

## Hydrix Medical expands Artificial Intelligence Cardiac Monitoring portfolio

**Hydrix Limited** (ASX: **HYD**) (**Hydrix** or the **Company**) is pleased to announce that it has entered into a distribution agreement with Implicity, a leader in cloud-based AI-driven remote cardiac patient monitoring and data management solutions, to distribute its platform technology in Australia, New Zealand and Singapore (**Distribution Territory**).

### Highlights

- Distribution agreement to market & sell Implicity's smart cardiac remote monitoring platform (**Implicity Solution**).
- Remote monitoring of patients with Cardiac Implantable Electronic Devices (**CIEDs**) is the new standard of care and helps reduce mortality by 38% within a year.
- Four-year initial term, which can be renewed for 12-month subsequent terms by mutual agreement.
- Hydrix Medical will sell the Implicity Solution on a Software-as-a-Service basis to cardiologists, helping them improve remote management of CIEDs.
- The first product module is 'market ready' and does not require regulatory approval. Future AI platform modules to expand revenue potential will be subject to regulatory approvals.

### Improving patient outcomes

Implicity is a leader in remote patient monitoring and cardiac data management solutions. Implicity's AI-driven platform, the Implicity Solution, remotely monitors CIEDs such as pacemakers, cardio-defibrillators, loop recorders and cardiac resynchronisation products. Remote monitoring of patients with CIEDs is the new standard of care and helps reduce mortality by 38% within a year<sup>1</sup>.

Not all CIED patients are remotely monitored with many having their CIED data checked at 6 monthly cardiologist consult intervals. For those patients where it is deemed advantageous, under current standards of care and practice management, each CIED is connected to the original equipment manufacturer's (**OEM**) own proprietary portal for the management and reporting of data and alerts. Each OEM portal has its own log-in, user interface and workflows, IT requirements, connectivity to health providers, billing approach, and more. Data and patient alerts from these disparate OEM systems are sent to cardiologists making this workflow relatively inefficient, costly, and administratively burdensome.

The benefit of the Implicity Solution is that it allows for all data and customised alerts to be managed on a single vendor-neutral platform. It can also automate scheduling and medical report generation. The platform helps provide actionable patient data to a cardiologist to better manage the patient.

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<sup>1</sup> Hendricks et al., "Daily remote monitoring of implantable cardioverter-defibrillators: insights from the pooled patient-level data from three randomized controlled trials", 2017.

## Market potential and terms of agreement

Hydrix Medical's mission is to significantly improve management of cardiovascular disease; the world's leading cause of death. This agreement demonstrates Hydrix Medical's capability to identify disruptive cardiovascular technology companies seeking third party Asia Pacific distribution. This distribution arrangement with Implicity will leverage Hydrix Medical's expertise in cardiac health innovation and distribution; building on the Hydrix brand.

The Implicity Solution shares a common industry knowledge base, customer, and sales channel with other Hydrix Medical products, including the AngelMed Guardian and Echo IQ. The Implicity Solution expands and diversifies Hydrix Medical's portfolio, accelerates the path to recurring revenue streams, and is anticipated to deliver growth and operational synergies and be financially accretive for Hydrix.

The initial term of the agreement is four (4) years. The agreement will be automatically renewed for successive periods of 12 months after the initial term unless terminated by a party with six months' prior notice. Hydrix Medical has the rights to promote, market, and sell the Implicity Solution in Australia, New Zealand, and Singapore.

Hydrix Medical will sell the platform and provide after-market customer support primarily to cardiology practices on a Software-as-a-Service (**SaaS**) basis. A one-time upfront installation fee will be payable by Hydrix Medical plus an annual subscription fee based on the number of patients monitored on the platform. Hydrix Medical will determine the resale price of the Implicity Solution based on usual commercial pricing models for similar types of SaaS offerings.

There are estimated to be more than 60,000 CIEDs being remotely monitored and more than 25,000 being implanted annually in the Distribution Territory. The number of patients being remotely monitored is anticipated to grow as the population ages, and as changes are made to standards of care and to reimbursement policies aimed at reducing healthcare costs and addressing capacity constraints of in-person consults.

Although Hydrix is not able to forecast revenue estimates from this agreement at this early stage, Hydrix anticipates the "cardiac product portfolio" it is assembling will, in due course, deliver material revenues and earnings.

### **Niels d'Achon, Implicity International Business Development Manager commented:**

"We are extremely pleased to partner with Hydrix Medical to accelerate our go to market plans and establish a leadership position in the distribution territory.

"The Hydrix Medical team's extensive knowledge in cardiac implant devices gives us great confidence they will be able to expand the reach of our disruptive technology, providing healthcare professionals the tools to deliver top-quality patient care."

### **Vickie Edwards, Director Sales & Operations – Hydrix Medical commented:**

"Hydrix Medical is very excited to be a distributor for Implicity. Their technology solves an increasing challenge for cardiologists which is to help identify and manage potentially life threatening patient situations without being swamped by data.

"This commercial arrangement supports our mission to improve the management of cardiovascular disease, helps accelerate momentum with revenue-ready products and demonstrates market demand for our distribution capability from emerging medtech companies."

-ENDS-

**Authorisation:** This announcement has been authorised for release by the Board of Hydrix.

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**About Hydrix Limited**

Hydrix Limited (ASX: HYD) is a powerful product innovation company. Hydrix's purpose is to enhance the health, safety, and well-being of a billion lives. The company leverages its powerful product innovation capability across three business segments: Services: design, engineer and deliver world first products and innovation; Ventures: invest in high potential MedTech clients; and Medical: distribute disruptive cardiovascular products.

**About Implicity:**

Implicity is a MedTech company committed to transforming patient care and cardiac diagnostics. Today, Implicity offers a SaaS cloud-based and AI-driven, remote monitoring platform designed by an electrophysiologist to enable easier and effective remote patient monitoring and foster medical research & innovation. Implicity is also partnering with clinicians and researchers to identify patterns for research and serve the future of preventive medicine.

Implicity technology currently serves 80,000 patients in more than 150 medical facilities across the United States and Europe.

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