

April 28, 2025



# Kane Biotech Announces Fourth Quarter and Full Year 2024 Financial Results, Narrows Strategic Focus and Makes Leadership Change

WINNIPEG, Manitoba, April 28, 2025 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE; OTCQB:KNBIF) ("Kane Biotech", "Kane" or the "Company") today announced its fourth quarter and full year 2024 financial results.

**Fourth Quarter 2024 Financial Highlights** (Comparatives Exclude Discontinued STEM Animal Health "STEM" Operations):

- Total revenue for the three months ended December 31, 2024 was \$125,859 compared to \$57,788 in the three months ended December 31, 2023. Fourth quarter revenue consists primarily of contract animal health manufacturing revenue for Dechra Veterinary Products, Inc.
- Gross loss for the fourth quarter of 2024 was \$(87,204), compared to a gross profit of \$34,300 for the fourth quarter of 2023. During the quarter, the Company recorded \$209,775 in inventory write-downs primarily associated with its DermaKB™ product line.
- Total operating expenses for the three months ended December 31, 2024 were \$933,479 compared to \$1,292,635 for the three months ended December 31, 2023. The decrease is primarily due to an adjustment to short-term incentive expense partially offset by higher employee compensation and consulting expenses and \$205,282 in patent asset write-downs taken in the current period.
- Net income for the fourth quarter of 2024 was \$227,321 compared to a net loss of (\$1,522,425) for the quarter ended December 31, 2023. In the current quarter, a deferred tax recovery of \$1,310,256 was recorded in continuing operations offset by income tax expense of \$1,310,256 recorded in discontinued operations.

**Full Year 2024 Financial Highlights** (Comparatives Exclude Discontinued STEM Animal Health "STEM" Operations):

- Total revenue for the year ended December 31, 2024 was \$2,080,879 compared to \$148,980 for the year ended December 31, 2023. The increase is primarily attributable to higher product revenue.
- Gross profit for the year ended December 31, 2024 was \$872,096, compared to gross profit of \$109,470 for the year ended December 31, 2023. During the year, the Company recorded \$209,775 in inventory write-downs primarily associated with its DermaKB™ product line.

- Total operating expenses for the year ended December 31, 2024 were \$4,795,093 compared to \$3,466,856 for the year ended December 31, 2023. The increase is primarily due to higher employee compensation and consulting expenses, higher business development costs, higher research costs related to the Company's revyve™ Antimicrobial Wound Gel and \$205,282 in patent asset write-downs partially offset by an adjustment to short-term incentive expense recorded in the current period.
- Net loss for the year ended December 31, 2024 was \$(3,161,097), compared to a net loss of (\$4,562,345) for the year ended December 31, 2023. In 2024, a deferred tax recovery of \$1,310,256 was recorded in continuing operations offset by income tax expense of \$1,310,256 recorded in discontinued operations.

Kane Biotech's December 31, 2024 Financial Statements and the Management Discussion and Analysis with regards thereto are now available on SEDAR+ and the Company's website.

### **Recent Corporate Developments:**

Following completion of a recent review by the board of directors, the Company has decided to focus on the four verticals of its coactiv+™ biofilm dispersion technology-based wound care product portfolio, namely:

- revyve™ Antimicrobial Wound Gel (U.S Food and Drug Administration ("FDA") and Health Canada approved)
- revyve™ Antimicrobial Wound Gel Spray (FDA approved and Health Canada approval pending)
- coactiv+™ Antimicrobial Surgical Hydrogel (regulatory approval forecasted in 2026)
- revyve™ Antimicrobial Wound Rinse (regulatory approval forecasted in 2026)

Management believes that the revyve™ product line, particularly in the U.S market, represents substantial opportunities for Kane. Accordingly, we intend to undertake new activities there with clinicians and reorganize our approach to distribution.

"Through case series data and anecdotal reports received from clinicians, we know that revyve™ provides a real benefit to patients," said Dr. Robert Huizinga, Interim Chief Executive Officer. "In 2025, we will be generating data in the U.S. market and engaging with physicians and surgeons to ensure they understand the value of revyve™."

Kane also wishes to announce that Marc Edwards is no longer with the Company as President and CEO of Kane. We wish Marc well in his future endeavours. Dr. Robert Huizinga, the current Executive Chair of the Company, has been appointed interim CEO. Prior to joining the Company, Dr. Huizinga was the Executive Vice-President of Aurinia Pharmaceuticals Inc. and led the clinical development of voclosporin which reached US\$100M in sales in year one. Dr. Huizinga holds a PhD in Organizational Leadership and a Masters in Clinical Epidemiology. Dr. Huizinga will resign from his position as Executive Chair at the upcoming annual meeting of shareholders in June, 2025.

Under Dr. Huizinga's leadership the Company has implemented a number of cost reduction initiatives including a reduction in overhead and other areas which are expected to materially reduce monthly operating costs going forward. As part of same, the Company intends to

dedicate less resources to the development of its DispersinB<sup>®</sup> Hydrogel wound gel this year and push into 2026 the start of the clinical study of its DispersinB<sup>®</sup> Acne Cleanser.

In addition to the foregoing, the Company has terminated the binding term sheet that it entered into with FB Dermatology S.R.L. in November of 2024 and will no longer be proceeding with the acquisition of FB Dermatology S.R.L.

In support of the preparation of an orderly relaunch of its revyve<sup>™</sup> product line in the U.S. market and Kane's other planned activities, two insiders of Kane Biotech, including a control person, have agreed to subscribe for 12 million common shares of the Company at \$0.10 per share for net proceeds of \$1.2 million by way of a private placement. No brokers or intermediaries were involved. In addition, an insider of Kane Biotech has agreed to provide an unsecured loan in the amount of \$1,000,000 to Kane, which shall be repayable on demand. All funds have been received for these transactions and, subject to the approval of the TSX Venture Exchange, are anticipated to close on or about April 30, 2025.

"This additional investment reflects my belief in the Company's clarity of purpose and my commitment to supporting its operations", said Mr. Philip Renaud, control person and director of Kane.

The foregoing transactions will be deemed to be "related party transactions" as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company is exempt from the formal valuation and minority approval requirements for related party transactions pursuant to Subsection 5.5(a) and Subsection 5.7(1)(a) of MI 61-101, respectively.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

## **About Kane Biotech**

Kane Biotech is developing novel wound care treatments that disrupt biofilms and transform healing outcomes. Biofilms are one of the main contributors to antibiotic resistance in wounds which results in serious clinical outcomes and significant cost. revyve<sup>™</sup> addresses both biofilms and wound bacteria.

### **For more information:**

**Dr. Robert Huizinga**  
Interim CEO  
Kane Biotech Inc.  
[rhuizinga@kanebiotech.com](mailto:rhuizinga@kanebiotech.com)

**Ray Dupuis**  
Chief Financial Officer  
Kane Biotech Inc.  
[rdupuis@kanebiotech.com](mailto:rdupuis@kanebiotech.com)

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### *Caution Regarding Forward-Looking Information*

*This press release contains certain statements regarding Kane Biotech Inc. that constitute forward-looking information under applicable securities law. These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. These risks and uncertainties include, but are not limited to, risks relating to the Company's: (a) financial condition, including lack of significant revenues to date and reliance on equity and other financing; (b) business, including its early stage of development, government regulation, market acceptance for its products, rapid technological change and dependence on key personnel; (c) intellectual property including the ability of the Company to protect its intellectual property and dependence on its strategic partners; and (d) capital structure, including its lack of dividends on its common shares, volatility of the market price of its common shares and public company costs. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by the Company with applicable securities regulatory authorities, available at [www.sedar+.ca](http://www.sedar+.ca). The Company cautions that the foregoing list of factors that may affect future results is not exhaustive.*



Source: Kane Biotech Inc.