

November 28, 2024



Kane Biotech Announces Third Quarter 2024 Financial Results

Company Records First Commercial Sale of revyve™ Wound Gel

WINNIPEG, Manitoba, Nov. 28, 2024 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE; OTCQB:KNBIF) ("Kane Biotech", "Kane" or the "Company") today announces its third quarter 2024 financial results.

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

- Product sales for the three months ended September 30, 2024 was \$597,677 compared to \$3,631 in the three months ended September 30, 2023. During the third quarter, the Company recorded \$594,705 from its first commercial sales of revyve™ Antimicrobial Wound Gel to its US distributor ProgenaCare.
- Product services revenue for the three months ended September 30, 2024 was \$685,021, an compared to \$nil in the three months ended September 30, 2023. Product services revenue is derived from animal health manufacturing and quality control services that the Company is providing for a limited time post sale of STEM.
- Total revenue for the three months ended September 30, 2024 was \$1,282,698 compared to \$27,003 in the three months ended September 30, 2023.
- Gross profit for the third quarter of 2024 was \$558,754, compared to \$23,491 for the third quarter of 2023.
- Total operating expenses for the three months ended September 30, 2024 were \$1,170,064, an increase of 18% compared to \$994,801 for the three months ended September 30, 2023. The increase is primarily due to higher employee compensation, consulting, travel and investor relations expenses recorded in the current period.
- Net loss from continuing operations for the third quarter of 2024 was \$(678,636), a decrease of 45% compared to a net loss from continuing operations of (\$1,244,099) for the quarter ending September 30, 2023.

Detailed financial information about Kane Biotech can be found in its September 30, 2024 Financial Statements and Management Discussion and Analysis on SEDAR and the Company's website.

Recent Corporate Developments:

- On November 27, 2024, Kane Biotech announced that BioStem Technologies Inc. has recently signed a Letter of Intent to acquire commercial stage products and development technologies from the Company's current U.S. distributor, ProgenaCare, including exclusive US distribution rights for Kane's revyve™ Antimicrobial Wound

Gel.

- On November 14, 2024, the Company announced that it has received Health Canada approval of its revyve™ Antimicrobial Wound Gel as a Class 2 Medical Device. This approval allows the Company to immediately start promoting and selling this product in Canada.
- On November 12, 2024, the Kane Biotech announced that it has entered into a binding term sheet setting out the key terms and conditions relating to the acquisition of all of the issued and outstanding shares of FB Dermatology incorporated under the laws of Italy. FB Dermatology currently has operations in Italy and Australia with product sales throughout Europe, Australia and New Zealand. The closing of the Acquisition is expected to occur on or about January 31, 2025.
- On October 23, 2024, the Company announced that it is donating 2,000 ounces of revyve™ Antimicrobial Wound Gel to the Ukraine medical relief effort. The product will be used to assist in the healing of severe and chronic wounds that tens of thousands of Ukrainian casualties have suffered as a result of the devastating effects of war.
- On October 17, 2024, the Company announced that it has signed an exclusive five-year distribution agreement with XSONX LLC (“XSONX”) for Kane to distribute XSONX’s Wound Hygiene System in Canada, Australia, New Zealand and the Gulf Cooperation Council (GCC) Countries. The XSONX Wound Hygiene System is a cordless vibrational debridement tool which safely cleans and debrides chronic and contaminated wounds. More information can be found at www.xsonx.com.
- On October 3, 2024, Kane Biotech announced that it is receiving advisory services and up to \$75,000 in funding through the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) to collaborate on a research and development project with a multinational corporate partner. The goal of the collaboration project is to develop a Proof-of Concept for its DispersinB® Wound Gel. Over a period of six months, Kane will be working closely on this project with one of the world’s largest wound care companies as its collaborator.
- On September 12, 2024, the Company announced the exercise of an aggregate of five million warrants at an exercise price of \$0.10 per common share for total proceeds of \$500,000.
- On August 28, 2024, the Company announced that it had signed a three-year distribution agreement with Qatar Datamation Systems for its revyve™ Antimicrobial Wound Gel in the Qatar wound care market.
- On August 22, 2024, Kane Biotech announced that it had signed a three-year distribution agreement with Razan Medical & Surgical Equipment Trading LLC for its revyve™ Antimicrobial Wound Gel in the United Arab Emirates (UAE) wound care market.
- On August 13, 2024, Kane Biotech announced that it is receiving advisory services and up to \$200,000 in research and development funding from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP). The funding will be received over a period of 20 months and will support the development of three additional products to build on Kane Biotech’s revyve™ Antimicrobial Wound Gel technology. The Company expects to be able to leverage its newly expanded FDA 510(k) clearance for its revyve™ Antimicrobial Wound Gel.
- On July 23, 2024, Kane Biotech announced that the US FDA had eliminated its usage limitation on the Company’s 510(k) cleared revyve™ Antimicrobial Wound Gel. Prior to the removal of this restriction, there was a 90 grams/month limit to the amount of

revyve™ product that could be administered to patients. This now clears the way for the introduction and extended use of Kane's revyve™ Antimicrobial Wound Gel Spray which is expected to be filled in spray cans in a higher quantity making it ideal for application on large wounds.

- On July 17, 2024, Kane Biotech announced that it has received ISO 13485:2016 Medical Device Single Audit Program ("MDSAP") Quality Certification as a designer, developer and manufacturer of medical devices. These standards require the existence of a comprehensive quality management system with a focus on areas directly impacting patient safety, product performance and reliability. Obtaining the ISO 13485:2016 MDSAP certification allows Kane to apply for regulatory approval of its revyve™ Antimicrobial Wound Gel in Canada, Australia, New Zealand and Brazil. MDSAP is an enhancement of Kane's previous quality certification which enabled Kane to receive US Food and Drug Administration 510(k) clearance for revyve™.
- On July 11, 2024, Kane Biotech announced that it has signed a worldwide license agreement with Arizona-based Omni Bioceutical Innovations Inc. for its coactiv+™ line of scalp care products. The five-year non-exclusive agreement will see Omni commercialize Kane's scalp detoxifier product under the Omni Bioceuticals brand in the medical aesthetics market

"In the third quarter we recorded our first commercial sale of revyve™ Antimicrobial Wound Gel, signed two new revyve™ Wound Gel product distribution agreements in the Middle East, received our MDSAP Quality Certification, and were awarded \$200,000 in NRC IRAP funding," said Marc Edwards, President & CEO of Kane Biotech. "And already in the fourth quarter, we have been awarded an additional \$75,000 in NRC IRAP funding, signed an exclusive five-year distribution agreement for XSONX's Wound Hygiene System, signed an agreement to acquire FB Dermatology and received Health Canada approval of our revyve™ Antimicrobial Wound Gel. We continue to execute on our strategic plan and are positioning the Company for success in 2025 and beyond."

The link to the Q3 2024 update video provided by Marc Edwards can be found here: [Q3 2024 Update Video](#).

Conference Call

- Kane Biotech is pleased to invite all interested parties to participate in a conference call on Tuesday, December 3, 2024 at 4:30pm ET to review the financial results and discuss business developments in the period.
- Participants can access the live webcast link as follows: [Conference call with Q&A](#) or [conference call listen only mode](#). A webcast of the call will be available on the Company's website at kanebiotech.com under "News/Events" in the Investors section of the Kane Biotech website at ir.kanebiotech.com.

About Kane Biotech

Kane Biotech is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms. The Company has a portfolio of biotechnologies, intellectual property (66 patents and patents pending, trade secrets and trademarks) and products developed by the Company's own biofilm research expertise and acquired from leading research institutions. DispersinB®,

Aledex™, coactiv+™, coactiv+®, DermaKB™, DermaKB Biofilm™, and revyve™ are trademarks of Kane Biotech Inc. The Company is listed on the TSX Venture Exchange under the symbol "KNE" and on the OTCQB Venture Market under the symbol "KNBIF".

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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.com. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive.

KANE BIOTECH INC. Selected Financial Results

Consolidated Statements of Comprehensive Income (Loss)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Total revenue, continuing operations	\$ 1,282,698	\$ 27,003	\$ 1,955,021	\$ 91,192
Gross profit, continuing operations	558,754	3,512	995,720	16,023
Operating expenses, continuing operations				
General and administration	986,824	716,839	2,752,152	1,540,057
Research	183,240	277,962	1,109,463	634,164
Total operating expenses, continuing operations	1,170,064	994,801	3,861,615	2,174,221
Loss prior to other expenses, continuing operations	(611,310)	(971,310)	(2,902,314)	(2,099,052)

Net other expenses, continuing operations	<u>67,326</u>	<u>272,789</u>	<u>486,104</u>	<u>940,871</u>
Loss and comprehensive loss for the period, continuing operations	\$ (678,636)	\$ (1,244,099)	\$ (3,388,418)	\$ (3,039,923)
Income (loss) and comprehensive income (loss) from discontinued operations	<u>\$ 72,823</u>	<u>\$ (201,471)</u>	<u>\$ 10,637,610</u>	<u>\$ (618,237)</u>
Net income (loss) and comprehensive income (loss) attributable to shareholders	\$ (605,813)	\$ (1,378,401)	\$ 7,180,877	\$ (3,452,040)
Net income (loss) and comprehensive income (loss)	\$ (605,813)	\$ (1,445,570)	\$ 7,249,192	\$ (3,658,160)
Basic income (loss) per share for the period	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ 0.05</u>	<u>\$ (0.04)</u>
Weighted average shares outstanding - basic	<u>133,788,741</u>	<u>126,798,371</u>	<u>132,667,757</u>	<u>125,527,781</u>

Consolidated Statements of Financial Position	September 30, 2024	December 31 2023
Cash and cash equivalents	\$ 544,377	\$ 749,248
Other current assets	1,668,057	502,164
Assets held-for-sale - current	-	2,471,694
Non-current assets	1,692,938	1,799,008
Assets held-for-sale - non-current	<u>-</u>	<u>158,805</u>
Total assets	<u>\$ 3,905,372</u>	<u>\$ 5,680,919</u>
Current liabilities	\$ 2,759,962	\$ 10,273,267
Liabilities held-for-sale - current	-	621,133
Non-current liabilities	1,834,056	2,366,593
Liabilities held-for-sale - non-current	-	829,318
Shareholders' deficit	<u>(688,646)</u>	<u>(8,409,392)</u>
Total liabilities and shareholders' equity	<u>\$ 3,905,372</u>	<u>\$ 5,680,919</u>



Source: Kane Biotech Inc.