GRANT THORNTON
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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, 2020

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 et du Centre

Nanobiotix

Year ended December 31, 2020

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, 2020.

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, 2020 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, 2020 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

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, 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 clinical trial expenses accruals

Risk identified	Our response
In the context of the development of its products, the Company carries 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 complexity of determining the key assumptions used to determine 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 assessing the valuation and the factors underlying the assumptions used by Management to determine the amount of accrued expenses. In this context, we have: ► performed procedures to evaluate internal control procedures implemented to identify and estimate the costs to be recognized as accruals at year end; ► 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; ► analyzed the information drawn up by Management documenting the cost per patient of the trials performed; ► read the significant contracts entered into with clinical trial centers; ► tested the invoices billed by the contract research organizations during the subsequent period to assess the consistency of the management’s estimate; ► reconciled 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 European Investment Bank**

Risk identified	Our response
Note 4.2 “Financing agreement with the European Investment Bank (“EIB”)” to the consolidated financial statements sets out that the Company 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 accumulated fixed-rate interest will be reimbursed in 2023 and the second tranche and the related accumulated fixed-rate interest will be reimbursed between 2021 and 2024. The Company also committed to pay additional interests as royalties on net sales that occur 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 market release date of the product, growth and penetration rate. The estimate of the sales forecast to which the royalty rate would be applied represents a risk. A misstatement would lead to an improper estimate of the “Financial liabilities” in the consolidated financial position and the “Financial expenses” in the statements of consolidated operations. Given the complexity in determining the key assumptions made by management such as product launch dates, growth and penetration rates in each market, we consider estimates turnover forecast to which the royalty rate will be applied as a key audit matter.	Our audit procedures mainly consisted in assessing the method used to estimate the liability at amortized cost and the 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 the Company and the EIB ; ► analyzed the report prepared by the Management, approved the Executive and Supervisory Boards and presented to the EIB to document sales forecasts and related royalties ; ► evaluated the reasonableness of management’s assumptions to determine the expected market release dates of the product considering the actual completion of the clinical trials by comparing to the time needed by the company to obtain its first regulatory approval; ► analyzed management’s assumptions to determine the growth and penetration rate in each market; ► reconciled the assumptions of sales used in the calculation of the fair value of the financial debt at year end with the elements approved by the Supervisory Board and communicated to the EIB.

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.

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

Format of presentation of the financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*).

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, 2020, GRANT THORNTON and ERNST & YOUNG et Autres were in the fourth year and ninth year of total uninterrupted engagement, which are the fourth year and eighth year since securities of the Company were admitted to trading on a regulated market, respectively.

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 7, 2021

The Statutory Auditors
French original signed by

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Samuel Clochard	Cédric Garcia