ITEM 3. KEY INFORMATION

A.[Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business and our industry are subject to significant risks. You should carefully consider all the information set forth in this Annual Report, including the following risk factors. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. Additional risks not currently known to us or that we currently deem immaterial may also affect our business operations.

Summary of Key Risks

Our business and our industry are subject to numerous risks described in “Risk Factors” and elsewhere in this Annual Report. You should carefully consider these risks before making a decision to invest in our securities.

Risks Related to Our Business (see “Risks Factors — Risks Related to Our Business” for additional details):

- We have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.
- We face substantial competition from companies, many of which have considerably more resources and experience than we have.
- We will need to obtain additional funding, which may not be available on acceptable terms, or at all. Failure to obtain this necessary funding when needed may force us to delay, limit or terminate our product development efforts or other operations.

Risks Related to the Discovery, Development and Commercialization of Our Product Candidates (see “Risks Factors — Risks Related to the Discovery, Development and Commercialization of Our Product Candidates” for additional details):

- Our product candidate development programs are in various phases of development and may be unsuccessful.
- Initial, interim and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data becomes available and are subject to audit and verification procedures that could result in material changes in the final data.
- We may encounter substantial delays in our clinical trials of our lead product candidate NBTXR3, including the timing of the interim or final analysis of Study Nanoray-312 which is an event driven trial and a function of amongst other factors, patient enrollment rate, or we may fail to demonstrate safety and efficacy to the satisfaction of applicable regulatory authorities.
- Even if we or Janssen, our strategic development and commercialization licensee, successfully complete clinical trials of our lead product candidate NBTXR3, NBTXR3 may not be successfully commercialized for other reasons.
- Any issues that arise in the highly complex manufacturing process for our product candidates could have an adverse effect on our business, financial position or prospects.
- Difficulty enrolling patients could delay timelines of interim or final analysis we announce or publish from time to time or prevent clinical studies of NBTXR3.
- If our product candidates do not achieve projected development milestones and commercialization in the announced or expected timeframes, further development or commercialization of our product candidates may be delayed, and our business may be harmed.
- Our product candidates may cause undesirable side effects that could halt their clinical development, delay or prevent their regulatory approval, limit their commercial potential, or result in other significant , negative consequences.

- Our future profitability, if any, depends, in part, on the ability of Janssen, our strategic development and commercialization licensee on NBTXR3, to penetrate global markets, where we and Janssen would be subject to additional regulatory burdens and other risks and uncertainties.

Risks Related to Our Reliance on Third Parties (see "Risks Factors — Risks Related to Our Reliance on Third Parties" for additional details):

- Because of the significance of the license agreement signed with Janssen, we face heightened risk with respect to our reliance on Janssen in connection with the development and commercialization of NBTXR3.
- Third parties on whom we rely to conduct, supervise and monitor clinical studies may not perform satisfactorily.
- We are party to strategic development and commercialization relationships, which may not advance or be successful and may delay or harm further development or commercialization of our product candidates.
- Access to raw materials, starting material and products necessary for the conduct of clinical trials and manufacturing of our product candidates is not and cannot be guaranteed.

Risks Related to Operational Compliance and Risk Management (see "Risks Factors — Risks Related to Operational Compliance and Risk Management" for additional details):

- We will need to develop and expand our company, and we may encounter difficulties in managing this development and expansion, which could disrupt our operations.
- Product liability lawsuits could divert our resources, result in substantial liabilities and reduce the commercial potential of our product candidates.
- We have previously identified and continue to have a material weakness in our internal control over financial reporting. If we are not able to remediate the material weakness and otherwise maintain an effective system of internal control over financial reporting, the reliability of our financial reporting, investor confidence, and the value of our securities could be adversely affected.
- Our internal computer systems, or those of our third-party contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of our product development programs or loss of personal data.
- Because our consolidated financial statements rely on estimates and assumptions, actual results may vary significantly from estimates that we make.

Risks Related to Regulatory Approvals for Our Product Candidates (see "Risks Factors — Risks Related to Regulatory Approvals for Our Product Candidates" for additional details):

- Our business is governed by a rigorous, complex and evolving regulatory framework, including pre-marketing regulatory requirements, pricing, reimbursement and cost-containment regulations, and rigorous ongoing regulation of approved products. This regulatory framework results in significant compliance costs, makes the development and approval of our product candidates time intensive and unpredictable, and may reduce the ultimate economic value and prospects for our product candidates.
- A Fast Track, Breakthrough Therapy, Priority Review or Accelerated Approval designation by the FDA, may not lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive or maintain regulatory approval. See more specifically for Accelerated Approval pathway section "Government regulation, product approval and certification" of this Annual Report for additional details.
- Government restrictions on pricing and reimbursement, as well as other healthcare payor cost-containment initiatives, may negatively impact our ability to generate revenues if we obtain regulatory approval for any of our product candidates.

Risks Related to Intellectual Property (see "Risks Factors — Risks Related to Intellectual Property" for additional details):

- Our ability to compete may decline if we do not adequately protect our proprietary rights.
- If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.
- Patents and patent applications involve highly complex legal and factual questions, which, if determined adversely to us, could negatively impact our competitive position.
- A dispute concerning the infringement or misappropriation of our proprietary rights or the proprietary rights of others could be time-consuming and costly, and an unfavorable outcome could harm our business.

Risks Related to Human Capital (see "Risks Factors — Risks Related to Human Capital" for additional details):

- We depend on key management personnel and attracting and retaining other qualified personnel, and our business could be harmed if we lose key management personnel or cannot attract and retain other qualified personnel.

Risks Relating to Our Status as a Foreign Private Issuer or a French Company (see "Risks Factors — Risks Relating to Our Status as a Foreign Private Issuer or a French Company" for additional details):

- The rights of shareholders in companies subject to French corporate law differ in material respects from the rights of shareholders of corporations incorporated in the United States.
- Our By-laws and French corporate law contain provisions that may delay or discourage a takeover attempt and investments in the Company may be subject to prior governmental authorization under the French foreign investment control regime.
- Our failure to maintain certain tax benefits applicable to French technology companies may adversely affect our results of operations.
- Although not free from doubt, we do not believe we were a "passive foreign investment company," or PFIC, for U.S. federal income tax purposes for the taxable year ended December 31, 2023. However, we cannot assure you that we will not be classified as a PFIC for the taxable year ending December 31, 2024 or any future taxable year, which may result in adverse U.S. federal income tax consequences to U.S. holders.
- As a foreign private issuer under U.S. Securities law, we are exempt from a number of rules under the U.S. securities laws and we follow certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance standards.

Risks Related to Ownership of Our ADSs (see "Risks Factors — Risks Related to Ownership of Our ADSs" for additional details):

- Holders of our ADSs do not directly hold our ordinary shares.
- Share ownership is concentrated in the hands of our principal shareholders and management, who will continue to be able to exercise substantial influence on us.

Risks Related to Our Business

We are a clinical-stage biotechnology company pioneering disruptive, physics-based therapeutic approaches, which makes it difficult to evaluate our current business and future prospects and may increase the risk of your investment.

We are a clinical-stage biotechnology company pioneering disruptive, physics-based therapeutic approaches focused on developing first-in-class product candidates that use its proprietary nanotechnology to transform cancer treatment by increasing the efficacy of radiotherapy. Investment in biotech development is a highly speculative endeavor. Biotech product development entails substantial upfront capital expenditures, and there is significant risk that any potential product candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, to gain required regulatory approvals or to become commercially viable. While there have been significant advances in nanotechnology, our product candidates are new and unproven, and our most advanced product candidate NBTXR3 is in clinical development except for the STS indication, and we have not yet generated any revenue from product sales to date, including STS.

Our operating history to date may make it difficult to evaluate our current business and our future prospects. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly evolving industries, such as the biotechnology industry. Consequently, the ability to predict our future operating results or business prospects is more limited than if we had a portfolio of approved products on the market.

We may not be able to fully implement or execute on our commercial strategy or realize, in whole, in part, or within our expected time frames, the anticipated benefits of our strategies. You should consider our business and prospects in light of the risks and difficulties we face as a company focused on developing products in the field of physics-based therapeutic approaches and advancing clinical trials.

We have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.

We devote most of our financial resources to research and development relating to our NBTXR3, including the advancement of our clinical trials. We finance our current operations primarily through loans such as from the European Investment Bank, as well as by obtaining public funding, reimbursements of research tax credit claims, and milestones on our licensed technology pursuant to strategic licensing relationships such as Janssen.

Even if we or Janssen, acting as our strategic licensee, successfully complete clinical studies and obtain regulatory approval to market our lead product candidate NBTXR3, any future revenues will depend upon the size of any markets in which the product candidates are approved for sale as well as the market share captured by such product candidates, market acceptance of such product candidates and levels of reimbursement from third-party payors.

We expect to continue to incur significant expenses and operating losses for the foreseeable future. We expect our losses and our cash utilization to substantially increase in the near term as we conduct our clinical studies and

submit a NDA and/or foreign equivalent filings for additional product candidates, conduct research and development for product candidates, invest in deploying and scaling our manufacturing capabilities, seek regulatory and marketing approvals, and establish necessary infrastructure for the commercialization of any products for which we obtain marketing approval.

The net losses we incur may fluctuate significantly from year to year and quarter to quarter, such that a period-to-period comparison of our results of operations may not be a good indication of our future performance. In any particular period or periods, our operating result could be below the expectations of securities analysts or investors which could cause the price of our common shares, including under ADSs, to decline.

We face substantial competition from companies many of which have considerably more resources and experience than we have.

The biotechnology industry, and the oncology industry in particular, is characterized by intense competition and rapid innovation. We face competition from new and established biotechnology and pharmaceutical companies, academic research institutions, government agencies and public and private research institutions. Many of our competitors, either alone or with strategic partners, have substantially greater financial, technical and other resources, such as larger research and development staff, greater expertise in large scale pharmaceutical manufacturing, and/or well-established marketing and sales teams. In addition, smaller or early-stage companies may compete with us through collaborative arrangements with more established companies. Our competitors, either alone or with partners, may succeed in developing, acquiring or licensing compounds, drugs, biologic products or medical device that are more effective, safer, more easily commercialized, or less costly than our product candidates. Further, competitors may develop proprietary technologies or secure patent protection that we may need for the development of our technologies and products. Our competitors also compete with us in recruiting and retaining qualified scientific and management personnel.

Even if we or Janssen, acting as our strategic licensee, obtain regulatory approval of our product candidates, the availability and price of our competitors' products may limit demand for, or the price that we are able to charge for our product candidates. We may not be able to implement our business plan if the acceptance of our product candidates is inhibited by price competition or the reluctance of physicians to switch from existing methods of treatment to our product candidates, or if physicians switch to other new drug, medical device or biologic products or choose to reserve our product candidates for use in limited circumstances.

We are subject to various risks related to public health crises that could have material and adverse impacts on our business, financial condition, liquidity, and results of operations.

Any outbreaks of contagious diseases and other adverse public health developments could have a material and adverse impact on our business, financial condition, liquidity, and results of operations. As has occurred with the COVID-19 global pandemic, a regional epidemic or a global pandemic could cause disruptions to national and global economies and financial markets as well as raw materials supply chains, and could have a negative impact on our clinical trials, including with respect to patient recruitment. In the case of the COVID-19 pandemic, the most significant impact on our business were delays in protocol development and review processes for the initiation of clinical trials, clinical trial delays resulting from patient enrollment disruptions, increased patient withdrawals from clinical trials, and tighter restrictions imposed on patients participating in clinical trials.

While we believe that global health systems and patients have largely adapted to the impacts of COVID-19, the advancement of our clinical trials relies on physician-administered product candidates and in-person patient follow-up, which could be adversely affected by any future pandemic, epidemic or similar public health threat, which could present similar risks to our business, results of operations, financial condition and prospects.

We have a history of losses and require additional funding to execute our clinical development plan and support ongoing operational needs.

We have incurred losses since inception of €316.5 million, including net losses of €39.7 million for the year ended December 31, 2023. As of December 31, 2023, we had cash and cash equivalents of €75.3 million.

We expect to continue to incur significant expense related to the development and manufacturing of nanotechnology product candidates such as NBTXR3 and conducting clinical studies. Additionally, we may encounter unforeseen difficulties, complications, development delays and other unknown factors that require additional expense. As a result of these expenditures, we expect to continue to incur significant losses in the near term.

The Company has not yet established a source of revenues sufficient to cover its operating costs, and as such, has financed its growth through successive capital increases, collaboration and license agreements, loans and receipt of research tax credit available in France.

The failure to raise additional funding may have a material adverse effect on our business, results of operations and financial position. If we do not become consistently profitable, our accumulated deficit will grow larger and our cash balances will decline further, and we will require further financings to continue operations. Any such financings may not be accessible on acceptable terms, if at all.

We are limited in our ability to raise additional share capital, which may make it difficult for us to fund our operations

Under French law, our extraordinary general shareholders' meeting may decide to increase our share capital at a majority vote of at least two-thirds of the shareholders present, represented by proxy. Alternatively, it may delegate to our executive board the authority to carry out such increase. Accordingly, we may not be in position to issue additional share capital if we are unable to obtain the required majority at our extraordinary shareholders' meeting.

If we raise additional capital through the sale or issuance of additional equity or convertible securities, including through the equity line we implemented with Kepler Cheuvreux, current ownership interests may be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect stockholders' rights. Debt financing, if available, would result in increased fixed payment obligations and a portion of our operating cash flows, if any being dedicated to the payment of principal and interest on such indebtedness. In addition, debt financing may involve agreements that include restrictive covenants that impose operating restrictions, such as restrictions on the incurrence of additional debt, the making of certain capital expenditures or the declaration of dividends. Furthermore, to the extent we raise additional funds through arrangements with research and development partners or otherwise, we may be required to relinquish some of our technologies, product candidates or revenue streams, license our technologies or product candidates on unfavorable terms, or otherwise agree to terms unfavorable to us.

Finally, we cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Even if we believe we have sufficient funds for our current or future operating plans, we may seek additional capital if market conditions are favorable or in light of specific strategic considerations.

The Group has entered into loan agreements with the European Investment Bank, Bpifrance Financement and HSBC France (for a description of these agreements, see Item 10. C). A default in payment or a breach of certain covenants of all or part of these loans, including 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.

If we are unable to obtain funding on a timely basis, we may be required to significantly curtail, delay or discontinue one or more of our research and development programs of our product candidates, or the commercialization of any product candidate other than NBTXR3 for which the rights of development and commercialization have been granted to Janssen.

We are subject to various risks related to geo-political crises that could have material and adverse impacts on our business, financial condition, liquidity, and results of operations.

Geo-political crises may have adverse impacts on the global or regional healthcare ecosystems, including clinical trial infrastructure. Given the global nature of certain of our clinical trials, we may be adversely impacted by such developments. For example, as a result of the Russian invasion of Ukraine in 2022, we were required to identify alternative sites in other countries to replace sites originally identified in Russia and Ukraine. Although these sites were not yet active, certain trial preparation and start-up fees and expenses that we had incurred were not recoverable.

Risks Related to the Discovery, Development and Commercialization of Our Product Candidates

Our product candidate development programs are in various phases of development and may be unsuccessful.

Our product candidates are in various phases of development. At each stage of development, there is typically an extremely high rate of attrition from the failure of product candidates advancing to subsequent stages of development.

Because some of our product candidates are in the early stages of discovery or preclinical development, there can be no assurance that our research and development activities will result in these product candidates advancing into clinical development. Product candidates in these development phases undergo testing in animal studies, and the results from these animal studies may not be sufficiently compelling to warrant further advancement. Moreover, even if results from animal studies are positive, such results are not necessarily predictive of positive results in clinical studies.

Even where product candidates do progress into and through clinical studies, these product candidates may fail to show the desired safety and efficacy in clinical development despite demonstrating positive preliminary clinical data and/or results in animal studies. Although we are a late-stage clinical development company, the safety, specificity

and clinical benefits of NBTXR3 has not yet been fully demonstrated in all indications, and we cannot assure you that the results of current and future clinical trials will demonstrate the value and efficacy of our platform. The results of clinical studies are subject to a variety of factors, and there can be no assurance that any current or future product candidate will advance to regulatory approval, be approved by applicable regulatory agencies or be successfully commercialized.

Although there are a large number of drugs, biologics, and medical devices in development globally, only a very small percentage obtain regulatory approval, even fewer are approved for commercialization, and only a small number of these achieve widespread physician and consumer acceptance. Accordingly, despite expending significant resources in pursuit of their development, our product candidates may never achieve commercial success, and any time, effort and financial resources we expend on development programs that we pursue may adversely affect our ability to develop and commercialize our product candidates.

Initial, interim and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we, or our strategic development and commercialization partners or licensee such as MD Anderson and Janssen may publish initial, interim or preliminary data from clinical studies. Interim and preliminary data from clinical trials are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. For instance, while we and our strategic development partners have published preliminary data from past and ongoing clinical studies, because such data is preliminary in nature, they have not established statistical significance, and should not be viewed as predictive of the ultimate success of the respective clinical trials. It is possible that such results will not continue or may not be repeated in ongoing or future clinical trials for our product candidates, in particular NBTXR3. Particular caution should be exercised when interpreting preliminary results and results relating to a small number of patients or individually presented case studies--such results should not be viewed as predictive of future results.

Preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published (according, among others, the applicable new response evaluation criteria in solid tumors). As a result, initial, interim and preliminary data should be viewed with caution until the final data are available. Adverse differences between initial, preliminary or interim data and final data could significantly harm our business prospects.

We may encounter substantial delays in our clinical trials, including clinical studies of NBTXR3, or we may fail to demonstrate safety and efficacy to the satisfaction of applicable regulatory authorities.

Clinical trials are long, expensive and unpredictable processes that can be subject to extensive delays. We cannot guarantee that any clinical trials will be conducted as planned or completed on schedule, if at all. It will take several years to complete the clinical development necessary to obtain adequate data to file for a marketing authorization or to commercialize a product candidate, and failure can occur at any stage.

Positive interim or preliminary results of clinical trials do not necessarily predict positive final results, and success in early clinical trials does not ensure that later clinical trials will be successful. Product candidates in later stages of clinical trials such as NBTXR3 may still fail to show the desired safety and efficacy profile despite having successfully progressed through initial clinical trials. A number of pharmaceutical and biotechnology companies have suffered significant setbacks—lack of efficacy, insufficient durability of efficacy or unacceptable safety issues in advanced clinical trials, even after promising results in earlier trials.

We cannot be certain that our product candidates will not face similar setbacks. An unfavorable outcome in one or more clinical trials would be a major setback for our product candidates and for us and may require us or our strategic development and commercialization partners and licensees to delay, reduce or redefine the scope of, or eliminate one or more product candidate development programs, any of which could have a material adverse effect on our business, financial condition and prospects.

In addition, a number of events, including any of the following, could delay clinical trials, negatively impact the ability to obtain regulatory approval for, and to market and sell, a particular product candidate, or result in suspension or termination of a clinical trial:

- conditions imposed by the FDA, or, as the case may be, EMA, or any other regulatory authority regarding the scope or design of clinical trials;
- inability to generate sufficient preclinical, toxicology or other *in vivo* or *in vitro* data to support initiation of clinical studies;

- delays in obtaining, or the inability to obtain, regulatory agency approval for the conduct of the clinical trials or required approvals from institutional review boards (IRBs), or other reviewing entities at clinical sites selected for participation in our clinical trials;
- the identification of flaws in the design of a clinical trial;
- changes in regulatory requirements and guidance that necessitate amendments to clinical trial protocols;
- recommendations from independent data monitoring committees to modify or discontinue ongoing studies due to unforeseen safety issues or lack of effectiveness;
- delays in sufficiently developing, characterizing or controlling manufacturing processes suitable for clinical trials;
- insufficient supply or deficient quality of the product candidates or other materials necessary to conduct the clinical trials, including as a result of manufacturing issues at our in-house manufacturing facilities or at the facilities of our external partners;
- lower-than-anticipated enrollment and retention rate of subjects in clinical trials for a variety of reasons, including size of patient population, sites selection, nature of trial protocol, the availability of approved treatments for the relevant disease and competition from other clinical trial programs for similar indications and competition from approved products;
- delays in reaching agreement on acceptable terms with prospective contract research organizations (CROs) and clinical study sites and obtaining required IRB approval at each clinical study site;
- the placing of a clinical hold on our or our strategic licensees' clinical trials;
- unfavorable interpretations by FDA, or similar foreign regulatory authorities of interim data;
- determinations by the FDA, or similar foreign regulatory authorities that a clinical trial protocol is deficient in design to meet its stated objectives;
- failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols;
- serious and unexpected safety issues, including related side effects experienced by patients in clinical trials;
- failure of our or our strategic development third-party contractors to meet their contractual obligations in a timely manner; or
- lack of, or failure to, demonstrate efficacy of our products candidate.

Our product candidates are based on a novel technology, which makes it difficult to predict the time and cost of product candidate development and obtaining regulatory approval.

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. We have concentrated our research, development and manufacturing efforts on our nanotechnology-based product candidate NBTXR3, and our future success depends on the successful development of this therapeutic approach using a physical mode of action. There can be no assurance that any development problems we experience in the future will not cause significant delays or unanticipated costs, or that such development problems can be overcome. We may also experience delays in developing a sustainable, scalable manufacturing process, or effectively implementing such process at our manufacturing facility, which may prevent us from completing our clinical studies or commercializing our products on a timely or profitable basis, if at all. Our expectations with regard to the scalability and cost of manufacturing may change significantly as we further progress the development of our NBTXR3.

In addition, the clinical study requirements of the FDA, EMA, PMDA, as applicable and other local regulatory agencies and the criteria these regulators use to determine the safety and efficacy of a product candidate are determined according to the type, complexity, novelty and intended use and market of the potential products. The regulatory approval process for novel product candidates such as ours can be more complex and consequently more expensive and can take longer than for other, better known or extensively studied pharmaceutical or other product candidates, as corroborated by the dual classification of NBTXR3, considered as a drug by the FDA and a medical device either by competent health authorities or notified body in the EU. Approvals by any regulatory agency may not be indicative of what any other regulatory agency may require for approval or what such regulatory agencies may require for approval in connection with our product candidates, in particular NBTXR3.

Any issues that arise in the highly complex manufacturing process for our product candidates could have an adverse effect on our business, financial position or prospects.

Our nanotechnology-based products undergo a complex, highly regulated manufacturing process. The process is subject to strict controls and procedures to ensure minimal batch-to-batch variability. As a result, our manufacturing process is subject to multiple risks.

We may encounter difficulties in production, particularly in scaling out and validating initial production and ensuring the absence of contamination. These problems include difficulties with production costs and yields, quality control, including stability of the product, quality assurance testing, improper installation or operation of equipment, operator error, shortages of qualified personnel, IT and other technical challenges, shortage of raw material or starting material and other procurement issues, as well as compliance with strictly enforced federal, state and foreign regulations.

Even minor deviations from normal manufacturing processes could result in reduced production yields, product defects, and other supply disruptions. If microbial, viral, or other contaminations are discovered in our supply of product candidates or in the manufacturing facilities in which product candidates are made, such supply may have to be discarded and the manufacturing may be stopped or such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination.

While we currently use third-party contract manufacturing organizations, or CMOs, to manufacture NBTXR3, we completed construction of an in-house manufacturing facility in Villejuif, France. This manufacturing facility is now operational and dedicated to the manufacturing of drug substance for our investigational products. We have very limited experience in operating a manufacturing infrastructure for clinical or commercial pharmaceutical products, and we may never be successful in effectively exploiting such in-house manufacturing capabilities. In addition to all the challenges discussed above regarding manufacturing, we may face potential problems associated with scaling to the level required for advanced clinical trials or commercialization, including, among others, cost overruns, process scale-up and/or scale-out, process reproducibility, stability issues, lot consistency, and timely availability of reagents or raw materials. Further, the application of new regulatory guidelines or parameters, such as those related to release testing, may also adversely affect our ability to manufacture NBTXR3.

Even as we successfully deploy and scale our in-house manufacturing capabilities, we may be adversely affected by cost-overruns, unexpected delays, equipment failures, labor shortages, IT and other technical challenges, natural disasters, power failures, regulatory issues and numerous other factors that could prevent us from realizing the intended benefits of our internalized manufacturing capabilities and have a material adverse effect on our business. We may ultimately be unable to reduce the cost of goods for NBTXR3 to levels that will allow for an attractive return on investment if and when those product candidates are commercialized. In addition, we may never obtain the regulatory approvals to manufacture our commercial products in our in-house manufacturing facility.

Any changes to manufacturing processes may result in additional regulatory approvals.

The manufacturing process for any products that we, or our licensee Janssen with regard to NBTXR3, may develop is subject to FDA, and any other regulatory authority approval or notified body for the jurisdictions in which we or our strategic development and commercialization partners will seek marketing approval for commercialization as well as ongoing compliance requirements. If the manufacturing process is changed during the course of product development or subsequent to a product's commercialization, FDA, or foreign regulatory authorities could require us to conduct additional bridging trials, which could delay or impede our ability to obtain marketing approval. If we, our licensee Janssen, or our CMOs, are unable to reliably produce NBTXR3 or products to specifications acceptable to the FDA, or other regulatory authorities, we may not obtain or maintain the approvals we need to further develop, conduct clinical trials for, and commercialize such products in the relevant territories.

Difficulty enrolling patients could delay or prevent clinical studies of NBTXR3.

Identifying and qualifying patients to participate in clinical studies is critical to the success of the relevant product candidate. The timing of clinical studies depends, in part, on the speed of recruitment of patients to participate in testing such product candidates such as NBTXR3 as well as completion of required follow-up periods. We or those evaluating NBTXR3 pursuant to licenses from us may not be able to identify, recruit and enroll a sufficient number of patients or patients with required or desired characteristics to achieve the objectives of the study. If patients are unable or unwilling to participate in such studies, the timeline for recruiting patients, conducting studies and obtaining regulatory approval of potential products may be delayed. These delays could result in increased costs, delays in advancing NBTXR3, delays in testing the effectiveness of our technology, failure to meet study endpoints or objectives or termination of the clinical studies altogether.

In addition, competition among clinical trials in the same therapeutic areas may reduce the number and types of patients available to participate in our clinical trials or clinical trials conducted by our strategic development partners. Because the number of qualified clinical investigators is limited, we expect to conduct some clinical trials at the same sites as our competitors, which may reduce the number of patients available for our clinical trials at such sites.

Certain of our competitors may have greater success than us in enrolling patients as a result of a variety of factors. Moreover, because of the novel nature of NBTXR3, potential patients and their doctors may be less likely to enroll in our clinical trials relative to clinical trials for more conventional therapies.

Patient enrollment is affected by a variety of factors, including:

- severity of the disease under investigation;
- incidence and prevalence of the disease under investigation;
- design of the clinical trial protocol;
- size and nature of the patient population;
- eligibility criteria for the trial in question;
- perceived risks and benefits of the product candidate under trial, including relative to other available therapies;
- proximity and availability of clinical trial sites for prospective patients;
- availability of competing therapies and clinical trials;
- patient referral practices of physicians;
- our ability to monitor patients adequately during and after treatment, and
- ability of the clinical sites to have sufficient resources and avoid any backlogs.

If we, or our strategic development partners, are unable to enroll a sufficient number of patients to conduct clinical studies as planned, it may be necessary to delay, limit or terminate such clinical studies, which could have a material adverse effect on our business and financial condition.

Even if we are able to enroll a sufficient number of patients in our clinical trials, delays in patient enrollment may result in increased costs or may affect the timing (including the timing of interim or final analysis) or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of the product candidates we develop and our financial condition.

Our product candidates may cause undesirable side effects that could halt their clinical development, delay or prevent their regulatory approval, limit their commercial potential, or result in other significant negative consequences.

Undesirable or unacceptable side effects caused by our product candidates could cause us or regulatory authorities to interrupt, delay, suspend or halt clinical trials, could result in the delay or denial of regulatory approval by the FDA, EMA, PMDA, or other comparable foreign regulatory authorities, or could lead to a more restrictive label for our product candidates.

Our product candidates have only had limited clinical trial application, and results of our clinical trials could reveal a high and unacceptable incidence and severity of side effects or unexpected characteristics. Additionally, as more patients are included in our and our strategic development partners' clinical trials, previously less common, side effects may also emerge.

Any undesirable side effects could cause us, our strategic development partners or regulatory authorities to interrupt, delay, halt or terminate clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA, EMA, PMDA or other regulatory authorities. Treatment-related side effects could also adversely affect patient recruitment or the ability of enrolled subjects to complete the trial or result in potential product liability claims.

Although we provide training to medical personnel involved in clinical trials for NBTXR3, failure of medical personnel to recognize or manage potential side effects of NBTXR3 could exacerbate adverse outcomes and potentially result in patient deaths.

Any of these occurrences could prevent our product candidates, including NBTXR3 from achieving or maintaining market acceptance and could increase the cost of development and commercialization, and may harm our business, financial condition and prospects significantly.

If our product candidates do not achieve projected development milestones and commercialization in the announced or expected timeframes, further development or commercialization of our product candidates may be delayed, and our business may be harmed.

We sometimes estimate, or may in the future estimate, for planning purposes, the timing of the accomplishment of various scientific, clinical, manufacturing, regulatory and other product development objectives. These milestones may include our expectations regarding the commencement or completion of scientific studies, clinical trials, the submission of regulatory filings, and the receipt of marketing approval or commercialization objectives.

The achievement of many of these milestones may be outside of our control. All of these milestones are based on a variety of assumptions, including assumptions regarding capital resources and constraints, progress of development activities, and the receipt of key regulatory approvals or actions, any of which may cause the timing of achievement of the milestones to vary considerably from our estimates.

If we, or our strategic development and commercialization partners, fail to achieve announced milestones in the expected timeframes, the commercialization of the product candidates, in particular NBTXR3, may be delayed, our credibility may be undermined, and our business and results of operations may be harmed.

Even if we or our strategic development and commercialization partners successfully complete clinical trials of NBTXR3, NBTXR3 may not be successfully commercialized for other reasons.

Even if we or our strategic licensees successfully complete clinical trials for NBTXR3, NBTXR3 may not be commercialized for other reasons, including:

- failing to receive regulatory approvals required to market them as drug or medical device;
- being subject to proprietary rights held by others;
- failing to comply with GMP requirements;
- being difficult or expensive to manufacture on a commercial scale;
- having adverse side effects that make their use less desirable;
- being inferior to existing approved drugs or therapies;
- failing to compete effectively with existing or new products or treatments commercialized by competitors; or
- failing to show long-term benefits sufficient to offset associated risks.

In addition, for product candidates developed by a strategic development partner or other collaboration partner pursuant to a licensing or commercialization agreement, we will depend entirely upon such party for marketing and sales of that product. These parties may not devote sufficient time or resources to the marketing and commercialization, or may determine not to pursue marketing and commercialization at all, which could prevent the affected products from reaching milestones or sales that would trigger payments to Nanobiotix.

Even if NBTXR3 is commercialized, NBTXR3 may not be accepted by physicians, patients, or others in the medical community.

Even if NBTXR3 receives marketing approval, the medical community may not accept such products as adequately safe and efficacious for their indicated use. Moreover, physicians may choose to restrict the use of the product, if, based on experience, clinical data, side-effect profiles and other factors, they are not convinced that the product is preferable to alternative drugs or treatments.

Additional factors that may influence whether NBTXR3 is accepted in the market, include:

- the clinical indications for which NBTXR3 is approved;
- the potential and perceived advantages and risks of NBTXR3 relative to alternative treatments;
- the prevalence and severity of side effects;
- the demonstration of the clinical efficacy and safety of the product;
- the approved labeling for the product and any required limitations or warnings;
- the timing of market introduction of the product candidate as well as of competing products;
- the effectiveness of educational outreach to the medical community about the product;
- the coverage and reimbursement policies of government and commercial third-party payors pertaining to the product; and
- the market price of the product relative to competing treatments.

We cannot predict the degree of market acceptance of any product candidate that receives marketing approval. If NBTXR3 is approved but fails to achieve market acceptance in the medical community, we will not be able to generate significant revenue. Even if our products achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our products, are more cost effective or render our products obsolete.

Coverage and reimbursement may be limited or unavailable in certain market segments for our product candidates, including NBTXR3, which could make it difficult for us to sell our product candidates, including NBTXR3, profitably.

Successful sales of NBTXR3, if approved, depends, in part, on the availability of adequate coverage and reimbursement from third-party payors. Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid in the United States, and commercial third-party payors, such as private health insurers and health maintenance organizations, are critical to new product acceptance. Coverage and reimbursement may depend upon a number of factors, including determinations as to whether a product is:

- a covered benefit under applicable policies or plans;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

Coverage and reimbursement policies vary, and obtaining coverage and reimbursement approval of a product from a government or other third-party payor is a time-consuming and costly process that could require us or our strategic development and commercialization partners to furnish on a payor-by-payor basis supporting scientific, clinical and cost-effectiveness data for the use of our products, with no assurance that coverage or adequate reimbursement will be obtained.

Even if coverage for a product is obtained, reimbursement rates may be inadequate to achieve profitability or may require co-payments that patients find unacceptably high.

If coverage is unavailable or reimbursement rates are inadequate, patients may not use our products. Because NBTXR3 represents a new approach to treatment, it may have a higher cost than conventional therapies and may require long-term follow-up evaluations, which may increase the risk that coverage and/or reimbursement rates may be inadequate for us to achieve profitability.

Our future profitability, if any, depends, in part, on the ability of Janssen, our strategic licensee on NBTXR3, to penetrate global markets, where we and Janssen would be subject to additional regulatory burdens and other risks and uncertainties.

Our future profitability, if any, will depend, in part, on the ability of our strategic development and commercialization licensee, Janssen, to commercialize NBTXR3 we develop in markets throughout the world.

Commercialization of our product candidates in various markets could subject us to additional risks and uncertainties, including:

- obtaining, on a country-by-country basis, the applicable marketing authorization from the competent regulatory authority;
- the burden of complying with complex and changing regulatory, tax, accounting and legal requirements in each jurisdiction that we pursue;
- differing medical practices and customs affecting acceptance in the marketplace;
- import or export licensing requirements;
- country specific requirements related manufacturing;
- language barriers for technical training, healthcare professionals and patients documents;
- reduced protection of intellectual property rights in some foreign countries;
- foreign currency exchange rate fluctuations;
- potential imposition of governmental controls; and
- patients' ability to obtain reimbursement for products in various markets.

Risks Related to Our Reliance on Third Parties

Because of the significance of our license agreement with Janssen, we face a heightened risk with respect to our reliance in connection with the development and commercialization of NBTXR3.

We are exposed to numerous risks resulting from our strategic development and commercialization relationships and our reliance on third-party partners in such relationships. In July 2023, we entered into a global exclusive licensing, development, and commercialization agreement with Janssen (the "Janssen Agreement"), for the investigational, potential first-in-class radioenhancer NBTXR3, on a worldwide basis, excluding the Asia Licensing Territory (as defined below). In December 2023, our strategic licensing agreement with Lian Oncology Limited ("LianBio"), under which LianBio had exclusive development and commercialization rights with respect to certain product candidates,

including NBTXR3 within the Asia Licensing Territory (as defined in the item 4.B) (the "Asia Licensing Agreement"), was assigned to Janssen. Following the assignment, Janssen will also have the development and commercialization rights provided for under the Asia Licensing Agreement with respect to product candidate NBTXR3 in the Asia Licensing Territory.

Because of the significance of our newly entered collaboration with Janssen and the contemplated scope of Janssen's involvement in the development and commercialization of NBTXR3, such risks are particularly acute with respect to our reliance on Janssen for the worldwide development and commercialization of NBTXR3. Further, the future payments contemplated by the Janssen Agreement and the Asia Licensing Agreement are expected to contribute a large portion of our revenue for the foreseeable future. Accordingly, Janssen's prioritization of, and commitment of resources to, the development and commercialization of NBTXR3, Janssen's effective design and execution of clinical studies, and Janssen's delivery of timely, quality data and other information with respect to such studies will be critical to our overall operating and financial performance.

Moreover, the significant rights granted to Janssen pursuant to the Janssen Agreement and the Asia Licensing Agreement limit our ability to undertake additional studies in new indications and to enter into additional collaborations or partnerships with third parties within the oncology field, which further amplifies our reliance on Janssen. As part of our collaboration with Janssen, we have undertaken to fulfill the manufacturing and supply of NBTXR3 for Janssen's clinical and commercial needs, subject to the negotiation of supply agreements, and Janssen's right to assume manufacturing responsibility. Such obligations increase the risks associated with our efforts to establish clinical and commercial scale manufacturing capabilities. To the extent we encounter difficulties in managing this development and expansion of our manufacturing capabilities, this could disrupt our operations and prevent us from realizing the financial benefits of our manufacturing strategy.

Further, we face the risk of significant disruptions in the development and commercialization of NBTXR3 should Janssen terminate the Janssen Agreement or the Asia Licensing Agreement, which it is permitted to do upon prior notice without cause. In such circumstances, we could also lose the opportunity to earn the future revenue we expected to generate under the Janssen Agreement, incur unforeseen costs, and suffer damage to the reputation of our products, product candidates and as a company generally.

Accordingly, in light of the importance of the Janssen Agreement and the Asia Licensing Agreement to us, each of the risks described in the entire section "Risk related to our reliance on third parties" relating to strategic relationships and reliance on third-party partners should be understood to apply with particular significance to our relationship with Janssen.

Third parties on whom we rely to conduct some aspects of our development programs may not perform satisfactorily.

We do not, and do not expect in the future to, independently conduct all aspects of our development programs. For example, the terms of the Asia Licensing Agreement include an undertaking of the licensee to contribute to enrollment in the Asia Licensing Territory in respect of a certain number of global registrational studies for NBTXR3 (see Item 10.C. of the Annual Report). We are also collaborating with MD Anderson on the development of NBTXR3 in various indications (e.g. head and neck, pancreatic, esophageal and lung cancers). We rely, and will continue to rely, on third parties for certain aspects of manufacturing, quality control, protocol development, material supply, research and preclinical development, translational activities, and clinical testing, clinical trial conduct and distribution activities. With respect to the clinical trials that we sponsor, we rely on CROs, medical institutions and clinical investigators to conduct our clinical studies. Such reliance on third parties reduces our control over these activities, but does not relieve us of our responsibility to ensure compliance with all required regulations and study and trial protocols.

If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct their activities in accordance with regulatory requirements and our stated study and trial plans and protocols, or if there are disagreements between us and these third parties, we may not be able to complete, or may be delayed in completing, the preclinical studies and clinical trials required to support future regulatory submissions and approval of the product candidates we develop.

Reliance on such third parties entails additional risks to which we would not be subject if we conducted the above-mentioned activities ourselves, including:

- that we may be unable to negotiate agreements with third parties under reasonable terms or that termination or non-renewal of an agreement occurs in a manner or time that is costly or damaging to us;
- that such third parties may have limited experience with our or comparable products and may require significant support from us in order to implement and maintain the infrastructure and processes required to manufacture, test or distribute our product candidates;

- that such third parties may not perform as agreed or in compliance with applicable laws and requirements, or may not devote sufficient resources to our products;
- that we may not have sufficient rights or access to the intellectual property or know how relating to improvements or developments made by our third-party service providers in the course of their providing services to us;
- that regulators object to or disallow the performance of specific tasks by certain third parties or disallow data provided by such third parties; and
- that such third parties may experience business disruptions, such as bankruptcy or acquisition, or failures or deficiencies in their supply chains, that disrupt their ability to perform their obligations to us.

Under certain circumstances, service providers, such as CROs or CMOs, which has contracted with the Company, may be entitled to terminate their engagements with us. In such circumstances, product development activities could be delayed while we seek to identify, validate, and negotiate an agreement with a replacement service provider. In some such cases an appropriate replacement may not be readily available or available on acceptable terms, which could cause additional delays to our development process.

Any of these events could lead to manufacturing, supply and/or clinical study delays or failure to obtain regulatory approval, or impact our ability to successfully commercialize future products, which could, in each case, have a material adverse effect on our business, financial condition, results of operations and prospects.

Third parties on whom we rely to conduct, supervise and monitor clinical studies may not perform satisfactorily.

We and our strategic licensees rely on medical institutions, clinical investigators, CROs and contract laboratories to carry out, or otherwise assist with, clinical trials or to perform data collection and analysis. For example, these third parties are tasked with monitoring toxicities and managing adverse events, which may be particularly challenging due to a number of factors including personnel changes, inexperience, shift changes, house staff coverage or related issues. While we and our strategic development partners have agreements governing these services, we and our strategic development partners have limited control over such third parties' actual performance. Nevertheless, we or our strategic development partners, as applicable, are responsible for ensuring that such clinical trial is conducted in accordance with the applicable protocol, legal, regulatory, ethical and scientific standards. Reliance on a third party does not relieve the sponsor of a clinical trial of any regulatory responsibilities, including compliance with the FDA's and other regulatory authorities' good clinical practices, or GCP, good manufacturing practices, or GMP, good laboratory practices, or GLP, and other applicable requirements for conducting, recording and reporting the results of clinical trials to assure that the data and reported results are credible and accurate and that the rights, integrity and confidentiality of clinical trial participants are protected.

If we, our strategic licensees, our respective CROs, or our respective investigators or trial sites fail to comply with applicable GCP, GLP, GMP or other applicable regulatory requirements, the clinical data generated in the applicable clinical trial may be deemed unreliable or otherwise not usable by the regulatory authorities and they may require the performance of additional clinical trials before issuing any marketing authorizations for the relevant product candidates.

Third party performance failures may increase our costs, delay our ability to obtain regulatory approval, and delay or prevent starting or completion of clinical trials and delay or prevent commercialization of our product candidates. While we believe that there are numerous alternative sources to provide these services, in the event that we seek such alternative sources, we may not be able to enter into replacement arrangements without incurring delays or additional costs.

We are party to strategic development and commercialization relationships, which may not advance or be successful and may delay or harm further development or commercialization of our product candidates.

Pursuant to the Janssen Agreement, Janssen has worldwide development and commercialization rights with respect to product candidate NBTXR3 excluding the Asia Licensing Territory. Following the assignment of the Asia Licensing Agreement to Janssen from LianBio, Janssen holds also the development and commercialization rights provided for under the Asia Development Agreement for NBTXR3 in the Asia Licensing Territory.

We may, in the future, enter into additional strategic relationships in respect of future product candidates.

All of the risks relating to product development, regulatory approval and commercialization described in this Annual Report apply to the activities of our strategic licensees and, in light of the importance of the Janssen Agreement and the Asia Licensing Agreement to us, apply with particular significance to the activities of Janssen.

Our reliance on strategic licensing arrangements may pose a number of risks, including the following:

- strategic licensees may not perform or prioritize their obligations as expected;
- clinical trials conducted pursuant to strategic licensing agreements may not be successful;
- strategic licensees may not pursue development and commercialization of product candidates including NBTXR3 that achieve regulatory approval or may elect not to pursue development or commercialization of product candidates, including NBTXR3 based on clinical trial results, changes in the partners' focus or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;
- strategic licensees may delay clinical trials, provide insufficient funding for clinical trials, stop a clinical trial, or abandon a product candidate;
- strategic licensees could develop, independently or with third parties, products that compete directly or indirectly with our product candidates, including NBTXR3;
- product candidates, including NBTXR3 developed pursuant to strategic licensing agreements may be viewed by our partners as competitive with their independently developed product candidates or products, which may cause them to devote limited resources to the product candidate's development or commercialization;
- a partner may not commit sufficient resources to the commercialization, marketing and distribution of any product candidate;
- disagreements with strategic licensees, including over proprietary rights, contract interpretation, or the preferred course of development, may cause delays or termination of the development or commercialization of such product candidates, or may result in time-consuming and expensive legal proceedings;
- strategic licensees may not properly obtain, maintain, protect, defend or enforce intellectual property rights or may improperly use proprietary information;
- disputes may arise with respect to the ownership of intellectual property developed pursuant to our strategic licensing agreements;
- strategic licensees may infringe, misappropriate or otherwise violate third-party intellectual property rights, which may expose us to litigation and potential liability;
- strategic licensing agreements may be terminated for convenience by the collaborator and, if terminated, the development of product candidates may be delayed or stopped;
- the negotiation of strategic licensing agreements may require substantial attention from our management team; and
- we could face significant competition in seeking appropriate strategic licensees, and the negotiation process is time-consuming and complex.

We rely on these strategic licensing arrangements to help us finance the development and commercialization of our own product candidates. Our success depends, in part, on our ability to collect milestone and royalty payments from our strategic licensees. To the extent our strategic licensees do not aggressively and effectively pursue product candidates such as NBTXR3 for which we are entitled to such payments, we will not realize these significant revenue streams, which may slow our overall development progress and could have an adverse effect on our business and future prospects.

In addition, our strategic license agreements are terminable at will upon specified prior notice. If one or more collaborator terminates a strategic license agreement, this could have an adverse effect on our revenues. If we do not receive anticipated payments, our development of product candidates could be delayed and we may need additional resources to develop our product candidates, including NBTXR3.

Access to raw materials, starting material and products necessary for the conduct of clinical trials and manufacturing of our product candidates is not and cannot be guaranteed.

We are dependent on third parties for the supply of various of materials, including Hafnium, that are necessary to produce certain of our product candidates, including NBTXR3. The supply of these materials could be reduced or interrupted at any time. In such case, we may not be able to find other acceptable suppliers or on acceptable terms. If key suppliers or manufacturers are lost or the supply of the materials is diminished or discontinued, we may not be able to develop, manufacture, and market our product candidates in a timely and competitive manner. In addition, these are subject to stringent manufacturing process and rigorous testing.

Delays in the completion and validation of manufacturing processes for these materials could adversely affect the ability to complete trials and commercialize our products candidates. In addition, our suppliers or manufacturers may, from time to time, change their internal manufacturing or testing processes and procedures. Such changes may require us to perform or have performed studies to demonstrate equivalence of the materials produced or tested under such new procedures. Such equivalence testing may impose significant delays in the development of our product candidates, including NBTXR3.

Furthermore, our suppliers may face quality issues or findings from regulatory authorities' inspections that could lead to delays or interruption of the supply of our product candidates, including NBTXR3.

We may enter into agreements with third parties to sell, distribute and/or market any of the products candidates we develop for which we obtain regulatory approval, which may adversely affect our ability to generate revenues.

Given the development stage of our product candidates, we have no experience in sales, marketing and distribution of biotech products. However, if any of our product candidates, including NBTXR3, obtain marketing approval, we might intend to develop sales and marketing capacity, either alone or with partners,or rely upon the sales and marketing capabilities of our partners. For example, pursuant to the Janssen Agreement and the Asia Licensing Agreement, we will rely on Janssen for worldwide commercialization rights on, including sales and marketing, in respect of NBTXR3. Outsourcing sales, distribution and marketing may subject us to a variety of risks, including:

- our inability to exercise direct control over sales, distribution and marketing activities and personnel;
- potential failure or inability of contracted sales personnel to successfully market our products to physicians; and
- potential disputes with third parties concerning distribution, sales and marketing expenses, calculation of royalties, and sales and marketing strategies.

If we are unable to partner with a third party that has adequate sales, marketing, and distribution capabilities, we may have difficulty commercializing our product candidates, including NBTXR3, which would adversely affect our business, financial condition, and ability to generate product revenues.

Our reliance on third parties and our strategic licensees requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed.

Because we rely on third-parties for certain activities in our development process, we must, at times, share trade secrets with them.

In addition, we are required to share certain trade secrets with our strategic licensees pursuant to the terms of our strategic licensing agreements. We also conduct joint research and product development that may require us to share trade secrets under the terms of our research and development partnerships or similar agreements.

We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, licensing agreements, consulting agreements or other similar agreements with our strategic licensees, subcontractors, advisors, employees and consultants prior to beginning research, services or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, such as trade secrets. Despite these contractual provisions, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are incorporated into the technology of others, or are disclosed or used in violation of these agreements. Parties with whom we share confidential information may also be acquired by competitors, which may increase the risk that these entities might breach their confidentiality obligations and share our confidential information with the acquirer.

Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have a material adverse effect on our business.

Risks Related to Operational Compliance and Risk Management

We will need to develop and expand our company, and we may encounter difficulties in managing this development and expansion, which could disrupt our operations.

As our development, manufacturing and commercialization programs develop, and as we continue to comply with our obligations as a public company in both France and the United States, we expect our employee base to continue to grow. To manage our anticipated continued development and expansion, including the operation of our manufacturing facilities and the commercialization of our product candidates, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel.

Current and future growth imposes significant responsibility on our management team, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;

- effectively managing our internal development efforts, including the clinical and regulatory review process for our product candidates; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our product candidates including NBTXR3, if approved, and compete effectively will depend, in part, on our ability to effectively manage the future development and expansion of our company. To achieve this, our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these activities.

If our management is unable to effectively manage our expected development and expansion, our expenses may increase more than expected, our ability to generate or increase our revenue could be reduced and we may not be able to implement our business strategy.

Product liability lawsuits could divert our resources, result in substantial liabilities and reduce the commercial potential of our product candidates.

The risk that we may be sued on product liability claims is inherent in the development and commercialization of biotechnology products.

Side effects of, or manufacturing defects in, products that we develop could result in the deterioration of a patient's condition, injury or even death. For example, our liability could be sought by patients participating in the clinical trials for our product candidates, including NBTXR3, as a result of unexpected side effects resulting from the administration of these product candidates. Once a product is approved for sale and commercialized, the likelihood of product liability lawsuits increases. Criminal or civil proceedings might be filed against us by patients, regulatory authorities, our strategic licensees, biopharmaceutical or biotechnology companies and any other third party using or marketing our products. These actions could include claims resulting from acts by our partners, licensees and subcontractors, over which we have little or no control.

In addition, regardless of merit or eventual outcome, product liability claims may result in: impairment of our business reputation; withdrawal of clinical trial participants; initiation of investigations by regulators; costs due to related litigation; distraction of management's attention from our primary business; substantial monetary awards to trial participants, patients or other claimants; loss of revenue; exhaustion of any available insurance and our capital resources; the inability by us and our strategic licensees to commercialize our product candidates, including NBTXR3; and decreased demand for our product candidates, including NBTXR3, if approved for commercial sale.

We maintain product liability insurance coverage for damages caused by our product candidates NBTXR3, including clinical trial insurance coverage, with coverage limits that we believe are customary for companies in our industry. This coverage may be insufficient to reimburse us for any expenses or losses we may suffer. In addition, in the future, we may not be able to obtain or maintain sufficient insurance coverage at an acceptable cost or to otherwise protect against potential product or other legal or administrative liability claims by us or our partners, licensees or subcontractors, which could prevent or inhibit the commercial production and sale of any of our product candidates, including NBTXR3 that receive regulatory approval, which could adversely affect our business.

We may use hazardous chemicals and biological materials in our business. Any claims relating to improper handling, storage or disposal of these materials could be time consuming and costly.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment, manufacture and disposal of hazardous materials and wastes. Our manufacturing and research and development processes may involve the controlled use of hazardous materials, including chemicals and biological materials.

We cannot eliminate the risk of accidental contamination or discharge and any resultant injury from these materials. We may be sued for any injury or contamination that results from our use or the use by third parties of these materials, and our liability may exceed any insurance coverage and our total assets. European Union regulation, French law, Federal, state, local or any other foreign laws and regulations govern to use, manufacture, storage, handling and disposal of these hazardous materials and specified waste products, as well as the discharge of pollutants into the environment and human health and safety matters. Compliance with environmental laws and regulations may be expensive and may impair our research and development efforts. If we fail to comply with these requirements, we could incur delays, substantial costs, including civil or criminal fines and penalties, clean-up costs or capital expenditures for control equipment or operational changes necessary to achieve and maintain compliance. In addition, we cannot predict the impact on our business of new or amended environmental laws or regulations or any changes in the way existing and future laws and regulations are interpreted and enforced. These current or future laws and regulations may impair our research, development or production efforts.

We have previously identified a material weakness in control over financial reporting as of December 31, 2022 and continue to have a material weakness as of December 31, 2023 related to a lack of supervisory personnel with the appropriate level of technical accounting experience and training to comply with

International Financial Reporting Standards and with SEC reporting obligations, and sufficient processes and procedures, including oversight of advisors, particularly in complex and judgmental areas such as licensing agreements, securities purchase agreements and novation agreements.

As a U.S. public company, the Sarbanes-Oxley Act requires, among other things, that we assess the effectiveness of our disclosure controls and procedures and the effectiveness of our internal control over financial reporting at the end of each fiscal year. The rules governing the standards that must be met for our management to assess our internal control over financial reporting pursuant to Section 404 of the Sarbanes Oxley Act are complex and require significant documentation, testing and possible remediation. These stringent standards require that our audit and finance committee be advised and regularly updated on management's review of internal control over financial reporting.

In connection with our fiscal 2022 audit, we identified a material weakness in our internal controls over financial reporting related to a lack of supervisory personnel with the appropriate level of technical accounting experience and training to comply with International Financial Reporting Standards and with SEC reporting obligations, and sufficient processes and procedures, particularly in complex and judgmental areas such as assessing the Company's ability to continue as a going concern and the valuation of complex debt instruments.

During our fiscal year 2023, our management implemented significant effort to improve and strengthen our internal controls to remediate the material weakness that existed as of December 31, 2022. However, as of December 31, 2023, the material weakness remained related to a lack of supervisory personnel with the appropriate level of technical accounting experience and training to comply with International Financial Reporting Standards and with SEC reporting obligations, and sufficient processes and procedures, including oversight of advisors, particularly in complex, judgmental areas such as assessing the accounting treatment for licensing agreements, securities purchase agreements, and novation agreements.

Additional effort is necessary to strengthen our internal controls and to remediate the material weakness. We are actively undertaking remediation efforts to address the material weakness. In response to the material weakness described above, our management has implemented and will continue to work towards a remediation plan. While we have made progress to improve our internal controls since December 31, 2022 and believe our remediation plan will be sufficient to remediate the identified material weakness, we cannot assure that the measures we have taken to date and may take in the future, will be sufficient to remediate the control deficiencies that led to our material weakness in internal control over financial reporting or that we will prevent or avoid potential future material weaknesses. Effective internal controls are necessary for us to provide reliable financial reports. These remediation measures may be time consuming and costly and there is no assurance that these initiatives will ultimately have the intended effects.

If we fail to staff our accounting and finance function adequately or maintain internal control over financial reporting adequate to meet the requirements of the Sarbanes-Oxley Act, our business and reputation may be harmed. Moreover, if we are not able to comply with the applicable requirements of Section 404 in a timely manner, we may be subject to sanctions or investigations by regulatory authorities, including the SEC and Nasdaq.

If we identify any new material weakness in the future, any such newly identified material weakness could limit our ability to prevent or detect a misstatement of our accounts or disclosures that could result in a material misstatement of our annual or interim financial statements. In such case, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting, our ADSs could decline and our access to the capital markets could be restricted. The occurrence of any of the foregoing would also require additional financial and management resources. We cannot assure you that the measures we have taken to date, or any measures we may take in the future, will be sufficient to avoid potential future material weaknesses.

Our compliance with applicable provisions of Section 404 requires that we incur substantial accounting expense and expend significant management attention and time on compliance-related issues as we implement additional corporate governance practices and comply with reporting requirements. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal controls over financial reporting beginning with our annual report following the date on which we are no longer an emerging growth company, which may extend until December 31, 2025.[1]

Our internal computer systems, or those of our third-party contractors or consultants, may fail or suffer security breaches, including cybersecurity breaches, which could result in a material disruption of our product development programs or loss of personal data.

In the ordinary course of our business, we may collect, process, store and transmit proprietary, confidential and sensitive information, including personal data (including health information), intellectual property, trade secrets, and proprietary business information owned or controlled by ourselves or other parties. We may also share or receive sensitive information with our partners, CROs, CMOs, or other third parties. Our ability to monitor these third parties'

[1] According to SEC definition, a material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

information security practices is limited, and these third parties may not have adequate information security measures in place.

Despite the implementation of security measures, our internal computer systems and those of our third-party contractors and consultants are vulnerable to damage from computer viruses, cyber-attacks, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Cyberattacks, malicious internet-based activity, and online and offline fraud are prevalent and are increasing in their frequency, sophistication and intensity, and have become increasingly difficult to detect. These threats come from a variety of sources, including traditional computer "hackers," threat actors, personnel (such as through theft or misuse), sophisticated nation-states, and nation-state-supported actors. Some actors now engage and are expected to continue to engage in cyber-attacks, including without limitation nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, and the third parties upon which we rely, may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce and distribute our product candidates. Cyberattacks could include, but are not limited to, the deployment of harmful malware (including as a result of advanced persistent threat intrusions), denial-of-service (such as credential stuffing), credential harvesting, social engineering attacks (including through phishing attacks), viruses, ransomware, supply chain attacks, personnel misconduct or error and other similar threats. We may also be the subject of software bugs, server malfunction, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures or other similar issues. In particular, ransomware attacks are becoming increasingly prevalent and severe and can lead to significant interruptions, delays, or outages in our operations, disruptions to our clinical trials, loss of data (including data related to clinical trials), significant expense to restore data or systems, reputational loss and the diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. Similarly, supply chain attacks have increased in frequency and severity, and we cannot guarantee that third parties and infrastructure in our supply chain have not been compromised or that they do not contain exploitable defects or bugs that could result in a breach to our information technology systems or the third-party information technology systems that support us and our services. Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies.

Although we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We have experienced attempts to compromise our information technology systems or otherwise cause a security incident. While we do not believe that we have experienced any significant system failure, accident, or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our sensitive information. A security incident or other interruption could disrupt our ability (and that of third parties upon whom we rely) to manufacture or deliver our product candidates. For example, the loss of clinical trial data for our product candidates could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach results in a loss of or damage to our data or applications or other data or applications relating to our technology or product candidates, or inappropriate disclosure of confidential or proprietary information, we could incur liabilities and the further development of our product candidates could be delayed.

We may be unable to detect vulnerabilities in our information technology systems because such threats and techniques change frequently, are often sophisticated in nature, and may not be detected until after a security incident has occurred. Despite our efforts to identify and remediate exploitable critical vulnerabilities, if any, in our information technology systems, our efforts may not be successful. Further, we may experience delays in developing and deploying remedial measures designed to address any such identified vulnerabilities. Any failure to prevent or mitigate security incidents or improper access to, use of, or disclosure of our clinical data or patients' personal data could result in significant liability under state, federal, and international law and may cause a material adverse impact to our reputation, affect our ability to conduct our clinical trials and potentially disrupt our business.

Data privacy regulations could adversely affect our business, results of operations and financial condition.

We are subject to data privacy and protection laws and regulations that impose requirements relating to the collection, transmission, storage and use of personally-identifying information, including comprehensive regulatory systems in the U.S. and EU. The legislative and regulatory landscape for privacy and data protection continues to evolve in jurisdictions worldwide, and there has been an increasing focus on privacy and data protection issues with the potential to affect our business. Failure to comply with any of these laws and regulations could result in enforcement action against us, including fines, imprisonment of company officials and public censure, claims for damages by affected individuals, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations or prospects.

There are numerous regulation as European Union General Data Protection Regulation (GDPR), US federal and state laws and regulations related to the privacy and security of personal information, including regulations promulgated pursuant to GDPR and Health Insurance Portability and Accountability Act (HIPAA) that establish privacy and security standards for the use and disclosure of individually identifiable health information and require the implementation of administrative, physical and technological safeguards to protect the privacy of such protected health information.

Determining whether protected health information has been handled in compliance with applicable privacy standards and our contractual obligations can be complex and may be subject to changing interpretation. We cannot be sure how these regulations will be interpreted, enforced or applied to our operations. If we fail to comply with applicable privacy laws, including applicable GDPR HIPAA privacy and security standards, we could face civil and criminal penalties.

More specifically, in the EU, we are subject to the European Regulation (EU) No. 2016/679, known as the General Data Protection Regulation (GDPR), as well as EU Member State legislations complementing the GDPR. GDPR and EU Member State legislation apply to the collection and processing of personal data, including health-related information, of individuals in the EU by companies established in the EU and, in certain circumstances established outside of the EU. These laws impose strict obligations on the ability to process personal data, including health-related information, in particular in relation to their collection, use, disclosure and transfer. These include several requirements relating to (i) obtaining, in some situations, the informed consent of the individuals to whom the personal data relates, (ii) the information provided to the individuals about how their personal information is used, (iii) ensuring the security and confidentiality of the personal data, (iv) the obligation to notify personal data breaches to regulatory authorities and, as applicable, to communicate such breaches to affected individuals, (v) extensive internal privacy governance obligations, and (vi) obligations to honor rights of individuals in relation to their personal data (for example, the right to access, correct and delete their data). The GDPR also imposes restrictions on the transfer of personal data to most countries in the world outside of the European Economic Area (EEA), including the U.S., unless the parties to the transfer have implemented specific safeguards to protect the transferred personal information. One of the primary safeguards allowing US companies to import personal information from the EEA has been the European Commission’s Standard Contractual Clauses (SCCs). However, the use of SCCs no longer automatically ensures compliance with the GDPR. Instead, companies remain required to conduct a data transfer impact assessment for each transfer, which adds a compliance burden. The GDPR has thus increased our responsibility and liability in relation to personal data that we process, and we may be required to put in place additional potential mechanisms to ensure compliance with the new EU data protection rules. Also, some uncertainty remains around the legal and regulatory environment for these evolving privacy and data protection laws and regulations. Potential pecuniary fines for noncompliant companies may be up to €20 million or 4% of annual global revenue, whichever is higher.

We may become the subject of investigations and/or claims in respect of privacy matters and unfavorable outcomes in any of such matters could preclude the commercialization of products, harm our reputation, negatively affect the profitability of our products and subject us to substantial fines. In addition, our ongoing efforts to comply with evolving laws and regulations in the U.S., EU and elsewhere may be costly and require ongoing modifications to our policies, procedures and systems.

Because our consolidated financial statements rely on estimates and assumptions, actual results may vary significantly from estimates that we make.

The preparation of the 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. In connection with our period-end closing process, which includes review by management and our audit and finance committee and discussions with our independent registered public accounting firm,we reassess and evaluate our estimates and assumptions and the circumstances on which they are based and may determine that certain estimates or assumptions should be revised or adjusted. We have in the past, and expect in the future, to make such revisions and adjustments to our estimates and assumptions prior to their issuance of our financial statements in light of these ordinary course reassessments. Because our financial statements require the use of estimates and assumptions, actual results—particularly with respect to going concern, share-based payments, deferred tax assets, clinical trials accruals, revenue recognition and the fair value of financial instruments—may vary significantly from these estimates under different assumptions or conditions.

Risks Related to Regulatory Approvals for Our Product Candidates

The regulatory landscape that governs our product candidates is uncertain as it is subject to both medicinal product (drug) & medical device regulations, depending on the country involved, and changes in regulatory

requirements could result in delays or discontinuation of development of our product candidate or unexpected costs in obtaining regulatory marketing authorization approval and/or CE-marking.

The development and manufacturing of therapeutic solutions for cancer treatment are governed by a complex and evolving global regulatory environment. Regulatory authorities, including EMA and the FDA, have developed requirements on the amount and types of data required to demonstrate the safety and efficacy of products prior to their marketing and sale. Increase in costs for obtaining and maintaining the necessary marketing authorizations or, as the case might be, CE-marking for NBTXR3 may limit its economic value and thus lessen the prospects for growth in this field, and consequently the prospects of NBTXR3 or any other Group's product candidates.

NBTXR3 has been classified as a ''Class III medical device'' in the EU and as a ''drug'' in the United States. As a result, the Group must meet various specific requirements and deadlines. 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 marketed, promoted or sold in those jurisdictions. The Group must provide these regulatory authorities with data from manufacturing development, preclinical and clinical trials that demonstrate that its product candidate is safe for the patient and effective in the defined indication before they can be approved or certified for commercial distribution. It must provide data demonstrating the product achieves an adequate quality and safety of the product and its components. It must also assure the regulatory authorities that the characteristics and results 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.

In light of the scientific and regulatory evolutions, the competent authorities of EU Member States could reconsider the classification status of NBTXR3 as a medical device in the EU and decide to reclassify it as a drug (see Item 4. B of the Annual Report). If Hensify® or another Group product candidate were to be classified as a drug in the EU, their clinical development would be subject to different regulatory framework. As a result, the development and commercialization process may be longer and more costly than expected. We are designing our clinical development programs so as to generate clinical evidence we believe will constitute a robust scientific basis, irrespective of classification status.

Delay or failure to obtain, or unexpected costs in obtaining, the marketing authorization approval and/or the CE-marking necessary to bring a product to market could decrease our ability to generate sufficient product revenue to maintain our business.

The approval processes of the FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable, and if we are ultimately unable to obtain approval or certification for product candidates, our business will be substantially harmed.

We must obtain approval or certification to market and sell our product candidates, including NBTXR3. For example, in the U.S., we must obtain FDA approval for each product candidate in each specific indication that we intend to commercialize, and in the EU we must obtain for a medicinal product approval from the European Commission (EC), based on the opinion of the EMA. The approval processes are typically expensive, and it takes years to obtain approval or certification following the beginning of clinical trials and depends upon numerous factors, including the discretion of the regulatory authorities. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval or certification may change during the course of a product candidate's clinical development and may vary among jurisdictions. Since the CE-marking certification relating to the STS indication, we have not submitted any NDA or CE-mark request. It is possible that none of our existing product candidates including NBTXR3 or any product candidates we may seek to develop in the future will ever obtain such regulatory approval.

The FDA or other regulatory authorities may delay, limit or deny approval or certification of our product candidates for many reasons, including disagreement with clinical trial design or implementation, determinations that a product candidate is not sufficiently safe or efficacious, objections to the statistical significance of data or our interpretation of data, objections to the production, formulation or labeling of our product candidates, and any other discretionary factors such regulators deem relevant.

In addition, the FDA's policies, and policies of foreign regulatory agencies, may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of product candidates.

This approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval or certification to market the product candidates we develop, including NBTXR3, which would significantly harm our business, results of operations and prospects. In addition, even if we or our strategic licensees were able to obtain approval or certification, regulatory authorities may approve any of our product candidates for fewer or more limited indications than we request, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could materially harm the commercial prospects for the product candidates we develop.

Once we obtain a marketing authorization or medical device certification for a product candidate, our products will remain subject to ongoing regulatory requirements.

Obtaining marketing authorizations approval or medical device certification for a product in a specific indication is not a gauge of the ability to obtain marketing authorizations approvals or medical device certification for this product in another indication. Even after obtaining approval or certification in a jurisdiction for the product candidates we develop, including NBTXR3, they will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, and submission of safety and other post-market information.

Any approval or certification received for the product candidates may also be subject to limitations:

- on the approved indicated use(s) for which the product may be marketed; or
- to the conditions of approval, such as an accelerated approval for a medicinal product subject to a further confirmation of the effectiveness and/or safety of the product to be based on confirmatory study(ies), and requirements for potentially costly post-marketing testing, including Phase 4 clinical trials, and surveillance to monitor the safety and efficacy of the product. In addition, potential accelerated approvals are limited by the risk of withdrawal in the event that confirmatory studies do not confirm the benefits/risks of the product.

Moreover, following its initial approval or certification, any product approved for commercialization is reassessed on a regular basis in terms of benefit/risk ratio for the patient. 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. For example, the holder of an approved NDA in the United States for a Drug must monitor and report adverse events and any failure of a product to meet the product's specifications approved in the NDA. Similarly, in the EU, any marketing authorization approval or medical device certification holder has legal obligations to continuously collect data and conduct pharmacovigilance or safety vigilance, i.e., the activities relating to the detection, assessment, understanding and prevention of adverse reactions and other medicine or product-related problems. Data must be transmitted to the authorities within defined timelines, and any emerging concern about the benefit-risk balance has to be notified immediately. If necessary, competent authorities may request further investigations, including formal studies. Regulatory procedures exist for updating product information and implementing other safety measures. In the United States, the holder of an approved NDA for a Drug must also submit new or supplemental applications and obtain FDA approval for certain changes to the approved product, including product labeling or manufacturing process. Similar provisions apply in the EU. Advertising and promotional materials must comply with any competent health authorities rules and are subject to health authorities review, in addition to other potentially applicable laws.

In addition, product manufacturers and their facilities are subject to periodic inspections by Regulatory Authorities for compliance with cGMP requirements and/or others quality and manufacturing standards and adherence to commitments made in compliance with approved regulatory dossiers. If we or a regulatory authority is made aware of previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured or if a regulatory authorities disapprove the promotion, marketing or labeling of that product, a regulatory authority may impose restrictions relative to that product, the manufacturing facility or us, including requiring batch or product recall or withdrawal of the product from the market, suspension or revocation of the marketing authorization or medical device certification or partial or full suspension of manufacturing activities.

If we or our strategic licensees fail to comply with applicable regulatory requirements following approval or certification of any of the product candidates we develop, regulatory authorities may:

- issue a warning letter asserting a violation of the law;
- seek an injunction or impose civil or criminal penalties or monetary fines;
- suspend or withdraw approval or certification;
- suspend or terminate any ongoing clinical trials;
- refuse to approve a pending marketing authorization application or medical device certification submitted by us or our strategic licensees;
- restrict the manufacturing, distribution or marketing of the product;
- seize or detain product or otherwise require the withdrawal or recall of the product from the market;
- destroy or require destruction of the products;
- refuse to permit the import or export of the products; or
- refuse to allow us to enter into supply contracts, including government contracts.

Any of the foregoing regulatory actions could require us to expend significant time and resources in response and could generate negative impact on the company. The occurrence of any event or penalty described above may inhibit the ability to commercialize products and generate revenues.We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we or our strategic licensees are unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we or our strategic licensees are not able to maintain regulatory compliance, marketing authorization approval or medical device certification that has been obtained may be suspended or withdraw and we may not achieve or sustain profitability, which would adversely affect our business, prospects, financial condition and results of operations.

Finally, even though the Group has obtained the CE mark certification for Hensify®, the name of NBTXR3 in the indication of locally advanced STS applicable within EU territories, 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.

Although we may seek fast track designation from the FDA for some or all of the indications that NBTXR3 may potentially address, there is no assurance that such designation will be granted or, if granted that it will lead to a faster development or regulatory review or approval process.

If a product is intended for the treatment of a serious or life threatening condition or disease, the sponsor may apply for FDA fast track designation. In February 2020, the Company received Fast Track designation from the FDA for NBTXR3 for the treatment of locally advanced head and neck cancers. We or Janssen may seek fast track designation and review for some or all of the other indication that NBTXR3 may potentially address. However, even if we do receive fast track designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures and such designation does not assure ultimate approval. In addition, the FDA may withdraw fast track designation if it believes that the designation is no longer supported by data from our clinical development program.

Even if we or our strategic licensees obtain and maintain approval for product candidates in the United States or another jurisdiction, we or our strategic licensees may never obtain approval or certification for the same product candidates in other jurisdictions, which would limit market opportunities and adversely affect our business.

Approval of a product candidate in the United States by the FDA or a corresponding approval in another jurisdiction does not ensure approval or certification of such product candidate by regulatory authorities in other countries or jurisdictions, and approval by one foreign regulatory authority does not ensure approval by regulatory authorities in other foreign countries or by the FDA. The approval process varies among countries and may limit our or our strategic licensees' ability to develop, manufacture, promote and sell our product candidates including NBTXR3 internationally. Failure to obtain marketing authorization approval or certification in international jurisdictions would prevent the product candidates from being marketed outside of the jurisdictions in which regulatory approvals have been received. In order to market and sell product candidates in the EU and many other jurisdictions, we and our strategic licensees must obtain separate marketing approvals or certifications and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and may involve additional preclinical studies or clinical trials both before and post approval. In many countries, a product candidate must be approved for reimbursement before it can be approved for sale in that country. In some cases, the intended price for the product is also subject to approval. Further, while marketing authorization approval or certification of a product candidate in one country does not ensure approval in any other country, a failure or delay in obtaining approval or certification in one country may have a negative effect on the regulatory approval process in others. If we or our strategic licensees fail to comply with the regulatory requirements in international markets and/or receive applicable marketing approvals or certifications, the target market will be reduced and the ability to realize the full market potential of the subject product candidates will be harmed and our business may be adversely affected. For the sake of clarity, this risk factor is applicable whether it is about marketing authorization approval, certification or CE-marking.

Depending on the results of clinical trials and the process for obtaining approvals or certifications in other countries, we or our strategic licensees may decide to first seek approvals or certifications of a product candidate in countries other than the United States, or we or our strategic licensees may simultaneously seek approvals in the United States and other countries, in which case we or our strategic licensees will be subject to the regulatory requirements of health authorities in each country in which we seek approvals or certifications. Obtaining approvals or certifications from health authorities in countries outside the United States and the EU is likely to subject us or our strategic licensees to risks in such countries that are substantially similar to the risks associated with obtaining approval in the United States or the EU described herein.

Government restrictions on pricing and reimbursement, as well as other healthcare payor cost-containment initiatives, may negatively impact our ability to generate revenues if we obtain approval or certification for any of our product candidates.

Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. The continuing efforts of various governments, insurance companies, managed care organizations and other payors to contain or reduce healthcare costs may adversely affect our ability or our strategic licensees' ability to set a price for our products that we believe is fair, to achieve profitability, and to obtain and maintain market acceptance by patients and the medical community. In both the United States and certain foreign jurisdictions, there have been a number of legislative and regulatory initiatives to contain healthcare costs. By way of example, in the United States, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the ACA) was enacted in March 2010.

The ACA expanded health care coverage through Medicaid expansion and the implementation of a tax penalty for individuals who do not maintain mandated health insurance coverage (the so-called 'individual mandate'). The ACA also contains a number of provisions that affect coverage and reimbursement of drug products. Uncertainty remains regarding the implementation and impact of the ACA. There have been sustained congressional and legal efforts to modify or repeal all or certain provisions of the ACA. For example, tax reform legislation was enacted at the end of 2017 that eliminated the individual mandate beginning in 2019. Additionally, in the United States, the Inflation Reduction Act of 2022 (IRA), enacted on August 16, 2022, includes several provisions to lower prescription drug costs for people with Medicare and reduce drug spending by the federal government. We cannot predict the ultimate content, timing or effect of any changes to the ACA, the IRA or other federal and state reform efforts, and there can be no assurance that any such health care reforms will not adversely affect our future business and financial results.

While we cannot predict the ultimate content or impact of the IRA, we do recognize that a number of factors important to the commercialization of NBTXR3 could be impacted by this legislation. Material factors include, but are not limited to:

- Medicare price negotiation: as of now, we do not expect NBTXR3 to be included in Medicare's list of drugs eligible for price negotiation, we cannot rule it out.
- Inflation rebates: additional rebates on drug prices that rise faster than inflation is a stipulation of the IRA that limits the revenue impacts of price increases. This clause will impact our licensing partner's pricing strategy (as Janssen Pharmaceutica NV is, including any of its affiliate) as part of the commercialization within the United States of NBTXR3, and we cannot predict the affect this will have on the Company's proceeds from this licensee.
- Medicare Part D: the IRA includes material price discounts for the Medicare Part D population, and we cannot predict with certainty the percentage of sales (and therefore, discounts) which will be made, including by our US licensee, within this program.

It is also important to note that the implementation of the IRA legislation has not been finalized, and the above statements are subject to change. Additionally, the legal interpretation of the provisions of the IRA legislation are subject to change.

U.S. federal and state governments have shown significant interest in implementing cost-containment programs to limit the growth of government-paid healthcare costs, including price controls, waivers from Medicaid drug rebate law requirements, restrictions on reimbursement and requirements for substitution of generic products for branded prescription drugs. The private sector has also sought to control healthcare costs by limiting coverage or reimbursement or requiring discounts and rebates on products. We are unable to predict what additional legislation, regulations or policies, if any, relating to the healthcare industry or third-party coverage and reimbursement may be enacted in the future or what effect such legislation, regulations or policies would have on our business. Any cost containment measures could significantly decrease the available coverage and the price we might establish for our potential products, which would have an adverse effect on our net revenues and operating results.

Likewise, in many EU Member States, legislators and other policymakers continue to propose and implement healthcare cost-containing measures in response to the increased attention being paid to healthcare costs in the EU. Certain of these changes could impose limitations on the prices we will be able to charge for our products and any approved product candidates or the amounts of reimbursement available for these products from governmental and private third-party payers, may increase the tax obligations on pharmaceutical companies or may facilitate the introduction of generic competition with respect to our products.

Further, an increasing number of EU countries Member States and other non-U.S. countries use prices for medicinal products established in other countries as "reference prices" to help determine the price of the product in their own territory. If the price of one of our products decreases substantially in a reference price country, that could impact the price for such product in other countries. Consequently, a downward trend in prices of our products in some countries could contribute to similar downward trends elsewhere, which would have a material adverse effect on our revenues and results of operations. Also, in order to obtain reimbursement for our products in some countries, we

may be required to conduct clinical trials that compare the cost-effectiveness of our products to other available therapies.

Moreover, this political and legislative uncertainty could harm our and our strategic licensees' ability to market any products and generate revenues. Cost containment measures that healthcare payors and providers are instituting and the effect of further healthcare reform could significantly reduce potential revenues from the sale of any of our product candidates approved in the future, and could cause an increase in our compliance, manufacturing, or other operating expenses.

We believe that pricing pressures will continue and may increase, which may make it difficult for us to sell our potential products that may be approved in the future at a price acceptable to us or any of our future collaborators.

We are subject to healthcare laws and regulations, which could expose us to the potential for criminal sanctions, civil penalties, exclusion from government healthcare programs, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers, physicians and others will play a primary role in the recommendation, prescription, and administration of our products. Our arrangements with such persons and third-party payors must be structured in accordance with the broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we research, market, sell and distribute our products, if we obtain marketing approval or certification. Restrictions under applicable federal, state and foreign healthcare laws and regulations include but are not limited to the following:

- The federal Anti-Kickback Statute, which prohibits, among other things, persons 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 either the referral of an individual for, or the purchase or 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.
- The federal civil and criminal false claims laws and civil monetary penalties laws, which impose criminal and civil penalties, including those from civil whistleblower or qui tam actions, against individuals or entities for 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.
- The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created new federal criminal statutes that prohibit executing 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, or HITECH, and its implementing regulations, which impose certain requirements on covered entities and their business associates, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information.
- The 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 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.
- Analogous laws and regulations in various U.S. states, 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 U.S. 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 U.S. government, 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.

Similar legislation is applicable in other countries, including by way of example and without limitation: the UK's Bribery Act 2010 or Article D1453-1 to D1453-9 of the French Public Health Code on Transparency of Benefits Given by Companies Manufacturing or Marketing Health and Cosmetic Products for Human Use. Furthermore, in the EU, harmonized rules prohibit gifts, pecuniary advantages or benefits in kind to Health Care Professionals (HCPs) unless they are inexpensive and relevant to the practice of medicine or pharmacy.

Similarly, strict rules apply to hospitality at sales promotion events. Based on these rules, a body of industry guidelines and sometimes national laws in force in individual EU Member States has been introduced to fight

improper payments or other transfers of value to HCPs, and in general inducements that may have a broadly promotional character.

Ensuring that our business practices and that our business arrangements with third parties comply with applicable healthcare laws and regulations could be costly. It is possible that governmental authorities will conclude that our 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 our operations were found to be in violation of any laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, individual imprisonment and exclusion from government funded healthcare programs, such as Medicare and Medicaid, any of which could substantially disrupt our operations. If the physicians or other providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

Significant regulation applies to the manufacturing of our products and the manufacturing facilities on which we rely may not meet regulatory requirements or may have limited capacity.

All entities involved in the preparation of products for clinical studies or commercial sale, including our existing contract manufacturers for our product candidates, including NBTXR3 as well as our in-house manufacturing facility in Villejuif, France, are subject to extensive regulations.

For example, in the United States, a drug product approved for commercial sale or used in clinical studies must be manufactured in accordance with the current Good Manufacturing Practices (cGMP) requirements. In the EU, NBTXR3 is classified as a medical device and must be manufactured in accordance with ISO13485 and MDR requirements. Nevertheless, due to the classification of NBTXR3 as a drug product in other regions, notably, the United States, the development and manufacturing of NBTXR3 is made in accordance with the more stringent cGMP requirements. As a result, each of the facilities involved in the manufacturing NBTXR3 must comply with cGMP and applicable Medical Device regulations. Also, applicants for a marketing authorization are responsible for ensuring that the proposed manufacturing sites included in the marketing authorization application comply with cGMP and applicable Medical Device regulations for a certification.

The FDA's cGMP regulations and comparable regulations in other jurisdictions govern manufacturing processes and procedures (including record keeping) and the implementation and operation of quality systems to control and assure the quality of investigational products and products approved for sale. Poor control of production processes can lead to the introduction of contaminants, or to inadvertent changes in the properties or stability of the product candidates including NBTXR3 we develop that may not be detectable in final product testing. In the United States, in the framework of the potential upcoming NDA, we or our contract manufacturers must supply all necessary documentation in support of registration on a timely basis and must adhere to the cGMP requirements enforced by the FDA and/or by other Competent Regulatory Authorities and to the MDR requirements through its facilities inspection program. Our facilities and Quality Management Systems as well as the facilities and Quality Management Systems of our third-party contractors must pass a pre-approval inspection for compliance with the applicable regulations as one of a condition of regulatory approval of our product candidates. In addition, the FDA may, at any time, inspect a manufacturing facility involved with the preparation and/or control of our product candidates as well as the associated quality systems for compliance with the regulations applicable to the activities being conducted.

If we or any of our third-party manufacturers fail to provide appropriate products and data (as per GxP requirements) or maintain regulatory compliance, the regulator can impose regulatory sanctions including, among other things, the imposition of a hold on clinical trials, the refusal to permit a clinical trial to start, the refusal to use certain batches of product candidates intended to be used in the clinical trials, the refusal to approve a pending application for a new product, the revocation or non-renewal of a pre-existing approval or certification - including the withdrawal of GMP license in case of major findings, or the refusal to accept some non-clinical and/or clinical data generated with material for which that third-party was responsible. As a result, our business, financial condition and results of operations may be materially harmed.

Manufacturing and increasing manufacturing scale at our in-house manufacturing facility will require significant resources and substantial regulatory engagement. Our manufacturing facility in Villejuif, France, will be subject to ongoing periodic unannounced inspection by the FDA, as well as regular inspections by the ANSM for GMP certificate renewal (every 3 years), and other foreign agencies to ensure strict compliance with cGMPs, and other government regulations. Accordingly, operating our own manufacturing facilities and maintaining compliant manufacturing capabilities at scale may be costlier than we anticipate or may result in delays.

In addition, if supply from one approved manufacturer or supplier, including our own in-house manufacturing facility, is interrupted, there could be a significant disruption in commercial and/or clinical supply of our products. Identifying and engaging an alternative manufacturer or supplier that complies with applicable regulatory requirements could result in further delay. Applicable regulatory agencies may also require additional studies if a new manufacturer or supplier is relied upon in connection with commercial production. Switching manufacturers or suppliers may involve substantial costs and time and is likely to result in a delay in our desired clinical and commercial timelines.

These factors could cause commercialization of our product candidates including NBTXR3 to be delayed, cause us to incur higher costs, or prevent us from commercializing our products successfully. Furthermore, if our manufacturing facilities are unable to produce high quality product for our clinical and commercial needs, and we are unable to secure one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical studies may be delayed, or we could lose potential revenue.

Risks Related to Intellectual Property

Our ability to compete may decline if we do not adequately protect our proprietary rights.

Our commercial success depends, in part, on obtaining and maintaining proprietary rights to our and our licensors' intellectual property estate, including with respect to our NBTXR3 product candidates, as well as successfully defending these rights against third-party challenges. We will only be able to protect our product candidates from unauthorized use by third parties to the extent that valid and enforceable patents, or effectively protected trade secrets, cover them. Our ability to obtain and maintain patent protection for all aspects of our product candidates is uncertain due to a number of factors, including:

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

Even if we own, obtain or in-license patents covering our product candidates or compositions, we may still be barred from making, using and selling our product candidates or technologies because of the patent rights or other intellectual property rights of others. Others may have filed, and in the future may file, patent applications covering compositions, products or methods that are similar or identical to ours, which could materially affect our ability to successfully develop and, if approved, commercialize our product candidates. In addition, because patent applications can take many years to issue, there may be currently pending applications unknown to us that may later result in issued patents that our product candidates or compositions may infringe. These patent applications, including intermediate documents, may have priority over patent applications filed by us or our licensors.

Obtaining and maintaining a patent portfolio entails significant expense. Part of such expense includes periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications due over the course of several stages of prosecuting patent applications, and over the lifetime of maintaining and enforcing issued patents. We may or may not choose to pursue or maintain protection for particular intellectual property in our portfolio. If we choose to forgo patent protection or to allow a patent application or patent to lapse purposefully or inadvertently, our future competitive position could suffer. We employ reputable law firms and other professionals to help us comply with the various procedural, documentary, fee payment and other similar provisions we are subject to and, in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules.

There are situations, however, in which failure to make certain payments or noncompliance with certain requirements in the patent prosecution and maintenance process can result in lapse of a patent or patent application, resulting in

partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

Legal action that may be required to enforce our patent rights can be expensive and may involve the diversion of significant management time or rights to prosecute at first any patent infringement relating to NBTXR3 may be granted to our partner, as it is the case for Janssen. In addition, these legal actions could be unsuccessful and could also result in the invalidation or transfer of ownership of our patents or a finding that they are unenforceable. We may or may not choose to pursue litigation or other actions against those that have infringed our patents, or have used them without authorization, due to the associated expense and time commitment of monitoring these activities. In addition, some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing or misappropriating or from successfully challenging or claiming ownership over our intellectual property rights. If we fail to protect or to enforce our intellectual property rights successfully, our competitive position could suffer, which could harm our results of operations.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to patent protection, because we operate in the highly technical field of nanotherapeutics, we rely in part on trade secret protection in order to protect our proprietary technology and processes. However, trade secrets are difficult to protect. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective or sufficient.

In addition to contractual measures that we implement in our agreements with third-party service providers and in strategic licensing agreements, we try to protect the confidential nature of our proprietary information using physical and technological security measures. Such measures may not provide adequate protection for our proprietary information. For example, our security measures may not prevent an employee, consultant, or collaborator with authorized access from misappropriating our trade secrets and providing them to a competitor, and the recourse we have available against such misconduct may not provide an adequate or sufficiently swift remedy to protect our interests fully. 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. In addition, courts outside the United States may be less willing to protect trade secrets. Furthermore, our proprietary information may be independently developed or lawfully reverse-engineered by others in a manner that could prevent legal recourse by us.

We cannot guarantee that our trade secrets and other proprietary and confidential information will not be disclosed or that competitors will not otherwise gain access to our trade secrets. If any of our confidential or proprietary information, including our trade secrets, were to be disclosed or misappropriated, or if any such information was independently developed by a competitor, our competitive position could be harmed.

Patents and patent applications involve highly complex legal and factual questions, which, if determined adversely to us, could negatively impact our competitive position.

The patent positions of biotechnology and nanotherapeutic companies and other actors in our fields of business can be highly uncertain and typically involve complex scientific, legal and factual analyses. In particular, the interpretation and breadth of claims allowed in some patents covering, for example, compositions may be uncertain and difficult to determine, and are often affected materially by the facts and circumstances that pertain to the patented compositions and the related patent claims. The standards of the United States Patent and Trademark Office, or USPTO, and foreign patent offices are sometimes uncertain and could change in the future. Consequently, the issuance and scope of patents cannot be predicted with certainty. Patents, if issued, may be challenged, invalidated, narrowed or circumvented. U.S. patents and patent applications may also be subject to interference proceedings, and U.S. patents may be subject to reexamination proceedings, post- grant review, inter partes review, or other administrative proceedings in the USPTO. Foreign patents as well may be subject to opposition or comparable proceedings in the corresponding foreign patent offices. Challenges to our patents and patent applications, if successful, may result in the denial of our patent applications or the loss or reduction in their scope. In addition, any interference, reexamination, post-grant review, inter partes review, opposition proceedings and other administrative proceedings may be costly and involve the diversion of significant management time. Accordingly, rights under any of our or our licensors' patents may not provide us with sufficient protection against competitive products or processes and any loss, denial or reduction in scope of any such patents and patent applications may have a material adverse effect on our business.

Furthermore, even if not challenged, our patents and patent applications may not adequately protect our product candidates, including NBTXR3 or technology or prevent others from designing their products or technology to avoid being covered by our patent claims. If the breadth or strength of protection provided by the patents we own or license with respect to our product candidates is threatened, it could dissuade companies from collaborating with us to develop, and could threaten our ability to successfully commercialize, our product candidates. Furthermore, for U.S. patent applications in which claims are entitled to a priority date before March 16, 2013, an interference proceeding can be provoked by a third party or instituted by the USPTO in order to determine who was the first to invent any of the subject matter covered by such patent claims.

In addition, changes in, or different interpretations of, patent laws in the United States and other countries may permit others to use our discoveries or to develop and commercialize our technology and products without providing any notice or compensation to us, or may limit the scope of patent protection that we or our licensors are able to obtain. The laws of some countries do not protect intellectual property rights to the same extent as U.S. laws and those countries may lack adequate rules and procedures for defending our intellectual property rights.

If we fail to obtain and maintain patent protection and trade secret protection of our product candidates and technology, we could lose our competitive advantage and competition we face would increase, reducing any potential revenues and have a material adverse effect on our business.

The lives of our patents may not be sufficient to effectively protect our products and business.

Patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after its first effective filing date.

Although various extensions may be available, the life of a patent, and the protection it affords, is limited. Our issued patents and pending patent applications will expire on dates ranging from 2025 to 2041, subject to any patent extensions that may be available for such patents. In addition, although upon issuance in the United States a patent's life can be increased based on certain delays caused by the USPTO, this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution. In the EU, for patents related to authorized drug products, Supplementary Protection Certificates (SPCs) are available to extend a patent term for up to five years to compensate for patent protection lost during regulatory review. In the case our candidates' products are registered as a medical device in a particular European country, we will not benefit from the supplementary patent protection afforded by an SPC in that country. Although all EU Member States must provide SPCs, SPCs must still be applied for and granted on a country-by-country basis and their protection is subject to exceptions. If we do not have sufficient patent life to protect our products, our business and results of operations will be adversely affected.

We will not seek to protect our intellectual property rights in all jurisdictions throughout the world and we may not be able to adequately enforce our intellectual property rights even in the jurisdictions where we seek protection.

Filing, prosecuting and defending patents on our product candidates in all countries and jurisdictions throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States could be less extensive than those in the United States, assuming that rights are obtained in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions.

Competitors may use our technologies in jurisdictions where we or our licensors do not pursue and obtain patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but where the ability to enforce our patent rights is not as strong as in the United States. These products may compete with our products and our intellectual property rights and such rights may not be effective or sufficient to prevent such competition.

The laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States. Patent protection must be sought on a country-by-country basis, which is an expensive and time-consuming process with uncertain outcomes. Accordingly, we may choose not to seek patent protection in certain countries, and we will not have the benefit of patent protection in such countries. In addition, the legal systems of some countries, particularly developing countries, do not favor the enforcement of patents and other intellectual property protection, , and the requirements for patentability differ, in varying degrees, from country to country, and the laws of some foreign countries do not protect intellectual property rights, including trade secrets, to the same extent as federal and state laws of the United States. As a result, many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. Such issues may make it difficult for us to stop the infringement, misappropriation or other violation of our intellectual property rights. For example, many foreign countries, including the EU countries, have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, many countries limit the enforceability of patents against third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. In those countries, we may have limited remedies if patents are infringed or if we are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own or license. Similarly, if our trade secrets are disclosed in a foreign jurisdiction, competitors worldwide could have access to our proprietary information and we may be without satisfactory recourse. Such disclosure could have a material

adverse effect on our business. Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws.

Furthermore, proceedings to enforce our patent rights and other intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded to us, if any, may not be commercially meaningful, while the damages and other remedies we may be ordered to pay such third parties may be significant. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Third parties may assert rights to inventions we develop or otherwise regard as our own.

Third parties may in the future make claims challenging the inventorship or ownership of our or our licensors' intellectual property. We have written agreements with collaborators that provide for the ownership of intellectual property arising from our strategic licensing arrangements. These agreements provide that we must 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 strategic arrangement. In some instances, there may not be adequate written provisions to clearly address the allocation of intellectual property rights that may arise from the respective strategic licensing arrangement. If we cannot successfully negotiate sufficient ownership and commercial rights to the inventions that result from our use of a third-party collaborator's materials when required, or if disputes otherwise arise with respect to the intellectual property developed through the use of a collaborator's samples, we may be limited in our ability to capitalize on the full market potential of these inventions. In addition, we may face claims by third parties that our agreements with employees, contractors, or consultants obligating them to assign intellectual property to us are ineffective, or are in conflict with prior or competing contractual obligations of assignment, which could result in ownership disputes regarding intellectual property we have developed or will develop and could interfere with our ability to capture the full commercial value of such inventions. Litigation may be necessary to resolve an ownership dispute, and if we are not successful, we may be precluded from using certain intellectual property and associated products and technology, or may lose our rights in that intellectual property. Either outcome could have a material adverse effect on our business.

We may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent which might adversely affect our ability to develop and market our products.

We cannot guarantee that any of our patent searches or analyses, including but not limited to the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third party patent and pending application in the European countries, Japan, United States and abroad that is relevant to or necessary for the commercialization of our product candidates, including NBTXR3, in any jurisdiction.

The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent's prosecution history.

Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. We may incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third party's pending application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our product candidates. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products.

Third parties may assert that our employees or consultants have wrongfully used or disclosed confidential information or misappropriated trade secrets.

We currently employ, and may in the future employ, individuals who were previously employed or worked as an intern at universities or other biotechnology, biopharmaceutical or nanotherapeutic companies, including our competitors or potential competitors. Although we try to ensure that our employees and consultants do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information, of a former employer or other third parties. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to

paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

A dispute concerning the infringement or misappropriation of our proprietary rights or the proprietary rights of others could be time consuming and costly, and an unfavorable outcome could harm our business.

There is significant litigation in the biopharmaceutical and biotechnology industry regarding patent and other intellectual property rights. Although we are not currently subject to any material pending intellectual property litigation, and are not aware of any such threatened litigation, we may be exposed to future litigation by third parties based on claims that our product candidates, technologies or activities infringe the intellectual property rights of others.

Our success will depend in part on our ability to operate without infringing, misappropriating or otherwise violating the intellectual property and proprietary rights of third parties. Other parties may allege that our or our collaborators' products or product candidates or the use of our or our collaborators' technologies infringe, misappropriate or otherwise violate patent claims or other intellectual property rights held by them or that we or our collaborators are employing their proprietary technology without authorization.

If our development activities are found to infringe any such patents or other intellectual property rights, we may have to pay significant damages or seek licenses to such patents or other intellectual property. A patentee could prevent us from using the patented drugs or compositions. We may need to resort to litigation to enforce a patent issued to us, to protect our trade secrets, or to determine the scope and validity of third-party proprietary rights.

If we become involved in litigation, it could consume a substantial portion of our managerial and financial resources, regardless of whether we win or lose. Any adverse ruling or perception of an adverse ruling in defending ourselves against these claims could have a material adverse impact on our cash position. Patent and other types of intellectual property litigation can involve complex factual and legal questions, and their outcome is uncertain.

Any legal action against us or our collaborators could lead to:

- payment of damages, potentially including treble or punitive damages if we are found to have wilfully infringed a party's patent rights;
- injunctive or other equitable relief that may effectively block our ability to further develop, commercialize, and sell products;
- our or our collaborators being required to obtain a license under third-party intellectual property, and such license may not be available on an exclusive basis, on commercially acceptable terms, or at all; or
- extensive discovery in which our confidential information could be compromised.

Any of these outcomes could have a material adverse impact on our cash position and financial condition and our ability to develop and commercialize our product candidates.

Issued patents covering our product candidates could be found invalid or unenforceable if challenged in court.

If we or one of our licensing partners initiated legal proceedings against a third party to enforce a patent covering our product candidate, the defendant could counterclaim that the patent covering our product candidate is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Furthermore, third parties may petition courts for declarations of invalidity or unenforceability with respect to our patents or individual claims. If successful, such claims could narrow the scope of protection afforded our product candidates, including NBTXR3, and future products, if any. Grounds for a validity challenge include alleged failures to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Grounds for unenforceability assertions include allegations that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post grant review and equivalent proceedings in foreign jurisdictions. Such proceedings could result in revocation or amendment of our patents in such a way that they no longer cover our product candidates or competitive products. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to validity, for example, we cannot be certain that there is no invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our product candidates. Such a loss of patent protection would have a material adverse impact on our business.

We may be unsuccessful in licensing or acquiring third-party intellectual property that may be required to develop and commercialize our product candidates.

We have rights, through patents that we own, to the intellectual property to develop our product candidates, including NBTXR3.

Because our programs may involve additional product candidates or improved formulations of existing product candidates, including NBTXR3, that may require the use of intellectual property or proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire, in-license or use such intellectual property and proprietary rights. We may be unable to acquire or in-license any third-party intellectual property or proprietary rights or to do so on commercially reasonable terms. For example, we sometimes collaborate with public or private academic institutions to accelerate our research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate a license to any of the institution's rights in technology resulting from the strategic collaboration. Regardless of such option, we may be unable to negotiate a license within the specified time frame or under terms that are acceptable to us, and the institution may license such intellectual property rights to third parties, potentially blocking our ability to pursue our development and commercialization plans. The same situation may occur with a present or future development partner.

The licensing and acquisition of third-party intellectual property and proprietary rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property and proprietary rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size and greater capital resources and development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license intellectual property and proprietary rights to us.

If we are unable to successfully acquire or in-license rights to required third-party intellectual property and proprietary rights or maintain our intellectual property and proprietary rights, we may have to cease development of the relevant the relevant program, product or product candidate, which could have a material adverse effect on our business.

If we fail to comply with our obligations in any agreements under which we may license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with any licensors, we could lose license rights that are important to our business.

We may, in the future, be a party to intellectual property license agreements that may be important to our business. Such future license agreements will impose, various diligence, milestone payment, royalty and other obligations on us. If in the future we were to fail to comply with our obligations under these agreements, or we were subject to a bankruptcy, our licensors may have the right to terminate the license, in which event we would not be able to market products or NBTXR3 covered by the license.

In addition, in the case we in-license intellectual property rights, disputes may arise regarding the payment of the royalties or other consideration due to licensors in connection with our exploitation of the rights we license from them. Licensors may contest the basis of payments we had retained and claim that we are obligated to make payments under a broader basis. In addition to the costs of any litigation we may face as a result, any legal action against us could increase our payment obligations under the respective agreement and require us to pay interest and potentially damages to such licensors.

In some cases, patent prosecution of an in-licensed technology is controlled solely by the licensor. If such licensor fails to obtain and maintain patent or other protection for the proprietary intellectual property we in-licensed from such licensor, we could lose our rights to such intellectual property or the exclusivity of such rights, and our competitors could market competing products using such intellectual property. In addition, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. In that event, we may be required to expend significant time and resources to develop or license replacement technology. If we are unable to do so, we may be unable to develop or commercialize the affected products and NBTXR3, which could harm our business significantly. In other cases, for example we may control the prosecution of patents resulting from licensed technology. In the event we were to breach any of our obligations related to such prosecution, we could incur significant liability to our eventual licensing partners. We may also require the cooperation of our licensors to enforce any licensed patent rights, and such cooperation may not be provided. Moreover, we would have obligations under these license agreements, and any failure to satisfy those obligations could give our licensor the right to terminate the agreement. Termination of a necessary license agreement could have a material adverse impact on our business.

Disputes may arise regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the basis of royalties and other consideration due to our licensors;

- the extent to which our products, NBTXR3, technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

If disputes over intellectual property that we have licensed from third parties prevent or impair our ability to maintain any future licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected NBTXR3.

Risks Related to Human Capital Management

We depend on key management personnel and attracting and retaining other qualified personnel, and our business could be harmed if we lose key management personnel or cannot attract and retain other qualified personnel.

Our success depends to a significant degree upon the technical skills and continued service of certain members of our management team, including Laurent Levy, our co-founder and Chairman of the executive board of the Company. Although we have taken out and maintain "key person" insurance policies on the lives of Laurent Levy and the principal executives, and such individuals are also subject to a non-competition clause, the loss of the service of Laurent Levy or other key executive officers could nevertheless have a material adverse effect on us.

Our success also will depend upon our ability to attract and retain additional qualified management, regulatory, medical, and development executives and personnel. The failure to attract, integrate, motivate, and retain additional skilled and qualified personnel or to find suitable replacements upon departure (including due to movements in the price of the Company's ordinary shares that are beyond our control and may significantly affect free shares and stock options granted to employees that vest over time) could have a material adverse effect on our business. We compete for such personnel against numerous companies, including companies with significantly greater financial resources than we possess. In addition, failure to successfully develop our product candidates, including NBTXR3, development may make it more challenging to recruit and retain qualified personnel.

In addition, the ability of our executive board's authority to grant equity incentive instruments is subject to an approval of a two-thirds majority of the votes cast of our shareholders and any failure to reach such prerequisite would preclude the executive board from granting such equity awards. Further, the volatility in the price of our ordinary shares and its impact on the value of the free shares and stock options that are granted to employees may limit our ability to adequately incentivize current or new employees.

Risks Relating to Our Status as a Foreign Private Issuer or a French Company

Our By-laws and French corporate law contain provisions that may delay or discourage a takeover attempt and investments in the Company may be subject to prior governmental authorization under the French foreign investment control regime.

Over the past few years, the French government has strengthened its foreign investment control regime. Thus, as at the date of the Annual Report, any investment: by any non-European Union or non-European Economic Area's investor that will result in the relevant investor (a) holding, directly or indirectly, acting alone or in concert with others, at least a 10% threshold of voting rights of the Company or (b) acquiring all or part of a business line of the Company where the Company is developing research and development activity listed by the French Ministry of Economy as included in the critical technologies, is subject to the prior authorization of the French Ministry of Economy, which authorization may be conditioned on certain undertakings.

In such circumstances, the Company cannot guarantee that such investor will obtain the necessary authorization in due time. The authorization may also be granted subject to conditions that may deter a potential purchaser. The existence of such conditions to an investment in the Company could have a negative impact on the ability of the Company to raise the funds necessary to its development.

Similarly, certain existing investors could be subject to this control regime if regulatory thresholds are crossed due to the allocation of double voting rights in their favor. Provisions contained in our By-laws and French corporate law could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our shareholders. In

addition, provisions of French law and our By-laws impose various procedural and other requirements, which could make it more difficult for shareholders to effect certain corporate actions. These provisions include the following:

- a merger (i.e., in a French law context, a stock-for-stock exchange after which our company would be dissolved without being liquidated into the acquiring entity and our shareholders would become shareholders of the acquiring entity) of our company into a company incorporated in the European Union would require the approval of our board of directors as well as a two-thirds majority of the votes cast of the shareholders present, represented by proxy or voting by mail at the relevant meeting;
- a merger of our company into a company incorporated outside of the European Union would require the unanimous approval of our shareholders;
- under French law, a cash merger is treated as a share purchase and would require the consent of each participating shareholder;
- our shareholders have granted and may in the future grant to our executive board broad authorizations to increase our share capital or to issue additional ordinary shares or other securities (for example, warrants) to our shareholders, the public or qualified investors, which could be used as a possible defense following the launching of a tender offer for our shares;
- our shareholders may have been granted with preferential subscription rights proportional to their shareholding in our company on the issuance by us of any additional shares or securities giving the right, immediately or in the future, to new shares for cash or a set-off of cash debts, which rights may only be waived by the extraordinary general meeting (by a two-thirds majority vote) of our shareholders or on an individual basis by each shareholder;
- our shares take the form of bearer securities or registered securities, if applicable legislation so permits, according to the shareholder's choice. Issued shares are registered in individual accounts opened by us or any authorized intermediary (depending on the form of such shares), in the name of each shareholder and kept according to the terms and conditions laid down by the legal and regulatory provisions;
- approval of at least a majority of the votes cast of the shareholders present, represented by a proxy, or voting by mail at the relevant ordinary shareholders' general meeting is required to remove supervisory board member with or without cause;
- advance notice is required for nominations to the supervisory board or for proposing matters to be acted upon at a shareholders' meeting, except that a vote to remove and replace a supervisory board member can be proposed at any shareholders' meeting without notice;
- transfers of shares shall comply with applicable insider trading rules; and
- in the event where certain ownership thresholds would be crossed, a number of disclosures should be made by the relevant shareholder in addition to other certain obligations; more specifically, according to French legal and regulatory provisions, insofar the Company is a publicly-listed company into a regulated stock exchange, shareholders must make a declaration to us and to the French financial regulatory AMF no later than the fourth trading day after such shareholder crosses the following thresholds: 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% and 95%. The above obligations of declaration apply when crossing each of the above-mentioned thresholds in an upward or downward direction. Furthermore, and subject to certain exemptions, any shareholder crossing, alone or acting in concert, the 50% threshold must file a mandatory public tender offer.

The rights of shareholders in companies subject to French corporate law differ in material respects from the rights of shareholders of corporations incorporated in the United States.

We are a French company with limited liability. Our corporate affairs are governed by our By-laws and by the laws governing companies incorporated in France. The rights of shareholders and the responsibilities of members of our board (whether supervisory or executive board members) are in many ways different from the rights and obligations of shareholders in companies governed by the laws of U.S. jurisdictions. For example, in the performance of its duties, our board of directors is required by French law to consider the interests of our company, its shareholders, its employees and other stakeholders, rather than solely our shareholders and/or creditors. It is possible that some of these parties will have interests that are different from, or in addition to, the interests of our shareholders.

French law may limit the amount of dividends we are able to distribute, and we do not currently intend to pay dividends.

We have never declared or paid any cash dividends on our share capital and do not currently intend to do so for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth. Therefore, holders of our ordinary shares and ADSs are not likely to receive any dividends for the foreseeable future and any increase in value will depend solely upon any future appreciation. Consequently, holders of our equity securities may need to sell all or part of their holdings after price appreciation, which may never occur, as the only way to realize any future gains.

Further, under French law, the determination of whether we have been sufficiently profitable to pay dividends is made on the basis of our statutory financial statements prepared and presented in accordance with standard applicable in France. Therefore, we may be more restricted in our ability to declare dividends than companies not based in France.

Our failure to maintain certain tax benefits applicable to French technology companies may adversely affect our results of operations.

As a French biotechnology company, we have benefited from certain tax advantages, including the French research tax credit (Crédit d'Impôt Recherche), or CIR. The CIR is a French tax credit aimed at stimulating research and development. The CIR can be offset against French corporate income tax due and the portion in excess (if any) may be refunded at the end of a three fiscal-year period (or, sooner, in certain cases). The CIR is calculated based on our claimed amount of eligible research and development expenditures in France. The French tax authority with the assistance of the Research and Technology Ministry may audit each research and development program in respect of which a CIR benefit has been claimed and assess whether such program qualifies in their view for the CIR benefit, in accordance with the French tax code (Code général des impôts) and the relevant official guidelines.

Furthermore, if the French Parliament decides to eliminate, modify, or reduce the scope of the CIR benefit, which it could decide to do at any time, our results of operations could be adversely affected.

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

Tax losses in France can be carried forward for an unlimited period of time to be computed against any upcoming benefit-making result, being noted that such computation is capped annually 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.

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. In addition, tax losses would in principle be voided if ever the Company undertakes a "change of activity" under the meaning of French tax law, defined as any addition, cessation or transfer of an activity resulting in a variation of (i) the turnover or (ii) the average number of employees and the gross amount of the Company's fixed assets, of more than 50% (in the fiscal year of its occurrence or in the following fiscal year, compared to the fiscal year preceding that of such addition, cessation or transfer).

We may be exposed to significant foreign exchange risk, which may adversely affect our financial condition, results of operations and cash flows.

We incur portions of our expenses and may in the future derive revenues in currencies other than the euro, including, in particular, the U.S. dollar.

As a result, we are exposed to foreign currency exchange risk as our results of operations and cash flows are subject to fluctuations in foreign currency exchange rates. We currently do not engage in hedging transactions to minimize the impact of uncertainty in future exchange rates on cash flows. We cannot predict the impact of foreign currency fluctuations, and foreign currency fluctuations in the future may adversely affect our financial condition, results of operations and cash flows.

Although not free from doubt, we do not believe we were a "passive foreign investment company," or PFIC, for U.S. federal income tax purposes for the taxable year ended December 31, 2023. However, we cannot assure you that we will not be classified as a PFIC for the taxable year ending December 31, 2024 or any future taxable year, which may result in adverse U.S. federal income tax consequences to U.S. holders.

A non-U.S. corporation will be considered a PFIC for any taxable year if either (1) at least 75% of its gross income for such year is passive income or (2) at least 50% of the value of its assets (based on an average of the quarterly values of the assets during such year) is attributable to assets that produce or are held for the production of passive income. Although the matter is not free from doubt, we do not believe that we were a PFIC for U.S. federal income

tax purposes for the taxable year ended December 31, 2023. Because certain aspects of the PFIC rules are not entirely certain and because this determination is dependent upon a number of factors, there can be no assurance that we were not a PFIC for such taxable year or that the IRS will agree with any position we take regarding our PFIC status.

Further, no assurances may be given at this time as to our PFIC status for the current or future taxable years. The determination of PFIC status is fact-specific, and a separate determination must be made each taxable year as to whether we are a PFIC (after the close of each such taxable year). It is possible that we could be classified as a PFIC for the taxable year ending December 31, 2024 or future taxable years due to changes in the composition of our assets or income, as well as changes to the market value of our assets. If we are a PFIC for any taxable year during which a U.S. holder holds ADSs, the U.S. holder may be subject to adverse tax consequences, including (1) the treatment of all or a portion of any gain on disposition of the ADSs as ordinary income, (2) the application of an interest charge with respect to such gain and certain dividends and (3) compliance with certain reporting requirements. Each U.S. holder is strongly urged to consult its tax advisor regarding these issues and any available elections to mitigate such tax consequences.

As a foreign private issuer under U.S. Securities law, we are exempt from a number of rules under the U.S. securities laws and we follow certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance standards.

We are a "foreign private issuer," as defined in the SEC's rules and regulations and, consequently, we are not subject to all of the disclosure requirements applicable to public companies organized within the United States. Accordingly, there may be less publicly available information concerning our company than there would be if we were a U.S. domestic issuer.

Further, as a foreign private issuer that is listed on the Nasdaq Global Market, we are subject to Nasdaq's corporate governance standards. However, Nasdaq rules provide that foreign private issuers are permitted to follow home-country corporate governance practices in lieu of Nasdaq's corporate governance standards as long as notification is provided to Nasdaq of the intention to take advantage of such exemptions. As a result, our shareholders may be afforded less protection than they otherwise would have under Nasdaq's corporate governance standards applicable to U.S. domestic issuers.

We may lose our foreign private issuer status in the future, which could result in significant additional cost and expense.

Based on our determination made on June 30, 2023 (the last business day of our most recently completed semester), we qualify as a foreign private issuer. The next determination as to foreign private issuer status will be made on June 30, 2024.

We may lose our foreign private issuer status if, as of the relevant determination date, more than 50% of our securities are held by U.S. residents and either (i) more than 50% of our executive officers or more than 50% of the members of, as the case may be, our board of directors or supervisory board, are residents or citizens of the United States, (ii) more than 50% of our assets are located in the United States, or (iii) our business is principally administered within the United States.

As of December 31, 2023, to our knowledge less than 50% of Nanobiotix outstanding ordinary shares (including in the form of ADSs) were held by persons who were not U.S. residents.

The regulatory and compliance costs to us under U.S. securities laws as a U.S. domestic public company would be significantly more than the costs we currently incur as a foreign private issuer.

The Company's dual listing shares requires the implementation of costly and complex compliance procedures.

Due to the listing of our shares, in the form of ADSs, in the United States on the NASDAQ Global Select Market, the Company is subject to a number of additional laws, rules and regulations, including the Securities Exchange Act and the reporting requirements thereunder, the Sarbanes-Oxley Act, the NASDAQ corporate governance requirements and other applicable securities laws, rules and regulations.

Compliance with these laws, rules and regulations requires the implementation of costly and complex compliance procedures that increases our legal and financial compliance costs, make some activities more difficult, time-consuming, or costly, increase demand on our systems and resources and may divert the management's attention from the Group's other concerns.

In addition, the dual listing of the Company's shares on the regulated market of Euronext in Paris and on the NASDAQ Global Select Market in the United States requires compliance with both regulations and thus entails an increase in the legal requirements applicable to the Group, particularly in terms of disclosures of regulated information. The Company may not be able to ensure an equivalent level of disclosure in the information disclosed and published on the two stock exchanges. This may lead to uncertainty as to the determination of the applicable rules and regulations and increase costs related, in particular, to the implementation of good disclosure and corporate governance practices.

Legal actions may be initiated by competitors or third parties on the basis of the regulated information. In addition to the costs and consequences of the Group's potential loss of the legal actions, the legal proceedings themselves and the time and resources required to address them may force the Group to divert significant resources that would have been allocated to its business.

Risks Related to Ownership of Our ADSs

Holders of our ADSs do not directly hold our ordinary shares.

Holders of ADSs are not treated as one of our shareholders and do not have direct shareholder rights. French law governs Nanobiotix's shareholder rights.

The depositary, through the custodian or the custodian's nominee, is the holder of the ordinary shares underlying all ADSs. Holders of ADSs have only ADS holder rights. Among other things, ADS holder rights do not provide for double voting rights, which otherwise would be available to holders of ordinary shares held in a shareholders' name for a period of at least two years. 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. The deposit agreement among us, the depositary and purchasers of ADSs in the U.S. offering, as an ADS holder, and all other persons directly and indirectly holding ADSs, sets out ADS holder rights, as well as the rights and obligations of us and the depositary.

Holders of our ADSs may not be able to exercise their right to vote the ordinary shares underlying such ADSs.

Holders of ADSs may exercise voting rights with respect to the ordinary shares represented by the ADSs only in accordance with the provisions of the deposit agreement and not as a direct shareholder. The deposit agreement provides that, upon receipt of notice of any meeting of holders of our ordinary shares, the depositary will fix a record date for the determination of ADS holders who shall be entitled to give instructions for the exercise of voting rights. Upon timely receipt of notice from us, if we so request, the depositary shall distribute to the holders as of the record date (i) the notice of the meeting or solicitation of consent or proxy sent by us and (ii) a statement as to the manner in which instructions may be given by the holders.

Holders of ADSs may instruct the depositary of the ADSs to vote the ordinary shares underlying such ADSs. Otherwise, holders of our ADSs will not be able to exercise their right to vote, unless they withdraw the ordinary shares underlying such ADSs. However, holders of our ADSs may not know about the meeting far enough in advance to withdraw those ordinary shares. If we ask for instructions, the depositary, upon timely notice from us, will notify holders of our ADSs of the upcoming vote and arrange to deliver our voting materials to such holders. We cannot guarantee that holders of our ADSs will receive the voting materials in time to ensure that they can instruct the depositary to vote such ordinary shares or to withdraw such ordinary shares so as to vote them directly. If the depositary does not receive timely voting instructions from holders of our ADSs, it may give a proxy to a person designated by us to vote the ordinary shares underlying such ADSs in accordance with the recommendation of our board of directors. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that holders of our ADSs may not be able to exercise their right to vote, and there may be nothing such holders can do if the ordinary shares underlying such ADSs are not voted as requested.

The rights of shareholders in companies subject to French corporate law differ in material respects from the rights of shareholders of corporations incorporated in the United States.

We are a French société anonyme with our registered office in France. Our corporate affairs are governed by our By-laws and by the laws governing companies incorporated in France. The rights of shareholders and the responsibilities of members of our board of directors are in many ways different from the rights and obligations of shareholders in companies governed by the laws of U.S. jurisdictions. For example, in accordance with French law, while a double voting right is attached to each ordinary share which is held in registered form in the name of the same shareholder for at least two years, ordinary shares deposited with the depositary will not be entitled to double voting rights. Therefore, holders of ADSs who wish to obtain double voting rights will need to surrender their ADSs,

withdraw the deposited shares, and take the necessary steps to hold such ordinary shares in registered form in the holder's name for at least two years. See "Item 16G—Corporate Governance."

The right of holders of our ADSs to participate in any future preferential subscription rights or to elect to receive dividends in shares may be limited, which may cause dilution to holders of ADSs.

According to French law, if we issue additional shares or securities for cash, current shareholders will have preferential subscription rights for these securities proportionally to their shareholding unless they waive those rights at an extraordinary meeting of our shareholders (by a two-thirds majority vote) or individually by each shareholder. However, our ADS holders in the United States will not be entitled to exercise or sell such rights unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. In addition, the deposit agreement for our ADSs provides that the depositary will not make rights available to holders of our ADSs unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act or exempted from registration under the Securities Act. Further, if we offer holders of our ordinary shares the option to receive dividends in either cash or shares, the depositary may require satisfactory assurances from us that extending the offer to holders of ADSs does not require registration of any securities under the Securities Act before making the option available to holders of ADSs. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. Accordingly, ADS holders may be unable to participate in our rights offerings or to elect to receive dividends in shares and may experience dilution in their holdings and may receive no value for these rights.

Holders of our ADSs may be subject to limitations on the transfer of such ADSs and the withdrawal of the underlying ordinary shares.

ADSs, which may be evidenced by American Depositary Receipts, or ADRs, are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary think it is advisable to do so because of any requirement of law, government or governmental body, or under any provision of the deposit agreement, or for any other reason subject to an ADS holders' right to cancel such ADSs and withdraw the underlying ordinary shares.

Temporary delays in the cancellation of such ADSs and withdrawal of the underlying ordinary shares may arise because the depositary has closed its transfer books or we have closed our transfer books, the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting or we are paying a dividend on our ordinary shares. In addition, holders of our ADSs may not be able to cancel such ADSs and withdraw the underlying ordinary shares when such holders owe money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of ordinary shares or other deposited securities.

The market price for our ADSs may be volatile or may decline regardless of our operating performance.

The trading price of the ADSs has fluctuated, and is likely to continue to fluctuate, substantially. Since the ADSs were sold in our initial public offering in December 2020 at a price of $13.50 per share, the price per ADS has ranged as low as $2.14 and as high as $19.68 through December 31, 2023. The market price of the ADSs may fluctuate significantly in response to numerous factors, including those described in this "Risk Factors" section, many of which are beyond our control. The market price and demand for our ADSs may also fluctuate substantially, regardless of our actual operating performance, which may limit or prevent holders from readily selling their ADSs and may otherwise negatively affect the liquidity of our capital shares. Pharmaceutical, biotechnology and nanomedicine companies, in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies.

Share ownership is concentrated in the hands of our principal shareholders and management, who will continue to be able to exercise substantial influence on us.

Our executive officers and current 5% or greater shareholders beneficially own in aggregate approximately 36.2% of our ordinary shares outstanding (including those underlying our ADSs, but excluding shares that may be acquired upon exercise of stock options or warrants) as of December 31, 2023. As a result, these shareholders have significant influence over all matters that require approval by our shareholders, including the election of supervisory or executive board members and approval of significant corporate transactions. These shareholders may be able to take corporate action even if other shareholders oppose them. This concentration of ownership might also have the effect of delaying or preventing a change of control of our company that other shareholders may view as beneficial.