

Flowonix Medical, Inc. and SWK Holdings Corporation Announce Closing of \$33 Million Financing

MOUNT OLIVE, N.J., Jan. 4, 2021 /PRNewswire/ -- Flowonix Medical, Inc., a medical device company focused on providing advanced, implantable drug delivery solutions and SWK Holdings Corporation (Nasdaq: [SWKH](#)), a life sciences focused specialty finance company catering to small and mid-sized commercial-stage companies, announced today that they have closed an approximate \$33 million financing.

The financing includes \$10 million in debt facility from SWK Holdings and the completion of an approximate \$23 Series B round led by Farallon Capital Management with participation of several additional new investors.

"This influx of capital will allow Flowonix to accelerate its solidly rising growth in both the Chronic Pain and Spasticity markets with the Company's advanced technology Prometra® II Implantable, Programmable Pump. This is truly an exciting time in the Company's 15-year history, as not only did the Company perform at its best through the challenges of 2020, but I anticipate even better performance in 2021 and beyond given our ambitious strategic initiatives," said Steve Adler, who has recently returned as CEO of Flowonix.

"We look forward to a long-term and fruitful partnership with Flowonix," said Winston Black, CEO of SWK. "The Company's Prometra II pump precisely delivers consistent dosing accuracy, proving to be an important treatment option for patients. We were impressed to see the Company leverage Prometra II's innovative technology to deliver strong performance through the headwinds of the pandemic and foresee impressive growth over the next few years."

The Company expects to use the proceeds from this financing to replace prior venture debt, plus fund its business plan, including: development of next generation products, expansion of its production line, and continued collaborations with pharmaceutical companies. This will enable Flowonix to not only expand into current markets, but also to begin applying targeted drug delivery into new disease states with larger medical markets.

"In my clinical practice, I've incorporated many different interventional therapies to help my patients achieve a better quality of life with less pain. After reviewing the different options for Targeted Drug Delivery, the Flowonix Prometra II is my pump of choice because of the multitude of benefits it offers my patients. These benefits include technological advancements and programming options to promote better spread of drug allowing us to get better pain relief with less medication," said Anjum Bux, MD, Director of Pain Management at Bux Pain Management, Lexington, KY.

"Intrathecal baclofen therapy has been an under used yet life changing therapy for so many patients with central nervous system injuries or damage. It's wonderful to have an opportunity to expand our knowledge base and treatment options and be able to offer another option [Prometra II] for management of ITB therapy for our patients," said Cindy Ivanhoe, MD, Clinical Professor, PM&R, University of Texas McGovern Medical School; and Director, SPASM Program, TIRR Memorial Hermann, Houston, TX.

Colliers Securities LLC acted as financial advisor to Flowonix in the transaction.

About Flowonix:

Flowonix Medical, Inc. is a company committed to working with healthcare professionals to enhance patients' lives by being exclusively focused on targeted drug delivery solutions. Founded in 2005, the company's work aims to provide physicians an optimal solution for the treatment of numerous neurological disorders, helping their patients improve their overall quality of living. Headquartered in Mt. Olive, NJ, the core values at Flowonix are: character, integrity, relentless, and purpose. Additional information about the medical device company and its products is available on the Company's website at www.flowonix.com.

About Prometra® II Implantable, Programmable Pump:

The pump is indicated for intrathecal infusion of drug therapy, including: Infumorph® (preservative free morphine sulfate sterile solution), preservative-free sterile 0.9% saline solution (Sodium Chloride Injection, USP), and baclofen (baclofen injection, intrathecal, 500-2000 mcg/mL). The Prometra II uses a pressure-driven, valve-gated delivery mechanism to deliver medication into the intrathecal space. This innovative delivery mechanism provides rapid and broad spinal cord coverage and enables novel programming modes of intermittent flow followed by periods of no flow, which is completely unique to the Prometra II device. Flowonix Medical, Inc. has been granted multiple patents for this innovative medical device.

About SWK Holdings Corporation:

SWK Holdings Corporation is a specialty finance company with a focus on the global healthcare sector. SWK partners with ethical product marketers and royalty holders to provide flexible financing solutions at an attractive cost of capital to create long-term value for both SWK's business partners and its investors. SWK believes its financing structures achieve an optimal partnership for companies, institutions and inventors seeking capital for expansion or capital and estate planning by allowing its partners to monetize future cash flow with minimal dilution to their equity stakes. SWK also owns Enteris Biopharma, whose core Peptelligence® drug delivery technology creates oral formulations of peptide-based and BCS class II, III, and IV small molecules. With Enteris, SWK has the opportunity to grow its specialty finance business by actively building a wholly-owned portfolio of milestones and royalties through licensing activities. Additional information on the life science finance market is available on the Company's website at www.swkhold.com.

For more information, please visit www.flowonix.com or www.swkhold.com.

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