

Series B-2 Financing Bolsters AdvanDx Position as Major Player in Infectious Diseases Pharmacodiagnosics Arena

Established Track Record with Elite Customer Base is Driving Company Forward

Woburn, Mass. - May 8, 2006 [AdvanDx](#), the Massachusetts infectious diseases pharmacodiagnosics company, has just secured an additional \$5 million in a series B-2 financing from two large European venture funds. The funds will primarily be used to accelerate commercialization of AdvanDx's rapid molecular diagnostics for pathogen identification and antibiotic resistance detection as well as expand research and product development activities.

AdvanDx has developed powerful pharmacodiagnostic tools that may improve how antibiotics are prescribed, cut patient in-hospital time - and costs - dramatically. These products will have far-reaching implications for how hospital labs - and hospitals themselves - are run in the future.

The company has now secured a total of \$10 million in the series B round from [SLS Venture](#), the largest Scandinavian life-sciences venture fund and [LD Pensions](#), the largest pension fund in Denmark investing in life-sciences ventures.

Hans-Jørgen Madsen, Investment Manager, LD Pensions says, "We believe AdvanDx's strategy of linking rapid diagnostics to appropriate antibiotic utilization and patient management, pharmacodiagnosics for infectious diseases, is coming to fruition and we strongly support the company's expansion of its R&D capabilities and its sales and marketing activities."

"Our experience with AdvanDx since our first financing has shown us that AdvanDx has the right strategy and they can execute on that strategy" said Hans Andreasson, Senior Partner, SLS Venture. "We are very excited to support the company as it continues to employ its PNA FISH and EVIGENE technology platforms in developing unique products that address the need for rapid diagnostics that have a true clinical impact and improve the bottom lines of healthcare providers."

Thais T. Johansen, President & CEO of AdvanDx, Inc. says, "We are very pleased to see SLS Venture and LD Pensions make additional investments in our company. We believe it's a strong statement of our investors' confidence in our technology, our research and product development capabilities and our hospital enterprise sales and marketing strategy."

AdvanDx's proprietary PNA FISH™ products speed up the identification of pathogens involved in bloodstream infections. Instead of waiting the traditional one or two days, PNA FISH provides results within two-and-half hours. Coupled with an effective antibiotic utilization strategy, the rapid results should allow physicians to make more informed and appropriate antibiotic choice decisions earlier than with traditional laboratory tests.

[A recent study by Duke University](#) described how implementing *C. albicans* PNA FISH can have a significant impact on antifungal drug selection for candidemia and can reduce the use and costs of such broad-spectrum antifungal agents as caspofungin.

Other AdvanDx product lines include EVIGENE™, which allows for rapid detection of antibiotic resistance genes and virulence and toxicity factors in *Staphylococcus aureus*. AdvanDx will launch EVIGENE for clinical use in Europe and for research use only, initially, in the US until regulatory clearance is achieved.

MRSA EVIGENE detects the *mecA* gene in methicillin-resistant *S. aureus* (MRSA). Rapid detection of MRSA or MSSA (methicillin-susceptible *S. aureus*) can have a significant impact on antibiotic therapy and patient management.

Once MRSA or MSSA has been detected, appropriate management of patients with these infections can have a significant impact on overall hospital costs. PVL EVIGENE detects the *lukS-lukF-PV* genes in Panton-Valentine leukocidin (PVL) positive MRSA and MSSA. PVL-positive MRSA is closely linked to Community-Acquired MRSA (CA-MRSA) and may result in more aggressive infections.

Rapid detection can ensure aggressive therapy and improve infection-control measures. Once launched for clinical use, the EVIGENE products will not only be important for infection-control purposes but also help guide appropriate therapy and help reduce costs associated with treating infected patients.

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Background on rapid diagnostic tests

Rapid diagnostics tests can reduce unnecessary use of antibiotics. Hospital-acquired infections are associated with high mortality and morbidity and are responsible for significant costs to healthcare systems.^{1,2}

In the US alone, two million patients acquire an infection during hospitalization (5 per 100 admissions) every year. These preventable infections, of which 70% are today caused by drug resistant bacteria, result in close to 100,000 deaths and cost the US healthcare system more than US\$ 4.5 billion annually.²

A similar trend is seen in Europe and Japan making hospital-acquired infections one of the most serious 'diseases' in the industrialized part of the world. It is well recognized that appropriate use of antibiotics is key to effective infection control, however, changing the empiric nature of antibiotic therapy where patients are covered with broad-spectrum antibiotics requires new rapid and definitive diagnostic tools to provide physicians with reliable and timely information for proper patient management.

About AdvanDx

AdvanDx, Inc. develops and markets *in vitro* diagnostic kits based on its PNA FISH™ and EVIGENE™ technologies to aid the diagnosis and prevention of infectious diseases. The PNA FISH and EVIGENE product lines provide rapid identification results for bacteria and yeast to support appropriate antibiotic therapy and overall patient care. Headquartered at the 128 technology highway around Boston, AdvanDx has established R&D facilities both in the United States and Denmark with sales and marketing capabilities located throughout the United States and Europe. For more information please visit www.AdvanDx.com or call +1-781-376-0009.

About Scandinavian Life Science Venture

SLS Venture, A Scandinavian-based venture capital company, is the result of the merger of the life sciences teams from the Sixth Swedish National Pension Fund, Medical Valley Capital and Innoventus. The fund is one of the largest in Scandinavia investing in the life sciences sector with approximately 250 million Euro under management. SLS Venture has invested in 26 companies. For more information, please visit www.slsventure.com.

About LD Pensions

LD Pensions is one of Denmark's largest pension funds with more than US\$10 billion under management. LD Pensions has a long-term and highly selective investment strategy. Investments made in unlisted companies are based on a fundamental analysis of the opportunity with an objective to hold the investment for a minimum of 3-5 years in order to position the company for a strategic sale or stock exchange listing. It is important for LD Pensions to demonstrate a high discipline of active ownership with respect corporate governance, information policy and ability to meet the requirements and expectations from the surrounding society in terms of responsible environmental management and social responsibility. For more information please visit www.ld.dk.

¹ Barenfanger J, Drake C, Kacich G. 1999. Clinical and financial benefits of rapid bacterial identification and antimicrobial susceptibility testing. *J Clin Microbiol.* May;37(5):1415-8.

² Center for Disease Control and Prevention. Campaign to Prevent Antimicrobial Resistance in Healthcare Settings. <http://www.cdc.gov/ncidod/dhqp/ar.html>.