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KNOW LABS

## **Know Labs Launches Subsidiary, AI Mind Inc., Generates \$4.2M in NFT Revenue to Fund Continued Non-Invasive Glucose Monitoring Device Development**

SEATTLE--(BUSINESS WIRE)-- Know Labs, Inc. (OTCQB: KNWN), an emerging leader in non-invasive medical diagnostics, today announced that a new subsidiary created to work with the company's Artificial Intelligence (AI) Deep Learning Platform has generated initial revenue of approximately \$4.2 million from Non-Fungible Token (NFT) sales. This revenue will be used to fund ongoing progress toward development of AI technologies for Know Labs' non-invasive glucose monitoring devices KnowU™ and UBand™.

The new subsidiary, AI Mind Inc. (AIM), is focused on identifying opportunities to utilize the company's artificial intelligence, machine learning and proprietary algorithms, which enable the Know Labs Bio-RFID™ platform to identify and measure blood glucose levels accurately and non-invasively. Know Labs believes it is among the first public companies to generate NFT revenues from AI algorithms.

The company's AI engine has the ability to process large amounts of data to identify properties or trends, while recognizing patterns – an essential functionality for Know Labs' non-invasive blood glucose monitoring devices. While refining the company's algorithms and enhancing the AI engine, Know Labs CEO Phil Bosua and the company's engineering team understood the AI engine can be used to recognize complex patterns as well as to create patterns in the form of digital images and text-based solutions.

The Know Labs team, recognizing the dynamic and growing market for NFTs, in which digital assets are bought and sold on online exchanges, began to develop NFTs in the form of digital art by working with the company's AI engine. The first 100 NFTs created by the AIM engineering and creative team sold quickly on the NFT exchange, OpenSea. The team created additional batches of NFTs, which also were sold to NFT investors and collectors. Examples of the AI-generated NFTs can be seen here ([Explosion of Color](#)) here ([Singularity](#)) and here ([Light and Dark](#)).

"We were stunned to discover that the AI engine we have developed can, in addition to identifying molecules non-invasively, also create unique, digital patterns from our test data," Bosua said. "Our AI engine enables our devices to capture highly accurate blood glucose readings with our Bio-RFID sensors. Now, that same AI engine has begun to generate millions in revenue for our company, which will be used to help fund our vision and achieve our goals. AI is going to be intrinsic to all industries moving forward. We now understand how big the societal impact of AI will be, it will be even bigger than the internet."

To date, the Know Labs AIM subsidiary has sold more than 1,000 NFTs and has generated revenue in excess of 1,000 Ethereum, which converted to approximately \$4.2 million. The

company believes additional revenue may be generated from NFT sales during the first fiscal quarter, with proceeds used to fund the development of Know Labs' AI technologies powering its non-invasive glucose monitoring devices. Revenue from NFT sales will be reported in the company's first quarter 10Q, to be filed in February 2022.

"The ability to generate substantial revenue from a subsidiary created to monetize our trade secret AI algorithms is significant, because it potentially provides a new source of funding for our work toward developing what we believe will be the first medical-grade non-invasive glucose monitoring device," said Ron Erickson, Know Labs Board Chairman. "Our team remains focused on bringing non-invasive diagnostic devices to market. We will soon kick-off a 200-participant internal clinical trial to refine our AI algorithms and further validate our technology's accuracy. As we move toward the FDA approval process for our glucose monitoring devices, we'll continue to seize opportunities to create incremental value for our shareholders, including through our new subsidiary."

Know Labs' technologies rely on a broad variety of patents and data analytics capabilities and the company intends to continue to expand its IP portfolio through a combination of patent filings and development of new inventions. For more information on Know Labs, visit [www.knowlabs.co](http://www.knowlabs.co).

### **About Know Labs, Inc.**

[Know Labs, Inc.](http://www.knowlabs.co) is a public company whose shares trade under the stock symbol "KNWN." The Company's technology uses [spectroscopy](#) to direct electromagnetic energy through a substance or material to capture a unique molecular signature. The Company refers to its technology as Bio-RFID™. The Bio-RFID technology can be integrated into a variety of wearable, mobile, or bench-top form factors. This patented and patent-pending technology makes it possible to effectively conduct analyses that could only previously be performed by invasive and/or expensive and time-consuming lab-based tests. The first application of our Bio-RFID technology will be in a product marketed as a glucose monitor. It will provide the user with real-time information on their blood glucose levels. This product will require U.S. Food and Drug Administration approval prior to its introduction to the market.

### **Safe Harbor Statement**

This release contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements appear in a number of places in this release and include all statements that are not statements of historical fact regarding the intent, belief or current expectations of Know Labs, Inc., its directors or its officers with respect to, among other things: (i) financing plans; (ii) trends affecting its financial condition or results of operations; (iii) growth strategy and operating strategy; and (iv) performance of products. You can identify these statements by the use of the words "may," "will," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable," "potential," and similar expressions and variations thereof are intended to identify forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond Know Labs, Inc.'s ability to control, and actual results may differ materially from those projected in the forward-looking statements as a

result of various factors. These risks and uncertainties also include such additional risk factors as are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended September 30, 2020, Forms 10-Q and 8-K, and in other filings we make with the Securities and Exchange Commission from time to time. These documents are available on the SEC Filings section of the Investor Relations section of our website at [www.knowlabs.co](http://www.knowlabs.co). The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

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