

May 26, 2022



Kane Biotech Announces First Quarter 2022 Financial Results

WINNIPEG, Manitoba, May 26, 2022 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE; OTCQB:KNBIF) (the "Company" or "Kane Biotech"), a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms, today announced its first quarter 2022 financial results.

First Quarter Financial Highlights:

- Total revenue in the three months ended March 31, 2022, was \$565,433, an increase of 50% compared to \$376,039 in the three months ended March 31, 2021.
- In the three months ended March 31, 2022, royalty revenue increased by 27% to \$47,477 compared to \$37,495 in the three months ended March 31, 2021.
- Revenue from product and services sales for the three months ended March 31, 2022 was \$482,084, an increase of 56% from \$309,276 in the three months ended March 31, 2021. The increase is due mainly to higher pet retail and online sales from the Company's STEM Animal Health ("STEM") subsidiary, as well as higher DermaKB™ sales.
- Gross profit for the first quarter of 2022 was \$183,621, an increase of 11% compared to \$165,876 for the quarter ended March 31, 2021.
- Total operating expenses for the three months ended March 31, 2022, were \$1,420,097, an increase of 23% compared to \$1,149,611 for the three months ended March 31, 2021. The increase is primarily due to higher research expenditures related to the Company's DispersinB® Hydrogel and coactiv+™ Antimicrobial Hydrogel programs.
- Loss for the first quarter of 2021 was (\$1,152,164) an increase of 14% compared to (\$1,010,892) for the quarter ended March 31, 2021.

Detailed financial information about Kane Biotech can be found in its March 31, 2022. Financial Statements and Management Discussion and Analysis on SEDAR and the Company's website.

"In our first quarter, we made great progress across our commercialization pillars. We have experienced strong year-over-year sales growth in animal health, and anticipate this to continue, particularly with STEM Animal Health receiving the seal of acceptance by the

VOHC (Veterinary Oral Health Council),” stated Marc Edwards, Kane Biotech’s Chief Executive Officer.

“We saw very compelling results in our DispersinB[®] Hydrogel pre-clinical trials, in advance of the clinical trial set to commence this summer. Kane is collaborating with the FDA on our coactiv+[™] 510(k) application for which a positive pre-submission meeting was recently held and a clear path forward was established. We continue to see robust growth in the sales of our DermaKB[™] line of scalp care products, due largely to increased product sales on Amazon. Finally, our recent appointment of Dr. Gregory Schultz, as Chief Scientific Officer, further established Kane as THE Biofilm company.”

Recent Corporate Developments:

- On May 18, 2022, the Company announced that it has obtained ISO 13485:2016 certification for its quality management system specific to its ongoing efforts to design and develop novel medical devices for the wound care market.
- On May 17, 2022, the Company announced the closing of its non-brokered private placement offering of up to 10,000,000 common shares at a price of \$0.10 per share for gross proceeds of up to \$1,000,000. The offering was fully subscribed with Marc Edwards, CEO of Kane Biotech acquiring 3.1M shares, more than doubling his previous position.
- On April 7, 2022, the Company announced that STEM was awarded the prestigious Veterinary Oral Health Council (“VOHC”) Seal of Acceptance in the Helps Control Tarter category for its pet oral care water additive. VOHC acceptance triggers approximately \$1.3 million in milestone payments from STEM’s licensing partners. This certification also results in minimum royalty payments to STEM in future periods.
- On April 5, 2022, the Company announced that Dr. Gregory Schultz, a world-renowned expert on biofilms, was appointed Chief Scientific Officer. Gordon Guay, PhD, Kane’s outgoing Chief Scientific Officer, has been appointed Chairman of Kane’s Scientific Advisory Board and Scientific Advisor to the CEO.
- On March 24, 2022, the Company announced it had successfully completed safety and biocompatibility studies for its DispersinB[®] Hydrogel product in preparation for human clinical trials later this year. All product required for clinical trials has been manufactured, tested, and packaged by Dow Development Laboratories, LLC.
- On February 10, 2022, the Company announced that it had signed collaboration agreements with Dr. James Doub, MD, Assistant Professor of Medicine, University of Maryland School of Medicine’s Institute of Human Virology, and the University of Texas Medical Branch (UTMB) to study the use of DispersinB[®] with Prosthetic Joint Infection (PJI) patients.

Kane Biotech is pleased to invite all interested parties to participate in a conference call on Thursday, May 26, 2022 at 4:30pm ET during which time the results will be discussed.

Conference Call details:

Date: Thursday May 26, 2022

Time: 4:30 p.m. ET

Live Call: 1-877-268-9044 (Canada and the United States) 1-706-679-2995 (International)

Replay: 1-404-537-3406

Conference ID: 8674975

Webcast URL: <https://edge.media-server.com/mmc/p/sp8wmtiw>

The call will also be broadcast live and archived on the Company's website at www.kanebiotech.com under "News/Events" in the Investors section. A live and archived audio webcast of the conference call will also be available on the investor relations page of Kane Biotech's corporate website. www.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 (81 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. StrixNB™, DispersinB®, Aledex™, bluestem™, bluestem®, silkstem™, goldstem™, coactiv+™, coactiv+®, DermaKB™ and DermaKB Biofilm™ 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

Statement of Comprehensive Loss

	Three months ended March 31,	
	2022	2021
Total Revenue	\$ 565,433	\$ 376,039
Gross Profit	183,621	165,876
Operating expenses		
General and administration	1,068,248	829,266
Research	351,849	320,345
Total operating expenses	1,420,097	1,149,611
Loss from operations	\$ (1,236,476)	\$ (983,735)
Loss and comprehensive loss for the period	\$ (1,152,164)	\$ (1,010,892)
Loss and comprehensive loss for the period attributable to shareholders	\$ (1,108,591)	\$ (908,467)
Basic and diluted loss per share for the period	\$ (0.01)	\$ (0.01)
Weighted average shares outstanding - basic and diluted	114,817,239	108,624,524

Statement of Financial Position

	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 915,936	\$ 1,153,090
Other current assets	1,542,630	1,727,320
Non-current assets	3,220,365	3,253,883
Total Assets	\$ 5,678,931	\$ 6,134,293
Current liabilities	\$ 5,019,339	\$ 4,721,009
Non-current liabilities	3,262,077	2,980,298
Shareholders' equity	(2,602,485)	(1,567,014)
Total liabilities and shareholders' equity	\$ 5,678,931	\$ 6,134,293



Source: Kane Biotech Inc.