

For immediate release



Vascular Flow Technologies closes £10M financing round for strategic realignment

Dundee, UK – 28 January 2016 – Vascular Flow Technologies (VFT), the medical device company using proprietary Spiral Laminar Flow™ (SLF™) technology to replicate natural blood flow for enhanced patient outcomes, today announced that it has closed a £10 million financing round. The funds will support VFT's realignment of business strategy to focus on research and development, as well as the strategic joint development and out-licensing agreements with leading industry partners.

The equity round consisted of two concurrent transactions; a £7 million loan note restructuring into the Series A Ordinary Preference shares and a £3 million Series B capital increase. The Series B financing round was led by an undisclosed family office and supported by institutional and individual angel investors.

VFT will use the £10 million towards the development of the Company as a technology transfer business. The Company will be refocusing on the core competency of applying its proprietary Spiral Laminar Flow™ (SLF™) technology to vascular and endovascular devices, using Computational fluid dynamics (CFD) and Finite element analysis (FEA) to support this work.

VFT's SLF™ technology is a unique and IP protected design which eliminates the turbulent blood flow seen in diseased vessels and standard prosthetic vascular grafts. By reintroducing the normal pattern of blood flow through the vessel, graft failure and complications for the patient are significantly reduced. The technology is built on an extensive base of evidence produced using CFD (models of fluid flow created with numerical analysis) and FEA (virtual modelling to problem solve potential stresses on vessel walls). A number of clinical evidence programs are also underway in the USA and Europe, establishing long term clinical and economic outcomes.

Bill Allan, CEO of VFT commented: "The realignment of the business supports VFT's natural evolution from an innovative Medical Devices Company, through to a tech transfer business. The £10 million secured in this investment round will make a significant impact on the transition, and allow us to continue to work with the key players in the sector to apply SLF technology to address unmet clinical needs in vascular and endovascular markets. In addition, the financing will enable us to build further clinical and health economic evidence for SLF™ technology."

The new business model will see an increase in collaborative work, which will allow VFT to further accelerate its research and development projects. Current collaborations include ongoing work in stents and haemodialysis access catheters.

Catalysis Capital Partners acted as the exclusive Financial Advisor to VFT on the financing.

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Notes to Editors

About Vascular Flow Technologies

Vascular Flow Technologies is a leading innovator focused on the research and development of proprietary platform technology to improve blood flow in compromised or diseased blood vessels. Its patented Spiral Laminar Flow™ (SLF™) technology is the only clinically-proven design to replicate the distinctive singular spiral flow pattern of natural blood flow.

The SLF™ technology is used to create a longer lasting graft or stent, producing a better quality of life for the patient due to reduced vascular complications and improved longevity of the implant.

VFT is a privately held company with headquarters in Dundee, UK.

Further information is available at www.vascular-flow.com.

About Spiral Laminar Flow

Turbulent blood flow at the point where an endovascular implant joins with the blood vessel is a major cause of neointimal hyperplasia (excessive cell growth) which can result in vessel blockage. Spiral Laminar Flow™ technology generates a spiral flow within the implant, reducing turbulence distally and in the case of bypass and AV access grafts has shown significant improvements in outcomes. Vascular Flow Technologies' SLF™ technology is supported by numerous clinical studies and a significant patent array.

For more information, please contact:

Bill Allan

CEO, Vascular Flow Technologies

Telephone: +44 (0) 1382 598 532

Email: info@vascular-flow.com

For media enquiries, please contact:

Alex Bannister

Instinctif Partners

Telephone: +44 207 457 2825

Email: VFT@instinctif.com