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FOR IMMEDIATE RELEASE:

Akonni Biosystems Announces Strategic Partnership with Major Chinese Diagnostics Company Righton

Exclusive two-way licensing deal promises to accelerate growth for both companies

FREDERICK, MD – March 20, 2018 – Akonni Biosystems Inc. and Chinese *in vitro* diagnostics company, Righton, announce a commercial agreement that enables Righton to sell Akonni's products for nucleic acid purification and molecular diagnostics to researchers, clinical laboratories, and hospitals in China. The products to be sold include [TruTip®](#), Akonni's best-in-class sample preparation technology, which is low-cost and simple, yet highly effective at purifying DNA and RNA from the most difficult sample types. In addition, for diagnostic applications, Righton plans to commercialize Akonni's [TruDiagnosis®](#) system based on the proprietary [TruArray®](#) multiplexed diagnostic solutions. Righton has made an equity investment of \$7.5 million USD in Akonni's series D fundraising round bringing the total investments in the Series D round to \$13.9 million USD.

The two-way license agreement also grants Akonni exclusive rights to Righton's extensive molecular diagnostic product portfolio outside of China. Righton has established itself as a major player in the >\$1 billion USD molecular diagnostics industry in China, with 28 CFDA-approved diagnostic tests, a well-established customer base, distribution and manufacturing infrastructure, and 2017 annual revenues exceeding 180 million RMB. Righton's established diagnostic tests utilize a combination of real-time polymerase chain reaction (PCR), next-generation sequencing (NGS) and droplet digital PCR (ddPCR) technologies, etc., focusing on applications such as Leukemia, Lymphoma and solid tumors in Oncology, and 30 different infectious diseases. They have an established customer base in more than 400 tertiary hospitals in 29 provinces in China.

"Righton has developed an impressive, well-established menu of reliable, affordable diagnostic tests and an outstanding reputation in China," said Dr. Charles Daitch, CEO of Akonni Biosystems. "We see a lot of value in their products that we believe can offer significant improvements to healthcare communities, and we are very excited for the opportunity to expand access to these products globally." Daitch pointed out that the companies share great synergies in their mission, vision, company culture, products and technologies, which both companies believe

will enable them to expand their customer reach and accelerate revenue growth. The companies plan to initiate joint development projects for applications such as liquid biopsy testing in Oncology, non-invasive prenatal testing (NIPT), companion diagnostics and multiplexed panel testing for infectious diseases. “The investment from Righton provides us the financing we need to further our commercial goals outside of China, including the submission of our first US FDA application for our TruDx[®] 2000 platform. In addition, the partnership will lead to significant commercial revenues from China for both Akonni and Righton in the near-term,” Daitch said.

Dr. Xiong Hui, founder and CEO of Righton, said “while we have developed an extensive product portfolio and very successful business, we see a great opportunity to partner with Akonni. The attributes and flexibility of Akonni’s platform, combined with its low cost, should allow us to break into a very large segment of the China market.” Righton sees particular value in being able to use and adapt Akonni’s products in China, highlighting that the two companies will work together on design and development, ensuring that the products meet the particular needs of Chinese customers and patients.

Akonni believes the strategic partnership will help it achieve further cost savings in raw materials, manufacturing and production costs. “Whereas many small diagnostic companies choose to sell direct, we believe that our strongest path forward to commercialize Akonni’s products and provide the most value to our customers is through a strategic partnership with an established company in China,” said Michael Reinemann, Director of Business Development for Akonni. “Righton knows the customers, and the intricacies of the Chinese market segments, local geographies and regulatory and reimbursement environments, and can help us achieve a much more favorable cost of goods in a timely manner.”

In addition to supporting Righton’s core Oncology business, Righton will support the China launch of Akonni’s highly anticipated Tuberculosis (TB) diagnostic product lines. According to the World Health Organization (WHO), despite significant improvements in TB control efforts recently, China still represents one of the largest TB burdens in the world. China has an estimated 1 million new cases of tuberculosis each year – more than any other country except India – including an estimated 63,000 cases of the highly dangerous, costly and deadly multidrug-resistant Tuberculosis (MDR-TB). China currently accounts for nearly one third of the MDR-TB globally. Akonni has invested heavily in its TB and MDR-TB diagnostic tests and is a major player in this market through grants from the Centers for Disease Control and Prevention (CDC) and National Institutes of Health (NIH), and collaborations with TB experts at Harvard University, the University of California San Diego (UCSD), and Johns Hopkins University.

About Akonni Biosystems

Akonni Biosystems was founded in 2003 and has been issued 21 US and 37 International patents primarily covering sample preparation, microfluidic devices, bioinstrumentation, and integrated systems. Product development has been supported by a series of government grants and contracts from NIH, CDC, DOE, DOD, NIJ, and NSF. The company significantly advanced the original technology by improving the system’s capabilities from sample preparation to test result. Commercial products in Akonni’s near-term pipeline include rapid sample preparation technologies for nucleic acid extraction and multiplex panel assays for detecting clinically

relevant genotypes for pharmacogenomics, human chronic diseases, and genotypes for infectious diseases such as multidrug-resistant tuberculosis (MDR-TB), extensively drug-resistant tuberculosis (XDR-TB), upper respiratory infections, viral encephalitis, and hospital-acquired infections (MRSA). Based on its recent analysis of microarray-based applications in the molecular diagnostics (MDx) market, Frost & Sullivan recognized Akonni Biosystems with the prestigious 2017 North American New Product Innovation Award. For more information visit: www.akonni.com.

About Righton

Righton, founded in 2010, is a high-tech company devoted to R&D, manufacturing, sales and third-party clinical examination services for clinical molecular diagnostic products. Product lines address leukemia, lymphoma, solid tumors, angiocardopathy, infectious diseases, and forensic medicine. Righton employs an end-to-end business model of complete diagnosis and treatment procedures including initial diagnosis, prognosis, treatment options, treatment effect monitoring, course change and other special treatment regimen assessments. After 8 years of development, Righton has established a top-ranking clinical business for blood and tumor molecular diagnostics, and now has 28 CFDA approved products. Its sales distribution network covers the country's 29 provinces, cities and autonomous regions, generating income of more than a billion RMB. Righton was included in the 100 best companies of precision medicine for 2 consecutive years as a Chinese Venture Enterprise in the Chinese Innovation and Entrepreneurship Competition of outstanding enterprises.