

EDX Medical Group Plc

Written by Mike Hudson, CEO at EDX Medical Group



Principal activities

The principal activities of EDX Medical Group Plc consist of building a portfolio of digitally enabled clinical diagnostic products and services through partnerships and own development resources, whilst establishing the infrastructure to commence commercial operations.

Corporate structure

EDX Medical Group Plc comprises several subsidiaries: EDX Medical Ltd, Torax Biosciences Ltd and Hutano Diagnostics Ltd. The Group is listed on the Apex segment of the AQSE Market.

Business review and strategy

Business proposition

EDX Medical Group Plc operates in the emerging 'digital diagnostics' sector at the convergence of two high growth industries – molecular biology and digital health. We provide biological assays, interpretative analysis and digital data, enabling healthcare professionals to deliver timely and cost-effective personalised patient treatments, leading to improved patient outcomes as a result of early detection and characterisation of disease, enabling the identification of most the effective treatments.

Our vision for digital diagnostics is to combine advanced biology, software and digital tools (AI) to obtain, analyse and report actionable data in real time, unlocking the clinical and economic benefits of 'personalised medicine' whilst enhancing the accuracy, traceability, regulatory compliance and environmental impact of our products.

The Group is an exceptionally strong digital diagnostics partner for our clients, payers and providers of clinical healthcare services, and for technology innovators seeking a partner to develop and commercialise their innovations on the world stage:

- ▶ Focus on 'data-rich' molecular diagnostics for clinical use by healthcare professionals.
- ▶ Deploying biological testing in both laboratory and 'point of care' formats as needed.
- ▶ Validating tests against clinical needs and meeting future regulatory requirements.
- ▶ Secure, digital data acquisition, analysis and reporting including digital traceability.

Business model

EDX Medical is an ambitious pioneer in digital diagnostics, intending to grow by its own innovations, acquisition/licensing and strategic collaborations in order to provide a portfolio of digitally enabled clinical diagnostics for the public and private healthcare sector. EDX Medical provides both 'laboratory tests' and 'point-of-care' tests, the two largest sectors of the diagnostics industry, but only focuses in areas where it believes patient's lives can be saved or improved by the timely use of biological personal data.

The Group is investing to secure a significant early 'bridgehead' in the UK and parts of Europe based on providing innovative products and services for clinical healthcare providers and payers. These assays originate in-house or are based on the acquisition or licensing of intellectual property or high performing test products with robust clinical data from third parties. At EDX these are then developed into ISO-accredited laboratory services in collaboration with Thermo Fisher in order to de-risk and ensure scalability, with specialist healthcare logistics provided by Fedex.

EDX will translate many of these laboratory assays into IVDR-compliant 'kits', enabling rapid, low-cost expansion to other laboratory sites globally. The in-house development efforts to create the next generation of point-of-care tests combined with mobile phone digital readers will provide the opportunity to scale the business globally based on the integration of the acquired businesses, Torax Biosciences Ltd and Hutano Diagnostics Ltd.

We are assembling a portfolio of innovative laboratory and point of care test solutions

We form Partnerships to access technology, translate into Laboratory Assays and 'kits'.



We Acquired and are Developing own Point of Care Test Platform



We Licence /Acquire IP and innovative tests in the research community



We Distribute, licence /acquire market-ready products



Source: EDX Medical Group Plc

EDX focuses on the major diseases of our time in terms of lives lost and costs:

- ▶ **Cancer:** variable survival rates & high treatment costs, require biological tests to diagnose early and select effective treatments fast.
- ▶ **Cardiology:** many patients are dying from identifiable/modifiable risks.
- ▶ **Infectious diseases:** rapid differentiation of the cause of infection enables improved patient care and antibiotic stewardship, saving lives and saving money.

EDX provides diagnostics to identify key risks and to guide the selection of optimal therapy:

- ▶ **Hereditary genetic risks:** to assess and inform family members of patients who may 'carry' genes associated with cancer or cardiovascular diseases.
- ▶ **Early disease detection:** for primary care, screening, to treat early and improve outcomes.
- ▶ **Disease characterisation and therapy management:** to improve outcomes whilst saving lives, time and money.

Competition and market

Whilst most players provide either laboratory or 'point-of-care' tests, EDX provides its clients with a portfolio of products and services from both sectors of the global diagnostics business, based on a combination of strong partnerships and in-house resources.

The clinical diagnostics market is seen as attractive but facing a period of change driven by three main factors:

- ▶ Increased regulatory requirements, leading to rationalisation of the (approved) tests in the UK and Europe within 2-3 years.
- ▶ Increased familiarity with testing and its benefits/cost effectiveness at both individual and population levels is encouraging broad uptake and confidence amongst governments, private healthcare providers and individuals.
- ▶ Significant technical improvements, reliability and ESG credentials of tests combined with personal digital device interface for reading and reporting data.

Innovation and new product development – key driver of business growth

With laboratories and experienced staff working with collaborators in both Oxford and Cambridge Universities and associated hospitals, EDX is aligned with two of the world's preeminent universities leading innovation in medicine and clinical care worldwide.

EDX Medical is providing its clients with innovative products and secure, digitally enabled solutions allowing them to deliver high quality, cost-effective personalised patient care.

Regulation and accreditation

EDX Medical Ltd operates under ISO 15189 accreditation and Torax Biosciences to ISO 13485 accreditation. The products placed on the market by the company meet UK and EU standards for clinical laboratory assays or CE-marked / IVDR certified diagnostic products.

Key strengths of the business

The strengths of the EDX Medical business are based on:

- ▶ Experienced management and industry access/knowledge to secure products and partnerships as well as finance and company development as an early mover.
- ▶ Its focus on clinical testing based on understanding of key diseases.
- ▶ Risk-mitigation strategy based on both own developed and third-party tests plus the provision of both 'laboratory tests' and 'point of care' testing.
- ▶ A close working relationship and collaboration agreement with Thermo Fisher to develop commercial laboratory qPCR assays and IVDR 'kits'.
- ▶ Integration of advanced biology with digital tools, with scale-up of laboratory and point-of-care tests supply lines and capabilities to meet future regulations.

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