

# Investor letter

December 2021



**NANOECHO**  
next level diagnostics

## Keeping the objective in view

We are closing the books on the eventful year of 2021. This was a year in which we clearly advanced our position, from being a research company to the product development company with a clear focus on delivery that we are today.

We are now looking forward to an equally eventful 2022, focusing on our objective: to be part of the standard of care pathway for rectal cancer patients and be able to offer the care provider a safer and more reliable mapping of metastatic lymph nodes.

The company has grown over the year. Our focus has, among other things, been on completing our first portable prototype system and building a business culture with a firm basis in a competent, experienced, and, not least, performance-oriented team. The team has more than tripled over the year. We were six employees at the beginning of the year, and today we are more than 20, our consultants included. The competence of the company has been broadened, and we are well equipped to face the challenges that await us next year. Together we are actively working to build our business culture, which is based on a clear leadership that prioritizes, defines, and dares to opt out of alternatives that arise in the development effort. We are keeping our objective in view, but we also attach great importance to ensuring that the progress along the road is enjoyable and stimulating.



Professor Eva Angenete successfully identified the distribution of nanoparticles in the surgically removed tissue. Everything continued according to plan, and our goal for the first patient was achieved.

Work on our clinical development studies with the first prototype system will continue in 2022. Our objective for the ongoing development study is to provide a comprehensive analysis of the system's performance and provide guidance for the design and system development of our next system, adapted to commercialization.

We have been working actively on evaluating our prototype system and our technology, not only by analyzing data from our ongoing clinical development studies and laboratories, but also by listening to market needs and customers' demands. Together with a solid analysis of the regulatory requirements applicable to our product, this forms a common set of requirements for the next system, which is intended to be placed in strategic reference clinics in Sweden.

In parallel, we have also worked to initiate the establishment of a quality system for medical product development in accordance with the Medical Device Regulation (MDR). A Quality and Regulatory Affairs Manager was recruited to lead our quality and regulatory work with the aim of ensuring that our processes and the future product meet the quality requirements for medical devices. I firmly believe that an early establishment of clear and appropriate processes, document structures, and requirements that can be verified and validated in an efficient manner will provide a solid basis for the future product development phase.

We are planning to conduct a formal Design Input Review in 2022. This is a systematic review of our collated requirements and plans in view of the product development phase of our next system. The review will address questions such as "Are the requirements sufficient to meet the demands of the users and market?"; "Do we comply with applicable regulations?"; and "Is there a plan in place to address challenges



In the beginning of the year our first portable prototype system was completed, which was designed to map the distribution of nanoparticles in tissue by applying the magnetomotive ultrasound method. June 17, 2021, was a historic day for us at NanoECHO; to the best of our knowledge, we became the first in the world to apply the magnetomotive ultrasound method on human tissue on that day. In our case, it was on surgically removed rectal cancer tissue. An engaging team led by Chief Physician and



*Eva Angenete, chief physician and professor of surgery  
Leads the study at Sahlgrenska University Hospital*

that may arise during the development phase?" The review will provide the basis for efficient development, and the aim is to ensure that we develop the right product according to plan.

During the year, our basic patent was also approved in Japan, Europe and South Korea. These markets together represent almost 40 percent of the global rectal cancer market. The above patent is also being examined in Canada and the United States, where the process is proceeding according to plan. The basic patent protects the design of a hand-held probe, which applies magnetomotive ultrasound.

In consultation with our financial advisor, the Board of Directors decided at the end of 2021 to take forward the IPO process, as market conditions were considered favorable. We look forward to an IPO, which will enhance the visibility of the company and make it possible for more people to discover our company and thus have a chance to join our journey. During the fall, I presented NanoEcho to a number of investors who have shown great interest in our company and the strength of the technology and our future product.

Today, we have more than 600 shareholders, and I would like to thank them for their commitment and trust. We are a strong team that grows stronger the longer we work together. Together, we plan to reach station after station on our journey. A journey that has only just begun.

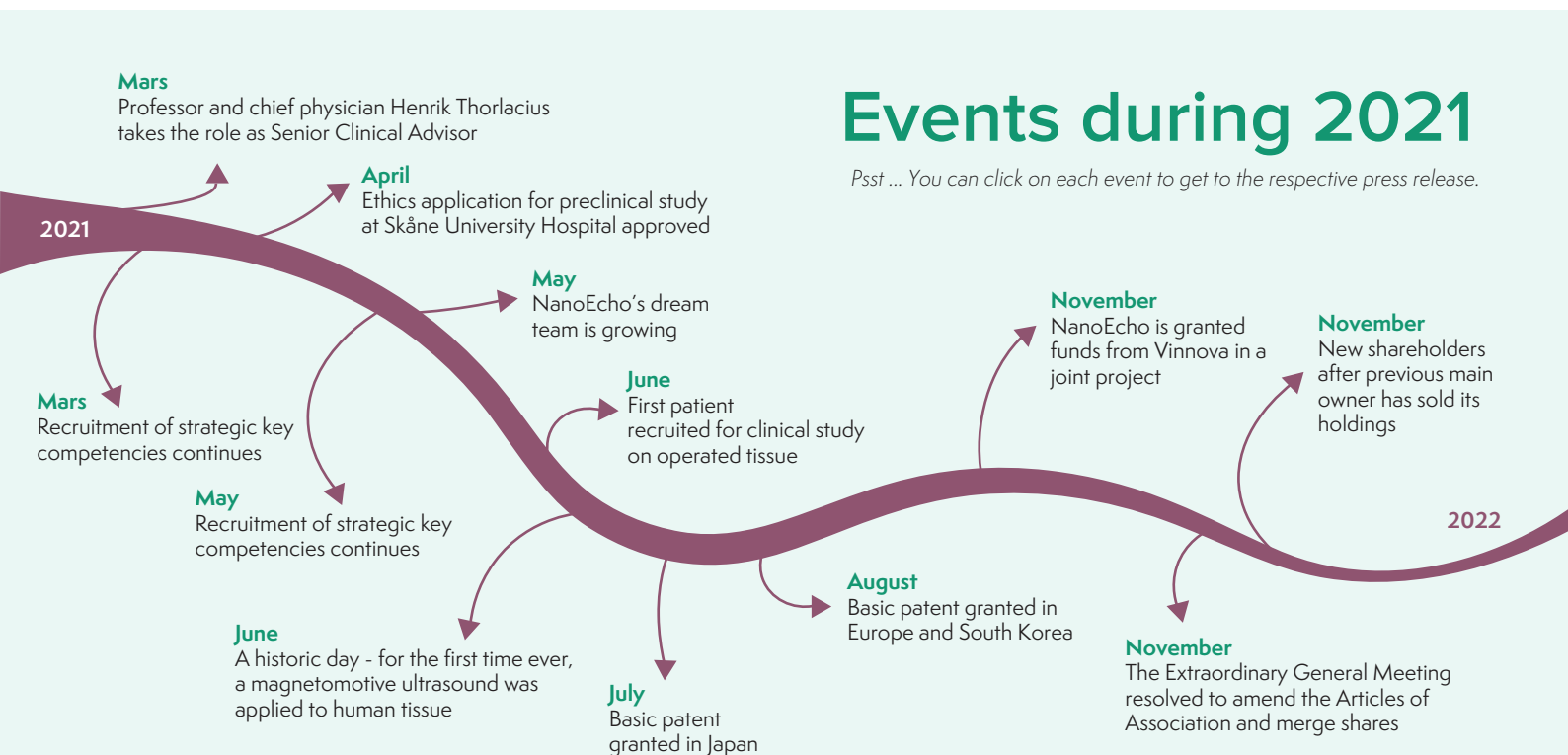
Thank you for a rewarding year! We are now looking forward to 2022.

**Merry Christmas and Happy New Year,**

Linda Persson, CEO of NanoEcho



▶ **Click on the picture to see when the CEO, Linda Persson and our technical manager, Magnus Santesson talk about NanoEcho and the ambition with the company.**



## Events during 2021

*Psst ... You can click on each event to get to the respective press release.*

# We asked our employees which experiences from 2021 they will bring with them into 2022

It was a big thing when our prototype system was completed and we, for the first time, could detect nanoparticles with it.

Our team-building day was really good. We had interesting discussions about group dynamics and phases to get through to become a high-performance group.

There is no doubt in my mind where we are heading. With my competent colleagues, the path towards the goal will be eventful.

The first time we were in a clinic and used the prototype system in a real-life situation.

It is nice to work with colleagues I have really enjoyed working with before. We know each other and know what we can do.

That we are developing a product that really has the potential to help many people.

The meeting with Chief Physician and Professor Eva Angenete, who gave us a very interesting course on rectal cancer.

The growth of the team and the emergence of a results-oriented business culture.

Our wonderful winning mentality and the fact that we always inspire and help each other.

The first time I saw surgically removed rectal cancer tissue, the benefit we can offer patients became clear to me.

That we are working on something that really has the potential to make a significant difference to rectal cancer patients.

Our great progress this year makes it especially pleasing to enter a 2022 full of new exciting milestones.

## Financial calendar

**Year-end report**  
2022-02-16

**Annual Report 2021**  
2022-04-12

**Quarterly report 3**  
2022-10-26

**Quarterly report 1**  
2022-04-28

**Quarterly report 2**  
2022-08-23

## Upcoming presentations

**Aktiedagen Lund**  
2022-01-31, kl 11.00



**Merry Christmas and a Happy New Year  
wishes NanoEcho!**

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