



NANO ECHO
next level diagnostics

NanoEcho AB (publ)

Interim Report - in short

Third quarter, July - September 2021



The information was published on October 28, 2021, at 08.00.
[Link to the complete report in Swedish.](#)

Financial overview

Third quarter 2021: July 1 - September 30

- Net sales amounted to KSEK 0 (0).
- Result after taxes amounted to KSEK -2 464 (-1 447).
- Basic and diluted earnings per share amounted to SEK -0,01 (-0,01).
- Cash flow from operating activities amounted to KSEK -2 474 (-1 447).

Nine months 2021: January 1 - September 30

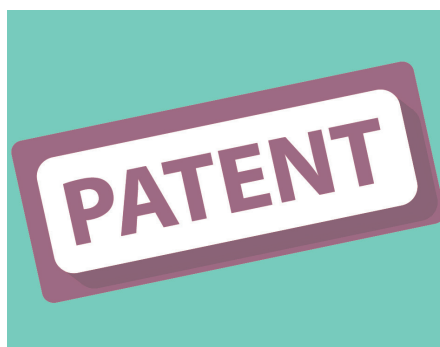
- Net sales amounted to KSEK 0 (0).
- Result after taxes amounted to KSEK -10 345 (-4 833).
- Basic and diluted earnings per share amounted to SEK -0,03 (-0,02).
- Cash flow from operating activities amounted to KSEK -10 312 (-4 833).
- Cash and cash equivalents amounted to KSEK 31 670 (13 165) on the balance sheet date.

Significant events during the period

- The basic patent for NanoEcho's method was granted in Japan, Europe, and South Korea. The basic patent is granted in countries that make up almost 40 percent of the global rectal cancer market. The patent protects the unique combination of an ultrasonic transducer placed together with one or several magnets in the same unit. The basic patent thus protects the design of a hand-held probe.



The method uses iron oxide-based nanoparticles as a contrast agent. A magnetic field is applied and sets the nanoparticles in motion which is detected by ultrasound. Because the nanoparticles accumulate in the tissue in different ways depending on whether healthy or diseased, a differentiation between healthy and diseased tissue in adjacent lymph nodes to the tumor is made possible.



Significant events after the period

- The shareholders of NanoEcho have been convened to an extraordinary general meeting to be held on November 18, 2021. The meeting will be conducted without the physical attendance of shareholders, representatives, or external parties. Voting rights will be exercised by postal vote only.

Financial calendar

- Interim Report Q4
2022-02-16
- Annual Report 2021
2022-04-12
- Interim Report Q1
2022-04-28
- Interim Report Q2
2022-08-23
- Interim Report Q3
2022-10-26



CEO comments

We have handpicked our employees, recognising industry experience and, above all, experience of developing products and bringing them to market.

Linda Persson, CEO of NanoEcho

A lot has happened in the past quarter, in parallel to our ongoing clinical study at Sahlgrenska University Hospital in Gothenburg. The basic patent for the method was granted in Europe, Japan, and South Korea; we have continued our system optimisation effort; and the staff numbers have increased.

It is incredibly exciting that our clinical development study on surgically removed rectal cancer tissue, with the first generation of the company's portable system, is now under way in Sahlgrenska University Hospital in Gothenburg, and also that we have an approved ethics application for a clinical study at Skåne University Hospital in Malmö. In parallel to the study, we have during the fall continued to work on the system optimisation. With the help of phantoms and lymph nodes on animal tissue, which both simulate human tissue, we have successfully developed our system for mapping nanoparticles further.

We have also continued the development of our analysis software, Datatrace. Datatrace sorts and organises all the data from the clinical study and our phantom measurements, which streamlines the analysis phase. All information collected from our measurements in the lab and the clinical study is processed, analysed and visualised in an effective manner, without any data being wasted. Datatrace is an important tool in our optimisation work related to the mapping of nanoparticles.

During the quarter, the staff numbers have increased and more competences have been added to our already skillful and performance-driven organization. We, as a company, have had the privilege of attra-

cting people with the skills and experiences that we have identified and sought. We have handpicked our employees, recognising industry experience and, above all, experience of developing products and bringing them to market. Our strong product development team has been complemented by an equally strong QA/RA team, with extensive experience of quality and regulatory work. Together, we are building a strong and results-oriented business culture based on skills and experience of bringing products to market.

The basic patent for the method has been granted in Europe, Japan, and South Korea. The patent protects the unique combination of an ultrasonic transducer placed together with one or several magnets in the same unit. The basic patent thus protects the design of a hand-held probe. This entails that our basic patent now is granted in countries that make up almost 40 percent of the global rectal cancer market. We are working actively on our patent portfolio, and we continuously assess the best ways to strengthen and expand the portfolio. This is to ensure the use of strategically and technically important innovations, as our product development progresses.

We continue to work according to plan, and I, together with my eminent co-workers, look forward to continuing our clinical development study and our optimisation work towards the goal – to become part of the standard of care pathway for rectal cancer patients.

Lund, October 2021

Linda Persson, CEO of NanoEcho