

## **EOFlow and Sinocare Establish a Joint Venture Company**

- ▶ **Sinocare is China's Largest Diabetes Management Instrument Manufacturer**
- ▶ **Joint venture company to launch a full-scale effort for clinical study to obtain regulatory approval for EOPatch manufacturing and distribution in China**
- ▶ **High growth expected from EOPatch business in China where world's largest diabetes population live**

EOFlow Co., Ltd. (KOSDAQ: 294090) (EOFlow or the Company), a provider of wearable drug delivery solutions, has announced today that the Company will establish a joint venture company "SINOFLOW Co., Ltd." in China with Changsha Sinocare Co., Ltd. (SHENZHEN: 300298) (Sinocare) to enter the large and growing Chinese diabetes market.

According to EOFlow, the joint venture company will manufacture and distribute its wearable, disposable insulin pump "EOPatch" and its future products in the Greater China Region.

Sinocare is a global leader in BGM (Blood Glucose Monitor) and diabetes management industry. It engages in research, development, manufacture, and commercialization of biosensor-based blood glucose monitoring systems. Sinocare owns the largest BGM manufacturing facility in Asia and is the first listed BGM manufacturer company in China (listed on the Shenzhen Stock Exchange).

With the establishment of the Chinese joint venture, EOFlow aims to enter the Chinese market which is known for the largest diabetes population in the world. Sinocare aims to become a total diabetes management solution provider that includes medical devices to diagnose and treat both Type 1 and Type 2 diabetes patients in Greater China.

"EOFlow will contribute about 6.6 billion Korean won (RMB 36 million) to the joint venture company with 16.6 billion (RMB 90 million) registered capitals. Besides, EOFlow will receive investment of about 9.2 billion Korean won (RMB 50 million) from Sinocare to strengthen the strategic partnership." EOFlow said.

Mr. Perry Jung, the CEO of Vision Creator which has been deeply involved with the partnership process, said, "We are very confident that EOFlow's wearable disposable drug delivery solution technology will appeal to the Chinese market with the largest diabetes population in the world; thus, it makes sense and is meaningful for EOFlow to cooperate with China's leading diabetes instrument business partner."



According to Sinocare's founder, chairman of the board, and CEO Li Shaobo, "We are very glad to have EOFlow as a long-term partner. EOFlow has the same vision as Sinocare does. It is devoted to making innovative and high-quality solutions for patients with chronic diseases and to becoming a leading company in the global medical device industry." CEO Mr. Li Shaobo comments, "The combination of CGMS developed by Sinocare and smart wearable insulin pump system developed by EOFlow will jointly provide innovative and systematic smart medical solutions for people with diabetes in China, which will be inspiring and life-changing news and highly improve the quality of daily life for people with diabetes in the coming years."

EOFlow's founder CEO Jesse J. Kim said, "The joint venture company formed by EOFlow and Sinocare affords us an excellent opportunity to demonstrate therapeutic benefits that result from the outstanding performance of EOPatch to the greater Chinese market, where the diabetes population is very large, and yet, disposable wearable insulin pumps have not been made available." CEO Jesse J. Kim added, "Also, entering the Chinese market where high growth potential clearly exists is a significant next step, since its recent entry into the European market, in accelerating EOFlow's expansion in the global marketplace."

EOFlow's EOPatch is Korea's first (and the world's second) tubeless, wearable, and disposable insulin pump platform. It makes possible continuous subcutaneous insulin infusion (CSII) for insulin dependent type 1 and 2 diabetes. EOPatch is controlled by "Narsha"—the world's first smartphone application that can monitor and control wearable insulin pump and provides cloud-based data management service. Narsha contributes to much improved user experience as well as compliance by EOPatch users.