

# Kneat

# Validation, Digitized

November 2024



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**kneat.com**



@KneatSolutions



@KneatSoftware



# Safe Harbour Statement

This presentation contains forward-looking statements, including statements regarding Kneat's future financial outlook and financial performance, market growth, the release dates for and benefits from the use of Kneat's solutions, our strategies, and general business conditions. Any forward-looking statements contained in this presentation are based upon Kneat's historical performance and its current plans, estimates and expectations and are not a representation that such plans, estimates, or expectations will be achieved. These forward-looking statements represent Kneat's expectations as of the date in this presentation. Subsequent events may cause these expectations to change, and Kneat disclaims any obligation to update the forward-looking statements in the future.

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Further information on potential risks that could affect actual results will be included in other filings Kneat makes on [www.sedarplus.com](http://www.sedarplus.com).

# Kneat

Providing a SaaS platform for quality management, Kneat is a compelling investment opportunity, with:

- **Market leadership** in life sciences validation
- **High customer** and **revenue retention**
- **Strong organic growth** via land and expand and new wins
- **Secular support**, as regulated companies seek to automate
- **Improving margins**, as SaaS revenue growth outpaces Services revenue and operating expenses
- **Proven, founder-led** executive team
- **Quality-focused** culture





## Kneat's Data-Centered Platform Modernizes Quality Management Compliance



*With Kneat, any regulated company can be confident they are developing, manufacturing and delivering their products to the highest safety standard.*

**Eddie Ryan**

CEO & Co-Founder, Kneat



## What is Validation?

- **Validation is a subset of Quality**, and consists of testing, documenting and proving compliance.
- Healthcare companies **must test every system**, piece of equipment, process, manufacturing line, etc.
- Test **results must be captured, documented** to a high standard, approved and **available** for regulatory audit **for many years to come**.
- If the testing is not adequate, the data not trustworthy and robustly documented, then the company is **out of compliance**.



## High Customer ROI through Digitization

### The paper-based pain:

- Time-, labor- and carbon-intensive
- Susceptible to data integrity issues
- Susceptible to non-compliance
- Volumes of paper documents to manage

### How we address:

- 1<sup>st</sup> integrated, end-to-end digital platform
- Real-time data capture and visibility
- Data- and document-focused
- Easy to use

### RESULTS: Quality, Compliance and Speed

- Real-time compliance and audit ready
- Eliminate data integrity issues
- Instant global collaboration and data visibility
- Efficiency and reduced schedules
- Higher quality, reduced risk



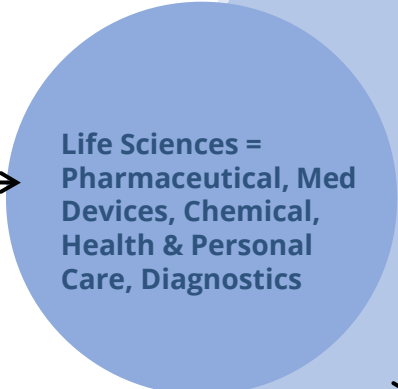
## Validation includes:

- ✓ Document Management
- ✓ Analytical Instrument Validation
- ✓ Method Validation
- ✓ Commissioning and Qualification
- ✓ Drawing Management
- ✓ Utility and Facility Validation
- ✓ Equipment Validation
- ✓ Cold Chain Validation
- ✓ Electronic Logbook Management
- ✓ Process Validation
- ✓ Computer System Validation (CSV)
- ✓ Cleaning Validation



# Expansive Market Opportunity for eValidation...and beyond

Today's TAM: eVal within Life Sciences >**\$2B ARR**



Life Sciences =  
Pharmaceutical, Med  
Devices, Chemical,  
Health & Personal  
Care, Diagnostics

Life Sciences eVal +  
Adjacent Quality  
Solutions beyond  
eVal within Life  
Sciences

Life Sciences + Food &  
Beverage + Aerospace &  
Defense +  
Transportation

Medium-term TAM: eVal + Adjacent Quality Solutions within Life Sciences: >**\$7B**

Longer-term TAM: Quality Solutions for Life Sciences + New Verticals: >**\$15B**

Source: D&B Hoovers; adjacent quality solutions are detailed in Kneat's Annual Information Filing dated 21 February 2024. All dollar amounts are in USD.



## Top 20 Global Pharmaceutical Companies – Most Use Kneat



By 2022 revenue; Source: Drug Discovery & Development.

This image contains company names, product names, trade names, trademarks, and service marks of other organizations, all of which are the property of their respective owners.

## Example of a Tier-One Land & Expand

6 MONTHS

6 MONTHS

24-48 MONTHS

LAND AND EXPAND STRATEGY DRIVING SAAS REVENUE GROWTH

**\$100K**

**\$ 200K**

**\$400K**

Initial process  
deployed at 1<sup>st</sup>

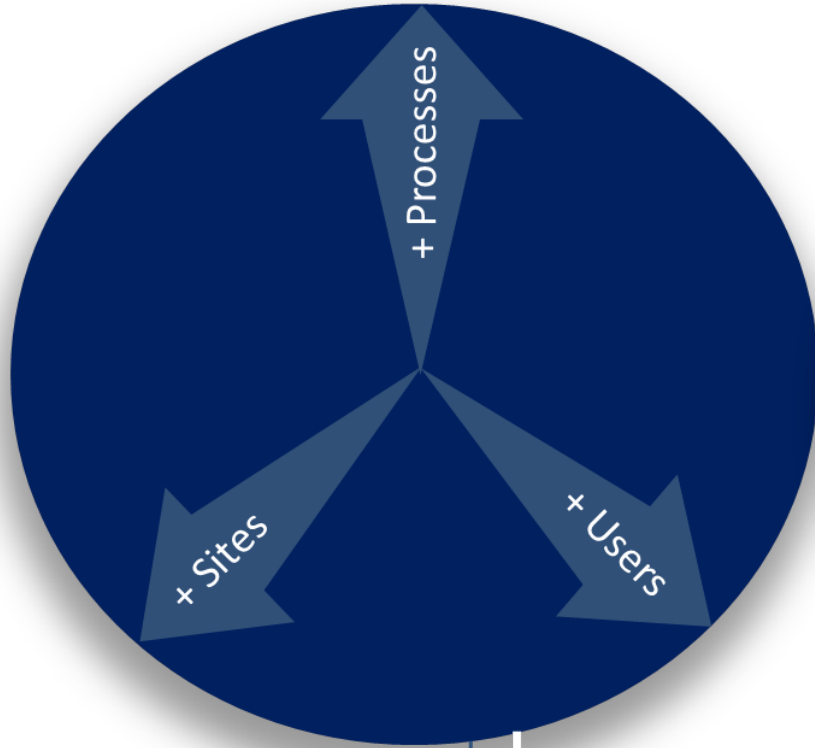
Expansion  
to new site

Add new process  
and sites

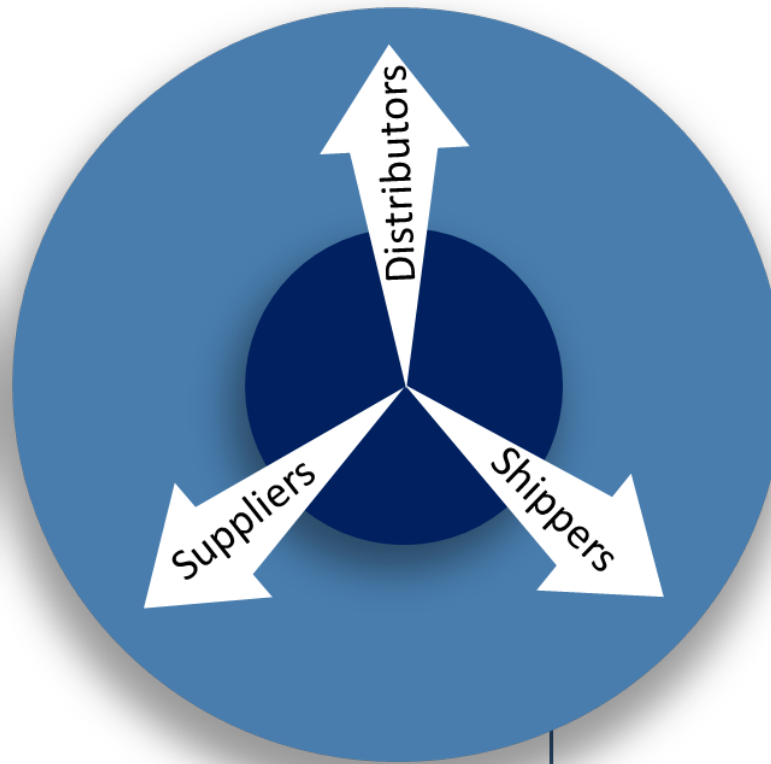
Global roll-out – multiple  
processes to all sites

**138% Net Revenue Retention in 2023**

## Go-to-Market and Growth Vectors



EXPAND WITHIN  
OWN ORGANIZATION



SUPPLY CHAIN AND  
ADJACENT SEGMENTS FOLLOW

Channel Partners



Direct Sales Force



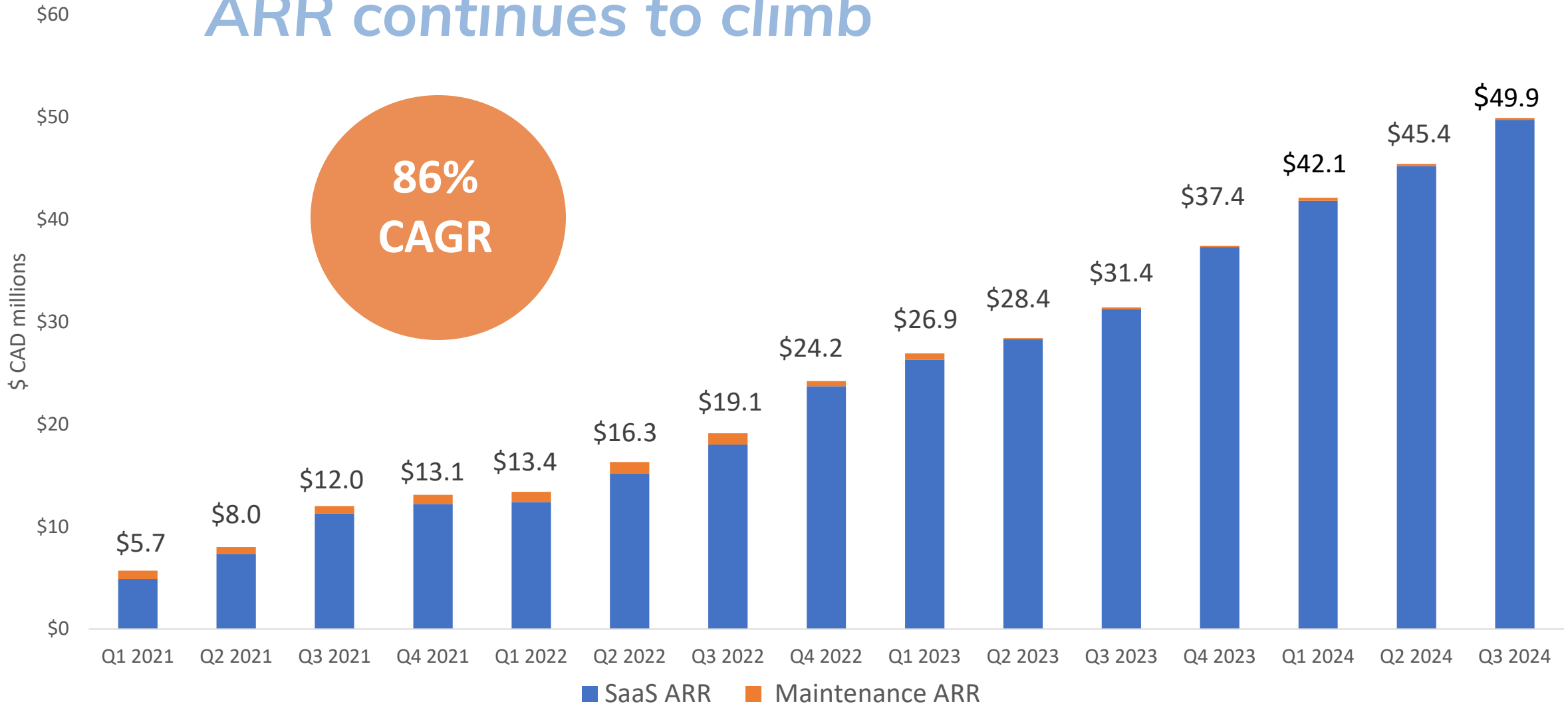
Kneat Academy



NEW CUSTOMER REFERRALS



## Annual Recurring Revenue (ARR) *ARR continues to climb*





# Gross margin expands as revenue mix shifts to SaaS

