

EOFlow Reports Full Year 2022 Revenue Increase of 868% Year-Over-Year

- ▶ EOFlow released its consolidated financial statements for the full year of 2022:
- ▶ Revenue growth from shipment to Europe and production equipment & technical service export to China

EOFlow Co., Ltd. (KOSDAQ: 294090) (EOFlow or the Company), a provider of wearable drug delivery solutions, announced its provisional financial statements for the full year of 2022.

EOFlow announced its provisional consolidated financial statements: full year 2022 revenue of KRW 6.7 billion, an increase of 867.6% compared to the prior year, operating loss of KRW 34.3 billion, and net loss of KRW 30 billion.

According to the Company, EOPatch shipment to Europe following continuous purchase orders from European partner A. Menarini Diagnostics, and production equipment, components and technical service export to China drove the revenue growth.

An IR official at EOFlow says, "Menarini's sales in Europe fell short of expectations last year due to launch delay due to reimbursement preparation and the sustained COVID-19 pandemic, but the Company now expects a full-scale launch this year. Menarini's GlucoMen Day PUMP is now reimbursed in 7 European countries, fully launched in 5 countries and the Company expects larger orders from Menarini which should drive higher growth in 2023.

"Full market launch in the UAE in February will also contribute to great sales outcomes this year and the Company plans to expand its reach to other countries in 2023 such as Saudi Arabia, Japan, Singapore, and Australia, where reimbursement possibility is high and sales volume should improve further."

Operating deficit grew due to increased expenditures in the areas of sales, general and administrative expenses (SG&A) from the increase of labor cost, commission payment and outsourcing service cost, mainly in the area of R&D. The deficit is expected to decline quickly as sales volume increase in 2023.

EOFlow's Chief Financial Officer (CFO) Mr. Richard An says, "2023 will be the year to take off as a global wearable drug delivery company. With a full-auto manufacturing line at Gonjiam facility, we secure a production capacity of 3.7 million patches this year, with which we aim to improve quality and yield, and reduce costs in production. New product development and a strategic partnership in the U.S. are other key factors to watch in 2023."

The 2022 financial results are subject to finalization in connection with the preparation of the Company's annual report for the year ended December 31, 2022. The annual report is to be submitted to the Korean Financial Supervisory Service within March 31, 2023.

Forward-Looking Statement:

This press release contains forward-looking statements regarding future operating and financial performance. The predictive information may be affected by future management and contains inherent uncertainty. Actual future performance may differ significantly from the predictive information due to these uncertainties. These forward-looking statements are based on management's current beliefs, assumptions and estimates and are not intended to be a guarantee of future events or performance. Any details are subject to change without prior notice due to changes in market conditions and operation strategies in the future. The Company and its employees will not be liable for any losses incurred from utilizing the information contained in this press release.