

Letter to Shareholders: Update on Developments at NanoSynex

Tel Aviv, Israel, January 5, 2023

Dear Shareholders:

The year 2022 was very productive, with several key milestones reached. In short, we are on track and within budget towards our ultimate objective of launching our Antimicrobial Susceptibility Test (AST) and are poised to have another momentous year ahead in the execution of our milestones. Key accomplishments this year include:

- Closed majority investment transaction with our strategic partner Qualigen Therapeutics for enhanced product development and commercialization of our novel antimicrobial susceptibility test platform.
- Completed development of our latest system design composed of disposable test cards, benchtop reader and real time data analysis software. This system will serve as the commercial basis for the next generation system in our pre-development planning stage.
- Performed first pilot study in a clinical site using our latest design system:
 - Study was conducted under the leadership of principal investigator Dr. Jonathan Lellouche, Director of the Laboratory Departments at the Laniado Hospital, Netanya, Israel and Former Head of Laboratory National Institute for Antibiotic Resistance & Infection Control at the Ministry of Health, Israel, as well as Dr. Svetlana Paikin, Director of the Clinical Microbiology Laboratory at the Laniado Hospital, Netanya, Israel.
 - We evaluated one hundred strains (non-fastidious and non-anaerobes) using five different card formats containing nine antibiotics. The choice of clinical strains was guided by the prevalence of Bacteremia during 2021 at Laniado Hospital, Netanya, Israel.
 - A total of 605 bacteria/antibiotic combinations were evaluated, achieving a Categorical Agreement (CA) – agreement in breakpoint definition of susceptible, intermediary or resistance strain according to regulatory standards – above the FDA and the CE requirements, demonstrating performance of the NanoSynex system in comparison with the reference method.
- Engaged three key opinion leaders to our elite team of scientific advisors in the infectious disease and clinical microbiology fields; and augmented our multidisciplinary core team of engineers, scientists, and regulatory affairs specialists.
- Attended leading international conferences and presented the company in dedicated startup booths, and on stage-panels and roundtables, including [EAU Arab Health](#), [BIOMED IL](#), [ECCMID](#), and [HealthIL](#).
- Featured on French business [TV channel BFM Business](#).
- Pitched to delegations of Life Science innovation teams and business executives at various prestigious Israeli institutions (Microsoft Israel R&D center, Tel Aviv Stock Exchange, Peres Center for Peace & Innovation, Laniado and Ichilov-Tel Aviv hospitals).



We are looking forward to accomplishing the following key milestones in 2023

- Development, design, and manufacture of the product for which we will seek CE approval to launch commercially;
- Obtaining ISO certification;
- Commencing final clinical studies to obtain CE mark; and
- Continuing dissemination efforts through presence in leading conferences, including product demonstration, scientific abstracts submission and featuring in key media channels.

We believe it is important to keep in mind why NanoSynex is working towards this goal of commercializing this AST, which may provide critical results to be both significantly faster and more accurate than current microbial tests performed in hospitals, potentially saving many lives, and reducing the economic healthcare burden. Every year, 700,000 people are killed by superbugs, strains of bacteria, viruses, parasites, and fungi that are resistant to antibiotics and other medications commonly used to treat the infections they cause. Continuous misuse and overuse of antibiotics has the potential of leading us back to a scary pre-antibiotic era. Bacteria can adapt to the drugs that are designed to kill them and can become resistant to drugs to prolong their survival. This can render standard treatments ineffective. Antimicrobial susceptibility tests (AST) are used to determine which specific antibiotics a particular bacteria or fungus is sensitive to and can help prevent the proliferation of superbugs.

Thank you again for your support of NanoSynex. We look forward to updating you on our progress in 2023.

Sincerely,

Diane Abensur

A handwritten signature in black ink, appearing to read 'Diane Abensur', written in a cursive style.