

West Health Investment Fund Joins Svelte Medical Systems Private Financing as Major Investor

March 10, 2014

New Providence, NJ – Svelte® Medical Systems today announced that the Gary and Mary West Health Investment Fund has joined CNF Investments and New Science Ventures as major investors in the company. The West Health Investment Fund's \$5 million equity investment is accretive to the \$22 million of new capital recently raised by the company and will be used to accelerate regulatory approval processes in the US and Japan, enhance operational efficiencies and augment commercial preparation activities of the Svelte drug-eluting coronary stent Integrated Delivery System (IDS) and Rapid-Exchange (RX) platforms.

"The addition of the West Health Investment Fund to our current investors validates the important work we are doing to bring new technology to the interventional cardiology market that improves outcomes while reducing procedural complexity and cost," said Jack Darby, President and CEO of Svelte Medical Systems. "Svelte products are specifically designed to enhance the trans-radial approach and direct stenting, market segments clearly demonstrating improved patient outcomes coupled with procedural efficiencies and cost reductions to the healthcare system. With 0% clinically-driven MACE in our first-in-man drug-eluting stent study now reported through 20-months, we are excited about the positive impact our technology will have on interventional cardiology."

The Integrated Delivery System (IDS) combines a wire, balloon and stent into an 'all-in-one' coronary stenting system, obviating the need for conventional guide wires and PTCA balloons while reducing the procedural steps, and cost, necessary to complete most stenting cases. The IDS provides the lowest crimped stent profile on the market, ideal for use with the trans-radial approach, and has even been used in interventions using 4 and 5 French diagnostic catheters. Clinical studies in Europe have shown reduced contrast use, fluoroscopy time and overall procedure time, as well as a 75% reduction in adjunctive product costs with the Svelte IDS compared with conventional coronary artery stenting.

The Svelte IDS and RX platforms utilize low-compliant balloon material and proprietary Balloon Control Bands (BCBs) which control balloon growth during stent expansion and allow multiple, safe post-dilatations to minimize procedure time and cost. Both platforms also employ a new class of bioresorbable drug carrier composed of naturally-occurring amino acids (PEAs) which provides high mechanical integrity and elicits reduced inflammatory response compared with competitive (PLGA) technologies. The drug coating is resorbed over approximately 9-months via enzymolysis (enzymatic digestion) rather than hydrolysis (water-based digestion), thereby avoiding bulk degradation and pH change, two common causes of inflammation and activation of the complement cycle found with current-generation technologies.

Results of the randomized, controlled DIRECT II study evaluating the Svelte drug-eluting IDS in support of CE Mark certification will be available later this year.

Headquartered in New Providence, New Jersey, Svelte Medical Systems (www.sveltemedical.com) is a privately-held company engaged in the development of highly deliverable balloon expandable stents. Statements made in this press release that look forward in time or that express beliefs, expectations or hopes regarding future occurrences or anticipated outcomes or benefits, are forward-looking statements. A number of risks and uncertainties, such as risks associated with product development and commercialization efforts, results of clinical trials, ultimate clinical outcomes and benefit of the company's products to patients, market and physician acceptance of the products, intellectual property protection and competitive product offerings, could cause actual events to adversely differ from the expectations indicated in these forward looking statements.

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