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ASIA EDITION

Merchavia expands its investments in diagnostics sector

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It will invest in EFA a total of NIS 1 million

Merchavia, an Israeli investment company specializing in early stage life sciences companies, announces that it is expanding its investments into the diagnostics sector. It will invest in EFA a total of NIS 1 million.

EFA is developing a device for use as an accurate mobile, portable laboratory that can conduct blood counts (CBC) and assist medical staff in making treatment decisions when treating infections, within minutes of taking the patient's blood.

This rapid test approach is expected to aid in making the treatment for infectious diseases more effective, saving lives and costs, and reducing the excessive administering of antibiotics. Additionally, an easy to obtain hemoglobin level would enable screening for anemia, and farther analysis of white blood cell morphology could potentially diagnose leukemia. In the future applications the microscopy-like analysis could also be used for diagnosis of parasitic infections The company already filed a PCT and in the process of filing several more patents related to the way that the system operates and its algorithms.

EFA currently operates in the eHealth Ventures technological incubator, in which the Israel Innovation Authority, Maccabi Health Services, Medison, Cleveland Clinic, and Amgen are partners.

Eli Arad, CEO Merchavia: "The investment in EFA fits the company's strategy of focusing on breakthrough technologies in huge markets worth billions of dollars annually. The diagnostic system meets the global need to reduce as much as possible excessive use of antibiotics and accessibility for more critical clinical indications, combines several advantages of ease-of-use and advanced technology iwith no need for special training, or or online connectivity and generate rapid results and provide an answer for the correct and appropriate treatment. EFA's device, which serves as a mobile laboratory, will represent a major supplementary device in the point-of-need diagnostics market because of its accessibility and affordability. We believe that this system can complement and expand the existing diagnostics system, and thus create significant value for the infectious diseases point-of-care diagnostics market and for the company's shareholders.

Estimates are that the 'diagnostics at the point of examination' market is expected to be worth about $38 billion in 2022. The global diagnostics market is large-scale and over 1 billion CBC tests are carried out annually in the US and Europe alone.

In India 500,000 CBC tests are conducted annually, in China almost 1 billion tests annually, in Latin America, Brazil and Russia together about 1 billion tests are conducted annually.