Kneat Announces Upsize of the Previously Announced Bought Deal Public Offering to $17.4 Million

January 25, 2024 12:22 AM EST

HALIFAX, NS, Jan. 24, 2024 /CNW/ - kneat.com, inc. (TSX: KSI) ("Kneat" or the "Company") is pleased to announce that it has amended its agreement with a syndicate of investment dealers led by Cormark Securities Inc. (the "**Underwriters**") and have agreed to increase the size of its previously announced $15.0 million "bought deal" public offering. Pursuant to the upsized deal terms, the Underwriters have agreed to purchase 5,351,200 common shares (the "**Common Shares**") from the treasury of the Company, at a price of $3.25 per Common Share (the "**Offering Price**") and offer them to the public by way of short form prospectus for total gross proceeds of approximately $17,391,400 (the "**Offering**"). The Company has granted the Underwriters an option (the "**Over-Allotment Option**") to purchase up to an additional 15.0% of the Common Shares of the Offering on the same terms exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover over-allotments, if any. In the event that the Over-Allotment Option is exercised in its entirety, the aggregate gross proceeds of the Offering shall be $20,000,110.

The Company intends to use the net proceeds of the Offering for growth initiatives, working capital and general corporate purposes.

Closing of the Offering is expected to occur on or about February 14, 2024, and is subject to regulatory approval including that of the Toronto Stock Exchange.

The Common Shares to be issued under the Offering will be offered by way of a short form prospectus in each of the Provinces of Canada, except Quebec, and may be offered in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended, and applicable state securities laws, and certain other jurisdictions outside of Canada and the United States.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the *United States Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

About Kneat

Kneat, a Canadian company with operational headquarters in Limerick, Ireland, develops and markets the next-generation Kneat Gx SaaS platform. Multiple business work processes can be configured on the platform from equipment to computer validation, through to quality document management. Kneat's software allows users to author, review, approve, execute testing online, manage any exceptions, and post-approve final deliverables in a controlled FDA 21 CFR Part 11/ EU Annex 11-compliant platform. Macro and micro report dashboards enable powerful oversight into all systems, projects and processes globally. Customer case studies are reporting productivity improvements in excess of 100% and a higher data integrity and compliance standard. For more information visit www.kneat.com.

Cautionary and Forward-Looking Statements

Except for the statements of historical fact contained herein, certain information presented herein constitutes "forward-looking information" within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information relating to the proposed Offering and the use of proceeds. While such forward-looking statements are expressed by Kneat, as stated in this release, in good faith and believed by Kneat to have a reasonable basis, they are subject to important risks and uncertainties. As a result of these risks and uncertainties, the events predicted in these forward-looking statements may differ materially from actual results or events. These forward-looking statements are not guarantees of future performance, given that they involve risks and uncertainties. Kneat does not undertake any obligation to release publicly revisions to any forward-looking statement, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued forward-looking statement constitutes a reaffirmation of that statement. Continued reliance on forward-looking statements is at an investor's own risk.

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

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