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## **Cogentix Medical Makes \$2 Million Investment in Israeli Company Developing Innovative and Novel Device for Delivery of Drugs to the Bladder**

### **Option to Acquire Entire Company if Business and Clinical Milestones Achieved**

MINNEAPOLIS, Sept. 28, 2017 /PRNewswire/ -- Cogentix Medical, Inc. (NASDAQ: CGNT), a global medical device company focused on providing the Urology, Uro/Gyn and Gynecology markets with innovative and proprietary products, today announced a \$2 million investment in Vensica Medical. Vensica is a privately-held Israeli-based company developing VensiCare, an ultrasound based, needle-free drug delivery system. The initial indication pursued for the VensiCare device will be the delivery of botulinum toxin (such as Botox® or Dysport®) to treat overactive bladder (OAB). Vensica also has intellectual property for the delivery of oncology agents to the bladder. Vensica currently anticipates commencing human clinical trials of VensiCare for OAB during the fourth quarter of 2018. Cogentix will receive one seat on the Vensica Board and options to acquire the entire company for an additional \$8 million.

"We are very excited about the potential the VensiCare product may provide for the more than 42 million patients in the US suffering from overactive bladder and its symptoms. The ability to offer another minimally invasive treatment option and significantly increase the number of patients who receive a 3<sup>rd</sup> line therapy for OAB is truly an exciting opportunity to leverage our strong urology market presence. Our physician customers often use Botox for the treatment of overactive bladder, and we believe Vensica's approach and product pathway currently show promise for revolutionizing the manner in which botulinum toxin is administered for OAB," said Darin Hammers, President and CEO. "This is our third business development transaction in the last three months and demonstrates our team's commitment to prudently investing the cash on our balance sheet in a variety of transactions that now include acquisition, licensing and development agreements."

"We are thrilled to partner with Cogentix as we continue the development of VensiCare," said Avner Geva, CEO of Vensica. "We believe that Cogentix is the most attractive partner for Vensica given their knowledge of the OAB market and their successful track record with Urgent PC. We are confident this partnership will result in maximizing the potential of VensiCare."

"The structure of this investment allows Cogentix to oversee the development of the high potential VensiCare device for a modest initial investment," continued Mr. Hammers. "Further, the agreement gives the Company the option to acquire all of Vensica at a fixed price if significant value creating milestones are achieved. And while the initial work of Vensica focuses on the delivery of botulinum toxin to treat OAB, we believe the VensiCare product has the potential to be a broad based drug delivery platform that could deliver a variety of drugs for other indications, such as cancer."

### **About Cogentix Medical**

Cogentix Medical, Inc., headquartered in Minnetonka, Minnesota, with additional operations in New York, Massachusetts, The Netherlands and the United Kingdom, is a global medical device company. We design, develop, manufacture and market products for flexible endoscopy with our unique PrimeSight™ product lines featuring a streamlined visualization system and proprietary sterile disposable microbial barrier providing users with efficient and cost effective endoscope turnover while enhancing patient safety. We also commercialize the Urgent® PC Neuromodulation System, an FDA-cleared device that delivers percutaneous tibial nerve stimulation (PTNS) for the office-based treatment of overactive bladder (OAB). OAB is a chronic condition that affects approximately 42 million U.S. adults. The symptoms include urinary urgency, frequency and urge incontinence. We also offer Macroplastique®, an injectable urethral bulking agent for the treatment of adult female stress urinary incontinence primarily due to intrinsic sphincter deficiency. For more information on Cogentix Medical and our products, please visit us at [www.cogentixmedical.com](http://www.cogentixmedical.com). 'CGNT-G'

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## Cautionary Statements Related to Forward-Looking Statements

This press release includes forward-looking statements. These forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "forecast," "goal," "project," and other words of similar meaning. Forward-looking statements in this press release include, but are not limited to, statements about expected revenue growth rates; the Company's expectations regarding operating profit and cash operating profit; and plans, objectives, expectations and intentions with respect to future operations, products and services. Each forward-looking statement contained in this press release is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statement. Applicable risks and uncertainties include, among others, the effects of industry, economic or political conditions outside of the Company's control; competitive market factors; actual or contingent liabilities; the adequacy of the Company's capital resources; and the risks identified under the heading "Risk Factors" in the annual report on Form 10-K, for the year ended December 31, 2016, filed with the Securities and Exchange Commission ("SEC") on March 30, 2017. Investors are cautioned to not to place considerable reliance on the forward-looking statements contained in this presentation. Investors are encouraged to read the Company's filings with the SEC, available at [www.sec.gov](http://www.sec.gov), for a discussion of these and other risks and uncertainties. The forward-looking statements in this presentation speak only as of the date of this release, and the Company undertakes no obligation to update or revise any of these statements. The Company's businesses are subject to substantial risks and uncertainties, including those referenced above. Investors, potential investors, and others should give careful consideration to these risks and uncertainties.

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