



Lumito publishes Year-end Report for 2020

Financial overview 2020

Financial overview of the fourth quarter, 1 October – 31 December 2020.

- Net sales amounted to kSEK 0 (0).
- Result after taxes amounted to kSEK -5,200 (-2,545).
- Basic and diluted earnings per share amounted to SEK -0.06 (-0.04)
- Cash flow from operating activities amounted to kSEK -5,198 (-3,145).

Financial overview of the year as a whole, 1 January – 31 December 2020.

- Net sales amounted to kSEK 0 (0).
- Result after taxes amounted to kSEK -16,048 (-7,862).
- Basic and diluted earnings per share amounted to SEK -0.21 (-0.18)
- Cash flow from operating activities amounted to kSEK -16,041 (-8,457).
- Cash and cash equivalents amounted to kSEK 39,981 (30,546) on the balance sheet date.

Significant events during 2020

First quarter

- Andreas Johansson took up appointment as CTO in January 2020, replacing Anders Sjögren, who remains in Lumito's organization and will continue to contribute to its development, now as senior advisor.
- The development of Lumito's first product (instrument + staining reagent) in digital tissue diagnostics, for analyzing tissue sections stained with the company's nano-based staining reagents, entered its final stage.
- Lumito's staining reagent development partner, RISE, announced in February that work on reagents still was on-going.
- Lumito expanded the team to include Tim Nilsson, a product specialist with a highly relevant background: Master of Science in chemistry, very socially competent and experienced within marketing and sales.

Second quarter

- Lumito's patent family that describes the use of pulsed light to improve the efficiency of the technology and reduce the imaging time was approved in Korea. The patent had previously been approved in Australia, China, South Africa, the US and Japan.
- Lumito's development partner TTP (The Technology Partnership) in Cambridge informed that Lumito's instrument intended for validation in reference clinics was projected to be delivered in June. This was 6-8 weeks later than planned, due to the ongoing coronavirus pandemic and the fact that the UK was in a state of lockdown.
- The Annual General Meeting of Lumito AB (publ) was held in Lund on 27 May 2020. The AGM resolved in accordance with the Board of Directors' proposals in all matters on

the agenda.

- The second and final exercise period for the Series 2 TO2 warrant ended. In total, the subscription rate was 99.3 percent, of which 28 percentage points were exercised during the last exercise window at a subscription price of SEK 1.55 per share.
- In total, 15,365,753 new shares were subscribed for during the two exercise periods, providing Lumito approximately MSEK 22.7 in proceeds before issuance costs, of which MSEK 6.5 was raised during the last exercise window. The total issuance costs are estimated to amount to approximately MSEK 0.9.
- TTP delivered Lumito's new scanner. Software updates and final testing is carried out in Lund on Lumito's own account.

Third quarter

- On behalf of Lumito, RISE has developed protocols for the development of reagents based on UCNP's (UpConverting NanoParticles) for tissue labeling. At the end of June, the development results were delivered. During spring, Lumito established its own lab capacity with high competence in the functionalization of up-converting nanoparticles. Lumito carries out the final optimization on its own account; the goal is to have reagents and scanners ready for verification and external validation during Q3.

Fourth quarter

- Lumito conducts a directed issue of approximately MSEK 45 and issues and grants warrant to existing shareholders.
- The prototype has been advanced into a product with a finalized commercial design. The company has entered an intensive phase without any delays. The updated hardware is in place, and all functionality of the product's new software has been implemented. "We are now working closely with the pathologists to finalize the fine-tuning of the technology," says Urban Widén.
- The Board has resolved to appoint Mattias Lundin CEO of the company. He will take position on 8 March 2021. Mattias Lundin is currently working as VP Global Sales for the Swedish, world-leading medical technology company CellaVision. Mattias Lundin has extensive international experience from the health and medical sector, including positions as CEO in the Nordic countries, CEO in the Netherlands and VEP Commercial mature markets at ArjoHuntleigh within the Getinge group. "It is time for Lumito to take the next step towards a commercialization. I am, therefore, very pleased that we have been able to recruit Mattias Lundin to lead the onward journey," says Urban Widén.
- The senior management team is strengthened with a Project Manager and Advisor. Lars Lindgren is employed with effect from 1 January 2021, adding know-how and 35 years of experience in medical device development from a range of roles, including Project Manager and Director Research & Development, in start-up companies as well as multinationals.
- Thus far, our operations have not been materially affected by COVID-19, but we are monitoring the future developments.

Significant events after the end of the year

- Lumito's advisors in the field of pathology have had the opportunity to review the company's UCNP immunostaining of invasive breast cancer with an antibody against

HER2 (the target molecule) at a high image resolution. “The signals are uniquely sharp and clear, which gives the impression of staining almost on the level of individual target molecules; in this sense, it is superior to any method currently in regular use in pathology laboratories,” says one of Lumito’s advisors, Björn L. Isfoss.

- Lumito has initiated a process for listing the company's shares and warrants on Nasdaq First North Growth Market.

CEO comments

Lumito’s long-term vision is to offer the digital tissue diagnostics market a product that frees up resources, increases precision and minimizes the risk of human error when diagnosing cancer indications. The technology meets the increasing requirements of the market and makes it possible to improve tissue diagnostics significantly by enhancing the quality of analysis and shorten the analysis time. Our technology opens up entirely new prospects to search for multiple disease markers in the same tissue section, so-called multiplexing, and further enables digital analysis and automation.

The capital base was strengthened in October by means of a directed new issue of MSEK 45, in which the existing shareholders also were compensated for its dilutive effect. The proceeds will, among other things, be used to strengthen the organization and internal competence for a future launch and to conduct further development of the next generation of Lumito’s scanner and reagents.

Our technical team has been strengthened and Lars Lindgren, our previous consultant, has been hired as Project Manager and Advisor. He has also joined the senior management team. Moreover, we are planning for additional recruitments during 2021.

The fourth and last quarter of the year was characterized by a very intense phase. The updated hardware – the scanner – is in place, and all functionality of the new software is implemented. Our product has received its final commercial design, and we have carried out several validation activities out in the clinics. The work to fine-tune the technology continues, and we have great faith in our different advisors in this endeavour, as we have recruited several renowned pathologists and oncologists to the company. One of them is Björn Isfoss, who has displayed considerable commitment to the company and has strong confidence in the technology and the adaptation of our product to the needs of the market.

The tissue-sample market is growing steadily, as a result of increased life expectancy and likewise increasing morbidity – but also as a result of the more precise diagnostic responses that new, personalized treatment methods require. At the same time, the shortage of pathologists able to analyze the tissue samples is considerable, which is driving up analysis lead times. The accuracy of the pathologists’ analysis of tissue samples is unsatisfactory based on current methods, and there is a significant need for improved imaging and analysis.

We have produced results that align with the expectations in our set out and disclosed plans. With the positive initial results from development phase 2, I am looking forward to the review of the validation of our product in the 2021 CE mark certification – a milestone prior to market launch. I am further looking forward to continued dialogue with industrial actors about potential future cooperation on issues such as volume manufacturing and distribution, an effort that commenced by the end of 2020. Following the end of the period, we have announced that the process for listing our shares and warrants on Nasdaq First North Growth Market has been initiated.

It was a couple of marvelous months. Intense? Most definitely! I am proud of what the team has accomplished. I would nevertheless have liked it to be under more pleasant circumstances than the sudden demise of the company’s previous CEO, our colleague Stefan Nilsson, that I had got the privilege to come to know all co-workers a little better.

I will pass the torch to my successor, Mattias Lundin, who takes office as CEO on 8 March. As for me, I will return to the role of board member. Mattias will contribute experience from a number of different commercial roles. He is a team player with a strong track record when it comes to building successful teams and global expansion for novel technology. This bodes well for Lumito's onward journey!

Lund, February 2021

Urban Widén

Acting CEO, Lumito

[Link to website where the full report is available.](#)

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This information is information that Lumito AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out in this press release, at 8:45 am on 17 February 2021.

Lumito specializes in imaging technology within medical research and development. The technology is based on so called UCNP:s (Up Converting Nano Particles) and is aiming to increase image quality in biomedical applications. Lumito's IPR covers imaging with high quality of for instance tissue samples, with UCNP:s as markers. The technology has several possible application areas, but Lumito has initially decided to focus on digital pathology.
www.lumito.se

Lumito's share is traded on Nordic Growth Market, NGM SME, under the ticker LUMITO. Mentor for the company is G&W Fondkommission, telephone: +46 8 503 000 50.