

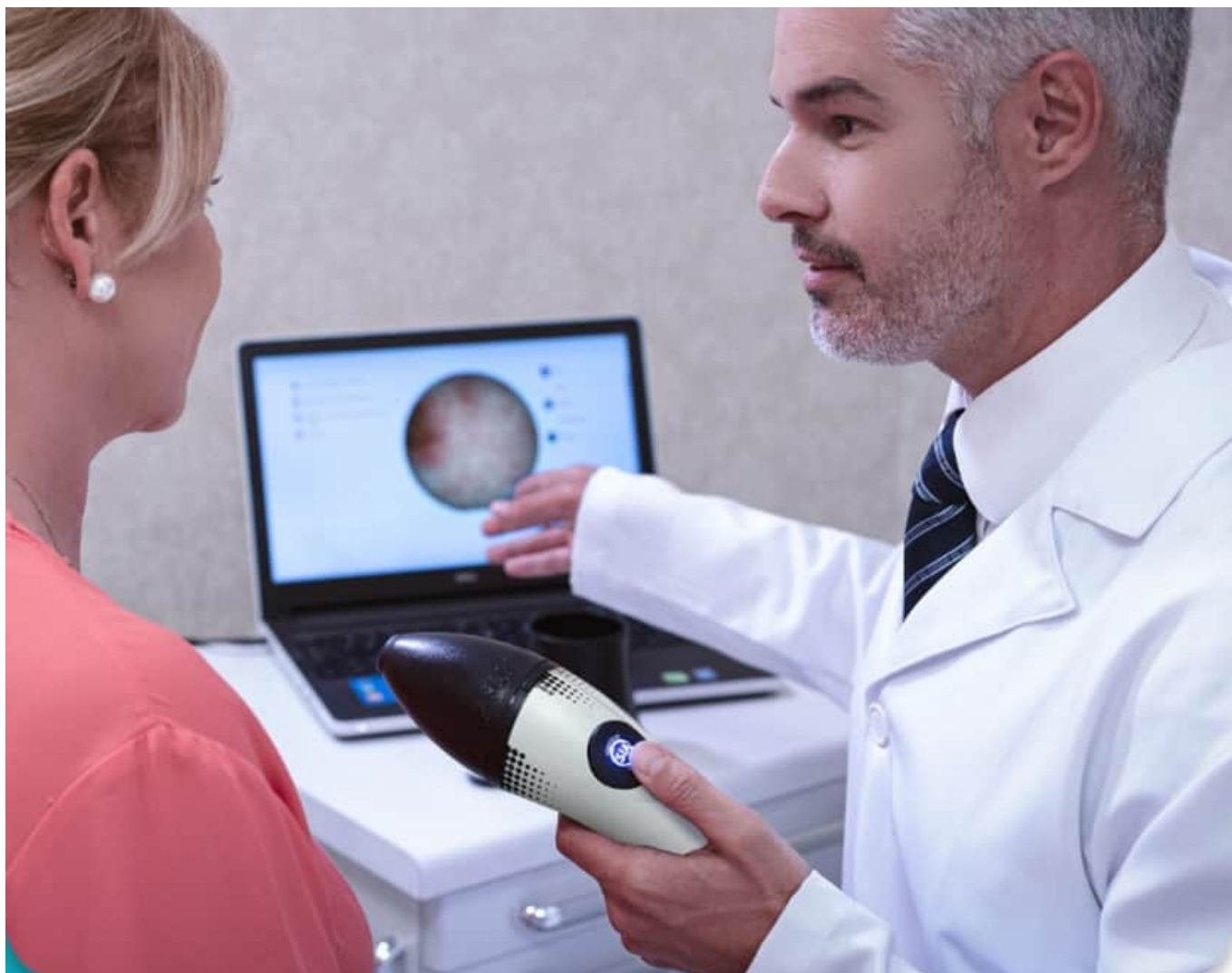
# **MedX has brought in two new top guns to accelerate its skin cancer diagnosis products sales**

Detecting skin cancer early is all about seeing below the skin's surface. Today's company has pioneered a device that can view up to 2mm below the skin, take an image, and send it to be analyzed using telemedicine.

The company is MedX Health Corp. (TSXV: MDX) ('MedX'). MedX states that its "technology is the only technology that captures five images, including four spectrophotometric images 2mm below the skin's surface." This gives MedX an edge in the non-invasive diagnosing of skin diseases, especially cancers.

MedX is a medical device and medical software company focused on skin health with its SIAscopy™ device, which operates with its DermSecure™ telemedicine platform. The technology is now being used in over 200 pharmacies in 3 countries with regulatory approvals in 35 countries including the USA, Canada, Australia, Brazil and the EU.

**MedX's SIAscopy™ device combines with the DermSecure™ telemedicine platform**



Source: MedX website

### **MedX's technological edge**

MedX's SIAscropy™ devices (also branded as SIAMETRICS™, SIMSYS™, and MoleMate™) include handheld units that use its patented technology, which uses selected frequencies of light and its reflectance to image and view up to 2mm beneath suspicious moles and lesions in a pain-free, non-invasive manner. Its software creates real time images for physicians and dermatologists to evaluate all types of moles or lesions within seconds. The company's products are cleared by Health Canada, the U.S. Food and Drug Administration, the Therapeutic Goods Administration and Conformité Européenne for use in Canada, the US, Australia, New Zealand, the European Union, Brazil and Turkey.

Revenues have so far been slow to ramp during 2021 so the MedX board has appointed two new top guns to get sales moving.

## **New President & CEO Mr Sylvain Desjeans and new CFO Ms Lesley Bourget**

MedX appointed a new President & CEO, Mr Sylvain Desjeans, in August 12, 2021. MedX is aiming to accelerate its global sales, and Mr Desjeans has a strong track record of growing sales. He has more than 30 years of industry experience in both health care and pharmaceuticals.

Rob von der Porten, Chairman of the MedX Board of Directors, stated: **“As a leader, he is exceptional at building sales, opening distribution channels and developing high-performing teams that deliver results,** all of which are imperative for MedX to achieve our growth plans in Canada, the US and internationally.”

Mr. Desjeans served in successively senior roles at organizations such as Aspen Pharmacare Canada, Accucaps Industries Limited, and Biovail Pharmaceuticals.

The new CFO is Ms Lesley Bourget. MedX states that she has “more than 30 years’ experience in the health-care, pharmaceutical, and CPG industries. Ms. Bourget has a proven track record of profit generation by successfully leading product portfolio optimization efforts, negotiating large-scale acquisitions, and conceiving and implementing mergers in the R&D space. Ms. Bourget most recently served as CFO of Aspen Pharmacare Canada, where she was instrumental in achieving company-record profit levels, and optimizing inventory and wholesaler processes.”

*Note: Aspen Pharmacare Canada is a branch of Aspen Pharmacare Holdings (market cap US\$6.9 billion), a South African-based supplier of branded and generic pharmaceuticals in more than 150 countries.*

## **Recent achievements by MedX**

MedX had some early success selling their skin diagnosis products globally as I discussed in a past article here. More recent positive news from MedX includes:

- June 2021 – MedX and VidaCeuticals Health Products announced a North American distribution partnership. The rollout of MedX's products is initially at four clinics in Ontario (London, Ottawa, Port Elgin and Sarnia) beginning in late June, with plans for a broader market rollout in Canada, and the United States, later in 2021. VidaCeuticals' mission is to bring to market the most innovative, high-quality products based on cutting edge research on the most powerful, proven, natural ingredients.
- September 2021 – MedX and Vitamed Biomedical announced an MOU to pilot MedX's leading-edge DermSecure® screening platform at select pharmacies, and general practitioner clinics, in Italy starting October 2021. MedX state: "Pending its successful completion, the MedX DermSecure® Screening Platform will become more widely available at pharmacies and GP clinics, and will be approved by insurance companies across Italy, as the next step in the commercialization strategy in this market."

## **The MedX business model**

MedX makes some money on selling its specialized hardware (costs C\$700 and sells for C\$1,600-2,000), but the real potential revenues are set to come from the scans. MedX receives ~\$10 per assessment/scan based on their Software as a Service ("SaaS") business model. The scan cost for MedX is only ~C\$0.26 so margins for the service are very high.

## **Closing remarks**

It would be fair to say that MedX has struggled to ramp up

their revenue as quickly as what was initially anticipated. Of course, this is not unusual for new businesses, as we even saw this with Tesla.

MedX now has a new President/CEO in place who has a proven track record of growing sales and opening distribution channels. They also have a new CFO with a strong track record.

MedX trades on a market cap of just C\$18 million, which will certainly look cheap if the new CEO and CFO can get global sales moving as the development work is already done. The products (SIAscopy™ & DermSecure™) are leading edge and cleared by regulatory bodies in 35 countries (including the USA, Canada, Australia, Brazil, EU). Certainly, the need to diagnose skin cancer early is very strong with **7,180 deaths globally per year from melanoma and 4,630 from other forms of skin cancer.** The company's target is rollouts to grow distribution and sales. Its products are state-of-the-art and have wide applications globally.