeutic regimens able to increase the proportion of BRPC and LAPC patients eligible for surgery could improve survival outcomes in this population with unmet need.

Trial design

The MD Anderson trial is an open-label, single-arm, prospective phase I study consisting of two parts: (i) dose-escalation to determine the recommended phase 2 dose (RP2D); and (ii) expansion at RP2D.

The patient population will include adults (age ≥ 18 years) with BRPC or LAPC that are radiographically non-metastatic at screening, and that have not previously received radiation therapy or surgery for pancreatic cancer. The number of participants enrolled will be determined based on the maximum number required to establish the RP2D. Up to 24 subjects will be enrolled, including a maximum of 12 subjects with LAPC for the dose-finding part. Twelve additional subjects with either LAPC or BRPC will be enrolled for the RP2D expansion. The planned enrollment period is 18 months.

The objectives of the study are the determination of dose-limiting toxicity (DLT), the maximum tolerated dose (MTD), and the RP2D.

1.3.6.8. Head and neck squamous cell carcinoma, liver or lung metastases treated with anti-PD-1 antibodies

In recent years, significant attention has been focused on the potential of I-O treatments, and in particular, immune checkpoint inhibitors. Immune checkpoint inhibitors are a type of immunotherapy that function to block proteins that stop the immune system from attacking cancer cells. In doing so, they enable T cells to recognize cancer cells that would otherwise be invisible to immune attack. However, many tumors, which are referred to as ‘‘cold’’ tumors, exhibit little or no response to immune checkpoint inhibition.

Our preclinical and preliminary clinical trial results suggest that NBTXR3-enhanced radiotherapy may prime the immune response, thereby rendering otherwise cold tumors more prone to recognition by the patient's immune system and therefore more responsive to I-O treatments such as checkpoint inhibitors. This effect is also referred to as causing a ''cold'' tumor to become ''hot.''

Published scientific data shows that only 15%–20% of non-small cell lung cancer patients and 13%–22% of head and neck squamous cell carcinoma patients typically respond to certain checkpoint inhibitors. The physical mode of action by which NBTXR3 works induces a different immunogenicity and, we believe, could be key to significantly increasing the number of cancer patients who can benefit from I-O treatment. NBTXR3-enhanced radiotherapy was shown to induce a specific adaptive immune pattern that could potentially convert a non-responder into an immune-responsive patient receptive to treatment with available checkpoint inhibitors.

In December 2017, our IND to commence a clinical trial of NBTXR3 activated by stereotactic ablative radiotherapy (''SABR'') and administered in combination with an FDA approved anti-PD-1 antibody product went into effect.

Phase I trial design

We initiated a Phase I prospective, multi-center, open-label, non-randomized clinical trial evaluating the safety and efficacy of NBTXR3 activated by radiotherapy combined with immune checkpoint inhibitors (anti-PD-1, nivolumab or pembrolizumab). The trial will include three patient populations with inoperable locoregionally recurrent or recurrent and metastatic head and neck squamous cell carcinoma amenable to re-irradiation, metastasic lung cancer from any primary tumors or metastasic liver cancer from any primary tumors, where patients are refractory or resistant to anti-PD-1 therapy. The trial main objective is to determine the recommended Phase II dose of NBTRX3 activated by radiotherapy in combination with an anti-PD-1. The trial is ongoing and will be conducted at multiple sites in the United States and will enroll up to 60 total patients.

The dose escalation Phase is based on a classical 3+3 design, meaning that at least 3 patients will be treated at the initial dose level, with treatment escalated to the next level in the absence of any dose-limiting toxicity occurrences, in order to identify the appropriate dose of NBTXR3 to be injected into the tumor. NBTXR3 doses will be escalated, but the anti-PD-1 antibody dose will remain constant.

Primary and secondary endpoints will evaluate safety and efficacy, while exploratory endpoints will further characterize the treatment-induced gene expression, including enriched cytokine activity and markers of adaptive immune response and T-cell receptor signalling pathways.

Additional Development in I-O with MD Anderson

The I/O portion of the Nanobiotix clinical collaboration with MD Anderson plans to evaluate NBTXR3 activated by radiation therapy in combination with immune checkpoint inhibitors (anti-PD-1, anti-PD-L1, and anti-CTLA4) in patients with advanced solid tumors and lung or liver metastases.

Supporting Rationale for I-O Approach

We observed NBTXR3 activated by radiotherapy kill more cancer cells *in vitro* than radiotherapy alone, leading to the release of a greater number of tumor-associated antigens. In addition, *in vitro* experiments performed on different human cancer cell lines, showed that NBTXR3 activated by radiotherapy enhanced the expression of immunogenic cell death markers, as well as activates the cGAS-STING pathway (a component of the immune system that detects tumor-derived DNA and generates intrinsic antitumor immunity). These results suggest that NBTXR3 activated by radiotherapy can modulate the immunogenicity of cancer cells.

In preclinical experiments, NBTXR3 activated by radiotherapy *in vivo* generated an abscopal effect, which is a reduction of metastases burden outside the irradiated area. This abscopal effect was dependent on the increase of CD8+ T cell lymphocyte infiltrates (T lymphocytes that work to kill malignant tumor cells) in both treated and untreated tumors, induced by NBTXR3 activated by radiotherapy. In addition, several combination *in vivo* experiments in both sensitive and resistant cancer cell models (e.g. lung cancer) demonstrated that NBTXR3 activated by radiotherapy brings better local and systemic control when combined with immune checkpoint inhibitors (anti-PD-1, anti-CTLA-4 or both) when compared to any other conditions.

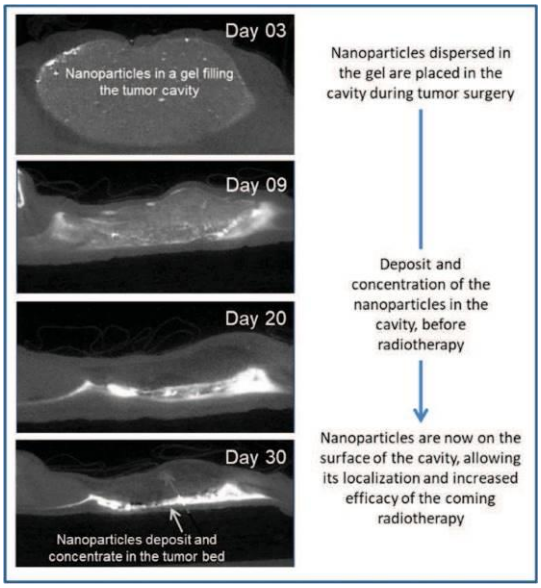
In our Phase II/III locally advanced STS clinical trial, based on immunohistochemistry analyses comparing tumor biopsy with tumor sample after surgery following radiation therapy, we observed that compared to radiotherapy alone (29 patients), NBTXR3 activated by radiotherapy (23 patients) increased the infiltration of CD8+ T cells and also decreased FOXP3+ (Treg) (regulatory T cells that work to suppress the immune response) in the tumors, while macrophage number remained relatively constant.

Together, these data suggest that NBTXR3 activated by radiotherapy could be able to modulate the antitumor immune response and transform the tumor into an *in-situ* vaccine.

1.3.7. Our pre-clinical program on NBTXR3-gel

We are developing NBTXR3-gel, NBTXR3 in a gel formulation, for direct application in the tumor cavity following tumor ablation or resection surgery before wound closure. As illustrated below, NBTXR3-gel is designed to prepare the surgical site for postoperative radiotherapy (adjuvant treatment) in order to destroy residual cancer cells not removed during surgery.

Application of NBTXR3-gel in tumor cavity



This unique product candidate has a dual aim: effective destruction of cancer cells remaining after surgery and enhancement of tumor cavity radiation by localizing the radiation.

The initial cancer indications we are exploring for NBTXR3-gel are certain types of breast cancer, operable lung cancers, vertebral metastases and retroperitoneal STS.

1.3.8. Our research program outside NBTXR3

The Company currently conducts several nanomedicine researches programs whose concepts differ from NBTXR3. In May 2019, we announced the launch of Curadigm, a new nanotechnology platform for healthcare that is dedicated to redefining the therapeutic balance between bioavailability, toxicity, and efficacy across the pharmaceutical industry. Curadigm's concepts is based in particular on the development of new objects from nanotechnology to answer the question "Is it possible to increase the useful dose or to reduce the unnecessary dose of a therapeutic agent administered in a patient to optimize its bioavailability and/or reduce its toxicity?" To answer this question, the Curadigm team has created different types of nanoparticles with specific physical-chemical properties (called nanoprimers) allowing them to accumulate in the liver in order to temporarily occupy the main liver elimination pathways of targeted therapeutic agents and thus increase their useful dose and/or decrease their potential toxicity. The different nanoprimers created aim to adapt to the different families of therapeutic agents affected by a strong liver elimination, mainly nanomedicines. Nanoprimers therefore open new possibilities in their development and could improve the effectiveness of different therapeutic agents.

1.3.9. Manufacturing

We contract the production of NBTXR3 to high-precision manufacturing partners. Our contracts with these third parties generally provide that the manufacturing partner may not transfer its rights or sub-contract any of the services covered. The contracts provide that we retain exclusive ownership of the products, as well as the intellectual property rights and know-how derived from and related to the services rendered thereunder. The manufacturing partners are required to perform their obligations in accordance with international professional standards, including the Good Manufacturing Practices guidelines issued by the International Council for Harmonization.

In January 2014, we entered into an agreement with Amatsigroup SAS (''Amatsigroup'') pursuant to which Amatsigroup provides development space and assists in the production of the nanoparticles used in NBTXR3. Amatsigroup specializes in the manufacture of injectable drug products and is certified for the manufacture of cytotoxins, biotechnology products, emulsions, vaccines and lyophilizates. It is certified by the French National Security Agency for Medicines and Health Products for the manufacture of sterile products and is an accredited pharmaceutical laboratory. Our agreement with Amatsigroup will remain in force until it is terminated at the option of either party.

In November 2017, we opened a new facility to expand our manufacturing capabilities, increase production capacity of NBTXR3 for our clinical trial needs and prepare for potential commercialization. This new facility is located in the Villejuif BioPark, a scientific research and innovation center just outside of Paris, France. We expect that the facility will expand our production capacity to more than 200,000 doses of NBTXR3 per year, which we believe will be sufficient to produce NBTXR3 for our ongoing clinical trials and our initial commercial phase. We have designed our manufacturing process so that additional production lines can be added without significant capital investment.

1.3.10. Commercialization

Subject to successfully completing applicable pre-marketing regulatory requirements, we expect to commence commercialization activities and establish a global commercial infrastructure by building commercial capabilities and evaluating partnering opportunities. Through our global medical science liaison team, we have established important strategic relationships and enhanced awareness of NBTXR3 with a number of key opinion leaders, hospitals, clinics and cancer treatment centers in the United States and in key European markets. As part of our clinical trial efforts, we have involved more than 400 physicians. We believe that our planned commercial organization will be able to target the community of physicians who are the key specialists in treating the patient populations for which NBTXR3 is being developed. We may enter into additional development and commercialization agreements with third parties in selected geographic territories for any of our product candidates that successfully completed applicable pre-marketing regulatory requirements.

We also plan to build a marketing and sales management organization to create and implement marketing strategies for any products that we market through our own sales organization and to oversee and support our sales force. The responsibilities of the marketing organization would include developing educational initiatives with respect to

approved products and establishing relationships with leaders in relevant fields of medicine.

1.3.11. Competition

The development of treatments for cancer is subject to rapid technological change. Many companies, academic research institutions, governmental agencies and public and private research institutions are pursuing the development of medicinal products, devices and other therapies that target the same conditions that we are targeting.

Approximately 60% of all cancer patients undergo radiotherapy at some point during their course of treatment. Current research in radiotherapy focuses primarily on (1) methods to increase sensitivity of tumors to radiation and (2) methods to protect healthy tissues from radiation. In addition, many researchers believe that radiotherapy can enhance the body's immune response, thereby making a previously unsusceptible tumor susceptible to vaccines.

Companies that are developing treatments to increase sensitivities of tumors to radiation and other sources of energy include MagForce AG, NH TherAguix, and Nanospectra Biosciences, Inc. Like us, these companies are pursuing various technologies that involve the delivery of a substance to a tumor that works to destroy the tumor cells without causing additional damage to surrounding healthy tissues. Any product candidates that we or they develop and commercialize may compete with existing therapies, as well as new therapies that may become available in the future.

Many of our competitors, either alone or with their collaboration partners, may have significantly greater financial resources and expertise in research and development, preclinical testing, clinical trials, manufacturing, and marketing than we do. Future collaborations and mergers and acquisitions may result in further resource concentration among a smaller number of competitors. These competitors also compete with us in recruiting and retaining qualified research and development and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Smaller or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with more established companies.

The key competitive factors affecting the success of NBTXR3 and any other product candidates that we develop, if approved, are likely to be their efficacy, safety, convenience, price and the availability of reimbursement from government and other third-party payors. We must also protect our proprietary technology used in the development of our product candidates. Our commercial opportunity could be reduced if our competitors develop and commercialize products that are more effective or demonstrate a more favorable safety profile than any products that we may develop. Our competitors may also successfully complete applicable pre-marketing regulatory requirements for their products more rapidly than us.

1.3.12. Research & Development and patents

1.3.12.1. Research & Development

Since the Company's creation, most of the resources have been devoted to research and development activities. These activities are described in detail in paragraph 1.3.1. for research and development (research, preclinical, clinical, medical and regulatory) and production activities, the project teams manage the Company's innovative projects independently, flexibly and reactively. In order to carry out their work, the research and development teams use subcontractors with state-of-the-art technologies and/or the necessary expertise. In the 2019 workforce and in the same way as 2018, 52 employees hold a doctorate in medicine, pharmacy or science. The research and development function remains largely dominant, accounting for 74% of employees.

1.3.12.2. Innovation policy

Nanobiotix has implemented an innovation policy to bring about the emergence, promote and transform new ideas into products for human health. Since its creation, most of the Company's resources have been devoted to the development of the "NBTXR3" patent portfolio and other formulations, enabling Nanobiotix to offer an unprecedented approach to cancer treatment. The Company is also developing exploratory research programs for new nanoparticles for new applications in nanomedicine.

1.3.12.3. Publications

Nanomedicine is a very innovative field of research. A pioneer and major player in this sector, Nanobiotix has developed technologies recognized by the international scientific and medical communities. The major work of our researchers and the results of our clinical trials are regularly published and presented at international scientific events (non-exhaustive list):

- Enhancement of anti-PD1 and anti-CTLA4 efficacy by NBTXR3 exposed to radiotherapy. Yun Hu, Ping Zhang, Audrey Darmon, Maria Angelica Cortez, Sebastien Paris, James Welsh. Poster presentation, AACR 2019;
- Phase I/II trial of hafnium oxide nanoparticles activated by SBRT in the treatment of liver cancers. E. Chajon, M. Pracht, T. De Baere, T.V.F Nguyen, J. P. Bronowicki, V. Vendrely, A. S. Braumann, V.V. Croisé-Laurent, E. Rio, Y. Rolland, S. Le Sourd, P. Gustin, C. Perret, F. Mornex, D. Peiffert, P. Merle, and E. Deutsch. Oral Presentation ESTRO 2019;
- First randomized study of Hafnium nanoparticles activated by radiotherapy in soft tissue sarcoma. S. Bonvalot, P.L. Rutkowski, J. Thariat, S. Carrere, M.-P. Sunyach, E. Saada-Bouzid, P. Agoston, A. Hong, A. Mervoyer, M. Rastrelli, C. Le Pechoux, V. Moreno, R. Li, B. Tiangco, A. Casado Herraez, A. Gronchi, L. Mangel, P. Hohenberger, M. Delannes, Z. Papai. Oral Presentation ESTRO 2019;
- Hafnium oxide nanoparticles NBTXR3 activated by radiotherapy as a new therapeutic option for elderly/frail HNSCC patients. Christophe Le Tourneau, Victor Moreno, Sebastien Salas, Xavier Mirabel, Emiliano

Calvo, Bernard Doger, Carmen Florescu, Juliette Thariat, Jacek Fijuth, Tomasz Rutkowski, Nicolas Magné, Xavier Liem, Nicolas Fakhry, Stéphanie Wong-Hee-Kam, Valentin Calugaru, Caroline Hoffmann. Poster, ASCO 2019;

- NBTXR3, a first-in-class radio-enhancer hafnium oxide nanoparticle, plus radiotherapy versus radiotherapy alone in patients with locally advanced soft-tissue sarcoma (Act.In.Sarc): a multicentre, Phase II/ III, randomised, controlled trial. Sylvie Bonvalot, Piotr L Rutkowski, Juliette Thariat, Sébastien Carrère, Anne Ducassou, Marie-Pierre Sunyach, Peter Agoston, Angela Hong, Augustin Mervoyer, Marco Rastrelli, Victor Moreno, Rubi K Li, Béatrice Tiangco, Antonio Casado Herraez, Alessandro Gronchi, László Mangel, Teresa Sy-Ortin, Peter Hohenberger, Thierry de Baère, Axel Le Cesne, Sylvie Helfre, Esma Saada-Bouzid,Aneta Borkowska, Rodica Anghel, Ann Co, Michael Gebhart, Guy Kantor, Angel Montero, Herbert H Loong, Ramona Vergés, Lore Lapeire, Sorin Dema, Gabriel Kacso, Lyn Austen, Laurence Moureau-Zabotto, Vincent Servois, Eva Wardelmann, Philippe Terrier, Alexander J Lazar, Judith V M G Bovée, Cécile Le Péchoux, Zsusanna Papai. Lancet Oncology;

  NBTXR3 for the treatment of elderly frail patients with locally advanced HNSCC. Christophe Le Tourneau, Valentin Calugaru, Victor Moreno Garcia, Xavier Mirabel, Bernard Doger, Emiliano Calvo, Jacek Fijuth, Tomasz Rutkowski, Nicolas Magné, Miren Sanz Taberna, Jorge Contreras, Irene Brana, Zsuzsanna Papai, Zoltán Takacsi-Nagy, Xavier Liem, Sébastien Salas, Stéphanie Wong, Carmen Florescu, Juliette Thariat, and Caroline Hoffmann. Oral presentation, ASTRO 2019;
- Hafnium Oxide Nanoparticles Activated by SBRT for the Treatment of Hepatocellular Carcinoma and Liver Metastasis: A Phase I/ II Trial. E. Chajon Rodriguez, M. Pracht, Y. Rolland, T. De Baere, T.V.F. Nguyen, J.P. Bronowicki, V. Vendrely, A. Sa Cunha, A.S. Baumann, V. Croise´-Laurent, E. Rio, S. Le Sourd, P. Gustin, C. Perret, D. Peiffert, and E. Deutsch. Oral presentation, ASTRO 2019;
- Phase I/II trial of NBTXR3 activated by SBRT in patients with hepatocellular carcinoma or liver metastasis. M. Pracht, E. Chajon, Y. Rolland, T. de Baere, F. Nguyen, J-P. Bronowicki, V. Vendrely, A. Sa Cunha, A-S. Baumann, V. Croise-Laurent, E. Rio, P. Said, S. Le Sourd, P. Gustin, C. Perret, D. Peiffert, E. Deutsch. Poster, ESMO 2019 ;
- Combination of a radiation-enhancing nanoparticle, radiotherapy, and immune checkpoint inhibitors for treating metastasized lung cancer in mice. Yun Hu, James Welsh, Sébastien Paris, Angelica Cortez. Poster, SITC 2019 ;
- DNA damage enhancement by radiotherapy-activated hafnium oxide nanoparticles improves cGAS-STING pathway activation in human colorectal cancer cells. Julie Marill, Naeemunnisa Mohamed Anesary, Sébastien Paris. Radiotherapy and Oncology;

- Hafnium oxide nanoparticles activated by radiotherapy triggers an abscopal effect dependent on CD8 T cells. Audrey Darmon, Ping Zhang, Sébastien Paris. Poster presentation, OncoRad 2018;
- Phase I/ II trial: NBTXR3 activated by SABR for patients with advanced HNSCC or NSCLC in combination with an anti-PD1 treatment. Seiwert T, Le Tourneau C, Paris S, Bonvalot S. Poster presentation, OncoRad 2018;
- NBTXR3, hafnium oxide nanoparticles in the treatment of liver cancer: a Phase I/ II trial. Enrique Chajon, Marc Pracht, Thierry De Baere, France Nguyen, Jean-Pierre Bronowicki, Véronique Vendrely, Anne-Sophie Baumann, Valérie Croisé-Laurent, Emmanuel Rio, Yan Rolland, Samuel Le Sourd, Pierre Gustin, Christophe Perret, Francoise Mornex, Didier Peiffert, Philippe Merle, Eric Deutsch. Online abstract, ASCO 2018;
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- Activation of the cGAS-STING pathway by NBTXR3 nanoparticles exposed to radiotherapy. Marill J, Darmon A, Zhang P, Paris S. Poster presentation, AACR 2018;
- Hafnium oxide nanoparticles as a promising emergent treatment for head and neck cancer. C. Le Tourneau, V. Calugaru, T. Jouff roy, J. Rodriguez, C. Hoffmann, B. Dodger, V. Moreno, Laurent Levy, E. Calvo. Poster presentation, Multidisciplinary Head and Neck Symposium 2018;
- A Phase I/II trial of NBTXR3 nanoparticles activated by SBRT in the treatment of liver cancers. Chajon E, Pracht M, De Baere T, Nguyen F, Bronowicki J-P, Vendrely V, Baumann A-S, Croisé-Laurent V, Deutsch E. Poster presentation, ASCO GI 2018;
- Hafnium Oxide Nanoparticles and Radiotherapy to Convert Immunologically “Cold” Tumor into “Hot” Tumor. Tetreau R, Chateau MC and Bonvalot S. Oral Presentation Immuno-Oncology Summit 2018;
- Transforming immunologically “Cold” tumor into “Hot” tumor with hafnium oxide nanoparticles and radiation therapy. S. Paris, A. Darmon, P. Zhang, M. Bergère and L. Levy. Poster presentation SITC 2017;
- Antitumor immunity in patients with locally soft tissue sarcoma treated with hafnium oxide nanoparticles and radiation therapy. J. Galon, M. Laé, J. Thariat, S. Carrere, Z. Papai, M. Delannes, P. Rochaix, L. Mangel, F. Hermitte, Z. Sapi, T. Tornoczky, V. Servois, I. Birtwisle Peyrottes, R. Tetreau, M-C. Château, S. Paris, H. Brisse, and S. Bonvalot. Poster presentation SITC 2017;
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1.3.12.4. Intellectual property

We are innovators in oncology-related nanotechnology. We rely on a combination of patent, trademark, copyright, and trade secret laws in the United States and other jurisdictions to protect our intellectual property rights. No single patent or trademark is material to our business as a whole.

We seek to protect and enhance our proprietary technology, product candidates, inventions and improvements that are commercially important to the development of our business by seeking, maintaining, and defending patent rights, whether developed internally or licensed from third parties. We will also seek to rely on regulatory protection afforded through orphan drug designation, data exclusivity, market exclusivity and patent term extensions where available.

To achieve this objective, we maintain a strategic focus on identifying and licensing key patents that provide protection and serve as an optimal platform to enhance our intellectual property and technology base. Our technology and product candidates are protected by more than 300 issued or pending patents and patent applications in over 20 patent families across the world. We hold key patents and patent applications with respect to the concepts, products and uses of nanoparticles activated by ionizing radiation through NBTXR3 technology and for new applications in nanomedicine. We also own or exclusively license patents and patent applications protecting oncological inventions covering magnetic nanoparticles used in diagnostics and treatment, as well as nanocarriers used in treatment encapsulating photosensitizing agents. Further, we co-own a patent family with the French National Center for Scientific Research (CNRS) concerning a method for monitoring the release of active molecules by liposomes. In addition to patent protection, we have trademark protection in many countries for our ‘‘Nanobiotix’s’ name and Nanobiotix logo. We own over 300 trademark registrations and applications related to our products, product candidates, processes and technology worldwide. We anticipate we will apply for additional patents and trademark registrations in the future as we develop new products, product candidates, processes and technologies.

We also rely on trade secrets to develop and maintain our proprietary position and protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. We seek to protect our proprietary technologies, in part, through confidentiality agreements with our employees, consultants, scientific advisors, contractors and others with access to our proprietary information to execute confidentiality

agreements. There can be no assurance, however, that these agreements will provide meaningful protection or adequate remedies for any breach, or that our trade secrets will not otherwise become known or be independently discovered by our competitors.

Nanobiotix patent family summary table published on March 06, 2020:

Product / Technology	Number of patent family	Expiration date for each patent family	List of countries for which patents have been granted
« NanoXray »[(1)] Technology	10	2025 2031	France, Australia, Canada, China, Eurasia (5 countries), Europe (35 countries), Israel, India, Japan, South Korea, Mexico, South Africa, Hong Kong,** United States
		2029 2031	Australia, Canada, China, Algeria, Eurasia (9 countries), Europe (34 countries), Indonesia, Israel, Japan, South Korea, Morocco, Mexico, New Zealand, South Africa, Macau, Hong Kong, Singapore,** United States
		2030	Australia, Canada, China, Eurasia (4 countries), Europe (36 pays), Indonesia, Israel, India, Japan, South Korea, Morocco, Mexico, New Zealand, United States, South Africa, Hong Kong,**
		2032 2035	China, Europe (19 countries), Japan, ** United States
		2032	Australia, China, Russia, Europe (19 countries), Indonesia, Israel, Japan, Morocco, Mexico, New Zealand, Singapore, Ukraine, South Africa, **
		2034	Australia, China, Europe (36 countries), Indonesia, Japan, New Zealand, Israel, Ukraine, United States, Russia, Hong Kong, South Africa, **
		2034	Singapore, South Africa, Europe (36 countries), Indonesia, Japan, New Zealand, Singapore, South Africa, Hong Kong, Russia, United States, **
		2034	Japan, United States, **
		2036	**

Product / Technology	Number of patent family	Expiration date for each patent family	List of countries for which patents have been granted
Other technologies	8	2034	Australia, Indonesia, Japan, New Zealand, Ukraine, United States, Singapore, South Africa, **
		2035	Europe (23 countries) **
		2035	**
		2035	United States, **
		2035	**
		2037	**
		2037	**
		2037	**
		2038	**
		2038	**

**This expiry date does not take into account the additional protection that could be granted for certain patents in the United States, Europe, or other countries. In addition, the duration of protection for our patents not yet issued in the United States could be extended beyond the basic duration of protection through the "patent term adjustment."*

***Application for a patent published or under review by the competent authority.*

(1) The NanoXray technology consists of three products designed with the same heart of hafnium oxide. Nanobiotix through its NanoXray product platform aims to increase the effectiveness of radiotherapy without increasing the dose received by surrounding healthy tissues. The three products in the NanoXray portfolio differ in the composition of the nanoparticle coating, which has been developed to cover the majority of radiotherapy applications through different modes of administration. The first product of a new class of radio-enhancer, NBTXR3 could be applicable to a majority of solid tumors. NBTXR3 is currently being tested in several clinical studies. In April 2019, the Company received marketing authorization (CE mark) for the NBTXR3 product. NBTXR3 nanoparticles are injected directly into the tumor, only once before the first radiation therapy session.

Summary table of patent families held by Nanobiotix in condominiums as of March 5, 2020:

Product/Technology	Number of patent family	Expiration date for each patent family*	List of countries for which patents have been granted
Other technologies	1	2032	United States

This expiry date does not take into account the additional protection that could be afforded for some of our patents in the United States, Europe, or other countries.

1.3.13. Our major contracts

We have entered into collaboration agreements in order to enable us to optimize our resources, expedite product development, potentially generate revenue and maintain limited risk exposure outside of Europe.

PharmaEngine

In August 2012, the Company entered into a license and collaboration agreement with PharmaEngine, a Taiwan-based company listed on the Taipei Exchange (formerly the GreTai Securities Market), for the development and commercialization of NBTXR3 (under the code name PEP503) in several countries in the Asia-Pacific region (collectively, the "**Territory**"). Under this agreement, PharmaEngine is responsible for the development (non-clinical and clinical research) and marketing of NBTXR3 across the Territory. In return, PharmaEngine makes payments to the Company based on the achievement of development and commercialization milestones for NBTXR3. This strategic partnership allows the Company to leverage the data generated by PharmaEngine to accelerate the growth and further the development of our product candidates.

The Company received an upfront payment of $1 million upon signing the agreement and, to date, it has received $2 million in two interim payments. The Company may be entitled to receive subsequent payments amounting to $54 million based on PharmaEngine's successful achievement of specified clinical, regulatory and commercial milestones. Further details can be found in note 15 of the Group’s consolidated account in section 4.1.6.15 of the Universal Registration Document.

The Company is also entitled to receive payments for the supply of NBTXR3 and royalties, calculated on a country-by-country basis on PharmaEngine's net sales, at a rate ranging from a high single-digit to a low double-digit figure of PharmaEngine's net sales of products in the Territory, excluding Australia and New Zealand, where a higher royalty rate will be applied if NBTXR3 is approved under the mutual recognition agreement, subject, in each case, to downward adjustment or possible termination, depending on the existence and level of sales of competing generic products or, if it is deemed necessary or desirable, the obtaining of third party intellectual property licenses in the Territory in respect of NBTXR3.

Under this agreement, the Company granted PharmaEngine an exclusive license to certain intellectual property rights ("**license**") to develop and commercialize NBTXR3 for the treatment of cancer in combination with radiotherapy in the Territory (with the option to reclaim such rights, except for China and Taiwan). The license includes the know-how necessary for the development, marketing or exploitation of NBTXR3 (e.g. development data, results of experiments and trials, trial data, study protocols, etc.), patents relating to NBTXR3 in the Territory (e.g. patents and pending patent applications) and the trademark "NanoXray". PharmaEngine is not authorized to modify the substance of NBTXR3 or to perform reverse engineering on NBTXR3 under this agreement. PharmaEngine has also granted the Company a license to use certain intellectual property rights, including development data and patents, to enable the Company to develop and commercialize NBTXR3 outside the Territory for the treatment of cancer in combination with radiotherapy.

PharmaEngine has undertaken to conduct at least two Phase I studies in two different cancer indications in the Territory within 18 months of the agreement coming into force, and a third Phase I study in a third indication within 36 months of the agreement coming into force, barring delays caused by a regulatory authority.

PharmaEngine alternatively joined the support of the NBTXR3 global pivotal study on STS in Europe and Asia that the Company launched in 2014. In addition, PharmaEngine is obligated to use its best commercially reasonable efforts to seek and obtain regulatory approval for NBTXR3 in the Territory in accordance with an agreed development plan.

The Company has undertaken to supply PharmaEngine with all the quantities of NBTXR3 necessary for its development in the Territory. In some cases - from the moment PharmaEngine begins a pivotal or Phase III study – the Company is required to transfer the manufacturing process of the nanoparticles contained in NBTXR3 (i.e. formulation, filling and finishing steps) to PharmaEngine and the CMO (contract manufacturing organisation) PharmaEngine elected. To the extent that PharmaEngine develops and controls any improvements in the manufacturing process, the Company will be allowed to implement such improvements in its manufacturing process.

The agreement has been entered into for an indefinite term and may be terminated (i) by either party in the event of a serious breach by the other party of its obligations that has not been remedied, or in the event of insolvency, or (ii) at our option, for any country in the Territory, if PharmaEngine fails to market NBTXR3 in the relevant country within two years of obtaining all required regulatory approvals for marketing in the relevant country. Under certain conditions, we have the right to terminate the license in certain countries of the Territory in exchange for a one-time lump sum payment, as well as royalties based on the level of development of NBTXR3 and the Company's net sales after termination in the relevant country.

PharmaEngine is currently conducting two clinical trials evaluating NBTXR3 in the Asia-Pacific region: a Phase I/II trial in head and neck cancers in patients receiving radio-chemotherapy, and a phase I/II trial in rectal cancer. See Section 1.3.6.3. of the Universal Registration Document.

M. D. Anderson Cancer Centre of the University of Texas

On December 21, 2018, the Company entered into an agreement with the MD Anderson Cancer Center of the University of Texas ("**MD Anderson**") a clinical research collaboration agreement in the field of nanoparticles in order to improve the efficiency of radiotherapy treatment for certain types of cancer.

Obligations of the Parties

Under the terms of the collaboration agreement, MD Anderson undertakes to lead 9 Phase I/II clinical trials for NBTXR3 in various indications (head and neck, pancreatic, thoracic, lung, gastrointestinal and genitourinary), according to a timetable and predefined recruitment thresholds. Patient recruitment is expected to begin, for the majority of clinical trials, in 2019. For this purpose, MD Anderson provides the staff, equipment and the premises required for each test. As no exclusivity has been granted under the collaboration agreement, MD Anderson can conduct similar clinical trials with third parties, simultaneously if need be.

The Company provides the required doses of NBTXR3 for each clinical trial and funds the clinical trials. The Company thus commits to pay a minimum amount of approximately US $11 million for the conduct of the trials until the end of the collaboration. Approximately US $1 million was paid upon entering into the agreement, with the balance of contribution to be paid in semester instalments (subject to the meeting of recruitment targets) between July 1, 2019 and the end of the clinical trials. In addition to this financing, in the event of a first approval obtained from the FDA for NBTXR3, the Company undertakes to pay MD Anderson

a one-time milestone payment, the amount of which will increase significantly each year depending on the date on which approval is granted (between $2.2 million (if registration is granted in 2020) and $16.4 million (if granted in 2030)). Further details can be found in the notes to the Group's consolidated account in section 4.1. of the Universal Registration Document, specifically in sections 4.1.6.1.2, 4.1.6.4.3 and 4.1.6.23.

The protocol, schedule, monitoring, termination and replacement of each trial will be determined by mutual agreement between MD Anderson and the Company.

MD Anderson has made a number of representations for the benefit of the Company and has granted the Company audit and information rights in connection with these clinical trials, in particular with respect to pharmacovigilance.

Intellectual Property

Each party retains ownership of its pre-existing or property rights generated outside the scope of the collaboration agreement, it being specified that the Company licenses NBTXR3 to MD Anderson for use in clinical trials.

The Company is the exclusive owner of any right, title or other interest in any invention or discovery made in a clinical trial that incorporates NBTXR3 or any formulation relating to NBTXR3 (the "**NBTXR3 Inventions**"). As such, MD Anderson agrees to transfer any rights it may have in the NBTX3 Inventions. The Company grants MD Anderson a non-exclusive, perpetual and irrevocable license, free of charge, for non-profit academic or research purposes to use the NBTXR3 Inventions.

Any inventions and discoveries, other than a NBTXR3 Invention, made in the course of a clinical trial (the "**Other Inventions**") are the property of their inventor(s), MD Anderson and/or the Company, as the case may be.

MD Anderson grants the Company a non-exclusive license, free of charge, to any Other Invention it may own as well as an exclusive option to negotiate an exclusive, remunerated license on this Other Invention (the "**Option**"). If the Company does not exercise the Option or if the parties are unable to reach an agreement on the terms of the license, in each case within a specified period of time, MD Anderson would then be free to license the Other Invention to any third party.

Finally, MD Anderson and the Company are co-owners of the data and clinical results generated in the conduct of the trials performed within the collaboration agreement, it being specified that MD Anderson may use these data for academic or non-profit research purposes. For each clinical trial, MD Anderson and the principal investigator decide on the date, content and authors of the first publication of the clinical data and results, it being specified that the Company has a right of review of such publications. Any unpublished data is considered confidential and may not be transferred by one party to a third party without the written consent of the other party.

Responsibility

The Company shall be liable to MD Anderson, each principal investigator and their affiliates for any damages resulting from NBTXR3 (whether due to the manufacture, design or use by a patient of the product candidate or to the negligence of the Company in the performance of its obligations under the collaboration agreement), subject to any gross negligence or

willful misconduct of the indemnified party. In addition, the Company shall be liable for medical costs reasonably incurred by a patient for any treatment resulting directly from the administration of NBTXR3. Accordingly, the Company is required to maintain an insurance policy covering its liability for clinical trials conducted by MD Anderson.

MD Anderson is liable to the Company and its affiliates for any damages resulting from (i) injury to a patient that is directly caused by the failure of MD Anderson or its personnel to comply with the trial protocol or (ii) gross negligence or willful misconduct by MD Anderson in the conduct of the trial, subject to any gross negligence or willful misconduct of the indemnified party.

Term and Termination

The collaboration agreement between MD Anderson and the Company is entered into for the duration of the clinical trials, with a term of no less than 5 years.

The agreement may be terminated by either party in the event of a serious breach of the other party's obligations under the agreement which is not remedied within 30 days of the first party's notification of the breach to that party. Termination of the contract shall not affect the conduct of ongoing clinical trials, which shall be conducted in accordance with their original terms.

Either party may terminate a clinical trial (i) in the event of a serious breach of the other party's obligations (including those under the trial protocols) which has not been remedied within 30 days of notification of the breach sent to that party by the former party, (ii) due to health and safety issues related to NBTXR3 or the procedures applicable to that clinical trial, or (iii) if the parties are unable to agree on the identity of the principal investigator to conduct the trial or if the principal investigator does not agree to the terms of the collaboration agreement or trial protocol. In addition, a clinical trial is automatically terminated in the event of withdrawal or rejection of the regulatory approvals required to conduct the trial.

For each clinical trial, the Company must pay any costs reasonably incurred in the conduct of the trial in question that would be due at the end date of the trial or at the date of termination of the collaboration agreement.

Pharmaceutical Research Associates, Inc.

Following a request for proposal process launched on beginning of 2019, the Company entered on October 22nd, 2019 into a Master Agreement for Clinical Trials Management Services (the "**PRA Contract**") with Pharmaceutical Research Associates, Inc. ("**PRA**"). PRA is a global healthcare intelligence partner is a global healthcare intelligence partner that supports the development of life-saving and life-improving drugs with comprehensive clinical development services, including data management, statistical analysis, clinical trial management, medical writing, and regulatory and drug development consulting. The PRA Contract sets the framework of the contractual relationship between the Company and PRA, pursuant to which PRA should conduct clinical studies under the Company's sponsorship, the latest keeping the design of the protocol.

Undertakings of the parties

PRA is responsible for providing the Company with various services related to the design, implementation and management of clinical development programs, as well as to certain interactions with regulatory authorities (including selection and set up of vendors, clinical team management, country site activation, regulatory planning, Electronic Data Capture system, data management, protocol writing or medical and safety management), as agreed to and authorized in individual task orders (the "**Task Orders**"). These Task Orders set out the project specifications, schedule, budgets – including pass-through expenses and investigator costs – and payment schedule.

Intellectual property

The Company will be the exclusive owner of all data generated by PRA and/or its subcontractors in the course of conducting the services contemplated by the PRA Contract and all Task Orders. It will also be the owner of all rights in copyrightable work, trade secrets, discoveries, inventions or improvements created in connection with the performance of services conducted under the PRA Contract and all Task Orders. Finally, the Company owns all underlying rights to the intellectual property and materials that are the subject of the clinical development programs, including, without limitation, all intellectual rights in the Company's drug candidates and products.

PRA will retain exclusive ownership of any analytical methods, computer technical expertise and software, know-how and trade secrets it has independently developed, except to the extent such developments include, incorporate or are based on the Company's information, in which case, if the improvements or modifications were financed by the Company, these improvements or modifications shall become the exclusive property of the Company.

Term and termination

The PRA Contract will remain in effect until October 22, 2022, unless earlier terminated.

The Company may terminate the PRA Contract or any Task Order for any reason upon sixty days written notice to PRA.

PRA may terminate the PRA Contract or any Task Order, upon a minimum of sixty days written notice, in the event PRA's continued performance of the services contemplated by the PRA Contract or any Task Order could constitute a potential or actual violation of legal, regulatory, ethical or scientific standards and such violation has not been cured by the parties within a sixty-day period.

Either party to the PRA Contract may terminate the PRA Contract or any Task Order immediately upon written notice to the other party if the other party is the subject of insolvency proceedings or, more broadly, assigns its assets for the benefit of its creditors or ceases to do business.

In the event of expiration or termination of the PRA Contract, any outstanding Task Order will continue until completion of the services described in such Task Order or appropriate termination of the Task Order. In addition, in the event of termination or expiration of the PRA Contract or any Task Order, the Company will pay PRA for services performed, non-cancellable costs and expenses and any associated wind down costs.

1.3.14. Our research agreements

We have established strategic partnerships with a number of hospitals, clinics and cancer treatment centers in France and abroad. These agreements provide that we may negotiate certain commercial rights with such collaborators with respect to joint inventions or inventions made by our collaborators that arise from the results of the collaboration.

We have entered into an agreement with Institut Gustave Roussy, one of the world's leading cancer-research institutes and the largest cancer center in France, for radiobiology research and preclinical development of NBTXR3. Pursuant to the agreement, we conduct studies at Institut Gustave Roussy's radiobiology lab to evaluate the antitumor activity of nanoparticles activated by ionizing radiation. We maintain all rights to the products of our studies; however, Institut Gustave Roussy may use the results without charge solely for the purposes of its own academic research.

We have partnered with the Providence Portland Medical Center to conduct immunotherapeutic preclinical research in pancreatic cancers. The collaboration with the Providence Portland Medical Center is intended to enable us to generate preclinical data on the ability of NBTXR3 activated by radiotherapy to induce an antitumoral immune response.

We have partnered with The University of Texas MD Anderson Cancer Center in Houston, Texas to conduct immunotherapeutic preclinical research in lung cancer, combining NBTXR3 and nivolumab. This partnership with MD Anderson, one of the world's leading oncological center which is distinct from the aforementioned clinical research centers agreement, is intended to enable us to generate preclinical data using NBTXR3 activated by radiotherapy plus anti-PD-1 nivolumab (murine version of Opdivo).

We have entered into a research collaboration with Weill Medical College of Cornell University to begin nonclinical studies to evaluate the impact of NBTXR3 on the cGAS-STING pathway, a component of the innate immune system, in mammary cancers. The research collaboration will be conducted over the course of two years, with the goal of continuing the exploration of the role of NBTXR3 in I-O.

Finally, we were previously party to two university collaboration agreements, one in the United States and the other in Northern Ireland. Through our collaboration agreement with the Department of Radiation Oncology at Thomas Jefferson University, we provided a research subsidy for radiobiology research on radioresistant tumor models. The collaborative project ended in 2017 and concluded in a presentation during the annual meeting of the American Association for Cancer Research. Through our collaboration agreement with Queen's University in Belfast, we provided a subsidy for research into the interaction between ionizing radiation and nanoparticles for diagnostic and therapeutic applications.

1.3.15. Trademarks, trademark applications and domain names

We own various trademark registrations and applications, and unregistered trademarks and servicemarks. ‘‘Nanobiotix,’’ ‘‘NBTXR3,’’ the Nanobiotix logo and other trademarks or service marks of Nanobiotix S.A. appearing in the Universal Registration Document are the property of Nanobiotix or its subsidiaries. Solely for convenience, the trademarks, service marks and trade names referred to in the Universal Registration Document are listed without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto. All other trademarks, trade names and service marks appearing in the Universal Registration Document are the property of their respective owners. We do not intend to use or display other companies’ trademarks and trade names to imply any relationship with, or endorsement or sponsorship of us by, any other companies.

The Company, in its trademark filing strategy, registers them domestically or internationally. Trademark registrations are generally granted for a period of ten years and are renewable indefinitely. Some pay proof of use for the maintenance of fees. In other countries, registrations remain valid unless a level is interested in suing forfeiture for failure to use the mark. The Company holds various brands that are the main and most important:

Nanobiotix

The Company holds a number of domain names and different extensions, the main and most important of which are:

www.nanobiotix.

.com ; .fr .net ; .org ; .eu ; .biz ; www.actinsarc.com ; www.hensify.com

1.3.16. Government regulation, product approval and certification

Government authorities in the United States, at the federal, state and local level, and in other countries extensively regulate, among other things, the research, development, testing, manufacturing, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of products such as those we are developing. NBTXR3 and any other candidates that we develop must be approved by the FDA before they may be legally marketed in the United States and must complete the conformity assessment procedure with the Notified Body before they may be legally marketed in the EU.

1.3.16.1. Regulation in the United States

United States drug development process

In the United States, the FDA regulates drugs under the FDCA (Federal Food, Drug and Cosmetic Act) and implementing regulations. Drugs are also subject to other federal, state and local statutes and regulations. The process of obtaining regulatory approvals and subsequent compliance with appropriate federal, state and local statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with

the applicable U.S. requirements at any time during the product development process, approval process or post approval may subject an applicant to administrative or judicial sanctions. FDA sanctions may include, among other actions, refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on us. The process required by the FDA before a drug may be marketed in the United States generally involves the following:

- Completion of extensive preclinical laboratory tests, preclinical animal studies and formulation studies in accordance with applicable regulations, including the FDA's good laboratory practice (''GLP'') regulations;
- Submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- Performance of adequate and well-controlled human clinical trials in accordance with applicable regulations, including the FDA's current good clinical practice (''GCP'') regulations to establish the safety and efficacy of the drug candidate for its proposed indication;
- Submission to the FDA of a new drug application (''NDA'') for a new drug product;
- A determination by the FDA within 60 days of its receipt of an NDA to accept the submitted NDA for filing and thereafter begin a substantive review of the application;
- Satisfactory completion of an FDA inspection of the manufacturing facility or facilities where the drug is produced to assess compliance with the FDA's cGMP regulations to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality and purity;
- Potential FDA audit of the preclinical and/or clinical trial sites that generated the data in support of the NDA; and
- FDA review and approval of the NDA prior to any commercial marketing or sale of the drug in the United States.

Before testing any compounds with potential therapeutic value in humans, the drug candidate goes through a preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies to assess the potential safety and activity of the drug candidate. The conduct of the preclinical

tests must comply with federal regulations and requirements including GLPs. The data sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND. An IND is a request for authorization from the FDA to administer an investigational drug product to humans. The central focus of an IND submission is on the general investigational plan and the protocols for human studies. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions regarding the proposed clinical trials and places the IND on clinical hold within that 30-day time period or issues an earlier notice that the clinical trial may proceed. In the case of a clinical hold, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose a clinical hold on a drug candidate at any time before or during clinical trials due to safety concerns or noncompliance. Accordingly, we cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that cause us or FDA to suspend or terminate such trial.

Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria, and the parameters to be used to monitor subject safety and assess efficacy. Each protocol, and any subsequent amendments to the protocol, must be submitted to the FDA as part of the IND. Further, each clinical trial must be reviewed and approved by an independent institutional review board (‘‘IRB’’), at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers issues such as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the informed consent form that must be provided to each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. There are also requirements governing the reporting of ongoing clinical trials and completed clinical trial results to public registries.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- Phase I. The drug is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion, the side effects associated with increasing doses, and if possible, to gain early evidence of effectiveness. In the case of some products for severe or life-threatening diseases, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.
- Phase II. The drug is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases or conditions and to determine dosage tolerance, optimal dosage and dosing schedule.
- Phase III. Clinical trials are undertaken to further evaluate dosage, clinical efficacy and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall benefit/risk ratio of the product and provide an adequate basis for product approval. Generally, two adequate and well-controlled Phase III clinical trials are required by the FDA for

approval of an NDA. Phase III clinical trials usually involve several hundred to several thousand participants.

- Post-approval studies, or Phase IV clinical trials, may be conducted after initial marketing approval. These studies are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase IV studies.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and written IND safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events or any finding from tests in laboratory animals that suggests a significant risk for human subjects. Phase I, Phase II and Phase III clinical trials may fail to be completed successfully within any specified period, if at all. The FDA, the IRB or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group provides authorization for whether or not a trial may move forward at designated checkpoints based on access to certain data from the study. We may also suspend or terminate a clinical trial based on evolving business objectives and/or competitive climate.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, must include developed methods for testing the identity, strength, quality and purity of the final drug. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life.

FDA review and approval process

The results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the drug, proposed labeling and other relevant information are submitted to the FDA as part of an NDA requesting approval to market the product. The application must include negative or ambiguous results of preclinical and clinical trials as well as positive findings. Data may come from company-sponsored clinical trials intended to test the safety and effectiveness of a use of a product, or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety and effectiveness of the investigational drug product to the satisfaction of the FDA. The submission of an NDA is subject to the payment of substantial user fees; a waiver of such fees may be obtained under certain limited circumstances.

In addition, under the Pediatric Research Equity Act (‘‘PREA’’), an NDA or supplement to an NDA must contain data to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may grant deferrals for submission of data or full or partial waivers. Unless otherwise required by regulation, PREA does not apply to any drug for an indication for which orphan designation has been granted. However, if only one indication for a product has orphan designation, a pediatric assessment may still be required for any applications to market that same product for the non-orphan indication(s).

The FDA reviews the completeness of each NDA submitted before accepting it for filing and may request additional information rather than accepting the NDA for filing. The FDA must make a decision on accepting an NDA for filing or refusing to file within 60 days of receipt. Once the submission is accepted for filing, the FDA begins an in-depth review of the NDA. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has ten months from the 60-day filing date in which to complete its initial review of a standard NDA and respond to the applicant, and 6 months from the 60-day filing date for a priority NDA. The FDA does not always meet its PDUFA goal dates for standard and priority NDAs, and the review process is often significantly extended by FDA requests for additional information or clarification.

The FDA reviews each NDA to determine, among other things, whether the proposed product is safe and effective for its intended use, and whether the product is being manufactured in accordance with cGMP to assure and preserve the product’s identity, strength, quality and purity. The FDA may refer applications for novel drug products or drug products which present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Before approving an NDA, the FDA will inspect the facilities at which the product is manufactured. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA may inspect one or more clinical sites to assure compliance with GCP requirements.

After the FDA evaluates the application, manufacturing process and manufacturing facilities, it may issue an approval letter or a Complete Response Letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. A Complete Response Letter indicates that the review cycle of the application is completed, and the application is not ready for approval. A Complete Response Letter usually describes all of the specific deficiencies in the NDA identified by the FDA. A Complete Response Letter may require additional clinical data and/or an additional pivotal Phase III clinical trial(s), and/or other significant and time-consuming requirements related to clinical trials, preclinical studies or manufacturing. If a Complete Response Letter is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information is submitted, the FDA may ultimately decide that the NDA does not satisfy the

criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than we interpret the same data.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases, patient populations and dosages, or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling or may condition the approval of the NDA on other changes to the proposed labeling, development of adequate controls and specifications, or a commitment to conduct one or more post-market studies or clinical trials. For example, the FDA may require Phase IV testing which involves clinical trials designed to further assess a drug safety and effectiveness and may require testing and surveillance programs to monitor the safety of approved products that have been commercialized. The FDA may also determine that a risk evaluation and mitigation strategy (''REMS'') is necessary to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS, and the FDA will not approve the NDA without an approved REMS. Depending on FDA's evaluation of a drug's risks, a REMS may include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution requirements, patient registries and other risk minimization tools. Following approval of an NDA with a REMS, the sponsor is responsible for marketing the drug in compliance with the REMS and must submit periodic REMS assessments to the FDA.

Post-approval requirements

Any drug products for which we receive FDA approvals are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, and complying with FDA promotion and advertising requirements, which include, among other requirements, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations that are not described in the drug's approved labeling (known as ''off-label use''), limitations on industry sponsored scientific and educational activities, and requirements for promotional activities involving the Internet. Although physicians may prescribe legally available drugs for off-label uses, manufacturers may not market or promote such off-label uses.

In addition, quality control and manufacturing procedures must continue to conform to applicable manufacturing requirements after approval. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products in accordance with cGMP regulations. cGMP regulations require, among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. Discovery of problems with a product after approval may result in restrictions on a product, manufacturer or holder of an approved NDA, including, among other things, recall or withdrawal of the product from the market. In addition, changes to

the manufacturing process are strictly regulated, and depending on the significance of the change, may require prior FDA approval before being implemented. Other types of changes to the approved product, such as adding new indications and additional labeling claims, are also subject to further FDA review and approval.

The FDA also may require Phase IV testing and surveillance to monitor the effects of an approved product or place conditions on an approval that could restrict the distribution or use of the product. Discovery of previously unknown problems with a product or the failure to comply with applicable FDA requirements can have negative consequences, including adverse publicity, judicial or administrative enforcement, warning letters from the FDA, mandated corrective advertising or communications, and civil or criminal penalties, among others. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications and also may require the implementation of other risk management measures, such as a REMS. Also, new government requirements, including those resulting from new legislation, may be established, or the FDA's policies may change, which could delay or prevent regulatory approval of our products under development.

Coverage and Reimbursement

A pharmaceutical manufacturer's ability to commercialize any approved drug product successfully depends in part on the extent to which coverage and adequate reimbursement for such drug product and related treatments will be available from third-party payors, including government health administration authorities, private health insurers, health maintenance organizations and other organizations. Third-party payors determine which drug products and treatments they will cover and establish reimbursement levels. Assuming coverage is obtained for a given product by a third-party payor, the resulting reimbursement payment rates may not be adequate or may require co-payments that patients find unacceptably high. Patients are unlikely to use a drug product, or agree to treatment using a drug product, unless coverage is provided, and reimbursement is adequate to cover all or a significant portion of the cost of the drug product and associated treatment.

Therefore, coverage and adequate reimbursement is critical to new drug product acceptance. Coverage decisions may depend upon clinical and economic standards that disfavor new drug products when more established or lower cost therapeutic alternatives are already available or subsequently become available.

Third-party payors are developing increasingly sophisticated methods of controlling healthcare costs, such as by limiting coverage and the amount of reimbursement for drug products and related treatments. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Further, no uniform policy requirement for coverage and reimbursement for drug products exists among third-party payors in the United States.

Therefore, coverage and reimbursement for drug products can differ significantly from payor to payor. As a result, the coverage determination process is often a time-consuming and costly process that requires pharmaceutical manufacturers to provide scientific and clinical support for the use of its drug products to each payor separately, with no assurance

that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

Healthcare Laws

Healthcare providers, physicians and others will play a primary role in the recommendation, and the incorporation into treatment regimes, of drug products, if approved. A pharmaceutical manufacturer's business operations in the United States and its arrangements with clinical investigators, healthcare providers, consultants, third-party payors and patients expose it to broadly applicable federal and state fraud and abuse and other healthcare laws. These laws may impact, among other things, research, proposed sales, marketing and education programs for product candidates that obtain marketing approval. Restrictions under applicable U.S. federal and state and foreign healthcare laws and regulations include, but are not limited to, the following:

- the U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly and willfully soliciting, offering, receiving or providing remuneration, including any kickback, bribe or rebate, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, lease, order or recommendation of, any item, good, facility or service, for which payment may be made under federal healthcare programs such as Medicare and Medicaid;
- U.S. federal civil and criminal false claims laws and civil monetary penalties laws, including the civil False Claims Act, which can be enforced by individuals through civil whistleblower or qui tam actions, which prohibit individuals or entities from, among other things, knowingly presenting, or causing to be presented, claims for payment that are false or fraudulent or making a false statement to avoid, decrease, or conceal an obligation to pay money to the federal government;
- HIPAA, which created additional federal criminal statutes which prohibit, among other things, executing or attempting to execute a scheme to defraud any healthcare benefit program or knowingly and willingly falsifying, concealing or covering up a material fact or making false statements relating to healthcare matters;
  HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, and their implementing regulations, which impose certain requirements on covered entities, including certain healthcare providers, health plans and healthcare clearing houses, and their business associates, individuals and entities that perform functions or activities that involve individually identifiable health information on behalf of covered entities, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- U.S. federal transparency requirements under the Physician Payments Sunshine Act, enacted as part of the ACA, that require applicable manufacturers of covered drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program, with specific exceptions, to track and annually report to CMS payments and other transfers of value provided to physicians and teaching hospitals, and certain ownership and investment interests held by physicians or their immediate family members; and analogous state or foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to items or services reimbursed by any third-

party payor, including commercial insurers, state marketing and/or transparency laws applicable to manufacturers that may be broader in scope than the federal requirements, state laws that require biopharmaceutical companies to comply with the biopharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, state and local laws that require the registration of pharmaceutical sales representatives, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect as HIPAA, thus complicating compliance efforts.

Ensuring business arrangements with third parties comply with applicable healthcare laws and regulations is costly. It is possible that governmental authorities will conclude that business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If a pharmaceutical manufacturer's operations are found to be in violation of any of these laws or any other governmental regulations that may apply to it, it may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, individual imprisonment, possible exclusion from government funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of operations.

Healthcare Reform

In the United States, the ACA is significantly impacting the provision of, and payment for, healthcare. Various provisions of the ACA were designed to expand Medicaid eligibility, subsidize insurance premiums, provide incentives for businesses to provide healthcare benefits, prohibit denials of coverage due to pre-existing conditions, establish health insurance exchanges, and provide additional support for medical research. With regard to therapeutic products specifically, the ACA, among other things, expanded and increased industry rebates for drugs covered under Medicaid programs and made changes to the coverage requirements under the Medicare prescription drug benefit.

Since its enactment there have been judicial and legislative challenges to certain aspects of the ACA, as well as efforts by the Trump administration to repeal or replace certain aspects of the ACA. Since January 2017, President Trump has signed two Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, two bills affecting the implementation of certain taxes under the ACA have been signed into law. The Tax Cuts and Jobs Act includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the ‘‘individual mandate.’’ On January 22, 2018, President Trump signed a continuing resolution on appropriations for financial year 2018 that delayed the implementation of certain ACA-mandated fees, including the so-called ‘‘Cadillac’’ tax on certain high cost

employer-sponsored insurance plans and the annual fee imposed on certain health insurance providers based on market share. The BBA, among other things, amends the ACA, effective January 1, 2019, to increase from 50% to 70% the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D and to close the coverage gap in most Medicare drug plans, commonly referred to as the ‘‘donut hole.’’ In July 2018, CMS published a final rule permitting further collections and payments to and from certain ACA qualified health plans and health insurance issuers under the ACA risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a U.S. District Court Judge in the Northern District of Texas ruled that the individual mandate is a critical and inseverable feature of the ACA, and therefore, because it was repealed as part of the Tax Cuts and Jobs Act, the remaining provisions of the ACA are invalid as well. While the Trump Administration and CMS have both stated that the ruling will have no immediate effect, it is unclear how this decision, subsequent appeals, if any, and other efforts to repeal and replace the ACA will impact the ACA and our business.

In addition, both the Budget Control Act of 2011 and the ATRA have instituted, among other things, mandatory reductions in Medicare payments to certain providers.

Further, there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several recent U.S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, reduce the costs of drugs under Medicare and reform government program reimbursement methodologies for drug products. For example, the Trump administration released a ‘‘Blueprint’’ to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. Although a number of these, and other proposed measures will require authorization through additional legislation to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs.

Additionally, on May 30, 2018, the Right to Try Act was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase I clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a pharmaceutical manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act.

1.3.16.2. Regulation in the EU

In the EU, health products qualify typically as medicinal products or as medical devices. The pre-market requirements applicable to each of these types of products vary significantly.

The demarcation between the definitions of ‘‘medical device’’ and ‘‘medicinal product’’ can sometimes be blurred, or difficult to draw, for some products referred to as ‘‘borderline products.’’ In order to determine whether a product constitutes a device or a medicinal product, a number of factors must be taken into account, including the claims regarding the function of the product, the mode of action on the human body and the primary intended purpose of the product. Classification decisions are taken at a national level about individual products. Although these decisions are based on a number of principles that are harmonized across the EU, it is possible that a product may be classified as a medicinal product in one Member State and as a medical device in another. Our product candidate, NBTXR3, is regulated as a medical device in the EU. Should our products be classified as medicinal products, they would be subject to a different regulatory framework, including in particular stringent pre-market authorization requirements that differ significantly from the conformity assessment procedures that are applicable to medical devices. The latter are described below.

CE marking requirements

As manufacturers of medical devices, in the EU we are required under the EU Medical Devices Directive (Council Directive 93/42/EEC, the ‘‘MDD’’) to affix a CE marking of conformity (a ‘‘CE mark’’) to our products in order to sell these products in Member States of the EU. The CE mark is a symbol that demonstrates conformity to certain essential principles of safety and performance mandated in the MDD, which are referred to as the ‘‘Essential Requirements.’’

CE marked products may be sold within the European Economic Area (the ‘‘EEA’’), which is composed of the 28 Member States of the EU plus Norway, Iceland and Liechtenstein, as well as in other countries that recognize the validity of the CE mark.

Devices in the EU are classified in four different classes (I, IIa, IIb and III) depending on a number of factors that are defined in the MDD. Typically, the highest class (Class III) regroups those devices that are deemed to present the highest risk and are therefore subject to more stringent requirements.

EU development process

For Class III devices, such as NBTXR3, and for implantable devices, it is typically necessary to carry out a clinical investigation to demonstrate that the product complies with the applicable Essential Requirements.

Clinical investigations are undertaken to assess the safety and performance of a medical device and to evaluate whether the product is suitable for the purpose(s) and population(s) for which it is intended. Any clinical investigation must follow a proper risk management procedure to avoid undue risks, maintain compliance with all relevant legal and regulatory requirements, be appropriately designed and follow appropriate ethical principles.

Clinical investigations must take into account scientific principles underlying the collection of clinical data and be conducted in accordance with good clinical practices, as outlined in the European harmonized standard EN ISO 14155 and consistent with the Helsinki Declaration adopted by the 18th World Medical Assembly, as last amended. This means that, for example, all research subjects must have provided their prior informed consent for participation in any clinical investigation.

Each clinical investigation plan must be submitted for consideration, comment, guidance and approval to independent ethics committees. These are independent committees that examine clinical investigation plans in light of the laws and regulations of the country in which the research is to be performed as well as applicable international norms and standards. To conduct a clinical investigation under the MDD, medical device manufacturers must also submit a notification, containing a precise set of information and documentation on the proposed investigation, to the national competent authorities of the countries where such investigation is to be conducted. The manufacturer may initiate the relevant clinical investigation at the end of a 60-day period following the mentioned notification (or earlier on the basis of an express authorization by the relevant competent authority).

The MDD specifically requires that all serious adverse events be recorded and immediately notified to all competent authorities of the EU Member States in which the clinical investigation is being performed. Termination of a clinical investigation must also be notified to such authorities. The MDD further requires that the results of clinical investigations, including a critical evaluation thereof, be documented in a final study report, signed by the authorized person responsible and included or referenced in the technical documentation of the device.

Conformity assessment procedures

To demonstrate compliance with the Essential Requirements, manufacturers of medical devices must follow a conformity assessment procedure which varies according to the type of medical device and its risk classification. Except for low risk medical devices (most Class I devices), a conformity assessment procedure typically requires the intervention of an independent certification organization accredited to conduct conformity assessments, known as a ‘‘Notified Body.’’ Under the conformity assessment procedure, we have elected to follow for our products, our Notified Body will audit and examine the technical file and the quality system applied to the manufacture, design and final inspection of our products. Following successful completion of the applicable procedure, the Notified Body will issue an EC Certificate of Conformity. This certificate entitles a manufacturer to affix the CE mark to its medical devices after having prepared and signed a ‘‘EC Declaration of Conformity’’ indicating that the product meets the Essential Requirements. Such certificate is valid for a maximum of five years and may be extended on application for a further period of five years.

If we modify substantively our devices we may need to broaden, or re-perform, the certification underlying the CE marking of the modified product. The same may be true for any new products that we may develop in the future.

Post-market vigilance

Once CE-marked and placed on the EEA market, medical devices are subject to vigilance requirements. In accordance with these requirements, manufacturers must report incidents to the competent authorities and are required to take ‘‘Field Safety Corrective Actions’’ (‘‘FSCAs’’) to reduce a risk of death or serious deterioration in the state of health associated with the use of a medical device that is already placed on the EEA market. Such FSCAs must also be communicated to customers and end users through Field Safety Notices.

The medical devices regulation

New rules have recently been adopted in the EU on medical devices which will have a direct impact on our business in the near future. Specifically, on May 25, 2017, the new Medical Devices Regulation (Regulation (EU) 2017/745, the ‘‘MDR’’) entered into force, with a three-year transition period. The MDR will progressively replace the MDD and introduce substantial changes to the current regulatory regime applicable to medical devices.

Under the transitional provisions of the MDR, until May 26, 2020, the certification procedures underlying the CE marking of medical devices can be carried out, at the manufacturer’s choice, either in accordance with the MDR or in accordance with the MDD. Should a manufacturer elect to perform certification under the MDD, the related certificates will remain valid until the earlier of: a) the end of the period indicated on the certificate (typically five years, but it could be less); and b) May 27, 2024. The medical devices to which these certificates apply may only be sold in the EEA if they continue to comply with the MDD and provided that no significant changes are brought to these devices’ design or intended purpose. Moreover, the manufacturers of those devices that are certified under the MDD will have to comply with a number of requirements of the MDR, e.g., those relating to post-market surveillance and vigilance, and they will be able to sell such devices only up until May 27, 2025 at the latest. After that date, all devices sold in the EEA will have to be fully compliant with the MDR.

Under the MDR, all devices incorporating or consisting of nanomaterials will be classified as Class III if they present a high or medium potential for internal exposure. The MDR introduces higher clinical data requirements for such Class III devices. In particular, manufacturers will be required to conduct new clinical investigations in case they do not have ‘‘sufficient’’ clinical data to support the safety, performance and clinical benefit claims of their devices. We cannot guarantee that our ongoing trials for our product candidates, including our lead product candidate NBTXR3, will be considered as ‘‘sufficient’’ under the MDR.

The MDR also introduces increased scrutiny of conformity assessments by Notified Bodies for implantable Class III devices. For such devices, the MDR requires that relevant European Commission expert panels scrutinize, as part of the conformity assessment procedure, the clinical assessment of the concerned Notified Body. Such devices will be further subject to a mechanism allowing competent authorities of the EEA and the European Commission Medical Device Coordination Group to scrutinize the documentation submitted by the manufacturer as well as the documentation produced by the Notified Body and the relevant expert panels, in the context of the applicable conformity assessment procedure.

In addition, under the MDR, manufacturers of Class III devices will be subject to a new annual safety reporting requirement called the Periodic Safety Update Report, aimed at capturing the analyses of the post-market surveillance data gathered, including data from their Post-Market Clinical Follow-Up.

The amount of guidance available on these new requirements is currently very limited and the European Commission is set to adopt a number of delegated and implementing acts to further specify applicable requirements and obligations under the MDR. We are in the process of assessing the impact of this new Regulation on our business but will be able to complete such assessment only once these guidance and acts are formally adopted.

Pricing and Reimbursement

Sales of our products in the EEA will be largely influenced by the outcome of our pricing and reimbursement negotiations with the national authorities of each of the EEA Member States, such as government social security funds. These third-party payors are increasingly limiting coverage and reimbursement for medical products and services. In addition, EEA governments have continued implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution with cheaper products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results. Decreases in third-party reimbursement for our products or a negative outcome of our reimbursement negotiations could reduce physician usage of our products once approved and have a material adverse effect on our sales, results of operations and financial condition.

Marketing, advertising and transparency

In the EU, the marketing and advertising of medical devices is subject to both legal and self-regulatory rules that prohibit (i) the promotion of such products for uses that were not assessed as part of the conformity assessment underlying the products' CE marking and (ii) the promotion of non-CE marked medical devices. Specific rules also prohibit misleading and unfair advertising of medical devices. Moreover, any interaction between medical device manufacturers and healthcare professionals cannot be misused to influence purchasing decisions through undue or improper advantages, nor can such interaction be contingent upon sales transactions or use or recommendation of any specific products.

Finally, increasing transparency requirements are mandated under national legislation and/or self-regulatory codes of conduct. Under these requirements, manufacturers of health products are required to publicly disclose any transfers of value (whether in kind or in cash) they provide to, e.g., healthcare professionals and healthcare organizations.

As a result of the above requirements, manufacturers of both medical devices and drugs are subject to increased monitoring of their promotional activities. Any breach of the applicable rules can result in serious sanctions, including criminal sanctions depending on the affected jurisdiction.

1.3.16.3. Regulation in Asia

In August 2012, we entered into a licensing agreement and a collaboration agreement with PharmaEngine for the development and commercialization of NBTXR3 in several countries in the Asia-Pacific region (see section 1.3.13. of the Universal Registration Document). We believe that, initially, PharmaEngine may seek to develop and commercialize NBTXR3 in Taiwan, China and Japan.

TAIWAN

In Taiwan, NBTXR3 has been provisionally classified as a drug for regulatory purposes.
The drug development process in Taiwan is overseen by Taiwan's Ministry of Health and Social Affairs (MSAS), which manages the country's public health system. MSAS delegates the management of the drug and medical device approval process to the Taiwan Food and

Drug Administration ("TFDA") under the Pharmaceutical Affairs Act. Foreign companies considering importing or marketing drugs in Taiwan must obtain a marketing authorization from MSAS beforehand. Like the U.S. and European regulatory regimes, the drug development process in Taiwan includes preclinical trials, clinical trials and manufacturing and post-market testing. Each step is subject to the control of the TFDA. In general, the TFDA follows the guidelines of the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) in the review and approval process for new drugs. Taiwan's review and approval processes for new drugs are broadly similar to those in the United States, including:

- Full and comprehensive laboratory preclinical testing, preclinical animal and formulation studies, in accordance with current regulations;
- Apply investigation a new drug (Investigational New Drug - IND) from the TFDA, which must be approved before human clinical trials begin.
- Human clinical trials, which in Taiwan generally involve three Phases:
    - Phase I trials. The new drug is first administered to healthy human subjects, then tests are carried out to control safety, degree of tolerance depending on dosage, absorption, metabolization, side effects associated with administration higher doses and, if possible, obtaining the first evidence of its effectiveness.
    - Phase II trials. The new drug is evaluated with a limited number of patients, with the aim of astounding for possible side effects and safety risks, to evaluate its efficacy and dosage beforehand.
    - Phase III trials. The level of tolerance, safety and clinical efficacy of the drug are further evaluated in a broader patient population.
    - Application to the TFDA for approval of a new drug (NDA), which typically requires two Phase III trials, unless the NDA is exempt under the TFDA conditions.

In addition to the information and data collected during preclinical and clinical trials, the chemical characteristics of the product as well as information on the manufacturing process and controls are important factors in the TFDA review and approval process. When a new drug is manufactured in facilities located in Taiwan, TFDA has the authority to inspect these facilities and assess compliance with Good Manufacturing Practice (GMP) regulations to ensure that facilities, methods and controls are adequate to preserve the identity, strength, quality and purity of the drug. In addition, the TFDA may audit preclinical and/or clinical test sites that have generated the data in support of the NDA. Finally, the TFDA must review and approve the NDA before any marketing or sale of the drug in Taiwan.

REPUBLIC OF CHINA

In the Republic of China (with the exception of Hong Kong and Macao), no decision has yet been made on classifying NBTXR3 as a drug or medical device for regulatory purposes. Detailed data from preclinical laboratory tests and preclinical animal studies, meeting the requirements of Chinese law, are required to obtain approval by the Chinese National Medical Products Administration ("ANPM") of a new drug or medical device to conduct a clinical trial. If clinical trials sufficiently establish that the product is safe and effective, the ANPM will issue approval for the commercialization of the product. As in the United States and the EU, the process of obtaining such a marketing authorization is long, although the

Chinese government has recently taken steps to reduce the time required and optimize the process. After obtaining the marketing authorization, the licensee must conduct post-marketing studies to rigorously monitor the use of the product, in order to report to the ANPM on safety and efficacy as demonstrated. In addition, the holder of the marketing authorization is required to closely monitor any adverse events or product quality issues and to notify the NMP, as well as possibly other government agencies and the public.

JAPAN

In Japan, no decision has yet been made on the classification of NBTXR3 as a drug or medical device for regulatory purposes. Japan's Ministry of Health, Labour and Social Affairs ("MSTA") regulates medicines and medical devices under Japan's Pharmaceuticals and Medical Devices Act (the "PPDM Act") and its regulations. MSTA delegates part of the control to the Pharmaceutical and medical devices agency (THE "APPDM"), an independent administrative authority. To market a highly controlled drug or medical device in Japan, a marketing authorization must be obtained upstream. Foreign companies considering importing medicines or medical devices into Japan must be registered with the MSTA through a separate procedure. The process for obtaining marketing approval includes preclinical trials, clinical trials and compliance review of the application for marketing authorization by the APPDM. Once approved for marketing, drugs and medical devices are subject to permanent monitoring under the PPDM Act. For example, a new drug will be subject to periodic review by the MSTA and the holder of the marketing authorization will continue to collect clinical data during this review period. In addition, the holder of the marketing authorization must report to the MSTA any new information regarding the efficacy and safety of its product, including the occurrence of adverse events.

1.4. ANALYSIS AND COMMENTS ON THE GROUP'S FINANCIAL RESULTS

Readers are invited to read the following information on the Group's financial position and results in conjunction with the consolidated accounts established in IFRS standards for the years ended December 31, 2017, 2018 and 2019, (i) in an appendix to the annual financial report published on March 30, 2018, in Chapter 4 of the AMF document de référence on April 30, 2019 under number R. 19-018, (ii), and (iii) in Chapter 4 of the Universal Registration Document.

1.4.1. Income statement analysis

1.4.1.1. Revenues and other income from activity

The Company's ordinary activities revenues were as follows:

(€K)	2019	2018	2017
Services	40	109	229
Other sales	28	7	23
Licenses	-	-	-
Total revenues	**68**	**116**	**252**
Research tax credit	2,437	3,251	3,259
Subsidies	20	90	154
Other	17	22	56
Total other income	**2,474**	**3,363**	**3,470**
Total revenues and other income	**2,542**	**3,479**	**3,722**

The Company's revenues of €68 thousand in 2019 (€116 thousand in 2018) derive primarily from the re-invoicing of shared external research costs linked to the assistance provided by the Company to PharmaEngine under the terms of its exclusive license and partnership agreement.

Research tax credit fell in respect of the previous year, from €3,251 thousand in 2018 to €2,437 thousand in 2019 due to a stricter basis for calculation.

1.4.1.2. Other income

Subsidies

Since its creation, the Company has received a certain number of grants or subsidies from the State or public authorities to finance its operations or specific recruitments, due to its innovative nature. Grants are recognized as income as the related expenses are incurred, independently of cash inflows.

Research tax credit

Research tax credits are granted to companies by the French state in order to encourage them to carry out technical and scientific research. Companies that can prove that their expenditure meets the required criteria (research expenditure located in France or, since 1 January 2005, within the European Union or in another State party to the Agreement on the European Economic Area that has entered into a tax treaty with France containing an

administrative assistance clause) benefit from an tax credit that may be used to pay the corporate tax due for the year in which the expenditure is incurred and the three following years or, where appropriate, be refunded for its excess portion.

The Company has benefited from the research tax credit since its creation.

The research tax credit recorded for the year ended 31 December 2019 is €2,437 thousand. In February 2020, the Company received the refund for the 2018 research tax credit for €3,259 thousand, which was expected in late 2019. In 2018, the Company received €3,251 thousand for the 2017 research tax credit. The Company has requested its reimbursement under the Community SME scheme in accordance with existing legislation. These financings are recorded as "Other Revenues" in the year that recorded the corresponding expenses or costs. The share of financing related to activated expenses is deducted from the balance sheet of capitalized expenses and the income statement from the amortization expenses of those costs.

1.4.1.3. Operating expenses

1.4.1.3.1. Research and development costs

These costs include:

- Research and development payroll costs;
- Clinical, non-clinical and development costs related to the on-going studies;
- The costs of manufacturing prototypes of equipment and of certain tested products;
- Some intellectual property expenses ;
- Expenses related to regulatory affairs;
- Expenses related to the development of the quality system;
- And mission expenses and travel costs.

All of these research and development expenses (R&D) incurred to date have been recorded as expenses, with the Company considering that the technical feasibility of its development projects will not be demonstrated until the issuance of the approvals necessary for the marketing of its products, which is also the time at which substantially all of the development costs were incurred.

The breakdown of research and development costs is as follows:

(€k)	2019 12 months Audited	2018 12 months Audited	2017 12 months Audited
Purchases, sub-contracting and other expenses	(16,804)	(11,358)	(10,215)
Payroll costs (incl. Share-based payments)	(11,980)	(9,002)	(7,151)
Depreciation, amortization and provision expenses	(1,627)	(534)	(367)
Total R&D costs	**(30,411)**	**(20,894)**	**(17,733)**

As of December 31, 2019, the Company's workforce includes 81 research and development staff, including 2 additional positions created during the year ended December 31, 2019.

As of December 31, 2018, the Company's workforce included 79 research and development staff, including 18 additional positions created during the year ended December 31, 2018.

The impact of share-based payments on research and development expenses amounted in 2019 to €1,089 thousand, including employer's contribution in the amount of €187 thousand, as compared with €443 thousand in 2018.

1.4.1.3.2. Selling, general and administrative (SG&A) expenses

General and selling expenses mainly include administrative staff costs, organizational costs related to the head office in Paris, external expenses such as accounting, legal, human resources, communication and strategic marketing expenses. Their total amount was as follows during the reported period:

(€K)	2019	2018	2017
Rent fees and other expenses	(9,435)	(5,918)	(5,709)
Payroll costs (incl. Share-based payments)	(9,205)	(6,701)	(5,568)
Depreciation, amortization and provision expenses	(270)	(35)	22
Total SG&A costs	**(18,910)**	**(12,653)**	**(11,255)**

The increase in payroll costs is mainly due to the increase in SG&A staff during the period as well as the increase in the provision for employer contribution related to the free share plans granted in 2018 and 2019. As of December 31, 2019, the Company's workforce includes 29 SG&A staff, including 6 additional positions that were created during the year ended December 31, 2019.

As of December 31, 2018, the Company's workforce included 23 SG&A staff, including 3 additional positions that were created during the year ended December 31, 2018.

The impact of share-based payments on SG&A expenses amounted to €4,103 thousand in 2019, including employer's contribution in the amount of €685 thousand, as compared with €1,911 thousand in 2018.

1.4.1.4. Net income

1.4.1.4.1. Financial income and expenses

The net financial expense is mainly attributable to the interest expense on the European Investment Bank agreement for which the first tranche of €14 million was received in October 2018 and the second tranche of €16 million in March 2019.

1.4.1.4.2. Income tax

Due to the losses incurred during the reporting period, the Company did not record any significant corporate tax expense. According to current legislation, the Company has tax deficits that can be carried forward in France for a total amount of €181 million. For financial years ending on or after December 31, 2013, carried forward losses are capped at €1 million, on top of which 50% of the profits above that amount can be included.

1.4.1.4.3. Net loss and net loss per share

The loss per share (average weighted number of shares during the year) amounted to €2.35 in 2019 and €1.55 in 2018.

1.4.2. Balance sheet analysis

1.4.2.1. Non-current assets

(€k)	As of December 31, 2019	As of December 31, 2018[1]
Intangible assets	**163**	102
Property, plant and equipment	**9,386**	2,884
Financial assets	**529**	558
Total non-current assets	**10,078**	**3,544**

[1] The Company applies the new standard IFRS 16 – Leases, starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1 of the consolidated financial statements in section 4.1. of the Universal Registration Document for further details on the impacts of first application).

From 1 January 2019, the Company has adopted IFRS 16 – Leases, increasing its non-current, tangible assets by €6,006 thousand. The rights of use related to these contracts relate primarily to the leases of the head office in Paris and the manufacturing site in Villejuif in France. The Company also incurred costs for the conversion of the new space rented in Paris (€810 thousand).

1.4.2.2. Current assets

(€k)	As of December 31, 2019	As of December 31, 2018
Research tax credit receivable	5,688	3,251
VAT receivable	1,419	1,104
Prepaid expenses	2,671	1,095
Other receivables	1,245	972
Other current assets	**11,022**	**6,422**

As of December 2019, prepaid expenses were mainly due to research partnerships agreements for €2,300 thousand, namely €1,711 thousand related to the collaboration agreement with MD Anderson.

As of December 2018, prepaid expenses were mainly due to €215 thousand prepayments for research agreements, €200 thousand of charges prepaid for clinical studies and €114 thousand related to the 2019 first trimester rent.

Other receivables mainly comprised advances paid to suppliers in the amounts of €1,150 thousand and €909 thousand as of December 2019 and 2018, respectively.

(€K)	As of December 31, 2019	As of December 31, 2018
Short-term bank deposits	10,000	11,503
Cash and bank accounts	25,094	247
Net cash and cash equivalents	**35,094**	**36,203**

Short-term bank deposits mainly comprise interest-bearing term deposits held as part of the Company's financial management strategy, that may be converted to cash without any substantial penalty.

In 2019, cash and cash equivalents decreased by €1,109 thousand to €35,094 thousand as of December 31.

(€K)	2019	2018
Cash flows used in operating activities	(41,169)	(25,985)
Cash flows used in investing activities	(1,459)	71
Cash flows from financing activities	41,489	14,850
Impact of exchange rates changes on cash	29	54
Net cash flow	**(1,109)**	**(11,009)**

The increase in cash used in operating activities is primarily due to the increase in net loss from €30,345 thousand in 2018 to € 50,915 thousand in 2019.

Cashflows used in investing activities relate to the increase in tangible and intangible assets during the year, mostly due to the conversion of the newly rented space in the Company's headquarters in Paris.

These outflows were offset by the receipt of the second tranche of the loan from the European Investment Bank for €16 million in March 2019 and the capital increase in April 2019 for €29.5 million (before commissions and expenses).

1.4.2.3. Equity

(€k)	2019	2018
Equity	(1,908)	14,243

The Company's equity on December 31, 2019 is €1,908 thousand compared to €14,243 thousand on December 31, 2018. The decrease is a combination of net losses in 2019 of €50,915 thousand, offset by the capital increase realized in April 2019 which generated €28,079 thousand net of commissions and expenses.

The Company also reversed the €1,030 thousand, reported as share premium in 2018 to the P&L in 2019 due to the decision to postpone the initial public offering plans on the Nasdaq.

1.4.2.4. Non-current liabilities

Non-current liabilities of €43,766 thousand at December 31, 2019 mostly include financial liabilities related to the loans and advances granted to the Company, including the fair value of the European Investment Bank loan for a nominal value of €30 million.

Details of the remaining amounts to be repaid as of December 31, 2019 can be found in note 12 of the Company's consolidated accounts in section 4.1. of the Universal Registration Document.

1.4.2.5. Current liabilities

(€k)	2019	2018[1]
Current provisions	164	55
Current financial liabilities	1,091	500
Trade payables and other payables	7,770	6,509
Other current liabilities	5,322	4,533
Total current liabilities	**14,347**	**11,597**

[1] The Company applies the new standard IFRS 16 – Leases, starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1 of the consolidated financial statements in section 4.1 of the Universal Registration Document for further details on the impacts of first application.

Under Sections L. 441-6-1 and D. 441-4 of the French Code of Commerce, the breakdown of the Company's supplier debts on the closing date of the last two financial years based on their respective maturity dates is presented below.

2019

Unpaid invoices received at the end of the financial year:

	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranche					
Number of invoices					159
Total (incl. VAT)	€584k	€36k	€21k	€1,097k	€1,738k
Percentage of total purchases for the year (incl. VAT)	2,09%	0,13%	0,08%	3,93%	6,22%
(B) Invoices excluded from (A) related to to disputed or unrecognized debts and receivables					
Number of invoices excluded	-	-	-	-	-
Total amount of invoices excluded (incl. VAT)	-	-	-	-	-
(C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)					
Payment period used to calculate late payments	Contractual deadlines: deadlines for each invoice				

Unpaid invoices issued at the end of the financial year:

	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranche					
Number of invoices					1
Total (incl. VAT)	-	€1k	-	-	€1k
Percentage of total purchases for the year (incl. VAT)					
Percentage of the financial year revenue (incl. VAT)	-	2%	-	-	2%
(B) Invoices excluded from (A) related to to disputed or unrecognized debts and receivables					
Number of invoices excluded	-	-	-	-	-
Total amount of invoices excluded (incl. VAT)	-	-	-	-	-
(C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)					
Payment period used to calculate late payments	Contractual deadlines: deadlines on each invoice				

2018

Unpaid invoices received at the end of the financial year:

	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranche					
Number of invoices					119
Total (incl. VAT)	€691k	€2k	€127k	€56k	€876k
Percentage of total purchases for the year (incl. VAT)	4,00%	0,01%	0,73%	0,32%	5,07%
(B) Invoices excluded from (A) related to to disputed or unrecognized debts and receivables					
Number of invoices excluded	-	-	-	-	-
Total amount of invoices excluded (incl. VAT)	-	-	-	-	-
(C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)					
Payment period used to calculate late payments	Contractual deadlines: deadlines on each invoice				

Unpaid invoices issued at the end of the financial year:

	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranche					
Number of invoices					-
Total (incl. VAT)	-	-	-	-	-
Percentage of total purchases for the year (incl. VAT)					
Percentage of the financial year revenue (incl. VAT)	-	-	-	-	-
(B) Invoices excluded from (A) related to to disputed or unrecognized debts and receivables					
Number of invoices excluded	-	-	-	-	-
Total amount of invoices excluded (incl. VAT)	-	-	-	-	-
(C) Reference payment terms used (contractual or legal deadline - article L. 441-6 or article L. 443-1 of the French Commercial Code)					
Payment period used to calculate late payments	Contractual deadlines: deadlines on each invoice				

1.4.3. Outlook and subsequent events

1.4.3.1. Trends

To find out the main trends since December 31, 2019, see paragraph 1.1.3. of the Universal Registration Document.

1.4.3.2. Known trend, uncertainty, commitment request or reasonably sensitive event to affect the Company's outlook

For details about the impact of COVID-19 on the Group, see paragraph 1.1.3. of the Universal Registration Document.

1.4.3.3. Profit forecasts or estimates

The Company does not intend to forecast or estimate profits.

1.4.3.4. Significant change in financial or business situation

To the Company's knowledge, there has been no significant change in the Company's financial or commercial position since December 31, 2019.

However, given the great uncertainty regarding the evolution of COVID-19 pandemic, global confinement measures and a possible resulting economic downturn, the potential impact of the pandemic on the Group's activities and future results remains highly uncertain.

As of the date of the Universal Registration Document, the Company choose to adapt in terms of staffing, finance and development by reducing the pace and scope of some non-strategic activities temporarily so as to respond to the uncertainty caused by the pandemic. It will nevertheless continue to regularly assess the impact of COVID-19 on its business and will communicate any significant evolution on the subject to the market.

1.4.4. Cash flow, capital financing

Information about the Group's capital, liquidity and sources of financing.

As of December 31, 2019, the amount of cash and cash equivalents held by the Company was €35.1 million compared to €36.2 million as of December 31, 2018. Cash and cash equivalents include the Company's current availability and financial instruments (mainly composed of paid short-term bank deposits). These availability and investment securities are used to fund the Company's activities, including its research and development costs. In March 2019, the Company received a second payment of €14 million from the European Investment Bank. The Company also announced in April 2019 the raising of approximately €29.5 million in connection with an offering of new common shares. As of the date of the Universal Registration Document, the Group has cash visibility up to the end of 2020, allowing it to meet its off-balance sheet commitments and planned investments.

Capital financing

Refer to chapter 4 of the Universal Registration Document.

Financing through advances

See paragraph 1.4.2.4. above.

Research Tax Credit financing

See note 8.2 of the consolidated financial statements, established under the IFRS filing in section 4.1. of the Universal Registration Document.

Off-balance sheet of commitment

See Note 22 of the notes to the consolidated financial statements, established under the IFRS filing in section 4.1. of the Universal Registration Document.

Source and amount of cash flow

During the period presented, net cash flows are presented as shown in the table below.

(€k)	2019	2018
Cash flows used in operating activities	(41,169)	(25,985)
Cash flows used in investing activities	(1,459)	71
Cash flows from financing activities	41,489	14,850
Impact of exchange rates changes on cash	29	54
Net cash flow	**(1,109)**	**(11,009)**

Cash flows from operating activities

Net cash consumption at operating activities is primarily divided into cash flow over the period and changes in working capital requirements.

(€k)	2019	2018
Net loss for the period	**(50,915)**	**(30,345)**
Elimination of other non-cash, non-operating income and expenses		
Depreciation and amortization	1,767	619
Provisions	161	5
Expenses related to share-based payments	4,320	1,867
Cost of net debt	45	-
Loss on disposal	1,940	292
U.S. Initial public offering 2018 costs offset	201	
Impact of deferred income related to financial liabilities discounting effect	2,833	535
Other charges with no impact on treasury	(2)	(36)
Cash flows used in operations, before tax and changes in working capital	**(39,647)**	**(27,063)**
Changes in operating working capital	**(1,522)**	**1,078**
Cash flows used in operating activities	**(41,169)**	**(25,985)**

Cash flow from investing activities

Cash consumption related to investment activities should be analysed by distinguishing flows directly related to the Company's operating activity and those related to its cash management policy.

(€K)	2019	2018
Acquisitions of intangible assets	(353)	(90)
Acquisitions of property, plant and equipment	(1,091)	(416)
Addition in non-current financial assets	(16)	577
Net cash flows from (used in) investing activities	**(1,459)**	**71**

Most of the outflows related to investing activities in 2019 related to the fit out of the new space leased in 2019.

Cash flows from financing activities

Net flows from financing activities are mainly related to:

(€K)	2019	2018
Capital increases	29,517	-
Warrants subscription	1,327	59
Transaction costs	(1,438)	(279)
Increase in loans	14,000	16,000
Decrease in conditional advances	(500)	(500)
Decrease in borrowings	-	(427)
Repayment of lease liabilities [(2)]	(1,067)	-
Interest paid related to loans	(350)	(3)
Net cash flows from financing activities	**41,489**	**14,850**

Cash flows from financing activities came from two main sources: The receipt of the second tranche of the EIB loan in March 2019 for €14 million and the capital increase realised in April 2019.

Information on repayable advance conditions and financing structure

The main terms of the repayable advances granted to the Company as of December 31, 2019 are described in paragraph 1.4.2. of the Universal Registration Document.

Restrictions to the use of Equity

(€k)	2019	2018
Treasury share - cash account	130	176
Deposits paid	399	383
TOTAL	529	559

Funding sources needed for the future

As outlined in paragraph 1.5.1.3. of the Universal Registration Document, the Company has sufficient net working capital to meet its obligations and operating cash requirements for the next twelve months following the date of the date of the Universal Registration Document.

1.4.5. Accounting and reporting on allocation of the profit

Important factors, including unusual or infrequent events or new developments, significantly affecting the issuer's operating income, indicating the measure in the world is affected.

In terms of the development stage of the Company's business, the main factors affecting the business and profit are:

- the scope of the R&D programs and compliance with their timetable; the existence of tax incentives for companies involved in technical and scientific research activities such as the research tax credit for which it benefits;
- entering into development agreements and/or licenses on part of its technology, or;
- obtaining grants and repayable advances.

In addition, the Company regularly grants financial instruments giving access to its capital to its employees, be they corporate officers or not, as well certain business partners. The Company's results are affected by the corresponding expense, recorded in the financial statements established according to the IFRS repository.

The Company did not find any unusual or infrequent events that could affect its operating income.

When financial statements show significant changes in net sales or net revenues, explain the reasons for these changes.

None.

Mention any measures or factors of an administrative, economic, budgetary, monetary or political nature that have significantly or could have significant impact, directly or indirectly, on the issuer's operations.

Given the great uncertainty regarding the evolution of COVID-19 pandemic, global confinement measures and a possible resulting economic downturn, the potential impact of the pandemic on the Group’s activities and future results remains highly uncertain.

As of the date of the Universal Registration Document, the Company choose to adapt in terms of staffing, finance and development by reducing the pace and scope of some non-

strategic activities temporarily so as to respond to the uncertainty caused by the pandemic. It will nevertheless continue to regularly assess the impact of COVID-19 on its business and will communicate any significant evolution on the subject to the market.

1.4.6. Information on dividends

Dividends paid in the last three years

None.

Dividend distribution policy

There are no plans to initiate a short-term dividend payment policy given the Company's stage of development.

1.4.7. Non-tax-deductible expenses

In accordance with the provisions of Article 223 quarter of the General Tax Code, the General Meeting of Shareholders approved, among other things, non- tax-deductible expenses and expenses covered by Section 39-4 of the same Code.

We indicate that the corporate accounts for the past year do not show any tax-deductible expenses or expenses as covered by section 4 of section 39 of the General Tax Code.

1.4.8. Results for the last five years

INDICATORS (€k)	2015	2016	2017	2018	2019
I. Financial position at the end of the year					
a) Share Capital	425	479	589	589	672
b) Weighted average number of shares	14,165,780	15,965,272	19,633,373	19,633,373	21,631,514
c) Number of equity options that may be converted in shares	3,082,483	2,651,708	2,828,098	3,176,910	2,338,013
II. Overall results					
a) Turnover (excl VAT)	705	790	388	209	444
b) Loss before tax, depreciation and provisions	(17,808)	(21,663)	(23,343)	(30,751)	(44,772)
c) Research Tax credit	3,549	3,611	3,259	3,251	2,373
d) Profit/ (loss) after tax, amortization and depreciation	(14,623)	(18,502)	(20,560)	(28,117)	(43,574)
e) Dividends	-	-	-	-	-
III. Results assessed for one share					
a) Loss before tax, depreciation and provisions	(1.26)	(1.36)	(1.19)	(1.57)	(2.07)
b) Net loss	(1.03)	(1.16)	(1.05)	(1.43)	(2.01)
c) Dividend per share	-	-	-	-	-
IV. Employees					
a) Number of employees at the end of the year	54	60	75	89	85
b) Payroll cost	3,915	4,674	6,148	7,649	8,307
c) Social benefit expense during the year	1,621	1,908	2,448	3,044	3,439

1.5. RISK FACTORS

The Company operates in a changing environment involving risks, some of which are beyond its control.

The risks and uncertainties described below should be considered carefully, together with all of the other information in this chapter, before deciding whether to subscribe or purchase the Company's securities. The Company has reviewed the risks that could materially and adversely affect the Group, its business, financial condition, operating results, prospects or ability to meet its objectives. As of the date of the Universal Registration Document, the Company is not aware of any significant risks other than those presented in this chapter.

The main risk factors relating to the Group and its business are grouped into four categories listed below, it being specified that, within each of these categories, the most important risk factor, based on the Company's assessment as of the date of the Universal Registration Document, is presented first. The occurrence of new events, be they internal or external to the Company, is therefore likely to modify this ranking in the future.

	Risk	Likelihood	Impact
1.5.1	**Risks Related to the Group's Activity**		
1.5.1.1	The Group is heavily dependent on the successful development, pre-clinical or clinical, of NBTXR3	High	High
1.5.1.2	The commercial success and profitability of NBTXR3 and any other Group's products is not guaranteed	High	High
1.5.1.3	The Group's business is governed by a rigorous, complex and evolving regulatory framework	High	Medium
1.5.1.4	Due to its limited resources and access to capital, the Group's decisions to prioritize development of certain product candidates or certain indications may adversely affect its business prospects	High	Medium
1.5.1.5	The COVID-19 coronavirus epidemic could have a significant impact on the Group's activities	High	Medium
1.5.2	**Risks Related to Organization and Operations**		
1.5.2.1	Claims related to product liability or other lawsuits could divert the Group's resources from other activities, expose it to significant liabilities and reduce the commercial potential of its product candidates	High	High
1.5.2.2	The Group relies on third parties who carry out its clinical trials and the collection and analysis of related data, with which it has entered or may enter into partnership in the future for the development and marketing of Hensify® and its other product candidates, and for the supply of various materials required for the production of all or part of its product candidates	Low	High

	Risk	Likelihood	Impact
1.5.2.3	The Group may be held liable in connection with the use of hazardous chemical products in its business activities	Low	Medium
1.5.2.4	The Group depends on key management personnel and its ability to attract and retain other qualified personnel	Medium	Medium
1.5.2.5	The Group's internal computer systems, or those of third-party subcontractors or consultants, may fail or suffer security breaches	Medium	Medium
1.5.2.6	Use of social media may materially and adversely impact the Group's reputation	Medium	Low
1.5.3	**Risks Related to Intellectual Property**		
1.5.3.1	A dispute concerning the infringement or misappropriation of intellectual property rights or the intellectual property rights of others could be time-consuming and costly, and an unfavorable outcome could harm the Group	Medium	High
1.5.3.2	The Group's ability to compete may decline if it does not adequately protect its intellectual property proprietary rights	Low	High
1.5.3.3	In the event the Group's trademarks and trade names are not adequately protected, the Group may not be able to build name recognition in its markets of interest	Low	High
1.5.4	**Financial and Market Risks**		
1.5.4.1	The Group will require additional funding, which may not be available on acceptable terms or at all. Failure to obtain this necessary capital in time may force the Group to delay, limit or terminate its product development efforts or other operations	High	High
1.5.4.2	The Group has incurred significant losses and anticipates that it will continue to incur significant losses for the foreseeable future	High	Medium
1.5.4.3	Shareholder participation could be diluted	High	High
1.5.4.4	Future use of tax loss carryforwards could be called into question	Low	Medium

1.5.1. Risks Related to the Group's Activity

1.5.1.1. The Group is heavily dependent on the successful development, pre-clinical or clinical, of NBTXR3.

The Group's business and future success depends heavily on its ability to develop and market its lead product candidate, NBTXR3, which is, at the date of the Universal Registration Document, being evaluated in eight clinical trials worldwide. Through a partnership with the University of Texas MD Anderson Cancer Center, the Company's clinical program will ultimately include 16 clinical trials on several different types of cancer. The Group's success also depends on its ability to satisfy the necessary regulatory requirements for its marketing and sale. At the date of the Universal Registration Document, the NBTXR3 development programs for the treatment of different cancer indications are at varying stages (from the pre-clinical stage in different oncological indications to the CE-marking in the STS indication).

In order to, as the case may be, obtain the requisite regulatory approvals or successfully complete the necessary conformity assessment procedures, the Group conducts clinical and preclinical programs for product candidates with the ultimate goal of marketing therapeutic solutions that aim to transform cancer treatments that rely on radiotherapy.

Preclinical testing and clinical trials are long, expensive and unpredictable processes that can encounter extensive delays. The Group cannot guarantee that clinical trials will be conducted as planned or completed on schedule, if at all.

In connection with clinical testing and trials, the Group faces a number of risks, including:

- A product candidate may be ineffective, inferior to existing approved treatments, unacceptably toxic, or have unacceptable side effects (both immediate or long-term);
- Patients may die or suffer other adverse effects for reasons that may or may not be related to the product candidate being tested;
- Extension studies on long-term tolerance may invalidate the use of the product;
- Results may not confirm the positive results of earlier testing or trials;
- The independent data monitoring committee assigned to review the Group's testing and trials may identify potential flaws in one or more of its trials or their design and recommend that they not be continued or adjusted;
- Results may not meet the level of statistical significance required by the ANSM, FDA or other regulatory agencies to establish the safety and efficacy of product candidates; and
- Because each of the trials the Group is undergoing or contemplating the NBTXR3 product, were one of these preclinical or clinical trials to reveal any issues regarding safety and/or therapeutic efficacy, the validity of the Group's nanotechnology platform itself could be questioned.

Human clinical trials are very expensive, time-consuming, and difficult to design, implement and complete. Commencement of clinical trials for product candidates may be delayed for a variety of reasons, including delays in:

- Demonstrating sufficient preclinical safety and efficacy to obtain regulatory approval to commence a clinical trial;
- Validating test methods to support quality testing of the product candidate;
- Manufacturing sufficient quantities of the product candidate necessary to conduct clinical trials;
- Obtaining institutional review board approval to conduct a clinical trial at a prospective clinical trial site;
- Determining dosing and clinical trial design; and
- Achieving patient enrollment, which is a function of many factors, including the size of the patient population, the nature of the protocol, the proximity of patients to clinical trial sites, the availability of effective treatments for the relevant oncological indication and the eligibility criteria for the clinical trial.

Favorable results of preclinical studies do not necessarily predict clinical success, and larger and later-stage clinical trials may not produce the same results as earlier-stage clinical trials. To date, clinical trials of NBTXR3 in certain oncological indications have generated favorable security and efficacy data; however, the Group may adopt different enrollment criteria in its future clinical trials. Furthermore, the data from certain clinical trials can only be considered as preliminary. Therefore, it is possible that the Group's results vary from previous clinical trials, or even from preliminary data. Obtaining favorable results in a clinical trial and/or market approval or marketing authorizations for a product in a specific indication (such as the CE-marking for NBTXR3 in the treatment of locally advanced STS) may not be sufficient. These results are not a gauge of effectiveness, job security, or the ability to obtain market approval or marketing authorizations for a product in another indication (such as a possible CE-marking for the treatment of head and neck cancers), regardless of rational scientific connection.

The completion of clinical trials for product candidates may also be delayed, suspended or terminated due to a number of factors, including:

- Adverse events, safety issues or side effects of the product candidates or their formulation;
- Unanticipated events during clinical trials requiring amendments to clinical trial designs or protocols;
- Inability to raise additional capital in sufficient amounts to continue funding clinical trials or development programs;
- Need to sequence clinical trials as opposed to conducting them concomitantly in order to save resources;

- Inability to enter into collaborations relating to the development and commercialization of product candidates;
- Failure to conduct clinical trials in accordance with regulatory requirements or clinical trial protocols;
- Inability to manufacture or obtain from third parties sufficient quantities of product candidates for use in preclinical studies and clinical trials or of raw materials necessary for their manufacture;
- Governmental or regulatory delays and changes in regulatory requirements, policy or guidance from regulatory authorities, including mandated changes in the scope or design of clinical trials or requests for supplemental information with respect to clinical trial results;
- Delays in patient enrollment, variability in the number and types of patients available for clinical trials, and lower-than-anticipated retention rates for patients in clinical trials;
- Difficulty in patient monitoring and data collection due to a loss of contact with the concerned patients following treatment; and
- Varying interpretations of data collected during the Group's clinical trials by the notified body, ANSM, EMA, FDA or any other regulatory agencies.

Many of these factors could potentially require additional time and investment in research and development to attempt to remedy the issues identified. It could also ultimately lead to the denial of marketing applications or the failure to complete applicable pre-marketing regulatory requirements (such as CE marking), or even call into question the marketing authorizations already granted for Hensify® or other product candidates, potentially impacting the development of each application of NBTXR3. In addition, due to the Group's limited financial resources, an unfavorable outcome in one or more trials may lead to a delay, reduction in scope, or elimination of one or more product development programs. Lastly, these types of situations could negatively impact the Group's image and, in certain cases, lead to amicable settlements or legal action.

Even though the Group has obtained the CE-marking for Hensify®, the name of NBTXR3 in the indication of locally advanced STS, it cannot be certain that NBTXR3 will receive regulatory approvals in other indications or in other territories or successfully complete the necessary conformity assessment procedures, as applicable, or be successfully commercialized, for any cancer indications, even if the Group successfully completes applicable pre-marketing regulatory requirements (such as a CE-marking). Please refer to sections 1.5.1.3. and 1.5.2.2. of the Universal Registration Document, for more information on these risks.

1.5.1.2. The commercial success and profitability of NBTXR3 and any other Group's products is not guaranteed

The Group has a limited operating history that, to date, has been focused primarily on research and development and working towards the commercialization of a lead product candidate, NBTXR3. A key element of the Group's strategy is to use and expand its proprietary technology to continue to develop innovative product candidates designed to enhance the efficacy of radiotherapy and to progress these candidates through clinical development for the treatment of a wide variety of cancers. The nanotechnology underlying the Group's product candidates, specifically the use of nanosized radiation enhancers as a cancer treatment method, is a relatively new technology.

As of the date of the Universal Registration Document, the Group is not aware of any other products of the same type as NBTXR3 that have received a marketing authorization by a competent regulatory authority. As a result, the prospects for the development and profitability of NBTXR3 and its acceptance by patients, physicians and payors are uncertain. The Group has not generated any revenue from the sale of NBTXR3 yet and cannot guarantee the profitability of this product in the future.

In addition, given the Group's limited operating history, it does not currently have a sales or marketing infrastructure at the date of the Universal Registration Document and has limited experience in the sale, marketing or distribution of drug or medical device products. The Group may decide to directly market some of its products, by implementing its own sales and marketing organization while entering into arrangements with business partners for future marketing needs with respect to other products.

Factors that may inhibit the Group's efforts to market products on its own include:

- The inability to recruit, train, manage, motivate and retain adequate numbers of sales and marketing personnel. Recruiting and training a sales force is indeed expensive and time-consuming and could delay any product launch;
- Any delay or suspension of the commercial launch of a product candidate for which it has recruited a sales force and established marketing channels, which would lead to a premature or unnecessary investment.
- The inability of sales personnel to obtain access to physicians or persuade adequate numbers of physicians to adopt any future products as part of a given treatment; and,
- Unforeseen costs and expenses associated with creating an independent sales and marketing organization.

Indirect marketing, through partners, may also be limited by several factors (for more details on these risk factors, see section 1.5.2.2. of the Universal Registration Document.

Furthermore, candidates may not be commercialized for other reasons, including:

- Being subject to proprietary rights held by others (see section 1.5.3. of the Universal Registration Document);
- Being difficult or expensive to manufacture on a commercial scale;

- Failing to compete effectively with products or treatments commercialized by competitors, some of which, either alone or in collaboration with their business partners, may have significantly greater financial resources and expertise in research and development, preclinical testing, clinical trials, manufacturing, and marketing;
- Failing to show that the long-term benefits of Group products exceed their risks; or
- Shifting Group commercialization strategy based on its view that the market no longer supports commercialization of a particular product candidate.

1.5.1.3. The Group's business is governed by a rigorous, complex and evolving regulatory framework.

The development, screening, manufacturing and commercialization of therapeutic solutions for cancer treatment are governed by a rigorous, complex and evolving global regulatory environment (see Section 1.3.16. of the Universal Registration Document). Regulatory authorities, including the ANSM and the FDA, have imposed stringent requirements on the amount and types of data required to demonstrate the safety and efficacy of products prior to their marketing and sale. Moreover, following its initial approval or certification, any product approved for commercialization is reassessed on a regular basis in terms of its patient risk/benefit ratio. The potential discovery of new defects or side effects which were not detected during development and clinical trials can result in restrictions on sale, the suspension or withdrawal of the product from the market and an increased risk of litigation. Extensive restrictive global regulation has increased the cost of obtaining and maintaining the necessary marketing authorizations for therapeutic oncology solutions and the costs related to the completion of the necessary conformity assessment procedures for these products. This increase in costs may limit the economic value of a new product and thus lessen the prospects for growth in this field, and consequently the prospects of the Group’s product candidates.

In addition, clinical studies for Hensify® and the Group’s other product candidates must be submitted to the relevant regulatory authorities of the countries in which the studies will be carried out. A negative opinion from such a regulatory authority with respect to any of the Group's clinical development programs could suspend or terminate such programs. Moreover, depending on the information provided to regulatory authorities during a clinical trial pursuant to the applicable regulation, particularly about the occurrence of undesirable side effects, the regulatory authorities could decide to suspend or terminate the clinical trial.

NBTXR3 has been classified as a ‘‘Class III medical device’’ in the European Union (EU) and as a ‘‘drug’’ in the United States. As a result, the Group must meet various specific requirements and deadlines, particularly in terms of CE-marking (or equivalents in all non EU jurisdictions where the Group intends to market its products) and in terms of marketing authorization for drugs in other countries around the globe (chiefly deadlines and conditions for registration, as, where no single authority exists, deadlines tend to be longer) and related transparency requirements. As soon as a product is classified as a drug candidate or medical device as appropriate, a competent authority or a notified body must approve or certify the conformity of said drug candidate or medical device before it can be commercialized, marketed, promoted or sold in those jurisdictions. The Group must

provide these regulatory authorities with data from preclinical studies and clinical trials that demonstrate that its product candidates are safe and effective for a defined indication before they can be approved or certified for commercial distribution. It must provide data to ensure the strength, quality and purity of the product and its components. It must also assure the regulatory authorities that the characteristics and performance of the clinical batches will be replicated consistently in the commercial batches.

The regulatory framework may also change, particularly in key markets such as the EU, where rules on medical devices are set to be significantly tightened following the adoption of the MDR regulation (see Section 1.3.16.2. of the Universal Registration Document). Such changes in the regulatory environment could lead to the Group's products being limited to certain indications, being unauthorized for sale, or being ineligible for reimbursement by national authorities. The cost of ensuring compliance with existing regulations to maintain authorizations or certifications obtained previously is already significant and continues to increase. Even if the Group takes into account potential changes in regulations or standards in the countries where it intends to market its products, new regulatory requirements could prevent the Group from marketing its products in the event of marketing authorizations being suspended or withdrawn, or could make manufacturing them more costly and thereby slow down sales.

In light of the regulatory evolutions, the competent authorities of EU Member States could reconsider the classification of NBTXR3 as a medical device in the EU and decide to reclassify it as a drug (see Section 1.3.16.2. of the Universal Registration Document). If Hensify® or the other Group product candidates were to be classified as drugs in the EU, their development would be subject to a more complex regulatory framework and the development and commercialization process would therefore be longer and more costly than expected under the current medical device classification.

The Group's current research and development and future commercialization operations expose it to broadly applicable federal and state healthcare laws in the EU, the U.S. and any other country the Group operates in (see Section 1.3.16. of the Universal Registration Document). These laws may impact, among other things, its research, proposed sales, marketing and education programs for product candidates that successfully complete applicable pre-marketing regulatory requirements. Restrictions under applicable healthcare laws and regulations include:

- Laws and regulations with respect to anti-corruption, fraud and false statements in healthcare, which would apply to products of the Group that are covered by public agencies or third-party payors, including commercial insurers;
- Laws and regulations on marketing and/or transparency to which the Group is subject as manufacturer and producer of healthcare products;
- The laws and regulations relating to the protection of personal data, and in particular GDPR. It should be noted that the Group has launched a compliance initiative (including all of its companies, including its US subsidiary) in order to comply with the provisions of the RGPD;

- Requirements for transparency on consideration granted to doctors and teaching hospitals and certain investments and interests held by doctors or members of their immediate family; or
- Law and regulations relating to anti-trust or competition.

Many of these laws differ from each other in significant ways and have different effects, thus complicating compliance efforts.

Futhermore, ensuring that the Group's activities and business arrangements with third parties comply with applicable healthcare laws and regulations will likely be costly. In addition, it is possible that the competent governmental authorities will conclude that the Group's business practices do not comply with current or future healthcare laws, regulations or case law. In this event, the Group could be subject to severe civil, criminal or administrative sanctions, an obligation to pay punitive or contractual damages, or possible exclusion from healthcare programs financed by a country in which the Group markets its products. These actions could also damage the Group's reputation or result in lower profits and future earnings and a decrease in its business. Similarly, failure by a partner, supplier or any other co-contractor of the Group to comply with applicable laws and regulations could have negative consequences for the Group, its business or its reputation.

1.5.1.4. Due to its limited resources and access to capital, the Group's decisions to prioritize development of certain product candidates or certain indications may adversely affect its business prospects.

Because it has limited resources and access to capital to fund our operations, the Group must decide which product candidates to pursue and the amount of resources to allocate to each product. In addition, for product candidates under development, such as NBTXR3, it must decide which indications it intends to develop the product candidate for. As such, at the date of the Universal Registration Document, the Group primarily focused on the development of Hensify® and NBTXR3 in other indication, particularly for the treatment of patients with locally advanced head and neck cancers as well as in immuno-oncology in combination with checkpoint inhibitors.

Decisions concerning the allocation of research, collaboration, management and financial resources to particular product candidates, oncological indications or therapeutic areas may not lead to the development of viable commercial products and may divert resources away from more promising opportunities. Similarly, potential decisions with respect to some product development programs may also prove not to be optimal and could cause the Group to miss valuable opportunities, delay or terminate partnerships, or require it to collaborate with third parties. If it does not accurately evaluate the commercial potential or target market for a particular product candidate, the Group may relinquish valuable rights to that product candidate through collaboration, licensing or other arrangements in cases in which it would have been more advantageous to retain sole development and commercialization rights. If the Group makes incorrect determinations regarding the market potential of its product candidates or misreads trends in the field of cancer treatment, its business prospects could be harmed.

1.5.1.5. The COVID-19 coronavirus epidemic could have a significant impact on the Group's business.

In December 2019, a new strain of coronavirus, SARS-Cov-2, emerged in Wuhan, China. Since then, SARS-Cov-2 has spread to many countries, including countries in which the Company's clinical trials are planned or ongoing, such as France or the United States. This epidemic may adversely affect the health of employees and services providers, as well as the Group's operations, future projects, and financial situation. Although the impact of this epidemic on the Group is not easily quantifiable at this stage, the Company believes that the main risk factors that the Group could face in this context are the following, it being specified this list is not exhaustive:

- Disruptions or interruptions of the Group's clinical trial activities, whether conducted by the Group or in collaboration with its partners (such as MD Anderson or PharmaEngine), due in particular to delays or difficulties in recruiting patients, limitations or redirection of human or material resources normally allocated to these clinical trials, delays in receiving, or even lack of, the supplies and materials necessary for the performance of clinical trials, or travel restrictions imposed or recommended by local authorities (see Sections 1.5.1.3. and 1.5.2.2. of the Universal Registration Document);
- Changes in local regulations due to the measures taken in response to the COVID-19 coronavirus epidemic, which could require the Company to modify the conditions of its clinical trials, potentially resulting in unforeseen costs or even the interruption of these trials (see Sections 1.5.1.3. and 1.5.1.4. of the Universal Registration Document);
- Delays in obtaining from regulatory authorities the approvals required to launch the clinical trials contemplated by the Company, as well as delays in the necessary interactions with local authorities or other important organizations and third-party partners (see Sections 1.8. and 1.9. of the Universal Registration Document);
- The refusal of regulatory authorities such as the FDA, the ANSM or the EMA to accept data from clinical trials conducted in these affected geographic areas (see Sections 1.8. and 1.9. of the Universal Registration Document); or
- Difficulties in obtaining, in a timely manner, the additional funds needed for the Group's development (see Section 1.5.4.1. of the Universal Registration Document).

At the date of the Universal Registration Document, priorities are unchanged regarding clinical development. The Company remains in position to deliver data from its priority pathways in head and neck cancer and immuno-oncology on schedule. While recruitment and monitoring have slowed due to the crisis, delivery of data in these areas will proceed as planned based on patients already recruited.

Efficacy data from the Company's Phase I expansion for elderly and frail patients ineligible for platinum-based chemotherapy (cisplatin) will be presented at the annual meeting of the American Society for Clinical Oncology (ASCO).

Study 1100–the immune-oncology basket trial in the US evaluating NBTXR3 activated by radiation therapy in combination with anti-PD-1 in patients with head and neck cancer, lung metastasis and/or liver metastasis—remains on track to report first new data on patients already recruited in the coming months.

The dose escalation for the trial evaluating NBTXR3 activated by radiation therapy for the treatment of patients with hepatocellular carcinoma (HCC) and liver metastasis is complete, and data will be shared by the end of the year.

The Phase I trial evaluating NBTXR3 activated by radiation therapy for the treatment of patients with prostate cancer is currently under review.

In soft tissue sarcoma, further follow up of patients from the Phase II/III remains ongoing, however the timeline will extend to account for hospital restrictions and monitoring barriers. Launch of the planned post-registrational trial in soft tissue sarcoma will be pushed from the back half of 2020 to Q2 2021.

Trials from the Company's clinical collaboration with MD Anderson are moving through the regulatory review process. Given recruitment barriers, the Company expects delays in execution after regulatory approval.

The Phase I head and neck trial from the Company's clinical collaboration with PharmaEngine in Asia is expected to complete recruitment by the end of 2020. PharmaEngine is on pace to fully enroll the rectal study—evaluating NBTXR3 in combination with chemotherapy—by the end of 2020 as well.

1.5.2. Risks Related to the Group's Organization and Operations

1.5.2.1. Claims related to product liability or other lawsuits could divert the Group's resources from other activities, expose it to significant liabilities and reduce the commercial potential of its product candidates.

The risk of being sued on product liability claims is inherent to the development and commercialization of therapeutic products. Side effects, manufacturing defects, or improper physician administration of products that the Group develops could result in the deterioration of a patient's condition, injury or even death.

Although, as of the date of the Universal Registration Document, the Group has never been held liable for its products, in the event that one of these events were to occur, in the future, criminal or civil proceedings might be filed against the Group by patients, physicians, regulatory authorities, pharmaceutical companies or any other third party using or marketing its products. These actions could include claims resulting from acts by Group partners, potential licensees and subcontractors, over which the Group has little or no control. These lawsuits may divert management from pursuing business strategy and incur significant legal fees. In addition, if the Group is held liable in any of these lawsuits, it may incur substantial liabilities, deal with damage to its market reputation, and be forced to limit or forgo further commercialization of the affected products.

Although the Group believes it is sufficiently covered by the product insurance policies it has taken out for its clinical trials, this coverage may prove insufficient to offset expenses or losses that the Group may incur (see Section 1.5.5. of the Universal Registration Document).

1.5.2.2. The Group relies on third parties who carry out its clinical trials and the collection and analysis of related data, with which it has entered or may enter into partnership in the future for the development and marketing of Hensify® and its other product candidates, and for the supply of various materials required for the production of all or part of its product candidates.

At the date of the Universal Registration Document, the Group relies, and expects to continue relying, on medical institutions, clinical research centers and research partners to carry out clinical trials and to perform data collection and analysis and, more generally, to develop certain of its product candidates. For example, at the date of the Universal Registration Document, two NBTXR3 clinical trials are currently being run by the Group's collaboration partner, PharmaEngine, in the Asia-Pacific region (see Section 1.3.13. of the Universal Registration Document). The Group is also collaborating with MD Anderson on the development of NBTXR3 in various indications (e.g. head and neck, pancreatic, thoracic and lung cancers, etc.). Even if the Group managed to establish a relationship of trust with its existing associates and partners, it has limited control over them. In addition, since the Group faces competition in seeking partnerships, it cannot guarantee that, when the time comes, it will be able to identify a suitable partner or enter into a partnership under the most favorable commercial conditions for the Group.

Development activity or clinical trials, as well as the marketing of products, conducted in collaboration with third parties may be delayed, suspended, or terminated if:

- Said third parties cannot devote or do not wish to devote a sufficient amount of time or effort to the proper performance of the Group’s activities (due to internal constraints, such as budget limitations, lack of human resources or a change in strategic direction);
- Said third parties otherwise fail to meet regulatory obligations or expected deadlines or are unable to obtain, or believe they are unable to obtain, the required regulatory approvals or certifications;
- Said third parties delay the development or marketing of the Group’s product candidates in favor of the development or marketing of another party’s product candidates and, more generally, decide to develop a competing product outside of the collaboration agreement entered into with the Group;
- The quality or accuracy of the data obtained by third parties is compromised due to their failure to adhere to clinical protocols, regulatory requirements, or for other reasons;
- Said third parties challenge, including through legal channels, the performance of their obligations under the partnership, whether regarding development or marketing, the payment of expenses relating to the work carried out or the potential allocation of the revenue generated; or

- The Group changes one of its third-party partners.

The occurrence of one of these events may increase the Group's development costs, delay its ability to obtain regulatory approval or successfully complete pre-marketing certification procedures, and delay or prevent the commercialization of product candidates. The Group could also be held liable for the actions of its business partners, over which it has little or no control (see Section 1.5.2.2. of the Universal Registration Document).

While the Group believes that in many cases there are alternative service providers, it may not be able to enter into replacement arrangements without incurring delays or additional costs. The Group would in particular have to demonstrate that the change has no impact on the quality of its products. Furthermore, in the event of a default, bankruptcy or shutdown of, or a dispute with, a third party, the Group may be unable to enter into a new agreement with another third party on commercially acceptable terms.

The Group is also dependent on third parties for the supply of various materials that are necessary to manufacture Hensify® and its other product candidates for clinical trials. Although the Group has entered into agreements related to the supply of the raw materials used in the manufacture of nanoparticles, the supply could be reduced or interrupted at any time. In such case, the Group may not be able to find other suppliers of acceptable materials in appropriate quantities at a reasonable cost. Should it lose key suppliers or the supply of materials be diminished or discontinued, or in the event of a major or international crisis impacting mining or the extraction of minerals in certain regions, the Group may not be able to continue to develop, manufacture and market Hensify® or any other product candidate in a timely and competitive manner. In addition, these materials are subject to stringent manufacturing processes and rigorous testing. Delays in the completion and validation of facilities and manufacturing processes of these materials could adversely affect the Group's ability to complete trials and market its products in a cost-effective and timely manner. If it encounters difficulties in the supply of these materials, chemicals or other necessary products, or if it were unable to maintain its supply agreements or establish new supply agreements in the future, or incurred increased production costs as a result of any of the above, product development and business prospects could be significantly compromised.

The production of NBTXR3 for use in clinical trials is contracted out to a number of manufacturers specialized in the manufacturing of high-precision products. In addition, the Group recently expanded its own manufacturing capabilities by opening an internal research and innovation center facility in Villejuif, just outside of Paris, France. The Group and its third-party manufacturers are subject to continuous and periodic regulatory inspections by the competent national authorities in EU Member States, the EMA, the FDA and other regulatory bodies to ensure compliance with the Current Good Manufacturing Practices (''CGMP'') and the guidelines of the International Organization for Standardizations (''ISO'').

Although the Group has trained its third-party manufacturers so as to ensure the proper implementation of its production methods and has taken the necessary steps to ensure adequate quality control through, in particular, the implementation of a monitoring system, it has limited control over the activities of these subcontractors. Any failure to follow and document adherence by the Group or its third-party manufacturers to CGMP regulations or

other regulatory requirements may lead to significant delays in the availability of products for commercial sale or clinical trials. It may also result in a clinical trial being terminated or put on hold or may delay or prevent filing or approval of marketing applications or the completion of pre-marketing certification procedures, as applicable, for Group products.

Failure to comply with the applicable regulations could also result in the ANSM, EMA, FDA or other applicable regulatory authorities taking various actions, including:

- Levying fines and other civil penalties;
- Requiring the Group to suspend or put on hold one or more clinical trials;
- Suspending or withdrawing regulatory approvals or certifications;
- Delaying or refusing to approve pending applications or supplements to approved applications;
- Requiring the Group to suspend manufacturing activities or product sales, imports or exports;
- Requiring the Group to communicate with physicians, hospitals and other stakeholders about concerns related to actual or potential safety, efficacy, and other issues involving its products;
- Ordering or requiring product recalls or seizures;
- Imposing operating restrictions; and
- Seeking criminal prosecutions.

Finally, before any products could be approved for marketing in the United States, the EU or elsewhere, suppliers would have to pass an audit by the applicable regulatory agencies. The Group is dependent on its suppliers' cooperation and ability to pass such audits. Aside from the additional costs generated by these audits, the Group's subcontractors could find themselves unable to manufacture the Group's products in a timely manner and in the quantities required.

1.5.2.3. The Group may be held liable in connection with the use of hazardous chemical products in its business activities.

Research and development processes involve the controlled storage, handling, use and processing of hazardous materials, including toxins and chemical agents or radioactive substances. The risk of accidental contamination or discharge and any resultant injury from these materials cannot be eliminated. Furthermore, EU, U.S. or other local laws and regulations in countries in which the Group operates govern the use, manufacture, storage, handling and disposal of these hazardous materials and specific waste products, as well as the discharge of pollutants into the environment and issues relating to human health and safety. Compliance with environmental laws and regulations may be expensive could prove costly (in particular for the acquisition of appropriate control equipment), require operational changes, and hamper its research and development efforts.

Although, as of the date of the Universal Registration Document, the Group has never been held liable as a result of the use of hazardous chemicals in its business, the Group may be

held liable for any injury or contamination resulting from use by the Group or third parties of these materials, and its liability may exceed any insurance coverage and commit all of its assets.

In addition, the Group cannot predict the impact on its business of any changes in applicable environmental legislation and regulations or in their interpretation and implementation.

1.5.2.4. The Group depends on key management personnel and its ability to attract and retain other qualified personnel.

The Group's success depends to a significant degree on the technical skills and continued service of certain members of its management team, particularly Laurent Levy, Ph.D., Chief Executive Officer. Although the Company has taken out key person insurance for Laurent Levy and the principal executives of the Group are subject to a non-competition and nonemployment clause, the loss of the services of any member of the management team could have a material adverse effect on the Group.

The Group's success will also depend on its ability to attract and retain additional qualified management, regulatory, technical, and sales and marketing executives and personnel. The failure to attract, integrate, motivate, and retain additional skilled and qualified personnel could have a material adverse effect on business. The Group competes for such personnel against numerous other companies, including larger, more established companies with significantly greater financial resources. In addition, were the Group to fail to successfully develop and market Hensify® or its other product candidates, it may make it more challenging to recruit and retain qualified personnel.

1.5.2.5. The Group's internal computer systems, or those of third-party subcontractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, internal computer systems, and those of third parties on which the Group relies, remain vulnerable to diverse threats, including computer viruses, malware, unauthorized accesses, natural disasters, acts of terrorism, acts of war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the internet.

Were such an event to occur, it could cause interruptions in Group systems and materially disrupt the Group’s operations. For instance, the loss of clinical trial data for product candidates could result in delays in regulatory approval, certification and commercialization processes. In addition, system redundancy may be ineffective or inadequate. The Group may be unable to retrieve lost data or may have to mobilize significant human and financial resources in order to recover said data. In addition, Group data or applications as well as data or applications relating to Group technology or product candidates may be damaged. Finally, confidential or proprietary information could be disclosed.

The Group could incur liabilities, damage to its reputation, and see delays in the further development of product candidates. In addition, it may not have adequate insurance coverage to compensate for any losses associated with such events (see Section 1.5.2.1. of the Universal Registration Document).

1.5.2.6. Use of social media may materially and adversely impact the Group's reputation.

Inaccurate or negative information concerning or affecting the Group, including information regarding its products, product candidates or proprietary nanotechnology, may be posted on social media platforms and other similar tools at any time.

The Group may not be afforded an opportunity to redress or correct this information. Furthermore, such inaccurate information may require engaging in a defensive media campaign, which may divert the management team's attention or result in an increase in costs. In addition, the medical community and care prescribers could access the information and act accordingly without further research or verification and without concern for their accuracy. Such platforms also could be used for the dissemination of trade secret information or compromise other valuable company assets, any of which could harm the Group's business.

1.5.3. Risks Related to Intellectual Property

1.5.3.1. A dispute concerning the infringement or misappropriation of intellectual property rights or the intellectual property rights of others could be time-consuming and costly, and an unfavorable outcome could harm the Group.

There is significant litigation in the fields of pharmaceutical and medical device development regarding patent and other intellectual property rights. While the Group is not currently subject to any pending intellectual property litigation from any of its competitors, and is not aware of any such threatened litigation, it may be exposed to future litigation by third parties based on claims that its products, product candidates, processes, technologies or activities infringe on the intellectual property rights of others.

If the Group's development activities are found to infringe on any such patents, it may have to pay significant damages or seek licenses to such patents. A patentee could prevent the Group from using patented drugs, medical devices or compositions. The Group may need to resort to litigation to enforce a patent issued to it, to protect trade secrets, or to determine the scope and validity of third-party proprietary rights. From time to time, it may hire scientific personnel or consultants formerly employed by other companies involved in one or more areas similar to the activities conducted by the Group. The Group, including its personnel and its consultants, may be subject to allegations of trade secret misappropriation or other similar claims as a result of prior affiliations. Regardless of its outcome, a legal dispute could take up a large part of the Group's managerial and financial resources. It may not be able to afford the costs of such legal dispute. Any court ruling against the Group or its employees could require the Group to pay damages, limit its ability to develop or market products, or license all or parts of its products on unfavorable terms.

1.5.3.2. The Group's ability to compete may decline if it does not adequately protect its intellectual property proprietary rights.

The Group's commercial success depends in part on obtaining and retaining rights to its intellectual property and that of its partners granting it a license to such rights (the licensors), as well as on defending these rights against third parties. The Group will be able to protect its products, product candidates, processes and technologies from unauthorized

use by third parties only if they are covered by valid and enforceable patents or effectively protected trade secrets. The Group's ability to obtain patent protection for its products, product candidates, processes and technologies is uncertain due to several factors, including:

- The Group or its licensors may not have been the first to invent the technology covered by its or their pending patent applications or issued patents;
- The Group cannot be certain that it or its licensors were the first to file patent applications covering products, product candidates, processes or technologies, as patent applications in the United States and most other countries are confidential for a period of time after filing;
- Third parties may independently develop identical, similar or alternative products, product candidates, processes and technologies;
- The disclosures in the Group's or its licensors' patent applications may not be sufficient to meet the statutory requirements for patentability;
- Any or all of the Group's or its licensors' pending patent applications may not result in issued patents;
- The Group or its licensors may not seek or obtain patent protection in countries or jurisdictions that may eventually provide a significant business opportunity;
- All patents issued to the Group or its licensors may not provide a basis for commercially viable products, product candidates, processes and technologies, may not provide any competitive advantages, or may be successfully challenged by third parties, which may result in the Group's or its licensors' patent claims being narrowed, invalidated or held unenforceable;
- The Group's or its licensors' products, product candidates, processes and technologies may not be patentable;
- Third parties may design around the Group's or its licensors' patent claims to produce competitive products, product candidates, processes and technologies that fall outside of the scope of the Group's or its licensors' patents;
- Third parties may identify prior art or other bases upon which to challenge and ultimately invalidate the Group's or its licensors' patents or in any case render them unenforceable.

As patent applications can take many years to issue, there may be currently pending applications unknown to the Group that may later result in issued patents that its products, product candidates, processes or technologies may infringe. These patent applications may have priority over patent applications filed by the Group or its licensors.

Group employees may claim intellectual property rights over, or demand compensation with respect to, inventions they helped to develop. The Group may not be able to negotiate intellectual property rights or compensation that is sufficient or under acceptable conditions for the inventions resulting from the use of the rights claimed by these employees. The terms of such agreements could also conflict with previous agreements.

The Group patent lives may not be sufficient to effectively protect Group products and business. Obtaining and maintaining a patent portfolio involves significant expenses and substantial resources. For this reason, the Group and its licensors could choose to waive the protection of specific inventions or even deliberately or involuntarily terminate their patents or patent applications, resulting in a partial or complete loss of the patent rights in the relevant jurisdiction.

Even if the Group has or obtains patents covering its products, product candidates, processes and technologies, it may still be barred from making, using and selling products, product candidates, processes and technologies because of the patent rights of other market players, covering products, processes or technologies that are similar or identical to the Group’s.

Similarly, patents held by the Group or its licensors could be subject to claims or other administrative proceedings. The Group's intellectual property could also be challenged due to potential changes or differences in interpretation with respect to patents in countries where the Group works to protect its intellectual property. Lastly, the Group's intellectual property could be called into question in the event of a dispute involving the Group (see Section 1.5.3.1. of the Universal Registration Document).

Such events associated with patents held by or applied for by the Group or its licensors could lead to the refusal or the reduction in scope of other patents held by or applied for by the Group or its licensors.

Furthermore, even if they are not challenged, the patents held by or applied for by the Group or its licensors may not adequately protect the Group's products, product candidates, processes or technologies, or may not prevent third parties from designing products or technologies that are similar or identical to those of the Group. Similarly, current or potential partners of the Group could be discouraged from working alongside the Group in the development or even the marketing of its products.

Any of these events could limit the Group's ability to capitalize on the full market potential of its inventions and could severely hinder its ability to develop and market its product candidates or sell its products, once approved.

In addition to patent protection, because the Group operates in the highly technical field of the development of therapies using nanotechnology, it relies in part on trade secret protections in order to protect its proprietary technology and processes. However, trade secrets are difficult to protect and require monitoring of unauthorized uses and disclosures. The Group enters into non-disclosure agreements with employees, consultants, external collaborators, sponsored researchers and other advisors. In addition to contractual measures, the Group tries to protect the confidential nature of its proprietary information using physical and technological security measures.

The Group cannot guarantee that the steps it has taken to protect its proprietary technologies and processes will be effective. The Group cannot guarantee that trade secrets and other proprietary and confidential information will not be disclosed, in particular to its competitors, or that the parties to its confidentiality agreements abide by their terms.

In the event its trade secrets are disclosed, the Group may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time consuming, and the outcome is unpredictable. Certain courts may be less willing to protect trade secrets. Furthermore, proprietary information may be independently developed by others in a manner that could prevent legal recourse by the Group.

If any of the Group's confidential or proprietary information, including trade secrets, were to be disclosed or misappropriated, or if any such information were to be independently developed by a competitor, its competitive position and activities could be harmed.

1.5.3.3. In the event the Group's trademarks and trade names are not adequately protected, the Group may not be able to build name recognition in its markets of interest.

The Group's registered or unregistered trademarks or trade names may be challenged, infringed on, circumvented, declared generic or determined to be infringing on other marks. The Group may not be able to protect its rights to these trademarks and trade names, which it needs to build name recognition in its markets of interest, or may be forced, following possible lawsuits brought by partners or customers, to stop using said names and trademarks. If the Group is unable to establish name recognition based on trademarks and trade names, it may not be able to compete effectively, and business may be adversely affected.

1.5.4. Financial and Market Risks

The accounting data included in the paragraph comes from the Company's annual financial statements for the years ended December 31, 2018 and 2019.

1.5.4.1. The Group will require additional funding, which may not be available on acceptable terms or at all. Failure to obtain this necessary capital in time may force the Group to delay, limit or terminate its product development efforts or other operations.

The process of developing product candidates is expensive, lengthy and risky. The Group expects its research and development expenses to increase substantially as it continues to develop product candidates through clinical development programs and identify new product candidates for development. Furthermore, as a result of increasing commercialization efforts with respect to NBTXR3 and the costs of operating as a publicly listed company, the Group expects its sales, general and administrative expenses to increase significantly in the next several years.

As of December 31, 2019, the Group had cash and cash equivalents of €35.1 million. It conducted a specific review of its liquidity risk and believes it will be able to fund operations for at least 12 months.

However, in order to continue its ongoing research and development efforts, pursue regulatory approval and certification, and advance its commercialization efforts, the Group will require substantial additional funding. Also, the Group's operating plan, which includes product candidate development plans, may change as a result of many currently unknown factors and it may need to seek additional funds sooner than planned, through public or private equity or debt financing, government or other third-party funding, marketing and

distribution arrangements and other strategic alliances and licensing arrangements, or a combination of these approaches.

Furthermore, even if the Group believes it has sufficient funds for current or future operating plans, it may seek additional capital if market conditions are favorable or in light of specific strategic considerations.

Any additional equity or debt financing could lead to several of the following repercussions:

- Shareholders' ownership interest may be diluted, or their rights modified, by the issuance of financial instruments granting specific rights to their holders,
- A portion of the Company's operating cash flow could be dedicated to the periodic payment of principal and interest on one or several loans taken out by the Group,
- The Group could enter into restrictive covenants that impose operating restrictions (debt, capital expenditures, distribution of dividends...),
- The Group may be required to relinquish some technologies, product candidates or revenue streams, license technologies or product candidates on unfavorable terms, or otherwise agree to less favorable or unfavorable terms,
- The Group's management's attention could be diverted from their day-to-day activities.

The Group entered into a loan agreement with the European Investment Bank to borrow a total of up to €40 million, with €30 million having been disbursed at the date of the Universal Registration Document. A default in payment of all or part of the loan, in particular due to a request for early repayment by the European Investment Bank could result in other loans contracted by the Group becoming due and payable and have an adverse effect on the Group's reputation and financial position.

Due to the receipt of the second tranche in 2019, the financial cost of the loan increased in 2019 so as to reflect higher royalties to be paid under the contract, therefore increasing significantly the charge recognized in the P&L in 2019.

For more information on the Group's financial debt, see note 12 to the Group's consolidated financial statements for the year ended December 31, 2019 in section 4.1 of the Universal Registration Document.

In addition, the Group finances a part of its operations with the research tax credit (CIR). The Group cannot exclude the possibility that the tax authorities will call into question such credit (from previous or upcoming periods), due notably to changes in regulations or the authorities challenging the methods used to calculate the R&D expenses.

If the Group is unable to obtain funding on a timely basis, in sufficient amounts or under acceptable conditions, its growth prospects could be impaired, share price may decline, and the Group may be required to, among other things:

- Delay or reduce the number or extent of preclinical and clinical trials or eliminate them entirely;
- Grant licenses to Group technology to collaborative partners or third parties; or

- Enter into new collaboration agreements on less favorable conditions than those it would have been able to obtain under different circumstances.

1.5.4.2. The Group has incurred significant losses and anticipates that it will continue to incur significant losses for the foreseeable future.

The Group has not generated significant revenues and has incurred significant operating losses since its inception. To date, revenue and other income have been derived primarily from payments under exclusive license and collaboration agreements and research tax credits.

As of the date of the Universal Registration Document, the Group has not generated significant revenue to date from product sales or royalties, and it does not expect to generate significant revenue from product sales or royalties unless and until product candidates are successfully commercialized. The Group incurred net losses of €50.9 million for the year ended December 31, 2019.

To date, losses are primarily attributable to expenditures for nanotechnology development and the implementation of its clinical and preclinical programs. The Group expects to continue to incur significant expenses and losses for the foreseeable future. It anticipates that such expenses and capital requirements will increase substantially as the Group has set itself the following objectives:

- Continuing preclinical and clinical programs currently in progress;
- Expanding the scope of current clinical trials and launching new clinical trials to research new oncological applications for its nanotechnology;
- Expanding manufacturing capabilities for the production of product candidates and ensuring compliance with applicable manufacturing regulatory requirements;
- Seeking regulatory and marketing approvals, or implementing the necessary conformity assessment procedures, as applicable, for product candidates that successfully complete clinical trials;
- Establishing a sales, marketing and distribution infrastructure to commercialize any products which may have successfully completed the applicable pre-marketing regulatory requirements;
- Advancing research and development efforts, which may include the acquisition of new technologies, products or licenses;
- Maintaining, protecting and expanding its intellectual property portfolio;
- Attracting new and retaining existing skilled personnel.

The amount of future net losses will also depend on Group’s ability to raise equity through its marketing activities as well as the Group's ability to obtain funding through commercialization activities, through equity or debt financing or through research grants or collaborative partnerships.

The net losses incurred may fluctuate significantly from year-to-year or even from quarter-to-quarter, such that a period-to-period comparison of operating results may not be a good indication of future performance. In any particular period or periods, operating results could be below the expectations of securities analysts or investors, which could cause the price of shares to decline.

1.5.4.3. Shareholder participation could be diluted

Since its creation, the Company has issued or awarded stock options, warrants (BSA), founders' warrants (BSPCE) and free shares (AGA).

As of the date of the Universal Registration Document, the full exercise of all instruments granted and outstanding giving access to the capital (assuming that all the conditions for the exercise or grant of such instruments are met) would lead to the subscription of 2,474,232 new shares representing a potential dilution of up to 10.88% on the basis of current capital (for a summary of the dilutive instruments issued by the Company and currently outstanding, see Section 5.1.4.5. of the Universal Registration Document).

In addition, the Company's shareholders could see their participation be diluted in the event that the Company raises additional capital through a capital increase or an issue of convertible financial instruments, in particular if such an increase is carried out without shareholders' preferential subscription rights.

In the future, as part of its incentive policy for managers and employees, and in order to attract new skillsets, the Company could issue or award new shares or financial instruments granting access to its capital, which would lead to additional, potentially significant dilution for current and future shareholders.

1.5.4.4. Future use of tax loss carryforwards could be called into question

As of December 31, 2019, after taking into account the net loss for the period, the Company reported a tax loss carryforward of €184 million in France and €5 million in the United States, compared to €142 million in France and €5.2 million in the United States as of December 31, 2018.

Tax loss carryforwards in France are capped at €1 million, plus 50% of the portion of profits in excess of that limit. The unused loss balance can be carried forward to upcoming periods under the same conditions for an unlimited period of time.

As tax loss carryforwards, for the U.S. entity were generated before January 1, 2018, they will expire 20 years after they were generated. The tax loss carryforwards in the U.S. comply with the federal and each state’s Net Operating Loss rules updated by the Tax Cuts and Jobs Act of 2017.

It is possible that, due to upcoming changes in corporate taxation in France, in the United States, or in any other relevant country, previous tax loss carryforwards to future revenues are called into question, in part or in whole, or, if it is not already the case, limited in time.

Furthermore, the French authorities have also decided to gradually reduce over the coming years the corporate income tax rate applicable to taxable profits against which these losses may be offset.

1.5.5. Insurance and risk coverage

The Group has implemented a policy of covering the main insurable risks with amounts of coverage that it considers compatible with its cash consumption requirements. Total premiums paid for all insurance policies amounted to 431,135 euros in 2019 and 136,097 euros in 2018.

The Company has taken out a number of policies, the main ones being as follows:

- A "product liability" policy covering all damages caused to third parties, including non-consecutive immaterial damages, occurring in the context of professional activity and current clinical studies, with a total annual coverage limit of 5,000,000 euros;
- A “operations civil liability" policy (*Responsabilité Civile Exploitation*) covering all damage, including bodily injury, caused to third parties and resulting from events occurring during the declared activities of the Company, whether inside or outside the Company, but not resulting from the performance of services, with a total annual coverage limit of 7,500,000 euros;
- A “civil liability insurance for managers and corporate officers” policy covering the civil liability of the Company’s de facto and de jure managers and its corporate officers, in particular the members of its executive board and its supervisory board, in the event they are held liable in the performance of their duties, with a total annual coverage limit of circa 1,000,000 euros for Nanobiotix SA and 1,000,000 dollars for Nanobiotix Corp.;
- A “shipment and transport of goods” policy, covering risks related to the shipment and transport of the Group's products, with a total annual coverage limit of 1,400,000 euros;
- A “staff business travel” policy, covering air and ground travel risks as well as certain damages that may occur during business travel by the Group’s staff, with a total annual coverage limit of 75,000,000 euros, both ground and air travel risks included.

In addition, the liability arising from the Group's clinical trials is covered by specific policies, the pricing and amounts of which depend on the local regulations applicable to the relevant clinical investigation center, the number of clinical trials, their location and the expected number of patients to be included in these clinical trials.

The Group cannot rule out the possibility that its liability may be sought beyond the coverage limits or for events that are not covered by the insurance policies it has taken out. The Group could thus be required to pay substantial compensation or incur expenses that would be partially reimbursed or not reimbursed at all by its insurers. The occurrence of one of these risks could have a significant impact on the Group's business, results, financial position and development.

1.5.6. Legal and arbitration proceedings

To date, there are no governmental, legal or arbitration proceedings, including all proceedings of which the Company is aware and all pending or potential proceedings, that are likely to have or have had over the last 12 months any significant effect on the Group's financial position or profitability.

2. CORPORATE GOVERNANCE

2.1. ADMINISTRATIVE AND MANAGEMENT BODIES

2.1.1. Composition of the Company's Executive and Supervisory Boards

As of the date of the Universal Registration Document, the Executive and Supervisory Boards consist of:

2.1.1.1. Executive Board composition

The composition of the Executive Board has significantly evolved in the course of 2019-2020.

As part of the reorganization of the Company's management team following the grant of a European marketing authorization (CE marking) for NBTXR3 in the STS indication, Dr. Elsa Borghi and Mr. Bernd Muehlenweg left the Executive Board with effect from June 30, 2019.

On June 20, 2019, the Supervisory Board appointed Anne-Juliette Hermant and Edwina Baskin-Bey as members of the Executive Board, effective July 1, 2019, it being specified that the corporate office of the latest was terminated effective immediately by the Supervisory Board held on April 6, 2020.

Since then, the Executive Board's composition is as follows:

Name	Corporate office	Main role in the Company	Main role outside the Company	Date of first appointment	End date of corporate office
Laurent LEVY	Chairman, Executive Board	Company Officer	None	05/27/04	Reappointed by the Supervisory Board on March 13, 2020, for a four-year term starting on April 28, 2020 and expiring at the end of the shareholders' meeting called to approve the financial statements for the financial year ending December 31, 2023.
Philippe MAUBERNA	Member of Executive Board	Administrative & Financial Officer	None	08/28/13	Reappointed by the Supervisory Board on March 13, 2020, for a four-year term starting on April 28, 2020 and expiring at the end of the shareholders' meeting called to approve the financial statements for the financial year ending December 31, 2023.

Name	Corporate office	Main role in the Company	Main role outside the Company	Date of first appointment	End date of corporate office
Anne-Juliette HERMANT	Member of Executive Board	Human Resources Officer	None	07/01/19	Reappointed by the Supervisory Board on March 13, 2020, for a four-year term starting on April 28, 2020 and expiring at the end of the shareholders' meeting called to approve the financial statements for the financial year ending December 31, 2023.

The members of the Executive Board have as their professional address the head office of the Company.

2.1.1.2. Supervisory Board composition

Name	Corporate office	Main role in the Company	Main role outside the Company	Date of first appointment	End date of corporate office
Laurent CONDOMINE	Chairman (Independent Member*)	None	None	06/23/2011	At the end of the General meeting held to approve the financial statements of the financial year ended on December 31, 2022
Anne-Marie GRAFFIN	Vice-Chairwoman (Independent Member*)	None	Expert consultant for the pharmaceutical industry	12/18/2013	At the end of the General meeting held to approve the financial statements of the financial year ended on December 31, 2023
Alain HERRERA	Member	None	Managing Director of AOC	06/28/2013	At the end of the General meeting held to approve the financial statements of the financial year ended on December 31, 2023
Enno SPILLNER	Independent Member*	None	Financial Officer at Evotec and member of the Management Board	06/18/2014	At the end of the General meeting held to approve the financial statements of the financial year ended on December 31, 2025
Christophe DOUAT	Observer	Observer	CEO at Medincell	06/14/2017	At the end of the General meeting held to approve the financial statements of the financial year ended on December 31, 2022

** Within the meaning of the Code of corporate governance as published in September 2016 by MiddleNext.*

The addresses of Supervisory Board members and of the observer are as follows:

- Laurent CONDOMINE and Ms. Anne-Marie GRAFFIN: registered office of the Company;
- Alain HERRERA, Alain Oncology Consulting (AOC), 77 rue de Vaugirard 75006 Paris;
- Enno SPILLNER, EVOTEC, Manfred Eigen Campus, Essener Bogen 7, 22 419 Hamburg, Germany; and
- Christophe DOUAT, Medincell SA, 1 rue Charles Cros, 34830 Jacou.

The expertise and management experience of the members of the Executive and Supervisory Boards stems from the various salaried and management positions they have previously held.

Observers to the Supervisory Board

The shareholders' meeting may appoint observers to the Supervisory Board. The Supervisory Board may also appoint observers directly, subject to the ratification of the appointment by the next shareholders' meeting.

Observers are appointed for a term of 6 years, ending at the end of the shareholders' meeting called to approve the financial statements for the past financial year and held in the year during which the appointment expires. Observers may be reelected.

The observers review any questions the Supervisory Board, its Chairman, or the Executive Board may submit to them. They attend the Supervisory Board meetings and take part in the deliberations in a strictly advisory capacity. Their absence does not impact the validity of the Supervisory Board's decisions.

The observers are convened to Supervisory Board meetings under the same conditions as the Supervisory Board members.

Censors are bound by the same duties and obligations as the members of the Supervisory Board, including a duty of loyalty.

The Supervisory Board may compensate the observers by deducting their remuneration from the global amount of attendance fees (jetons de présence) allocated to the Supervisory Board members by the shareholders' meeting.

2.1.2. Other corporate offices

2.1.2.1. Other current corporate offices outside the Group

Members of the Executive Board

As of the date of the Universal Registration Document, the members of the Executive Board exercise the following corporate offices outside the Group:

	Other existing corporate offices	
	Nature of corporate office	Company or Public Institution
LAURENT LEVY	Chairman of the Supervisory Board	VALBIOTIS*
Philippe MAUBERNA	Director	Impulse Consulting Ltd
Anne-Juliette HERMANT	Member of the Board of Directors Member of the Scientific Council Member of the Board of Directors	Mines-Telecom Institute Ecole des Ponts Paris Tech ISEP - Ecole d'ingénieurs du numérique

**Listed Company*

Members of the Supervisory Board

As of the date of the Universal Registration Document, the Supervisory Board members exercise the following corporate offices outside the Group:

	Other existing corporate offices	
	Nature of corporate office	Company
Laurent CONDOMINE (Independent member)*	None	
Anne-Marie GRAFFIN (Independent Member)*	Member of the Supervisory Board Member of the Board of Directors Managing Director Member of the Board of Directors	VALNEVA SE** SARTORIUS STEDIM BIOTECH SA** SMAG CONSULTING M2Care
Alain HERRERA	Member of the Board of Directors Member of the Board of Directors Member of the Board of Directors Member of the Board of Directors Managing Director Managing Director Managing Director Member of the Board of Directors	IDDI (Belgium) FONDATION ARCAD ISOFOL** PDC' LINE PHARMA AB BIO CONSULTING ALAIN ONCOLOGIE CONSULTING PharmaEngine Europe SARL (in liquidation proceedings) Gustave Roussy Transfert

	Other existing corporate offices	
	Nature of corporate office	Company
Enno SPILLNER (Independent Member)**	Financial Officer Member of the Management Board	EVOTEC**
Christophe DOUAT (Observer)	Chairman of the Executive Board Member of the Board of Directors	Medincell SA ** CM Biomaterials BV

**Within the meaning of the Code of corporate governance as published by MiddleNext in September 2016.*
***Listed Company.*

2.1.2.2. Corporate offices exercised in the past five years, but which have ceased to date

Members of the Executive Board

None.

Members of the Supervisory Board

Name	Nature of corporate office	Company
Laurent CONDOMINE (Independent Member*)	None	
Anne-Marie GRAFFIN (Independent Member*)	Member of the Executive Board	VALNEVA SE**
Alain HERRERA	None	
Enno SPILLNER (Independent Member*)	Chairman and Financial Officer	4SC AG
Christophe DOUAT (Observer)	None	

** Within the meaning of the Code of corporate governance as published in September 2016 by MiddleNext.*
***Listed Company.*

2.1.3. Biographies of members of the Company's corporate bodies

2.1.3.1. Biographies of Members of the Executive Board

The biographies of the members of the Executive Board can be found in Section 1.2.2. of the Universal Registration Document.

2.1.3.2. Biographies of Members of the Supervisory Board

The biographies of the members of the Supervisory Board are as follows:

LAURENT CONDOMINE – Chairman of the Supervisory Board (independent member)

Nationality: French

Corporate office renewal date: June 14, 2017

Corporate office term: At the end of the general meeting held to approve the financial statements for the financial year ended on December 31, 2022

Committee Member: Member of the audit committee and the appointments and remuneration committee

BIOGRAPHY

Laurent Condomine has served as Chairman of the Nanobiotix Supervisory Board since June 2011. After working as a consultant for ADL, Laurent Condomine joined ICI-Pharma (France) in 1973, where he held several positions, including Chief Financial Officer and Commercial Director, before being promoted to Chairman and Chief Executive in 1984. In 1992 he became Vice-President of Business Development of ICI PLC, at the Company's head office in London. In 1993 he was involved in ICI's de-merger, creating Zeneca PLC, where he held a similar position. In 1998 he played a key role in the merger with Astra, creating AstraZeneca PLC, where he held the position of VP of Business Development, until 2008. He has a master's degree in Economics, is a HEC graduate and has an MBA from INSEAD.

ANNE-MARIE GRAFFIN – Vice President of the Supervisory Board (independent member)

Nationality: French

Corporate office renewal date: May 23, 2018

Corporate office term: At the end of the general meeting held to approve the financial statements for the financial year ended on December 31, 2023

Committee Member: Chairwoman of the appointments and remuneration committee

BIOGRAPHY

Anne-Marie Graffin has served as a Supervisory Board member since 2013, as Chairwoman of the appointments and remuneration committee and Deputy Chairwoman of the Supervisory Board since July 2017. She has over 20 years of experience in life sciences and pharmaceutical companies. She has served as a non-Executive Board member of Valneva SE (Nantes, FR – Vienna, AT) since 2013 and of Sartorius Stedim Biotech SA (Aubagne, FR – Goëttingen, Ger.) since 2015. Anne-Marie Graffin has expertise in both developing market access strategies and driving biotechnology companies' growth. She has been a consultant to the pharmaceutical industry since 2011, developing many initiatives within the innovation and start-ups fields, connecting biotech and medtech start-ups with major EU venture capital firms and investors. Previously, she was a vice president at Sanofi Pasteur MSD, a European leader in the vaccine field, and acted as a member of the Executive Committee. Prior to working at Sanofi Pasteur MSD, she worked for five years at ROC as

international brand manager. Anne-Marie Graffin graduated from ESSEC Business School Paris.

ALAIN HERRERA – Supervisory Board Member

Nationality: French

Corporate office renewal date: May 23, 2018

Corporate office term: At the end of the general meeting held to approve the financial statements for the financial year ended on December 31, 2023

Committee Member: Member of the appointments and remuneration committee

BIOGRAPHY

Dr. Alain Herrera, MD, has served as a Supervisory Board member since 2013 and a member of the appointments and remuneration committee from the same year. Dr. Herrera has more than 25 years of experience in the pharmaceutical industry with a strong focus in oncology drug development and marketing. Dr. Herrera currently works at Alain Oncologie Consulting, an oncology consultancy Company he started. In addition, Dr. Herrera currently serves as Head of Corporate Development, Managing Director of PharmaEngine Europe Sarl. Previously, Dr. Herrera served as head of the Oncology business at Sanofi-Aventis for 10 years. He also served as Vice President for the Global Oncology Business Strategy and Development from 2007-2008 and Head of the Global Oncology Franchise from 1998-2007. While at Sanofi-Aventis, he contributed to the worldwide registration of two products: Oxaliplatin (Eloxatin®) and Rasburicase (Fasturtec®/Elitek®), as well as the Gastric and Head & Neck indications for Docetaxel (Taxotere®). Prior to Sanofi-Aventis, he served as Chairman of Chiron Therapeutics Europe, Managing Director at Pierre Fabre Oncology Laboratories and Head of the Oncology Platform at Roger Bellon (Rhône Poulenc). Dr. Herrera has also served as a Hematologist Consultant at Antoine Beclere Hospital since 1991.

ENNO SPILLNER – Member of the Supervisory Board (independent member)

Nationality: German

Corporate office renewal date: April 28, 2020

Corporate office term: At the end of the general meeting held to approve the financial statements for the financial year ended on December 31, 2025

Committee Member: Chairman of the audit committee

BIOGRAPHY

Enno Spillner has served as a Supervisory Board member and Chairman of the audit committee since 2014. He has more than 20 years of experience in the life science industry and currently serves as Chief Financial Officer and Member of the Management Board at German biotech Company Evotec SE. From April 2013 until June 2016, he served as Chief Executive Officer and Chief Financial Officer of 4SC AG, where he also acted as CFO from September 2005 to March 2013. Mr. Spillner started his life science industry career as Head of Finance and Managing Partner of the Munich-based biotech venture fund, BioM AG. He was also Managing Director of two portfolio companies, ACTIPAC Biosystems GmbH and Munich innovative Biomaterials GmbH. Prior to moving into the life science field, he was engaged in the media and marketing industry. Mr. Spillner earned his Dipl.-Kaufmann degree (master's degree in business) at the University of Bamberg, Germany.

CHRISTOPHE DOUAT - Observer

Nationality: French

Appointment Date: June 14, 2017

Corporate office term: At the end of the general meeting held to approve the financial statements for the financial year ended on December 31, 2022

Committee Member: Member of the audit committee (as an observer)

BIOGRAPHY

Christophe Douat serves as a Supervisory Board observer and is entitled, in this capacity, to attend all meetings of the Supervisory Board. Former lead investor in Nanobiotix from 2006 to 2009, he served as member of the Supervisory Board from 2011 until 2017. He is currently CEO of Medincell (MEDCL, Euronext), a pharmaceutical Company that specializes in drug delivery technologies. Christophe Douat worked at the venture capital Company Matignon Investissement & Gestion from 2001 to 2009, where he invested in a broad range of companies, and cofounded Matignon Technologies II, one of Europe's largest funds specialized in medtech. Christophe Douat is also an alumnus of the Boston Consulting Group. He graduated from École des Mines de Paris, an engineering French "Grande Ecole" and holds an MS (US) and an MBA (Canada).

2.1.4. Statements relating to members of the Executive Board and the Supervisory Board

There are no family connections between the persons listed above.
In the past five years, none of these persons:

- Have been convicted of fraud;

- Have been involved as an officer or director in any bankruptcy, sequestration or liquidation;
- Have been barred by a court from acting as a member of an administrative, management or supervisory body of an issuer or from participating in the management or conduct of the affairs of an issuer;
- Have been the subject of official public incrimination or sanctions by statutory or regulatory authorities (including designated professional bodies).

2.1.5. Operation of the Executive and the Supervisory Boards

Nanobiotix is a public limited Company (*société anonyme*) with an Executive Board and Supervisory Board whose memberships are listed in Section 2.1.1. above.

2.1.5.1. Company Management

During the financial year ended on December 31, 2019, the Executive Board met twelve (12) times, it being specified that the Executive Board members meet informally on a weekly basis.

2.1.5.2. Supervisory Board

During the past financial year, the Supervisory Board of the Company met twelve (12) times. The Chairman of the board presided over these meetings and each member participated in at least 80% of the board's meetings.

2.1.5.2.1. Tasks of the Supervisory Board

The Supervisory Board is subject to the provisions of the French Commercial Code, Articles 15 to 17 of the Articles of Association of the Company and the internal rules that it has adopted. In particular, the Supervisory Board:

- Continuously oversees the Executive Board's management of the Company;
- Verifies and monitors the corporate and consolidated financial statements prepared by the Executive Board;
- Appoints and dismisses members of the Executive Board, who are in charge of managing the Company and defining its strategy, and sets their remuneration;
- Authorizes the agreements and undertakings referred to in Articles L. 225-86 and L. 225-90-1 of the French Commercial Code;
- Recommends the appointment of the statutory auditors to the shareholders' meeting;
- Prepares the Corporate Governance Report referred to in Article L. 225-68 of the French Commercial Code;
- And prepares the draft resolutions referred to in Article L. 225-82-2 of the French Commercial Code, and the associated report.

It ensures the quality of information provided to the shareholders and the market.

2.1.5.2.2. Conditions for preparing and organizing the work of the Supervisory Board

The Executive Board regularly informs the Supervisory Board of the financial position, cash flow, financial commitments and significant events of the Company. Any new member of the Supervisory Board may ask for training on the specific characteristics of the Company and

its Group, their business lines and sector activities. The Supervisory Board meets as often as required by Company interests and in any event at least once a quarter.
Every year, a provisional calendar of annual meetings is set. Members of the Supervisory Board are convened by letter, fax or email at least five (5) business days before each meeting. The board may also be convened by any other means, even verbally, if all the board members are present or represented at the meeting. All documents or draft documents are sent, submitted or made available to members of the Supervisory Board a reasonable amount of time before the meeting, so as to inform them of the agenda and of any matters that are submitted to the board for review. To participate effectively in the work and deliberations of the Supervisory Board, each member of the Supervisory Board is sent the documents that he or she considers to be useful. Requests to this end are made to the Executive Board or any other officer, as the case may be. Furthermore, the Supervisory Board is informed during its meetings of the Company's financial position, cash flow situation and commitments. Each member of the Supervisory Board has the right to meet with the Company's main officers, provided that he/she notifies the Executive Board beforehand. Members of the Executive Board can attend these meetings, unless the relevant member of the Supervisory Board objects to their presence. Members of the Executive Board may be heard at any meeting of the Supervisory Board. Members of the Supervisory Board may participate in the board meeting through videoconferencing or telecommunication technology. However, this method of participation is not valid when adopting decisions in relation with the verification and monitoring of the financial year's financial statements, including the consolidated accounts prepared in accordance with the IFRS norms, and the review of the management report and the Group's management report[1].

The technology used must allow for the identification of the participants and ensure their effective participation.
The minutes of the meeting must mention the participation of Supervisory Board members by means of videoconferencing or telecommunications technology.

In accordance with the recommendations of the Code of corporate governance as published in September 2016 by MiddleNext (the "**MiddleNext Code**"), the Supervisory Board shall conduct a yearly assessment of the operating methods of the board and committees, as well as on the preparation of its work. The assessment of the year 2019 was conducted and the Supervisory Board took note of it during its discussions on March 17, 2020.

2.1.5.2.3. Balanced gender representation

The principle of balanced gender representation on the Supervisory Board
(Law No. 2011–103 of January 27, 2011 – *loi du 27 janvier 2011 relative à la représentation équilibrée des femmes et des hommes au sein des conseils d'administration et de surveillance et à l'égalité professionnelle*) is also respected by the Company, as the Supervisory Board is composed of one woman and three men.

[1] It being specified that such restriction has been temporally lifted in the context of the Covid-19 pandemic.

2.1.5.3. Specialized Committees

At the date of the Universal Registration Document, the Company has two specialized committees set up by the Supervisory Board: an audit committee and an appointments and remuneration committee.

2.1.5.3.1. Audit Committee

2.1.5.3.1.1. Composition

The Supervisory Board dated September 9, 2010 set up an audit committee, whose members adopted new internal rules of procedure, detailed below, on April 11, 2012, which were approved by the Supervisory Board on the same day. Where possible, the audit committee is composed of at least two members appointed by the Supervisory Board, after consulting with the appointments and remuneration committee. Members of the audit committee are selected from among the members of the Supervisory Board and, where possible, two of them are independent members within the meaning of the Middlenext Code, of whom at least one has special expertise in finance or accounting.

As of the date of the Universal Registration Document, the members of the audit committee are as follows:

- Mr. Enno SPILLNER, Chairman (Independent Member);
- Mr. Laurent CONDOMINE (independent member); and
- Mr. Christophe DOUAT (as an observer);

each of them having particular expertise in finance and accounting.

2.1.5.3.1.2. Operation

The audit committee meets at least four times a year, according to a schedule set by its Chairman, to review the annual, half-yearly and, where applicable, quarterly corporate financial statement and consolidated financial statements, in accordance with an agenda set by its Chairman and sent to audit committee members seven (7) business days before the date of the meeting.

The committee also meets at the request of its Chairman, two of its members, or the Chairman of the Company's Supervisory Board. It is specified, as necessary, that no member of the Supervisory Board exercising management functions within the Company and the other companies of the Group may be a member of the audit committee. The audit committee may hear any member of the Company's Supervisory Board and conduct any internal or external audit on any subject it considers to be within its jurisdiction. The Chairman of the audit committee shall inform the Supervisory Board and the Chairman of the Executive Board beforehand. In particular, the audit committee has the right to audition people who are involved in drawing up or monitoring the financial statements (the Administrative and Financial Officer and key managers in the finance department). The audit committee meets with the statutory auditors. It may hear them without the presence of any representative of the Company. The Chairman of the audit committee ensures that the audit committee's activity reports to the Supervisory Board enable the Supervisory Board to be kept fully informed, thus facilitating its discussions. The audit committee submits a report after each of its sessions, including its recommendations, proposals, conclusions, and comments based on the requirements of its internal rules of procedure.

If, during its work, the audit committee identifies a significant risk which, in its opinion, has not been properly addressed, its Chairman promptly alerts the Chairman of the Supervisory Board and the Chairman of the Executive Board.

2.1.5.3.1.3. Tasks

The audit committee is responsible for, in particular:

- Following up on the financial information preparation process;
- Following up on the effectiveness of internal control and risk management systems;
- Following up on the legal monitoring of the parent company's financial statements and consolidated financial statements by the statutory auditors;
- Issuing a recommendation on the statutory auditors recommended for appointment by the shareholders' meeting and reviewing the terms of their remuneration;
- Following up on the independence of the statutory auditors;
- Reviewing the conditions for the use of derivatives;
- Periodically reviewing the status of important litigation;
- Reviewing the Company's procedures for receiving, retaining and treatment complaints related to internal accounting and accounting controls, about matters related to controlling accounts and auditing matters and documents submitted by employees on an anonymous and confidential basis that involve accounting or auditing practices; and
- In general, providing any advice and making any appropriate recommendations in the above fields.

The audit committee met 10 times during the 2019 financial year.

2.1.5.3.2. Appointments and Remuneration Committee

2.1.5.3.2.1. Composition

On February 28, 2019, to replace the former remuneration committee, the Supervisory Board set up an appointments and remuneration committee, whose members adopted internal rules of procedure, detailed below, on the same day, which were approved by the Supervisory Board.

Where possible, the appointments and remuneration committee is composed of at least three members of the Supervisory Board designated by the latter.

Where appropriate, it is specified that no member of the Supervisory Board exercising management functions within the Company or other companies of the Group can be a member of the Appointments and Remuneration committee. As of the date of this report, the members of the appointments and remuneration committee are as follows:

- Ms. Anne-Marie GRAFFIN, Chairwoman (Independent Member);
- Mr. Laurent CONDOMINE (independent member); and
- Mr. Alain HERRERA.

2.1.5.3.2.2. Operation

The appointments and remuneration committee meets at least twice (2 times) a year, in accordance with a schedule set by its Chairwoman, to discuss an agenda set by its Chairwoman and sent to the members of the appointments and remuneration committee at least seven days before the date of the meeting. It also meets at the request of its Chairwoman, two of its members, or the Supervisory Board or Chairman of the Executive Board.

Non-executive members of the Supervisory Board, who are not members of the appointments and remuneration committee, may freely participate in its meetings.

The Chairman of the Company's Supervisory Board, if he is not a member of the committee, as well as the Chairman of the Executive Board or any other member of the Executive Board who replaces him, may be invited to attend the committee meetings. The committee invites them to submit their proposals to the committee. They are not entitled to a vote and do not attend discussions relating to their own circumstances.

The appointments and remuneration committee may ask the Chairman of the Executive Board to obtain the help of any managing executive of the Company whose skills could make it easier to process a point on the agenda. The Chairwoman of the appointments and remuneration committee or the person chairing the session shall remind everyone participating in the discussions of their respective confidentiality obligations.

The Chairwoman of the appointments and remuneration committee ensures that the committee's activity reports for the Supervisory Board allow the Supervisory Board to be fully informed, thus facilitating its discussions.

2.1.5.3.2.3. Tasks

The appointments and remuneration committee submits a report after each of its sessions, including its recommendations, proposals, conclusions, and comments based on the requirements of its internal rules of procedure. In particular, the appointments and remuneration committee reviews the draft of the Company's report on its officers' remuneration.

The appointments and remuneration committee is responsible for:

- *Appointments*:
  - Providing the Supervisory Board with justified recommendations on the composition of the Executive Board and the Supervisory Board and their respective committees;
  - On an annual basis, submit to the Supervisory Board a list of its members who may qualify as an "independent member" in accordance with the criteria defined by the MiddleNext Code;
  - Preparing a succession plan for the Company's officers and helping the Supervisory Board to select and assess the members of the Executive Board and Supervisory Board;
  - Preparing a list of people whose appointment to the Executive Board or the Supervisory Board may be recommended; and
  - Preparing a list of members of the Supervisory Board whose appointment to an advisory committee may be recommended;
- *Remuneration*:
  - Reviewing the main objectives suggested by the Company's management with regard to remuneration of executive and non-executive officers of the Company, including free share plans and stock subscription options or stock purchase options;
  - Reviewing the remuneration of executive and non-executive officers of the Company, including free share plans and stock options or stock purchase options, pension and contingency schemes and benefits in kind;
  - Formulating recommendations and proposals for the Supervisory Board, concerning:
  - The remuneration, pension and contingency scheme, benefits in kind, and other pecuniary rights, including in event of termination of their duties, of the members of the Executive Board. The committee suggests compensation amounts and structures and, in particular, rules for setting the variable portion, taking into account the Company's strategy, objectives and results as well as market practices, and
  - Free share plans, stock subscription options or stock purchase options and any other similar incentive mechanism and, in particular, grants of registered shares to members of the Executive Board;
  - Reviewing the total amount of attendance fees (*jetons de présence*) and their system of distribution between the Supervisory Board members, as well as the conditions for reimbursing any expenses incurred by the members of the Supervisory Board;
  - Preparing and submitting reports, if any, provided for by the internal rules of procedure of the Supervisory Board; and

- Preparing any other recommendations that may be requested by the Supervisory Board with respect to remuneration.

Generally speaking, the appointments and remuneration committee provides advice and makes appropriate recommendations in the areas mentioned above.

The remuneration and appointments committee met seven times during the 2019 financial year.

2.1.6. Conflict of interests

2.1.6.1. Review of the members' independence and potential conflicts of interest

The Supervisory Board believes that all of its current members, with the exception of Alain Herrera, are independent with regard to the MiddleNext Code. In fact, the members of the Supervisory Board comply with all independence criteria set by the MiddleNext Code. However, after reviewing the relationships that each member has with the Group and all other facts and circumstances that the Supervisory Board considered relevant to determine the independence of each member, the Supervisory Board considered that Alain Herrera could not be considered an independent member, as he is the manager of PharmaEngine Europe Sarl, a branch of the PharmaEngine Group, one of the key partners of the Group.

2.1.6.2. Conflicts of interest of the Executive Board and Supervisory Board

Members of the Executive Board who make up the executive team as well as some Supervisory Board members are shareholders of the Company and/or hold securities giving them access to the Company's capital.
Mr. Alain Herrera is the manager of PharmaEngine Europe Sarl, a branch of the PharmaEngine Group, one of the key partners of the Group. In order to avoid any potential conflict of interest between his responsibilities at PharmaEngine and his corporate office as a member of the Company's Supervisory Board, when the Supervisory Board discusses matters relating to the partnership with PharmaEngine, Mr. Alain Herrera is asked to leave the meeting. To the knowledge of the Company, there are no other existing or potential conflicts of interest between the duties, with respect to the Company, and the private interests and/or other duties of members of the Executive Board and Supervisory Board.

2.1.6.3. Information on service agreements binding members of the Executive Board and Supervisory Board with the Group

There is no service agreements between members of the Executive Board and any of the Group Companies or between members of the Supervisory Board and any of the Group Companies. As far as the Company is aware, there is no contract, arrangement or agreement whatsoever with the shareholders, customers, suppliers or others according to which a member of the Executive Board or the Supervisory Board has been appointed.

2.1.7. Agreements referred to in article L.225-37-4of the French Commercial Code

In order to fulfill the new legal requirements regarding current agreements, the Executive Board shall inform the Supervisory Board on an annual basis on current agreements entered into during the past financial year. It shall review the purpose and financial conditions of

these agreements and confirm or deny their classification as current agreements. In the 2019 financial year, no current agreements were entered into.

2.2. COMPENSATION AND BENEFITS FOR MEMBERS OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

The information is based on the MiddleNext Code. The tables in Appendix 2 of AMF position and recommendation no. 2014-14 are presented below.

As part of the reorganization of the Company's management team following the grant of a European marketing authorization (CE marking) for NBTXR3 in the STS indication, Dr. Elsa Borghi and Mr. Bernd Muehlenweg left the Executive Board with effect from June 30, 2019, while Ms. Anne-Juliette Hermant and Ms. Edwina Baskin-Bey were appointed members of the Executive Board with effect from July 1, 2019, it being specified that Ms Edwina Baskin-Bey’s corporate office as a member of the Executive Board was terminated with immediate effect by the Supervisory Board on April 6, 2020.

The reader may refer to the details, if any, provided in the tables below.

2.2.1. Compensation and benefits paid to the Executive Board members

Table No. 1: Summary of remuneration and dilutive instruments allotted to each executive board member

Summary table of remuneration and dilutive instruments allotted to each corporate officer		
	2019 Financial Year	**2018 Financial Year**
Laurent LEVY - Chairman of the Executive Board		
Remuneration due for the financial year (1)	€479,757	€464,530
Value of the free shares granted during the financial year (2)	€1,578,000	€962,550
Value of the stock options granted during the financial year (2)	€435,500	– €
TOTAL	**€2,493,257**	**€1,427,080**
Elsa BORGHI(3) – Chief Medical Officer		
Remuneration due for the financial year (1)	€184,673	€350,820
Value of the free shares granted during the financial year (2)	€462,880	€372,600
TOTAL	**€647,553**	**€723,420**
Bernd MUEHLENWEG(4) – Chief Business Development Officer		
Remuneration due for the financial year (1)	€299,500	€293,750
Value of the free shares granted during the financial year (2)	€420,800	€546,975
TOTAL	**€720,300**	**€840,725**
Philippe MAUBERNA – Chief Financial Officer		
Remuneration due for the financial year (1)	€338,800	€328,405
Value of the free shares granted during the financial year (2)	€673,280	€621,000
TOTAL	**€1,012,080**	**€949,405**
Anne-Juliette HERMANT(5) – Chief People Officer		
Remuneration due for the financial year (1)	€144,000	- €
TOTAL	**€144,000**	**- €**
Edwina BASKIN-BEY(6) – Chief Medical Officer		
Remuneration due for the financial year (1)	€122,963	- €
TOTAL	**€122,963**	**- €**
TOTAL	**€5,140,153**	**€3,940,630**

(1) See Table no. 2 "Summary of the remuneration of each corporate officer" below.
(2) The valuation method used is described in note 17 to the consolidated financial statements for the year ended December 31, 2019, prepared under IFRS, in Section 4.1. of the Universal Registration Document.
(3) Ms. Elsa Borghi resigned from her corporate office as member of the Executive Board on June 30, 2019.
(4) Mr. Bernd Muehlenweg's corporate office as a member of the Executive Board was terminated, with effect as of June 30, 2019.
(5) Ms. Anne-Juliette Hermant was appointed as a member of the Executive Board, effective July 1st, 2019, by the Supervisory Board held on June 20, 2019.
(6) Ms. Edwina Baskin-Bey was appointed as a member of the Executive Board, effective July 1st, 2019, by the Supervisory Board held on June 20, 2019. Her corporate office as a member of the Executive Board was terminated with immediate effect by the Supervisory Board on April 6, 2020
(7) It being specified that as Mr. Bernd Muehlenweg left the Company on June 30, 2019, the AGA 2019-1 he had been granted lapsed.

No multi-year variable remuneration was assigned to Executive Board members during the 2018 and 2019 fiscal years.

2.2.2. Compensation and benefits paid to the Executive and Supervisory Board members

Table No. 2: Summary of remuneration for each corporate executive officer

Exceptionally, members of the Executive Board decided to condition the payment of the annual variable remuneration that is due to them for the 2019 fiscal year on the completion of a significant funding equal to or greater than €10 million.

Summary table of remuneration for each corporate officer				
	2019 Financial Year		2018 Financial Year	
	Amounts due (1)	Amounts paid (2)	Amounts due (1)	Amounts paid (2)
Laurent LEVY - Chairman of the Executive Board				
Annual fixed remuneration (3)	€330,000	€330,000	€300,000	€300,000
Annual variable remuneration (4)	€132,000	€147,120	€147,120	€114,356
Exceptional remuneration (5)	-	€9,700	-	-
In kind benefits (corporate officer private unemployment insurance or "*Garantie Sociale du Chef d'entreprise*")	€17,757	€17,757	€17,410	€17,410
TOTAL	**€479,757**	**€504,577**	**€464,530**	**€431,766**
Elsa BORGHI – Chief Medical Officer (6)				
Annual fixed remuneration (7)	€126,641	€126,641	€240,000	€245,979
Annual variable remuneration (4)	€58,032	€110,820	€110,820	€90,400
Exceptional remuneration	-	-	-	-
In kind benefits	-	-	-	-
TOTAL	**€184,673**	**€237,461**	**€350,820**	**€336,379**
Bernd MUEHLENWEG – Chief Business Development Officer (9)				
Annual fixed remuneration (10)	€100,000	€100,000	€200,000	€200,000
Annual variable remuneration (4, 11)	€40,000	€93,750	€93,700	€76,840
Exceptional remuneration (12)	€159,500	€90,000	-	-
In kind benefits	-	-	-	-
TOTAL	**€299,500**	**€283,750**	**€293,700**	**€276,840**
Philippe MAUBERNA – Chief Financial Officer				
Annual fixed remuneration (7,8)	€242,000	€244,265	€220,000	€226,465
Annual variable remuneration (4)	€96,800	€108,405	€108,405	€81,360
Exceptional remuneration	-	-	-	-
In kind benefits	-	-	-	-
TOTAL	**€338,800**	**€352,670**	**€328,405**	**€307,825**
Anne-Juliette HERMANT – Chief People Officer (13)				
Annual fixed remuneration (7)	€90,000	€90,000	-	-
Annual variable remuneration (4)	€54,000	-	-	-
Exceptional remuneration	-	-	-	-
In kind benefits	-	-	-	-
TOTAL	**€144,000**	**€90,000**	**€0**	**€0**

Summary table of remuneration for each corporate officer				
	2019 Financial Year		2018 Financial Year	
	Amounts due (1)	Amounts paid (2)	Amounts due (1)	Amounts paid (2)
Edwina Baskin-Bey – Chief Medical Officer (14)				
Annual fixed remuneration (7)	€122,963	€122,963	-	-
Annual variable remuneration (4)	-	-	-	-
Exceptional remuneration	-	-	-	-
In kind benefits	-	-	-	-
TOTAL	**€122,963**	**€122,963**	**€0**	**€0**
TOTAL EXECUTIVES BOARD MEMBERS	**€1,569,693**	**€1,591,421**	**€1,437,505**	**€1,352,810**

(1) For the financial year, the amount of which is unlikely to change regardless of the payment date, on a gross basis before tax.
(2) During the financial year, on a gross basis before tax.
(3) Mr. Laurent Levy is compensated solely for his corporate office as Chairman of the Executive Board. His fixed remuneration is determined annually by the Supervisory Board.
(4) Variable compensation corresponds to an annual bonus equal to 50% of the annual salary paid on the basis of performance criteria linked to the achievement of the Company's objectives (for 80%) and on the individual leadership qualities of each member of the Executive Board (for 20%). The Company's objectives are set by the Executive Board, reviewed by the appointment and remuneration committee and approved by the Supervisory Board; achievement of said objectives is assessed by the same committees according to the same procedure.
(5) The exceptional remuneration paid to Mr. Laurent Levy relates to patented inventions.
(6) Ms. Elsa Borghi resigned from her corporate office as Executive Board member on June 30, 2019. The above amounts reflect her remuneration for the entire 2018 financial year and the first six months of the 2019 financial year. Following her resignation from her corporate office as executive board member, Ms. Elsa Borghi remains an employee of the company.
(7) Remuneration granted under an employment agreement.
(8) The variations between the amounts due and amounts paid are due to the treatment of paid leave.
(9) Mr. Bernd Muehlenweg's corporate office as a member of the Executive Board was terminated, effective June 30, 2019. The above amounts reflect his remuneration for the entire 2018 financial year and the first six months of the 2019 financial year.
(10) Mr. Bernd Muehlenweg was remunerated solely under his corporate office as Executive Board member. His annual fixed remuneration was determined annually by the Supervisory Board.
(11) Mr. Benrd Muehlenweg's variable remuneration was calculated as defined above (see (4)), prorated for the 6 months during which he was a corporate officer of the Company.
(12) In connection with the dismissal of Mr. Bernd Muehlenweg, the Supervisory Board decided on July 17, 2019 to grant him an exceptional indemnity of €159,500, of which €90,000 were paid in 2019. The balance of €69,500 was paid in January 2020. He did not receive any other payment of any kind.
(13) Ms. Anne-Juliette Hermant entered into an employment agreement with the Company on April 1, 2019 and was appointed as a member of the Executive Board by the Supervisory Board on June 20, 2019, effective July 1st, 2019. The remuneration due to her for the 2019 financial year covers the six months during which she served as a member of the Executive Board. Her fixed salary in 2019 amounted to €180,000, to which was added variable compensation of up to 50% of her fixed compensation, i.e., up to 90,000 euros.
(14) Ms. Edwina Baskin-Bey entered into an employment agreement with the Company on April 1, 2019 and was appointed as a member of the Executive Board by the Supervisory Board on June 20, 2019, effective July 1st, 2019. Her corporate office as a member of the Executive Board was terminated with immediate effect by the Supervisory Board on April 6, 2020. The remuneration due to her for the 2019 financial year covers the period during which she served as a member of the Executive Board. She did not receive any variable compensation or compensation in respect of her duties as a member of the Executive Board. Her fixed salary in 2019 amounted to 122,963 euros.

Table No. 3: Compensation (e.g. attendance fees) and other remuneration received by non-Executive Board members

This table is included in Section 2.2.3. of this Universal Registration Document.

Table No. 4: Stock options (*Options de Souscription d'Actions, OSA*) awarded during the financial year to each corporate officer by the Company and any company of Group

	Plan name and date	Nature of the stock options (purchase or subscription)	Value of the options (1)	Number of options awarded during the financial year	Exercise price	Exercise period
Laurent LEVY	Name: OSA LLY 2019 Date: Oct 24, 2019	Subscription	€435,500	500,000	€6.41	10 years (2)
TOTAL			**€435,500**	**500,000**	**-**	**-**

(1) Valuation of the options according to the method used for consolidated financial statements.
(2) The OSA LLY 2019 may be exercised under the following conditions:

- *10% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €24,*
- *An additional 10% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €30,*
- *An additional 40% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €40,*
- *The balance, i.e. 40% of the OSA LLY 2019, may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €60.*

Moreover, between December 31, 2019 and the date of the Universal Registration Document, the Company has granted the following share options to the members of the Executive Board:

	Plan name and date	Nature of the stock options (purchase or subscription)	Value of the options (1)	Number of options awarded during the financial year	Exercise price	Exercise period
Laurent LEVY	Name: OSA 2020 Date: March 11, 2020	subscription	(1)	120,000	€6.25	10 years(2)
Philippe MAUBERNA	Name: OSA 2020 Date: March 11, 2020	subscription	(1)	60,000	€6.25	10 years(2)
Anne-Juliette HERMANT	Name: OSA 2020 Date: March 11, 2020	subscription	(1)	60,000	€6.25	10 years(2)
TOTAL				**240,000**	**-**	**-**

(1) At the date of this Universal Registration Document, the valuation of the stock options granted in 2020 has not yet been assessed and should be done in the context of the review of the interim consolidated accounts as of June 30, 2020.
(2) The exercise of the OSA 2020 granted to members of the Executive Board is subject to the achievement of positive results in the 1100 study in 2020. The satisfaction of this performance condition must be acknowledged by the Executive Board, with the approval of the Supervisory Board, before March 11, 2021. Furthermore, subject to the performance condition being met, the 2020 OSAs may be exercised as follows: up to one-third of the OSA 2020 as from March 11, 2021; an additional one-third of the OSA 2020 as from as from March 11, 2022, and the balance, i.e., one-third of the OSA 2020 as from March 11, 2023, subject to each increment of the ongoing presence of the beneficiary within the Group.

Table No.5: BSPCE (Bons de Souscription de Parts de Créateur d'Entreprise) Founders' equity warrants exercised and AGAs acquired during the financial year by each corporate officer

	Plan name and date	Number of BSPCE exercised during the financial year	Exercise price
Laurent LEVY	Name: BSPCE 2012-1 Date: May 4, 2012	160,000 BSPCE allowing for the subscription of an identical number of shares	€6 per share, i.e. a total amount of €960,000

Table No. 6: Free shares awarded by the Company to each Executive Board member

Free shares awarded by the shareholders' meeting during the financial year to each member of the Executive Board by the issuer and by any entity of the Group (nominative list)	Plan name and date	Number of shares awarded during the financial year	Valuation of the shares (1)	Acquisition date	Availability date	Performance conditions
Laurent LEVY	Name: AGA 2019-1 Date: March 29, 2019	150,000	€1,578,000	Mar-29-21	Mar-29-22	(3)(4)
Elsa BORGHI	Name: AGA 2019-1 Date: March 29, 2019	44,000	€462,880	Mar-29-21	Mar-29-22	(3)(4)
Philippe MAUBERNA	Name: AGA 2019-1 Date: March 29, 2019	64,000	€673,280	Mar-29-21	Mar-29-22	(3)(4)
Bernd MUEHLENWEG (1)	Name: AGA 2019-1 Date: March 29, 2019	40,000	€420,800	(2)	(2)	(3)(4)
Total		**298,000**	**€3,134,960**	**-**	**-**	**-**

(1) Valuation of the shares according to the method used for consolidated financial statements.
(2) As Mr. Bernd Muehlenweg left the Company on June 30, 2019, the AGA 2019-1 he had been granted lapsed.
(3) The acquisition of the AGA 2019-1 granted to members of the Executive Board was subject to NBTXR3 receiving a CE-marking before June 30, 2019. The satisfaction of this performance condition was acknowledged by the Supervisory Board on April 6, 2020 and by the Executive Board on April 27, 2020.
(4) See also "Continued Service Condition" and "Change of Control" in Section 5.1.4.4. of the Universal Registration Document.

Moreover, between December 31, 2019 and the date of the Universal Registration Document, the Company has granted the following free shares to members of the Executive Board:

Free shares awarded by the shareholders' meeting during the financial year to each member of the Executive Board by the issuer and by any entity of the Group (nominative list)	Plan name and date	Number of shares awarded during the financial year	Valuation of the shares (1)	Acquisition date	Availability date	Performance conditions
Anne-Juliette HERMANT	Name: AGA 2020 Date: March 11, 2020	50,000	(1)	Mar-11-22	Mar-11-23	(2)
Total		**50,000**		-	-	-

(1) At the date of the Universal Registration Document, the valuation of the free shares granted in 2020 has not yet been assessed and should be done in the context of the review of the interim consolidated accounts as of June 30, 2020.
(2) The acquisition of the AGA 2020 is subject to the achievement of positive results in the 1100 study in 2020. The satisfaction of this performance condition must be acknowledged by the Executive Board, with the approval of the Supervisory Board, before March 11, 2021.

Table No. 7: Free shares that became available for each member of the Executive Board

Free shares that became available for each member of the Executive Board	Plan name and date	Number of shares that became available and that were exercised during the financial year	Acquisition condition
Laurent LEVY	Name : AGA 2018-1 Date: March 6, 2018	77,500	(3)
Elsa BORGHI(1)	Name : AGA 2018-1 Date: March 6, 2018	30,000	(3)
Bernd MUEHLENWEG(2)	Name : AGA 2018-1 Date: March 6, 2018	28,333	(3)
Philippe MAUBERNA	Name : AGA 2018-1 Date: March 6, 2018	50,000	(3)
TOTAL		**185,833**	-

(1) Ms. Elsa Borghi resigned from her corporate office as a member of the Executive Board on June 30, 2019.
(2) Mr. Bernd Muehlenweg's corporate office as a member of the Executive Board was terminated, effective June 30, 2019.
(3) The definitive acquisition of the AGA 2018-1 granted to the members of the Executive Board was subject to the achievement of clinical and strategic objectives in the head and neck indication, the completion of which was acknowledged by the Executive Board and the Supervisory Board on March 15, 2019. The AGA 2018-1 are nevertheless subject to a one-year conservation period from their acquisition date, i.e. until March 6, 2021.
In accordance with a decision of the Supervisory Board on July 23, 2019, two-thirds of the AGA 2018-1 granted to Mr. Bernd Muehlenweg, i.e. 28,333 AGA 2018-1, were definitively acquired on March 6, 2020. The balance, i.e. 14,167 AGA 2018-1, lapsed on March 6, 2020. For more information, see Section 5.1.4.4. of this Universal Registration Document.

Table No. 8: History of allotments of securities giving access to capital

The history of allotments of securities giving access to capital can be found in Section 5.1.4. of this Universal Registration Document.

Table No. 9: Securities giving access to capital granted to the top ten employees who are not corporate officers and options exercised by them

This table can be found in paragraph 5.7.1.2. of this Universal Registration Document.

Table No. 10: Free share grants

The history of free shares grants can be found in Section 5.1.4.4. of this Universal Registration Document.

Table No. 11: Terms of remuneration and other benefits granted solely to corporate officers

	Employment Agreement		Additional pension plan		Indemnity or benefits due or likely to be due in the event of termination or change in position		Indemnity due to a non-compete clause	
Executive Board members	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**
Laurent LEVY								
Chairman of the Executive Board		X		X	X (1)			X
Corporate office Start Date	May 27, 2004							
Term of corporate office	At the shareholders' meeting held to approve the financial statements for the financial year ended December 31, 2023							
Elsa BORGHI								
Executive Board member	X (2)			X		X	X (3)	
Corporate office Start Date	March 7, 2008							
Term of corporate office	June 30, 2019							
Bernd MUEHLENWEG								
Executive Board member		X		X	X(4)			X
Corporate office Start Date	March 22, 2012							
Term of corporate office	June 30, 2019							
Philippe MAUBERNA								
Executive Board member	X (5)			X		X	X (6)	
Corporate office Start Date	August 28, 2013							
Term of corporate office	At the shareholders' meeting called to decide on the financial statements for the financial year ended December 31, 2023							
Anne-Juliette HERMANT								
Executive Board member	X (7)			X		X	X (8)	
Corporate office Start Date	July 1st, 2019							
Term of corporate office	At the shareholders' meeting called to decide on the financial statements for the financial year ended December 31, 2023							
Edwina BASKIN-BEY								
Executive Board member	X (9)			X		X	X (10)	
Corporate office Start Date	July 1st, 2019							
Term of corporate office	April 6, 2020							

(1) On July 2, 2013, the Supervisory Board re-specified the terms of a previous decision from May 27, 2004, under the terms of which Mr. Laurent Levy would be entitled to a severance payment in case of a forced departure from the Company (see Section 5.6.2. of the Universal Registration Document).

(2) On December 3, 2007, Ms. Elsa Borghi entered into an employment agreement with the Company. Following her appointment as a member of the Executive Board of the Company, the Supervisory Board held on March 7, 2008 authorized the combination of Mrs. Borghi's employment agreement with her corporate office. Ms. Borghi resigned from her corporate office effective June 30, 2019 but remained an employee of the Company.

(3) Ms. Borghi is bound by a non-competition clause for a period of 12 months from the termination of her employment agreement. During this non-compete period, Ms. Borghi is entitled to a monthly compensation amounting to 66% of her annual base salary.

(4) Mr. Bernd Muehlenweg's corporate office as a member of the Executive Board was terminated, effective June 30, 2019. His employment agreement with the Company was terminated on the same date. In connection with his dismissal, the Supervisory Board decided on July 17, 2019 to grant him an exceptional indemnity of €159,500, of which €90,000 were paid in 2019. The balance of €69,500 was paid in January 2020.

(5) On May 23, 2013, Mr. Philippe Mauberna entered into an employment agreement with the Company. Following his appointment as a member of the Executive Board of the Company, the Supervisory Board held on August 28, 2013 authorized the combination of Mr. Mauberna's employment agreement with his corporate office.

(6) Mr. Philippe Mauberna is bound by a non-competition clause for a period of 12 months from the termination of his employment agreement (see Section 5.6.2. of the Universal Registration Document).

(7) On April 1, 2019, Ms. Anne-Juliette Hermant entered into an employment agreement with the Company. Following her appointment as a member of the Executive Board of the Company, the Supervisory Board held on June 20, 2019 authorized the combination of Ms. Hermant's employment agreement with her corporate office.

(8) Ms. Anne-Juliette Hermant is bound by a non-competition clause for a period of 12 months from the termination of her employment agreement. During this non-compete period, Ms. Anne-Juliette Hermant is entitled to a monthly compensation amounting to 66% of her annual base salary.

(9) On April 1, 2019, Ms. Edwina Baskin-Bey entered into an employment agreement with the Company. Following her appointment as a member of the Executive Board of the Company, the Supervisory Board held on June 20, 2019 authorized the combination of Ms. Baskin-Bey's employment agreement with her corporate office. While her corporate office as a member of the Executive Board was terminated with immediate effect by the Supervisory Board on April 6, 2020, her employment agreement with the Company was terminated on October 10, 2019.

(10) Ms. Baskin-Bey is bound by a non-competition clause for a period of 12 months from the termination of her employment agreement. During this non-compete period, Ms. Baskin-Bey is entitled to a monthly compensation amounting to 66% of her annual base salary.

2.2.3. Remuneration and benefits allocated to Supervisory Board members

Table No. 3: Remuneration (e.g. Director fees) and other remuneration received by Supervisory Board members

Non-executive corporate officers	2019 Financial year		2018 Financial year	
	Amounts due	Amount paid	Amounts due	Amount paid
Laurent CONDOMINE				
Attendance fees	€21,428	€21,429	€21,429	€21,429
Value of the BSA awarded during the financial year(1)	-		-	
Other remuneration	€0	€0	€0	€0
Alain HERRERA				
Attendance fees	€10,715	€10,714	€10,714	€10,714
Value of the BSA awarded during the financial year(1)	-		-	
Other remuneration	€0	€0	€0	€0
Anne-Marie GRAFFIN				
Attendance fees	€12,857	€12,857	€12,857	€12,857
Value of the BSA awarded during the financial year(1)	-		-	
Other remuneration	€0	€0	€0	€0
Enno SPILLNER				
Attendance fees	€14,285	€14,286	€14,286	€14,286
Value of the BSA awarded during the financial year(1)	-		-	
Other remuneration	€0	€0	€0	€0
Christophe DOUAT (Observer)				
Attendance fees (2)	€10,715	€10,714	€10,714	€10,714
Value of the BSA awarded during the financial year(1)	-		-	
Other remuneration	€0	€0	€0	€0

(1) *Supervisory Board members and the observer were granted warrants (BSA) during the 2018 and 2019 financial years, the subscription price of which reflects the market value of those warrants at their grant date, according to the Black-Scholes model. Once subscribed, and if the exercise conditions are met, these BSA allow their holder to subscribe to the underlying shares at a price defined at the grant date (see Section 5.1.4.2 of the Universal Registration Document for more details on these BSA).*
All the Supervisory Board members and the observer subscribed the BSA they were granted in 2018 and 2019, at an issue price of €1.62 per BSA granted in 2018 and €1.15 per BSA granted in 2019. In the 2018 and 2019 financial years, the Supervisory Board members thus paid the Company an amount of €8,586.00 and €6,095.00 respectively for Mr. Laurent Condomine, €4,698.00 and €3,335.00 for Ms. Anne-Marie Graffin, €4,698.00 and €3,335.00 for Mr. Alain Herrera, €6,480.00 and €4,600 for Mr. Enno Spillner, and €4,698.00 and €3,335.00 for Mr. Christophe Douat.

(2) As part of his role as observer, Christophe Douat is granted fees for his contribution to the Supervisory Board and his role within the audit committee. Such fees are calculated on the same basis as the attendance fees granted to the Supervisory Board members.

2.2.4. Directors' and employees' compensation ratios

The below ratios are calculated based on the fixed and variable remuneration of each board member (annualized for those who left during the year), divided by the average or median

remuneration of all of the group's employees, excluding corporate officers. The valuation of dilutive instruments such as warrants has not been taken into account.

2.2.4.1. Ratios between the level of compensation of each member of the Executive Board's and the average compensation on a full-time equivalent basis of the Company's employees other than corporate officers:

		2019
Ratio Executive Board / Average Compensation		
	BASKIN-BEY	5.10
	BORGHI	4.32
	HERMANT	2.16
	LEVY	5.72
	MAUBERNA	4.20
	MUEHLENWEG	3.52

2.2.4.2. Ratios between the level of compensation of each member of the Executive Board's compensation and the median compensation on a full-time equivalent basis of the Company's employees other than corporate officers:

		2019
Ratios Executive Board / Median Compensation		
	BASKIN-BEY	6.65
	BORGHI	5.63
	HERMANT	2.81
	LEVY	7.45
	MAUBERNA	5.47
	MUEHLENWEG	4.59

2.2.4.3. Annual changes in compensation, company performance, average compensation on a full-time equivalent basis of the Company's employees, other than members of the Executive Board, and the ratios mentioned in the preceding paragraph, over at least the five most recent financial years

	2019	2018	2017	2016	2015
Annual payroll	€11,455,992	€9,514,844	€6,148,492	€4,674,093	€3,915,475
Annual payroll Excluding the Executive Board	€8,675,498	€8,101,238	€6,857,976	€3,384,057	
Average gross salary, including variable pay	€93,761	€93,283	€85,729	€73,067	€73,585
Variation in average salary, including variable pay	0.51%	8.10%	14.77%	-0.70%	5.70%

	2019	2018	2017	2016	2015
Ratio Executive Board / Average Compensation					
BASKIN-BEY	5.10	-	-	-	-
BORGHI	4.32	4.29	3.54	3.21	3.92
HERMANT	2.16	-	-	-	-
LEVY	5.72	5.46	4.48	4.30	5.13
MAUBERNA	4.20	4.01	3.19	2.85	3.48
MUEHLENWEG	3.52	3.59	3.01	2.72	3.26

	2019	2018	2017	2016	2015
Ratio Executive Board / Median Compensation					
BASKIN-BEY	6.65	-	-	-	-
BORGHI	5.63	5.96	5.71	3.92	4.98
HERMANT	2.81	-	-	-	-
LEVY	7.45	7.59	7.22	5.13	6.52
MAUBERNA	5.47	5.58	5.14	3.48	4.42
MUEHLENWEG	4.59	4.99	4.85	3.26	4.14

As a key indicator for a biotechnology company, the Company monitors rigorously the proportion of resources allocated to research and development (R&D) compared to the total operating expenses incurred. In 2019, 83% of our operating expenses were dedicated to R&D, compared to 77% in 2018.

2.2.5. Restriction on the sale by members of the Executive Board and the Supervisory Board of their stake in the company

None.

2.2.6. Summary of the operations of the managers and of the persons mentioned in article L.621-18-2 of the Monetary and Financial Code ("*Code Monétaire et Financier*") on the Company's securities carried out during the financial year ended December 31, 2019

	Nature of the transaction	Date of the transaction	Amount of the transaction	Number of shares
Laurent LEVY Chairman of the Executive Board	Exercise of BSPCE 2012-1	April 24, 2019	€ 960,000	160,000

2.2.7. Amounts provisioned by the Company for the payment of pensions, retirement and other benefits for the members of the Executive Board and the Supervisory Board

The Company has not provisioned any amounts for the payment of pensions, retirements and other benefits for members of the Executive Board and Supervisory Board, except for the sums allotted for corporate officer private unemployment insurance ("*Garantie Sociale du Chef d'entreprise*"), taken out at the benefit of Mr. Levy for the 2018 and 2019 financial years, amounting to €17,410 and €17,757, respectively, and the statutory retirement benefits of Mr. Mauberna and Ms. Hermant.

The Company has not granted any new hiring or severance bonuses to these persons, with the exception of the forced departure indemnity Mr. Levy is entitled to (see Section 5.6.2. of the Universal Registration Document).

2.2.8. Warrants (BSA) and/or founders' warrants (BSPCE) allocated and free shares allocated to members of the Executive Board and the Supervisory Board

As of the date of the Universal Registration Document, the direct and indirect shareholdings of the members of the Executive Board and the Supervisory Board, as well as the number of financial securities giving access to the Company's share capital that they hold, are as follows:

Executive Board

Name	Shares		Securities granting access to capital
	Number	% of capital	
Laurent LEVY Chairman of the Executive Board	809,060	3.56%	A total of 920,400 potential shares derived from the exercise of: * 21,000 BSPCE 09-2014 founders' warrants granting the right to subscribe to 21,000 shares at a price per share of €18.68 * 24,000 BSPCE 02-2015 founders' warrants granting the right to subscribe to 24,000 shares at a price per share of €18.57 per share *23,500 BSPCE Ordinaires 02-2016 founders' warrants granting the right to subscribe to 23,500 shares at a price per share of €14.46 *23,500 BSPCE Performance 02-2016 founders' warrants granting the right to subscribe to 23,500 shares at a price per share of €14.46 *26,400 BSPCE Ordinaires 01-2017 founders' warrants granting the right to subscribe to 26,400 shares at a price per share of €15.93 *32,000 BSPCE "2017" founders' warrants granting the right to subscribe to 32,000 shares at a price per share of €15.93 *150,000 AGA "2019-1" free shares granting the right to subscribe to 150,000 shares *500,000 OSA "LLY 2019" stock options granting the right to subscribe to 500,000 shares at a price per share of €6.41 *120,000 OSA “2020” stock options granting the right to subscribe to 120,000 shares at a price per

			share of €6.25

Name	Shares		Securities granting access to capital
	Number	% of capital	
Philippe MAUBERNA Member of the Executive Board	50,000	0.22%	A total of 258,200 potential shares derived from the exercise of: * 50,000 BSPCE 08-2013 founders' warrants granting the right to subscribe to 50,000 shares at a price per share of €5.92 * 13,000 BSPCE 09-2014 founders' warrants granting the right to subscribe to 13,000 shares at a price per share of €18.68 *15,000 BSPCE 02-2015 founders' warrants granting the right to subscribe to 15,000 shares at a price per share of €18.57 per share *13,500 BSPCE Ordinaires 02-2016 founders' warrants granting the right to subscribe to 13,500 shares at a price per share of €14.46 *13,500 BSPCE Performance 02-2016 founders' warrants granting the right to subscribe to 13,500 shares at a price per share of €14.46 *13,200 BSPCE Ordinaire 01-2017 founders' warrants granting the right to subscribe to 13,200 shares at a price per share of €15.93 *16,000 BSPCE "2017" founders' warrants granting the right to subscribe to 16,000 shares at a price per share of €15.93 *64,000 AGA "2019-1" free shares granting the right to subscribe to 64,000 shares *60,000 OSA “2020” stock options granting the right to subscribe to 60,000 shares at a price per share of €6.25
Anne-Juliette HERMANT Member of the Executive Board	0	0.00%	A total of 110,000 potential shares derived from the exercise of: *60,000 OSA “2020” stock options granting the right to subscribe to 60,000 shares at a price per share of €6.25 *50,000 AGA "2020" free shares granting the right to subscribe to 50,000 shares

Supervisory Board

Name	Shares		Securities granting access to capital
	Number	% of capital	
Laurent CONDOMINE Chairman of the Supervisory Board	103,553	0.46%	A total of 82,359 potential shares derived from the exercise of: * 30,000 BSA 04-12 warrants granting the right to subscribe to 30,000 shares at a price of €6 per share * 6,000 BSA 2013 warrants granting the right to subscribe to 6,000 shares at a price of €6.37 per share * 6,000 BSA 2014 warrants granting the right to subscribe to 6,000 shares at a price of €17.67 per share, if the share price is at least equal to €40 on the day the right is exercised * 7,000 BSA 2015 warrants granting the right to subscribe to 7,000 shares at a price of €17.67 per share, if the share price is at least equal to €40 on the day the right is exercised *7,031 BSA Ordinaires 02-2016 warrants granting the right to subscribe to 7,031 shares at a price of €13.74 per share, if the share price is at least equal to €40 on the day the right is exercised *7,032 BSA Performance 02-2016 warrants granting the right to subscribe to 7,032 shares at a price of €13.74 per share * 4,720 BSA 01-2017 warrants granting the right to subscribe to 4,720 shares at a price of €15.76 per share, if the share price is at least equal to €40 on the day the right is exercised *5,300 2018 warrants granting the right to subscribe to 5,300 shares at a price of €13.55 per share, if the share price is at least equal to €40 on the day the right is exercised * 5,300 “2019-1” warrants granting the right to subscribe to 5,300 shares at a price of €11.66 per share, if the share price is at least equal to €40 on the day the right is exercised *3,976 “2020” warrants granting the right to subscribe to 3,976 shares at a price of €6.58 per share, if the share price is at least equal to €40 on the day the right is exercised

Name	Shares	Securities granting access to capital

	Number	% of capital	
Anne-Marie GRAFFIN Vice-Chairman of Supervisory Board	0	0.00%	A total of 22,463 potential shares derived from the exercise of: * 5,000 BSA 2015 warrants granting the right to subscribe to 5,000 shares at a price of €17.67 per share, if the share price is at least equal to €40 on the day the right is exercised *2,000 BSA 02-2016 Ordinary warrants granting the right to subscribe to 2,000 shares at a price of €13.74 per share, if the share price is at least equal to €40 on the day the right is exercised *2,000 BSA Performance 02-2016 warrants granting the right to subscribe to 2,000 shares at a price of €13.74 per share *3,820 BSA 01-2017 warrants granting the right to subscribe to 3,820 shares at a price of €15.76 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA 2018 warrants granting the right to subscribe to 2,900 shares at a price of €13.55 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA “2019-1” warrants granting the right to subscribe to 2,900 shares at a price of €11.66 per share, if the share price is at least equal to €40 on the day the right is exercised *3,843 BSA “2020” warrants granting the right to subscribe to 3,843 shares at a price of €6.58 per share, if the share price is at least equal to €40 on the day the right is exercised

Name	Shares	Securities granting access to capital

	Number	% of capital	
Alain HERRERA Member of the Supervisory Board	0	0.00%	A total of 29,469 potential shares derived from the exercise of: * 4,000 BSA 2014 warrants granting the right to subscribe to 4,000 shares at a price of €17.67 per share, if the share price is at least equal to €40 on the day the right is exercised * 5,000 BSA 2015 warrants granting the right to subscribe to 5,000 shares at a price of €17.67 per share, if the share price is at least equal to €40 on the day the right is exercised *4,327 BSA Ordinaires 02-2016 warrants granting the right to subscribe to 4,327 shares at a price of €13.74 per share, if the share price is at least equal to €40 on the day the right is exercised *4,327 BSA Performance 02-2016 warrants granting the right to subscribe to 4,327 shares at a price of €13.74 per share *2,820 BSA 01-2017 warrants granting the right to subscribe to 2,820 shares at a price of €15.76 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA 2018 warrants granting the right to subscribe to 2,900 shares at a price of €13.55 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA “2019-1” warrants granting the right to subscribe to 2,900 shares at a price of €11.66 per share, if the share price is at least equal to €40 on the day the right is exercised *3,195 BSA “2020” warrants granting the right to subscribe to 3,195 shares at a price of €6.58 per share, if the share price is at least equal to €40 on the day the right is exercised

Name	Shares		Securities granting access to capital
	Number	% of capital	

Enno SPILLNER Member of the Supervisory Board	0	0.00%	A total of 18,649 potential shares derived from the exercise of: *1,500 BSA Ordinaires 02-2016 warrants granting the right to subscribe to 1,500 shares at a price of €13.74 per share, if the share price is at least equal to €40 on the day the right is exercised *1,500 BSA Performance 02-2016 warrants granting the right to subscribe to 1,500 shares at a price of €13.74 per share *3,820 BSA 01-2017 warrants granting the right to subscribe to 3,820 shares at a price of €15.76 per share, if the share price is at least equal to €40 on the day the right is exercised *4,000 BSA 2018 warrants granting the right to subscribe to 4,000 shares at a price of €13.55 per share, if the share price is at least equal to €40 on the day the right is exercised *4,000 BSA “2019-1” warrants granting the right to subscribe to 2,900 shares at a price of €11.66 per share, if the share price is at least equal to €40 on the day the right is exercised *3,829 BSA “2020” warrants granting the right to subscribe to 3,829 shares at a price of €6.58 per share, if the share price is at least equal to €40 on the day the right is exercised

Name	Shares		Securities granting access to capital
	Number	% of capital	

Christophe DOUAT Observer	0	0.00%	A total of 18,268 potential shares derived from the exercise of: *3,245 BSA Ordinaires 02-2016 warrants granting the right to subscribe to 3,245 shares at a price of €13.74 per share, if the share price is at least equal to €40 on the day the right is exercised *3,246 BSA Performance 02-2016 warrants granting the right to subscribe to 3,246 shares at a price of €13.74 per share, *2,820 BSA 01-2017 warrants granting the right to subscribe to 2,820 shares at a price of €15.76 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA 2018 warrants granting the right to subscribe to 2,900 shares at a price of €13.55 per share, if the share price is at least equal to €40 on the day the right is exercised *2,900 BSA "2019-1" warrants granting the right to subscribe to 2,900 shares at a price of €11.66 per share, if the share price is at least equal to €40 on the day the right is exercised *3,157 BSA "2020" warrants granting the right to subscribe to 3,157 shares at a price of €6.58 per share, if the share price is at least equal to €40 on the day the right is exercised

2.2.9. Compensation policy applicable to corporate officers for the 2020 financial year

Pursuant to Article L. 225-37-2 of the French Commercial Code, the Supervisory Board has formalized and detailed its compensation policy for corporate officers, which is in line with the company's corporate interest, and which must contribute to its sustainability and be in line with its strategy. This policy describes all the components of the fixed and variable compensation attributable to the members of the Executive Board and Supervisory Board for the performance of their duties for the financial year 2020. It also explains the decision-making process followed for its determination, review and implementation. The Company's shareholders' meeting will be asked to approve this compensation policy on April 28, 2020.

The principles and criteria of this compensation policy are presented below.

2.2.9.1. Executive Board

The remunerations below have not been impacted by the COVID-19 crisis.

2.2.9.1.1. Mr. Laurent Levy, Chairman of the Executive Board

Compensation elements	Principles	Determining criteria
Fixed compensation	The chairman receives fixed compensation	The gross annual amount of this fixed compensation has been set at 330,000 Euros for 2020 financial year. However, in the event that capital is raised, this fixed compensation may be increased; the final amount of such compensation will be set by the Supervisory Board, within a maximum of 10%. .
Variable compensation	The chairman receives variable compensation up to 50% of the fixed compensation.	This variable compensation is based 80% on the achievement of the Company's performance objectives and 20% on individual leadership qualities. The objectives are set by the Executive Board, reviewed by the remuneration and appointments committee and approved by the Supervisory Board; the achievement or non-attainment of objectives is assessed by the remuneration and appointments committee and the Supervisory Board. These objectives are not made public for reasons of confidentiality.
Exceptional compensation	The Chairman of the Executive Board may be awarded exceptional compensation.	This exceptional compensation would be intended to compensate specific performance on one or more projects that have a major impact on the Company's development, such as acquisitions, mergers or change of control.
Benefits in kind	GSC Insurance (Corporate officer unemployment insurance)	N/A
Supplementary retirement plan	The Chairman of the Executive Board is not covered by a supplementary retirement plan.	

In addition, Mr. Laurent Levy will be entitled to a termination indemnity in the event of forced departure from the Company.

The Chairman of the Executive Board may be granted stock options and/or free shares subject to continued service and performance conditions.

Finally, it is specified that Mr. Laurent Levy does not receive any compensation of any kind whatsoever in respect of his duties within the Company's subsidiaries, and does not benefit from a long-term multi-annual compensation mechanism, other than, on a case-by-case basis, the granting of stock options and/or free shares subject to continued service and performance conditions.

Pursuant to Article L. 225-100 of the French Commercial code, the amounts resulting from implementation of the aforementioned compensation policy will be submitted for shareholder approval during the shareholders' meeting called to approve the accounts for the 2020 financial year, with payment of variable compensation remaining subject to approval at said shareholders' meeting.

2.2.9.1.2. Mr. Philippe Mauberna, member of the Executive Board

It should be noted that all compensation received by Philippe Mauberna is in respect of his salaried duties. For more information on Philippe Mauberna's employment agreement, including its term and termination conditions, see Section 5.6.2. of the Universal Registration Document:

Compensation elements	Principle	Determining criteria
Fixed compensation	Compensation granted as part of an employment agreement	The gross annual amount of this fixed compensation has been set at 242,000 Euros for the 2020 financial year. However, in the event that capital is raised, this fixed compensation may be increased; the final amount of such compensation will be set by the Supervisory Board within a maximum of 10%.
Variable compensation	Variable compensation may be awarded up to 50% of fixed compensation.	This variable compensation is based 80% on the achievement of the Company's performance objectives and 20% on individual leadership qualities. The objectives are set by the Executive Board, reviewed by the remuneration and appointments committee and approved by the Supervisory Board; the achievement or non-attainment of objectives is assessed by the remuneration and appointments committee and the Supervisory Board. These objectives are not made public for reasons of confidentiality.
Non-competition clause	Non-competition clause restricted to France for a period of 12 months from termination of his employment agreement	Payment of a special monthly lump-sum settlement equal to 2/3 of gross monthly compensation for the last month worked at the Company.
Exceptional compensation	Mr. Philippe Mauberna may be awarded exceptional compensation.	Such exceptional compensation may be used to provide compensation for exceptional performance on one or more projects that have had a major impact on the Company's development.
Supplementary retirement plan	Philippe Mauberna is not covered by a supplementary retirement plan.	
Benefits in kind	N/A	N/A

Additionally, Mr. Philippe Mauberna is entitled to founder's warrants exercisable subject to a continued service condition, a portion of which are subject to continued service and/or performance conditions.

Mr. Philippe Mauberna may be granted stock options and/or free shares subject to continued service and performance conditions.

Finally, it is specified that Mr. Philippe Mauberna does not receive any compensation of any kind whatsoever in respect of his duties within the Company's subsidiaries, and does not benefit from a long-term multi-annual compensation mechanism, other than, on a case-by-case basis, the granting of stock options and/or free shares subject to continued service and performance conditions.

Pursuant to Article L. 225-100 of the French Commercial code, the amounts resulting from implementation of the aforementioned compensation policy will be submitted for shareholder approval during the shareholders' meeting called to approve the accounts for the 2020 financial year, with payment of variable compensation remaining subject to approval at said shareholders' meeting.

2.2.9.1.3. Ms. Anne-Juliette Hermant, member of the Executive Board

It should be noted that all compensation received by Anne-Juliette Hermant is in respect of her salaried duties. For more information on Anne-Juliette Hermant's employment agreement, including its term and termination conditions, see Section 5.6.2. of the Universal Registration Document.

Compensation elements	Principle	Determining criteria
Fixed compensation	Compensation granted as part of an employment agreement	The gross annual amount of this fixed compensation has been set at 200,000 Euros for the 2020 financial year. However, in the event that capital is raised, this fixed compensation may be increased; the final amount of such compensation will be set by the Supervisory Board within a maximum of 10%.
Variable compensation	Variable compensation may be awarded up to 50% of fixed compensation.	This variable compensation is based 80% on the achievement of the Company's performance objectives and 20% on individual leadership qualities. The objectives are set by the Executive Board, reviewed by the remuneration and appointments committee and approved by the Supervisory Board; the achievement or non-attainment of objectives is assessed by the remuneration and appointments committee and the Supervisory Board. These objectives are not made public for reasons of confidentiality.
Non-competition clause	Non-competition and loyalty clause for a period of 12 months from termination of her employment agreement	Payment of a special monthly lump-sum settlement equal to 2/3 of gross monthly compensation for the last month worked at the Company.
Exceptional compensation	Ms. Anne-Juliette Hermant may be awarded exceptional compensation.	Such exceptional compensation may be used to provide compensation for exceptional performance on one or more projects that have had a major impact on the Company's development.
Supplementary retirement plan	Ms Anne-Juliette Hermant is not covered by a supplementary retirement plan.	
Benefits in kind	N/A	N/A

Additionally, Ms. Anne-Juliette Hermant may be granted stock options and/or free shares subject to continued service and performance conditions.

Finally, it is specified that Ms. Anne-Juliette Hermant does not receive any compensation of any kind whatsoever in respect of his duties within the Company's subsidiaries, and does not benefit from a long-term multi-annual compensation mechanism, other than, on a case-by-case basis, the granting of stock options and/or free shares subject to continued service and performance conditions.

Pursuant to Article L. 225-100 of the French Commercial code, the amounts resulting from implementation of the aforementioned compensation policy will be submitted for shareholder approval during the shareholders' meeting called to approve the accounts for the 2020 financial year, with payment of variable compensation remaining subject to approval at said shareholders' meeting.

2.2.9.2. Members of the Supervisory Board

Members of the Supervisory Board may receive:

- Compensation for special assignments that may be delegated to them by the Supervisory Board and that would be the subject of regulated agreements that would be put to the vote at the shareholders' meeting. The amount of such compensation will be set by the Supervisory Board based on the nature of the specific assignment entrusted to the board member in question;

- An overall fixed annual sum set by the shareholders' meeting (remuneration for the activity of members within the Supervisory Board and committees– e.g., attendance fees). The Supervisory Board determines (within the range of limits voted on by the shareholders' meeting) the amount awarded to each member based on the principles described below:

    - 15,000 euros for the chairman of the Supervisory Board,
    - 7,500 euros for every other member of the Supervisory Board,
    - 1,500 euros for the chairman of the remuneration and appointments committee and
    - 2,500 euros for the chairman of the audit committee,

it being specified that the aforementioned amounts are paid in full provided that the members concerned have attended at least 80% of the meetings of the Board and the committees of which they are members. In the event of attendance rates of less than 80%, the amount paid is calculated on a pro rata temporis basis.
It is proposed that the shareholders' general meeting called to approve the financial statements for the 2019 financial year set the maximum amount of overall compensation allocated annually to members of the Supervisory Board at 185,000 euros for the 2020 financial year, and for each subsequent financial year, until a decision to the contrary is made by the ordinary shareholders' meeting; and, in the event the Company undergoes an initial public offering on Nasdaq, to increase this amount to 225,000 euros on the date of the Company's initial public offering.

Travel expenses are reimbursed for each effective attendance upon presentation of an expense report.

Finally, members of the Supervisory Board may be offered the option to subscribe, under market conditions, to share warrants, the issue price of which will be determined on the date of issue of the warrants in accordance with their characteristics, if necessary with the assistance of an independent expert.

2.2.9.3. Compensation paid or due by a company within the consolidation scope in line with article L. 233-16 of the Code of Commerce

No compensation of this kind is provided for in the remuneration policy.

2.2.9.4. Explanation of how total compensation complies with the adopted remuneration policy, including the way it contributes to the Company's long-term performance and how performance criteria have been applied

The compensation of the Executive Board members is determined by Nanobiotix's Supervisory Board, on the proposal from its remuneration and appointments, as explained in the Supervisory Board's report on corporate governance. For the 2020 financial year, each member of the Executive Board will receive a fixed compensation, defined according to the principles and criteria set in section 2.2.8.1. of the Universal Registration Document. It is specified that in the event of a fund raising in the course of 2020, this fixed compensation may be increased, subject to the amount of this compensation then being set by the Supervisory Board.

On an exceptional basis, members of the Executive Board decided that the annual variable remuneration they were due for the 2019 financial year will not paid until the Company has raised significant funds.

With regards to other Nanobiotix employees, the same principle applies, with a variable remuneration for every employee, one part of which is based on the department's objectives and another part of which is linked to personal objectives. Performance criteria is applied on the basis of the achievement of department objectives assessed by the Executive Board on the one hand and on the achievement of personal objectives on the other, assessed by managers during annual interviews.

Each year, after authorization by the shareholders' meeting, a capital distribution is made to all Group employees.

2.2.9.5. Way in which the last shareholders' ordinary meeting vote, as provided for in section II of article L. 225-100 of the French commercial code has been taken into account

The compensation policy for members of the Executive and Supervisory Boards rigorously respects votes from the last shareholders' meeting.

2.2.9.6. Deviation from the procedure for implementing the remuneration policy and any waiver applied in accordance with the second paragraph of III of Article L. 225-37-2, including an explanation of the nature of the exceptional circumstances and an indication of the specific elements from which a waiver is made

No deviation was identified during the reference period.

2.3. GOVERNANCE

For the sake of transparency and public information and in order to comply with the requirements of Article L. 225-37-4 of the Code of Commerce, the Supervisory Board, during its meeting held on 11 April 2012, decided to refer to the MiddleNext Code, which is available on the MiddleNext website (www.middlenext.com), as a corporate governance reference code.

Implementation of the "comply or explain" rule

The Company's objective is to comply with all of the recommendations of the MiddleNext Code.

As such, the Company regularly reviews its governance in relation to the recommendations of this Code. The table below showcases the Company's position on all of the recommendations issued by the MiddleNext Code as of the date of this Universal Registration Document:

Middlenext Code Recommendations	Adopted	Will be adopted	Under consideration
Supervisory power			
R1: Code of conduct for board members	X		
R2: Conflicts of interest	X		
R3: Composition of the board - Attendance by independent members	X		
R4: Information of the board members	X		
R5: Organization of board and committee meetings	X		
R6: Setting up of committees	X		
R7: Setting up internal board regulations	X		
R8: Selection of each board member	X		
R9: Length of board members' terms of office	X		
R10: Compensation for board members	X		
R11: Establishing an assessment of the board's work	X		
R12: Shareholders relations	X		
Executive power			
R13: Definition and transparency of executive directors' compensation	X		
R14: Preparation for the succession of directors		X(1)	
R15: Combination of employment agreements and corporate offices	X		
R16: Severance packages	X(2)		
R17: Supplementary retirement plans	X		
R18: Stock options and free shares	X(3)		
R19: Review of points to be watched	X		

(1) *In 2020, the Company intends to continue its reflection on the succession of its executives and plans to set up an annual follow-up of this process.*

(2) The Company has granted Mr. Laurent Levy a severance indemnity in the event of forced departure from the Company, it being specified that such severance payments, as well as any non-competition payments that Mr. Levy may be entitled to receive, cannot exceed twice the amount of his total compensation during the year in which his duties were terminated.

(3) The exercise of a portion of the BSPCEs that have been granted in the past by the Company to some members of the Executive Board is not subject to performance conditions. However, the Company has since made the exercise and/or acquisition of dilutive instruments granted to its corporate officers subject to performance conditions.

2.4. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY THE COMPANY

2.4.1. General principles of internal control

2.4.1.1. Definition

The Company has adopted the definition for an internal audit proposed by the French Financial Markets Authority (AMF)[(1)], which states that an internal audit is a mechanism implemented by a Company to ensure:

- Compliance with laws and regulations;
- Implementation of the instructions and guidelines laid down by the governing board;
- Proper operation of the Company's internal procedures;
- The reliability of financial information;

and, generally contributes to control over its activities, the effectiveness of its operations and the efficient use of its resources. During the financial year, the Company has continued to implement an internal audit process designed to "guarantee the relevance and reliability of the information used and disseminated in-house relating to the Company's activities". However, internal auditing cannot provide absolute guarantee that the Company's objectives will be achieved, nor that risks of error or fraud are fully controlled or eliminated.

2.4.1.2. Components of internal audits

2.4.1.2.1. General organization

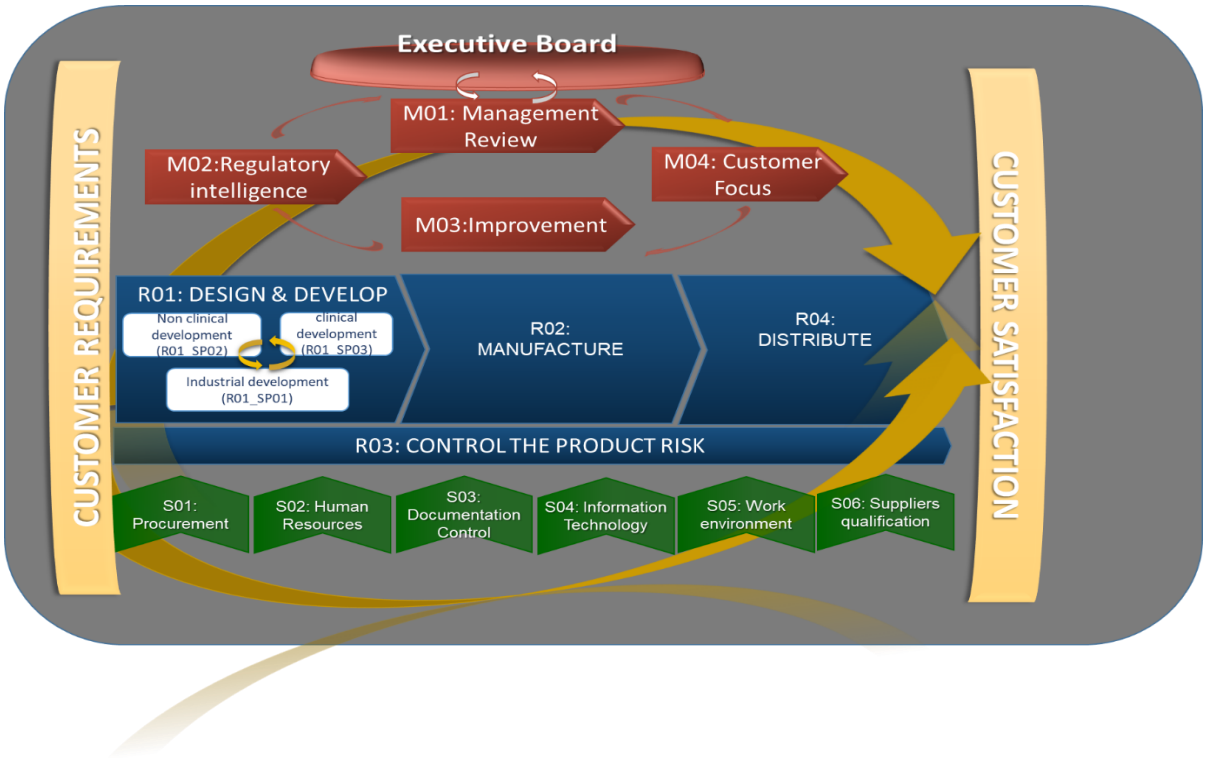
The organization of the internal audit and risk management procedures within the Company is based on the following principles and tools:

- Organizational charts and job descriptions, regularly updated under the supervision of each business manager, are maintained centrally by the human resources department. Job descriptions contain an in-depth description of each employee's expected duties, responsibilities, and skill sets. These cover all staff members, and for key roles, they are reviewed under the direct authority of the Executive Board Members;
- The rules for assuming and delegating authority that apply to the different managers, specified in the job descriptions themselves;

(1) Guide to implementation of internal audit frameworks suitable for small caps and midcaps, updated on July 22, 2010.

- The Quality Assurance manual defines a detailed mapping of all key business processes, that interact with the aim of achieving the expected performance and responding to diverse compliance issues. The mapping is consequently established based on the following process typology:
  - "Management" processes,
  - "Performance" processes, and
  - "Support" processes.

  The system is thus based on an agile approach to the processes providing robustness and flexibility as the Company evolves.



- **Formalized tracking of access rights to the information system** and main documents. Access rights are split up by business area and read and write permissions are determined for each group of team members. In addition, whenever a new employee is hired, the department managers determine the new employee's access rights for their collaborative workspace for each sub-group falling within their area of responsibility.
- **Skills management**, directly linked to the strategic plan, the definition of responsibilities, the training plan and the regulatory and standards reference documents applicable to the tasks defined in the job descriptions.

During the annual individual performance review, detailed objectives are set out and a corresponding personal action plan is defined in a document validated by the employee, his/her immediate supervisor and a member of the Executive Board. The annual review is formalized in an "annual review assessment sheet" that includes a detailed performance evaluation based on the Company's defined general objectives and each team member's individual objectives. Staff recruitment and dismissals are initiated and approved by the Executive Board.

Annual follow-up is formalized in an HR information system that allows for regular monitoring of achievement of set individual objectives and for ongoing assessment of available resources and means made available throughout the year. Staff recruitment and dismissals are initiated and approved by the Executive Board.
The Company's internal audit mechanism is also based on the dissemination and analysis of information necessary for managing the business, through the use of promotional activities and tools:

2.4.1.2.2. Promotional activities

- **Meetings chaired by the Executive Board**: organized at least two to three times per year, or more regularly if the Company's current situation requires it. They allow formal communication on the progress of key activities, strategic decisions and progress toward achieving corporate objectives; they allow formal communication on the progress of key activities and strategic decisions (at least two to three times per quarter);

- **Leadership reviews**: prepared and led by the Quality Assurance Director, under the supervision of the CEO. The calendar is established on a yearly basis with a schedule of four meetings per year. These leadership reviews make it possible to gain a global vision of the company's performance using strategic axes broken up into annual objectives for all processes, services and employees. Leadership reviews are an opportunity to review the sustainability and suitability of the current organizational structure, to establish and make decisions about opportunities for improvement and change, and to evaluate the company's policies and objectives on a quarterly basis at a minimum. Dashboards bringing together key indicators are used to determine corrective and preventive actions to be developed across different functions.

- **Project reviews**: with the aim of maintaining the effectiveness of resources deployed and their suitability for the objectives defined, a project management-based approach has been implemented in order to support the business's strategic plan.

Project management makes it possible to establish a structural view that ensures the availability of a multi-functional team dedicated to the project's success. Each project identifies a Project Manager who oversees the proper allocation of resources and deliverables within the allotted time. Each project is monitored at a strategic level during meetings with the Executive Board, every six weeks or according to critical project milestones. Each project is matched up with a defined set of monitoring and performance indicators making it possible to gain a holistic vision through the use of dashboards.

2.4.1.2.3. Tracking tools

Tracking tools and tools assessing interdependence across the Company's different strategic and operational axes have been put in place. These tools make it possible to anticipate potential drift and to optimize implementation of corrective actions used to mitigate impact in terms of timelines and human and financial resources.
Consequently, in order to support the vision set by the Executive Board, measurements and tracking indicators are identified within each department, down to an individual level.

Accordingly, each department has a responsibility to monitor the performance of these action plans and has the ability to rapidly inform the Executive Board of any potential discrepancies that are noted or to anticipate [sic: anticipated] in order to make corrections to the initial plan, to secure so-called “client” transactions.

2.4.1.2.4. Risk management process

Risk management is an essential component of decision-making mechanisms within the Company, not only for patient safety, but also for the adequacy and prioritization of activities to address strategic issues.
Consequently, the risk management process is expressed at the organizational level through each of the Company’s key processes (see process mapping in Section 2.4.1.2.1. Overall Organization) and at the product level throughout their whole life cycle, beginning with design of the initial prototypes up until verification and validation, followed by production/post production, use and disposal.
These approaches are underpinned by active application of international standards developed for medical device manufacturers, ISO 13485: 2016 and ISO 14971, whose concepts are widely adopted across the healthcare industry through the use of various tools such as FMEA. These are also applied to the Company’s risk management activities.

The holistic, document-based methodology sets up a multidisciplinary forum that is shaped and facilitated by the quality assurance department on a regular basis and tailored to the issues at hand.
Each stakeholder contributes their vision, and the combined vision of the various participants makes it possible to identify and quantify risk scenarios, in order to prioritize them according to severity, occurrence and the means of detectability available.
The remediation plan established subsequently ensures that these risk situations are controlled, not only for the product, patients, users, third parties and the environment, but also to guarantee the company's good reputation.
This plan, like all scenarios, is regularly reviewed to take into account technical developments and the associated current state of the art, as well as external and internal developments within the company.
All the documentation complies with the procedures of the Company's Quality system and provides proof that the risks inherent in the Company's activities are effectively controlled.
The overall acceptability of residual risk is approved by the Executive Board primarily during management reviews.

2.4.1.2.5. Auditing activities

2.4.1.2.5.1. Auditing activities linked to regulatory compliance

Due to the nature of its activities, the Company is subject to local French, European and international regulations. To this end, it has implemented a regulatory monitoring process in its management processes to analyze and implement any changes in these regulations and to ensure the compliance of the Company's activities at all levels.
The Company must comply, among other things, with European Directive 93/42/EEC and its incorporation into the public health code via, the decree of March 15, 2010 establishing the implementation of essential requirements applicable to medical devices. This Directive is in the process of being repealed by the new European Regulation on medical devices

2017/745, which will require that the Company's activities be brought into compliance by the date on which it comes into force, i.e., May 28, 2020.
Also, with a view to complying with regulations, the Company has established a program to implement the requirements of the General Data Protection Regulation (RGPD) 2016/679, the provisions of which have been in force since May 25, 2018. This compliance takes place throughout the Company and its communication and data storage channels, and more specifically in the HR and clinical research processes. The Company has appointed a data protection officer who is responsible for the implementation of the global data protection policy for internal activities and those outsourced to third parties.

The quality management system and its policy provide the necessary framework for defining the operations involved in the application of regulations, to ensure the compliance of operations through the application of approved procedures and operating methods. The control of the application of all these procedures is carried out primarily through improvement processes that include internal and subcontractor audits and the presentation of performance indicators and monitoring of key processes to the Executive Board, mainly at management reviews.

Additionally, as the Company has been involved in a voluntary corporate certification process through ISO 13485 since 2015, it has been hosting auditors from the French notified body annually to assess the compliance of its quality management system with respect to regulatory requirements, required standards and legal provisions. Since the start of the process, the company has been keen to extend the scope of these audits on a regular basis without receiving any unfavorable opinions from the various third parties involved.

2.4.1.2.5.2. Auditing activities linked to accounting and financial cycles

The accounting and financial cycles are subject to direct auditing which, in most cases, is carried out by the finance director, via databases and monitoring dashboards set up several years ago. The following examples illustrate the auditing activities performed by the finance director using a special database that makes it possible to process all information pertaining to disbursements of funds:

- All information pertaining to purchases from suppliers;
- All information pertaining to overhead expenses;
- All information pertaining to salaries and social welfare institutions;
- All information relating to the reimbursement of expenses;
- All information pertaining to current accounts.

This database details the information provided by the other departments (request for equipment orders, service contracts, etc.).

The information recorded in the database is subject to comprehensive checks by the finance director.

The Executive Board is heavily involved in monitoring cash flow and setting the budget. This budget is set annually, reviewed and approved by the Executive Board before being sent to the audit committee. The various types of expenses are modeled and planned on a monthly basis. Variances between the budget and actual results are also monitored monthly by the Executive Board.

2.4.1.2.5.3. Auditing activities linked to outsourced processes

In order to optimize resources and skills, the company has delegated all or part of its activities to subcontractors competent in its various fields of activity.
The choice and deployment of third party operations is underpinned by a robust selection and qualification process. This process therefore makes it possible to establish an ongoing relationship between the Company and its subcontractors based on trust, by ensuring that technical and regulatory requirements are met within a clear and formalized legal framework.

The following activities have therefore been totally or partially outsourced:

- Manufacturing of products and their associated analytical quality control;
- Non-clinical product validation studies;
- Monitoring activities for clinical research sites, and electronic data management using suitable and validated software;
- Electronic management and storage of patient safety events;
- Intellectual property management;
- Production of financial statements;
- Fiscal and payroll management.

The Company sets up documented procedures to ensure the compliance of activities and implements the necessary audits to ensure that subcontractors satisfies the requirements needed to achieve predetermined objectives.
Among these auditing activities, the Company conducts audits of all of its partners. These audits are carried out by the Quality Department, regardless of the activities that are audited. Each audit is planned during the management review based on internal procedures and a formalized risk assessment. Ongoing audits of activities by the Company's departments and the audit results are analyzed during these reviews and enable active monitoring of the quality of provided services and continual reassessment of the initial qualification of contractors.

All subcontracting agreements include a right to audit which is regularly exercised depending on the criticality of the delegated activities.

The production of financial statements is outsourced to an accounting firm. In addition to its mission of presenting the financial statements, the selected firm provides a monthly review of the operations recorded in the accounts.

Taking in account the Company's size, reliance on subcontracted or co-contracted solutions allows for broad technical and strategic objectives to be established and for the procurement of data whose accuracy and traceability has been inspected by the subcontractor and by the Company's business managers.

2.4.1.2.6. Audits related to data protection and physical security

The protection of data protection and know-how are subject to rigorous procedures and inspections. In particular, the Company has set up redundant servers and backup procedures meeting current security standards. In order to protect itself as effectively as possible against attempted intrusions, internet access servers and data servers are kept completely separate.

The Company's premises include a secure room equipped with several strong, fireproof cabinets containing all research work and contracts.

With regard to the requirements of the French Labor Code, the Company has developed a Unique Risk Assessment Document (DUERP (Document Unique d'Evaluation des Risques - Unique Risk Assessment Document) to assess the potential risks to which employees are exposed and to describe the prevention measures and methods used to ensure the safety and to protect the health of its employees.
This document is regularly updated to accurately reflect the company's general health and safety environment as well as the annual program of risk prevention actions to reduce risks. These safety measures are systematically referred to when welcoming a newcomer by presenting them with orientation handbooks and routinely for all employees by providing ongoing training within the Company.

2.4.1.2.7. Monitoring of internal audit system

Due to its size, the Company does not require a permanent internal audit function.
There are several internal auditing structures within the Company for ensuring compliance with the provisions established by the organization or its regulatory and economic environment.
Each person is *de facto* responsible for the quality and compliance of the operations under their supervision, through the application of approved procedures and the traceability of the results generated during the performance of their activities. Auditing operations make it possible to confirm the level of quality and compliance achieved based on a representative sample or on the Company's entire production (data or physical products).
An independent internal audit is also carried out by the quality assurance department, which reports the results of these audits directly to the Executive Board, primarily during management reviews. Scheduling for these audits is determined using a risk management approach and guarantees maximum independence among auditors and the entities being audited so that reliable improvement plans can be established.

2.4.1.2.8. Internal audit procedures relating to the preparation and processing of accounting and financial information

Since the business's accounting activities have been internalized, the use of an external accounting firm is now limited to the review of accounts and the preparation of the consolidated financial statements. Similarly, management of fiscal obligations (taxation related to the Company's earnings, local taxation, etc.) is also handled by this firm. The firm also performs an administrative review in connection with payroll through the use of payroll audits, auditing of monthly and quarterly social security contributions, end-of-contract documents, etc.
Finally, the Company continues to improve its procedures, as well as its tools for cost analysis and control.

2.4.2. Internal audit priority objectives

The Company places the utmost importance on its internal auditing system and is committed to continually improving it. Accordingly, at the end of 2019 financial year, the Company set itself the objective of undertaking the following measures:

- Continued regular self-assessment of the Supervisory Board's working methods;

- Continued development of the risk management system;
- Continued improvement of its quality system, in particular with the ongoing objective of meeting requirements for products dedicated to human health;
- Finally, continuing with its work on monitoring the points to be watched, as defined in the Middlenext Code to which the Company refers. The Supervisory Board regularly reviews corporate governance with respect to the powers of management, as well as the measures established as part of the internal control framework; and
- Implementation of an independent compliance structure.

2.5. ITEMS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

2.5.1. Capital structure of the Company

See Section 5.1. of the Universal Registration Document.

2.5.2. Statutory restrictions on the exercise of voting rights and transfers of shares or clauses of agreements brought to the Company's attention in application of article L. 233-11 of the French Commercial Code

None.

2.5.3. Direct or indirect shareholdings in the Company's capital of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

See Section 5.2. of the Universal Registration Document.

2.5.4. List and description of holders of any securities with special control rights

The Company is not aware of the existence of any special control rights.

2.5.5. Control mechanisms provided for in any employee shareholding system, when the control rights are not exercised by the employee

The Company has not set up an employee shareholding system that may contain control mechanisms when control rights are not exercised by employees.

2.5.6. Shareholder agreements of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights

None.

2.5.7. Rules governing the appointment and replacement of members of the Supervisory Board or Executive Board and amendments to the Company's articles of association

The Company’s articles of association specify that members of the Executive Board are appointed by the Supervisory Board; the articles of association are amended during the shareholder’s meetings. The shareholders’ meeting appoints members of the Supervisory Board in accordance with the law.

2.5.8. Powers of the Executive board, in particular regarding the issuance or repurchase of shares

The shareholders' meeting held April 28, 2020 renewed the authorization given to the Executive Board to implement, for a period of eighteen months from the date of the meeting, a share buy-back program for the Company's shares in accordance with the provisions of articles L. 225-209 of the French Commercial Code, European Regulation 596/2014 on market abuse (MAR) and market practices permitted by the AMF (see Section 5.1.3.1. of the Universal Registration Document).

2.5.9. Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company

The Group has entered into several agreements to finance its operations, some of which provide for the possibility of early repayment in the event of a change of control.

In addition, the rights to exercise certain dilutive instruments issued by the Company are accelerated in the event of a change of control of the Company (see Section 5.1.4. of the Universal Registration Document).

2.5.10. Agreements providing for compensation for members of the Executive Board or employees if they resign or are dismissed without real and serious cause or if their employment is terminated due to a public offer

See the severance payment to which Mr. Laurent Levy would be entitled to in the event of forced departure from the Company, the terms of which are described in Section 5.6.2. of the Universal Registration Document.

3. NANOBIOTIX AND CORPORATE SOCIAL RESPONSIBILITY

3.1. Nanobiotix and corporate social responsibility

Incorporated in 2003, Nanobiotix is a leading, clinical-stage nanomedicine company pioneering new approaches to significantly change patient outcomes by bringing nanophysics to the heart of the cell.

The Nanobiotix philosophy is rooted in designing pioneering, physical-based approaches to bring highly effective and generalized solutions to address unmet medical needs and challenges. Nanobiotix's first-in-class, proprietary lead technology, NBTXR3, aims to expand radiotherapy benefits for millions of cancer patients, while its Immuno-Oncology program has the potential to bring a new dimension to cancer immunotherapies.

This chapter describes the activities led by the Company in terms of employment and well-being of its people, the environment and the Company in a wider sense. This chapter is for the period from January 1st, 2019 to December 31st, 2019 and relates to the activities of the parent company as well as its subsidiaries, Nanobiotix Corp, created in September 2014, Nanobiotix GmbH, created in October 2017, Nanobiotix S.L.U., created in December 2017 and Curadigm SAS, created in July 2019.

The Company is keen to include and consider the main stakes of Corporate Social Responsibility (CSR) in order to contribute to the sustainable development and to ensure an overall, consistent, performance of its activities. Research and development being its main value-added activities, one of the Company's objective is to register patterns for its inventions, being the source of intellectual property. In this regard, the Company's workforce is therefore deemed its main resource. The work environment that exists within the Company allows, amongst other things, to attract, motivate, train and retain talents, this being a crucial component for the development of the Company.

Although the Company's environmental impact is negligible, the Company ensures that it follows a responsible management of its resources and waste.

Finally, in terms of social responsibility, the Company participates and is an active player in the development of nanomedicine-related knowledge and the treatment of cancer and therefore increases its involvement with various stakeholders.

3.2. Our business model

At Nanobiotix, we believe that the purpose behind what we do is just as important as the products we develop. For us, that purpose is something we call "Expanding Life". To Expand Life is to go beyond what you know to create a new possibility. We never set out to treat any specific disease, but instead we asked ourselves the question, "What if we could impact the physical properties of a cell without touching it?" This led us to discover that we could develop innovative treatment solutions for patients by bringing nanophysics to the heart of the cell, which in turn led to NBTXR3 for the treatment of cancer among other first-in-class nanotechnology applications.

Moving forward, we will continue to ask bold questions and take actions based on our expertise that are meant to improve the lives of millions around the world.

3.2.1. Description of the main activities, markets, customers and stakeholders in our activities

Nanobiotix has implemented an innovation policy to bring about the emergence, promote and transform new ideas into products for human health. Since its creation, most of the Company's resources have been devoted to the development of the "NBTXR3" patent portfolio and other formulations, enabling Nanobiotix to offer an unprecedented approach to cancer treatment.

By relying on our nanotechnology products, we aim to improve patient outcomes and respond to important medical benefit that remain unmet nowadays. We have strong assets to carry out our mission and position ourselves as a leading figure in the development of nanomedicine, through:

- An advanced pipeline and promising clinical data, in various oncology indications.
- A considerable market opportunity in solid tumors: At some point, nearly 60% of cancer patients receive radiation therapy in their care journey. As a result, we are convinced that the mode of action of NBTXR3 is likely to benefit all populations of oncology patient candidates for radiation therapy. In addition, we believe NBTXR3 is a real vector of hope for patients with cancers ineligible for radiation therapy because of the sensitivity of the tissues surrounding the tumor.
- An improved benefit/risk ratio through an injection directly into the heart of the tumor.
- A product-candidate that is highly compatible and complementary to current standards of care.
- Actively protected intellectual property and preserved know-how.
- A recently established production site with a high capacity.

NBTXR3 is currently being evaluated in eight clinical trials worldwide.

In August 2012, we entered into an exclusive license and collaboration agreement with PharmaEngine for the development and commercialization of NBTXR3 in the Asia-Pacific region.

In January 2019, we entered a large-scale comprehensive clinical collaboration with The University of Texas MD Anderson Cancer Center to cover 9 additional clinical trials in different indications.

Overall, NBTXR3 will be evaluated in 16 clinical trials worldwide, in different cancer patient populations.

The Company currently conducts several nanomedicine researches programs whose concepts differ from NBTXR3. In May 2019, we announced the launch of Curadigm, a new nanotechnology platform for healthcare that is dedicated to redefining the therapeutic balance between bioavailability, toxicity, and efficacy across the pharmaceutical industry. Curadigm’s concepts is based in particular on the development of new objects from nanotechnology to answer the question "Is it possible to increase the useful dose or to reduce the unnecessary dose of a therapeutic agent administered in a patient to optimize its bioavailability and/or reduce its toxicity?" To answer this question, the Curadigm team has created different types of nanoparticles with specific physical-chemical properties (called

nanoprimers) allowing them to accumulate in the liver in order to temporarily occupy the main liver elimination pathways of targeted therapeutic agents and thus increase their useful dose and/or decrease their potential toxicity. The different nanoprimers created aim to adapt to the different families of therapeutic agents affected by a strong liver elimination, mainly nanomedicines. Nanoprimers therefore open new possibilities in their development and could improve the effectiveness of different therapeutic agents.

3.2.2. Our resources

Nanobiotix counts 110 employees at the end of 2019, supervised by complementary and highly experienced management as well as a Supervisory Board consisting of experts in their respective fields. Such teams include discovery and non-clinical teams, the medical and regulatory affairs departments as well as the development and quality assurance departments. In addition to these operational departments, additional departments work across all functions to support them.

As at December 2019, 81 employees were dedicated to research and development, while 29 were working in supporting departments.

The workforce at as December 31 was as follows:

	2019	2018	2017
Cadres	**99**	93	77
non cadre	**11**	9	8
Total headcount	**110**	102	85
Split men/ women	**30/70**	34/66	33/67
Number of men	**33**	35	28
Number of women	**77**	67	57
Split R&D/ SG&A	**81/29**	79/23	65/20
Number of R&D staff	**81**	79	65
Number of SG&A staff	**29**	23	20

Women consistently represent a large majority of the workforce, representing 77% of the total headcount as at December 31, 2019. Nanobiotix's workforce is highly qualified and includes 99 *cadres* as at December 31, 2019, representing 90% of the workforce. In addition, 52 employees held a phD.

Nanobiotix also has a relatively young workforce, with an average age of 39 years old.

The workforce's age was as follows:

	Number	Percentage
Less than 25 years old	3	3%
From 26 to 35 years old	39	35%
From 36 to 45 years old	40	36%
More than 46 years old	28	28%

Below is a sample of Nanobiotix's operational teams. More details can be found in chapter 1 of the Universal Registration Document.

Discovery and non-clinical research department

Nanobiotix has a team dedicated to finding innovative therapeutic solutions for cancer treatment. They present complementary expertise to conduct all key activities within the Company. The project team manages the Company's innovative projects autonomously, efficiently and reactively. To carry out their work and when necessary, research teams use subcontractors with state-of-the-art technologies.

Development department

The development department is made up of several teams including the clinical team and relies on medical leadership. The ultimate goal of human research is to improve the management and treatment of patients at all stages of the disease. The department's missions and objectives are the determination of the clinical research strategy of which Nanobiotix is the promoter, the management of projects including the implementation of risk management plans, the management of complex study budgets and associated resources (organization, administration, management, control, technical-regulatory support of clinical trials), as well as hospital and academic policy and partnerships in collaboration with Business Development.

Nanobiotix outsources some of its operations, including:

- Clinical monitoring and part of its management to a specialized organization with extensive oncology registration experience;
- Data management including electronic data storage and part of its management;
- Statistical analysis and management of CDIs (external trial committees, responsible for assessing patient safety); and
- Pharmacovigilance, storage and internal management in accordance with the recommendations of the EMA and the FDA.

The subcontractors selected by the Company have a Quality Assurance system and have obtained the Certification of Research Tax Credit (CIR) issued by the Ministry of Research. In all cases, clinical studies have obtained regulatory approval from health authorities, follow rigorous scientific protocols, and ethically respect the interests of those subject to medical research.

Manufacturing

We contract the production of NBTXR3 to high-precision manufacturing partners.

The manufacturing partners are required to perform their obligations in accordance with international professional standards, including the Good Manufacturing Practices guidelines issued by the International Council for Harmonization.

In November 2017, we opened a new facility to expand our manufacturing capabilities, increase production capacity of NBTXR3 for our clinical trial needs and prepare for potential commercialization. This facility is located in the Villejuif BioPark, a scientific research and innovation center just outside of Paris, France. We expect that the facility will expand our

production capacity to more than 200,000 doses of NBTXR3 per year, which we believe will be sufficient to produce NBTXR3 for our ongoing clinical trials and our initial commercial phase. We have designed our manufacturing process so that additional production lines can be added without significant capital investment.

For most of its activities, and in addition to Nanobiotix's in-house expertise, the Company relies on a number of partners, subcontractors, CROs (Contract Research Organizations) and CMOs (Contract Manufacturing Organization) so as to ensure high quality standards are met through all activities. These third parties are essential to execute the current strategy of the Company.

3.2.3. Description of the economic model, resources, and key figures

Commercialization

Subject to successfully completing applicable pre-marketing regulatory requirements, we expect to commence commercialization activities and establish a global commercial infrastructure by building commercial capabilities and evaluating partnering opportunities. Through our global medical science liaison team, we have established important strategic relationships and enhanced awareness of NBTXR3 with a number of key opinion leaders, hospitals, clinics and cancer treatment centers in the United States and in key European markets. As part of our clinical trial efforts, we have involved more than 400 physicians. We believe that our planned commercial organization will be able to target the community of physicians who are the key specialists in treating the patient populations for which NBTXR3 is being developed. We may enter into additional development and commercialization agreements with third parties in selected geographic territories for any of our product candidates that successfully completed applicable pre-marketing regulatory requirements.

We also plan to build a marketing and sales management organization to create and implement marketing strategies for any products that we market through our own sales organization and to oversee and support our sales force. The responsibilities of the marketing organization would include developing educational initiatives with respect to approved products and establishing relationships with leaders in relevant fields of medicine.

Coverage and Reimbursement

A pharmaceutical manufacturer's ability to commercialize any approved drug product successfully depends in part on the extent to which coverage and adequate reimbursement for such drug product and related treatments will be available from third-party payors, including government health administration authorities, private health insurers, health maintenance organizations and other organizations.

Therefore, coverage and adequate reimbursement is critical to new drug product acceptance. Coverage decisions may depend upon clinical and economic standards that disfavor new drug products when more established or lower cost therapeutic alternatives are already available or subsequently become available.

(Refer to chapter 1 of the Universal Registration Document for further details)

3.2.4. Outlook and strategy

Our goal is to make our Company a leader in the biotechnology industry, with a fully integrated chain of operations, based on the systematic combination of NBTXR3/radiotherapy in the treatment of solid tumors. For these purposes, our strategy is based on the following goals:

- **Finalize the development of the NBTXR3 candidate product in the treatment of locally advanced head and neck cancers and meet applicable regulatory requirements.**
  We recently completed the Phase I dose escalation study conducted in Europe, looking at NBTXR3 in locally advanced head and neck cancers. We have tabled an endorsement to the protocol to expand the current study and include more patients to be treated at the recommended dose with the opening of several additional investigation centers. Based on the initial results of this Phase I trial, we plan to rapidly develop the candidate product NBTXR3 in locally advanced head and neck cancers and meet regulatory requirements prior to its commercialization. In March 2019, Nanobiotix announced the clarification of its regulatory approval procedure for the treatment of head and neck cancers with NBTXR3 in the United States. Following the FDA's feedback, the Company plans to establish a randomized global registrational Phase III trial, with 50% of patients receiving NBTXR3 activated by radiation therapy with or without cetuximab (investigator's choice) and 50% of patients receiving standard radiation therapy with or without cetuximab (investigator's choice). The total number of patients treated estimated in this overall study is expected to be about 500. The initial readout will be based on event-driven progression-free survival (PFS), and the final readout will be based on overall survival (OS). A futility analysis is expected at 18 months after the first patient is randomized, the interim analysis for PFS superiority is expected at 24-30 months, and final analysis will report on PFS and OS. NBTXR3 received US FDA's Fast Track designation in this setting.

- **Meet the regulatory requirements to launch Hensify® (NBTXR3) in the processing of locally advanced STM in the European Union market.**
  In June 2018, we announced positive results for our Phase II/III clinical trial, which involved an evaluation of NBTXR3 in the STM, with the main and secondary endpoints of the study being met. In April 2019, Hensify® (NBTXR3) received a marketing authorization (CE Marking) in Europe allowing its marketing in 28 European Union countries for the treatment of locally advanced Soft Tissue Sarcomas. Post-approval studies are planned in Europe and discussions on next steps for potential future developments are under way.

- **Expand the application of NBTXR3 to liver cancers and other types of solid tumors.**
  Because of its physical mode of action, the Company considers that NBTXR3 is likely to be applicable to other solid tumors. Thus, we plan to continue its development in other indications, and we have already made progress in our Phase I/II studies in Prostate cancer in the United States and in Rectal cancer in several Asia-Pacific countries. Within a few years, we also plan to implement additional clinical studies in other indications of solid tumors in Europe and the United States. If we can demonstrate that NBTXR3 is applicable to lung, prostate, and other solid tumor

cancers, we would be able to test its application to other candidate populations of patients seeking radiation therapy and meet their needs. In addition, we recently partnered with MD Anderson as part of our intention to launch nine new clinical trials in the United States involving NBTXR3–one of which, evaluating NBTXR3 in pancreatic cancer, was launched in May 2020. The global development plan will involve around 340 patients.

- **Make the candidate product NBTXR3 the reference complementary product of checkpoint inhibitors.**
  Based on preliminary preclinical and clinical results, the Company expects to continue the NBTXR3/checkpoint inhibitors development program. The Company has begun a Phase I clinical trial in the United States to evaluate the activation of NBTXR3 by radiotherapy, combined with the administration of anti-PD-1 antibodies, in squamous cell carcinoma of the head and neck or and non-small cell lung cancer. Initial results of this study are expected to be presented in the second half of 2019.

- **Build a global business infrastructure for our NBTXR3 product by developing marketing capabilities and creating new partnerships.**
  Once the approvals have been obtained, we plan to launch and market NBTXR3 in the European and US markets. Through our global medical liaison team, we have forged key strategic relationships with a number of leading opinion leaders, hospitals, clinics and cancer treatment centers in the United States and key European markets. They were able to familiarize themselves with NBTXR3. More than 400 doctors participated in our clinical trials. An agreement with PharmaEngine, Inc. ("PharmaEngine") is for the development and eventual marketing of NBTXR3 in Asia-Pacific. We retain NBTXR3's development and marketing rights in all other regions of the world and are considering the possibility of marketing NBTXR3 in certain specific regions, either autonomously or in the form of partnerships.

3.3. Our main CSR risks and opportunities

In 2019, Nanobiotix carried out a mapping of its main CSR risks and opportunities in order to identify the major and relevant subjects related to its business model.

First, a CSR risks and opportunities universe was established based on sectoral risks, the challenges introduced by article 225 of the Grenelle II law and the risks previously identified by the quality department. The identified elements cover the entire value chain and stakeholders of Nanobiotix and are distributed on 3 main themes:

- Social,
- Societal and
- Environmental.

In order to embrace a broad vision of the Company’s challenges, the assessment and prioritization of these CSR stakes involved several key departments of the Company (quality, finance, human resources, development, manufacturing and innovations).

During process/departments dedicated workshops, the question “What might go wrong?” was used to identify the risks during execution of a task/activities (processes) and

accordingly identifying possible negative consequences (harm) for the organization. Risks are identified together with master process pilot (PP), experts or persons involved in the process, Global head of department (GHF) and Quality Assurance.

A risk register allows compilation of the risk control measure and where Nanobiotix needs to implement improvement or additional action to demonstrate that risks are under control. Implementation is followed through risk review.

The risk review is a continual and iterative process in which risk control measures are periodically reviewed to ascertain whether the implemented management activities remains effective and relevant, taking into account emerging knowledge and experience. This review is scheduled on annual basis with people involved in the activities, the risk review and risk process as well, are documented by issuing risk matrices and its updates associated with risk register. Unscheduled review may arise in case of evolution of higher risk priority level, if regulation or organization changes including modification on suppliers, or if new risk occurs. This could be linked to Corrective Action and change control process.

If implemented actions are not being carried out effectively or if risk impact is increasing and cannot be resolved, it should be escalated to the upper management to implement appropriate measures.

Full risk matrices and related update are reviewed and approved by the Executive Board.

At the end of the prioritization process, the following 7 CSR risks were identified as relevant regarding the activities of Nanobiotix:

Risk number	Risk description	Definition
Our employees		
Risk 1	Employees' health and safety	Health and Safety conditions (both at work as well as during commuting) have a direct impact on salary costs through decreased productivity. Controlling the well-being and safety risks of the employees is necessary for the Group's good economic and financial performance as well as for the preservation of its reputational image, attractiveness and employee commitment.
Risk 2	Working conditions	Poor working conditions can be due to inadequate management approaches. This can lead to an increase in psychosocial risks and a decrease in productivity within the Company. Ensuring good working conditions for all employees is critical for the proper performance of the Company's operations.

Risk number	Risk description	Definition
Our environment		
Risk 3	Waste management	Being a biotechnology company, Nanobiotix spends a considerable amount of efforts in research and development for a class III medical device in Europe. The Company therefore considers that the impact it has on the environment is low, given that most of the research activities are performed in labs while development activities are largely subcontracted.
Our patients		
Risk 4	Patients' safety during clinical trials	All Clinical Trials Sponsored by Nanobiotix or Business partners are executed with respect to the highest standards in the industry according to the national and international Regulations, Directives, Guidance and Recommendations. The main guidelines supporting clinical trials compliance are developed within the guidance for good clinical practice ICH E6(R2) (which discusses approaches to clinical trial design, conduct, oversight, recording, and reporting as well as updated standards regarding electronic records and essential documents), "good clinical Practice" (GCP) being an international ethical and scientific quality standard for designing, conducting, recording and reporting trials that involve the participation of human subjects.
Risk 5	Safety and quality of the products	The development, screening, manufacturing and commercialization of therapeutic solutions for cancer treatment are governed by a rigorous, complex and evolving global regulatory environment. Regulatory authorities, including the ANSM and the FDA, have imposed stringent requirements on the amount and types of data required to demonstrate the safety and efficacy of products prior to their marketing and sale. Moreover, following its initial approval or certification, any product approved for commercialization is reassessed on a regular basis in terms of its patient risk/benefit ratio. The potential discovery of new defects or side effects which were not detected during development and clinical trials can result in restrictions on sale, the suspension or withdrawal of the product from the market and an increased risk of litigation.

Risk number	Risk description	Definition
Risk 6	Protection of personal data	Despite the implementation of security measures, internal computer systems, and those of third parties on which the Group relies, remain vulnerable to diverse threats, including computer viruses, malware, unauthorized accesses, natural disasters, acts of terrorism, acts of war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the internet.
Our suppliers		
Risk 7	Responsible partnering	Since the opening of the manufacturing site in the BioPark, the Company has been performing manufacturing tests for its patented product candidate, NBTXR3. The model chosen by the Company relies on the systematic use of partners for the manufacturing of NBTXR3. Given the criticality of regulatory and product quality compliance in this industry, it has been decided to include CSR-related criteria in the decision-making process to identify subcontractors the Company works with. These criteria come in addition to those already existing, being ISO 9001, GCP and GMP.

3.4. Our employees

3.4.1. Risk 1: Employees' health and safety

Health and Safety conditions (both at work as well as during commuting) have a direct impact on salary costs through decreased productivity. Controlling the well-being and safety risks of the employees is necessary for the Group's good economic and financial performance as well as for the preservation of its reputational image, attractiveness and employee commitment.

Our key objectives

- Inform the employees, including new starters about health and safety risks,
- Maintain our health and safety training efforts at work, and
- Reduce the number of accidents at work or during employees' commute as recognised by health authorities.

Governance

In terms of governance, the HR department collaborates tightly with the Assurance Quality department, which they meet on a quarterly basis during the management review to discuss the KPIs, and the employees' representative body, the *Comité Social et Economique(CSE)*, which meets once every two months. KPIs are reviewed with the CSE every six months.

Policies and action plans

Risks and key attention points related to health and safety for each type of position are defined in the *Document Unique* (DUERP), available as soon as a new starter joins the Company and all along their employment agreement.

In 2019, the Company noted:

(i) In terms of training:
  - Three 2-hour long training sessions each about the use of fire extinguishers, as well as one session of 2 hours specific for staff working in labs;
  - One 3-hour session themed " Health and safety at work – competences update and refresh";
  - One 2-day training on the theme "Health and Safety at work – basic training"

(ii) In terms of accidents on the premises or during employees' commute:
  - Accidents at the workplace as recognised by health authorities: 1
  - Accidents during commuting as recognised by health authorities: 4
  - No leave due to work-related sickness;
  - No collective agreement was signed in 2019 regarding health and safety at work.

Findings

Indicator	2019	2018	2017
Health and safety-related trainings (days)	3.3	2	4
Number of accidents	6	-	2

Comments on the evolution of indicators

Accidents that have been reported related to 1 workplace accident (fall in the premises) and 5 commuting accidents (to get to the workplace).

3.4.2. Risk 2: Working conditions

Poor working conditions can be due to inadequate management approaches. This can lead to an increase in psychosocial risks and a decrease in productivity within the Company. Ensuring good working conditions for all employees is critical for the proper performance of the Company's operations.

Our key objective

Ensure optimum working conditions for all employees while respecting work-life balance.

Governance

In terms of governance, the HR department performs a regular review of indicators, always in collaboration with the employees' representative body, the *Comité Social et Economique (CSE)* and the work inspection authorities (*inspection du travail*).

Policies and action plans

In 2019, the Executive Board participated in a half-day training to promote awareness about psychosocial risks within the Company.

From a practical point of view, the Company invested in the fit out and organisation of the newly rented space (749 m^2) at the head office in Paris, including:

- Functional and agreeable workspaces
- An additional equipped kitchen
- Large and friendly break areas
- Additional meeting rooms, fully equipped to foster effective communication within the room as well as from another location (large screens, visio, etc.)

The Company also pursued the development of the working from home policy for every employee, which started in 2018 via two schemes. The first one is a "flexible" option, whereby employees can decide with two days' notice to work from home on a particular day or half-day (this is capped by a number of units per year for all employees having opted for the flexible option). The second option is a "regular" one, where employees are allowed to work from home one given day a week, every week.

Employees having elected to work regularly from home have signed an amendment to their employment agreement.

In addition, the Company also developed some support to managers to assist them with the management of individual performance appraisal, through meetings and written documentation to further improve the quality of half yearly appraisal meetings with their teams. Team members also received support to better prepare for their appraisal meetings.

Finally, ad-hoc coaching has been made available for managers as and when required to allow them to be fully equipped to perform their role.

Findings

Indicator	2019	2018	2017
Number of employees having signed an amendment to their employment agreement allowing them to work from home	36	25	-
Turnover rate	21.8%	23.5%	12%
Absenteeism rate	3.4%	2.2%	2.9%

Comments on the evolution of indicators

The ability to work from home is started in 2018. With the review of the policy in 2019 and after the feedback received after a successful first year, more amendments were signed for employees who decided to work from home on a regular basis once a week.

The absenteeism rate is based on the number of days related to sick leave, including those related to injuries on the workplace. In 2019, three employees particularly were not able to work for a long period of time, hence increasing this rate.

3.5. Our environment

3.5.1. Risk 3: Waste management

Being a biotechnology company, Nanobiotix spends a considerable amount of efforts in research and development for a class III medical device in Europe. The Company therefore considers that the impact it has on the environment is low, given that most of the research activities are performed in labs while development activities are largely subcontracted.

It should be noted that for its research activities, the Company follows a strict regulatory framework and has obtained all the required agreements.

Our key objective

Ensure that waste coming out of Nanobiotix's labs is managed in accordance with and complies with the regulatory framework currently in place so that the Company's activities have the least impact on the environment.

Governance

The lab managers are responsible for waste management. They are responsible for the compliance with procedures in place, their updates and the monitoring of related costs. Every new joiner is given a welcome booklet which includes a section on « working in the lab", which includes instructions in terms of safety and environment.

Standard Operating Procedures are reviewed on a regular basis and were updated in 2019. An internal training session was organised across all functions working in the lab in order to maximise their understanding of the various safety aspects and the risks related to this activity.

Policies and action plans

Nanobiotix signed a contract with the company subcontracted for waste management in order to improve further the process.

The Company has implemented a number of procedures for chemical and biological lab waste, which detail the process for chemical products and waste management. The Company also separates the recycling and collection separately for potentially infectious clinical waste (DASRI), performed by its subcontractor. The aim of this collection and recycling is to eliminate this waste while complying with applicable laws.

Findings

Indicator	2019	2018	2017
Wattignies - Potentially infectious clinical waste (kg)	1,164	1,272	664
Wattignies - Chemical waste (kg)	618	656	452
BioPark - Chemical waste (T)	1.5	4.8	-

Comments on the evolution of indicators

The amount of waste generated by Wattignies in relatively stable year on year. However, the mount of chemical waste generated by the manufacturing (BioPark) site is considerably less than that of 2018 due to the advancement of the tests performed and therefore the decreased in production.

3.6. Our patients

3.6.1. Risk 4: Patients safety during clinical trials

All Clinical Trials Sponsored by Nanobiotix or Business partners are executed with respect to the highest standards in the industry according to the national and international Regulations, Directives, Guidance and Recommendations. The main guidelines supporting clinical trials compliance are developed within the guidance for good clinical practice ICH E6(R2) (which discusses approaches to clinical trial design, conduct, oversight, recording, and reporting as well as updated standards regarding electronic records and essential documents), "Good Clinical Practice" (GCP) being an international ethical and scientific quality standard for designing, conducting, recording and reporting trials that involve the participation of human subjects.

Compliance with this standard provides Nanobiotix assurance that the rights, safety, and well-being of patients enrolled in the clinical trials are protected, consistent with the principles coming from the Declaration of Helsinki, and that the clinical trial data are credible, meaning that quality and integrity of the data gathering during the trials can be demonstrated during and after the trial termination.

In addition, clinical trials and then protection of patients during the activities is framed by additional guidance established in the same concept and outlines within ICH E2A regarding "clinical safety data management" and ICH E8 "general consideration for clinical trials", which sets out the general scientific principles for the conduct, performance and control of clinical trials. The Guideline addresses a wide range of subjects in the design and execution of clinical trials.

As the goal of the Clinical Trial Regulation framework is to create an environment that is favorable to conducting clinical trials, with the highest standards of safety for participants and increased transparency of trial information Nanobiotix has identified several processes with objectives driving continuous compliance towards those regulation.

Our key objective
Ensuring safe participation of all patients treated with NBTXR3 in the context of any clinical trial, regardless the region or country where the trial is conducted.

Governance
The Executive Board is directly involved in the execution of the global clinical development plan. They make strategical decision and provide appropriate resources to achieve clinical trials objectives and the supervision of safety for patients enrolled in the clinical trials.

While Clinical research associates (CRA) work closely with the hospitals, ensuring sites' compliance and meeting ICH-GCP guidelines, the Safety Vigilance department is specifically dedicated to the collection, review and evaluation of all Adverse Events/Effects. All these events are duly reported to the appropriate national competent authorities, ethic committees and all parties involved in the clinical trials. The Safety Vigilance department is responsible for evaluation the potential patients-related risks in relation to the use of the product and establishing risk-minimization measures.

Policies and action plans

Oversight of clinical trials compliance and execution are defined through numerous procedures within the organization which are currently evaluated for Clinical Risk Management (CRM). Starting from the definition of regulatory and statutory requirements, Nanobiotix has defined a policy regarding regulatory intelligence to keep abreast of new or modified regulations and standard and to contribute in the company regulatory compliance.

The applicable regulatory and statutory requirements are outlines in Nanobiotix's procedures in the framework of the quality management system to ensure that operations are executed accordingly, particularly to ensure clinical project management and to control the execution of protocols as well as *Good Clinical Practice* compliance through monitoring.

Findings

Based on the CRM discussed above and feedback from trial quality controls and audits, a full review of the organization and the related procedures is set up, within a plan of actions which will be effective at the end of June 2020 for critical clinical processes supporting patients' safety and rights as a paramount and data reliability.

An annual audit program established on a risk-based approach also supports GCP compliance during the trials, including audits of the CROs involved in Nanobiotix's projects, investigational sites, the Principal Investigators' responsibilities for the site as well as internal audits.

So far, Nanobiotix has provided a set of key performance indicators demonstrating the high level of control executed by the clinical trial teams including data integrity and reliability to demonstrating a good safety profile of the product and respect for Human Safety protection.

Although Nanobiotix tracks SAEs (clinical trial-related injury and serious adverse events), this KPI in itself isn't deemed to be as relevant as the actions taken in order to address these SAEs, which are used to establish the safety profile of the product before the product is available on the market and more importantly, whether these SAEs have been communicated to the appropriate regulation authorities, depending on the country the events arise in, in compliance with the country's deadlines for reporting (the NCA, National Competent Authorities), the Independent Ethics Committees (IECs) and the Company's Safety Management Plan, established at the beginning of each trial.

The deadlines differ, depending on the country and whether the product is a drug or a medical device amongst the factors. Typically, depending on the severity of the event and the factors mentioned above, the deadline for submission could be 24 hours, 2 calendar days, 7 calendar days or longer.

Indicator	2019	2018	2017
% of SAEs (clinical trial-related injury and serious adverse events) reported on time	99%	100%	99%

Comments on the evolution of indicators

Nanobiotix consistently meets the regulatory compliance requirements in terms of patients' safety.

3.7. Risk 5: Safety and quality of the products

The development, screening, manufacturing and commercialization of therapeutic solutions for cancer treatment are governed by a rigorous, complex and evolving global regulatory environment. Regulatory authorities, including the ANSM (Agence Nationale de Sécurité du Médicament et des produits de Santé, France) and the FDA (Food and Drug Administration, USA), have imposed strict requirements on the amounts and types of data required to demonstrate the safety and efficacy of products prior to their marketing and sale. Moreover, following its initial approval or certification, any product approved for commercialization is reassessed on a regular basis in terms of its patients' risk/benefit ratio. The potential discovery of new defects or side effects which were not detected during the development of the product and clinical trials can result in restrictions on sale, the suspension or withdrawal of the product from the market and an increased risk of litigation.

Our key objectives

- Ensure that our product complies with the appropriate and expected specifications regarding safety, efficacy and quality, and
- Ensure that any modification during product development life cycle continue to promote a high level of quality for patient safety and treatment efficacy.

Governance

Nanobiotix has developed its product in line with ICHQ8 "Quality by Design", ICH Q9 "Risk management" and ICHQ10 "Pharmaceutical Quality system" to ensure the manufacturing of a safe product from the earliest times of the development activities.

A Quality Board is in place, which is accountable for the decision making regarding all product quality-related topics developed or commercialized by Nanobiotix, specifically on the following matters:

- Manufacturing and post-manufacturing activities related to the product,
- Regulatory application status and follow up,
- Changes that could have an impact on the quality of the product or its application,
- Status of critical suppliers involved in the production and post-production activities,
- Major deviations that could affect the quality of the product,
- Outcomes of audits performed internally and on our suppliers.

The Quality board includes as a minimum the Chief Operating Officer (COO), the Qualified Person, the head of manufacturing, the head of regulatory affairs, and the head of quality assurance.

The application of decisions and action plans to be executed are monitored through the quality management system and escalated to the Executive Board through KPIs at least on a quarterly basis.

Policies and action plans

From the design Phase of its products, Nanobiotix implements a risk-based approach process to determine the best solution to achieve their safety, efficacy and quality in line with ICH Q8, Q9 and Q10 (Quality by Design, Risk management and Pharmaceutical Quality system).

Based on the knowledge of the product and process development, Nanobiotix has established a Continuous Verification Process (CVP) approach to demonstrate the robustness of the manufacturing process, producing the expected quality.

The manufacturing process has been carried out based on and is monitored through a science-based and a risk-based approach based on the FMEA (Failure Mode and Effects Analysis) model. Regulatory requirements in relation to the medical devices and sterile medicinal products have been implemented in the quality system in order to support the science-based process and controls with a "built-in a quality" approach, ensuring compliance and quality for NBTXR3.

In addition, Nanobiotix has selected the EN ISO 14971 standard as recognized guidelines to conduct the product risk management process to achieve the compliance with the normative and regulatory requirements all along the product's life cycle, from design to production and post-production phase:

Possible hazards have been identified and managed based on the FMEA model. If any risk has been deemed unacceptable, it has been reduced to acceptable levels by appropriate measures to control the risk.

In 2019, the Quality Board's functional teams, being the manufacturing, quality and regulatory have focused their effort on the manufacturing site (BioPark).

In addition, the monitoring of routine production allowing the release of the product for clinical and non-clinical development have continuously been performed over the year.

Findings

In terms of routine activities related to the product's quality and supply for clinical investigation, in 2019, all finished product batches have been released to conduct Nanobiotix development plan including non-clinical and clinical research activities without any relevant or significant issue from a quality point of view. In addition, two other campaigns will be reviewed for overall control in 2020 to support a continuous product supply.

Regarding the manufacturing development, most of systems, facilities and equipment have been qualified or validated to support the manufacturing site's operations and the quality of the development data. The plan is set to continue to confirm qualification status according

to regulatory requirements expectation. Several batches have been produced within the manufacturing site to gather product and process-related data and optimize the quality assurance documentation and the site's organization.

Nanobiotix reviews a number of KPIs on a regular basis in order to ensure consistency and quality of the processes and the results of manufacturing activities, one of which being the percentage of batches produced, as part of a campaign that are deemed to be, following a thorough and lengthy process, to be compliant with Nanobiotix's and the industry's standards.

Indicator	2019	2018	2017
% of batches produced per campaign that have successfully gone through the quality control process	On-going controls	On-going controls	94%

Comments on the evolution of indicators

The indicator is related to the bulk produced during the year. These results may be updated during the full review of manufacturing records where some batches may be rejected based on the results of the quality control performed.

The indicator identified in the above table provides an overview of the production campaigns conducted between 2016 and 2019 and the number of sub-batches or batches rejected during the production of the bulk. In the past four years, four campaigns took place: two in 2016, one in 2017 and one in 2019 (none in 2018).

In addition, Nanobiotix monitors rigorously the evolution of the quality and performance of the manufacturing process performed by our subcontractor and depend on the manufacturing campaign that have taken place in recent years.

Out of the four campaigns that took place between 2016 and 2019, the batches produced as a result of the first two campaigns (2016) have been tested at bulk level as well as at sub-batches level, before the release of the sub-batches. The results shown above for the year 2017 relate to one of the campaigns that took place in 2016. This process being lengthy, these controls have been taking place over several months, sometimes years. the controls of the last two campaigns that took place in 2017 and 2019 are still ongoing. It has therefore been decided to show above the results of the campaign in the year the results are made available as opposed to the year the campaign took place. The results shown in 2017 relate to the second campaign that took place in 2016.

It should be noted that the release of the 2017 and 2019 campaigns is still ongoing and controls are still taking place.

3.8. Risk 6: Protection of personal data

Despite the implementation of security measures, internal computer systems, and those of third parties on which the Group relies, remain vulnerable to diverse threats, including computer viruses, malware, unauthorized accesses, natural disasters, acts of terrorism, acts of war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the internet.

2018 was the year GDPR (General Data Protection Data Regulation) became effective. The GDPR aims to reinforce and unify the protection of data for all individuals within the European Union. Nanobiotix is dedicated to guarantee the confidentiality and the safety of data that is collected and ensures that these data never be used for fraudulent purposes or in ways that would be against current regulations, in particular, act number 78-17, dated January 6, 1978, "Data Protection Act", ordinance number 2018-1125 dated June 28, 2018 and the EU regulation 2016/679 of the European parliament and of the counsel dated April 27, 2016 ("GDPR").

Our key objectives

Ensure that Nanobiotix complies with the laws and regulations in place, for its employees as well as all patients taking place in its clinical trials and any third party that may be impacted and that no breaches are reported.

If breaches are reported that appropriate measures are taken to ensure quick remediation and processes are implemented to avoid reoccurrence.

Governance
The Company has been working with specialists in order to identify actions to implement in order to ensure compliance, inform employees about the new requirements as introduced by the GDPR and nominated a Data Protection Officer (DPO) to the CNIL (*Commission Nationale de l'Informatique et des Libertés*).

Policies and action plans

IT and security measures

Data and know-how protection are subject to rigorous processes and controls. In 2018, the Company has set up back up servers and back up procedures in line with the current safety standards. In order to best protect the Company from hacking attempts, servers dedicated to internet and servers hosting data only have been set up so that they are entirely independent from one another. The Company's premises have a dedicated, secured room, where research and development documents and contracts are safely stored.
In 2019, an incidents and breaches log was implemented. The current data breach procedure is tracked through the Quality assurance's corrective and preventive actions process.

In early 2020, several measures were taken:

- Reinforcement of the password security policy
- Regular IT and cybersecurity awareness communication to employees
- Review and update of the IT Charter to place further restrictions against the dissemination of personal and confidential information of the Company
- Reinforcement of security through web filters against phishing and restrictions of access to certain websites with a monitoring of internet activity

An annual review of access granted to data and systems will be performed and documented.

Other activities

Actions to be carried out in the GDPR compliance program are either general (i.e. at the Company level) or defined for each identified data processing activities. In addition, these actions can be either organizational (e.g. updating the Data Protection Policy or establish privacy notices for particular situations), operational (e.g. minimizing data collection by all departments or check the compliance of sub-contractors) or technical (e.g. 'cookies in use' button for the website).

The company is focusing on the core principles of GDPR to address all identified gaps within the organization:

Consent: Patients' data used in clinical trials being particularly sensitive, the Company has continued to focus its efforts to provide additional information to healthcare professionals collecting patient's data and to ensure data protection for personal data collected from both investigators and patients. Data subject consent can be traced, so that it is continuously governed and administered across the business' systems and processes in accordance with the permissions granted.

Process: Every department is responsible for documenting a detailed and comprehensive view of what personal data they have, where it is and how it is being used, secured, stored and eventually deleted. This is captured in the records of data processing activities, which must be regularly updated.

Data governance: The Company is contemplating the set-up of a governance team composed of staff with the right skills and business unit perspectives, including IT, that would report to the Data Protection Officer.

Transparency: Transparency obligations under GDPR begin at the data collection stage and apply throughout the life cycle of processing. The Company is working on informing data subjects by all means, free of charge, using a vocabulary that is easily understandable by all.

Accountability: The Company documents its data protection strategy as well as all data protection related actions, to provide evidence of compliance to applicable legislations and demonstrate that the requirements are consistently met.

Results
Key Performance Indicators will be set in 2020 and monitored going forward, on a regular basis, with the support of the governance team.

3.9. Our suppliers

3.9.1. Risk 7: Responsible partnering

The Company relies on the systematic use of partners for the manufacturing of NBTXR3. Given the criticality of regulatory and product quality compliance in this industry, it has been decided to include CSR-related criteria in the decision-making process to identify subcontractors the Company works with. These criteria come in addition to those already existing, being ISO 9001 (Quality Management System), GCP (Good Clinical Practice, where

guidelines are dictated by the International Conference on Harmonization (ICH)) and GMP (Good Manufacturing Practice).

Although this approach is true for the manufacturing of NBTXR3, it is also adopted for all significant subcontractors the Company works with, so as to ensure the highest standards and quality are ultimately, directly or indirectly, provided to patients who take part in NBTXR3 clinical trials.

Our key objective

Ensure that suppliers provide a high quality of service or product in line with Nanobiotix's and the industry's standards through the elaboration of strategic partnerships.

Governance

A dedicated function was created in 2019 within the Company in order to foster an effective partnerships' mindset and collaborations with the Company's strategic suppliers. The team's aim is to coordinate and improve interactions the Company has with potential partners as well as those already in place.

A cross functional team is set up for each new project where a partnership is required, including the heads of each departments as required. These teams define the technical, quality and regulatory requirements as a minimum, in terms of regulators' expectations from a GxP point of view, regulatory strategy and the financial aspects of the project.

Strategic partnership decisions are identified by the functional team and approved by the Executive board.

Policies and action plans

Strategic subcontractors/partners with whom the Company works follow the existing regulation currently in place at all times. The Company performs pre-qualifying visits and regular audits of the key sub-contractors in order to ensure a regular and rigorous monitoring of the manufacturing of products.

At the early stages of the product development and to support the Company's activities, Nanobiotix has identified the most appropriate source of material and services, respectively provided by suppliers or sub-contractors. The selection and qualification of suppliers are defined within an internal document, explaining the process that contributes to the selection of the suppliers/ subcontractors which can answer to the Company's technical, quality and financial requirements. Technicality and quality are the foundation of this process as suppliers must provide assurance that products or services to be provided are in line with Nanobiotix's expectations and executed within the appropriate quality framework, including typical ISO certification and GxP compliance, especially GCP and GMP.

A continuous follow up of the quality provided by suppliers and subcontractor is performed through the quality management system and through the consolidation of a number of elements, an evaluation is performed at least annually. The consolidated elements include risk-based approach audit programs, continuous evaluation of purchases, process monitoring of activities delegated, quality control before use, formalized agreements. For all critical suppliers who have an impact on the quality of the product, Nanobiotix classifies

them as “class I” (critical supplier) and ensures that agreements are in place which specify the roles and responsibility of each party within the regulatory framework.

Results

In 2019, Nanobiotix has initiated two major partnerships: one with a CRO supporting the Company’s activities for some of its clinical trials, and another one in manufacturing. Audit programs have contributed to ensure the initial or confirmation of the qualification of these suppliers, as well as the existing ones.

No critical findings were identified as a result of the Company’s suppliers’ audits, although suggestions for improvement were made.

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Nanobiotix

Year ended the 31 December 2019

Independent verifier's report on non-financial statement

EY & Associés

Nanobiotix

Year ended the 31 December 2019

Independent verifier's report on non-financial statement presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To Mr Philippe Mauberna,

Further to your request and in our quality as an independent verifier, member of the network of one of the statutory auditors of your entity Nanobiotix (hereafter "entity"), we present our report on the non-financial statement established for the year ended on the 31st December 2019 (hereafter referred to as the "Statement"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

The entity's responsibility

As part of this voluntary approach, it is the responsibility of the entity to prepare the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- The compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- The fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and

anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of the work

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000[2].

- We obtained an understanding of entity's activity and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III;
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with the entity's activity, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;

[2] ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

- We assessed the overall consistency of the Statement based on our knowledge of the entity.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our verification work mobilized the skills of three people and took place between February 2020 and March 2020 on a total duration of intervention of about three weeks.

We conducted seven interviews with the persons responsible for the preparation of the Statement including in particular the General Management, Finance, Quality, Human Resources, Development, Manufacturing and Discovery.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Paris-La Défense, April 3, 2020

French original signed by:

Independent third party EY & Associés	
Partner, Sustainable Development Eric Duvaud	Partner Jean-François Belorgey

Appendix 1 : The most important information

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Number of work-related accidents Number of days of trainings on health and safety Number of employees having signed an amendment to their employment agreement Turnover rate Absenteeism rate	Health and safety (training actions) Working conditions
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Quantities of potentially infectious clinical waste Quantities of chemical waste	Waste management
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of SAEs (clinical trial-related injury and serious adverse events) reported on time Share of batches produced per campaign that have successfully gone through the quality control process	Measures undertaken in favor of patients' safety during clinical trials Measures undertaken to ensure safety and quality of the products Protection of personal data Responsible sourcing

4. 2019 ANNUAL FINANCIAL STATEMENTS

4.1. CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

4.1.1. Consolidated statement of financial position

Assets

(€k)	Notes	December 31, 2019	December 31, 2018 [1]
Non-current assets			
Intangible assets	**5**	163	102
Property, plant and equipment	**6**	9,386	2,884
Non-current financial assets	**7**	529	558
Total non-current assets		**10,078**	**3,544**
Current assets			
Trade receivables	**8.1**	11	25
Other current assets	**8.2**	11,022	6,422
Cash and cash equivalents	**9**	35,094	36,203
Total current assets		**46,127**	**42,651**
TOTAL ASSETS		**56,205**	**46,195**

[1] The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

Liabilities and shareholders' equity

(€k)	Notes	December 31, 2019	December 31, 2018 [1]
Shareholders' equity			
Share capital	**10.1**	672	589
Premiums related to share capital	**10.1**	153,139	122,799
Accumulated other comprehensive income		433	381
Treasury shares		(169)	(124)
Reserve		(105,069)	(79,057)
Net loss for the period		(50,915)	(30,345)
Total shareholders' equity		**(1,908)**	**14,243**
Non-current liabilities			
Non-current provisions	**11.2**	331	337
Non-current financial liabilities	**12**	43,435	20,021
Total non-current liabilities		**43,766**	**20,358**
Current liabilities			
Current provisions	**11.1**	164	55
Current financial liabilities	**12**	1,091	500
Trade payables and other payables	**13.1**	7,770	6,509
Other current liabilities	**13.2**	5,322	4,533
Total current liabilities		**14,347**	**11,597**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**56,205**	**46,195**

[1] The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

4.1.2. Consolidated income statement

(€k, except loss per share)	Notes	2019	2018 [1]
Revenues and other income			
Revenues	**15**	68	116
Other income	**15**	2,473	3,363
Total revenues and other income		**2,541**	**3,479**
Research and development expenses	**16.1**	(30,411)	(20,893)
Selling, general and administrative expenses	**16.2**	(18,909)	(12,653)
Total operating expenses		**(49,320)**	**(33,546)**
Operating income (loss)		**(46,779)**	**(30,067)**
Financial income	**18**	837	1,172
Financial expenses	**18**	(4,970)	(1,449)
Financial income (loss)		**(4,133)**	**(277)**
Income tax	**19**	(3)	-
Net loss for the period		**(50,915)**	**(30,345)**
Basic loss per share (euros/share)	**21**	**(2.35)**	**(1.55)**
Diluted loss per share (euros/share)	**21**	**(2.35)**	**(1.55)**

[1] The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

4.1.3. Consolidated statement of comprehensive loss

(€k)	Notes	2019	2018 [1]
Net loss for the period		**(50,915)**	**(30,345)**
Actuarial gains and losses on retirement benefit obligations (IAS 19)	**11.1**	88	(48)
Tax impact		-	-
Other comprehensive loss that will not be reclassified subsequently to income or loss		**88**	**(48)**
Currency translation adjustment		(36)	(85)
Tax impact		-	-
Other comprehensive income that may be reclassified subsequently to income or loss		**(36)**	**(85)**
Total comprehensive loss		**(50,863)**	**(30,478)**

[1] The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

4.1.4. Statements of consolidated changes in shareholders' equity

	Notes	Share capital							
		Number of shares	Amount (€k)	Premiums related to share capital (€k)	Accumulated other comprehensive income (loss) (€k)	Treasury shares (€k)	Reserve (€k)	Net loss for the period (€k)	Total shareholders' equity (€k)
As of December 31, 2017		**19,633,373**	**589**	**123,782**	**514**	**(27)**	**(54,793)**	**(26,143)**	**43,922**
Net loss for the period		-	-	-	-	-	-	(30,345)	(30,345)
Currency translation adjustments		-	-	-	(85)	-	-	-	(85)
Actuarial gains and losses (IAS 19)	**11.2**	-	-	-	(48)	-	-	-	(48)
Total comprehensive loss		**-**	**-**	**-**	**(133)**	**-**	**-**	**(30,345)**	**(30,478)**
Allocation of prior period loss		-	-	-	-	-	(26,143)	26,143	-
Capital increase		-	-	-	-	-	-	-	-
Subscription of warrants	**10.3**	-	-	47	-	-	12	-	59
Share based payment	**17**	-	-	-	-	-	1,867	-	1,867
Treasury shares		-	-	-	-	(97)	-	-	(97)
U.S. Initial public offering costs	**10.1**	-	-	(1,030)	-	-	-	-	(1,030)
As of December 31, 2018 (1)		**19,633,373**	**589**	**122,799**	**381**	**(124)**	**(79,057)**	**(30,345)**	**14,243**
Net loss for the period		-	-	-	-	-	-	**(50,915)**	(50,915)
Currency translation adjustments		-	-	-	(36)	-	-	-	(36)
Actuarial gains and losses (IAS 19)	**11.2**	-	-	-	88	-	-	-	88
Total comprehensive loss		**-**	**-**	**-**	**52**	**-**	**-**	**(50,915)**	**(50,863)**
Allocation of prior period loss		-	-	-	-	-	(30,345)	30,345	-
Capital increase		2,566,666	77	28,002	-	-		-	28,079
BSPCE exercise		215,000	6	1,300	-	-	-	-	1,306
Subscription of warrants and attribution of free shares	**10.3**	-	-	8	-	-	13	-	21
Share based payment	**17**	-	-	-	-	-	4,320	-	4,320
Treasury shares		-	-	-	-	(45)	-	-	(45)
U.S. Initial public offering costs reversal	**10.1**	-	-	1,030	-	-	-	-	1,030
As of December 31, 2019		**22,415,039**	**672**	**153,139**	**433**	**(169)**	**(105,070)**	**(50,915)**	**(1,908)**

(1) The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

4.1.5. Statements of consolidated cash flows

(€k)	Notes	2019	2018 [1]
Net loss for the period		**(50,915)**	**(30,345)**
Elimination of other non-cash, non-operating income and expenses			
Depreciation and amortization	**16.4**	1,767	619
Provisions		161	5
Expenses related to share-based payments	**17**	4,320	1,867
Cost of net debt		45	-
Loss on disposal		1,940	292
U.S. Initial public offering 2018 costs offset		201	
Impact of deferred income related to financial liabilities discounting effect		2,833	535
Other charges with no impact on treasury		(2)	(36)
Cash flows used in operations, before tax and changes in working capital		**(39,647)**	**(27,063)**
(Increase) / Decrease in trade receivables	**8.1**	(85)	144
Increase in other receivables	**8.2**	(4,640)	(698)
Increase in trade and other payables	**13.1**	2,057	633
Increase in other current liabilities	**13.2**	1,146	999
Changes in operating working capital		**(1,522)**	**1,078**
Cash flows used in operating activities		**(41,169)**	**(25,985)**
Cash flows from (used in) investing activities			
Acquisitions of intangible assets	**5**	(353)	(90)
Acquisitions of property, plant and equipment	**6**	(1,091)	(416)
Addition in non-current financial assets	**7**	(16)	577
Net cash flows from (used in) investing activities		**(1,459)**	**71**
Cash flows from financing activities			
Capital increases	**10.1**	29,517	-
Warrants subscription	**10.1**	1,327	59
Transaction costs	**10.1**	(1,438)	(279)
Increase in loans	**12**	14,000	16,000
Decrease in conditional advances	**12**	(500)	(500)
Decrease in borrowings	**12**	-	(427)
Repayment of lease liabilities [2]	**12**	(1,067)	-
Interest paid related to loans	**12**	(350)	(3)
Net cash flows from financing activities		**41,489**	**14,850**
Effect of exchange rates changes on cash		29	54
Net increase (decrease) in cash and cash equivalents		**(1,109)**	**(11,009)**
Net cash and cash equivalents at beginning of period		**36,203**	**47,212**
Net cash and cash equivalents at end of period	**9**	**35,094**	**36,203**

[1] The Company applies the new standard IFRS 16 – Leases starting January 1, 2019 following the modified retrospective method, the comparative financial statements are therefore not restated (see. Note 2.1. for further details on the impacts of first application).

[2] Lease contracts in the IFRS 16 scope. see. Note 2.1. for further details on the impacts of first application of IFRS 16 – Leases effective from January 1, 2019.

4.1.6. Notes to the consolidated financial statements for the year ended December 31, 2019

4.1.6.1. Information related to the Company

4.1.6.1.1. Presentation of the Company

Nanobiotix S.A. was incorporated in 2003 as a spin-off from the State University of New York (SUNY) in Buffalo. Nanobiotix S.A. (together, with its four subsidiaries located in the United States of America, Germany, Spain and France, the "Company"), is headquartered in Paris, France.
The Company is a clinical-stage biotechnology company focused on developing first-in-class product candidates that use proprietary nanotechnology to transform cancer treatment, the utility and efficacy of radiotherapy. Its lead product candidate, NBTXR3, is an aqueous suspension of crystalline metallic nanoparticles approximately 50 nanometers (50 billionths of a meter) in diameter, designed for injection directly into a malignant tumor. When exposed to ionizing radiation, NBTXR3 amplifies the localized, intratumor killing effect of that radiation, NBTXR3 is designed to enhance the overall efficacy of radiotherapy without resulting in additional side effects on the surrounding healthy tissues.
The Company is currently conducting eight clinical trials worldwide, in partnership, to evaluate NBTXR3 as a potential treatment, either alone or in combination with other agents, in different tumor-based cancer indications. It is also pursuing a development program to explore the use of radiotherapy-activated NBTXR3 in combination with immunotherapeutic agents across various oncology indications.
Nanobiotix S.A. has been listed on the Euronext regulated market in Paris since October 2012 under the ticker symbol "NANO."

4.1.6.1.2. Key events of the fiscal year ended December 31, 2019

Significant events of the period

Large-scale, comprehensive clinical collaboration on NBTXR3 with MD Anderson Cancer Center

In January 2019, Nanobiotix and the University of Texas MD Anderson Cancer Center announced large-scale, comprehensive clinical research collaboration.
The collaboration will first conduct the launch of nine new Phase I/II clinical trials with NBTXR3, in 6 types of different cancers– head and neck, pancreatic, thoracic, lung, gastrointestinal and genitourinary cancers for more than 340 patients (see Note 4.3 and Note 22.4).

Addendum to the Headquarters rent contract of the 60, rue de Wattignies in Paris

On January 24, 2019, in addition to the initial rental agreement signed in 2017, an addendum was executed resulting in the lease of additional space and an additional annual rent of €225 thousand before tax with retroactive effect from January 1, 2019. As a result, the annual rent was increased to €686 thousand before tax.
The Company benefits from a rent-free period for the 8 first months of the additional space rented. Once discounted at the Company's incremental borrowing rate at the addendum's date, the total commitments related to this 2019 addendum, considered as a new lease contract under IFRS 16, reached €1.9 million (see notes 6 and 12).

€14 million second tranche disbursement of financing from the European Investment Bank received

On March 4, 2019, the Company received €14 million through the second tranche disbursement of the non-dilutive loan from the EIB (see Note 12). This payment was triggered by the achievement of 2 key company milestones, namely the determination of the recommended dose at 22% of the tumor volume for head and neck and cancers treatment following the end of Phase I clinical trial with NBTXR3 and a positive evaluation of the clinical benefit/risk ratio of NBTXR3 in soft tissue sarcomas Phase III by the clinical expert mandated by the French medical device notified body (GMED).

Approximately €29.5 million raised in a placement of new ordinary shares

On April 9, 2019, the Company placed 2,566,666 of new ordinary shares with a par value of €0.03 with institutional investors in the United States and investors in France and other countries outside of the United States through an offering reserved to a specific class of investors.

The total gross proceeds from this offering were approximately €29.5 million, before deducting fees and expenses in a total amount of €1.4 million (see Note 10.1).

Creation of the subsidiary Curadigm SAS, carrying the technology Nanoprimer

The subsidiary Curadigm SAS was created on July 3, 2019 through a €1.0 million capital contribution.

This platform is dedicated to redefining through the Nanoprimer technology, the therapeutic balance between bioavailability, toxicity, and efficacy across the pharmaceutical industry as for most therapeutics today, only a small portion of the medicine administered is effective and the rest is cleared from the body without effect or may even be toxic.

The wholly owned subsidiary of Nanobiotix operates in France and in the United States. In vivo proof of concept data was presented during AACR 2019.

4.1.6.2. General Information, Statement of Compliance and Basis of Presentation

4.1.6.2.1. General principles

The consolidated financial statements as of and for the years ended December 31, 2019 and 2018 were prepared under management's supervision and were approved by the Executive Board of the Company (the "Executive Board") on March 17, 2020 and reviewed by the Supervisory Board of the Company (the "Supervisory Board") on March 17, 2020.

All amounts presented in the consolidated financial statements are presented in thousands of euros, unless stated otherwise. Some figures have been rounded. Accordingly, the totals in some tables may not be the exact sums of component items.

The consolidated financial statements have been prepared using the historical cost measurement basis, with the exception of financial assets and liabilities, which are measured at fair value.

The preparation of the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") requires the use of estimates and assumptions that affect the amounts and information disclosed in the financial statements. See Note 3.2 for additional information.

The consolidated financial statements were prepared on a going concern basis. The Executive Board determined it is appropriate to apply a going concern assumption because the

Company's historical losses are due to the innovative nature of the products it develops, which necessitates a research and development phase spanning several years. In addition, given the €35,094 thousand of cash and cash equivalents as of December 31, 2019, as compared to €36,203 thousand as of December 31, 2018, the Company believes it has sufficient resources to continue operating for at least twelve months following the consolidated financial statements' publication.

4.1.6.2.2. Statement of Compliance and Basis of Presentation

The consolidated financial statements have been prepared in accordance with IFRS, International Accounting Standards ("IAS") as adopted by the European Union as well as interpretations issued by the IFRS Interpretations Committee ("IFRS-IC") and the Standard Interpretations Committee (the "SIC"), which application is mandatory as of December 31, 2019.
Those are available on the European Commission website:
https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002

The accounting principles used to prepare the consolidated financial statements for the fiscal year ended December 31, 2019 are identical to those used for the previous year except for the standards listed below that required adoption in 2019.

Application of New or Amended Standards and Interpretations

The Company adopted the following standards, amendments and interpretations, whose application was mandatory for periods beginning on January 1, 2019:

- IFRIC 23 – *Uncertainty over income tax treatments.*
- Amendments to IFRS 9 – *Prepayment Features with negative Compensation and modifications of financial liabilities.*
- Amendments to IAS 19 – *Employee benefits - plan amendments, curtailments or settlements.*
- Amendments to IAS 28 – *Long term interests in associates and joint ventures.*
- IFRS 16 – *Leases*, which replaces IAS 17 and the related IFRIC and SIC interpretations and is effective for annual reporting periods beginning on or after January 1, 2019. This standard eliminates the difference between operating and financial leases, and requires leases be recognized in the balance sheet. The accounting consists of recognizing a right of use asset and recording a liability for the value of the discounted rentals to be paid over the lease term.
- Annual improvements to IFRSs 2015-2017 Cycle (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23, applicable for periods beginning after January 1, 2019).

Those amendments and interpretations have no impact on the consolidated financial statements of the Company, except for the new Standard IFRS 16, which impacts are detailed in note 2.1 "Impact related to the first application of IFRS 16" below.

The Company elected not to early adopt the following new standards, amendments and interpretations which application was not yet mandatory for the year ended December 31, 2019:

- Amendment to IFRS 3 – *Business combination, definition of a business*. No impact expected on the consolidated financial statements of the Company.
- Amendment to IAS1 – *Presentation of financial statements, classification of liabilities*. No impact expected on the consolidated financial statements.
- Amendment to IAS 39, IFRS 7 and IFRS 9 related to the BOR interest rates reform. No impact expected on the consolidated financial statements.
- Amendments to References to the Conceptual Framework in IFRS Standards (Effective for the accounting periods as of January 1, 2020). No impact expected on the consolidated financial statements.
- IFRS 17 - *Insurance Contracts* (applicable for periods beginning after January 1, 2021 and not yet adopted by the European Union). No impact expected on the consolidated financial statements.

Impact of IFRS 16 first application

The company has adopted the standard as of January 1, 2019 using the modified retrospective method. The Company therefore records:

- A right of use equivalent to the initial debt, net of any lease incentives provided by the lessor.
- A lease liability for the discounted lease payments outstanding for the remaining reasonably certain lease term as of January 1, 2019.

The Company's equity was not impacted by the first application of IFRS 16. The application of IFRS 16 has no impact on the Company's cash and cash equivalents.

The main operating leases falling within the scope of IFRS 16 are the leases entered into for the Company's headquarters and research buildings.

The Company used the following practical expedients:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- The reliance on previous assessments on whether leases are onerous;
- The exclusion of payments related to operating leases with a remaining lease term of less than 12 months without option to buy (short-term leases) and leases related to low-value assets recorded in operating expenses (as under IAS 17);
- The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

On adoption of IFRS 16, the Company recognized the "lease liabilities" in relation to leases which had previously been classified as "operating leases" under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019.

The discount rate used at the transition date corresponds to the incremental borrowing rate that would be obtained for a loan entered into for an equivalent period as the remaining duration of the on-going lease contracts at the transition date. For future contracts, and in the absence of an implicit rate, the same method will be used. The weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 varies depending on the lease term from 4,87% to 5,33%.

As the Company applied IFRS 16 following the modified retrospective method, the comparative financial statements as of December 31, 2018 are not restated. However, the following tables detail the main impacts of IFRS 16 as of the date of first application.

Reconciliation between the company's operating leases commitments as of December 31, 2018 and the lease liability as of January 1, 2019

(in €k)

Operating lease commitments disclosed as at 31 December 2018	6,407
Rent reevaluated with the 2019 index [(1)]	294
2018 contracts not previously included in commitments	216
Discounting impact of lines above	(1,234)
Prepaid expenses related to IFRS 16 contracts as of December 31, 2018	(114)
Lease liabilities recognized as at 1 January 2019	5,569
Of which:	
Current lease liabilities	*741*
Non-current lease liabilities	*4,828*

[(1)] As of January 1, 2019, the lease payments were updated to take into account the lease payment increase required under the lease agreements based on various indices.

At the date of first-time application under the modified retrospective method, there was no significant impact on reserves. During 2019, the Company recorded in the income statement an interest expense associated with the leases as a financial charge (see note 12.1) and the amortization of the right of use (see note 6).

Impact of IFRS 16 first application on the statement of financial position (increase/(decrease)) at the date of initial application (January 1, 2019)

	As of January 1st, 2019		
(€k)	Excluded IFRS 16	IFRS 16 impacts	Included IFRS 16
ASSETS			
Rights of use	-	5,500	6,850
Total non-current assets	**3,544**	**5,500**	**9,044**
Other current assets	6,422	(114)	6,308
Total current assets	**42,651**	**(114)**	**42,537**
TOTAL ASSETS	**46,195**	**5,386**	**51,581**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Lease liabilities – non-current portion	20,021	4,828	24,849
Deferred tax liabilities	-	-	-
Total non-current liabilities	**20,358**	**4,828**	**25,186**
Lease liabilities – current portion	500	741	1,241
Other current liabilities	4,533	(183)	4,350
Total current liabilities	**11,597**	**558**	**12,155**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**46,195**	**5,386**	**51,581**

4.1.6.3. Consolidation principles and methods

4.1.6.3.1. Basis of consolidation

Accounting policy

In accordance with IFRS 10 – Consolidated Financial Statements, an entity is consolidated when it is controlled by the Company, the Company has decision-making authority over the financial and operating policies of all its subsidiaries and holds greater than 50% of the voting rights of each subsidiary. Accordingly, each of the Company's subsidiaries has been fully consolidated from the date on which the Company obtained control over it. A subsidiary would be deconsolidated as of the date on which the Company no longer exercises control.

All intra-Company balances, transactions, unrealized gains and losses resulting from intra-Company transactions and all intra-Company dividends are eliminated in full.

The accounting methods of the Company's subsidiaries are aligned with those of the Company.

The consolidated financial statements are presented in euros, which is the reporting currency and the functional currency of the parent company, Nanobiotix S.A. The financial statements of consolidated foreign subsidiaries whose functional currency is not the euro are translated into euros for statement of financial position items at the closing exchange rate at the date of the statement of financial position and for the statement of operations, statement of comprehensive loss and statement of cash flow items at the average rate for the period presented, except where this method cannot be applied due to significant exchange rate fluctuations during the applicable period. The 2019 closing and average dollar to euro exchange rates used in the consolidated financial statements to convert the operations of the

U.S. subsidiary were $1.1234 and $1.1196, respectively (source: Banque de France) compared with $1.1450 and $1.1815 in 2018. The resulting currency translation adjustments are recorded in other comprehensive income (loss) as a cumulative currency translation adjustment.

Consolidated entities
As of December 31, 2019, the Company involves one parent entity being "Nanobiotix S.A." and had four wholly owned subsidiaries:

- Nanobiotix Corp., incorporated in the State of Delaware in the United States in September 2014;
- Nanobiotix Germany GmbH, incorporated in October 2017 and located in Germany;
- Nanobiotix Spain S.L., incorporated in December 2017 and located in Spain; and
- Curadigm SAS., incorporated July 3, 2019 and located in France.

Accordingly, the consolidated financial statements for the year ended December 31, 2019 include the operations of each of these subsidiaries from the date of their incorporation. The consolidated financial statements as of and for the year ended December 31, 2018 include the operations of each of these subsidiaries, excluding Curadigm SAS.

4.1.6.3.2. Use of judgement, estimates and assumptions

The preparation of consolidated financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the amounts and information disclosed in the financial statements. The estimates and judgments used by management are based on historical information and on other factors, including expectations about future events considered to be reasonable given the circumstances. These estimates may be revised where the circumstances on which they are based change.
Consequently, actual results may vary significantly from these estimates under different assumptions or conditions. A sensitivity analysis may be presented if the results differ materially based on the application of different assumptions or conditions. The main items affected by the use of estimates are share-based payments, deferred tax assets, clinical trials accruals, revenue recognition and the fair value of financial instruments.

Measurement of share-based payments
The Company measures the fair value of stock options (OSA), founders' warrants (BSPCE) and warrants (BSA) and free shares (AGA) granted to employees, members of the Supervisory Board and consultants based on actuarial models. These actuarial models require that the Company use certain calculation assumptions with respect to characteristics of the grants (e.g., vesting terms) and market data (e.g., expected share volatility) (see Note 17).

Deferred tax assets
Deferred taxes are recognized for temporary differences arising from the difference between the tax basis and the accounting basis of the Company's assets and liabilities that appear in its financial statements. The primary temporary differences are related to the tax losses that can be carried forward or backward, depending on the jurisdiction. Enacted tax rates are used to measure deferred taxes (see Note 19).

The deferred tax assets are recorded in the accounts only to the extent that it is probable that the future profits will be sufficient to absorb the losses that can be carried forward or backward. Considering its stage of development, which does not allow income projections judged to be sufficiently reliable to be made, the Company has not recognized deferred tax assets in relation to tax losses carryforwards in the Statements of Consolidated Financial Position.

Clinical trial accruals
Clinical trial expenses, although not yet billed in full, are estimated for each study and an accrual is recognized accordingly. See Note 13.1 for information regarding the clinical trial accruals as of December 31, 2019 and 2018.

Revenue recognition
In order to determine the amount and timing of revenue under the contract with PharmaEngine, the Company is required to use significant judgments, mainly with respect to identifying performance obligations of the Company and determining the timing of satisfaction of support services provided to PharmaEngine.
See Note 15 for additional detail regarding the Company's accounting policies for its additional sources of revenue.

Fair value of financial assets
The fair value measurement of the loan granted by EIB requires the Company to assess the amount of additional interest ("royalties", as defined by the royalties agreement) that will be due according to the loan agreement calculated according to the number of tranches that have been withdrawn and indexed on our annual sales turnover.
The Company forecasts the sales that will be generated during the royalties' period, taking into consideration the operational assumptions such as market release dates of the products, growth and penetration rate in each market.
See notes 4 and 12 for details about this loan and the accounting treatment applied.

4.1.6.4. Significant transactions

4.1.6.4.1. PharmaEngine contract

In August 2012, the Company entered into an Exclusive License and Collaboration Agreement ("License and Collaboration Agreement") with PharmaEngine, a biopharmaceutical company specializing in the development of new drugs for the treatment of cancer in Asia. Under the terms of the agreement (which was amended in 2014), PharmaEngine will receive the exclusive right to further develop NBTXR3 to obtain regulatory approval, leverage the data generated by the Company's development activities and commercialize NBTXR3 in multiple countries throughout the Asia-Pacific region.
Key provisions of the License and Collaboration Agreement include:

- An exclusive perpetual license, with the right to sublicense the Company's technology in order to exploit or have NBTXR3 exploited and use the Company's trademark in connection with the exploitation of NBTXR3 in the contractual territory (with exploitation including among others developing, obtaining and maintaining regulatory approval, commercializing, distributing, promoting and marketing);
- The Company's commitment to furnish PharmaEngine with know-how necessary and useful to develop and commercialize NBTXR3 in the contractual territory, know-how meaning any results of experimentation and pre-clinical, clinical and non-clinical trial data by providing PharmaEngine with access to an electronic data platform; and
- The Company's commitment to supplying or having supplied PharmaEngine with all quantities of NBTXR3 required and used by PharmaEngine for clinical testing and subsequent commercialization if and when regulatory approvals are obtained.

In return, PharmaEngine commits to use commercially reasonable efforts to develop NBTXR3 in the contractual territory at PharmaEngine's cost.
Under the License and Collaboration Agreement, the Company has received and/or is entitled to receive:

- A $1.0 million up-front payment on signature of the contract, fully received in 2012;
- Development milestones, including key stages of product development, first filing for regulatory approval, and first regulatory approval in the contractual territory;
- Commercial milestones based on specified sales thresholds;
- Up to double digit royalties based on net product sales in the Asia-Pacific region; and,
- Payments for the supply of NBTXR3.

Potential development and commercial milestones payments amount to an aggregate of up to $56 million.

The Company and PharmaEngine amended the agreement in October 2014, as part of which PharmaEngine agreed:

- To join the global pivotal clinical trial of NBTXR3 for the treatment of Soft Tissue Sarcoma initiated by the Company in the Asia-Pacific area, with each party committing itself to share clinical trial results in order to increase the tested population and to accelerate growth and value creation; and

- To pay the first development milestone ($1 million, received by the Company in 2014) and share external clinical research organization costs charged to the Company in proportion of its participation to the patient population included in clinical trial.
- To pay the development milestone ($1 million, received by the Company in 2016) related to the launch of the first Phase II of the pivotal study.

As of December 31, 2019, €3 million already have been received since the signature of the License and Collaboration Agreement. The next payment will only be received if PharmaEngine files a commercialization authorization of NBTXR3 in their region. See Note 15 for additional detail regarding accounting policy applied to the License and Collaboration Agreement.

4.1.6.4.2. Financing agreement with the European Investment Bank ("EIB")

In July 2018, the Company signed a non-dilutive financing agreement with the European Investment Bank ("EIB") to borrow up to €40 million in order to fund its research, development and innovation activities related to NBTXR3 in various therapeutic indications, subject to achieving a set of agreed-upon performance criteria. This financing is divided in three tranches:

- A first tranche of €16 million, received in October 2018, subject to a 6% fixed rate and that will be fully repaid within five years of obtaining it;
- A second tranche of €14 million, received in March 2019, subject to a 5% fixed rate, with repayments beginning in 2021 and continuing into 2024 and;
- A last tranche of €10 million, subject to a 4% fixed rate, that will be fully repaid after a period of five years, which begins within one year of obtaining it.

In this financing agreement, the Company also signed a "royalties" agreement" pursuant to which the Company agreed to pay each year to EIB an additional fee based on the consolidated forecasted sales generated by the Company during the six-year period following January 1, 2021 (see note 12).

In March 2019, Nanobiotix received the amount of €14 million through the second tranche disbursement of financing from the EIB. This second tranche was disbursed on the basis of achieving the following criteria:

- Determination of the recommended dose at 22% of the tumor volume for head and neck cancers treatment following end of Phase I clinical trial with NBTXR3; and
- Positive evaluation of the clinical benefit/risk ratio of NBTXR3 in soft tissue sarcomas Phase II/III by the clinical expert mandated by the French notified body covering medical devices (GMED).

As of December 31, 2019, €30.0 million already have been received since the signature of the financing agreement, of which €16.0 million in 2018 and €14.0 million in 2019.

4.1.6.4.3. Collaboration agreement with MD Anderson

In January 2019, the Company and the University of Texas MD Anderson Cancer Center, world prominent center of research, education, prevention and care for cancer patients signed a large-scale research collaboration. Collaboration will initially support nine new Phase I/II clinical trials with Nanobiotix's first-in-class agent NBTXR3 for use in treating six cancer types - head and neck, pancreatic, thoracic, lung, gastrointestinal and genitourinary cancers - involving around 340 patients. Most of the trials are expected to be launched in 2020.
The collaboration agreement requires a minimum amount of $11 million total investment from the Company to be paid during the collaboration development, based on patient enrollment. Additional amount will be paid following the success of the NBTXR3's first registration with the Food and Drug Administration.

As of December 31, 2019, the Company recognized prepaid expenses for the first two invoices received, in the total amount of €1,711 thousand. Expenses will be recorded in the statement of consolidated income based on patient enrollment progress. (See Note 8.2 for further details on other current assets).

4.1.6.5. Intangible assets

Accounting policies
In accordance with IAS 38 – *Intangible Assets*, intangible assets are carried at their acquisition cost.

Research and Development costs
Research costs are recorded in expenses in the period during which they are incurred. Under IAS 38 – *Intangible Assets*, development costs may only be capitalized as intangible assets if the following criteria are met:
(a) it is technically feasible to complete the development of the intangible asset so that it will be available for use or sale;
(b) the Company intends to complete the development of the intangible asset and use or sell it;
(c) the Company has the ability to use or sell the intangible asset;
(d) it is probable that the intangible asset will generate future economic benefits;
(e) adequate technical, financial and other resources are available to complete the development of the intangible asset; and
(f) the Company is able to reliably measure the expenditures attributable to the development of the intangible asset.
The Company believes that because of the risks and uncertainties related to the grant of regulatory approval for the commercialization of its product candidates, the technical feasibility of completing its development projects will only be demonstrated when requisite approvals are obtained for the commercialization of products. Accordingly, pursuant to IAS 38, the Company has recognized all of its research and development costs incurred as an expense in 2019 and prior periods.

Patents
Costs incurred by the Company in connection with the filing of patent applications are recognized as an expense until such time as the relevant patents are obtained, in line with the treatment of research and development costs. Once the patents are obtained from relevant

authorities, their related patent costs are amortized on a straight-line basis over the patent protection period. The useful life of the patents is reassessed each year, according to IAS 36.

Software

The costs of acquiring software licenses are recognized as assets on the basis of the costs incurred to acquire and implement the software to which the license relates. These costs are amortized on a straight-line basis over the life of the license.

Recoverable amount of intangible assets

Intangible assets with a definite useful life are tested for impairment when there are events or changes in circumstances that indicate that the asset might be impaired. Impairment tests involve comparing the carrying amount of an intangible asset with its recoverable amount. The recoverable amount of an asset is the higher of (i) its fair value less costs to sell and (ii) its value in use. If the recoverable amount of any asset is below its carrying amount, an impairment loss is recognized to reduce the carrying amount to the recoverable amount.

Detail of intangible assets

The change in intangible assets breaks down as follows:

(€k)	As of January 1, 2019	Increases	Decreases	Other movements & transfer.	Currency translation	As of December 31, 2019
Patents	65	—	—	—	—	65
Software	293	291	—	—	—	584
Intangible assets in progress	—	61	—	—	—	61
Gross book value of intangible assets	**358**	**353**	—	—	—	**710**
Patents	(65)	—	—	—	—	(65)
Software	(191)	(292)	—	—	—	(483)
Accumulated depreciation of intangible assets [(1)]	**(256)**	**(292)**	—	—	—	**(548)**
Net book value of intangible assets	**102**	**61**	—	—	—	**163**

(1) *Expenses for the period are detailed in Note 16.4 Depreciation, amortization and provisions expenses*

The increase in intangible asset in progress is due to the purchase and implementation of a Human Resources software.

No impairment losses were recognized in application of IAS 36 — *Impairment of Assets* in the periods presented.

(€k)	As of December 31, 2017	Increases	Decreases	Other movements & transfer.	Currency translation	As of December 31, 2018
Patents	65	—	—	—	—	65
Software	202	90	—	—	—	293
Intangible assets in progress	35	—	—	(35)	—	—
Gross book value of intangible assets	**302**	**90**	—	**(35)**	—	**358**
Patents	(65)	—	—	—	—	(65)
Software	(101)	(90)	—	—	—	(191)
Accumulated depreciation of intangible assets [(1)]	**(166)**	**(90)**	—	—	—	**(256)**
Net book value of intangible assets	**136**	—	—	**(35)**	—	**102**

[(1)] *Expenses for the period are detailed in Note 16.4 Depreciation, amortization and provisions expenses*

4.1.6.6. Property, plant and equipment

Accounting policies

Property, plant and equipment are recorded at their acquisition cost. Major renovations and improvements necessary to bring an asset to the working condition for its use as intended by the Company's management are capitalized. The cost of repairs, maintenance and other renovation work is expensed as incurred.

Property, plant and equipment are depreciated on a straight-line basis according to the estimated useful life of the relevant assets.

The depreciation periods used are as follows:

- General fixtures and fittings, building work: 5 to 10 years;
- Technical installations, equipment and industrial tooling: 3 to 10 years; and
- Office and IT equipment and furniture: 1 to 10 years.

Recoverable amount of property, plant and equipment

Property, plant and equipment with a definite useful life are tested for impairment when there are events or changes in circumstances that indicate that the asset might be impaired. An impairment loss is recognized for the excess of the carrying amount of the asset over its recoverable amount. The recoverable amount of an asset is equal to the higher of (i) its fair value less costs to sell and (ii) its value in use.

Detail of property, plant and equipment

The change in property, plant and equipment is as follows:

(in thousands of euros)	As of January 1, 2019	Increases	Decreases	Other movements & transfer.	Currency translation	As of December 31, 2019
Fixtures, fittings and installations	2,480	815	-	2	-	3,297
Right of use – Buildings	5,416	1,349	-	-	-	6,765
Technical equipment	1,925	120	-	(25)	-	2,019
Office and IT equipment	828	145	(13)	(4)	-	957
Transport equipment	33	-	-	-	-	34

(in thousands of euros)	As of January 1, 2019	Increases	Decreases	Other movements & transfer.	Currency translation	As of December 31, 2019
Right of use – Transport equipment	83	82	(51)	-	-	115
Tangible assets in progress	-	11	-	-	-	11
Prepayments on tangible assets	2	-	-	(2)	-	-
Gross book value of tangible assets	**10,768**	**2,522**	**(64)**	**(29)**	**-**	**13,197**
Fixtures, fittings and installations	(750)	(251)	-	-	-	(1,001)
Right of use – Buildings	-	(829)	-	-	-	(829)
Technical equipment	(1,123)	(175)	-	25	-	(1,272)
Office and IT equipment	(483)	(162)	12	4	-	(629)
Transport equipment	(28)	(6)	-	-	-	(34)
Right of use – Transport equipment	-	(55)	10	-	-	(45)
Accumulated depreciation of tangible assets[(1)]	**(2,384)**	**(1,478)**	**22**	**29**	**-**	**(3,811)**
Net book value of tangible assets	**8,384**	**1,044**	**(42)**	**-**	**-**	**9,386**

(1) *Expenses for the period are detailed in Note 16.4 Depreciation, amortization and provisions expenses*

As of December 31, 2019, tangible assets in progress were related to the renovation works of the additional rented spaces located in the headquarter, of which the addendum was signed on January 24, 2019.
As of December 31, 2019, the increase by €815 thousand of additional fixtures, fittings and installations was primarily related to the new lease contract of Nanobiotix France for the 5th floor of Wattignies.
As of January 1, 2019, the Company applied the new standard IFRS 16 (see note 2.1 for further details on the impact of IFRS 16 first application). Therefore €5,500 thousand of rights of use assets have been accounted for in the opening statement of financial position (as at January 1, 2019), of which €5,416 thousand, or 98%, are related to the buildings lease contracts. After deduction of the IFRS 16 amortization of the year 2019, these rights of use reached €6,017 thousand as of December 31, 2019, of which €5,936 thousand related to the buildings.
In 2018 and 2019, the Company also acquired office IT and technical equipment to meet the needs of the increased staffing level and pursue the improvements to its premises.

(in thousands of euros)	As of December 31, 2017	Increases	Decreases	Other movements & transfer.	Currency translation	As of December 31, 2018
Fixtures, fittings and installations	2,166	135	-	179	-	2,480
Right of use – Buildings	-	-	-	-	-	-
Technical equipment	1,868	57	-	-	-	1,925
Office and IT equipment	616	206	(1)	6	1	828
Transport equipment	32	-	-	-	1	33
Right of use – Transport equipment	-	-	-	-	-	-
Tangible assets in progress	163	16	-	(179)	-	-
Prepayments on tangible assets	-	2	-	-	-	2
Gross book value of tangible assets	**4,845**	**416**	**(1)**	**6**	**2**	**5,268**
Fixtures, fittings and installations	(527)	(223)	-	-	-	(750)
Right of use – Buildings	-	-	-	-	-	-
Technical equipment	(953)	(170)	-	-	-	(1,123)
Office and IT equipment	(358)	(125)	-	-	-	(483)
Transport equipment	(16)	(12)	1	-	(1)	(28)
Right of use – Transport equipment	-	-	-	-	-	-
Accumulated depreciation of tangible assets[(1)]	**(1,854)**	**(529)**	**1**	**-**	**(1)**	**(2,384)**
Net book value of tangible assets	**2,990**	**(113)**	**-**	**6**	**1**	**2,884**

(1) *Expenses for the period are detailed in Note 16.4 Depreciation, amortization and provisions expenses*

4.1.6.7. Non-current financial assets

Accounting policies

Non-current financial assets are recognized and measured in accordance with IFRS 9 – *Financial Instruments,* applied since January 1, 2018 and which replaced IAS 39 - *Financial instruments: recognition and measurement*.

Pursuant to IFRS 9 – Financial Instruments, financial assets are classified in two categories according to their nature and the intention of management:

- Financial assets at fair value through profit and loss; and
- Financial assets at amortized cost.

All regular way purchases and sales of financial assets are recognized at the settlement date.

Financial assets at fair value through profit or loss

This category includes marketable securities, cash and cash equivalents. They represent financial assets held for trading purposes, i.e., assets acquired by the Group to be sold in the short-term. They are measured at fair value and changes in fair value are recognized in the consolidated statements of operations as financial income or expense, as applicable.

Financial assets at amortized cost

This category includes other financial assets (non-current), trade receivables (current) and other receivables and related accounts (current). Other financial assets (non-current) include advances and security deposits and guarantees granted to third parties as well as term deposits and restricted cash, which are not considered as cash equivalents.

They are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. They are initially recognized at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset, except trade receivables that are initially recognized at the transaction price as defined in IFRS 15.

After initial recognition, these financial assets are measured at amortized cost using the effective interest rate method when both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses are recorded in the consolidated statements of operations when they are derecognized, subject to modification of contractual cash flows and/or impaired.

IFRS 9 – Financial Instruments requires an entity to recognize a loss allowance for expected credit losses on a financial asset at amortized cost at each Statement of Financial Position date. The amount of the loss allowance for expected credit losses equal to:

(i) the 12 - month expected credit losses or

(ii) (ii) the full lifetime expected credit losses. The latter applies if credit risk has increased significantly since initial recognition of the financial instrument. An impairment is recognized, where applicable, on a case–by–case basis to take into account collection difficulties which are likely to occur based on information available at the time of preparation of the financial statements.

Disputed receivables are written-off when certain and precise evidence shows that recovery is impossible, and existing credit loss allowance are released.

Detail of non-current financial assets

The change in non-current financial assets breaks down as follows:

(€k)	Liquidity contract - Cash account[1]	Other long-term investments pledged as collateral	Security deposits paid	Total
Net book value as of January 1, 2018	**273**	**500**	**459**	**1 232**
Additions	-	-	7	7
Decreases	(97)	-	(83)	(182)
Reclassification	-	(500)	-	(500)
Currency translation adjustments	-	-	1	1
Net book value as of December 31, 2018	**176**	**-**	**383**	**558**
Additions	-	-	65	65
Decreases	(45)	-	(49)	(94)
Reclassification	-	-	-	-
Currency translation adjustments	-	-	-	-
Net book value as of December 31, 2019	**131**	**-**	**399**	**529**

(1) See note 10.2 Treasury shares

In 2019, the Security deposits paid increased by €16 thousand, mainly due to the new €65 thousand deposit paid in connection with the headquarters' lease contract addendum signed in January 2019 for the lease of additional space, partially offset by the utilization of €48 thousand worth of deposits for a minor manufacturing site.

In 2018, non-current financial assets decreased by €674 thousand compared to 2017. After fully repaying a loan from BNP Paribas, the Company retrieved €500 thousand of BNP Paribas fund units that had been pledged as collateral, which accounts for most of the decrease during the year ended December 31, 2018.

The decrease of the liquidity contract – cash account corresponds to treasury shares transactions whose counterpart is recorded as capital on the "treasury shares" line in the statement of change in shareholders' equity;

4.1.6.8. Trade receivables and other current assets

4.1.6.8.1. Trade receivable

Trade receivables relate mainly to invoices issued to PharmaEngine, in connection with the charging-back of shared external clinical research organization costs under the License and Collaboration Agreement as amended (see Note 4 for more detail on the License and Collaboration Agreement).

(€k)	As of December 31, 2019	As of December 31, 2018
Trade receivables	11	25
Trade receivables	**11**	**25**

Trade receivables break down as follows:

(€k)	As of December 31, 2019	As of December 31, 2018
Due in 3 months or less	11	25
Due between 3 and 6 months	-	-
Due between 6 and 12 months	-	-
Due after more than 12 months	-	-
Trade receivables	**11**	**25**

4.1.6.8.2. Other current assets

Other current assets break down as follows:

(€k)	As of December 31, 2019	As of December 31, 2018
Research tax credit receivable	5,688	3,251
VAT receivable	1,419	1,104
Prepaid expenses	2,671	1,095
Other receivables	1,245	972
Other current assets	**11,022**	**6,422**

As of December 2019, prepaid expenses were mainly due to research agreements for €2,300 thousand, namely €1,711 thousand related to the collaboration agreement with MD Anderson.
As of December 2018, prepaid expenses were mainly due to €215 thousand prepayments for research agreements, €200 thousand of charges prepaid for clinical studies and €114 thousand related to the 2019 first trimester rent.
Other receivables mainly comprised advances paid to suppliers in the amounts of €1,150 thousand and €909 thousand as of December 2019 and 2018, respectively.

4.1.6.8.3. Research tax credit

The Company receives a research tax credit (*Crédit d'Impôt Recherche*, or "CIR") from the French tax authorities. See Note 15 for additional details on the CIR research tax credit.
The research tax credit for 2019 was €2,437 thousand (€2,373 thousand for Nanobiotix France and €64 thousand for Curadigm SAS), while the amount for 2018 was €3,251 thousand. The 2018 research tax credit was collected by the Company in February 2020.

The change in CIR receivables breaks down as follows:

(€k)	
Receivable as of December 31, 2017	**3,259**
Refund of 2017 research tax credit	(3,243)
Adjusted charge for 2017 research tax credit	(17)
2018 research tax credit	3,251
Receivable as of December 31, 2018	**3,251**
Refund of 2018 research tax credit	-
2019 research tax credit	2,437
Receivable as of December 31, 2019	**5,688**

4.1.6.9. Cash and cash equivalents

Accounting policies

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other reasons. They are easily converted into known amounts of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of liquid assets that are available immediately and term deposits.

Cash and cash equivalents are measured and recognized in accordance with IFRS 9 – *Financial instruments*, applied since January 1, 2018 and which replaced IAS 39 – *Financial instruments: recognition and measurement*. Cash equivalents are measured at amortized cost and the related incomes or losses are recognized in financial income.

Detail of cash and cash equivalents

(€k)	As of December 31, 2019	As of December 31, 2018
Short-term bank deposits	10,000	11,503
Cash and bank accounts	25,094	24,700
Net cash and cash equivalents	**35,094**	**36,203**

Short-term bank deposits mainly comprise interest-bearing term deposits held as part of the Company's financial management strategy, that may be converted to cash without any substantial penalty.

In 2019, cash and cash equivalents decreased by €1,109 thousand to €35,094 thousand as of December 31.

4.1.6.10. Share Capital

4.1.6.10.1. Capital issued

Accounting policies

Ordinary shares are classified in shareholders' equity. The cost of equity transactions that are directly attributable to the issue of new shares or options is recognized in shareholders' equity as a deduction from the proceeds of the issue.

Detail of share capital transactions

(in thousands, except number of shares)	Nature of transaction	Share Capital	Premiums related to share capital	Number of shares
December 31, 2018		**589**	**122,799**	**19,633,373**
March 29, 2019	Grant of 2019 free shares	—	(13)	—
April 9, 2019	Capital increase	77	29,440	2,566,666
April 9, 2019	Cost of capital increase	—	(1,438)	—
April 25, 2019	Exercise of 2012 founder's warrants	5	955	160,000
May 1, 2019	Subscription of 2019 warrants	—	3	—
May 21, 2019	Subscription of 2019 warrants	—	6	—
June 24, 2019	Subscription of 2019 warrants	—	3	—
June 25, 2019	Subscription of 2019 warrants	—	3	—
June 28, 2019	Subscription of 2019 warrants	—	5	—
July 17, 2019	Exercise of 2013 founder's warrants	2	345	55,000
December 31, 2019	U.S. Initial public offering costs write-off	—	1,030	—
December 31, 2019		**672**	**153,139**	**22,415,039**

As of December 31, 2019, the Company's share capital was €672 thousand divided into 22,415,039 fully paid in ordinary shares, each with a par value of €0.03.
As of December 31, 2019, considering the market conditions, the Company decided to delay its plans to conduct a registered public offering of its ordinary shares on the Nasdaq. The transaction costs related to this expected initial public offering, initially recorded as a reduction to premiums related to share capital for €1,030 thousand, were written off.

4.1.6.10.2. Treasury shares

On December 31, 2019, the Company held 15,723 treasury shares under a liquidity contract compared to 13,144 treasury shares as of December 31, 2018, which complies with the general regulations of, and market practices accepted by, the French Financial Markets Authority (AMF), entered into following the Company's French initial public offering in 2012. These shares were deducted from equity in the amount of €169 thousand and €124 thousand as of December 31, 2019 and 2018, respectively.

4.1.6.10.3. Founders' warrants (BSPCE), warrants (BSA), stocks options (OSA) and allocation of free shares (AGA)

Accounting policies

Accounting policies for share-based payments are described in Note 17.

Detail of change in founders' warrants, warrants and stock options and free shares

As of December 31, 2019, and 2018, the Company had the following type of equity plans in place: founders' warrant (BSPCE) plans, warrant (BSA) plans, stock option (OSA) plans and free shares (AGA) plans. The following tables summarize activity in these plans during the years ended December 31, 2018 and 2019.

BSPCE

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2019	Issued	Exercised	Forfeited	Outstanding at December 31, 2019	Number of shares issuable
BSPCE 2012-1	05/04/2012	6.00	1,674,548	-	(160,000)	(1,514,548)	-	-
BSPCE 2012-2	12/18/2012	6.63	100,000	-	-	-	100,000	100,000
BSPCE 2013-1	04/10/2013	6.30	55,000	-	(55,000)	-	-	-
BSPCE 2013-2	08/28/2013	5.92	50,000	-	-	-	50,000	50,000
BSPCE 2014	09/16/2014	18.68	92,100	-	-	-	92,100	92,100
BSPCE 2015-1	02/10/2015	18.57	70,950	-	-	-	70,950	70,950
BSPCE 2015-2	06/10/2015	20.28	39,750	-	-	(1,350)	38,400	38,400
BSPCE 2016	02/02/2016	14.46	220,967	-	-	(7,998)	212,969	212,969
BSPCE 2017	01/07/2017	15.93	202,417	-	-	(15,251)	187,166	187,166
Total			**2,505,732**	**-**	**(215,000)**	**(1,539,147)**	**751,585**	**751,585**

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2018	Issued	Exercised	Forfeited	Outstanding at December 31, 2018	Number of shares issuable
BSPCE 2012-1	05/04/2012	6.00	1,674,548	-	-	-	1,674,548	1,674,548
BSPCE 2012-2	12/18/2012	6.63	100,000	-	-	-	100,000	100,000
BSPCE 04/10/2013 2013-1		6.30	55,000	-	-	-	55,000	55,000
BSPCE 2013-2	08/28/2013	5.92	50,000	-	-	-	50,000	50,000
BSPCE 2014	09/16/2014	18.68	92,100	-	-	-	92,100	92,100
BSPCE 2015-1	02/10/2015	18.57	70,950	-	-	-	70,950	70,950
BSPCE 2015-2	06/10/2015	20.28	41,383	-	-	(1,633)	39,750	39,750
BSPCE 2016	02/02/2016	14.46	230,309	-	-	(9,342)	220,967	220,967
BSPCE 2017	01/07/2017	15.93	288,350	-	-	(85,933)	202,417	202,417
Total			**2,602,640**	**-**	**-**	**(96,908)**	**2,505,732**	**2,505,732**

BSA

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2019	Issued	Exercised	Forfeited	Outstanding at December 31, 2019	Number of shares issuable
BSA 2012	05/04/2012	6.00	30,000	-	-	-	30,000	30,000
BSA 2013	04/10/2013	6.37	6,000	-	-	-	6,000	6,000
BSA 2014	09/16/2014	17.67	10,000	-	-	-	10,000	10,000
BSA 2015-1	02/10/2015	17.67	4,000	-	-	-	4,000	4,000
BSA 2015-1	02/10/2015	17.67	17,000	-	-	-	17,000	17,000
BSA 2015-2(a)	06/25/2015	19.54	64,000	-	-	-	64,000	64,000
BSA 2015-2(b)	06/25/2015	19.54	6,000	-	-	-	6,000	6,000
BSA 2016-1	02/02/2016	13.74	36,208	-	-	-	36,208	36,208
BSA 2016-2	11/03/2016	15.01	8,000	-	-	-	8,000	8,000
BSA 2017	01/07/2017	15.76	18,000	-	-	-	18,000	18,000
BSA 2018-1	03/06/2018	13.55	28,000	-	-		28,000	28,000
BSA 2018-2	07/27/2018	16.102	5,820	-	-	-	5,820	5,820
BSA 2019-1	03/29/2019	11.66	-	18,000	-	-	18,000	18,000
Total			**233,028**	**18,000**	**-**	**-**	**251,028**	**251,028**

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2018	Issued	Exercised	Forfeited	Outstanding at December 31, 2018	Number of shares issuable
BSA 2012	05/04/2012	6.00	30,000	-	-	-	30,000	30,000
BSA 2013	04/10/2013	6.37	6,000	-	-	-	6,000	6,000
BSA 2014	09/16/2014	17.67	10,000	-	-	-	10,000	10,000
BSA 2015-1	02/10/2015	17.67	4,000	-	-	-	4,000	4,000
BSA 2015-1	02/10/2015	17.67	17,000	-	-	-	17,000	17,000
BSA 2015-2(a)	06/25/2015	19.54	64,000	-	-	-	64,000	64,000
BSA 2015-2(b)	06/25/2015	19.54	6,000	-	-	-	6,000	6,000
BSA 2016-1	02/02/2016	13.74	36,208	-	-	-	36,208	36,208
BSA 2016-2	11/03/2016	15.01	8,000	-	-	-	8,000	8,000
BSA 2017	01/07/2017	15.76	18,000	-	-	-	18,000	18,000
BSA 2018-1	03/06/2018	13.55	-	28,000	-	-	28,000	28,000
BSA 2018-2	07/27/2018	16.102	-	5,820	-	-	5,820	5,820
Total			**199,208**	**33,820**	**-**	**-**	**233,028**	**233,028**

OSA

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2019	Issued	Exercised	Forfeited	Outstanding at December 31, 2019	Number of shares issuable
OSA 2016-1	02/02/2016	13.05	400	-	-	-	400	400
OSA 2016-2	11/03/2016	14.26	4,000	-	-	-	4,000	4,000
OSA 2017	01/07/2017	14.97	500	-	-	-	500	500
OSA-2018	03/06/2018	12.87	58,000	-	-	(4,000)	54,000	54,000
OSA 2019-1	03/29/2019	11.08	-	37,500	-	(7,250)	30,250	30,250
OSA 2019-2	10/24/2019	6.41	-	500,000	-	-	500,000	500,000
Total			**62,900**	**537,500**	**-**	**(11,250)**	**589,150**	**589,150**

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2018	Issued	Exercised	Forfeited	Outstanding at December 31, 2018	Number of shares issuable
OSA 2016-1	02/02/2016	13.05	14,400	-	-	(14,000)	400	400
OSA 2016-2	11/03/2016	14.26	4,000	-	-	-	4,000	4,000
OSA 2017	01/07/2017	14.97	7,850	-	-	(7,350)	500	500
OSA-2018	03/06/2018	12.87	-	62,000	-	(4,000)	58,000	58,000
Total			**26,250**	**62,000**	-	**(25,350)**	**62,900**	**62,900**

AGA

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2019	Issued	Exercised	Forfeited	Outstanding at December 31, 2019	Number of shares exercisable
AGA 2018-1	03/06/2018	-	369,250	-	-	(14,000)	355,250	355,250
AGA 2018-2	07/27/2018	-	6,000	-	-	-	6,000	6,000
AGA 2019-1	03/29/2019	-	-	438,250	-	(53,250)	385,000	385,000
Total			**375,250**	**438,250**	**-**	**(67,250)**	**746,250**	**746,250**

Type	Grant date	Exercise price (in euros)	Outstanding at January 1, 2018	Issued	Exercised	Forfeited	Outstanding at December 31, 2018	Number of shares exercisable
AGA 2018-1	03/06/2018	-	-	396,250	-	(27,000)	369,250	369,250
AGA 2018-2	07/27/2018	-	-	6,000	-	-	6,000	6,000
Total			**-**	**402,250**	**-**	**(27,000)**	**375,250**	**375,250**

Founders' warrants (BSPCE)

At a meeting of July 23, 2019, the Executive Board, which can, in its sole discretion, at any time during the acquisition period, decide that the holders do not have to remain in the Company anymore, decided to lift this condition that predefines the final acquisition of free shares and subscription of founders' warrants granted to some of Company's employees owning the founders 'warrants.

The impact of share-based payments on income is detailed in Note 17.
As of December 31, 2019, the assumptions on the probability the performance conditions would be met for the 2016 BSPCE, BSA and OSA performance plans were updated.

Warrants (BSA)
At a meeting on March 29, 2019, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on May 23, 2018 and following the approval granted by the Supervisory Board on January 23, 2019, granted 18,000 warrants to members of the Supervisory Board, each entitling the holder to subscribe to a defined number of ordinary shares with a par value of €0.03, at a price of €11.66. The holders subscribed to the warrants at the end of the subscription period on June 27, 2019.
At a meeting on July 27, 2018, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on May 23, 2018, granted 5,820 warrants to an external consultant of the Company, each entitling the holder to subscribe to a defined number of ordinary shares with a par value of €0.03, at a price of €16.102. The holder subscribed to the warrants at the end of the subscription period, on October 31, 2018.

Stock options (OSA)
At a meeting on October 24, 2019, the Executive Board, acting pursuant to the authorization granted by the thirty sixth resolution at the annual shareholders' meeting on April 11, 2019, adopted the stock option plan LLY 2019, and granted 500,000 stock options to Laurent Levy, CEO of the Company, and decided that each stock option will entitle each holder to subscribe to an ordinary share of the Company, with a par value of €0.03, at a price of €6.41 (premium issue included).

The Supervisory Board also decided that the options will abide by the plan LLY 2019 conditions and would be exercisable according to the following conditions, defined by the thirty-sixth resolution of the Annual shareholders' meeting of April 11, 2019:

- 10% of the options can be exercised as soon as the market share price of the Company on the regulated market of Euronext in Paris reaches €24;
- An additional 10% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €30;
- An additional 40% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €40; and
- An additional 40% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €60.
- In the 10 years after their grant date at the latest, the options which would not have been exercised by the end of this period of 10 years would be forfeited by law.

The number of options that could be exercised pursuant to the aforementioned planning will always be rounded to the next whole number and the aforementioned share price will automatically be adjusted in case of grouping or division of the Company shares' number or similar transaction that occur after the granting of the shares.

At a meeting on March 29, 2019, the Executive Board, acting pursuant to the authorization granted by the thirty sixth resolution at the annual shareholders' meeting on May 23, 2018, granted 37,500 stock options to the employees of the Company under the 2018 stock option plan, with a par value of €0.03, at a price of €11.08 (premium issue included).
Under the 2018 plan approved on January 13, 2019 by the Supervisory Board, the options will abide by the following conditions and would be exercisable according to the following conditions:

- Up to two third of the options can be exercised starting March 30, 2021,
- The remaining third can be exercised starting March 30, 2022.

These conditions are only valid provided that each holder remains in the Company during the corresponding reference period and at the latest in the ten years following of their grant date. After this ten-year period, the options will be forfeited by law.

At a meeting on March 6, 2018, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on May 23, 2018, granted 62,000 stock options to employees of the Company, each entitling the holder to subscribe to a defined number of ordinary shares with a par value of €0.03, at a price of €12.87. These stock options are divided into 12,000 ordinary shares granted to employees and 50,000 granted to the Chief Operating Officer ("COO").
For the Company's employees other than the COO, these options can be exercised at the latest during the ten years following the grant date and by a third party, provided that the options subscriber is still an employee of the Company during the corresponding period, defined by the following planning:

- One third with effect from March 7, 2019;
- One third with effect from March 7, 2020 and
- One third with effect from March 8, 2021.

For the COO, the options can be exercised at the latest during the ten years following the grant date, and by a third party, provided that the options subscriber is still an employee of the Company during the corresponding period, defined by the following planning:

- Two thirds with effect from March 7, 2019 and
- One third with effect from March 7, 2020.

Free shares (AGA)
At a meeting on March 29, 2019, the Executive Board, acting pursuant to the authorization at the annual shareholders' meeting on May 23, 2018, granted 438,250 free shares to the members of the Executory Board and employees of the Company, each with a par value of €0.03. The conditions for subscribing have been defined as follows:
For French Tax Residents ("2+1"):

- An acquisition period of two years with effect on March 29, 2019. The granting conditions state that the subscriber must remain an employee of the Company during the acquisition period; and,
- A holding period of one year following the acquisition period.

For Foreign Tax Residents ("3+0"), there is an acquisition period of three years with effect on March 29, 2019, provided that the subscriber must remain an employee of the Company during this acquisition period. No additional holding period is required.
Furthermore, the final acquisition of the free shares granted to the members of the Executory Board was subject to the achievement of the label “CE” for NBTXR3 on June 30, 2019 at the latest, a condition that was reached in April 2019.

At a meeting on March 6, 2018, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on June 4, 2017, granted 396,250 free shares to the members of the Executory Board and employees of the Company, each with a par value of €0.03. The conditions for subscribing have been defined as follows:
For French Tax Residents ("2+1"):

- An acquisition period of two years with effect on March 7, 2018. The granting conditions state that the subscriber must remain an employee of the Company during the acquisition period; and,
- A holding period of one year following the acquisition period.

For Foreign Tax Residents ("3+0"), there is an acquisition period of three years with effect on March 29, 2019, provided that the subscriber must remain an employee of the Company during this acquisition period. No additional holding period is required.
Furthermore, the final acquisition of the free shares granted to the members of the Executive Board will depend on the achievement of clinical and strategic conditions in the head and neck study.

At a meeting on July 27, 2018, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on May 23, 2018, granted 6,000 free shares to an employee of the Company, each with a par value of €0.03. The Executive Board decided on:

- An acquisition period of two years with effect on July 27, 2018. The employee does not have to remain an employee of the Company during this period; and
- A holding period of 1 year following the acquisition period.

The impact of share-based payments on income is detailed in Note 17.

As of December 31, 2019, the assumptions on the probability the performance conditions would be met for the 2016 BSPCE, BSA and OSA performance plans were updated.

4.1.6.11. Provisions

Accounting policies

Provisions for contingencies and charges

Provisions for contingencies and charges reflect obligations resulting from various disputes and risks which due dates and amounts are uncertain, that the Company may face as part of its normal business activities.

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recorded in provisions is a best estimate of the outflow of resources that will be required to settle the obligation, discounted, if required, at year-end.

Provisions for retirement obligations

Company employees receive the retirement benefits provided for by law in France:

- Lump-sum retirement benefit paid by the Company to employees upon retirement (defined benefit plan); and
- Pension benefits paid by social security agencies, which are financed through employer and employee contributions (State defined contribution plan).

The cost of retirement benefits payable under defined benefit plans is estimated using the projected credit unit cost method.

Based on this method, the cost of retirement is recorded in income such that the amount is distributed uniformly over the term of the employee's career. Past service cost related to non-vested benefits is recognized as an expense (increase in the benefits granted) or as income (reduction in the benefits granted) when the plan amendment or curtailment occurs. Actuarial gains and losses are recognized directly and in full in other comprehensive income (loss) under equity. Retirement benefit obligations are measured at the present value of future estimated payments by reference to market yields on high quality corporate bonds with a maturity equivalent to that estimated for the plan. The Company uses experts to carry out an annual valuation of the plans.

The Company's payments to defined contribution plans are recognized as expenses in each period to which they relate.

As of December 31, 2019, and 2018, the Company updated the parameters for calculating the lump-sum retirement benefit plan to take recent changes into account. The salary increase rate, staff turnover and discount rate were all updated (see. Note 11.2 for further details on assumptions used).

Detail of provisions

(in €K)	As of December 31, 2018	Increases	Decreases[1]	As of December 31, 2019
Lump-sum retirement benefits	337	82	(88)	331
Non-current provisions	**337**	**82**	**(88)**	**331**
Provisions for disputes	55	—	(55)	-
Provision for charges	—	164	—	164
Current provisions	**55**	**164**	**(55)**	**164**
Total provisions	**392**	**246**	**(143)**	**495**

[1] See Statement of consolidated cash flows and Note 16.4 for the nature of these decreases

(in €K)	As of December 31, 2017	Increases	Decreases[1]	As of December 31, 2018
Lump-sum retirement benefits	233	104	—	337
Non-current provisions	**233**	**104**	**—**	**337**
Provisions for disputes	105	—	(50)	55
Current provisions	**105**	**—**	**(50)**	**55**
Total provisions	**338**	**104**	**(50)**	**392**

[1] See Statement of consolidated cash flows and Note 16.4 for the nature of these decreases

4.1.6.11.1. Current Provisions

In 2018, provisions for disputes comprise employee disputes in progress. The decrease of and €55 thousand were due to payments that occurred during 2019, in comparison with €50 thousand in 2018.

Provisions for charges of €112 thousand are related to termination costs accounted for in 2019 following an employee departure.

4.1.6.11.2. Non-current Provisions

Commitments for retirement benefits

(€K)	As of December 31, 2019	As of December 31, 2018
Provision as of beginning of period	**337**	**233**
Expense for the period	82	55
Actuarial gains or losses recognized in other comprehensive income	(88)	48
Provision as of end of period	**331**	**337**

The assumptions used to measure lump-sum retirement benefits are as follows:

Measurement date	December 31, 2019	December 31, 2018
Retirement assumptions	*Management: Age 66* *Non-management: Age 64*	*Management: Age 66* *Non-management: Age 64*
Social security contribution rate	43 %	43 %
Discount rate	0.85 %	1.81 %
Mortality tables	Regulatory table INSEE 2012 -2014	Regulatory table INSEE 2012 -2014
Salary increase rate (including inflation)	2.5 %	2.5 %
Staff turnover	Constant average rate of 5.86 %	Constant average rate of 3.71 %
Duration	17 years	19 years

The rights granted to Company employees are defined in the Collective Agreement for the Pharmaceutical industry (manufacturing and sales of pharmaceutical products).

The staff turnover rate was determined using a historical average over the 2015-2018 period.

4.1.6.12. Financial liabilities

Accounting policies

The Company receives assistance in the form of grants, conditional advances and interest-free loans.

Under IFRS, a repayable advance that does not require the payment of annual interest is considered to be an interest-free loan. The difference between the amount of the advance at historical cost and the advance discounted at the Company's average borrowing rate is considered to be a government grant. These grants are deferred over the estimated duration of the projects they finance.

The long-term (more than one year) portion of conditional advances is recognized in non-current financial liabilities and the short-term portion in current financial liabilities.

Grants are recognized as Grants receivable as soon as the assurance that the payment will be received is obtained and not when actual payment is made. A portion of the grants is then recognized in Deferred income to the extent that the related expenditures have not yet been made.

Non-repayable conditional loans are treated as government grants when there is reasonable assurance that the Company will comply with the conditions for non-repayment. Otherwise, they are classified in liabilities.

Government grants made available to offset expenses or losses already incurred, or as immediate financial assistance to the Company with no future related costs, are recognized in income in the period in which the grant is allocated.

Financial liabilities are recognized and measured in accordance with IFRS 9 – *Financial Instruments.* Financial liabilities, including trade and other payables are valued at amortized cost.

Financial liabilities at amortized cost

Loans and other financial liabilities are recognized and measured in accordance with IFRS 9 – *Financial Instruments*, effective for annual reporting periods beginning on or after January 1, 2018.

They are recognized at amortized cost, which is defined under IFRS 9 as the initial value of a financial asset or liability, after deduction of reimbursement of principal, increased or decreased by the accumulated amortization, calculated using the effective interest rate method.

Transaction costs directly attributable to the acquisition or issuance of financial liabilities are deducted from the financial liabilities. The costs are then amortized on an actuarial basis over the life of the liability using the effective interest rate.

Details of financial liabilities

(in thousands of euros)	As of December 31, 2019	As of December 31, 2018
Lease liabilities – Short term	591	–
Repayable BPI loan advances - Short term	500	500
EIB Loan – Short term	–	–
Total current financial liabilities	**1,091**	**500**
Lease liabilities – Long term	5,814	–
Repayable BPI loan advances – Long term	2,875	3,291
EIB loan – Long term	34,746	16,730
Total non-current financial liabilities	**43,435**	**20,021**
Total financial liabilities	**44,256**	**20,521**

The Company receives repayable advances from BPI (*Banque Publique d'Investissement*, formerly known as OSEO Innovation). The advances are interest-free and are fully repayable in the event of technical and/or commercial success. In 2018, the Company was informed that the initial date of reimbursement of the BPI repayable advance was deferred for 18 months. The amount to be reimbursed correspond to the amount received to date, €2.1 million (see. Note 12.1).

In July 2018, the Company obtained a loan from the EIB. The loan could reach a maximum amount of €40,000 thousand, divided in three tranches. The first tranche, with a nominal value of €16,000 thousand, was received in October 2018 and will be repaid in full in 2023. The accumulated fixed-rate interest related to this tranche will be paid at the same time. The second tranche, with a nominal value of €14,000 thousand, was received in March 2019 and will be repaid between 2021 and 2024. The accumulated fixed-rate interest related to this second tranche will be paid twice a year together with the principal.

The third tranche, which is subject to specific conditions, has not yet been requested by the Company.

Nanobiotix is also required, during the six-year period from June 2022 to June 2027, to pay additional interest in the form of royalties indexed on the annual sales turnover.

Since January 1st, 2019 the Company applies the new standard IFRS 16 – Leases, which replaces IAS 17 and the related IFRIC and SIC interpretations. This standard eliminates the difference between operating and financial leases, and requires leases be recognized in the balance sheet. The accounting consists of recognizing a right of use asset while recording a liability for the value of the discounted rentals to be paid over the lease term.

As mentioned in Note 2.1, on January 1, 2019, for each ongoing operating lease contract outstanding as of December 31, 2018, the Company recorded a right of use asset and a corresponding financial liability, based on the discounted rental amounts to be paid over those lease terms. While no impact on the statement of profit and loss is recorded at first time application under the modified retrospective method applied by the Company, after the adoption, the following impact will be booked:

- The right of use amortization amount, computed on a straight-line basis at each closing date; and
- A financial expense for the total amount of the rent payment, divided into a principal and an interest component.

Moving forwards, all new lease contract falling under the IFRS 16 scope, i.e. excluding short-term leases or leases related to low-value assets, will be treated with the same accounting method (see. Note 12.2).

4.1.6.12.1. Conditional advances, bank loan and loans from government and public authorities

The tables below show the detail of liabilities recognized on the statements of financial position by type of conditional advances, bank loan and loans from government and public authorities:

Conditional advances and loans from government and public authorities

(€K)	OSEO 3	BPI	Interest-free BPI Loan	EIB	TOTAL
As of January 1, 2018	**247**	**1,962**	**1,880**	**-**	**4,088**
Principal received	-	-	-	16,000	16,000
Impact of discounting and accretion	3	122	45	519	689
Financial expenses on debt	-	32	-	211	243
Repayment	(250)	-	(250)		(500)
As of December 31, 2018	**-**	**2,116**	**1,675**	**16,730**	**20,521**
Principal received	-	-	-	14,000	14,000
Impact of discounting and accretion	-	32	36	(1,422)	(1,354)
Accumulated fixed interest expense accrual	-	16	-	1,545	1,561
Accumulated variable interest expense accrual	-	-	-	4,243	4,243
Repayment	-	-	(500)	(350)	(850)
As of December 31, 2019	**-**	**2,165**	**1,210**	**34,746**	**38,121**

Bank loan

(€K)	BNP
As of January 1, 2018	**428**
Financial expenses on liabilities	—
Repayment of principal	(427)
Payment of interest	(1)
As of December 31, 2018	**—**
Financial expenses on liabilities	—
Repayment of principal	—
Payment of interest	—
As of December 31, 2019	**—**

Lease Liabilities

The table below shows the detail of changes in lease liabilities recognized on the statements of financial position:

(€K)	Lease liabilities
As of December 31, 2018	**—**
Impact of IFRS 16 first application [(1)]	5,569
As of January 1, 2019	**5,569**
New lease contracts	1,991
Impact of discounting of the new lease contracts	(399)
Fixed interest expense	359
Repayment of lease	(1,067)
Early termination of moveable lease contracts during 2019	(48)
As of December 31, 2019	**6,405**

[(1)] *See note 2.1 Impact of IFRS 16 first application for further details.*

Due dates of the financial liabilities

The due dates for repayment of the advances, loans at their nominal value and including fixed-rate interest accrued as well as due dates for repayment of lease liabilities are as follows:

(€K)	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
BPI	—	300	1,300	639	**2,239**
Interest-free BPI loan	500	750	—	—	**1,250**
EIB loan	700	8,225	28,762	—	**37,687**
Lease liabilities	1,131	2,241	2,160	3,379	**8,911**
Total	**2,331**	**11,516**	**32,222**	**4,018**	**50,087**

4.1.6.13. Trade payables and other current liabilities

4.1.6.13.1. Trade and other payables

Accounting policies

Accounting policies for Trade and other payables are described in Note 12, “Financial liabilities”.

Accrued expenses

Taking into account the time lag between the time at which treatment costs are incurred in studies or clinical trials and the time at which such costs are invoiced, the Company estimates an amount of accrued expenses to record in the financial statements at each reporting date.

The treatment costs for patients were estimated for each study based on contracts signed with clinical research centers conducting the trials, taking into account the length of the

treatment and the date of injection of each patient. The total amount estimated for each study has been reduced by the amount included in invoices received at the closing date.

Details of trade and other payables

(€K)	As of December 31, 2019	As of December 31, 2018
Accrued expenses - clinical trials	1,620	1,973
Other trade payables	6,150	4,536
Total trade and other payables	**7,770**	**6,509**

No updates have been made on this position as the amounts are not of an earlier than one year.

4.1.6.13.2. Other current liabilities

(€K)	As of December 31, 2019	As of December 31, 2018
Tax liabilities	216	180
Payroll tax and other payroll liabilities	4,912	3,928
Other payables	193	425
Other current liabilities	**5,322**	**4,533**

Payroll tax and other payroll liabilities consist primarily of payroll taxes, namely the employer costs to be paid on free shares, accrued bonuses, provision for paid holidays and related social charges.

Payroll tax and other payroll liabilities increased as a result of the recognition in 2019 of an accrual of €866 thousand related to employer costs to be paid on free shares granted in 2019, compared to €485 thousand in 2018.

Changes in other payables in 2019 mainly include:

- Rent deferral for Villejuif and Wattignies facilities decrease for € 183 thousand, as it reaches €0 following the first application of IFRS 16 at January 1, 2019 (see. Note 2.1 Impact of IFRS 16 first application), compared to €183 thousand as of December 31, 2018;
- An accrued income of €138 thousand as of December 31, 2019, compared to an aggregate amount of €93 thousand related to the OSEO Nice and BPI France advances as of December 31, 2018.

4.1.6.14. Financial instruments on the balance sheet and effect on income

Accounting policies

Accounting policies for financial instruments included in the statements of financial position and impact on income are described in Note 7, "Non-current financial assets", Note 8, "Trade receivables and other current assets", Note 9, "Cash and cash equivalents" and Note 12, "Financial liabilities".

Detail of financial instruments included in the statements of financial position and impact on income

	As of December 31, 2019			
(€k)	Book value on the statement of financial position	Book value on the statement of financial position	Book value on the statement of financial position	Book value on the statement of financial position
Non-current financial assets	529	130	399	529
Non-current financial assets	11	-	11	11
Trade receivables	35,094	-	35,094	35,094
Cash and cash equivalents	**35,634**	**130**	**35,504**	**35,634**
Total assets				
Financial liabilities	43,435	-	43,435	43,435
Non-current financial liabilities	1,091	-	1,091	1,091
Current financial liabilities	7,770	-	7,770	7,770
Trade payables and other payables	**52,296**	**-**	**52,296**	**52,296**

	As of December 31, 2018			
(in thousands of euros)	Book value on the statement of financial position	Financial assets carried at fair value through profit or loss	Assets and liabilities carried at amortized cost	Fair value
Non-current financial assets				
Non-current financial assets	558	176	383	558
Trade receivables	25	-	25	25
Cash and cash equivalents	36,203	-	36,203	36,203
Total assets	**36 787**	**176**	**36,611**	**36,787**
Financial liabilities				
Non-current financial liabilities	20,021	-	20,021	20,021
Current financial liabilities	500	-	500	500
Trade payables and other payables	6,509	-	6,509	6,509
Total liabilities	**27,030**	**-**	**27,030**	**27,030**

The impact on income (loss) is as follows:

(€K)	2019	2018
Cost of gross debt	1,354	53
Income from cash equivalents	105	34
Total fair value through profit or loss	**1,459**	**87**

Management of financial risks

The principal financial instruments held by the Company are instruments classified as cash and cash equivalents. These instruments are managed with the objective of enabling the Company to finance its business activities. The Company's policy is to not use financial instruments for speculative purposes. It does not use derivative financial instruments.

The principal risks faced by the Company are liquidity, foreign currency exchange, interest rate and credit risks.

Liquidity risk

Given the amount of cash and cash equivalents held by the Company as of December 31, 2019 (see Note 9), the Company does not believe that it is exposed to short-term liquidity risk.

Foreign Currency Exchange Risk

The functional currency of Nanobiotix S.A. is the euro. Exposure to foreign currency exchange risk is derived almost entirely from intragroup transactions between Nanobiotix S.A. and its U.S. subsidiary, for which the functional currency is the U.S. dollar, as well as trade relations with customers and suppliers outside the euro zone.

At this stage of its development, the Company does not use hedging to protect its business against exchange rate fluctuations. However, a significant increase in its business activity could lead to a greater exposure to foreign currency exchange risk. If this occurs, the Company may implement a suitable hedging policy for these risks.

The following table shows the impact of a 10% increase or decrease in the exchange rate between the euro and the U.S. dollar, calculated on the amounts of capital contributions and loans to the Company's U.S. subsidiary as of December 31, 2018 and December 31, 2019.

For the year ended December 31, 2019

Impact	**Net income**		**Equity**	
(€K)	**Increase**	**Decrease**	**Increase**	**Decrease**
USD / Euro exchange rate	41	(41)	141	(141)
Total	**41**	**(41)**	**141**	**(141)**

For the year ended December 31, 2018

Impact	**Net income**		**Equity**	
(€K)	**Increase**	**Decrease**	**Increase**	**Decrease**
USD / Euro exchange rate	29	(29)	178	(178)
Total	**29**	**(29)**	**178**	**(178)**

Credit risk

Credit risk arises from cash and cash equivalents, derivative instruments and deposits with banks and other financial institutions as well as from exposure to customer credit, in particular unpaid receivables and transaction commitments.

The credit risk related to cash and cash equivalents and to current financial instruments is not material given the quality of the relevant financial institutions.

Customer credit risk is limited, due in part to low trade receivables as of December 31, 2019 and in part to the public authority's high credit rating for other receivables.

Interest rate risk

The Company's exposure to interest rate risk is primarily related to cash equivalents and investment securities, which consist of money market mutual funds (SICAVs). Changes in interest rates have a direct impact on the interest earned from these investments and the cash flows generated.

In 2018 the Company entered into an agreement with the EIB pursuant to which the Company may borrow a total of up to €40,000 thousand, divided in three tranches, two of which were received as of December 31, 2019. In addition to the fixed interest rate of 6% for the first tranche (5% and 4%, respectively, for the second and third tranches), the Company also committed, for a period of 6 years beginning on January 1, 2022, to pay additional interest in the form of royalties indexed to the Company's annual sales turnover. Because the interest rate on the loan does not depend on markets performance, the exposure of the Company to interest rate and market risk is deemed low (see. Note 4).

Fair value

The fair value of financial instruments traded on an active market is based on the market price on the reporting date. The market prices used for the financial assets held by the Company are the bid prices in the market on the measurement date.

The carrying value of receivables and current liabilities is assumed to approximate their fair value.

4.1.6.15. Revenues and other income

Accounting policies

Revenue

Revenue is recognized in accordance with IFRS 15.

Under IFRS 15, revenue is recognized when the Company satisfies a performance obligation by transferring a distinct good or service (or a distinct bundle of goods and/or services) to a customer, i.e. when the customer obtains control of these goods or services. An asset is transferred when the customer obtains control of the asset (or service).

Given the wide spectrum of therapeutic research and development opportunities, aside from the fields that the Company intends to research and develop with its own scientific and financial resources, the Company has entered and expects to enter into license and collaboration agreements with third parties in certain specific fields that have generated or will generate revenue.

Therefore, each agreement has been and will be analyzed, on a case-by-case basis to determine whether the arrangement contains performance obligations to the other party and, if so, to identify the nature of these performance obligations in order to determine the

appropriate accounting under IFRS 15 principles of the amounts that the Company has received or is entitled to receive from the other party e.g.:

- Development services performed by the Company to create or enhance an intellectual property controlled by the client, for which revenue is recognized over time, when services are rendered;
- A transfer of control of an existing intellectual property of the Company for which revenue is recognized at the time such control is transferred;
- A license:
  - If the license is assessed to be a right to access the Company's intellectual property as it exists throughout the license period, revenue is recognized over the license period; or
  - If the license is a right to use the Company's intellectual property as it exists (in term of forms and functionality), revenue is recognized when the other party is able to use and benefit from the license; or
- Product supply for which the revenue is recognized once the control over the delivered products is transferred.

Contingent revenue arising from successful milestones or sales-based royalties are not recognized before the related milestone has been reached or sale has occurred.

Application to the license and collaboration agreement with PharmaEngine

Under the License and Collaboration Agreement, the Company's and PharmaEngine's rights are clearly identified and, financial terms are defined in the contract. The contract has commercial substance (the Company's cash flows have been affected by the terms of the contract) and the Company has collected and is entitled to collect in the future consideration in exchange for the goods and services transferred to PharmaEngine.
The Company identified three performance obligations in the License and Collaboration Agreement described under Note 4 above:

- The license of the right to use the Company's patent and know-how;
- The support provided by the Company to PharmaEngine until the first regulatory approval is granted in PharmaEngine's territory that the Company views as a series of distinct periods of access to information and experience that is satisfied over time; and
- The supply of NBTXR3 to PharmaEngine.

An upfront payment of $1.0 million was fully recognized as revenue when the license was transferred to PharmaEngine, in 2012.

Development milestones constitute variable payments that are recognized over-time. As milestone payment timing was defined to reflect the efforts of both parties over time and were amended to reflect all changes in the contractual development plan, the Company concluded that the terms of variable payments reflect its efforts to satisfy the performance obligation related to each development phase and that no portion if any of such consideration that would relate to the license would impact the timing of recognition because of the highly probable collectability requirement. On this basis, the first milestone (signature of the first amendment that allowed PharmaEngine to benefit from the results of the Company's clinical

studies for soft-tissue sarcoma indication) and the second milestone of $1 million (first patient's injection with NBTXR3 in soft tissue sarcoma study in Asia) were received and recognized in 2014 and 2016, respectively. The next milestone will be received following the first filing for regulatory approval for marketing NBTXR3 in PharmaEngine's territory, no filing has occurred as of December 31, 2019.
Royalties are considered at market conditions and will be fully recognized once the subsequent sales occur.
In the years ended December 31, 2019 and 2018, no payment was received, and no revenue was recognized for this contract.

Grants
Due to its innovative approach to nanomedicine, the Company has received various grants and other assistance from the government of France and French public authorities since its creation. The funds are intended to finance its operations or specific recruitments. Grants are recognized in income as the corresponding expenses are incurred and independently of cash flows received.

Research tax credit
The French tax authorities grant a research tax credit (Crédit d'Impôt Recherche, or "CIR"), to companies in order to encourage them to conduct technical and scientific research. Companies demonstrating that they have incurred research expenditures that meet the required criteria (research expenses in France or, since January 1, 2005, other countries in the European Community or the European Economic Area that have signed a tax treaty with France containing an administrative assistance clause) receive a tax credit that may be used for the payment of their income tax due for the fiscal year in which the expenditures were incurred and during the next three fiscal years. If taxes due are not sufficient to cover the full amount of the tax credit at the end of the three-year period, the difference is repaid in cash to the company by the French tax authorities.
The Company has received research tax credits since its creation. These amounts are recognized as "Other income" in the fiscal year in which the corresponding charges or expenses were incurred. The portion related to capitalized expenses is deducted from the amount of capitalized expenses on the statements of financial position and from the amortization charges for these expenses on the statements of operations.

Detail of revenues and other income

The following table summarizes the Company's revenues and other income for the years ended December 31, 2019 and December 31, 2018:

(€K)	2019	2018
Services	40	109
Other sales	28	7
Licenses	-	-
Total revenues	**68**	**116**
Research tax credit	2,437	3,251
Subsidies	20	90
Other	17	22
Total other income	**2,474**	**3,363**
Total revenues and other income	**2,542**	**3,479**

The Company's revenue of €68 thousand in 2019 and €116 thousand in 2018 were derived mainly from the charging-back of shared external clinical research organization costs in connection with the development support provided by the Company to PharmaEngine as part of the Company's License and Collaboration Agreement, as amended.
100% of revenues recognized in 2019 and more than 90% of the revenues recognized in 2018 were derived from this arrangement with PharmaEngine. (see note 4.1).

4.1.6.16. Operating expenses

Accounting policies

Leases included in the practical expedients under the IFRS 16 standard and used by the Company (low value asset and short-term leases) are recognized in operating expenses. Payments made for these leases are expensed, net of any incentives, on a straight-line basis over the contract term (see note 22. Commitments for further details).
Accounting policies for research and development expenses are described in Note 5.

4.1.6.16.1. Research and development (R&D) expenses

(€K)	2019	2018
Purchases, sub-contracting and other expenses	(16,804)	(11,358)
Payroll costs (including share-based payments)	(11,980)	(9,002)
Depreciation, amortization and provision expenses[(1)]	(1,627)	(534)
Total research and development expenses	**(30,411)**	**(20,893)**

[(1)] see note 16.4 Depreciation, amortization and provision expenses

As of December 31, 2019, the Company's workforce amounted to 81 research and development staff, including 2 additional positions created during the year ended December 31, 2019.

As of December 31, 2018, the Company's workforce amounted to 79 research and development staff, including 18 additional positions created during the year ended December 31, 2018.
The impact of share-based payments on research and development expenses amounted in 2019 to €1,089 thousand, including employer's contribution in the amount of €187 thousand, as compared with €443 thousand in 2018.

4.1.6.16.2. Selling, General and Administrative (SG&A) expenses

(€K)	2019	2018
Rent, fees and other expenses	(9,435)	(5,918)
Payroll costs (including share-based payments)	(9,205)	(6,701)
Depreciation, amortization and provision expenses [(1)]	(270)	(35)
Total SG&A expenses	**(18,910)**	**(12,653)**

[(1)] see note 16.4 Depreciation, amortization and provision expenses

The increase of payroll costs was mainly due to the increase of SG&A staff during the period as well as the recognition of the employer's contribution accrual related to the free shares plan granted in 2019.
As of December 31, 2019, the Company's workforce amounted to 29 SG&A staff, including 6 additional positions that were created during the year ended December 31, 2019.
As of December 31, 2018, the Company's workforce amounted to 23 SG&A staff, including 3 additional positions that were created during the year ended December 31, 2018.
The impact of share-based payments on SG&A expenses amounted to €4,103 thousand in 2019, including employer's contribution in the amount of €685 thousand, as compared with €1,911 thousand in 2018.

4.1.6.16.3. Payroll costs

(€K)	2019	2018
Wages and salaries	(11,876)	(9,501)
Payroll taxes	(4,913)	(4,279)
Share-based payments	(4,320)	(1,867)
Retirement benefit obligations	(76)	(55)
Total payroll costs	**(21,185)**	**(15,703)**
Average headcount	112	94
End-of-period headcount	110	102

As of December 31, 2019, the Company's workforce totaled 110 employees, compared with 102 as of December 31, 2018. Wages and salaries and payroll taxes, together, reached €16,789 thousand due to the Company's growth and a related increase in the number of employees during the year ended December 31, 2019, together with the impact of its compensation policy. In comparison, wages and salaries and payroll taxes, together, reached €13,780 thousand for the year ended December 31, 2018.

In accordance with IFRS 2 – *Share-based Payment*, the share-based payment amount recognized in the statements of operations reflects all amounts not yet earned in respect of rights vested during the fiscal year but not exercised by employees, corporate officers and the members of the Supervisory Board who are beneficiaries of the Company's stock option plans. The share-based payments amounted to €4,320 thousand in 2019 in comparison with €1,867 thousand in 2018. (see Note 17 *Share-based payments*).

4.1.6.16.4. Depreciation, amortization and provision expenses

Depreciation, amortization and provision expenses by function are detailed as follows:

	2019		
(€k)	**R&D**	**SG&A**	**Total**
Amortization expense of intangible assets	(289)	(3)	(292)
Depreciation expense of property, plant and equipment	(1,208)	(270)	(1,478)
Utilization of provision for disputes	-	55	55
Provision for charges	(112)	(52)	(164)
Total depreciation, amortization and provision expenses	**(1,627)**	**(270)**	**(1,879)**

	2018		
(€k)	**R&D**	**SG&A**	**Total**
Amortization expense of intangible assets	(90)	-	(90)
Depreciation expense of property, plant and equipment	(444)	(85)	(529)
Utilization of provision for disputes	-	50	50
Total depreciation, amortization and provision expenses	**(534)**	**(35)**	**(569)**

4.1.6.17. Share-based payments

Accounting policies

The Company has adopted a number of compensation plans since its inception. As of December 31, 2019, the Company had twelve (12) founders' warrant plans, thirteen (13) stock warrant plans, eight (8) stock option plans and three (3) free shares plans.
These share-based compensation plans are settled in equity instruments.
The Company has applied IFRS 2 – *Share-based Payment* to all equity instruments granted to employees since 2006.
As required by IFRS 2 – *Share-based Payment*, the cost of remuneration paid in the form of equity instruments is recognized as an expense, with a corresponding increase in shareholders' equity for the vesting period during which the rights with respect to the equity instruments are earned.
The fair value of the equity instruments granted to employees is measured using the Black-Scholes or Monte Carlo model, as described below.

Detail of share-based payments

The Company has granted stock options (Option sur actions, "OSA"), warrants (Bons de souscription d'actions, "BSA"), founders' warrants (bons de souscription de parts de créateur

d'entreprise, "BSPCE") and free shares (attributions gratuites d'actions, "AGA") to corporate officers, employees and members of the Supervisory Board and consultants. In certain cases, exercise of the options, warrants and funders' warrants is subject to performance conditions. The Company has no legal or constructive obligation to pay the options in cash.
The number of BSPCE, BSA, OSA and AGA outstanding on December 31, 2019, and their main characteristics, are detailed below:

Outstanding BSPCE plans as of December 31, 2019:

	Pre-2019 BSPCE plans and outstanding						
	BSPCE 2012-1	**BSPCE 2012-2**	**BSPCE 04-2013**	**BSPCE 08-2013**	**BSPCE 09-2014**	**BSPCE 2015-01**	**BSPCE 2015-03**
Number of founder's warrants granted	1,800,000	100,000	55,000	50,000	97,200	71,650	53,050
Date of shareholders' resolution approving the plan	05/04/2012	05/04/2012	05/04/2012	06/28/2013	06/18/2014	06/18/2014	06/18/2014
Grant date	05/04/2012	12/18/2012	04/10/2013	08/28/2013	09/16/2014	02/10/2015	06/10/2015
Contractual expiration date	04/25/2019	12/18/2022	04/10/2023	08/28/2023	09/16/2024	02/10/2025	06/10/2025
Grant price	-	-	-	-	-	-	-
Exercise price	€ 6.00	€ 6.63	€ 6.30	€ 5.92	€ 18.68	€ 18.57	€ 20.28
Number of founders' warrants as of December 31, 2019	**-**	**100,000**	**-**	**50,000**	**92,100**	**70,950**	**38,400**
Number of founders' warrants exercised	285,452	-	55,000	-	-	-	-
Of which founders' warrants exercised during the period	*160,000*	-	*55,000*	-	-	-	-
Number of founders' warrants lapsed or canceled	1,514,548	-	-	-	5,100	700	14,650
Of which founders' warrants lapsed or canceled during the period	*1,514,548*	-	-	-	-	-	*1,350*

	Pre-2019 BSPCE plans and outstanding				
	BSPCE 2016 Ordinary	**BSPCE 2016 Performance**	**BSPCE 2017 Ordinary**	**BSPCE 2017**	**BSPCE 2017 Project**
Number of founder's warrants granted	126,400	129,250	117,650	80,000	12,000
Date of shareholders' resolution approving the plan	06/25/2015	06/25/2015	06/23/2016	06/23/2016	06/23/2016
Grant date	02/02/2016	02/02/2016	01/07/2017	01/07/2017	01/07/2017
Contractual expiration date	02/02/2026	02/02/2026	01/07/2027	01/07/2027	01/07/2027
Grant price	-	-	-	-	-
Exercise price	€ 14.46	€ 14.46	€ 15.93	€ 15.93	€ 15.93
Number of founders' warrants as of December 31, 2019	**109,967**	**103,002**	**107,166**	**80,000**	**-**
Number of founders' warrants exercised	333	-	-	-	-
Of which founders' warrants exercised during the period	-	-	-	-	-
Number of founders' warrants lapsed or canceled	16,100	26,248	10,484	-	12,000
Of which founders' warrants lapsed or canceled during the period	*1,000*	*6,998*	*3,251*	-	*12,000*

Outstanding BSA plans as of December 31, 2019:

	Pre-2019 BSA plans and outstanding					
	BSA 04-2012	**BSA 2013**	**BSA 2014**	**BSA 2015-1**	**BSA 2015-2 (a)**	**BSA 2015-2 (b)**
Number of warrants granted	52,500	10,000	14,000	26,000	64,000	6,000
Date of shareholders' resolution approving the plan	05/04/2012	05/04/2012	06/18/2014	06/18/2014	06/18/2014	06/25/2015
Grant date	10/23/2012	10/18/2013	12/17-19/14	02/06-12/15	11/23/2015	11/23/2015
Contractual expiration date	05/04/2022	04/10/2023	09/16/2024	02/10/2025	06/25/2025	06/25/2020
Grant price	€ 0.60	€ 2.50	€ 4.87	€ 4.87	€ 5.00	€ 2.80
Exercise price	€ 6.00	€ 6.37	€ 17.67	€ 17.67	€ 19.54	€ 19.54
Number of warrants as of December 31, 2019	**30,000**	**6,000**	**10,000**	**21,000**	**64,000**	**6,000**
Number of founders' warrants exercised	22,500	-	-	-	-	-
Of which warrants exercised during the period	-	-	-	-	-	-
Number of founders' warrants lapsed or canceled	-	-	4,000	5,000	-	-
Of which warrants lapsed or canceled during the period	-	-	-	-	-	-

	Pre-2019 BSA plans and outstanding							2019 plan
	BSA 2016 Ordinary	**BSA 2016 Performance**	**BSA 2016-2**	**BSA 2017**	**BSA 2018**	**BSA 2018-1**	**BSA 2018-2**	**BSA 2019-1**
Type of warrants	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000
Number of warrants granted	06/25/2015	06/25/2015	06/23/2016	06/23/2016	03/06/2018	03/06/2018	07/27/2018	05/23/2018
Contractual expiration date	02/02/2021	02/02/2021	11/03/2021	01/07/2022	03/06/2023	03/06/2023	07/27/2028	03/29/2029
Grant date	02/02/2021	02/02/2021	11/03/2021	01/07/2022	03/06/2023	03/06/2023	07/27/2028	03/29/2029
Grant price	€1.67	€1.67	€2.03	€2.03	€1.62	€1.62	€2.36	€1.15
Exercise price	€13.74	€13.74	€15.01	€15.76	€13.55	€13.55	€16.102	€11.66
Number of warrants as of December 31, 2019	**18,103**	**18,105**	**8,000**	**18,000**	**18,000**	**10,000**	**5,820**	**18,000**
Number of warrants exercised	-	-	-	-	-	-	-	-
Of which number of warrants exercised during the period	-	-	-	-	-	-	-	-
Number of warrants lapsed or canceled	-	-	-	-	-	-	-	-
Of which number of warrants lapsed or canceled during the period	-	-	-	-	-	-	-	-

Outstanding OSA plans as of December 31, 2019:

	Pre-2019 OSA plans and outstanding				2019 OSA plans	
	OSA 2016 Performance	**OSA 2016-2**	**OSA 2017 Ordinary**	**OSA 2018**	**OSA 2019-1**	**OSA 2019-2**
Number of options granted	6,400	4,000	3,500	62,000	37,500	500,000
Date of shareholders' resolution approving the plan	06/25/2015	06/23/2016	06/23/2016	03/06/2018	05/23/2018	04/11/2019
Contractual expiration date	02/02/2026	11/03/2026	01/07/2027	03/06/2028	03/29/2029	10/24/2029
Grant price	-	-	-	-	-	-
Exercise price	€ 13.05	€ 14.26	€ 14.97	€ 12.87	€ 11.08	€ 6.41
Number of options as of December 31, 2019	**400**	**4,000**	**500**	**54,000**	**30,250**	**500,000**
Number of options exercised	-	-	-	-	-	-
Of which options exercised during the period	-	-	-	-	-	-
Number of options lapsed or canceled	6,000	-	3,000	8,000	7,250	
Of which options lapsed or canceled during the period	-	-	-	*4,000*	*7,250*	

Outstanding AGA plans as of December 31, 2019:

	Pre-2019 AGA plans and outstanding		2019 AGA plan
	AGA 2018-1	AGA 2018-2	AGA 2019-1
Number of free shares granted	396,250	6,000	438,250
Date of shareholders' resolution approving the plan	06/14/2017	05/23/2018	05/23/2018
Grant date	03/06/2018	07/27/2018	03/29/2019
Number of free shares as of December 31, 2019	**355,250**	**6,000**	**385,000**
Number of free shares exercised	-	-	-
Of which free shares exercised during the period	-	-	-
Number of free shares lapsed or canceled	41,000	-	53,250
Of which free shares lapsed or canceled during the period	*14,000*	-	*53,250*

	BSPCE	BSA	OSA	AGA	Total
Total number of shares underlying grants outstanding as of December 31, 2019	751,585	251,028	589,150	746,250	**2,338,013**

	BSPCE	BSA	OSA	AGA	Total
Total number of shares underlying grants outstanding as of December 31, 2018	2,505,732	233,028	62,900	375,250	**3,176,910**

The measurement methods used to estimate the fair value of stock options, warrants are described below:

- The share price on the grant date is equal to the exercise price taking into account both the average share price on the 20 days preceding the grant date and the expected development perspectives of the Company;
- The risk-free rate was determined based on the average life of the instruments; and
- Volatility was determined based on a sample of listed companies in the biotechnology sector on the grant date and for a period equal to the life of the warrant or option.

The performance conditions for all the plans were assessed as follows:

- Performance conditions unrelated to the market were analyzed to determine the likely exercise date of the warrants and options and expense was recorded accordingly based on the probability these conditions would be met; and
- Market-related performance conditions were directly included in the calculation of the fair value of the instruments.

Except for the 2012-1 founders' warrants, the fair value of the warrants and options was measured using the Black-Scholes model.
The fair value of 2012-1 founders' warrants was determined using the Monte Carlo valuation model to take into account the exercise conditions, which depend on the realized gain compared to the expected stock market listing price. The inputs used for the estimation and measurement of new plans and plans currently vesting are detailed below:

Expenses of BSPCE outstanding plans as of December 31, 2019:

Plan	Share price *(in euros)*	Exercise price *(in euros)*	Volatility	Maturity *(in years)*	Risk-free rate	Yield	Value of initial plan *(in thousands of euros)*	Expense 2018 *(in thousands of euros)*	Expense 2019 *(in thousands of euros)*
BSPCE 2012-1	5.26	6.00	41%	3.49	0.20%	0.00%	307	—	—
BSPCE 2012-2	6.65	6.63	44.3% - 47.6%	5 - 7.30	0.84% - 1.22%	0.00%	288	—	—
BSPCE 04-2013	6.30	6.30	56%	5.00	0.90%	0.00%	167	—	—
BSPCE 08-2013	6.30	6.30	256%	7.0	0.90%	0.00%	152	—	—
BSPCE 09-2014	18.68	18.68	58%	5.5/6/6.5	0.64%	0.00%	932	2	—
BSPCE 2015-2	18.57	18.57	58% - 62% - 61%	5.5/6/6.5	0.39%	0.00%	650	9	—
BSPCE 2015-3	20.28	20.28	61% - 62% - 61%	5.5/6/6.5	0.56%	0.00%	483	18	—
BSPCE 2016 Ordinary	14.46	14.46	59% - 62% - 60%	5.5/6/6.5	0.32%	0.00%	1,080	128	10
BSPCE 2016 Performance	14.46	14.46	59%	5.00	0.19%	0.00%	1,212	(405)	79
BSPCE 2017 Ordinary	15.93	15.93	58% - 61% - 59%	5.5/6/6.5	0.23%	0.00%	1,000	255	86
BSPCE 2017 Performance	15.93	15.93	59%	5.00	0.11%	0.00%	622	0	—
BSPCE 2017	15.93	15.93	59%	5.00	0.11%	0.00%	627	—	—
BSPCE 2017 Project	15.93	15.93	59%	5.00	0.11%	0.00%	94	(47)	—
Total BSPCE	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a**	**(39)**	**175**

Expenses of BSA outstanding plans as of December 31, 2019:

Plan	Share price *(in euros)*	Exercise price *(in euros)*	Volatility	Maturity *(in years)*	Risk-free rate	Yield	Value of initial plan *(in thousands of euros)*	Expense 2018 *(in thousands of euros)*	Expense 2019 *(in thousands of euros)*
BSA 04-2012	6.00	6.00	49%	10.00	0.96%	0.00%	183	—	—
BSA 2013	6.30	6.37	156%	6.00	0.90%	0.00%	1	—	—
BSA 2014	18.68	17.67	57%	5.00	0.41%	0.00%	—	—	—
BSA 2015-1	17.67	17.67	58%	5.00	0.26% - 0.27%	0.00%	63	—	—
BSA 2015-2 (a)	17.67	19.54	58%-58%-57%-58%	5/5.1/5.3/5.4	0.39%	0.00%	16	—	—
BSA 2015-2 (b)	19.54	19.54	58% - 60%	4.6 – 9.6	0.25% - 0.91%	0.00%	284	—	—
BSA 2016 ordinary	13.74	13.74	57%	2.40	0.00%	0.00%	37	—	—
BSA 2016 performance	13.74	13.74	57%	2.40	0.00%	0.00%	143	(42)	(41)
BSA 2016-2	15.01	15.01	57%	2.40	0.00%	0.00%	—	—	—
BSA 2017	15.76	15.76	33%	2.40	0.00%	0.00%	—	—	—
BSA 2018-1	13.55	13.55	38%	4.80	0.7% - 0.10%	0.00%	2	3	—
BSA 2018-2	16.10	16.10	—	—	—	—	—	—	—
BSA 2019-1	11.66	11.66	37%	9.8/9.9	0.16% - 0.50%	0.00%	24	—	24
Total BSA	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**(39)**	**(16)**

Expenses of OSA outstanding plans as of December 31, 2019:

Plan	Share price *(in euros)*	Exercise price *(in euros)*	Volatility	Maturity *(in years)*	Risk-free rate	Yield	Value of initial plan *(in thousands of euros)*	Expense 2018 *(in thousands of euros)*	Expense 2019 *(in thousands of euros)*
OSA 2016-1 Ordinary	13.05	13.05	59% - 62% - 60%	5.5 / 6 /6.5	0.32%	0.00%	117	(64)	—
OSA 2016-1 Performance	13.05	13.05	59%	5.00	0.19%	0.00%	69	(55)	—
OSA 2016-2	14.26	14.26	58% - 62% - 59%	5.5 / 6 /6.5	0.04%	0.00%	27	7	3
OSA 2017 Ordinary	15.93	15.93	58% - 61% - 59%	5.5 / 6 /6.5	0.23%	0.00%	31	(14)	1
OSA 2017 Performance	15.93	15.93	59%	5.00	0.11%	0.00%	35	0	—
OSA 2018	12.87	12.87	35%	5.5 / 6 /6.5	0.00%	0.00%	252	164	66
OSA 2019-1	11.08	11.08	38.10% / 37.40%	6 /6.5	0.103% / 0.149%	0.00%	140	n.a.	38
OSA 2019-2	6.41	6.41	37%	10.00	0.40%	0.00%	252	n.a.	436
Total OSA	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**38**	**543**

Expenses of AGA outstanding plans as of December 31, 2019:

Plan	Share price *(in euros)*	Exercise price *(in euros)*	Volatility	Maturity *(in years)*	Risk-free rate	Yield	Value of initial plan *(in thousands of euros)*	Expense 2018 *(in thousands of euros)*	Expense 2019 *(in thousands of euros)*
AGA 2018-1	12.87	0.00	n.a.	n.a.	0.00%	0.00%	4,951	**1,891**	**2,052**
AGA 2018-2	12.87	0.00	n.a.	n.a.	0.00%	0.00%	75	**16**	**37**
AGA 2019-1	10.90	0.00	n.a.	n.a.	0.19% / 0.141%	0.00%	4,776	n.a.	**1,529**
Total AGA	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**1,907**	**3,618**

(€K)	BSPCE	BSA	OSA	AGA	Total
Expense for the year ended December 31, 2019	175	(16)	543	3,618	**4,320**

(€K)	BSPCE	BSA	OSA	AGA	Total
Expense for the year ended December 31, 2018	(39)	(39)	38	1,907	**1,867**

4.1.6.18. Net financial income (Loss)

(€K)	2019	2018
Income from cash and cash equivalents	105	34
Foreign exchange gains	599	1,051
Other financial income	133	87
Total financial income	**837**	**1,172**
Interest cost [(1)]	(4,434)	(847)
IFRS 16 related interests	(359)	—
Foreign exchange losses	(176)	(602)
Total financial expenses	**(4,970)**	**(1,449)**
Net financial income (loss)	**(4,133)**	**(277)**

(1) Including €4,361 thousand of interests related to the EIB loan in 2019.

4.1.6.19. Income Tax

Accounting policies

The Company and its subsidiaries are subject to income tax in their respective jurisdictions.
Deferred taxes are recognized on a full provision basis using the liability method for all temporary differences between the tax basis and accounting basis of assets and liabilities in the financial statements.
The main temporary differences relate to tax loss carryforwards. The prevailing income tax rates on the reporting date are used to determine deferred taxes. Deferred tax assets, which mainly arise as a result of tax loss carryforwards, are only recognized to the extent that it is probable that sufficient taxable income will be available in the future against which to offset the tax loss carryforwards or the temporary differences. Management uses its best judgment to determine such probability. Given the Company's current stage of development and its short-term earnings outlook, the Company is unable to make sufficiently reliable forecasts of future earnings and accordingly, deferred tax assets have not been recognized and offset only to the extent of deferred tax liabilities in the same taxable entities.

Income tax

As of December 31, 2019, in accordance with the applicable legislation, the Company has €184,300 thousand of evergreen tax losses in France, in comparison with €141.6 million of evergreen tax losses in France as of December 31, 2018. The cumulative tax loss carryforwards for the U.S. entity of the Company totaled $4,774 thousand as of December 31, 2019 and $5,193 thousand in the United States as of December 31, 2018.
For fiscal years ended on or after December 31, 2019, the use of tax loss carryforwards in France is capped at €1.0 million, plus 50% of the portion of profits in excess of that limit. As tax loss carryforwards were generated before January 1, 2018, they will expire 20 years after they were generated. The tax loss carryforwards in the U.S. comply with the federal and each state's Net Operating Loss ("NOL") rules updated by the Tax Cuts and Jobs Act ("TCJA") of 2017.

The following table reconciles the Company's theoretical tax expense to its effective tax expense:

(€K)	2019	2018
Net loss	(50,915)	(30,345)
Effective tax expense	3	0
Recurring loss before tax	**(50,912)**	**(30,345)**
Theoretical tax rate (statutory rate in France)	31.00%	33.33%
Theoretical tax (benefit) expense	**(15,782)**	**(10,115)**
Share-based payment	1,339	622
EIB Loan	874	173
Other temporary differences	359	9
Other non-taxable items (research tax credit)	(736)	(1,084)
Other permanent differences	(1)	(17)
Unrecognized tax losses	14,083	10,411
Use of tax losses	(124)	0
Others	(15)	(0)
Effective tax expense	**(3)**	**(0)**
Effective tax rate	**0.0%**	**0.0%**

As of December 31, 2019, the net unrecognized deferred tax assets amounted to €189 million.

4.1.6.20. Segment reporting

In accordance with IFRS 8 – *Operating Segments*, reporting by operating segment is derived from the internal organization of the Company's activities; it reflects management's viewpoint and is established based on internal reporting used by the chief operating decision maker (the Company's Chief Executive Officer and Chairmen of the Executive Board and of the Supervisory Board) to allocate resources and to assess performance.

The Company operates in a single operating segment: research and development in product candidates that harness principles of physics to transform cancer treatment.

The assets, liabilities and operating loss realized are primarily located in France.

Revenue in 2019 and 2018 was derived mainly from the charging-back of shared external clinical research organization costs, in connection with the development support provided by the Company to PharmaEngine as part of the Company's License and Collaboration Agreement in Asia by Nanobiotix S.A. (see Note 15).

For territorial analysis purposes, management allocates revenue based on the place of delivery of licenses or on the place in which services are provided.

4.1.6.21. Loss per share

Accounting policies

Loss per share is calculated by dividing the net loss due to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.
The diluted loss per share is calculated by dividing the results by the weighted average number of common shares in circulation, increased by all dilutive potential common shares.

The dilutive potential common shares include, in particular, the share subscription warrants, stock options and founder subscription warrants as detailed in Note 17.
Dilution is defined as a reduction of earnings per share or an increase of loss per share. When the exercise of outstanding share options and warrants decreases loss per share, they are considered to be anti-dilutive and excluded from the calculation of loss per share.

Detail of loss per share

	2019	2018
Net loss for the period (in thousands of euros)	(50,915)	(30,345)
Weighted average number of shares	21,631,514	19,633,373
Basic loss per share (in euros)	**(2.35)**	**(1.55)**
Diluted loss per share (in euros)	**(2.35)**	**(1.55)**

Instruments providing deferred access to the capital (stock options) are considered to be anti-dilutive because they result in a decrease in the loss per share. Therefore, diluted earnings per share are identical to basic earnings per share as all equity instruments issued, representing 958,289 potential additional ordinary shares, have been considered anti-dilutive.

4.1.6.22. Commitments

Obligations under the loan agreement with the EIB
In the event the EIB loan is repaid early, or in the event of a change of control after repayment of the loan, the amount of royalties due will be equal to the net present value of the royalties as determined by an independent expert, such amount not to be less than €35.0 million. As the variable rate of any such royalties due will depend not on the performance of the financial markets, but on our performance, our exposure to interest rate and market risk is deemed low.

Obligations under the terms of the rental agreements part of the IFRS 16 exemptions
The obligations of the Company related to the leases falling under the practical expedients (leases related to low value assets and short-term leases) are as follow:

- One short term lease for an office by Nanobiotix Corp., of which the annual rent is $140 thousand and;
- Leases related to low-value assets for Nanobiotix SA's printers, of which the annual rent is around €10 thousand.

Obligations related to patents
Under the concession agreement signed with the Malaysian biotechnology firm Malaysia Biotech Corp, the Company agreed the following commitments:

- Commitment granted by the Company: The Company committed to maintain the patents stated by the concession agreement for 25 years.
- Commitment granted to the Company: Malaysia Biotech Corp committed to use the patents mentioned above in fields outside of oncology.

Obligations related to the MD Anderson agreement

In January 2019, the Company and the University of Texas MD Anderson Cancer Center, world prominent center of research, education, prevention and care for cancer patients signed a large-scale research collaboration. Collaboration will initially support nine new Phase I/II clinical trials with NBTXR3 for use in treating six cancer types - head and neck, pancreatic, thoracic, lung, gastrointestinal and genitourinary cancers - involving around 340 patients.
The collaboration agreement requires a minimum total investment amount of $11 million to be paid by Nanobiotix during the collaboration development, based on patient enrollment. Additional amount will be paid following the success of the NBTXR3's first registration with the Food and Drug Administration.

4.1.6.23. Related parties

Key management personnel compensation

The compensation presented below, granted to the members of the Executive Board and Supervisory Board was recognized in expenses over the period shown:

(€K)	2019	2018
Salaries, wages and benefits	1,306	1,437
Share-based payments	2,066	1,068
Supervisory Board's fees	70	70
Total compensation to related parties	**3,442**	**2,575**

The methods used to measure share-based payments are presented in Note 17.

4.1.6.24. Auditors' fees

The fees of the Independent Auditors for the audit and certification of the 2019 financial statements amounted to €158 thousand and breaks down as follow:

	2019 Auditors' fees		Total
(€K)	Grant Thornton	Ernst & Young	
Statutory audit	63	95	**158**
Services other than the certification of accounts	8	390	**398**

In 2019, the services other than the certification of accounts mainly comprised their statutory engagement related to the Nasdaq public offering process of Nanobiotix.

4.1.6.25. Subsequent events

Accounting policies
The statement of consolidated financial position and the statement of consolidated operations are adjusted to reflect subsequent events that alter amounts related to situations that exist as of the reporting date. Non-adjusting subsequent events are disclosed. The adjustments and disclosures are made until the date the consolidated financial statements are approved and authorized for issuance by the Supervisory Board.

Detail of Subsequent Events
Creation of the subsidiary Curadigm Corp. in January 2020
Following the creation of the French Curadigm SAS. subsidiary in July 2019, wholly owned French subsidiary of Nanobiotix S.A., Curadigm SAS. created in January 2020 a new subsidiary in the United States to operate and develop its activities in the United States.

Reimbursement of the 2018 research tax credit
The Company received in February 2020 100% of the 2018 research tax credit, i.e. €3,251 thousand.

Delay of the initial public offering project
Considering the market conditions, the Company decided to delay its plans to conduct a registered public offering of its ordinary shares on the Nasdaq. The transaction costs related to this expected initial public offering, initially recorded as a reduction to premiums related to share capital, were written off as of December 31, 2019.

Assessment performed by the Company in the context of the ongoing pandemic COVID-19
The management performed an assessment of the impacts on assets, namely cash and cash equivalents, and liabilities, namely the debt toward the European Investment Bank, and no impact was deemed significant based on the financial information available as of the date of these financial statements. The management has reviewed the cash budget to consider the ongoing pandemic COVID-19 consequences.
The cash and cash equivalents currently available, combined to the 2018 and 2019 research tax credit, allows the Company to fund its expenses for the next 12 months.

4.2. STATUTORY AUDITOR'S REPORT ON THE 2019 CONSOLIDATED FINANCIAL STATEMENTS

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

This is a translation into English of the statutory auditors' 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 auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Nanobiotix
Year ended December 31, 2019

Statutory auditors' report on the consolidated financial statements

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Membre de la compagnie
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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Nanobiotix
Year ended December 31, 2019

Statutory auditors' report on the consolidated financial statements
To the Annual General Meeting of Nanobiotix,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Nanobiotix for the year ended December 31, 2019. These consolidated financial statements were approved by the Executive Board, on March 17, 2020, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

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, 2019 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.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

- **Audit Framework**

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

- **Independence**

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics *(Code de déontologie)* for statutory auditors.

Emphasis of Matter

We draw attention to the matter described in Note 2.1 to the consolidated financial statements relating to the adoption of IFRS 16 *Leases*. Our opinion is not modified in respect of this matter.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

- **Estimation of share-based compensation expense**

Risk identified	Our response
Note 17 "Share-based payment" to the consolidated financial statements sets out your Group's share purchase warrants (bons de souscription d'actions, "BSA"), founders' warrants (bons de souscription de parts de créateur d'entreprise, "BSPCE") and free shares (attributions gratuites d'actions, "AGA") plans subscribed by employees, officers and members of the Supervisory Board. As of December 31, 2019, personnel expenses related to these plans amount to € 4.3 million. As indicated in Note 17 to the consolidated financial statements, fair value of these plans was determined using the Black & Scholes method, except for the "BCE 2012-1" warrants which fair value is determined using the Monte-Carlo method. We considered the valuation of these plans in the consolidated financial statements as key audit matter due to the sensitivity of the assumptions made by Management and its materiality. The correct forecast of the company's valuation, the correct application of performance conditions and the correct spreading of the expenses over the years represent a risk. A misstatement would lead to an improper estimate of the payroll costs in the income statement.	We familiarized ourselves with the Executive Board meetings' minutes and the plans' by-laws, in order to identify new plans granted during the year and the specific conditions attached to these plans. Our audit procedures mainly consisted in familiarizing ourselves with the estimation and the factors underlying the key assumptions used by Management to determine the fair value of the equity instruments. In that context, we have : ▪ familiarized ourselves with the statements drawn up by Management justifying the performance conditions are met ; ▪ familiarized ourselves with the statements drawn up by Management justifying the forecast of the valuation of the Company ; ▪ studied the valuation report written by the external expert hired by the Company on plans issued over the year ; ▪ analyzed main assumptions used to calculate and spread over time the payroll costs relating to these plans in light of the Executive Board's decisions to issue these plans ; ▪ included an actuarial expert in our audit team in order to analyze all the valuation models, the calculation formulas used and the consideration of the characteristics and methods of each plan in these models.

- **Estimation of clinical trial expenses accruals**

Risk identified	Our response
In the context of the development of its products, your Group carried out clinical trials (Phase II/III) in collaboration with contract research organizations. Note 13.1 "Trade and other payables" to the consolidated financial statements sets out the method applied to determine an estimation of the costs incurred in that respect according to the progress of the clinical studies. At year-end, Management estimates the costs not yet invoiced, for each study, taking into account the duration of the treatment as well as each patient's injection date, and records such estimate as accrued expenses for the financial year. The identification of all the clinical trials on-going at year-end, the actual costs incurred and the correct estimate of the accruals at year end constitute a risk. A misstatement would lead to an improper estimate of the amount presented in "Research and development expenses" in the consolidated income statement. Given the materiality of the research and development expenses, and their estimation method at year end requiring Management judgement, we consider the estimation of the clinical trial accrued expenses as a key audit matter.	Our audit procedures mainly consisted in familiarizing ourselves with the factors and information underlying the assumptions used by Management to determine the amount of accrued expenses. In this context, we have: ▪ familiarized ourselves with internal control procedures implemented to identify and estimate the costs to be recognized as accruals at year end; ▪ familiarized ourselves with the information drawn up by Management documenting the cost per patient of the trials performed; ▪ read over the significant contracts entered into with clinical trial centers; ▪ tested key controls set up regarding the number of patients injected over the period, the update of the average cost per patient based on contracts entered into with clinical trial centers, and the clearance of the provision; ▪ matched the number of patients recruited and the treatment start dates declared by the clinical trial centers with the number of patients and the treatment dates taken into account to calculate the accrual.

- **Estimation of the financial liability related to the loan granted by the EIB**

Risk identified	Our response
Note 4.2 "Financing agreement with the European Investment Bank ("EIB")" to the consolidated financial statements sets out that your Group received the first tranche of €16 million in October 2018 and the second tranche of €14 million in March 2019, of a loan from the European Investment Bank ("EIB") of a maximum of €40 million over a period of five years, subject to achieving a set of agreed-upon performance criteria. The first tranche and the related capitalized interests will be reimbursed in 2023 and the second tranche and the related capitalized interests will be reimbursed between 2021 and 2024. Your Group also committed to pay additional interests as royalties on net sales for six years starting from January 1, 2021. Note 12 "Financial liabilities" to the consolidated financial statements presents the valuation method of financial liabilities measured at amortized cost, calculated using the effective interest rate method. Management estimated the amounts to be paid over time including royalties in order to estimate the effective interest rate considering the date of CE mark delivery and growth of penetration rate. Royalties forecast represent a risk. A misstatement would lead to an improper estimate of "Financial liabilities" in the consolidated financial position and the "Financial expenses" in the statement of consolidated operations. Given the materiality of the loan, the valuation method and Management's assumption to estimate the effective interest rate, we consider the accounting of the EIB loan as a key audit matter.	Our audit procedures mainly consisted in familiarizing ourselves with the method used to calculate the valuation and factors justifying the key assumptions made by Management to determine the amount of royalties to be paid in the future. In this context, we have : ▪ examined the Loan Agreement and the Royalties Agreement entered into between your Company and the EIB ; ▪ familiarizing ourselves with the elements drawn up by Management and presented to the EIB to document sales forecasts and related-royalties ; ▪ reconciled the assumptions of sales consistency used in the calculation of the fair value of the financial debt at year end with the elements presented to the EIB; ▪ recalculated the effective interest and examined the amortization over time of the debt.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Executive Board's management report, as approved on March 17, 2020. Regarding the events that occurred and the elements known after the date of approval of the consolidated financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the Annual General Meeting called to decide on these financial statements.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nanobiotix by your Annual General Meeting held on June 14, 2017 for GRANT THORNTON and on May 4, 2012 for ERNST & YOUNG et Autres.

As at December 31, 2019, GRANT THORNTON was in the 3rd year of total uninterrupted engagement and ERNST & YOUNG et Autres was in the 8th year of total uninterrupted engagement, which is the 7th year since securities of the Company were admitted to trading on a regulated market.

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 Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Executive Board.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

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 professional standards 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 taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 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 professional standards applicable in France, 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.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, April 3, 2020

The Statutory Auditors
French original signed by

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Samuel Clochard	Cédric Garcia

4.3. ANNUAL FINANCIAL STATEMENTS (STATUTORY ACCOUNTS) FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

4.3.1. Balance sheet

Assets

(€K)	12/31/2019			12/31/2018
	Gross	Amort. & Prov.	Net	
Concessions and patents	649	548	101	102
Other intangible asset	61	-	61	1,030
Intangible assets	**710**	**548**	**162**	**1,131**
Fixtures and buildings	3,297	1,001	2,296	1,730
Technical installations	1,956	1,265	691	802
Other fixed assets	912	616	296	327
Intangible assets in progress	11	-	11	-
Tangible assets	**6,176**	**2,882**	**3,294**	**2,860**
Other equity investments	4,052	-	4,052	3,029
Other financial fixed assets	637	16	621	684
Receivables from related interests	2,208	-	2,208	2,162
Financial assets	**6,896**	**16**	**6,880**	**5,875**
TOTAL	**13,783**	**3,446**	**10,337**	**9,866**
Advances and deposits paid on orders	1,094	-	1,094	909
Advances	**1 094**	**-**	**1,094**	**909**
Receivables and related accounts	10	-	10	25
Other current assets	7,577	189	7,388	5,600
Receivables	**7,587**	**189**	**7,398**	**5,626**
Investment securities	10,000	-	10,000	11,473
Available funds	21,297	-	21,297	22,968
Cash	**31,297**	**-**	**31,297**	**34,441**
Prepaid expenses	4,280	-	4,280	864
TOTAL	**44,258**	**189**	**44,069**	**41,841**
TOTAL ASSETS	**58,040**	**3,635**	**54,406**	**51,707**

Liabilities

(€K)	12/31/2019	12/31/2018
Share Capital	672	589
Premiums	153,164	123,841
Deferred losses	(103,210)	(75,094)
Profit (loss) for the year	(43,574)	(28,117)
SHAREHOLDERS' EQUITY	**7,052**	**21,220**
Provisions for liabilities	112	70
PROVISIONS	**112**	**70**
Miscellaneous loans and financial liabilities	34,895	20,169
Trade payables	7,598	6,329
Tax and social security liabilities	4,329	3,703
Other liabilities	404	216
LIABILITIES	**47,227**	**30,417**
Translation adjustment – Liabilities	14	-
TOTAL LIABILITIES	**54,406**	**51,707**

4.3.2. Income statement

(€K)	12/31/2019	12/31/2018
Sales of goods	-	-
Sales of finished goods	-	-
Sales of services	444	209
Revenue	**444**	**209**
Stored production	-	-
Fixed asset production	-	-
Operating subsidy	-	70
Reversals of depreciation, amortization, provisions and transfers of expenses	86	72
Other income	46	112
TOTAL OPERATING INCOME	**577**	**463**
Purchase of goods	-	-
Changes in goods inventories	-	-
Purchases of raw materials and other supplies	319	322
Changes in inventory	-	-
Other purchases and external expenses	29,941	19,347
Taxes, duties and related payments	215	206
Salaries and wages	8,359	7,649
Social security expenses	4,277	3,767
Amortization	858	602
Depreciation	-	-
Provisions	112	15
Other charges	150	67
TOTAL OPERATING EXPENSES	**44,232**	**31,976**
OPERATING PROFIT (LOSS)	**(43,655)**	**(31,513)**
Financial income from equity investments	46	46
Other interest and similar income	259	121
Reversals of depreciation, provisions and transfers of financial expenses	-	-
Exchange rate gains	361	887
Net income from disposals of investment securities	60	60
TOTAL FINANCIAL INCOME	**726**	**1,114**
Amortization, depreciation and financial provisions	205	-
Interest and similar expenses	1,578	245
Exchange rate losses	11	528
Net expense on disposals of investment securities	115	120
TOTAL FINANCIAL EXPENSES	**1,909**	**893**
FINANCIAL PROFIT (LOSS)	**(1,183)**	**221**
CORE PRE-TAX LOSS	**(44,838)**	**(31,291)**
Exceptional income from management transactions	1	1
Exceptional income from equity transactions	68	-
Reversals of depreciation, provisions and transfers of exceptional expenses	-	-
TOTAL EXCEPTIONAL INCOME	**69**	**1**
Exceptional expenses on management transactions	1,109	77
Exceptional expenses on equity transactions	68	-
Amortization, depreciation and exceptional provisions	-	-
TOTAL EXCEPTIONAL EXPENSES	**1,178**	**77**
EXCEPTIONAL INCOME (LOSS)	**(1,109)**	**(76)**
Employee profit sharing	-	-
Tax credit	2,373	3,251
NET PROFIT & LOSS	**(43,574)**	**(28,117)**

4.3.3. Notes

The following are the notes to the balance sheet, before distribution of the year net profit for €54,406 thousand, and notes to the statement of comprehensive income for the year presented as a list, with revenue of €444 thousand and a loss of €43,574 thousand.
The accounting period lasts 12 months, covering the period from January 1, 2019 to December 31, 2019.

The notes and tables presented below are an integral part of the annual financial statements. The tables are presented in thousands of euros.

SIGNIFICANT EVENTS OF THE PERIOD

Large-scale clinical research collaboration with the University of Texas MD Anderson Cancer Center
In January 2019, Nanobiotix and the MD Anderson Cancer Center at the University of Texas announced a large-scale clinical research collaboration. The collaboration initially involves nine Phase I/II clinical trials with NBTXR3 in six different cancer types - head and neck, pancreatic, thoracic, pulmonary, gastrointestinal and genitourinary.

Nanobiotix will fund these trials for a minimum total amount of approximately $11 million over the course of the partnership's development. An additional payment will also be made in the event of a successful first registration of NBTXR3 with the FDA.

As of December 31, 2019, the Company has €1,711 thousand in prepaid expenses relating to this contract, reflecting invoices received in connection with the contract. The Company will transfer the expenses to the income statement on the basis of the enrolment of new patients.

Intention of making a Public Offering in the United States
On January 16, 2019, Nanobiotix announced its intention to make a public offering of its common shares in the form of American Depositary Shares (the "ADSs") in the United States.

Second tranche disbursement of financing from the European Investment Bank received (EIB)
In March 2019, Nanobiotix received a second payment of €14 million from the European Investment Bank (see note 12). This payment was triggered by the achievement of 2 key milestones: determination of the recommended dose at 22% of tumor volume at the end of Phase I in head and neck cancers with NBTXR3 and a positive assessment of the clinical benefit/risk ratio of NBTXR3 in Phase II/III in soft tissue sarcomas by the clinical expert mandated by the French Notified Body for Medical Devices (GMED).

Approximately €29.5 million raised in a placement of new ordinary shares
On April 9, 2019, Nanobiotix announced that it had placed 2,566,666 new ordinary shares with a par value of €0.03 each with institutional investors in the United States of America and investors in France and abroad, with the exception of the United States of America, via an offer made by accelerated book building reserved for a specific category of persons. The total gross proceeds of the Offer are expected to amount to approximately €29.5 million, before deduction of issuance costs and expenses.

Creation of the Curadigm SAS subsidiary which builds the Nanoprimer technology

Following the announcement of May 28, 2019, Curadigm SAS was created on July 3, 2019 through a capital contribution in May 2019 of €1 million. It is a platform designed to redefine, thanks to its Nanoprimer technology, the ratio between bioavailability, toxicity and efficacy of products from the pharmaceutical industry, since for most current treatments, only a small part of the dose administered is ultimately effective while the rest is useless or even toxic. The subsidiary, wholly owned by Nanobiotix, operates in France as well as in the United States. In vivo proof-of-concept data were presented at the AACR 2019 congress.

Addendum to the Headquarters rent contract of the 60, rue de Wattignies in Paris

On January 24, 2019, the Company signed an amendment to the lease agreement for the premises of its registered office in Paris, increasing the surface area occupied and giving rise to an additional annual rent of €225 thousand excluding taxes and charges, with retroactive effect to January 1, 2019. As a result, the annual rent is increased to €686 thousand excluding taxes and charges. The Company benefits from a rent-free period for the first eight months of the lease, covering the additional surface area.

SIGNIFICANT EVENTS

Reimbursement of the 2019 research credit tax

The Company received in February 2020 100% of the 2018 research tax credit, i.e. €3,251 thousand.

COVID-19

The Finance team performed an assessment of the impacts on assets, namely cash and cash equivalents, and liabilities, namely the debt toward the European Investment Bank, and no impact was deemed significant based on the financial information available so far. The Finance team reviewed the cash budget to consider the ongoing pandemic COVID-19 consequences.

The cash currently available, combined to the 2018 and 2019 research tax credit, allows the Company to fund its expenses for the next 12 months.

ACCOUNTING RULES AND METHODS

Principle and General Conventions

The annual financial statements have been prepared and presented in accordance with the general rules applicable and in compliance with French accounting standards, including the ANC Regulation 2015-06 (GCA 2014) of November 23, 2015 and 2016-07 of November 4, 2016.

The general conventions were applied in compliance with the principle of prudence and in accordance with Articles 121-1 *et seq* of the French General Chart of Accounts:

- Fair view;
- Comparability of accounting periods and going concern;
- Fairness and truthfulness;
- Consistency of the accounting methods from one year another;
- Independence of the accounting periods; and
- Compliance with the general rules for preparing and presenting annual financial statements.

The historical cost method was used as the basis for measuring accounting items.

The going concern assumption was chosen by the Executive board for the following reasons:

- The Company's historical loss-making position is due to the innovative nature of the products it develops which involve research and development phases over several years;

- However, given the €31.3 million of cash and cash equivalents as of December 31, 2019, the Company believes it has sufficient resources to continue operating for at least twelve months.

Consistency of accounting methods

The valuation and presentation methods used for this accounting period are identical to those used for the previous period.

Revenue recognition: as part of a licensing agreement, the Company is required to defer recognition of a portion of the revenue regardless of the payments received.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

Statement of tangible and intangible fixed assets

	Gross value	Increases		Reductions		Gross value
(€K)	at year opening	Account to account transfer	Acquisitions	Account to account transfer	Disposals	at year-end
Intangible assets – Software & Licenses	358	-	291	-		649
Intangible assets – Equity	1,030	-	-	-	1,030	-
Intangible assets in progress	-	-	61	-	-	61
General fixtures and fittings, buildings fitting out	2,480	-	816	-	-	3,297
Technical installations, equipment and industrial tooling	1,925	-	123	-	91	1,956
General fixtures and fittings, miscellaneous fitting out	20	-	59	-	-	79
Office and IT equipment, Furniture	782	-	63	-	12	833
Fixed assets in progress	-	-	11		-	11
Advances and deposits	-	-	-	-	-	-
TOTAL	**6,595**	**-**	**1,424**	**-**	**1,133**	**6,886**

The Company continued its investments during the financial year 2019 for €1,424 thousands including in particular:

- Fixtures and fittings for the 5th floor fit-out works for €810 thousands,
- Purchase of new software and computer licenses for €291 thousands, and
- Purchase of computer hardware and miscellaneous equipment for €140 thousands.

Disposals during the financial year amounted to €103 thousands and are broken down as follows:

- €97 thousands for the partial asset contribution to Curadigm SAS, whose net value amounts to €23 thousands.
- €6 thousands in respect of scrapped assets for the financial year.

As of December 31, 2019, considering the market conditions, the Company decided to delay its plans to conduct a registered public offering of its ordinary shares, including in the form of American Depositary Shares (ADSs) in the United States. The €1,030 thousand transaction costs related to this expected initial public offering, initially recorded as a "Intangible assets – Equity" were written off.

Research and Development Cost

It was decided not to activate research and development expenses.
Research and development expenses incurred for the financial year 2019 amount to €29,881 thousands.
Since the start of its clinical trials, Nanobiotix has incurred costs that have not yet been

invoiced. As of December 31, 2019, these costs, estimated to €1,620 thousands, have therefore been accrued in accordance with the principles of caution and independence of accounting periods, and estimated for each study, on the basis of contracts signed with clinical research centers, taking into account the duration of treatment and the injection date of each patient. The total estimated amount for each study at December 31, 2019 has been reduced by the invoices received up to the year-end date.

Measurement of fixed assets

The gross value of tangible fixed assets corresponds to the recording value of goods in assets and liabilities including the expenses required to make the assets usable, but excluding the expenses incurred for their acquisition.

Measurement of intangible assets

Patents, concessions and other capitalized intangible assets were valued at their acquisition cost, excluding the expenses incurred for their acquisition.

Changes in amortization

The methods and depreciation periods used were as follows:

Category	Method	Period
Other intangible assets	Straight-line	1 to 5 years
General fixtures and fittings, buildings fitting out	Straight-line	5 to 10 years
Technical installations, equipment's and industrial tooling	Straight-line	3 to 10 years
General fixtures and fittings, fitting out	Straight-line	3 to 5 years
Office and IT equipment, furniture	Straight-line	1 to 10 years

Depreciation and Amortization

(€K)	Amount at fiscal Year Opening	Movement from item to item	Allocations over the financial year	Allocations Reversals	Amount at Year End
Intangible assets – Software & Licenses	256	-	292	-	548
General fixtures and fittings, buildings fitting out.	750	-	251	-	1,001
Technical installations, equipment and industrial tooling	1,123	-	171	28	1,265
General fixtures and fittings, fitting out	4	-	4	-	7
Office and IT equipment, furniture	471	-	142	4	609
TOTAL	**2,604**	**-**	**858**	**32**	**3,430**

Non-current financial assets

(€K)	Gross value at beginning of the year	Increases	Decreases	Gross Value at the end of the year
Deposits	362	56	48	370
Equity investments	3,029	1,023	-	4,052
Receivables from related interests	2,162	46	-	2,208
Non-equity securities	-	-	-	-
Treasury shares	146	402	427	120
Liquidity Account	176	385	430	130
TOTAL	**5,875**	**1,911**	**905**	**6,880**

Non equity securities

Other equity investments and non-equity securities were valued at their acquisition price, excluding the acquisition expense.
In the event of the disposal of a set of securities of the same type providing the same rights, the recording value of the securities disposed of was estimated using the “first in, first out” method.
Non-equity securities were amortized via provisions to take into account their present value at the close of the accounting period.

Nanobiotix holds 100% of Nanobiotix Corp., which share capital is €3,001 thousand. This subsidiary reported a profit of €396 thousand ($444 thousand) for its sixth accounting period that closed on December 31, 2019. This investment was not impaired considering the Company’s expected financial returns on this investment.

In addition, Nanobiotix holds 100% of Nanobiotix Spain S.L.U.'s and Nanobiotix Germany GmbH's shares, which share capital are €3 thousand and €25 thousand respectively.

Finally, Nanobiotix holds 100% of Curadigm SAS' shares, subsidiary founded on July 3, 2019, which share capital amounts to €1,023 thousand as at December 31,2019.

Within the framework of the liquidity contract put in place following the IPO, the Company holds 15,723 treasury shares at 31 December 2019, for a value of €8.28 per share at 31 December 2019, i.e. a value of €130 thousands. These shares were depreciated at the end of the financial year and are valued in the accounts at €120 thousands.

Changes in shareholders' equity

(€K)	Share Capital	Share Premium	Reserves	Accumulated deficit	Net Loss	TOTAL
31 December 2018	589	123,829	12	(75,094)	(28,117)	**21,220**
Allocation of profit & loss N-1	-	-	-	(28,117)	28,117	**-**
Capital Increase	77	28,002	-	-	-	**28,079**
Allocation of free shares	-	(13)	13	-	-	**-**
Warrants subscription	-	21	-	-	-	**21**
Exercise of founder's warrants	6	1,300	-	-	-	**1,307**
Profit & Loss year N	-	-	-	-	(43,574)	**(43,574)**
31 December 2019	**672**	**153,139**	**25**	**(103,210)**	**(43,574)**	**7,052**

Share capital

Categories of securities	Per value	At opening	Created	Repaid	At year-end
	€				
Normal Shares	**0,03**	**19,633,373**	**2,781,666**	**-**	**22,415,039**

Share subscription options

The Company issued the following plans: founders' warrant plans (BSPCE), warrant plans (BSA), share option plans (OSA) and free share plans (AGA):

Founders' warrants (BSPCE)

At a meeting of July 23, 2019, the Executive Board, which may, at its sole discretion, at any time during the vesting period, decide that the condition of continued presence will cease to apply to the beneficiary(ies), decided to waive the condition of presence to which the definitive acquisition of free shares and the exercise of warrants for founders' warrants allocated to employees of the Company is subject.

	BCE 2012-1	BSPCE 2012-2	BSPCE 04-2013	BSPCE 08-2013	BSPCE 09-2014	BSPCE 2015-1	BSPCE 2015-3	BSPCE Ordinary 2016	BSPCE Performance 2016	BSPCE Ordinary 2017	BSPCE Performance 2017	BSPCE "2017"
General Meeting date(s)												
Date of the General Meeting amending the founders' warrants	04-May-12	04-May-12	04-May-12	28-June-13	18-June-14	18-June-14	18-June-14	25-June-15	25-June-15	23-June-16	23-June-16	23-June-16
Date granted by the Executive Board	4-May-12	18-Dec-12	10-Apr.-13	28-Aug-13	16-Sept.-14	10-Feb.-15	10-June-15	2-Feb.-16	2-Feb.-16	7-Jan.-17	7-Jan.-17	07-Jan-17
Total number of authorized BSPCE	1,800,000	500,000	500,000	500,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total number of granted BSPCE	1,800,000	100,000	55,000	50,000	97,200	71,650	53,050	126,400	129,250	117,650	79,750	80,000
Total number of shares that may be subscribed	1,800,000	100,000	55,000	50,000	97,200	71,650	53,050	126,400	129,250	117,650	79,750	80,000
the number of which may be subscribed or purchased by												
corporate officers:												
Of which Laurent LEVY	1,027,986				21,000	24,000		23,500	23,500	26,400	16,000	32,000
Of which Kader BOUSSAHA	772,014		55,000									
Of which Bernard MUEHLENWEG		50,000			13,000	12,000		11,500	11,500	9,900	6,000	12,000
Of which Elsa BORGHI		50,000			13,000	15,000		15,500	15,500	16,500	10,000	20,000
Of which Philippe MAUBERNA				50 000	13 000	15 000		13 500	13 500	13 200	8 000	16 000
Number of non-officer beneficiaries (on issue)	0	0	0	0	27	10	33	40	47	39	47	0
Start date of exercise of BSPCE	04-mai-12	18-dec-12	10-avr-13	28-août-13	16-sept-14	10-févr-15	10-juin-15	02-févr-16	02-févr-16	07-janv-17	07-janv-17	07-janv-17
Expiration date of BSPCE	25-avr-19	18-dec-22	10-avr-23	28-août-23	16-sept-24	10-févr-25	10-juin-25	02-févr-26	02-févr-26	07-janv-27	07-janv-27	07-janv-27
Strike price of BSPCE	6.00 €	6.63 €	6.30 €	5.92 €	18.68 €	18.57 €	20.28 €	14.46 €	14.46 €	15.93 €	15.93 €	15.93 €
Number of shares subscribed	285,452	0	55,000	0	0	0	0	333	0	0	0	0
Total number of canceled or null and void BSPCE	1,514,548	0	0	0	5,100	700	14,650	16,100	26,248	10,484	79,750	0
Total number of remaining BSPCE	0	100,000	0	50,000	92,100	70,950	38,400	109,967	103,002	107,166	0	80,000
Total number of shares that may be subscribed	0	100,000	0	50,000	92,100	70,950	38,400	109,967	103,002	107,166	0	80,000

Warrants (BSA)

At a meeting on March 29, 2019, the Executive Board, acting pursuant to the authorization granted at the annual shareholders' meeting on May 23, 2018 and following the approval granted by the Supervisory Board on January 23, 2019, granted 18,000 warrants to members of the Supervisory Board, each entitling the holder to subscribe to a defined number of ordinary shares with a par value of €0.03, at a price of €11.66. The holders subscribed to the warrants at the end of the subscription period on June 27, 2019.

	BSA 04-12	BSA 2013	BSA 2014	BSA 2015	BSA 2015-2 (consultant)		Ordinary BSA 2016	Performance BSA 2016	BSA 2016-2	BSA 2017	BSA 2018	BSA 2018-1 (consultant)	BSA 2018-2 (Legacy)	BSA 2019-1
General Meeting date(s) Date of the General Meeting granting the warrants	04-May-12	04-May-12	18-June-14	18-June-14	18-June-14	25-June-15	25-June-15	25-June-15	23-June-16	23-June-16	14-June-17	14-June-17	23-May-18	23-May-18
Supervisory Board Grant Date	4-May-12	10-Apr.-13	16-Sept.-14	10-Feb.-15	25-June-15	25-June-15	2-Feb.-16	2-Feb.-16	3-Nov.-16	7-Jan.-17	6-mars-18	06-mars-18	27-Jul.-18	29-mars-19
Total number of authorized BSA.	52,500	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	116,000	116,000	140,000	140,000
Total number of granted BSA	52,500	10,000	14,000	26,000	64,000	6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000
Total number of shares that may be subscribed	52,500	10,000	14,000	26,000	64,000	6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000
the number of which may be subscribed or purchased by														
corporate officers:														
Of which Bernd MUEHLENWEG														
Of which Anne-Marie GRAFFIN				5,000			2,000	2,000		3,820	2,900			2,900
Of which Enno SPILLNER				3,000			1,500	1,500		3,820	4,000			4,000
Of which Alain HERRERA			4,000	5,000			4,327	4,327		2,820	2,900			2,900
Of which Laurent CONDOMINE	30,000	6,000	6,000	7,000			7,031	7,032		4,720	5,300			5,300
Of which Christophe DOUAT (observer)	22,500	4,000	4,000	2,000			3,245	3,246		2,820	2,900			2,900
Number of non-officer beneficiaries (on issue)	0	0	0	1	1	1	0	0	2	0	0	1	1	0
Issue price of BSA	0.60 €	2.50 €	4.87 €	4.87 €	5.00 €	2.80 €	1.67 €	1.67 €	2.03 €	2.26 €	1.62 €	1.62 €	2.36 €	1.15 €
BSA subscription opening date	23/10/2013	10/04/2013	16/09/2014	10/02/2015	01/07/2015	01/07/2015	02/02/2016	02/02/2016	03/11/2016	01/01/2017	06/03/2018	06/03/2018	27/07/2018	29/03/2019
BSA subscription closing date	12/04/2014	31/10/2013	31/12/2014	15/06/2015	30/11/2015	30/11/2015	31/03/2016	31/03/2016	03/02/2017	07/04/2017	07/06/2018	07/06/2018	31/10/2018	27/06/2019
Number of BSA subscribed	52,500	6,000	10,000	21,000	64,000	6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000
Start date of exercise of BSA	23-oct-13	30-avr-14	16-sept-14	10-févr-15	01-juil-15	01-juil-15	02-févr-16	02-févr-16	03-nov-16	07-janv-17	06-mars-18	06-mars-18	27-juil-18	29-mars-19
Expiration date of BSA	04-mai-22	10-avr-23	16-sept-24	10-févr-25	25-juin-25	25-juin-20	02-févr-21	02-févr-21	03-nov-21	07-janv-22	06-mars-23	06-mars-23	27-juil-28	29-mars-29
Strike price of BSA	6.00 €	6.37 €	17.67 €	17.67 €	19.54 €	19.54 €	13.74 €	13.74 €	15.01 €	15.76 €	13.55 €	13.55 €	16.10 €	11.66 €
Number of shares subscribed	22,500	0	0	0	0	0	0	0	0	0	0	0	0	0
Total number of cancelled or null and void BSA	0	4,000	4,000	5,000	0	0	0	0	0	0	0	0	0	0
Total number of remaining BSA	30,000	6,000	10,000	21,000	64,000	6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000
Total number of shares that may be subscribed	30,000	6,000	10,000	21,000	64,000	6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000

Share options (OSA)

At a meeting on March 29, 2019 , the Executive Board, acting pursuant to the authorization granted by the thirty sixth resolution at the annual shareholders' meeting on May 23, 2018, granted 37,500 stock options to the employees of the Company under the 2018 stock option plan, with a par value of €0.03, at a price of €11.08 (premium issue included).

Under the 2018 plan approved on January 13, 2019 by the Supervisory Board, the options will abide by the following conditions and would be exercisable according to the following conditions:

- Up to two third of the options can be exercised starting March 30, 2021,
- The remaining third can be exercised starting March 30, 2022.

These conditions are only valid provided that each holder remains in the Company during the corresponding reference period and at the latest in the ten years following of their grant date. After this ten-year period, the options will be forfeited by law.

At a meeting on October 24, 2019, the Executive Board, acting pursuant to the authorization granted by the thirty sixth resolution at the annual shareholders' meeting on April 11, 2019, adopted the stock option plan LLY 2019, and granted 500,000 stock options to Laurent Levy, CEO of the Company, and decided that each stock option will entitle each holder to subscribe to an ordinary share of the Company, with a par value of €0.03, at a price of €6.41 (premium issue included).
The Supervisory Board also decided that the options will abide by the plan LLY 2019 conditions and would be exercisable according to the following conditions, defined by the thirty-sixth resolution of the Annual shareholders' meeting of April 11, 2019:

- 10% of the options can be exercised as soon as the market share price of the Company on the regulated market of Euronext in Paris reaches €24;
- An additional 10% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €30;
- An additional 40% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €40; and
- An additional 40% of the options can be exercised as soon as the market share price of the Company on Euronext in Paris reaches €60.
- In the 10 years after their grant date at the latest, the options which would not have been exercised by the end of this period of 10 years would be forfeited by law.

	Performance OSA 2016	OSA 2016-2	Ordinary OSA 2017	OSA 2018	OSA 2019-1	OSA LLY 2019
General meetings date Date of the general meetings amending the share subscription options	25-June-15	23-June-16	23-June-16	14-June-17	23-May-18	11-Apr.-19
Date granted by the Executive board	02-Feb.-16	3-Nov.-16	7-Jan.-17	6-March-18	29-March-19	24-Oct.-19
Total number of authorized OSA	450,000	450,000	450,000	526,800	648,000	500,000
Total number of granted OSA	6,400	4,000	3,500	62,000	37,500	500,000
Total number of shares that may be subscribed	6,400	4,000	3,500	62,000	37,500	500,000
The number of which may be subscribed or purchased by						
Corporate officers						
Of which Laurent LEVY						500,000
Of which Anne -Marie GRAFFIN						
Of which Enno SPILLNER						
Of which Alain HERRERA						
Of which Laurent CONDOMNE						
Of which Christophe DOUAT (observer)						
Number of non-officers beneficiaries (on issue)	2	1	2	5	12	0
Exercise date	02-Feb.-16	03-Nov.-16	07-Jan.-17	06-March-18	29-March-19	24-Oct.-19
Expiration date	02-Feb.-26	03-Nov.-26	07-Jan.-27	06-March-28	29-March-29	24-Oct.-29
Strike price	13.05	14.26	14.97	12.87	11.08	6.41
Number of shares subscribed	0	0	0	0	0	0
Total number of cancelled or null and void OSA	6,000	0	3,000	8,000	7,250	0
Total number of remaining OSA	400	4,000	500	54,000	30,250	500,000
Total number of shares that may be subscribed	400	4,000	500	54,000	30,250	500,000

Free shares (AGA)

At a meeting on March 29, 2019, the Executive Board, acting pursuant to the authorization at the annual shareholders' meeting on May 23, 2018, granted 438,250 free shares to the members of the Executory Board and employees of the Company, each with a par value of €0.03. The conditions for subscribing have been defined as follows:
For French Tax Residents ("2+1"):

- An acquisition period of two years with effect on March 29, 2019. The granting conditions state that the subscriber must remain an employee of the Company during the acquisition period; and,
- A holding period of one year following the acquisition period.

For Foreign Tax Residents ("3+0"), there is an acquisition period of three years with effect on March 29, 2019, provided that the subscriber must remain an employee of the Company during this acquisition period. No additional holding period is required. Furthermore, the final acquisition of the free shares granted to the members of the Executory Board was subject to the achievement of the label “CE” for NBTXR3 on June 30, 2019 at the latest, a condition that was reached in April 2019.

	AGA 2018-1	AGA 2018-2	AGA 2019-1
General Meeting date(s)	14-June-17	23-May-18	23-May-18
Date granted by the Executive Board	06-March-18	27-July-18	29-March-19
Total number of authorized AGA	526,800	648,000	648,000
Total number of granted AGA	396,250	6,000	438,250
Total number of shares that may be subscribed	396,250	6,000	438,250
the number of which may be subscribed or purchased by corporate officers:			
Of which Laurent LEVY	77,500		150,000
Of which Elsa BORGHI	30,000		44,000
Of which Philippe MAUBERNA	50,000		64,000
Of which Bernd MUEHLENWEG	42,500		40,000
Number of non-officer beneficiaries (on issue)	73	1	77
Start date of exercise of AGA	06-March-18	27-July-18	29-March-19
Expiration date of AGA			
Exercise terms	presence 2 years if FR, 3 if foreigner	2 years	presence 2 years if FR, 3 if foreigner
Number of shares subscribed	-	-	-
Total number of canceled or null and void AGA	41,000	-	53,250
Total number of remaining AGA	355,250	6,000	385,000
Total number of shares that may be subscribed	355,250	6,000	385,000

In accounting period 2019, the social contribution due in respect of the allocation of free shares to Company employees was valued at €866 thousands. This valuation is based on a total valuation of the shares granted amounting to €9,636 thousands, spread over the acquisition period.

Provisions

Provisions for liabilities and charges (€K)	At the beginning of year	Increases	Decreases Amounts used	Decreases Amounts not used	At the end of the year-end
Currency exchange losses	15	-	15	-	-
Provisions for disputes	55	-	55	-	-
Expense provision	-	112	-	-	112
TOTAL	**70**	**112**	**70**	**-**	**112**

Provisions for amortization and depreciation (€K)	At the beginning of year	Increases	Decrease paid	Decrease Not paid	At the end of the year-end
For other financial assets	-	-	-	-	-
For partners" current accounts	-	189	-	-	189
SUBTOTAL	**-**	**189**	**-**	**-**	**189**
TOTAL	**70**	**301**	**70**	**-**	**301**
Of which allocations and operating provisions	70	301	70	-	301
Of which allocations and financial provisions	-	-	-	-	-

The provision for litigation of €55 thousands has been totally reversed in 2019.
The Company recorded a provision for expenses of €112 thousands during the financial year 2019 relating to the departure of an employee.
In addition, no foreign exchange risk was recognized at December 31, 2019.

Receivables and Liabilities' terms

Receivables (€K)	Gross amount	1 year at most	Over 1 year
Receivables from related interests	2,208	-	2,208
Other non-current financial assets	637	267	370
Receivables from suppliers	-	-	-
Doubtful receivables and receivables in litigation	-	-	-
Other receivables	10	10	-
Amounts due to and from employees	-	-	-
Social security and other social organizations	49	49	-
Income tax	5,668	5,668	-
Value added tax	1,295	1,295	-
Miscellaneous government and other public authorities	-	-	-
Group and partners	562	-	562
Miscellaneous debtors	2	2	-
Prepaid expenses	4,280	4,252	27
TOTAL	**14,711**	**11,544**	**3,167**

The amount of the research tax credit calculated for the financial year 2019 amounts to €2,373 thousands against €3,251 thousands for the financial year 2018.
The reimbursement of the 2018 research credit tax was received by the Company in February 2020.

Payables (€K)	Gross amount	1 year at most	1 to 5 years	Over 5 years
Loans and liabilities and credits			-	-
Miscellaneous loans and financial liabilities	34,895	726	33,530	638
Accounts payable	7,598	7,598	-	-
Amounts due to and from employees	1,734	1,734	-	-
Social security and other social organizations	2,460	2,460	-	-
Value added tax	57	57	-	-
Other taxes and related items	79	79	-	-
Amounts due on fixed assets and related accounts	-	-	-	-
Group and partners	61	61	-	-
Other liabilities	343	343	-	-
Deferred income	-	-	-	-
TOTAL	**47,227**	**13,058**	**33,530**	**639**
Loans taken out during the year	14,000	-	-	-
Loans repaid during the year	500	-	-	-

In July 2013, Bpifrance granted the Company funding for a maximum amount of €2,795 thousand to open a new indication for the NBTXR3 product: primary and secondary liver cancer, via one of its strategic industrial innovation (Innovation Stratégique Industrielle, ISI) programs, to accelerate the clinical and industrial development of its NBTXR3 product for this new indication. The funding includes a repayable advance for a maximum of €2,451 thousand (for which repayment is planned between 2022 and 2024) and a subsidy for a maximum of €344 thousand.

At December 31, 2019, the repayable advance shown as a liability under the heading "borrowings and miscellaneous financial debt" amounts to €2,083 thousand (repayment of which is scheduled between 2022 and 2025).

In July 2016, Nanobiotix obtained an interest-free loan in the amount of €2,000 thousand from BPI France to fund the Phase II/III clinical trial on soft tissue sarcoma. At December 31, 2019 €500 thousands had been repaid.

The financing agreement with the EIB, signed in July 2018, allows the Company to borrow up to EUR 40 million in three tranches to finance its NBTXR3-related research, development and innovation activities in various therapeutic indications, subject to the achievement of a set of agreed performance criteria.

This agreement is divided into three tranches:

- A first tranche of €16 million, received in October 2018, subject to a fixed interest rate of 6% and to be repaid in a single installment within five years of its receipt;
- A second tranche of €14 million, received in March 2019, subject to a fixed interest rate of 5% and to be repaid over five years starting two years after it was obtained (see note 12); and
- A final tranche of €10 million, subject to a fixed interest rate of 4%, to be repaid over five years starting one year after it is obtained.

In this financing agreement, the Company also signed a “royalties agreement” pursuant to which the Company agreed to pay each year to EIB an additional fee based on the consolidated forecasted sales generated by the Company during the six year period following January 1, 2021.

Long-term accounts receivable

Loans, deposits and other receivables were booked at par value.
Long-term accounts receivables were amortized via provisions to take into account their present value at the close of the accounting period.

Valuation of receivables and liabilities

Receivables and liabilities are booked at par value.
Patient treatment costs were not yet fully invoiced at the time the 2019 annual financial statements were closed. They were estimated based on the number of patients treated over the past accounting period and provisions were made in accordance with the caution principles and the separation of accounting periods.

Impairment of receivables

When applicable, receivables were accrued for to reflect any cash collection difficulties they may potentially face.
The receivable of €2,208 thousand for the American subsidiary was not accrued for despite the net negative position of the subsidiary given the prospects for collection.
At December 31, 2019, a depreciation for provision on associates' current accounts was recorded for an amount of €189 thousands. This depreciation concerns the receivable relating to the Group's Spanish subsidiary: Nanobiotix Spain S.L.U.

Valuation of investment securities

Investment securities were valued at their acquisition cost, excluding the expenses incurred for their acquisition.
In the event of the disposal of a set of securities of the same type providing the same rights, the value of the securities was estimated using the “first in, first out” method.
At December 31, 2019, the investments consisted of remunerated term deposits and mutual fund securities.

Available funds in euros

The funds available in cash or at the bank are valued at their par value.

Trade and other receivables

Receivables (€K)	
Clients – Invoices to be issued	9
Social security charges - accrued income	12
Accrued interest	9
Total	**30**

Accrued liabilities

Amount of accrued liabilities included in the following balance sheet items (€K)	
Miscellaneous loans and financial liabilities	34,895
Accounts payables and related accounts	7,598
Tax and social security liabilities	4,329
Other liabilities	404
Total	**47,227**

Prepaid expenses and deferred income

Prepaid expenses (€K)	
Operating expenses	4,280
Total	**4,280**

Deferred income (€K)	
Operating income	-
Total	**-**

Items related to several balance sheet items

Balance sheet items (€K)	Amount
Investment in subsidiaries	4,052
Loan to Nanobiotix Corp.	2,208
Current account – Nanobiotix Corp.	(61)
Current account – Nanobiotix S.L.U.	189
Current account – Nanobiotix GmbH	-
Current account - Curadigm SAS	373

NOTES TO THE INCOME STATEMENT

Revenue

(€K)	Geographic area			
	UE	France	Export	Total
Services	92	285	40	**416**
Other sales	-	-	28	**28**
Total Revenue	**92**	**-**	**68**	**444**

The Company's revenue results from sales of associated services within the framework of technology transfers.
Revenue corresponds to the fair value of the consideration received, or to be received, for licenses and services sold by the Company. Revenue is recorded net of value added tax, rebates and discounts.
The Company recognizes income when the amount can be reliably valued, when it is probable that the future economic benefits will benefit the Company and that specific criteria have been met for the Company's business.
The Company also invoices services to its three subsidiaries (Nanobiotix Corp, Nanobiotix Spain S.L.U, Nanobiotix Germany GmbH) under services contracts.

Compensation of executives and related parties

(€K)	
Company executive and management	1,501
Supervisory fees:	-
- Director fees	70
- Consulting fees	-
Total	**1,571**

Average headcount

Average headcount	
Managers	81
Supervisors and technicians	8
Total	**89**

This headcount corresponds to the average number of employees over the accounting period, bound to the Company by an employment agreement. It is equal to the arithmetic average of headcount on the last day of each calendar quarter. It does not include part-time employees.

Independent Auditors' fees

Total Independent auditors' fees for the 2019 accounting period were:

- €158 thousand for the statutory audit;
- €398 thousand for consulting and non-audit services ("NAS").

COMMITMENTS AND OTHER FINANCIAL INFORMATION

Off Balance-sheet commitments

The following commitments were made under the 2007 concession contract signed by Nanobiotix and the Malaysian biotechnology company Malaysia Biotech Corp.:

- Commitment by Nanobiotix: The Company committed to maintaining the patents in question for 25 years;
- Commitment to Nanobiotix: Malaysia Biotech Corp. committed to using the patents for other purposes than oncology.

As part of this funding, the Company signed a Royalty Agreement with the EIB, under which the Company is committed to paying the EIB an additional annual fee, calculated on the basis of the revenue of the Group between 2021 and 2027.

In January 2019, Nanobiotix and the MD Anderson Cancer Center at the University of Texas announced a large-scale clinical research collaboration. The collaboration initially involves nine Phase I/II clinical trials with NBTXR3 in six different cancer types - head and neck, pancreatic, thoracic, pulmonary, gastrointestinal and genitourinary involving approximately 340 patients.
Nanobiotix will fund these trials for a minimum total amount of approximately $11 million over the course of the partnership's development. An additional payment will also be made in the event of a successful first registration of NBTXR3 with the FDA.

Financial commitments

Commitments given

Commitments given (€K)	
Lease for headquarters – Wattignies Rent excluding rental charges (from 7/1/2017 to 6/30/2026)	5,045
Operating lease – Villejuif Rent excluding rental charges (from 7/1/2017 to 6/30/2026)	2,253
Total	**7,298**

Commitments received

In July 2018, a financing agreement was signed by Nanobiotix and the European Investment Bank for a total amount of €40,000 thousand. The amount of the loan was split into three tranches. The first tranche of €16,000 thousand was received in October 2018. A second tranche of €14,000 thousand was received in March 2019 and will be fully repaid between 2021 and 2024. The last tranche of €10,000 thousand could be claimed by Nanobiotix under the condition to achieve certain performance criteria.

Pension and retirement commitments

The Company has not signed any specific commitments for pension obligations. Pensions committed are therefore limited to contractual retirement benefits. The collective agreement is the French collective agreement for the manufacture and sale of pharmaceutical products ("*Convention Collective Pharmacie*").

No provisions for charges related to pension have been recognized for this accounting period.
As of December 31, 2019, the Company's off-balance sheet commitment was €331 thousand, calculated with the following assumptions:

Assessment date	12/31/2019	12/31/2018
Retirement procedure	*For all employees: voluntary departure at 65*	*For all employees: voluntary departure at 65*
Social contribution rate	43%	43%
Discount rate	0.85%	1.81%
Mortality tables	Regulatory table INSEE TD-TV 12-14	Regulatory table INSEE TD-TV 12-14
Salary increase rate (inflation included)	2.50%	2.50%
Turnover rate	Average constant rate of 5.86%	Average constant rate of 4%

List of subsidiaries and equity investments

Nanobiotix SA has four wholly owned subsidiaries:

- Nanobiotix Corp., wholly owned, with headquarters at 210 Broadway, NGIN 2nd floor, Cambridge, Massachusetts, United States.
- Nanobiotix Spain, S.L.U., wholly owned, with headquarters are located at 37, Pas Recoletos 28 004, Madrid, Spain.
- Nanobiotix Germany GmbH, wholly owned, with headquarters at Prinzregentenstraße 11, 80538 Munich, Germany.
- Curadigm SAS, wholly owned, whose registered office is located at 60 rue de Wattignies, 75012 Paris.

Subsidiaries (€K)	Share capital	Shareholders' equity other than share capital	Share held (%)	Gross carrying value of the securities held	Loans and advances granted by the Parent Company, not yet repaid	Current account with the parent company	Revenue excluding taxes for the past year	2019 Net Profit & Loss
Nanobiotix Corp.	3,001	(4,982)	100%	3,001	2,208	61	-	395
Nanobiotix S.L.U.	3	(142)	100%	3	-	(189)	-	(32)
Nanobiotix GmbH	25	(37)	100%	25	-	-	-	29
Curadigm SAS	1,023	-	100%	1,023	-	(373)	-	(526)

4.4. STATUTORY AUDITOR'S REPORT ON THE 2019 COMPANY'S ANNUAL FINANCIAL STATEMENTS

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Nanobiotix
Year ended December 31, 2019

Statutory auditors' report on the financial statements

GRANT THORNTON
French member of Grant Thornton International
29, rue du Pont - CS 20070
92200 Neuilly-sur-Seine
S.A. au capital de € 2 297 184
632 013 843 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
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S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Nanobiotix

Year ended December 31, 2019

Statutory auditors' report on the financial statements

To the Annual General Meeting of Nanobiotix,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of C for the year ended December 31, 2019. These financial statements were approved by the Executive Board, on March 17, 2020, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

- **Audit Framework**

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

- **Independence**

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics *(Code de déontologie)* for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

- **Estimation of clinical trial expenses accruals**

Risk identified	Our response
In the context of the development of its products, your Company carried out clinical trials (Phase II/III) in collaboration with contract research organizations. The "Research and development costs" paragraph to the financial statements sets out the method applied to determine an estimation of the costs incurred in that respect according to the to progress of the clinical studies. At year-end, Management estimates the costs not yet invoiced, for each study, taking into account the duration of the treatment as well as each patient's injection date, and records such estimate as accrued expenses for the financial year. The identification of all the clinical trials on-going at year-end, the actual costs incurred and the correct estimate of the accruals at year end constitute a risk. A misstatement would lead to an improper estimate of the amount presented in the "Other purchases and external expenses" in the income statement. Given the significance of the research and development expenses, and their estimation method at year end requiring Management judgement, we consider the estimation of the clinical trial accrued expenses incurred as a key audit matter.	Our audit procedures mainly consisted in familiarizing ourselves with the factors and information underlying the assumptions used by Management to determine the amount of accrued expenses. In this context, we have: ▪ familiarized ourselves with internal control procedures implemented to identify and estimate the costs to be recognized as a provision at year end; ▪ familiarized ourselves with the information drawn up by Management documenting the cost per patient of the trials performed; ▪ read over the significant contracts entered into with clinical trial centers; ▪ tested key controls set up regarding the number of patients injected over the period, the update of the average cost per patient based on contracts entered into with clinical trial centers, and the clearance of the provision; ▪ matched the number of patients recruited and the treatment start dates declared by the clinical trial centers with the number of patients and the treatment dates taken into account to calculate the accrual.

- **Investments in subsidiaries and related receivables valuation**

Risk identified	Our response
The net book value of investments in subsidiaries and related receivables in the balance sheet is €6.3 million, i.e. 11% of the total assets. As disclosed in Note "Non-equity securities" to the financial statements, they are valued at their acquisition price. A depreciation is recorded when the inventory value is higher than the value in use determined based on the valuation of the subsidiaries which is based on cash flow forecasts. We considered the valuation of investments in subsidiaries and related receivables as a key audit matter due to its importance in the balance sheet and the significance of Management's judgements, namely in determining cash flow assumptions used to determine the value in use.	Our assessment of the valuation of investment in subsidiaries and related receivables is based on the process used by your Company to determine the value in use of the investment in subsidiaries. Our audit procedures mainly consisted in: ▪ obtaining the relevant subsidiaries' cash flow forecasts and comparing these forecasts with the corporate business plan approved by Management; ▪ analyzing the appropriateness of the assumptions used with the historical performance of your Company and challenging, per management inquiry, the projected growth of revenue ; ▪ performing sensitivity tests on key assumptions used by Management; ▪ including valuation experts in our audit team to assist us in assessing the discount rate based on market benchmarks.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

- **Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders**

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Executive Board's management report of Directors, as approved on March 17, 2020, and in the other documents with respect to the financial position and the financial statements provided to the shareholders. Regarding the events that occurred and the elements known after the date of approval of the financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the Annual General Meeting called to decide on these financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-4 of the French Commercial Code (*Code de commerce*).

- **Report on Corporate Governance**

We attest that the Supervisory Board's Report on Corporate Governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by, or allocated to the members of the Executive Board and of the Supervisory Board and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

- **Other information**

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

- **Appointment of the Statutory Auditors**

We were appointed as statutory auditors of Nanobiotix by your Annual General Meeting held on June 14, 2017 for GRANT THORNTON and on May 4, 2012 for ERNST & YOUNG et Autres.

As at December 31, 2019, GRANT THORNTON was in the third year of total uninterrupted engagement and ERNST & YOUNG et Autres was in the eighth year of total uninterrupted engagement, which is the seventh year since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Executive Board.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

- **Objectives and audit approach**

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards 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 taken on the basis of these financial statements.

As specified in Article L. 823-10-1 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 professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.

- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- **Report to the Audit Committee**

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, April 3, 2020

The Statutory Auditors
French original signed by

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

Samuel Clochard

Cédric Garcia

5. COMPANY AND CAPITAL INFORMATION

5.1. REGISTERED CAPITAL

5.1.1. Amount of the share capital

As of the date of the Universal Registration Document, the share capital amounted to €681,933.66 divided into 22,731,122 ordinary shares fully subscribed and paid with a nominal value of €0.03.
As of December 31, 2019, the amount of equity was €672,451.17, and the number of shares issued by the Company was 22,415,039.

5.1.2. Non-equity securities

None.

5.1.3. Acquisition by the Company of its own shares

5.1.3.1. Share redemption program

The Company's ordinary and extraordinary shareholders' meeting dated April 11, 2019 authorized, for a duration eighteen months, the Executive Board to implement a share buy-back program (*programme de rachat d'actions*) in compliance with article L. 225-209 of the French Commercial Code and European Regulation n 596/2014 on Market Abuse (MAR) and market practices accepted by the *Autorité des marchés financiers*. The main terms of this authorization are as follows:

Maximum number of shares that can be redeemed: 10% of the number of shares comprising the share capital at any time, being specified that (i) when shares are acquired for the purpose of promoting the liquidity of the Company's shares, the number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased less the number of shares resold during the duration of the authorization, and (ii) when they are acquired with a view to hold them and subsequently delivering them in payment or exchange in connection with a merger, split or contribution in kind, the number of shares acquired shall not exceed 5% of the total number of shares.

Share redemption objectives:

- Ensuring the liquidity of the Company's shares under a liquidity contract with an investment service provider;
- Respecting obligations related to stock-options programs, free shares plans, employee saving plans or other equity allowances to employees and officers of the Company or related companies;
- Delivering shares following the exercise of rights attached to securities giving access to capital;
- Acquiring shares with a view to retaining them and subsequently using them as payment or exchange in connection with potential external growth transactions, in compliance in particular with stock market regulations ; or

- Cancel all or part of the shares so redeemed as part of a share capital reduction.

Maximum purchase price: €60 per share, excluding fees and commissions and adjustments taking into account equity transactions, if any; Maximum amount of funds that may be invested in the redemption of shares: €20,000,000. Shares thus redeemed may be cancelled. As of the date of the Universal Registration Document, this share buy-back program was used exclusively in the context of a liquidity contract entered into on October 23, 2012 with Gilbert Dupont as amended on November 30, 2018 – see below.

5.1.3.2. Liquidity contract with Gilbert Dupont

The aforementioned liquidity contract entered into for a period of one year, renewable annually by tacit agreement, relates to the Company's shares listed on Compartment B of the regulated market of Euronext in Paris. Upon signing the liquidity contract, an amount of €300,000 was allocated to the liquidity account. As of February 29, 2020, the resources that appear on the liquidity account set up under this contract represented €178,708.50 and 27,180 shares of the Company, corresponding to 0.1% of its share capital.

5.1.3.3. Employee equity allocations

During the financing year ended on December 31, 2019, the Company did not redeem any of its own shares in view of allocating them to its employees in connection with a stock-option program, free share plan, employee saving plan or other equity allocations to employees and officers of the Company or related companies.

A report of all the transactions carried out between December 31, 2019 and March 31, 2020 under the share buy-back program is as follows:

	From December 31, 2019 to March 31, 2020
Number of securities purchased	158,537
Average price	€8.12
Volume traded for purchase	1,290,891
Number of securities sold	161,745
Average price	€7.91
Volume traded for sale	1,2,79,575
	Situation as of March 31, 2020
Number of shares held	12,911
Portfolio book value	71,523
Portfolio market value	81,920

The self-held shares are accounted for in fixed assets and reduced equity (see note 7 of the appendices to consolidated accounts as of December 31, 2019 of the Company appearing in section 4.1. of the Universal Registration Document).

5.1.4. Securities giving access to share capital

As of the date of the Universal Registration Document, there are four different types of securities and other valid instruments entitling their holders to a stake in the Company's share capital (founders' warrants, warrants, stock options and free shares). The amounts and characteristics of these instruments are summarized below.

5.1.4.1. Founders' warrants (bons de souscription de parts de créateur d'entreprise or BSPCE)

Term of the BSPCEs

The term of each BSPCE is 10 years from the date of grant by the Executive Board. Any BSPCEs not exercised by this date will automatically lapse. In addition, unless otherwise decided by the Executive Board and the Supervisory Board, BSPCEs may be exercised by their holders or assigns six months from (i) the death or disability of the holder or (ii) the termination of the holder from employment or corporate office within the Group, failing which the BSPCEs will lapse.

By way of exception, on July 23, 2019, the Executive Board decided to lift, for two employees of the Company and for Bernd Muehlenweg (a member of the Executive Board until June 20, 2019), the continued service condition and, where applicable, the performance conditions to which the exercise of certain BSPCEs was subject, notwithstanding the termination of their employment agreement or corporate office.

Change of control

In the event of a change of control of the Company, unless otherwise decided by the Executive Board and Supervisory Board, the right of holders to exercise outstanding BSPCEs will be accelerated so that all of such shares may be exercised with effect on the day of the change of control. Any BSPCE not exercised for any reason on or prior to the day of the change of control will automatically lapse after this date.

	BSPCE 2012-2	BSPCE 08-2013	BSPCE 09-2014	BSPCE 2015-1	BSPCE 2015-3
Date of the shareholders' meeting	**05/04/12**	**06/28/13**	**06/18/14**	**06/18/14**	**06/18/14**
Date of grant by the Executive Board	**12/18/12**	**08/28/13**	**09/16/14**	**02/10/15**	**06/10/15**
Total number of BSPCEs authorized	500,000	500,000	450,000	450,000	450,000
Total number of BSPCEs granted	100,000	50,000	97,200	71,650	53,050
Total number of shares to which the BSPCE were likely to give right on the date of their grant	100,000	50,000	97,200	71,650	53,050
the number of which that may be subscribed by corporate officers:	0	50,000	34,000	39,000	0
including Laurent LEVY	0	0	21,000	24,000	0
including Philippe MAUBERNA	0	50,000	13,000	15,000	0
Number of beneficiaries who are not corporate officers	2	0	29	12	33
Starting date for the exercise of the BSPCE	12/18/12	08/28/13	09/16/14	02/10/15	06/10/15
BSPCE expiry date	12/18/22	08/28/23	09/16/24	02/10/25	06/10/25
BSPCE exercise price	€6.63	€5.92	€18.68	€18.57	€20.28
Terms of exercise [3]	(1)	(1)	(1)	(1)	(1)
Number of shares subscribed as of the date of the Universal Registration Document	0	0	0	0	0
Total number of BSPCEs lapsed or cancelled as of the date of the Universal Registration Document	0	0	5,100	700	15,000
Total number of BSPCEs outstanding as of the date of the Universal Registration Document	100,000	50,000	92,100	70,950	38,050
Total number of shares available for subscription as of the date of the Universal Registration Document	100,000	50,000	92,100	70,950	38,050
Maximum total number of shares that may be subscribed for upon exercise of all outstanding BSPCEs (assuming that all the conditions for the exercise of said BSPCEs are met)	100,000	50,000	92,100	70,950	38,050

	BSPCE 2016 Ordinary	BSPCE 2016 Performance	BSPCE 2017 Ordinary	BSPCE "2017"
Date of the shareholders' meeting	**06/25/15**	**06/25/15**	**06/23/15**	**06/23/15**
Date of grant by the Executive Board	**02/02/16**	**02/02/16**	**01/07/17**	**01/07/17**
Total number of BSPCEs authorized	450,000	450,000	450,000	450,000
Total number of BSPCEs granted	126,400	129,250	117,650	80,000
Total number of shares to which the BSPCE were likely to give right on the date of their grant	126,400	129,250	117,650	80,000
the number of which that may be subscribed by corporate officers:	37,000	37,000	39,600	48,000
including Laurent LEVY	23,500	23,500	26,400	32,000
including Philippe MAUBERNA	13,500	13,500	13,200	16,000
Number of beneficiaries who are not corporate officers	42	49	41	2
Starting date for the exercise of the BSPCE	02/02/06	02/02/16	01/07/17	01/07/17
BSPCE expiry date	02/02/26	02/02/26	01/07/27	01/07/27
BSPCE exercise price	€14.46	€14.46	€15.93	€15.93
Terms of exercise [3]	(1)	(2)	(1)	(1)
Number of shares subscribed as of the date of the Universal Registration Document	333	0	0	0
Total number of BSPCEs lapsed or cancelled as of the date of the Universal Registration Document	18,100	26,494	11,817	0
Total number of BSPCEs outstanding as of the date of the Universal Registration Document	107,967	102,756	105,833	80,000
Total number of shares available for subscription as of the date of the Universal Registration Document	107,967	38,876	105,833	80,000
Maximum total number of shares that may be subscribed for upon exercise of all outstanding BSPCEs (assuming that all the conditions for the exercise of said BSPCEs are met)	107,967	102,756	105,833	80,000

(1) As of the date of the Universal Registration Document, all BSPCEs may be exercised.
(2) The BSPCE 2016 Performance may be exercised from their date of grant, subject to reaching the following thresholds:

- *up to 15% of the BSPCE 2016 Performance may be exercised if the number of patients under treatment is at least equal to 200,*
- *additional 15% of the BSPCE 2016 Performance may be exercised if the number of patients under treatment is at least equal to 300,*
- *additional 30% of the BSPCE 2016 Performance may be exercised if the number of patients under treatment is at least equal to 400, and*
- *the balance, i.e. 40% of the BSPCE 2016 Performance, may be exercised if the number of patients under treatment is at least equal to 500.*

As of the date of the Universal Registration Document, 30% of the BSPCE 2016 Performance may be exercised it being specified that, on July 23, 2019, the Executive Board decided to lift, for Mr. Bernd Muehlenweg (a member of the Executive Board until June 20, 2019), the performance conditions to which the exercise of his BSPCE 2016 Performance was subject, notwithstanding the termination of his employment agreement and his corporate office within the Company. Accordingly, all of Mr. Bernd Muehlenweg's BSPCE 2016 Performance may be exercised at the date of the Universal Registration Document.
(3) See also the paragraphs "Term of issue of the BSPCE" and "Change of control" above.

5.1.4.2. Warrants (bons de souscription d'actions or BSAs)

Term of issue of the BSAs

The term of warrants granted before June 25, 2015 as well as the BSA 2015-2 (a), the BSA 2018-2, the BSA 2019-1 and the BSA 2020 is 10 years from the date of grant by the Executive Board. The term of warrants granted from June 25, 2015 to March 6, 2018 as well as the BSA 2015-2 (b) is five years from the date of grant by the Executive Board.

In addition, unless otherwise decided by the Supervisory Board and the Executive Board, the 2016 Ordinary BSAs and 2017 BSAs must be exercised within six months from (i) the death or disability of the holder or (i) the termination of the holder from employment or corporate office within the Group, failing which the BSAs will lapse.

Change of control

In the event of a change of control of the Company, unless otherwise decided by the Executive Board and Supervisory Board, the right of holders to exercise outstanding 2015-1 BSAs, 2016 Ordinary BSAs, and BSAs issued from January 7, 2017 onwards will be accelerated so that all of such shares may be exercised with effect on the day of the change of control (subject to, if applicable, continued service in the Group). Any BSAs not exercised for any reason on or prior to the day of the change of control will automatically lapse after this date. Holders of 2015-2 BSAs may similarly exercise all or part of their 2015-2 BSAs event of a change of control of the Company.

Valuation of BSAs granted to members of the Supervisory Board

Under the thirty-fourth resolution, voted by the combined shareholders' meeting held on April 11, 2019, the Executive Board has undertaken to only use this resolution for the benefit of members of the Supervisory Board at market price, to be, if necessary, determined by an expert. In the event the Executive Board does use this delegation, a valuation of these warrants will be carried out based on the characteristics of the warrants, so as to determine its purchase price.

	BSA 04-12	BSA 2013	BSA 2014	BSA 2015-1	BSA 2015-2 (a)
Date of the shareholders' meeting	**05/04/12**	**05/04/12**	**06/18/14**	**06/18/14**	**06/18/14**
Date of grant by the Execurive Executive Board	**05/04/12**	**04/10/13**	**09/16/14**	**02/10/15**	**06/25/15**
Maximum number of BSAs authorized	200,000	200,000	100,000	100,000	100,000
Total number of BSAs granted	52,500	10,000	14,000	26,000	64,000
Number of shares to which the BSA were likely to give right on the date of their grant	52,500	10,000	14,000	26,000	64,000
including the total number of shares that may subscribed by the corporate officers of the Company	52,500	6,000	14,000	22,000	-
Relevant officers:					
Anne-Marie GRAFFIN	-	-	-	5,000	-
Enno SPILLNER	-	-	-	3,000	-
Alain HERRERA	-	-	4,000	5,000	-
Laurent CONDOMINE	30,000	6,000	6,000	7,000	-
Christophe DOUAT (observer)	22,500	-	4,000	2,000	-
Number of beneficiaries who are not corporate officers	-	-	-	1	1
Starting date for the exercise of the BSA	10/23/13	04/30/14	09/16/14	02/10/15	06/25/15
BSA expiry date (6)	05/04/22	04/10/23	09/16/24	02/10/25	06/25/25
BSA issue price	€0.60	€2.50	€4.87	€4.87	€5.00
Exercise price per BSA	€6.00	€6.37	€17.67	€17.67	€19.54
Terms of exercise	(1)	(1)	(2)	(2)	(3)
Number of shares subscribed as of the date of the Universal Registration Document	22,500	0	0	0	0
Total number of forfeited or cancelled BSAs as of the date of the Universal Registration Document	0	4,000	4,000	5,000	0
Total number of BSAs outstanding as of the date of the Universal Registration Document	30,000	6,000	10,000	21,000	64,000
Total number of shares available for subscription as of the date of the Universal Registration Document (considering the conditions of exercise of the BSAs)	30,000	6,000	0	0	0
Maximum total number of shares that may be subscribed for upon exercise of all outstanding BSAs (assuming that all the conditions for the exercise of said BSAs are met)	30,000	6,000	10,000	21,000	64,000

BSA 2015-2 (b)	BSA 2016 Ordinary	BSA 2016 Performance	BSA 2016-2	BSA 2017	BSA 2018	BSA 2018-1	BSA 2018-2	BSA 2019-1	BSA 2020
06/25/15	**06/25/15**	**06/25/15**	**06/23/16**	**06/23/16**	**06/14/17**	**06/14/17**	**05/23/18**	**05/23/18**	**04/11/19**
06/25/15	**02/02/16**	**02/02/16**	**11/03/16**	**01/07/17**	**03/06/18**	**03/06/18**	**07/27/18**	**03/29/19**	**03/17/20**
100,000	100,000	100,000	100,000	100,000	116,000	116,000	140,000	140,000	500,000
6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000	18,000
6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000	18,000
-	18,103	18,105	-	18,000	18,000	-	-	18,000	18,000
- - - - -	2,000 1,500 4,327 7,031 3,245	2,000 1,500 4,327 7,032 3,246	- - - - -	3,820 3,820 2,820 4,720 2,820	2,900 4,000 2,900 5,300 2,900	- - - - -	- - - - -	2,900 4,000 2,900 5,300 2,900	3,843 3,829 3,195 3,976 3,157
1	-	-	2	-	-	1	1	-	-
06/25/15	02/02/16	02/02/16	11/03/16	01/07/17	03/06/18	03/06/18	07/27/18	03/29/19	03/17/20
06/25/20	02/02/21	02/02/21	11/03/21	07/07/22	03/06/23	03/06/23	07/27/28	03/29/29	03/17/30
€2.80	€1.67	€1.67	€2.03	€2.26	€1.62	€1.62	€2.36	€1.15	€0.29
€19.54	€13.74	€13.74	€15.01	€15.76	€13.55	€13.55	€16.102	€11.66	€6.58
(3)	(2)	(4)	(5)	(2)	(2)	(5)	(5)	(2)	(6)
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000	18,000
0	0	5,431	0	0	0	0	0	0	0
6,000	18,103	18,105	8,000	18,000	18,000	10,000	5,820	18,000	18,000

(1) As of the date of the Universal Registration Document, all of the BSAs may be exercised, provided that, on the day the BSA is exercised, the relevant holder, when a Supervisory Board member, has attended at least 75% of the Supervisory Board meetings held during the period preceding the exercise of the warrants or, as the case may be, the date the holder ceases to be part of the Group.
(2) As of the date of the Universal Registration Document, all of the BSAs may be exercised, provided that, on the day the BSA is exercised, (i) the relevant holder, when a Supervisory Board member, has attended at least 75% of the Supervisory Board meetings held during the period preceding the exercise of the warrants or, as the case may be, the date the holder ceases to be part of the Group (ii) the market value of a Nanobiotix share shall be at least equal to €40.
(3) As of the date of the Universal Registration Document, all of the BSAs may be exercised, provided that on the day the BSA is exercised, the market value of a Nanobiotix share shall be at least equal to €50.
(4) The BSA 2016 Performance may be exercised under the following conditions:

- *up to 15% of the BSA 2016 Performance may be exercised if the number of patients under treatment is at least equal to 200,*
- *additional 15% of the BSA 2016 Performance may be exercised if the number of patients under treatment is at least equal to 300,*
- *additional 30% of the BSA 2016 Performance may be exercised if the number of patients under treatment is at least equal to 400, and*
- *additional 40% of the BSA 2016 Performance may be exercised if the number of patients under treatment is at least equal to 500.*

As of the date of the Universal Registration Document, 30% of the BSA 2016 Performance may be exercised.
(5) As of the date of the Universal Registration Document, all BSAs may be exercised, provided that on the day the BSA is exercised, the market value of a Nanobiotix share shall be at least equal to €40.
(6) As of the date of the Universal Registration Document, all of the BSAs may be exercised, provided that, on the day the BSA is exercised, (i) the relevant holder, when a Supervisory Board member, has attended at least 75% of the Supervisory Board meetings held during the period preceding the exercise of the warrants or, as the case may be, the date the holder ceases to be part of the Group (ii) the market value of a Nanobiotix share shall be at least equal to €40.
As of the date of the Universal Registration Document, none of the BSA 2020 have been subscribed to. If not subscribed by September 30, 2020 they will automatically be cancelled.
(7) See also the "Term of issue of the BSAs" and "Change of control" paragraphs above.

5.1.4.3. Stock options (Options or OSAs)

Term of issue of the Options

The term of the Options is 10 years from the date of grant by the Executive Board. Unless otherwise decided by the Executive Board and the Supervisory Board, the Options may be exercised by their holders or assigns six months from (i) the death or disability of the holder or (ii) the termination of the holder from employment or corporate office within the Group, failing which the Options will lapse (in the specific case of termination, this period is reduced to three (3) months for Group employees having their tax residence in the United States of America and benefiting from incentive stock options).

Change of control

In the event of a change of control of the Company, unless otherwise decided by the Executive Board and Supervisory Board, the right of holders to exercise the outstanding Options will be accelerated so that all of such shares may be exercised with effect on the day of the change of control. Any Options not exercised for any reason on or prior to the day of the change of control will automatically lapse after this date.

	OSA 2016-1 Performance	OSA 2016-2	OSA 2017 Ordinary	OSA 2018
Date of the shareholders' meeting	**06/25/15**	**06/23/16**	**06/23/16**	**06/14/17**
Date of grant by the Executive Board	**02/02/16**	**11/03/16**	**01/07/17**	**03/06/18**
Total number of OSAs authorized	450,000	450,000	450,000	526,800
Total number of OSAs granted	6,400	4,000	3,500	62,000
Total number of shares to which the OSAs were likely to give right on the date of their grant	6,400	4,000	3,500	62,000
including the number that may be subscribed or purchased by corporate officers:	0	0	0	0
including Laurent Levy	0	0	0	0
including Philippe Mauberna	0	0	0	0
including Anne-Juliette Hermant	0	0	0	0
Number of beneficiaries who are not corporate officers	2	1	2	5
Starting date for the exercise of the OSA	02/02/16	11/03/16	01/07/17	03/06/18
OSA expiry date	02/02/26	11/03/26	07/07/27	03/06/28
Exercise price per OSA	€13.05	€14.26	€14.97	€12.87
Terms of exercise [8]	(1)	(2)	(3)	(4)
Number of shares subscribed as of the date of the Universal Registration Document	0	0	0	0
Total number of lapsed or cancelled OSAs as of the date of the Universal Registration Document	6,000	0	3,000	8,667
Total number of OSAs outstanding as of the date of the Universal Registration Document	400	4,000	500	53,333
Maximum number of shares available for subscription as of the date of the Universal Registration Document (given the vesting conditions of the OSAs)	120	4,000	500	52,666
Maximum total number of shares that may be subscribed for upon exercise of all outstanding OSAs (assuming that all the conditions for the exercise of said OSAs are met)	400	4,000	500	53,333

	OSA 2019-1	OSA 2019 LLY	OSA 2020
Date of the shareholders' meeting	**05/23/18**	**04/11/19**	**04/11/19**
Date of grant by the Executive Board	**03/29/19**	**10/24/19**	**03/11/20**
Total number of OSAs authorized	648,000	500,000	500,000
Total number of OSAs granted	37,500	500,000	407,972
Total number of shares to which the OSAs were likely to give right on the date of their grant	37,500	500,000	407,972
including the number that may be subscribed or purchased by corporate officers:	0	500,000	240,000
including Laurent Levy	0	500,000	120,000
including Philippe Mauberna	0	0	60,000
including Anne-Juliette Hermant	0	0	60,000
Number of beneficiaries who are not corporate officers	12	0	103
Starting date for the exercise of the OSA	03/29/19	10/24/19	03/11/20
OSA expiry date	03/29/29	24/10/29	03/11/30
Exercise price per OSA	€11.08	€6.41	€6.25
Terms of exercise [8]	(5)	(6)	(7)
Number of shares subscribed as of the date of the Universal Registration Document	0	0	0
Total number of lapsed or cancelled OSAs as of the date of the Universal Registration Document	8,750	0	407
Total number of OSAs outstanding as of the date of the Universal Registration Document	28,750	500,000	407,565
Maximum number of shares available for subscription as of the date of the Universal Registration Document (given the vesting conditions of the OSAs)	0	0	0
Maximum total number of shares that may be subscribed for upon exercise of all outstanding OSAs (assuming that all the conditions for the exercise of said OSAs are met)	28,750	500,000	407,565

(1) The OSA 2016-1 Performance may be exercised under the following conditions:

- *up to 15% of the OSA 2016-1 Performance may be exercised if the number of patients under treatment is at least equal to 200,*
- *an additional 15% of the OSA 2016-1 Performance may be exercised if the number of patients under treatment is at least equal to 300,*
- *an additional 30% of the OSA 2016-1 Performance may be exercised if the number of patients under treatment is at least equal to 400, and*
- *the balance, i.e. 40% of the OSA 2016-1 Performance, may be exercised if the number of patients under treatment is at least equal to 500.*

As of the date of the Universal Registration Document, 30% of the OSA 2016-1 Performance is exercisable.
(2) As of the date of the Universal Registration Document, all of the OSA 2016-2 may be exercised.
(3) As of the date of the Universal Registration Document, all of the OSA 2017 Ordinary may be exercised.
(4) As of the date of the Universal Registration Document, two-thirds of the OSA 2018 may be exercised, and the balance, i.e. one-third of the OSA 2018, may be exercised as from March 7, 2021, subject, for each increment, to the continued service of

the beneficiary within the Group. As an exception to the foregoing, the 2018 OSA granted to one employee of the Group may all be exercised as of the date of the Universal Registration Document.
(5) The OSA 2019-1 may be exercised as follows: up to two-thirds of the OSA 2019-1 as from March 30, 2021; and the balance, i.e., one-third of the OSA 2019-1 as from March 30, 2022, subject to each increment of the ongoing presence of the beneficiary within the Group.
(6) The OSA LLY 2019 may be exercised under the following conditions:

- *10% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext in Paris reaches €24,*
- *An additional 10% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext in Paris reaches €30,*
- *An additional 40% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext in Paris reaches €40,*
- *An additional 40% of the OSA LLY 2019 may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext in Paris reaches €60.*

(7) The 2020 OSAs may be exercised as follows: up to one-third of the OSA 2020 as from March 11, 2021; an additional one-third of the OSA 2020 as from March 11, 2022, and the balance, i.e., one-third of the OSA 2020 as from March 11, 2023, subject to each increment of the ongoing presence of the beneficiary within the Group. The exercise of the OSA 2020 granted to members of the Executive Board and Mr. Alain Dostie, an employee, is also subject to the achievement of positive results in the 1100 study in 2020. The satisfaction of this performance condition must be acknowledged by the Executive Board, with the approval of the Supervisory Board, before March 11, 2021.
(8) See also the "Term of Issue of the OSAs" and "Change of control" paragraphs above.

5.1.4.4. Free shares (attribution d'actions gratuites or AGA)

Continued service condition

The 2018-1 AGA and 2019-1 AGA are subject to continued service within the Group during the acquisition period (*période d'acquisition*, at the end of which the AGA will be definitively acquired) (i.e., for the AGA 2018-1, until March 6, 2020 for French tax residents and March 6, 2021 for foreign tax residents, and for the AGA 2019-1, until March 29, 2021 for French tax residents and March 29, 2022 for foreign tax residents), it being specified that, failing such continued service, the beneficiary definitively and irrevocably loses his or her right to acquire the relevant AGA 2018-1 or AGA 2019-1.

Furthermore, in the event of disability or death of a beneficiary before the end of the acquisition period, the relevant free shares shall be definitely acquired at, respectively, the date of disability or the date of the request of allocation made by his or her beneficiary in the framework of the inheritance, provided that such request is made within six months from the date of death.

On 23 July 2019, the Executive Board decided to lift, for four employees of the Company and Mr. Bernd Muelhenweg (who was a member of the Executive Board until June 20, 2019), the continued service condition to which the definitive acquisition of the AGA 2018-1 and AGA 2019-1 is subject, notwithstanding the termination of their employment agreement or corporate office. The Executive Board also decided to amend the conditions for the acquisition of Mr. Bernd Muelhenweg's AGA 2018-1.

Change of control

In the event of a change of control of the Company, unless otherwise decided by the Executive Board and Supervisory Board, all of the AGAs shall be completely and definitely acquired:

1. For French tax residents, (i) if the change of control of the Company occurs before or on the first anniversary date of the grant, on the first anniversary date of the grant and (ii) if

the change of control occurs after the first anniversary of grant, on the date of the change of control, it being specified that, in both cases, the relevant free shares will then be subject to a holding period until the second anniversary of the grant.

2. For foreign tax residents, if the change of control occurs before the second anniversary of the grant, on the first anniversary of the grant, it being specified that the relevant free shares will then be subject to a year-long holding period as from their date of acquisition.

	AGA 2018-1	AGA 2018-2	AGA 2019-1	AGA 2020
Date of the shareholders' meeting	**06/14/17**	**05/23/18**	**05/23/18**	**04/11/19**
Date of grant by the Executive Board	**03/06/18**	**07/27/18**	**03/29/19**	**03/11/20**
Total number of AGAs authorized	526,800	648,000	648,000	500,000
Total number of AGAs granted	396,250	6,000	438,250	50,000
Total number of shares to which the AGAs were likely to give right on the date of their grant	396,250	6,000	438,250	50,000
including the number that can be subscribed by corporate officers:	127,500	0	298,000	50,000
including Laurent Levy	77,500	0	214,000	0
including Philippe Mauberna	50,000	0	64,000	0
including Anne-Juliette Hermant	0	0	0	50,000
Number of beneficiaries who are not corporate officers	74	1	79	0
Starting date of the exercise of the AGA	03/06/18	07/27/18	03/29/19	03/11/20
Date of acquisition (end of the acquisition period)	(1)	07/27/20	(4)	03/11/22
Terms of acquisition [7]	(2)	(3)	(5)	(6)
Number of shares subscribed as of the date of the Universal Registration Document	316,083	0	0	0
Total number of AGAs lapsed or cancelled as of the date of the Universal Registration Document	55,667	0	55,700	0
Total number of AGAs outstanding as of the date of the Universal Registration Document	24,500	6,000	382,500	50,000
Total number of shares that may be subscribed	24,500	6,000	382,500	50,000
Duration of the holding period [6]	(1)	1 year	(4)	1 year

(1) The AGA2018-1 granted to French tax residents were definitely acquired on March 6, 2020 and are now subject to a one-year holding period ending on March 6, 2021. The AGA2018-1 granted to foreign tax residents will be definitely acquired on March 6, 2021 and will not be subject to any holding period.
(2) The definitive acquisition of the AGA 2018-1 granted to the members of the Executive Board was subject to the achievement of clinical and strategic objectives in the head and neck indication, the completion of which was acknowledged by the Executive Board and the Supervisory Board on March 15, 2019. On July 23, 2019, the Executive Board decided that the two-thirds of the AGA 2018-1 granted to Mr. Bernd Muehlenweg, i.e. 28,333 AGA 2018-1 would be definitively acquired on March 6, 2020. The balance, i.e. 14,167 AGA 2018-1, was subject to the conclusion of a clinical trial supply contract before March 6, 2020. As this performance condition was not met, these 14,167 AGA 2018-1 lapsed on March 6, 2020.
(3) The AGA 2018-2's holding period is one year long, starting from the end of the acquisition period, i.e. as from July 27, 2020.
(4) The AGA 2019-1 granted to French tax residents will be definitely acquired on March 29, 2021 and will then be subject to a one-year holding period ending on March 29, 2022. The AGA 2018-1 granted to foreign tax residents will be definitely acquired on March 29, 2022 and will not be subject to any holding period.
(5) The acquisition of the AGA 2019-1 granted to members of the Executive Board was subject to NBTXR3 receiving a CE-marking before June 30, 2019. The satisfaction of this performance condition was acknowledged by the Supervisory Board on April 6, 2020 and by the Executive Board on April 27, 2020.

(6) The acquisition of the AGA 2020 granted to a member of the Executive Board is the achievement of positive results in the 1100 study in 2020. The satisfaction of this performance condition must be acknowledged by the Executive Board, with the approval of the Supervisory Board, before March 11, 2021. Furthermore, the AGA 2020 will be subject to a one-year holding period starting at the end of the two-year acquisition period, i.e. starting March 11, 2022.
(7) See also the "Continued service condition" and "Change of control" paragraphs above.

5.1.4.5. Summary of the dilutive instruments

As of the date of the Universal Registration Document, the full exercise of all granted and outstanding instruments entitling their holders to a stake in the Company's share capital (assuming all the terms of exercise or acquisition of said instruments were fulfilled) would result in the subscription of 2,474,232 new ordinary shares, consisting of:

- 747,656 BSPCEs, the exercise of which would lead to the creation of 747,656 new ordinary shares;
- 269,028 BSAs, the exercise of which would lead to the creation of 269,028 new ordinary shares;
- 994,548 Options, the exercise of which would lead to the creation of 994,548 new shares;
- 463,000 AGAs, the acquisition of which would lead to the creation of 463,000 new ordinary shares.

	No. of securities	Terms		Potential dilution
Dilutive securities not linked to stock market price evolution	**1,759,309**			
BSAs	***54,105***	-		***0.24%***
BSCPEs	***747,656***	-		***3.29%***
OSAs	***494,548***	-		***2.18%***
AGAs	***463,000***	-		***2.04%***
Dilutive securities linked to stock market price evolution	**714,923**		*Cumulative no. of exercisable securities*	*Cumulative potential dilution*
2014 BSAs	*10,000*	*if stock market price ≥ €40*	*10,000*	0.04%
2015-1 BSAs	*21,000*	*if stock market price ≥ €40*	*31,000*	0.14%
2015-2 (a) BSAs	*64,000*	*if stock market price ≥ €50*	*95,000*	0.42%
2015-2 (b) BSAs	*6,000*	*if stock market price ≥ €50*	*101,000*	0.44%
2016 Ordinary BSAs	*18,103*	*if stock market price ≥ €40*	*119,103*	0.52%
2016-2 BSAs	*8,000*	*if stock market price ≥ €40*	*127,103*	0.56%
2017 BSAs	*18,000*	*if stock market price ≥ €40*	*145,103*	0.64%
2018 BSAs	*18,000*	*if stock market price ≥ €40*	*163,103*	0.72%
2018-1 BSAs	*10,000*	*if stock market price ≥ €40*	*173,103*	0.76%
2018-2 BSAs	*5,820*	*if stock market price ≥ €40*	*178,923*	0.79%
2019-1 BSAs	*18,000*	*if stock market price ≥ €40*	*196,923*	0.87%
2019 LLY OSAs	*500,000*	*if stock market price ≥ €24*	*696,923*	3.07%
2020 BSAs	*18,000*	*if stock market price ≥ €40*	*714,923*	3.15%
Maximum theoretical potential dilution based on current capital				***10.88%***

This represents a maximum potential dilution of 10.88% on a non-diluted share capital basis and 10.4% on a non-diluted voting right basis as of the date of the Universal Registration Document, and 10.10% and 9.5%, respectively, on a fully diluted basis, it being specified that the exercise of a significant share of said dilutive instruments (i.e., 29%) is conditioned on the Company's share as of its exercise date.

5.1.5. Authorized share capital

Shareholders' meeting to be held on May 20, 2020.

The shareholders' meeting convened on May 20, 2020 will be asked to grant the following delegations and authorization to the Executive Board, it being specified that these

delegations and authorizations, if granted, shall cancel and replace all the delegations and authorizations granted by the shareholders' meeting on April 11, 2019.

Ordinary and Extraordinary Shareholders' Meeting to be held on May 20, 2020	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price
Authorization to the Executive Board to execute a buyback of Company stock (Nineteenth resolution)	18 months	10% of the share capital	See [a]
Delegation of authority to the Executive Board to reduce the Company's share capital by cancelling shares as part of the authorization to the Executive Board allowing the Company to buy back its own shares (Twentieth resolution)	18 months	10% of the amount of share capital per 24-month period	See [a]
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities giving immediate or long-term access to the Company's share capital, while preserving the shareholders' preferential subscription rights (Twenty-third resolution)	26 months	€300,000 [b]	-
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities giving immediate or long-term access to the Company's share capital, through a public offering, without shareholders' preferential subscription rights, as well as the ability to institute a right of priority (Twenty-fourth resolution)	26 months	€250,000 [b]	See [c]
Delegation to be granted to the Executive Board to increase the Company's share capital by way of issuing of ordinary shares and/or of any security giving immediate or long-term access to the share capital with removal of the shareholders' preferential subscription right in the framework of an offering made to the benefit of qualified investors or to a restricted circle of investors mentioned at the II of article L. 411-2 of the French Monetary and Commercial Code (Twenty-fifth resolution)	26 months	€250,000 [b]	See [c]
Authorization to be granted to the Executive Board, in the event of issuance of shares or any securities granting access to capital with removal of the shareholders' preferential subscription right, to set the issue price within the limit of 10% of the capital and within the limit set by the general meeting of shareholders (Twenty-sixth resolution)	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered per 12-month period	See [d]
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities, for the benefit of a category of persons, without shareholders' preferential subscription rights, in the context of equity or bond financing (Twenty-seventh resolution)	18 months	€120,000 in the event of a share capital increase [b]	See [e]

Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of issuing of ordinary shares or of any security giving access to the share capital with removal of the shareholders' preferential subscription right to the benefit of a first determined category of persons who meet certain criteria (Twenty-eighth resolution)	18 months	€350,000 [b]	See [e]
Delegation to be granted to the Executive Board in order to increase the number of securities to be issued as a result of a share capital increase with or without preferential subscription right performed under the aforementioned delegations (Twenty-ninth resolution)	26 months	within the limit of 15% of the issuance [b] [f]	same price as the issuance
Delegation to be granted to the Executive Board in order to issue ordinary shares and securities granting access to the share capital, in the event of a public offer including an exchange component initiated by the Company (Thirtieth resolution)	26 months	€250,000 [b]	-
Delegation to be granted to the Executive Board to increase the Company's share capital, within the limits of 10% of the share capital, to remunerate in-kind contributions of ordinary shares or of any security giving access to the capital stock of third-party companies, outside of the context of a public exchange offer (Thirty-first resolution)	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered	-
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of incorporation of premiums, reserves, benefits or others, through the issuance and granting of free shares, or through an increase in the nominal value of existing shares, or through the joint use of these two measures (Thirty-third resolution)	26 months	€25,000	-
Authorization to be granted to the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company (Thirty-fourth resolution)	38 months	600,000 shares, increased to 700,000 shares in the event of completion of the Company's initial public offering on the Nasdaq [h]	See [g]
Authorization to be granted to the Executive Board to grant free existing shares or shares (AGAs) to be issued, pursuant to articles L.225-197-1 et seq. of the French Commercial Code (Thirty-fifth resolution)	38 months	600,000 shares, increased to 700,000 shares in the event of completion of the Company's initial public offering on the Nasdaq [h]	See [i]

Delegation to be granted to the Executive Board in order to issue and to grant warrants (BSAs) in favor of a range of persons satisfying determined characteristics (i) of members and non-voting members of the Company's Supervisory Board serving on the date of grant of the warrants who are neither employees nor legal officers of the Company or of one of its subsidiaries, (iii) of individuals persons bound by a service or consultancy contract with the Company, or (iii) of members of any committee that the Executive Board has or would have implemented neither employees nor legal officers of the Company or of one of its subsidiaries (Thirty-sixth resolution)	38 months	600,000 shares, increased to 700,000 shares in the event of completion of the Company's initial public offering on the Nasdaq [h]	See [i]
Delegation to be granted to the Executive Board to increase the Company's share capital by way of issuing of ordinary shares or of any security giving access to the share capital for the benefit of employees who are members of a company savings plan(s) (*plan d'épargne d'entreprise*)	18 months	€20,000 [j]	See [k]

a. The maximum purchase price per share (excluding costs and commissions) is set at €60.00, with an overall maximum ceiling of €20,000,000, it being specified that this purchase price will be subject to any adjustments that may be necessary so as to take into account share capital transactions that occur during the authorization's validity period.
b. These amounts are not cumulative. The maximum ceiling authorized by the shareholders' meeting for capital increases in nominal terms is fixed at €350,000. The global amount of issues of securities representing claims against the Company giving access to the Company's capital cannot, for its part, exceed €150,000,000. This limit does not apply to the debt securities referred to in Articles L. 228-40, L. 228-36-A and L. 228-92 al. 3 of the French Commercial Code if the issue has been decided or authorized by the Executive Board in accordance with Article L. 228-40 of the French Commercial Code, or, in other cases, under the terms that the Company would determine in accordance with the provisions of Article L. 228-36-A of the French Commercial Code.
c. The issue price of shares will be at least equal to the weighted average price by volume during the last three preceding trading sessions, reduced, where appropriate by a maximum discount of 10%, it being specified that the issue price of securities giving access to capital will be that of the sum immediately received by the Company, increased, where necessary, by that which may be subsequently received by the Company for each share issued as a result of the issue of these securities, at least equal to the issue price defined above.
d. Within the limit of 10% of the Company's capital (as it exists on the date of the transaction) per period of 12 months, to waive the conditions of price setting specified in the aforementioned resolutions and to fix the issue price of the ordinary shares and/or securities giving immediate or future access to the capital issued, according to the following methods:
   - the issue price of ordinary shares will be at least equal to the weighted average by volume of listed prices on the three trading sessions prior to the price setting, possibly reduced by a maximum discount of 15%, under no circumstances can it be lower than the nominal value of a Company share on the issue date of the shares concerned,
   - the issue price of securities giving access to the capital will be the sum immediately received by the Company, increased, where appropriate, by that likely to be subsequently received by it, or, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the above paragraph.
e. The issue price of shares will be at least equal to the weighted average price by volume during the last three preceding trading sessions, reduced, where appropriate by a maximum discount of 15% and corrected in the event of differences in dividend eligibility dates, it being specified that the issue price of securities giving access to capital will be that of the sum immediately received by the Company, increased, where necessary, by that which may be subsequently received by the Company for each share issued as a result of the issue of these securities, at least equal to the issue price defined above.

f. 15% or any other part that may have been determined by the regulations in force.
g. The purchase or subscription price per share will be determined by the Executive Board on the day when the option is granted within the legal limits; this price cannot fall below ninety five per cent (95%) of the average price listed during the 20 trading sessions prior to the day of the Executive Board's decision to allocate the options, rounded up to the nearest euro cent, nor in the case of purchase options, 80% of the average purchase price of treasury shares, rounded up to the nearest euro cent.
h. These amounts are not cumulative; the maximum accumulated number authorized by the shareholders' meeting likely to result from the exercise of stock options and warrants and the allocation of free shares is 600,000 shares, increased to 700,000 shares in the event of completion of the Company's initial public offering on the Nasdaq.
i. The issue price of a warrant will be determined by the Executive Board on the date on which the warrants are allocated, based on the characteristics of the warrants and at least equal to 5% of the weighted average price by volume over the last three (3) trading sessions on said market or stock exchange preceding the allocation of said warrants by the Executive Board.
j. The global amount of issues of securities representing claims against the Company giving access to the Company's capital cannot exceed €1,000,000.
k. The issue price of the shares or securities granting access to the share capital will be determined by the Executive Board in accordance with the provisions of Article L. 3332-19 of the French Labor Code and may not be higher than the average price listed during the 20 trading sessions prior to the day of the Executive Board's decision setting the opening date of the subscription period, nor fall lower than 20% of said average, or 30% of said average when the lock-up period provided for in the plan, pursuant to Articles L. 3332-25 and L. 3332-26 of the French Commercial Code is equal to or higher than 10 years.

Shareholders' meeting held on April 11, 2019.

As of the date of the Universal Registration Document, all of the authorizations and delegations granted by the shareholders' meeting held on April 11, 2019 are valid. However, if the May 20, 2020 authorizations and delegations are granted by the shareholders, the following will be cancelled and replaced by the shareholders' meeting to be held on May 20, 2020.

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
Authorization to the Executive Board to execute a buyback of Company stock (Nineteenth resolution)	18 months	10% of the share capital	See [a]	The Executive Board did not use this delegation during the past financial year.
Delegation of authority to the Executive Board to reduce the Company's share capital by cancelling shares as part of the authorization to the Executive Board allowing the Company to buy back its own shares (Twentieth resolution)	18 months	10% of the amount of share capital per 24-month period	See [a]	The Executive Board did not use this delegation during the past financial year.
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities giving immediate or long-term access to the Company's	26 months	€300,000 [b]	-	The Executive Board did not use this delegation

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
share capital, while preserving the shareholders' preferential subscription rights (Twenty-first resolution)				during the past financial year.
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities giving immediate or long-term access to the Company's share capital, through a public offering, without shareholders' preferential subscription rights, as well as the ability to institute a right of priority (Twenty-second resolution)	26 months	€250,000 (b)	See (c)	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board to increase the Company's share capital by way of issuing of ordinary shares and/or of any security giving immediate or long-term access to the share capital with removal of the shareholders' preferential subscription right in the framework of an offering made to the benefit of qualified investors or to a restricted circle of investors mentioned at the II of article L. 411-2 of the French Monetary and Commercial Code (Twenty-third resolution)	26 months	€250,000 (b)	See (c)	The Executive Board did not use this delegation during the past financial year.
Authorization to be granted to the Executive Board, in the event of issuance of shares or any securities granting access to capital with removal of the shareholders' preferential subscription right, to set the issue price within the limit of 10% of the capital and within the limit set by the general meeting of shareholders (Twenty-fourth resolution)	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered per 12-month period	See (d)	The Executive Board did not use this delegation during the past financial year.
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities, for the benefit of a category of persons, without shareholders' preferential subscription rights, in the context of equity or bond financing (Twenty-fifth resolution)	18 months	€120,000 in the event of a share capital increase (b)	See (e)	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of issuing of ordinary shares or of any security giving access to the share capital with removal of the shareholders' preferential subscription right to the benefit of a first determined category of persons who meet certain criteria (Twenty-sixth resolution)	18 months	€350,000 (b)	See (e)	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the number of securities to be issued as a result of a share capital increase with	26 months	within the limit of 15% of the issuance (b) (f)	same price as the issuance	The Executive Board did not use this

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
or without preferential subscription right performed under the aforementioned delegations (Twenty-seventh resolution)				delegation during the past financial year.
Delegation to be granted to the Executive Board in order to issue ordinary shares and securities granting access to the share capital, in the event of a public offer including an exchange component initiated by the Company (Twenty-eighth resolution)	26 months	€250,000 (b)	-	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board to increase the Company's share capital, within the limits of 10% of the share capital, to remunerate in-kind contributions of ordinary shares or of any security giving access to the capital stock of third-party companies, outside of the context of a public exchange offer (Twenty-ninth resolution)	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered	-	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of incorporation of premiums, reserves, benefits or others, through the issuance and granting of free shares, or through an increase in the nominal value of existing shares, or through the joint use of these two measures (Thirty-first resolution)	26 months	€25,000	-	The Executive Board did not use this delegation during the past financial year.
Authorization to be granted to the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company (Thirty-second resolution)	38 months	500,000 shares, increased to 650,000 shares in the event of completion of the Company's initial public offering on the Nasdaq (h)	See (g)	The Executive Board used this delegation on March 11,2020, granting 240,000 stock options to members of the Executive Board and 167,972 stock options employees of the Group.
Authorization to be granted to the Executive Board to grant free existing shares or shares (AGAs) to be issued, pursuant to articles L.225-197-1 et seq. of the French Commercial Code (Thirty-third resolution)	38 months	500,000 shares, increased to 650,000 shares in the event of completion of the Company's initial public offering on the	See (i)	The Executive Board used this delegation on March 11, 2020, granting 50,000 free shares to Anne-Juliette Hermant, a member of the

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
		Nasdaq [h]		Executive Board.
Delegation to be granted to the Executive Board in order to issue and to grant warrants (BSAs) in favor of a range of persons satisfying determined characteristics (i) of members and non-voting members of the Company's Supervisory Board serving on the date of grant of the warrants who are neither employees nor legal officers of the Company or of one of its subsidiaries, (iii) of individuals persons bound by a service or consultancy contract with the Company, or (iii) of members of any committee that the Executive Board has or would have implemented neither employees nor legal officers of the Company or of one of its subsidiaries (Thirty-fourth resolution)	38 months	500,000 shares, increased to 650,000 shares in the event of completion of the Company's initial public offering on the Nasdaq [h]	See [i]	The Executive Board used this delegation on March 17, 2020, granting 18,000 warrants to members of the Supervisory Board.
Authorization to be granted the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company to Mr. Laurent Levy, Chairman of the Executive Board (Thirty sixth resolution)	38 months	500,000 shares [k]	See [g]	The Executive Board used this delegation on October 24, 2019, granting 500,000 stock options to Laurent Levy, Chairman of the Executive Board.
Delegation of authority to the Executive Board to increase the Company's share capital by issuing ordinary shares, or any securities, for the benefit of a category of persons, without shareholders' preferential subscription rights, in the context of equity or bond financing (Twenty-fifth resolution)	18 months	€120,000 in the event of a share capital increase [b]	See [e]	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of issuing of ordinary shares or of any security giving access to the share capital with removal of the shareholders' preferential subscription right to the benefit of a first determined category of persons who meet certain criteria (Twenty-sixth resolution)	18 months	€350,000 [b]	See [e]	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the number of securities to be issued as a result of a share capital increase with or without preferential subscription right performed under the aforementioned delegations (Twenty-seventh resolution)	26 months	within the limit of 15% of the issuance [b] [f]	same price as the issuance	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to issue ordinary shares and securities granting access to the share capital, in the event	26 months	€250,000 [b]	-	The Executive Board did not use this

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
of a public offer including an exchange component initiated by the Company (Twenty-eighth resolution)				delegation during the past financial year.
Delegation to be granted to the Executive Board to increase the Company's share capital, within the limits of 10% of the share capital, to remunerate in-kind contributions of ordinary shares or of any security giving access to the capital stock of third-party companies, outside of the context of a public exchange offer (Twenty-ninth resolution)	26 months	up to the limit of 10% of the share capital as existing on the date of the operation considered	-	The Executive Board did not use this delegation during the past financial year.
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of incorporation of premiums, reserves, benefits or others, through the issuance and granting of free shares, or through an increase in the nominal value of existing shares, or through the joint use of these two measures (Thirty-first resolution)	26 months	€25,000	-	The Executive Board did not use this delegation during the past financial year.
Authorization to be granted to the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company (Thirty-second resolution)	38 months	500,000 shares, increased to 650,000 shares in the event of completion of the Company's initial public offering on the Nasdaq (h)	See (g)	The Executive Board used this delegation on March 11,2020, granting 240,000 stock options to members of the Executive Board and 167,972 stock options employees of the Group.
Authorization to be granted to the Executive Board to grant free existing shares or shares (AGAs) to be issued, pursuant to articles L.225-197-1 et seq. of the French Commercial Code (Thirty-third resolution)	38 months	500,000 shares, increased to 650,000 shares in the event of completion of the Company's initial public offering on the Nasdaq (h)	See (i)	The Executive Board used this delegation on March 11, 2020, granting 50,000 free shares to Anne-Juliette Hermant, a member of the Executive Board.
Delegation to be granted to the Executive Board in order to issue and to grant warrants (BSAs) in favor of a range of persons satisfying determined characteristics (i) of members and non-voting	38 months	500,000 shares, increased to 650,000	See (i)	The Executive Board used this delegation on March 17,

Ordinary and Extraordinary Shareholders' Meeting held on April 11, 2019	Term of Validity/ Expiry	Limit (nominal value)	Methods for determining price	Dates and terms of use by the Executive Board
members of the Company's Supervisory Board serving on the date of grant of the warrants who are neither employees nor legal officers of the Company or of one of its subsidiaries, (iii) of individuals persons bound by a service or consultancy contract with the Company, or (iii) of members of any committee that the Executive Board has or would have implemented neither employees nor legal officers of the Company or of one of its subsidiaries (Thirty-fourth resolution)		shares in the event of completion of the Company's initial public offering on the Nasdaq [h]		2020, granting 18,000 warrants to members of the Supervisory Board.
Authorization to be granted the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company to Mr. Laurent Levy, Chairman of the Executive Board (Thirty sixth resolution)	38 months	500,000 shares [k]	See [g]	The Executive Board used this delegation on October 24, 2019, granting 500,000 stock options to Laurent Levy, Chairman of the Executive Board.
Authorization to be granted to the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company in favor of a determined category of salaried employees and/or corporate officers (Thirty-seventh resolution)	38 months	1,000,000 shares [k]	See [g]	The Executive Board did not use this delegation during the past financial year.

a. The maximum purchase price per share (excluding costs and commissions) is set at €60.00, with an overall maximum ceiling of €20,000,000, it being specified that this purchase price will be subject to any adjustments that may be necessary so as to take into account share capital transactions that occur during the authorization's validity period.

b. These amounts are not cumulative. The maximum ceiling authorized by the shareholders' meeting for capital increases in nominal terms is fixed at €350,000. The global amount of issues of securities representing claims against the Company giving access to the Company's capital cannot, for its part, exceed €150,000,000. This limit does not apply to the debt securities referred to in Articles L. 228-40, L. 228-36-A and L. 228-92 al. 3 of the French Commercial Code if the issue has been decided or authorized by the Executive Board in accordance with Article L. 228-40 of the French Commercial Code, or, in other cases, under the terms that the Company would determine in accordance with the provisions of Article L. 228-36-A of the French Commercial Code.

c. The issue price of shares will be at least equal to the weighted average price by volume during the last three preceding trading sessions, where appropriate by the discount authorized by law (i.e. currently 5%), it being specified that the issue price of securities giving access to capital will be that of the sum immediately received by the Company, increased, where necessary, by that which may be subsequently received by the Company for each share issued as a result of the issue of these securities, at least equal to the issue price defined above.

d. Within the limit of 10% of the Company's capital (as it exists on the date of the transaction) per period of 12 months, to waive the conditions of price setting specified in the aforementioned resolutions and to fix the issue price of the ordinary shares and/or securities giving immediate or future access to the capital issued, according to the following methods:

- the issue price of ordinary shares will be at least equal to the weighted average by volume of listed prices on the three trading sessions prior to the price setting, possibly reduced by a maximum discount of 15%, under no circumstances can it be lower than the nominal value of a Company share on the issue date of the shares concerned,
- the issue price of securities giving access to the capital will be the sum immediately received by the Company, increased, where appropriate, by that likely to be subsequently received by it, or, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the above paragraph.

e. The issue price of shares will be at least equal to the weighted average price by volume during the last three preceding trading sessions, reduced, where appropriate by a maximum discount of 15% and corrected in the event of differences in dividend eligibility dates, it being specified that the issue price of securities giving access to capital will be that of the sum immediately received by the Company, increased, where necessary, by that which may be subsequently received by the Company for each share issued as a result of the issue of these securities, at least equal to the issue price defined above.

f. 15% or any other part that may have been determined by the regulations in force.

g. The purchase or subscription price per share will be fixed by the Executive Board on the day when the option is granted within the legal limits; this price cannot fall below ninety five per cent (95%) of the average price listed during the 20 trading days prior to the day of the Executive Board's decision to allocate the options, rounded up to the nearest euro cent, nor in the case of purchase options, 80% of the average purchase price of treasury shares, rounded up to the nearest euro cent.

h. These amounts are not cumulative; the maximum accumulated number authorised by the shareholders' meeting likely to result from the exercise of stock options and warrants and the allocation of free shares is 600,000 shares, increased to 700,000 shares in the event of completion of the Company's initial public offering on the Nasdaq.

i. The issue price of a warrant will be determined by the Executive Board on the date on which the warrants are allocated, based on the characteristics of the warrants and at least equal to 5% of the weighted average price by volume over the last three (3) trading sessions on said market or stock exchange preceding the allocation of said warrants by the Executive Board.

j. The global amount of issues of securities representing claims against the Company giving access to the Company's capital cannot exceed €1,000,000.

k. The OSAs granted under this authorization will be exercisable under the following conditions:
   (i) 10% of the OSAs may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €24,
   (ii) An additional 10% of the OSAs may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €30,
   (iii) An additional 40% of the OSAs may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €40,
   (iv) The balance, i.e. 40% of the OSAs, may be exercised when the market value of a Nanobiotix share on the regulated market of Euronext Paris reaches €60.

Shareholders' Meeting held on May 23, 2018

The delegations and authorizations granted by the shareholders' meeting held on May 23, 2018 are no longer valid, as they were cancelled and replaced by the shareholders' meeting held on April 11, 2019.

Ordinary and Extraordinary Shareholders' Meeting held on May 23, 2018	Dates and terms of use by the Executive Board
Delegation to be granted to the Executive Board in order to increase the Company's share capital by way of issuing of ordinary shares or of any security giving access to the share capital with removal of the shareholders' preferential subscription right to the benefit of a first determined category of persons who	The Executive Board used this delegation on April 9, 2019 and issued 2,566,666 new ordinary shares at a price per share of

meet certain criteria (thirtieth resolution)	€11.50, issue premium included, to investors falling within the category of persons defined in the 30th resolution.
Authorization to be granted to the Executive Board to grant stock-option or stock-purchase for shares (OSAs) of the Company (Thirty-seventh resolution)	The Executive Board used this delegation on March 29, 2019, granting 37,500 stock options to Group employees.
Authorization to be granted to the Executive Board to grant free existing shares or shares (AGAs) to be issued, within the limits of 10% of the share capital (Thirty-third resolution)	The Executive Board made use of this delegation on March 29, 2019 and granted 438,250 free shares to members of the Executive Board and Group employees.
Delegation to be granted to the Executive Board in order to issue and to grant warrants (BSAs) in favor of a range of persons satisfying determined characteristics (i) of members and non-voting members of the Company's Supervisory Board serving on the date of grant of the warrants who are neither employees nor legal officers of the Company or of one of its subsidiaries, (iii) of individuals persons bound by a service or consultancy contract with the Company, or (iii) of members of any committee that the Executive Board has or would have implemented neither employees nor legal officers of the Company or of one of its subsidiaries (Thirty-ninth resolution)	The Executive Board used this delegation on March 29, 2019, granting 18,000 warrants to members of the Supervisory Board.

5.1.6. Information on the capital of any member of the Group who is the subject of an option or of a conditional or unconditional agreement to put it under option

To the Company's knowledge, there is no put or call option or other commitments in favor of shareholders of the Company or granted by these shareholders in relation to the Company's shares.

5.1.7. History of share capital

5.1.7.1. Evolution of capital in the last three years

Date	Nature of operations	Capital	Issue Premium	Number of shares created	Number of Shares making up the capital	Nominal value	Share Capital
	Balance as of December 31, 2016				**15,965,272**	**€0.03**	**€478,958.16**
04/11/2017	Issuance of new shares payable in cash (capital increase)	€47,895.81	€25,097,404.44	1,596,527	17 561 799	€0.03	€526,853.97
07/13/2017	Exercise of OSA 2016-1 Ordinary	€120.00	€120.00	4 000	17 565 799	€0.03	€526,973.97
07/19/2017	Exercise of BSPCE 2016 Ordinary	€9.99	€9.99	333	17 566 132	€0.03	€526,983.96
08/01/2017	Exercise of BSPCE 2012-1	€3,763.56	€3,763.56	125 452	17 691 584	€0.03	€530,747.52
11/02/2017	Issuance of new shares payable in cash (capital increase)	€58,253.67	€27,126,792.33	1,941,789	19 633 373	€0.03	€589,001.19
	Balance as of December 31, 2017				**19 633 373**	**€0.03**	**€589,001.19**
	Balance as of December 31, 2018				**19 633 373**	**€0.03**	**€589,001.19**
04/09/2019	Issuance of new shares payable in cash (capital increase)	€76,999.98	€29,439,659.02	2,566,666	22 200 039	€0.03	€666,001.17
04/25/2019	Exercise of BSPCE 2012-1	€4,800.00	€955.200.00	160,000	22 360 039	€0.03	€670,801.17
07/17/2019	Exercise of BSPCE 04-2013	€1,650.00	€344,850.00	55,000	22 415 039	€0.03	€672,451.17
	Balance as of December 31, 2019				**22,415,039**	**€0.03**	**€672,451.17**

Since the end of the 2019 financial year, the share capital of the Company was increased by a nominal amount of €9,482.49, through the issuance of 316,083 new ordinary shares with a nominal value of €0.03 each, increasing the Company's share capital from €672,451.17 to €681,933.66, as a result of the definitive acquisition of 316,083 AGA 2018-1. Such acquisition was acknowledged by the Executive Board on March 11, 2020. For more information on the AGA 2018-1, see Section 5.1.4.4. of the Universal Registration Document.

5.1.7.2. Evolution of the share capital and voting rights in the last three financial years

The allocation of the Company's share capital and voting rights as of December 31, 2017, 2018 and 2019 was, to the Company's knowledge, as follows:

	Share capital											
	As at Dec 31, 2019				As at Dec 31, 2018				As at Dec 31, 2017			
	Number of shares	Number of voting rights	% of share capital	% of voting rights	Number of shares	Number of voting rights	% of share capital	% of voting rights	Number of shares	Number of voting rights	% of share capital	% of voting rights
Institutional investors	7,583,156	7,583,156	33.83%	32.44%	7,912,936	8,144,664	40.30%	39.16%	9,244,911	9,476,051	47.09%	46.18%
Family offices	793,325	847,145	3.54%	3.62%	830,855	884,675	4.23%	4.25%	336,995	336,995	1.72%	1.64%
Total Financial investors	**8,376,481**	**8,430,301**	**37.37%**	**36.07%**	**8,743,791**	**9,029,339**	**44.54%**	**43.41%**	**9,581,906**	**9,813,046**	**48.80%**	**47.82%**
Laurent LEVY	731,560	1,303,120	3.26%	5.57%	571,560	1,143,120	2.91%	5.50%	571,560	961,110	2.91%	4.68%
Philippe MAUBERNA	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%
Anne-Juliette HERMANT	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%
OTHER MANAGERS AND EMPLOYEES	248,513	434,731	1.11%	1.86%	285,706	470,091	1.46%	2.26%	244,749	389,480	1.25%	1.90%
Total Management and employees	**980,073**	**1,737,851**	**4.37%**	**7.43%**	**857,266**	**1,613,211**	**4.37%**	**7.76%**	**816,309**	**1,350,590**	**4.16%**	**6.58%**
Other	**13,042,762**	**13,191,092**	**58.19%**	**56.43%**	**10,019,172**	**10,142,936**	**51.03%**	**48.77%**	**9,227,174**	**9,349,294**	**47.00%**	**45.56%**
Treasury shares	**15,723**	**15,723**	**0.07%**	**0.07%**	**13,144**	**13,144**	**0.07%**	**0.06%**	**7,984**	**7,984**	**0.04%**	**0.04%**
TOTAL	**22,415,039**	**23,374,967**	**100%**	**100%**	**19,633,373**	**20,798,630**	**100%**	**100%**	**19,633,373**	**20,520,914**	**100%**	**100%**

	Share capital on a fully diluted basis											
	As at Dec 31, 2019				As at Dec 31, 2018				As at Dec 31, 2017			
	Number of shares	Number of voting rights	% of share capital	% of voting rights	Number of shares	Number of voting rights	% of share capital	% of voting rights	Number of shares	Number of voting rights	% of share capital	% of voting rights
Institutional investors	7,583,156	7,583,156	30.64%	29.49%	7,912,936	8,144,664	34.69%	33.97%	9,244,911	9,476,051	41.16%	40.58%
Family offices	793,325	847,145	3.20%	3.29%	903,938	957,758	3.96%	3.99%	404,778	404,778	1.80%	1.73%
Total Financial investors	**8,376,481**	**8,430,301**	**33.84%**	**32.79%**	**8,816,874**	**9,102,422**	**38.65%**	**37.97%**	**9,649,689**	**9,880,829**	**42.96%**	**42.32%**
Laurent LEVY	1,609,460	2,181,020	6.50%	8.48%	1,797,446	2,369,006	7.88%	9.88%	1,765,946	2,155,496	7.86%	9.23%
Philippe MAUBERNA	248,200	248,200	1.00%	0.97%	184,200	184,200	0.81%	0.77%	142,200	142,200	0.63%	0.61%
Anne-Juliette HERMANT	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%
OTHER MANAGERS AND EMPLOYEES	1,374,606	1,560,824	5.55%	6.07%	1,885,626	2,070,011	8.27%	8.63%	1,586,478	1,731,209	7.06%	7.41%
Total Management and employees	**3,232,266**	**3,990,044**	**13.06%**	**15.52%**	**3,867,272**	**4,623,217**	**16.95%**	**19.28%**	**3,494,624**	**4,028,905**	**15.56%**	**17.26%**
Other	**13,128,582**	**13,276,912**	**53.04%**	**51.64%**	**10,112,992**	**10,236,756**	**44.34%**	**42.70%**	**9,309,174**	**9,431,294**	**41.45%**	**40.39%**
Treasury shares	**15,723**	**15,723**	**0.06%**	**0.06%**	**13,144**	**13,144**	**0.06%**	**0.05%**	**7,984**	**7,984**	**0.04%**	**0.03%**
TOTAL	**24,753,052**	**25,712,980**	**100%**	**100%**	**22,810,282**	**23,975,539**	**100%**	**100%**	**22,461,471**	**23,349,012**	**100%**	**100%**

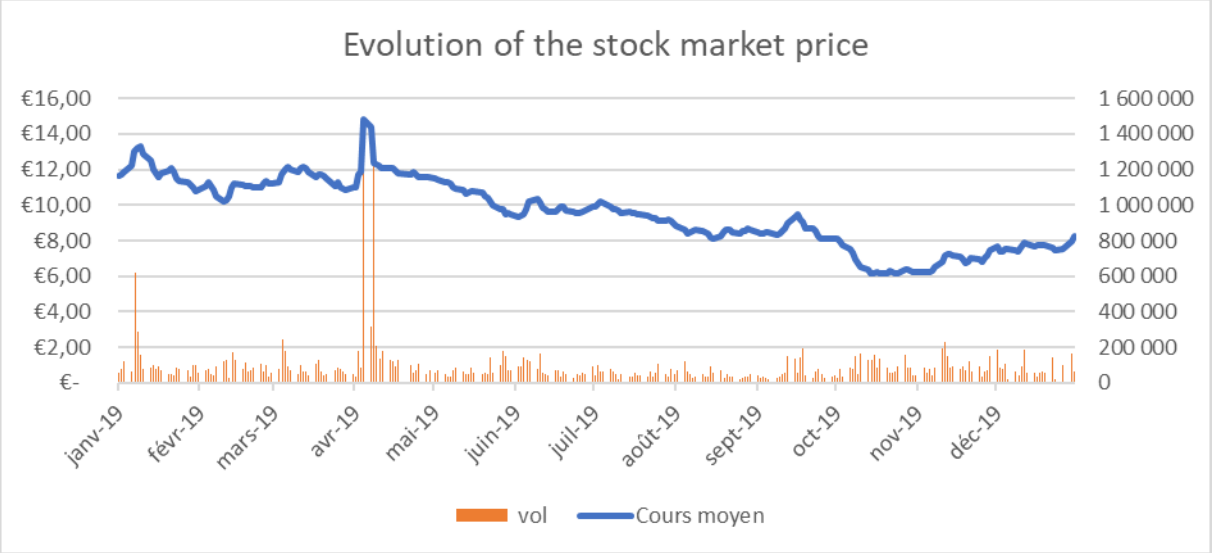
Since December 31, 2017, the AMF has received the following threshold crossing statements:

- By letter received by the AMF on April 25, 2019, Laurent Levy stated that on April 24, 2019, he had crossed the threshold 5% of the voting rights of Company and that he held 731,560 shares of Nanobiotix, representing 3.3% of the capital and 5.5% of the voting rights.

The Company is not aware of any other threshold crossing between December 31, 2017 and the date of the Universal Registration Document.

5.1.7.3. Stock Information

The Company's securities were admitted to trading in the regulated market of Euronext in Paris (compartment C) on October 29, 2012 under ISIN No. FR 0011341205. In January 2015, the Company announced the transfer of its share from Compartment C to Compartment B of the Euronext Regulated Market in Paris given the progress of its market capitalization in 2014. The stock market trajectory for the share throughout 2019 was as follows:



5.2. MAJOR SHAREHOLDERS

5.2.1. Allocation of capital and voting rights as of the date of the Universal Registration Document

To the Company's knowledge, the allocation of capital and voting rights (taking into account the cancellation of voting rights attached to the treasury shares) as of the date of the Universal Registration Document is as follows:

	Non-diluted basis					Fully diluted basis			
	Share capital					Share capital			
	Number of shares	Number of voting rights	% of share capital	% of voting rights		Number of shares	Number of voting rights	% of share capital	% of voting rights
Institutional investors	7,583,156	7,583,156	33.36%	32.01%		7,583,156	7,583,156	30.09%	28.99%
Family offices	793,325	847,145	3.49%	3.58%		793,325	847,145	3.15%	3.24%
Total Financial investors	**8,376,481**	**8,430,301**	**36.85%**	**35.58%**		**8,376,481**	**8,430,301**	**33.23%**	**32.22%**
Laurent LEVY	809,060	1,380,620	3.56%	5.83%		1,729,460	2,301,020	6.86%	8.79%
Philippe MAUBERNA	50,000	50,000	0.22%	0.21%		308,200	308,200	1.22%	1.18%
Anne-Juliette HERMANT	-	-	0.00%	0.00%		110,000	110,000	0.44%	0.42%
OTHER MANAGERS AND EMPLOYEES	437,096	623,314	1.92%	2.63%		1,524,908	1,711,126	6.05%	6.54%
Total Mangement and employees	**1,296,156**	**2,053,934**	**5.70%**	**8.67%**		**3,672,568**	**4,430,346**	**14.57%**	**16.93%**
Other	**13,031,305**	**13,193,924**	**57.39%**	**55.69%**		**13,143,394**	**13,291,744**	**52.15%**	**50.80%**
Treasury shares	**12,911**	**12,911**	**0.06%**	**0.05%**		**12,911**	**12,911**	**0.05%**	**0.05%**
TOTAL	**22,731,122**	**23,691,070**	**100%**	**100%**		**25,205,354**	**26,165,302**	**100%**	**100%**

5.2.2. Significant shareholders not represented on the Executive Board and Supervisory Board

The Company is not aware of any shareholders holding more than 5% of the Company's share capital or voting rights that is not represented to one of its boards.

5.2.3. Shareholders' voting rights

At the date of the Universal Registration Document, each shareholder is entitled to one vote per share. However, a double voting right is attached to each registered share, which is held in the name of the same shareholder for at least two years.

In addition, in the event of a capital increase by incorporation of reserves, profits or share premiums, double voting rights may be conferred, as soon as they are issued, on registered shares allocated free of charge to a shareholder on the basis of existing shares for which this right is granted.

Double voting rights will be stripped automatically from all shares converted to bearer shares or transferred to another shareholder, unless the transfer is the result of an inheritance, the liquidation of community property between spouses or an *inter vivos* gift made by a shareholder to his or her spouse or a relative in the line of succession, or as a result of a transfer resulting from a merger or demerger of a corporate shareholder.

5.2.4. Control of the Company

As of the date of the Universal Registration Document, no shareholder controls the Company within the meaning of article L. 233-3 of the French Commercial Code.
Accordingly, except for the presence of independent members within the Supervisory Board and the regulated convention procedure, the Company has not implemented measures to ensure that its eventual control is not exercised improperly.

5.2.5. Agreements that may result in a change of control

To the best of the knowledge of the Company, there is no agreement whose implementation could result in a change in control of the Company.

5.2.6. Pledges and collaterals

To the knowledge of the Company, none of its shares have been pledged.

5.3. MEMORANDUM AND ARTICLES OF ASSOCIATION

5.3.1. Corporate purpose (article 3 of the Company's bylaws)

Our corporate purpose, either directly or indirectly, in particular through the intermediary of subsidiaries or holdings, in France and abroad, is:

- The research and development in natural and physical sciences;
- The filing, study, acquisition, granting of any patents, licenses, methods, trademarks and protection of specialized knowledge connected or relating in any way to the fields or technologies covering our corporate purpose;
- The design, development, production, marketing, importation, exportation and exploitation by any means of drugs, pharmaceutical specialties, medical devices and other health possessions;
- The creation, acquisition, rental, lease-management of all business assets or facilities (*fonds de commerce*), lease, installation, operation of all establishments (*fonds de commerce*) factories and workshops, relating to any of the specified activities;
- The participation in any transactions that may relate to our corporate purpose by creating new companies, subscribing or purchasing securities or corporate rights, merging or otherwise; and
- More generally, all financial, commercial, industrial transactions and transactions involving real estate or movable properties relating directly or indirectly to any of the aforementioned corporate purposes or any similar or related purpose, in order to promote their development or extension.

5.3.2. Provisions enabling a change of control to be delayed, postponed or prevented

No particular provisions of the Company's bylaws or regulations could have the effect of delaying, deferring or preventing a change of control. To the best of the Company's knowledge, there is no action in concert between the Company's shareholders.

5.3.3. Special provisions governing changes in capital

No particular provisions of the Company's bylaws govern its changes in capital.

5.4. INFORMATION AND HISTORY OF THE LEGAL LIFE OF THE COMPANY OVER THE FINANCIAL YEAR

5.4.1. Corporate name of the Company

The Company's name is Nanobiotix.

5.4.2. Place of registration and registration number

The Company was registered with the Paris Trade and Companies Register on March 4, 2003 under number 447 521 600. The Company's LEI number is 969500667RSYIH8YL895.

5.4.3. Date of incorporation and term

The Company was incorporated for a term of 99 years ending March 4, 2102, subject to early dissolution or extension.

5.4.4. Company headquarters, legal form, legislation governing its activities

Initially incorporated as a limited liability company (*société à responsabilité limitée*), the Company was transformed into a limited company (*société anonyme*) with an Executive Board and a supervisory board by a decision of the general meeting of shareholders convened on May 27, 2004. The Company, governed by French law, is mainly subject, for its operation, to the provisions of Articles L. 225-1 et seq. of the French Code of Commerce.
The Company's registered office is located at 60, rue de Wattignies, 75012 Paris. Company contact information is:
Phone: + 33 (0) 1 40 26 04 70
Fax: + 33 (0) 1 40 26 62 72
Website: www.nanobiotix.com
Email: contact@nanobiotix.com

The information appearing on the Company's website is not part of the Universal Registration Document unless such information is expressly incorporated by reference.

5.5. INFORMATION ABOUT THE SUBSIDIARIES

Nanobiotix Corp., a company established under the laws of the state of Delaware, incorporated in September 2014, is located in the Boston, Massachusetts, area, the world center for Life Sciences. Its capital is $3,560,660, wholly owned by Nanobiotix SA. Based within the Massachusetts Life Sciences Center, which is recognized worldwide for the number and quality of academic centers and biopharmaceutical companies located there, Nanobiotix Corp. develops part of the Company's business in the United States so as to provide with access to know-how and the expertise of the highest-level research.
Nanobiotix Corp. reported profits of €338 thousand in 2018 and €396 thousand in 2019.

Nanobiotix Spain, S.L.U., a company established under the laws of Spain, incorporated in December 2017, is wholly owned by Nanobiotix SA. Its registered office is 37, Pas Recoletos 28004, Madrid. Its share capital is €3,000.

The corporate accounts of Nanobiotix Spain show a loss of €101 thousand for the financial year ending December 31, 2018 and a loss of €32 thousand in 2019.

Nanobiotix Germany GmbH, a company established under the laws of Germany, incorporated in October 2017, is wholly owned by Nanobiotix SA. Its registered office is Prinzregentenstraße 11, 80538 München. Its share capital is €25,000. The corporate accounts of Nanobiotix Germany show a loss of €10 thousand for the financial year ending December 31, 2018 and a profit of €29 thousand in 2019. In addition, the Company has a secondary establishment at 1 Mail du Professeur Georges Mate -Villejuif Biopark-94800 Villejuif.

Curadigm, a wholly owned subsidiary of Nanobiotix, was incorporated on July 9, 2018. The company operates in France and in the United States with headquarters located in Paris, 60 rue de Wattignies 75012, at Nanobiotix S.A.'s premises. Its net loss after tax amounted to €526 thousand for the financial year ending December 31, 2019. Curadigm SAS has itself a wholly owned subsidiary Curadigm Corp. a company established under the laws of the state of Delaware, United States. Its registered office is located in the Boston, Massachusetts, area and the company operates in Nanobiotix Corp. premises in Boston.

The Curadigm platform is being developed for use across multiple therapeutic classes to utilize biocompatible nanoparticles to transiently occupy the pathways responsible for therapeutic clearance and hepatic toxicity. Curadigm Nanoprimer technology aims to prime the body to receive various therapeutics and could reshape the balance between efficacy and toxicity for patients by increasing drug bioavailability while decreasing unintended off-target effects, specifically liver & spleen toxicities. Curadigm is dedicated to advancing therapeutic development based on the deep understanding of how drugs interact with the body, to impact both known and novel drugs across multiple clinical indications.

5.6. REGULATED AGREEMENTS

5.6.1. Related-party agreements

Related-party transactions entered into during the financial years ending December 31, 2018 and December 31, 2019 are mentioned in the auditors' report on the regulated agreements in Section 5.6.3. of the Universal Registration Document, as well as in Note 23 of the appendix to the Company's consolidated accounts for the financial year ending December 31, 2019 in Section 4.1. of the Universal Registration Document. Since the drafting of the Auditor's Special Report for the 2019 financial year (see paragraph 5.6.3.1. below), no new related-party agreements have been entered into by the Company, with the exception of the amendment to Mr. Philippe Mauberna's employment agreement (see Section 5.6.2. below), the execution of which was authorized by the Supervisory Board on April 11, 2019. Ms. Anne-Juliette Hermant's employment agreement is based on the same characteristics' as M. Philippe Mauberna's contract, except that she is entitled to an annual base salary of €180,000.

5.6.2. Severance pay and employment agreements

Termination arrangement

On May 27, 2004, our Supervisory Board approved terms for severance pay to be awarded to our Chief Executive Officer and Chairman of our Executive Board, Dr. Levy. The terms provide that Dr. Levy is entitled to severance pay in either of the following circumstances:

(i) dismissal or non-renewal of Executive Board membership for any reason other than gross negligence or willful misconduct ("faute lourde," as defined under French case law); or

(ii) resignation within six months following a change of control (within the meaning of Article L. 233-3 of the French Commercial Code) due to a significant reduction in duties and responsibilities or compensation (including fixed compensation, benefits in kind, variable compensation or severance pay) or transfer of workplace to another country, in each case, without consent.

In such circumstance, as applicable, Dr. Levy is entitled to severance pay in an amount not to exceed the annual gross compensation (fixed and variable) he received during the year preceding departure.

The payment of severance is subject to calculation of the ''average achievement rate,'' which is based on specified performance objectives and is used to calculate the variable compensation received by the payee during the three years preceding departure. If the average achievement rate is less than 50%, no severance is payable, and if the average achievement rate falls between 50% and 100%, severance is payable in full. Any such payment shall include legal indemnities, but exclude compensation due under any non-compete arrangements, subject to certain limitations.

However, the severance to be paid, together with compensation under any non-compete arrangements that is separately due, may not exceed twice the annual gross compensation received by the payee during the year of resignation, dismissal or non-renewal of Executive Board membership.

For the avoidance of doubt, no severance payment will be payable if, following resignation, dismissal or non-renewal of Executive Board membership, Dr. Levy becomes an employee and his duties, responsibilities or compensation have not been reduced nor has he been required to transfer his workplace to another country, in each case, without consent.

Employment agreements

On May 23, 2013 the Company entered into a permanent employment agreement (contrat à durée indéterminée) with its Chief Financial Officer and member of our Executive Board, Mr. Philippe Mauberna. Mr. Mauberna's role and responsibilities include providing leadership, direction and management for the finance and accounting team, strategic recommendations to the CEO/chairman and members of the executive board of directors; managing the processes for financial forecasts and budgets and overseeing the preparation of all financial

reporting; ensure consistency and integrity of financial information presented in financial statements as listed company, establishing and developing relationships with senior management, external partners and stakeholders; and reviewing all formal finance, HR and IT-related processes.

The employment agreement was revised by an amendment authorized by the Supervisory Board on April 11, 2019 and executed on April 25, 2019. Under the employment agreement, Mr. Philippe Mauberna was entitled to an annual base salary of €220,000 in 2018 and variable compensation in an amount up to 50% of the annual base salary, depending on the achievement of specified performance objectives. In 2019, Mr. Philippe Mauberna was entitled to an annual base salary of €242,000 and variable compensation in an amount up to 50% of the annual base salary, depending on the achievement of specified performance objectives. The agreement provides for a 12-month non-compete period following the termination of employment. Mr. Mauberna is entitled to monthly compensation during the non-compete period of 66% of his annual base salary. Further, the agreement provides for an exclusivity undertaking during the term of the agreement, and a confidentiality undertaking for the term of the agreement 10 years thereafter. This employment agreement may be terminated by both Mr. Philippe Mauberna and the Company under the conditions provided for by regulation and the collective labour agreement applicable to the employee and subject to a 3-month prior notice.

On April 1, 2019 the Company entered into a permanent employment agreement (*contrat à durée indéterminée*) with our Chief People Officer and member of our Executive Board, Ms. Anne-Juliette Hermant. Ms. Herman's role and responsibilities include: developing, revising, and maintaining agency Human Resource policies; providing support to the CEO and CFO on the leadership team to determine and implement long-term objectives and strategies in order to meet organizational goals with a focus on programmatic implementation; developing and improving processes to build more efficient program structures and systems, including decision-making processes and workplan monitoring; recruiting, developing and retaining high-performing team members, providing clarity around roles; developing and motivating staff while facilitating effective team dynamics; promoting team members' personal and professional development and managing all HR functions, including payroll.

Under this employment agreement, Ms. Anne-Juliette Hermant is entitled to an annual base salary of €180,000 in 2019 and variable compensation in an amount up to 50% of the annual base salary, depending on the achievement of specified performance objectives. The agreement provides for a 12-month non-compete period following the termination of employment. Ms. Anne-Juliette Hermant is entitled to monthly compensation during the non-compete period of 66% of her annual base salary. Further, the agreement provides for an exclusivity undertaking during the term of the agreement, and a confidentiality undertaking for the term of the agreement 10 years thereafter. This employment agreement may be terminated by both Ms. Anne-Juliette Hermant and the Company under the conditions provided for by regulation and the collective labour agreement applicable to the employee and subject to a 3-month prior notice.

5.6.3. Special report of the statutory auditors on regulated agreements and commitments

5.6.3.1. Special report of the statutory auditors for fiscal year 2019

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

Nanobiotix
Annual General Meeting held to approve the financial statements
for the year ended December 31, 2019

Statutory auditors' report on related party agreements

GRANT THORNTON
French member of Grant Thornton International
29, rue du Pont
CS 20070
92200 Neuilly-sur-Seine
S.A.S. au capital de € 2 297 184
632 013 843 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Nanobiotix

Annual General Meeting held to approve the financial statements for the year ended December 31, 2019

Statutory auditors' report on related party agreements

To the Annual General Meeting of Nanobiotix,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-58 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-58 of the French Commercial Code *(Code de commerce)* of the continuation of the implementation, during the year ended December 31, 2019, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized and concluded during the year ended December 31, 2019, to be submitted to the Annual General Meeting for approval in accordance with Article R. 225-58 of the French Commercial Code *(Code de commerce)*

Agreements previously approved by the Annual General Meeting

In accordance with Article R 225-57 of the French Commercial Code *(Code de commerce)*, we have been notified that the implementation of the following agreement, which was approved by the Annual General Meeting in prior years, continued during the year ended December 31, 2019.

- **With Mr Laurent Condomine, chairman of the Supervisory Board of your Company.**

In his capacity as Chairman of the Supervisory Board, Mr. Laurent Condomine did not receive any remuneration in 2019.

Neuilly-sur-Seine and Paris-La Défense, April 3, 2020

The Statutory Auditors
French original signed by

GRANT THORNTON
French member of Grant Thornton International

ERNST & YOUNG et Autres

Samuel Clochard

Cédric Garcia

Note that does not form part of the Statutory auditors' report:
It was initially understood that an agreement was in place due to the role of Mr. Laurent Condomine, as Chairman of the Supervisory Board. It has since been deemed not tob e the case.

5.7. EMPLOYEES

5.7.1. Human Resources

5.7.1.1. Workforce

At the end of the financial years under review, the Company's average number of employees, excluding trainees, evolved as follows:

Membership at cloture	2019	2018	2017	2016	2015
Business Development	1	1	2	2	1
General Management	4	5	4	2	3
Finance, Administration, HR, Communication	24	21	16	11	11
Medical Affairs	8	9	12	0	0
Research/Discovery	7	13	13	16	15
Clinical Development, Regulatory Affairs, Production & Quality	58	53	38	30	29
Corporate Development	0	0	0	3	1
Curadigm	8				
TOTAL	**110**	**102**	**85**	**64**	**60**
Nanobiotix SA	85	89	75	61	59
Nanobiotix Corp.	16	10	9	3	1
Nanobiotix S.L.U.	0	1	1	0	0
Nanobiotix Gmbh	2	2	0	0	0
Curadigm	7				
TOTAL	**110**	**102**	**85**	**64**	**60**

5.7.1.2. Financial instruments providing access to the Company's capital allocated or granted to the first ten employees who are not corporate officers of the Company, awarded and exercised or subscribed by them during the financial year ended December 31, 2019

	Total number of AGAs awarded and Options granted – shares subscribed or purchased	Weighted Average Price Per Share	OSA 2019	AGA 2019
Number of AGA granted and OSA granted during the financial year by the Company to the ten employees who are not corporate officers of the Company and whose number of AGA or OSA is the highest (aggregate information)	137,750	€11.08	36,250	101,500
Number of BSA and/or BSPCE, OSA or AGA exercised or definitely acquired by the ten Company employees, of which the number of BSAs and/or BSPCEs thus exercised or OSA thus exercised is the highest (aggregate information)	None	None	None	None

5.7.2. Employee share ownership

As of December 31, 2019, the participation of the Company's employees in the company's share capital, calculated in accordance with the provisions of Article L. 225-102 of the French Commercial Code (i.e. as part of collective management), was 0%. To the Company's knowledge, the direct participation of the Company's employees (excluding members of the Executive Board) on that date was approximately 1.28%.

6. FURTHER INFORMATION

6.1. PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Mr. Laurent LEVY, CEO of Nanobiotix SA.

6.1.1. Statement by the person responsible for the Universal Registration Document

"*I certify, after having taken all reasonable steps to this effect, that the information contained in the Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.*

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the company and of all the companies included in the consolidation, and that the management report , which is detailed in the cross-reference table in section 6.5 of the Universal Registration Document presents a true and fair view of the development of the business, the results of operations and the financial position of the company and of all the companies included in the consolidation and describes the main risks and uncertainties they face."

Paris, May 12, 2020,
LAURENT LEVY
CEO

6.1.2. Person responsible for the financial information

Mr. Laurent LEVY
CEO
Address: 60, rue de Wattignies, 75012 Paris
Phone: + 33 (0) 1 40 26 04 70
Fax: + 33 (0) 1 40 26 62 72
Mail: contact@nanobiotix.com

Mr. Philippe MAUBERNA
CFO
Address: 60, rue de Wattignies, 75012 Paris
Phone: + 33 (0) 1 40 26 04 70
Fax: + 33 (0) 1 40 26 62 72
Mail: contact@nanobiotix.com

6.2. STATUTORY AUDITORS

6.2.1. Statutory Auditors

ERNST & YOUNG and Others represented by Mr. Cédric Garcia
Paris La Défense 1-1-2 Place des Saisons 92400 Courbevoie.
Member of the *Compagnie régionale des commissaires aux comptes de Versailles* (Regional Company of the Auditors of Versailles).

ERNST & YOUNG's term as the statutory auditor was renewed by the shareholders' meeting convened on May 23, 2018 for a period of six financial years expiring at the end of the

shareholders' meeting called to settle on approve the accounts for the financial year ended December 31, 2023.

GRANT THORNTON represented by Mr. Samuel Clochard
29 rue du Pont 92200 Neuilly sur Seine.
Member of the *Compagnie régionale des commissaires aux comptes de Versailles* (Regional Company of the Auditors of Versailles).

Grant Thornton was appointed as the statutory auditor by the shareholders' meeting convened on May 23, 2018 for a period of six financial years expiring at the end of the shareholders' meeting called to settle on approve the accounts for the financial year ended December 31, 2023.

6.2.2. Statement on the fees paid to the statutory auditors

The fees paid to the statutory auditors in the year ended December 31, 2019 appear in note 24 of the Exhibits to the consolidated accounts of the Company for the financial year ended December 31, 2019, in section 4.1 of the Universal Registration Document.

6.3. INFORMATION FROM THIRD PARTIES, STATEMENTS BY EXPERTS AND DECLARATION OF INTERESTS

None.

6.4. PUBLICLY AVAILABLE DOCUMENTS

Copies of the Universal Registration Document are available at no charge at the Company's headquarters, 60, rue de Wattignies, 75012 Paris, France. The Universal Registration Document can also be found on the Company's website (www.nanobiotix.com) and on the AMF website (www.amf-france.org). The bylaws, minutes of shareholders' meetings and other corporate documents of the Company, as well as the historical financial information and any evaluation or statement made by an expert at the request of the Company that must be made available to shareholders in accordance with applicable law may be found at no cost to the Company's registered office. Hard-copies of these documents can also be requested by the Company.

Furthermore, in accordance with article 221-3 of the General Regulations of the French Financial Markets Authority (*Règlement général de l'Autorité des Marchés Financiers*), the regulatory information within the meaning of article 221-1 of said General Regulations is available on the Company's website (www.nanobiotix.com), as well as the last updated version of the Company's bylaws.

It is specified that the Universal Registration Document was drafted based on Annex I and II of the Delegated Regulation (EU) 2019/980 dated March 14, 2019.

6.5. CROSS-REFERENCE TABLE

The following cross-reference table allows to identify, in the Universal Registration Document, the information required by Annex I and Annex II of the Delegated Regulation (EU) 2019/980 dated March 14, 2019.

	Annual Financial Report Cross-Reference Table		
	Annual Financial Report	**Chapter(s) / Section(s)**	**Page**
1	Statement of the persons responsible	6.1.1	368
2	Annual financial statements (statutory accounts)- French GAAP	4.3	297
3	Consolidated financial statements – IFRS	4.1	230
4	Management Report	See index below	
5	Report on corporate governance	See index below	
6	Information related to the share buybacks	5.1.3	326
6	Statement of statutory auditors' fees	6.2.2	369
7	Report of the statutory auditors on the annual financial statements and on the consolidated financial statements	4.4 and 4.2 respectively	319, 289

	Management Report Cross-Reference Table		
	Management Report	**Chapter(s) / Section(s)**	**Page**
1	Activity and financial position of the Company during the past year	1.4	111
2	Progress made and difficulties encountered	1.3	50
3	Main risks and uncertainties - Use of financial instruments	1.5	125
4	Group's research and development activity	1.3.1 and 1.3.12	50, 82
5	Foreseeable evolution of the situation of the Company and of the Group - Future prospects	1.4.2	114
6	Significant events since the end of the financial year	1.1.3, 1.2	32, 34
7	Non-tax deductible expenses	1.4.7	123
8	Net income for the year and proposed allocation of net income	1.4.1	113
9	Dividends distributed over the last three financial years	1.4.6	123
10	Transactions in securities carried out by managers and persons mentioned in Article L. 621-18-2 of the French Monetary and Financial Code on the Company's securities during the financial year	2.2.4	174
11	State of equity holdings and/or controlling interests in companies having their registered office in France	5.5	359
12	Activities of subsidiaries and controlled companies	5.5	359
13	Branches	1.2.2.3.1	47
14	Risk management and internal control procedures implemented by the Company	2.4	192
15	Description and management of environmental and climate risks	1.5 and 3	
16	Potential Capital	5.1.5	340
17	Adjustments in the event of the issue of securities giving access to capital	N/A	
18	Changes in the ownership structure of the capital during the financial year	5.1.7	
19	Information relating to the allocation of capital and treasury shares - Share buyback program - Share price volatility risk	5.1.3	326
20	Employee shareholding	5.7.2	367

	Management Report Cross-Reference Table		
	Management Report	**Chapter(s) / Section(s)**	**Page**
21	Information relating to the grant of stock-options and allocation of free shares	5.1.4.3 and 5.1.4.4	334, 337
22	Extra-financial performance statement	N/A	
23	Tables of results over the past five years	1.4.7	123
24	Report on Corporate Governance	See index below	

	Corporate Government Report Cross-Reference Table		
	Report on corporate governance		**Page**
1	List of all offices and positions held in any company by each of the officers during the financial year	2.1.2	151
2	Composition, work preparation and organization conditions for the Supervisory Board	2.1.3, 2.1.5	153, 157
3	Limitations placed by the Supervisory Board on the Executive Board's powers	2.1.5	157
4	Reference to a Corporate Governance Code and application of the "comply or explain" principle	2.3	191
5	Compensation policy for corporate officers	2.2.8	177
6	Compensation and benefits of any kind paid during the financial year or allocated for the financial year to each corporate officer	2.2.2	166
7	Ratio of fixed and variable compensation	2.2.3	174
8	Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to compensation, indemnities or benefits due or likely to be due as a result of the acceptance, termination or change in their duties or subsequent to the performance thereof	5.6.2	361
9	Compensation paid or granted by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	2.2.8	177
10	Ratios between the level of compensation of each executive director and the average and median compensation of the Company's employees	2.2.3	174
11	Annual evolution of the compensation, Company performance, average compensation of the Company's employees and the aforementioned ratios over the last five financial years	2.2.3	174
12	Statement of how the total compensation complies with the adopted compensation policy, including how it contributes to the long-term performance of the Company and how the performance criteria have been implemented	2.2.9.4	190
13	Manner in which the vote of the last ordinary shareholders' meeting of the Company provided for in II of article L. 225-100 of the French Commercial Code was taken into account	2.2.9.5	190
14	Any deviations or waivers from the compensation policy implementation procedure	2.2.9.6	190

	Corporate Government Report Cross-Reference Table		
	Report on corporate governance		**Page**
15	Enforcement of the provisions of the second paragraph of Article L. 225-45 of the Commercial Code	N/A	
16	Agreements entered into between a member of the Executive Board or significant shareholder and a subsidiary	2.1.6.3 and 5.6	163, 360
17	Specific procedures relating to the participation of shareholders in the shareholders' meeting	5.2.3	357
18	Summary table of valid delegations of authority granted by the Company's shareholders' meeting with respect to capital increases	5.1.5	340
20	Description of the diversity policy	N/A	
21	Procedure for evaluating standard agreements - Implementation	2.1.7	163
22	Information likely to have an impact in the event of a public offer	2.5	199

	Universal Registration Document Table of concordance		
	Annexes I and II of the Delegated Regulation No. 2019/980 of the European Commission dated March 14, 2019	**Chapter(s) / Section(s)**	**Page**
1.	**PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL**	**6**	**368**
1.1.	Persons responsible for the information contained in the registration document	6.1	368
1.2.	Declaration of persons responsible for the information contained in the registration document	6.1.1	368
1.3.	Expert's statement or report	N/A	
1.4.	Statements regarding third-party information	6.3	369
1.5.	Statement with prior approval by the competent authority	Front page	
2.	**STATUTORY AUDITORS**	**6.2**	368
2.1.	Name and address of the Company's statutory auditors	6.1	368
2.2.	Statutory auditors having resigned, dismissed or not reappointed during the relevant period	N/A	
3.	**RISK FACTORS**	**1.5**	125
4.	**INFORMATION ABOUT THE COMPANY**	**1.2, 5.4**	34, 359
4.1.	Corporate name and trade name	5.4.1	359
4.2.	Place and number of incorporation, and legal entity identifier ("LEI")	5.4.2	359
4.3.	Date of incorporation and term	5.4.3	359
4.4.	Registered office, legal form, jurisdiction, country of origin, address and phone number of registered office and website	5.4.4	359
5.	**BUSINESS OVERVIEW**	**1.3**	50
5.1.	Principal activities	1.2.1, 1.3.1	34, 50
5.1.1.	*Nature of the operations and principal activities*	*1.3.1*	50
5.1.2.	*Significant new products and/or services*	*N/A*	
5.2.	Principal markets	1.3	50

	Universal Registration Document Table of concordance		
	Annexes I and II of the Delegated Regulation No. 2019/980 of the European Commission dated March 14, 2019	**Chapter(s) / Section(s)**	**Page**
5.3.	Important events in the development of business	1.2	34
5.4.	Strategy and objectives	1.3.1	50
5.5.	Information regarding the extent to which the company is dependent, on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	1.5	125
5.6.	Basis for any statements made by the Company regarding its competitive position	1.3.1, 1.3.11	50, 81
5.7.	Investments	1.2.4	49
5.7.1.	*Material investments made during the three last financial years*	*1.2.4*	49
5.7.2.	*Material investments in progress or for which firm commitments have already been made*	1.2.4	49
5.7.3.	*Joint ventures and undertakings in which the Company holds a proportion of the capital likely to have significant effect on the assessment of its own assets and liabilities, financial position or profits and losses*	1.2.4	49
5.7.4.	*Environmental issues that may affect the Company's utilization of the tangible fixed assets*	N/A	
6.	**ORGANIZATIONAL STRUCTURE**	**1.2.2**	40
6.1.	Brief description of the Group	1.2.2	40
6.2.	List of the significant subsidiaries	5.5	359
7.	**OPERATING AND FINANCIAL REVIEW**	**1.4**	111
7.1.	Financial condition	1.4.1	111
7.1.1.	*Company's development and performance, financial condition, changes in financial condition for the last three financial years*		
7.1.2.	*Company's likely future development and activities in the field of research and development*		
7.2.	Operating results	1.4.1	111
7.2.1.	*Significant factors, including unusual or infrequent events or new development materially impacting the Group's operating income*	*1.4.5*	122
7.2.2.	*Reasons for material changes in the Group's net sales or revenues*	*1.4.5*	122
8.	**CAPITAL RESOURCES**	**1.4.4**	119
8.1.	Information concerning the Company's capital resources	1.4.4	119
8.2.	Sources, amounts and narrative description of the Company's cash flows	1.4.2.2	114
8.3.	Information on the borrowing requirements and funding structure of the Company	1.4.2.4	115
8.4.	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Company's operations	1.4.4	119
8.5.	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2	1.4.4	119
9.	**REGULATORY ENVIRONMENT**	**1.3.16**	95
10.	**TREND INFORMATION**	**1.4.3**	119
10.1.	Most significant recent trends and any significant change in the financial performance of the Group since the end of the last financial year	1.1.3	32
10.2.	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects	1.4.3.4	119
11.	**PROFIT FORECASTS OR ESTIMATES**	**1.4.3.3**	119
11.1.	Published profit forecasts or estimate	1.4.3.3	119

	Universal Registration Document Table of concordance		
	Annexes I and II of the Delegated Regulation No. 2019/980 of the European Commission dated March 14, 2019	**Chapter(s) / Section(s)**	**Page**
11.2.	Statement on the principal assumptions upon which the Company has based its forecast or estimate	N/A	
11.3.	Statement of comparability with the historical financial information and compliance with the Company's accounting policies	N/A	
12.	**ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT**	**2.1**	149
12.1.	Information in relation to members of the administrative, management, and supervisory bodies	2.1	149
12.2.	Administrative, management and supervisory bodies and senior management conflicts of interests	2.1.6	163
13.	**REMUNERATION AND BENEFITS**	**2.2**	164
13.1.	Amount of remuneration paid and benefits in kind granted by the Group	2.2.1, 2.2.2	165, 166
13.2.	Total amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefit	2.2.5	176
14.	**BOARD PRACTICES**	**2.1**	149
14.1.	Date of expiration of the current terms of office and period during which the person has served in that office	2.1.1	149
14.2.	Information about members of the administrative, management or supervisory bodies' service contracts with the Company or any of its subsidiaries providing for benefits upon termination of employment	2.2.2, 5.6.2	166, 361
14.3.	Information about the Company's specialized committees	2.1.5	157
14.4.	Corporate governance	2.3	174
14.5.	Potential material impacts on the corporate governance	2.5	199
15.	**EMPLOYEES**	**5.7**	366
15.1.	Number of employees	5.7.1.1	366
15.2.	Shareholdings and stock options of any person referred to in item 12.1	2.2.7, 5.1.4	176, 328
15.3.	Arrangement for involving the employees in the capital of the Company	5.7.2	367
16.	**PRINCIPAL SHAREHOLDERS**	**5.2**	356
16.1.	Shareholders holding more than 5% of the Company's share capital or voting rights	5.2.2	357
16.2.	Different voting rights	5.2.3	357
16.3.	Direct or indirect ownership or control of the Company	5.2.4	357
16.4.	Arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company	5.2.5	357
17.	**RELATED PARTY TRANSACTIONS**	**5.6.1**	360
18.	**FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**	**4**	230
18.1.	Historical financial information	4.1, 4.3	230, 297
18.1.1.	*Audited historical financial information for the last three financial years and audit report*	*4*	230
18.1.2.	*Change of accounting reference date*	*N/A*	
18.1.3.	*Accounting standards*	*4.1.6.2, 4.3.3*	236, 300
18.1.4.	*Change of accounting framework*	*4.1.6.2*	236
18.1.5	*Balance sheet, income statement, changes in equity, cash flow statement,*	*4.1, 4.3*	230,

	Universal Registration Document Table of concordance		
	Annexes I and II of the Delegated Regulation No. 2019/980 of the European Commission dated March 14, 2019	**Chapter(s) / Section(s)**	**Page**
.	*accounting policies and explanatory notes*		297
18.1.6	*Consolidated financial statements*	*4.1*	230
18.1.7	*Date of latest financial information*	*4*	230
18.2.	Interim and other financial information	*N/A*	
18.3.	Auditing of historical annual financial information	*4*	230
18.3.1	*Independent auditing of historical financial information*	*4.2, 4.4*	289, 319
18.3.2	*Other information in the registration document that has been audited by the auditors*	*N/A*	
18.3.3.	*Financial information not extracted from Company's audited financial statements*	*N/A*	
18.4.	Pro forma financial information	N/A	
18.5.	Dividend policy	1.4.6	123
18.5.1.	*Description of the policy on dividend distributions and any restrictions thereon*	*1.4.6*	123
18.5.2	*Amount of dividend per share*	*N/A*	
18.6.	Legal proceedings and arbitration	*1.5.6*	148
18.7.	Significant changes in the Company's financial position	*1.4.3.4*	119
19.	**ADDITIONAL INFORMATION**	**5**	326
19.1.	Share capital	5.1	326
19.1.1.	*Amount of issued and authorized share capital, number of shares issued and fully paid and par value per share*	*5.1.1, 5.1.5*	326, 340
19.1.2.	*Information about shares not representative of share capital*	*5.1.2*	326
19.1.3.	*Number, book value and face value of shares held by or on behalf of the Company itself or by subsidiaries of the Company*	*5.1.3*	326
19.1.4.	*Information about the amount of convertible securities, exchangeable securities or securities with warrants*	*5.1.4*	328
19.1.5.	*Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital*	*N/A*	
19.1.6.	*Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option*	*5.1.6*	351
19.1.7.	*Share capital history*	*5.1.7*	352
19.2.	Memorandum of association and by-laws	5.3	358
19.2.1.	*Register and corporate purpose*	*5.3.1*	358
19.2.2.	*Rights, preferences and restrictions attaching to each class of the existing shares*	*5.2.3*	357
19.2.3.	*Provisions that would have an effect of delaying, deferring or preventing a change in control of the Company*	*5.3.2*	358
20.	**MATERIAL AGREEMENTS**	**1.3.13**	88
21.	**DOCUMENTS AVAILABLE**	**6.4**	369

GLOSSARY

Abscopal effect: the abscopal effect (from the Latin *ab-* "distant" and the Greek *skopos* "target", literally "far from the target") is the effect caused by irradiation on tissues far from the irradiated site. In the field of cancerology, the term refers to the anti-tumor effect caused by radiotherapy outside the field of irradiation (i.e. the regression of distant metastases after irradiation of the primary tumor).

Adrenal gland: gland above the kidney.

Adverse Effect: incident or risk of incident involving a device or a drug that has resulted in or could result in death or any deterioration of the health of a patient, a user or a third party.

AMM (Marketing Authorization): administrative authorization which is pre-requisite to the sale of drugs, both in human and veterinary medicine. It is granted in the European Union by the European Medicines Agency and the United States by the Food and Drug Administration (FDA).

ANSM: the *Agence Nationale de Sécurité du Médicament et des Produits de Santé* replaced the *Agence Française de Sécurité Sanitaire du Médicament et des Produits de Santé* (AFSSMPS) on May 1st, 2012 at, overtaking its missions, rights and obligations. The ANSM has two main missions: providing equitable access to innovation for all patients; and ensuring the safety of health products throughout their life cycle, from the initial trials to post-marketing surveillance. It is responsible in particular for issuing marketing authorizations, withdrawing or suspending said marketing authorizations and approving clinical trials.

CE Branding: in force since 1993, the CE marking shows the conformity of a product to the Community requirements incumbent on the manufacturer of the product. It must be affixed before a product is placed on the European market. It gives the products in question freedom of circulation throughout the European Union.

Clearance: ability of a tissue, organ or body to remove a given substance.

Contract Manufacturing Organization (CMO): contract research companies to which the pharmaceutical/cosmetic industry may subcontract the planning, completion and follow-up of preclinical research studies and/or clinical trials as well as large scale production of drugs.

Contract Research Organization (CRO): contract research companies to which the pharmaceutical/cosmetic industry may subcontract the planning, completion and follow-up of preclinical research studies and/or clinical trials.

Covalent Link: chemical bond in which each of the atoms bound together pools an electron from one of its outer layers to form an electron doublet linking the two atoms. It is one of the forces that produces the mutual attraction between atoms.

Cytotoxicity: the property of a chemical or biological agent to alter cells, possibly to the point of destruction.

Drug: any substance or composition presented as having curative or preventive properties with regard to human or animal diseases, as well as any substance or composition that may be used in or administered to humans, in order to establish a medical diagnosis or to restore, correct or modify their physiological functions by exerting a pharmacological, immunological or metabolic action (Article L5111-1 of the French Public Health Code).

Electron: one of the fundamental constituents of matter, negatively charged. It can be emitted by devices called particle accelerators for use in radiation therapy.

EMA (European Medicines Agency): based in Amsterdam, this decentralized body of the European Union is responsible for the protection and promotion public and animal health through the evaluation and supervision of medicinal products for human and veterinary use. The EMA is responsible for the scientific evaluation of applications for European marketing authorization for medicinal products (centralized procedure). When the centralized procedure is used, companies file a single application for marketing authorization to the EMA.

Federal Drug Administration (FDA): U.S. Food and Drug Administration. This body is tasked, among other things, with authorizing the sale of medicines in the United States.

GCP (Good Clinical Practice): set of measures ensuring quality of clinical trials.

Genotoxicity: the ability to alter genes.

GMED: French Notified Body for Medical Devices.

GMP (Good Manufacturing Practices): part of the pharmaceutical quality assurance which ensures that drugs are manufactured and controlled consistently, according to quality standards adapted to the intended use and in compliance with the specifications of these drugs.

Gray: X-ray dose unit, abbreviated as Gy. Of the name of an English radiobiologist Stephan Gray.

Hepatocellular carcinoma: cancer that develops from liver cells called hepatocytes. It is also referred to as HCC or hepatocarcinoma.

ICH: the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use is an international structure that brings together regulatory authorities and representatives from the pharmaceutical industry in Europe, Japan and the United States to discuss the scientific and technical aspects of drug registration. The mission

of ICH is to achieve data and regulatory harmonization and thus ensure the safety, quality and effectiveness of drugs developed and recorded by the different participating countries.

Immune checkpoint inhibitor: tumor cells sometimes develop the ability to escape immune system control and thus being attacked and destroyed by the immune system. For this, the tumor triggers very precise mechanisms that make immune cells (i.e. T cells) ineffective. The body is then unable to adequately respond to fight the cancer cells. Key elements of these mechanisms, called immune checkpoints (CTLA-4, PD-1, PD-L1, among others) may be blocked by treatments called "immune checkpoint inhibitors." Blocking these receptors reactivates the immune system so that it can fight more effectively tumor cells.

Immune System: the body's complex defense system against diseases; one of the properties of the immune system is its ability to recognize substances foreign to the body and to trigger defense measures, such as antibody synthesis.

Immunogenicity: the potential of an antigen to induce an immune response.

Immuno-Oncology ("IO"): a medical approach aimed at restoring or stimulating the patient's immune system (e.g., the patient's natural defenses, white blood cells and T-cells) to help the body's natural defense cells recognize and destroy cancer cells.

Immunotherapy: a therapy that acts primarily on the patient's immune system to make it capable of detecting and destroying cancer cells. Specific immunotherapy involves making tumor cells more recognizable by the immune system or stimulating certain immune cells to make them more effective. It is based on monoclonal antibodies, including immune checkpoint inhibitors or bispecific antibodies but also adoptive cell transfer or anti-tumor vaccination.

Incidence: the frequency with which a pathology is detected in a population.

Irradiation Field: area of the body on which radiation is projected during radiation therapy.

LEEM: professional organization that federates and represents the pharmaceutical companies present in France. It promotes collective approaches to progress, quality and enhancement of the sector.

Lethal Energy: deadly energy.

Dose Limiting Toxicity (DLT): dose for a given medication at which toxicity appears. This dose is used to define the therapeutic dose that will necessarily be below DLT.

Local Treatment: treatment that consists of acting directly on the tumor or the area where it is located. The goal of this type of treatment is to eliminate all cancer cells in that area. Surgery and radiotherapy are local cancer treatments. It is also called locoregional treatment.

Lymph node: small bulge on the lymphatic vessel pathway. Often arranged in chains or clusters, the lymph nodes are either on the superficial (in the neck, armpit, groin), or deep (in the abdomen, chest). They play an essential role in protecting the body against infection or cancer cells. They normally measure less than 1 centimeter in diameter. Adenopathy is the abnormal size of a lymph node. An enlarged lymph node may be related to something other than cancer.

Materio-vigilance: Monitoring of incidents that may occur in the use of medical devices, monitoring of incidents or risks of incidents resulting from their use of medical devices after they made available on the market. Specific procedures must ensure the quality of their supply, storage, commissioning or dispensing, the maintenance of their performance and safety level, their prescription and, finally, the training of those who have to use them.

Medical Device: any instrument, apparatus, equipment, material, product, with the exception of products of human origin, or other material used alone or in combination, including the accessories and software involved in its operation, intended by the manufacturer to be used in humans for medical purposes and the primary action of which is not obtained by pharmacological, immunological or metabolic means, but the function of which can be assisted by such means.

Metastasis: spread of cancer cells from one part of the body to others.

MRI (Magnetic Resonance Imaging): cross-sectional images in different planes based on the magnetic properties of the tissues, which allows a three-dimensional reconstruction of the analyzed structure.

Neoadjuvant treatment: treatment that precedes the main treatment. Most often, the purpose of neoadjuvant therapy is to reduce the size of the tumor before surgery or radiotherapy, which makes treatment easier. Chemotherapy, radiation therapy, or hormone therapy can be neoadjuvant therapies.

Oncology: medical specialty that focuses on cancer.

Principal investigator: person who leads and monitors the conduct of the research and ensures the coordination with any investigators who are at different sites (multicenter trials).

Protocol: Detailed plan of a scientific or medical experiment, treatment or procedure. The protocol of a clinical study describes what is being done, how it is being done and why.

Radiation oncologist: a doctor specializing in the treatment of cancer by radiotherapy. Radiation therapy involves exposing the tumor, and sometimes some of the lymph nodes connected to the affected organ, to radiation in order to destroy the cancer cells. In collaboration with a specialized team that includes a physicist and a dosimetrist, the radiotherapist calculates the dose of radiation needed to treat the patient and plans radiation therapy sessions. These will be carried out by a radiotherapy technician. Regular

check-ups enable the radiotherapist to ensure that the treatment is going well and to prescribe medication to treat any adverse events.

Radiation therapy: treatment of cancer with radiation that destroys cancer cells or stops their growth. Unlike chemotherapy, which acts on cancer cells throughout the body, radiation therapy is a local treatment, like surgery. The rays themselves are not painful, but they can cause adverse events, sometimes several weeks after radiation therapy.

Randomization: process of randomly assigning patients to different groups to compare different treatments.

Standard of care: treatment (or other intervention) commonly used and considered effective based on previous clinical studies. It is the best-known treatment.

Response Evaluation Criteria in Solid Tumors (RECIST 1.1): the response evaluation criteria in solid tumors have defined a simple, single-dimensional evaluation method to provide standardized and simplified criteria that allows comparison between clinical trials. They have become the most widely accepted criteria for response assessment in clinical trials in most solid tumors.

Risk to benefit ratio: this term describes the theoretical relationship between the benefits expected from the treatment and the potential risk of adverse events from that treatment.

Sarcoma: type of cancer that develop in connective tissue (tissue that supports, wraps, protects or fills other organs in the body: bone, muscle, fat, vessels, etc.).

Solid tumor: an abnormal mass of tissue that usually does not contain a cyst or fluid. Solid tumors can be benign (non-cancerous) or malignant (cancerous).

Toxicity: adverse effects related to the administration of a treatment. Toxicity is graded on a scale of 0 to 4.

Tumorectomy: a surgery that removes a tumor and a small part of the surrounding tissue, while preserving the organ on which it grew.

USD: US Dollars.

Vigilance: the monitoring of all adverse events during a clinical trial.

X-ray: a ray of invisible light. X-rays pass through materials and are more or less stopped depending on the components they encounter. The passing rays can be detected, allowing body imaging. Depending on their power, they are used to perform medical imaging examinations (radiology) or treat patients (radiotherapy). X-rays are also called X-photons.

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