



PharmaDiagnostics raises EUR 2.5M (USD 3.5M) in second financing round

Label-free screening company looks to accelerate growth by strengthening commercial and R&D team

Brussels, October 12, 2009 - PharmaDiagnostics NV, a company developing and marketing a broadly-enabling, label-free screening technology that uniquely does not require specialized equipment, announces today that it has successfully secured further funding of EUR 2.5 million (USD 3.5M) from its initial investors. The lead investor was Capital-E, an Antwerp, Belgium-based venture fund. Other investors were Vinnof, the Flemish innovation fund; the PhD Partnership (a consortium of business angels), and Allegro Investment Fund, a Leuven, Belgium-based venture fund.

PharmaDiagnostics will use the additional finance to commercialize existing assays and further develop its screening technology for innovative applications through a new R&D program. The company expects to conclude at least one customer deal in Q4 2009.

Investors decided to back PharmaDiagnostics on the basis of its leading edge technology in the field of label-free screening, currently a topic of great interest in the market. All other label-free technologies require expensive dedicated equipment which restricts both breadth of application and compound throughput. PharmaDiagnostics' localized surface plasmon resonance technology (LSPR) is broadly enabling, with easy to use protocols, and is applicable to a range of assays for both small molecule and antibody screening and characterization. For the first time label-free screening can be applied in high throughput applications.

"PharmaDiagnostics has developed a unique and elegant new approach to label-free screening, enabling high throughput and sensitive assays without the need for expensive, specialist equipment," said Marc Wachsmuth, Partner at Capital-E. "The new funding will allow the management team to exploit this significant competitive advantage while developing further and marketing its technology."

"The new funding is a welcome endorsement of both PharmaDiagnostics as a company and of its unique and exciting technology," said Dr David Ricketts, CEO at PharmaDiagnostics. "As a result, we will be able to reinforce our commercial team and catalyze our R&D activities."

PharmaDiagnostics' approach offers label-free screening with a potential for very high throughput, thus saving significant time and cost. It uses simple mix-and-read protocols, and offers good sensitivity for small molecules. Taken together these attributes mean that the technology can be broadly applied to many screening applications in drug discovery.

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The company, while welcoming the successful raising of EUR 2.5M, said the financing round was not yet closed and is in talks with other investors on an on-going basis.

About the investors

Capital-E is an early stage venture fund focused exclusively on micro- and nano-electronics related ventures in Europe. It helps initiate and grow businesses with venture capital, sound advice and access to a broad industry network and research ecosystem. Through its entrenched relationship with IMEC, the largest independent research centre in micro- and nano-electronics in Europe, the fund and its ventures can directly rely on the support of over 1500 specialized scientists and engineers, as well as leverage on IMEC's 500+ worldwide industrial partners such as NXP, Infineon, STMicroelectronics, Intel, Panasonic, Texas Instruments, Samsung and TSMC to speed-up the process of market entry. The fund is managed by an independent team with a balanced mix of entrepreneurial, industrial and VC experience. More information can be obtained at www.capital-e.com.

Allegro Investment Fund N.V. is a Leuven-based open-end seed and early stage capital investment fund, focusing on high-tech ventures. The fund combines more than 40 years of relevant business experience in high-tech start-up and early stage management. Allegro invests in disruptive technologies managed by professional teams aiming at a significant and world-wide market. Allegro's shareholders are Captains of Industry with a wide variety of sector backgrounds. www.allegroinvestmentfund.com

The PhD Partnership represents a number of business angels who have grouped their investments in PharmaDiagnostics. These business angels are entrepreneurs or managers with various backgrounds and who have a wide range of experience in legal, financial, industrial and commercial matters.

Vinnof (Vlaams Innovatiefonds - Flemish Innovation Fund) provides seed capital for young, innovative companies and start-ups based in Flanders. Vinnof is a 100% subsidiary of ParticipatieMaatschappij Vlaanderen NV, the investment company for Flanders (www.vinnof.be).

About PharmaDiagnostics NV

PharmaDiagnostics NV develops label-free screening technology with the unique capability in its market of operating without the need for specialized hardware. The technology is broadly enabling and applicable to a range of applications including: receptor-ligand binding; enzymatic reactions; antibody screening and ADME. The assays are very sensitive and have the potential for very high throughput. The company is focused upon licensing its technology for use in pharmaceutical and biotechnology companies, and also offers bespoke assay development services. In addition the company is seeking collaborations to develop applications in compound screening, particularly fragment screening and antibody screening. PharmaDiagnostics' novel technology platform is based on localized surface plasmon resonance (LSPR) and noble metal nanoparticles, and is run on standard laboratory equipment.

The company, based in the Z1 Research Park in Zellik, near Brussels, was founded in 2007. It has raised more than EUR 4.0 million (USD 5.6M) in two rounds of venture funding and EUR 100,000 in grants from IWT (Instituut voor de aanmoediging van innovatie door Wetenschap & Technologie in Vlaanderen), a Flemish innovation agency.