




**NANO ECHO**  
next level diagnostics

NanoEcho AB (publ)

# Year-end report

January-December 2021



 The information was submitted for publication on February 16, 2022, at 08.00.

# Financial overview

## Fourth quarter 2021: 1 October - 31 December

- Net sales amounted to KSEK 0 (0).
- Result after taxes amounted to KSEK -4 383 (-4 562).
- Basic and diluted earnings per share amounted to SEK -0.15 (-0.02).
- Cash flow from operating activities amounted to KSEK -4 331 (-4 495).

## Twelve months 2021: 1 January - 31 December

- Net sales amounted to KSEK 0 (0)
- Result after taxes amounted to KSEK -14 728 (-9 395).
- Basic and diluted earnings per share amounted to SEK -0.49 (-0.03).
- Cash flow from operating activities amounted to KSEK -14 643 (-9 328).
- Cash and cash equivalents amounted to KSEK 27 951 (42 699) on the balance sheet date.


# Significant events during year 2021

## First quarter

- The company has moved to new well-functioning premises with room for expansion in central Lund.
- Three new colleagues have been recruited – one Senior Systems Engineer, one Senior Software Developer as well as one Senior Clinical Affairs. All three recruitments are important in the evolution of the company and the continued product development process.
- The company has engaged Professor and Chief Physician Henrik Thorlacius in the role as medical advisor. He declares that "NanoEcho has the potential to fill the current void in the standard of care pathway for rectal cancer patients.
- The instrument developed by NanoEcho could improve the pre-operative examination of patients with early-stage rectal cancer to the point of enabling many more patients to get the most gentle and effective treatments of their disease."
- An Extraordinary General Meeting was held and new articles of association were adopted.
- Optimisation work on the company's first system has been initiated.
- A general rehearsal – a dry run - before the coming pre-clinical study, delayed due to COVID-19 restrictions, has been successfully completed.
- During the quarter the process towards an Initial Public Offering has been initiated.
- Work on the QMS system has begun.

## Second quarter

- The ethics application for a clinical study at Skåne University Hospital was approved and the study will be led by Henrik Thorlacius, Professor of Surgery at Lund University and Chief Physician at Skåne University Hospital in Malmö.
- NanoEcho completed several strategic recruitments, strengthening the team with a Senior Compliance Engineer and a Hardware Lead Engineer.



All press releases are available at [nanoecho.se](https://nanoecho.se)

- The Annual General Meeting of NanoEcho was held on 12 May 2021. Due to COVID-19, the general meeting was conducted by postal vote and without physical attendance.
- NanoEcho made an additional strategic recruitment of a Quality Assurance and Regulatory Affairs (QA/RA) Manager.
- NanoEcho was given the go-ahead to commence with clinical studies on surgically removed rectal cancer tissue in Sahlgrenska University Hospital in Gothenburg and Skåne University Hospital in Malmö. The first patient was recruited in Sahlgrenska University Hospital.
- The clinical trial in Sahlgrenska University Hospital was initiated, marking as far as we know the first application of NanoEcho's method of magnetomotive ultrasound on human tissue.

### Third quarter

- 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 per cent 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.

### Fourth quarter

- NanoEcho in cooperation with RISE and Lund University, has been approved a grant from Vinnova of almost SEK 500 000. The joint project, aimed at mapping the movement of nanoparticles under the influence of a magnetic field, is valuable in the evaluation of potential future medical applications.
- At an Extraordinary General Meeting an amendment to the Articles of Association was approved as well as a split of shares.
- NanoEcho has welcomed new shareholders, when one of the company's previous main owners has sold its holdings in the company. The shares have mainly been acquired by long-term investors and foundations.

## Significant events after the end of the period

- In line with the development of the company, NanoEcho has recruited Kristina Hallström as Communications and Marketing Manager. Kristina will join the management team.

## Financial calendar \*

- |                                    |                                    |
|------------------------------------|------------------------------------|
| • Annual report 2021<br>2022-04-12 | • Quarterly report 3<br>2022-10-26 |
| • Quarterly report 1<br>2022-04-28 | • Year-end report<br>2023-02-16    |
| • Quarterly report 2<br>2022-08-23 |                                    |

\* All financial reports are published on NanoEcho's website: [www.nanoecho.se](http://www.nanoecho.se)



*I together with my eminent co-workers look forward to continuing our focus on a future role as part of the standardized care pathway for rectal cancer patients.*

Linda Persson, CEO of NanoEcho



## CEO comments

We are now leaving another eventful quarter and turn towards 2022 - a new year filled with exciting milestones.

During the fourth quarter much of our work has focused on product development and our ongoing clinical study on surgically removed rectal cancer tissue. We continuously analyse data collected and the result gives us an immediate feedback to the system we intend to commercialise. We maintain continuous dialogue with potential end users, such as surgeons, resulting in important input to the future design of our system and our product.

In November we were delighted to learn that NanoEcho in partnership with RISE and Lund University, for a joint project, was approved a grant from Vinnova amounting to nearly SEK 500 000. The project enabling the grant intends to map the movement of nanoparticles under the influence of a magnetic field, which is useful in the evaluation of potential future medical applications. We still maintain our focus on the development of products

related to NanoEcho's first medical application, rectal cancer.

During the fourth quarter 2021, NanoEcho has also welcomed new shareholders when one of the company's previous main owners sold its holdings in the company. I have taken part in the process of a number of national and international presentations for potential investors and besides these, made myself available for discussions and questions. The investors I have presented the company to have shown much interest in NanoEcho and the strength in our technology and the future product, very inspiring actually.

In November the Board of Directors decided on a reversed subdivision of shares – 1:10 and an amendment to the articles of association. The split means that ten shares were exchanged for one. The purpose is to facilitate and increase the trading of the share and

increase its attractions for potential institutional investors in a future IPO.

In 2021 we made a clear move ahead in our position from a research company to the present position as a product development company. With several identifiable milestones ahead of us, 2022 looks to become at least as eventful as the previous year. I together with my eminent co-workers look forward to continuing our focus on a future role as part of the standardized care pathway for rectal cancer patients. I am fully convinced that we will be successful.

Lund in February 2022

Linda Persson  
CEO of NanoEcho

# NanoEcho

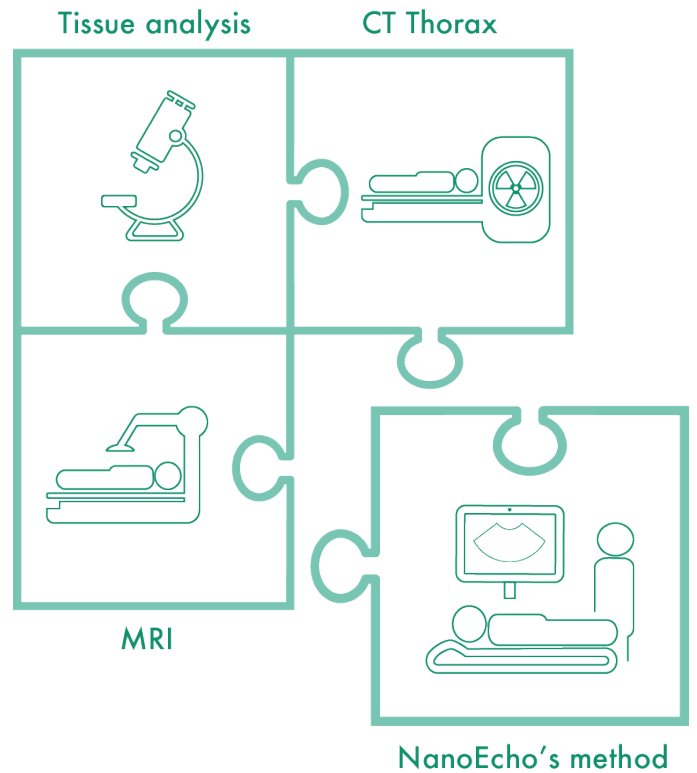
## High-resolution images of lymph nodes for improved diagnostics

NanoEcho is attempting to fill a void in the current rectal cancer care. In fact, there are currently no good methods available, in preoperative evaluation, to detect cancer, spread to the lymph nodes, which is an important marker for the cancer's progression. The majority of patients diagnosed with rectal cancer in early stages are recommended to undergo extensive surgery, often in combination with radiation therapy. Most patients have to use ostomy bags after the surgery, and they usually suffer from leakages, infections and other complications, with considerable effects on their quality of life. It has also been shown that many patients undergo excessive surgery. We want to change that!



# Vision

NanoEcho's diagnostic system will be a complement to MRI scans and part of the future standard of care. The system will be used by physicians in preoperative evaluation, in patients suffering from rectal cancer. By establishing if the cancer has spread to the lymph nodes, the medical team will be able to provide each patient the best possible, personalized cancer treatment and the best prognosis. The company's unique method will provide a safer and more reliable identification of metastatic lymph nodes.



## Ten largest owners

as of 2021-12-31

Ownership structure	Amount of stocks	%
Ålandsbanken i ägares ställe	5 127 500	17,06
Nordnet Pensionsförsäkring AB	3 089 071	10,28
Quiq Distribution Holding AB	1 666 667	5,54
MK Capital Invest AB	1 429 345	4,75
Virtway Invest AB	1 155 207	3,84
Massoud Khayyami	1 123 839	3,74
Tomas Jansson	999 614	3,33
Cloudo AB	782 366	2,60
Kogai Invest AB	590 000	1,96
Maxistans AB	550 000	1,83
Others	13 549 524	45,07
<b>In total</b>	<b>30 063 133</b>	<b>100,0</b>



# NANO ECHO

next level diagnostics

