

Kneat Achieves Record Revenue for Fourth Quarter and Full Year 2025

Leadership Position Reinforced with Highest-Ever New Customer Wins in 2025

LIMERICK, Ireland, February 25, 2026– kneat.com, inc. (TSX: KSI) (OTCQX: KSIOF) (“Kneat” or the “Company”) a leader in digitizing and automating validation and quality processes, today announced financial results for the fourth quarter and full year ended December 31, 2025. All dollar amounts are presented in Canadian dollars unless otherwise stated.

- **Record Total Revenue:** Fourth-quarter revenues increased by 24% to \$17.0 million.
- **SaaS Revenue Growth:** Software-as-a-Service revenue grew 29% to \$16.2 million.
- **Profitability Milestones:** Kneat achieved positive Adjusted EBITDA¹ for the second consecutive year.
- **Annual Recurring Revenue (ARR)¹:** ARR reached \$74.1 million at December 31, 2025.

“This past year reaffirmed the essential role we play in helping leading life sciences organizations operate with compliance, consistency, and efficiency. In 2025, we grew software revenue by 33%, added a record number of new customers, strengthened our teams, advanced our data-integrity platform, and began harnessing native AI to deliver even greater value. Enterprise software in life sciences is fundamentally a trust-driven business, and we are proud to have earned that trust through years of proven performance as the partner of choice for thousands of users across many of the world’s largest life sciences companies. With disciplined investment, improving operating efficiency, and a clear path to cash-flow breakeven, we remain focused on delivering enduring value to our customers and our shareholders.”

- Eddie Ryan, Chief Executive Officer of Kneat.

Q4 2025 Financial Highlights

- Total revenues increased 24% to \$17.0 million in the fourth quarter of 2025, compared to \$13.7 million for the fourth quarter of 2024.
- SaaS revenue for the fourth quarter of 2025 grew 29% to \$16.2 million, versus \$12.5 million for the fourth quarter of 2024.
- Fourth-quarter 2025 gross profit was \$13.2 million, up 27% from \$10.4 million in gross profit for the fourth quarter of 2024.
- Gross margin in the fourth quarter of 2025 was 78%, compared to 75% for the fourth quarter of 2024, and 76% for the third quarter of 2025.
- Net loss for the fourth quarter of 2025 was \$3.6 million, compared with a net loss of \$2.5 million for the fourth quarter of 2024.
- EBITDA¹ in the fourth quarter of 2025 was \$1.3 million, compared with \$1.1 million for the fourth quarter of 2024.
- Adjusted EBITDA¹ in the fourth quarter of 2025 was \$4.2 million, compared with \$2.6 million for the fourth quarter of 2024.
- Total ARR¹ was \$74.1 million at December 31, 2025, an increase of 24% from \$59.7 million at December 31, 2024.

^[1] ARR is a supplementary measures. EBITDA and Adjusted EBITDA are non-IFRS measures and are not recognized, defined or standardized measures under IFRS. These measures are defined in the “Supplementary and Non-IFRS Measures” section of this news release.

Full Year 2025 Financial Highlights

- Total revenues for 2025 increased 29% to \$63.3 million, compared to \$48.9 million for 2024.
- SaaS revenue grew 33% to \$59.4 million for the year ended December 31, 2025, versus \$44.6 million for 2024.
- Gross profit was \$47.9 million, up 30% from \$36.8 million for the full year of 2024.
- Gross margin for the full year ended December 31, 2025 was 76%, from 75% for all of 2024.
- Net loss for 2025 was \$2.3 million, compared with \$7.7 million for the year ended December 31, 2024.
- 2025 full year EBITDA¹ was \$14.7 million, compared with \$5.6 million for the full year of 2024.
- 2025 full year Adjusted EBITDA¹ was \$9.5 million, compared with \$7.0 million for the full year of 2024.
- Net Revenue Retention Rate (NRR)¹, which reflects the expansion of ARR by customers on the platform at the start of 2025 over the course of the year, was 115% for the year ended December 31, 2025, compared with 151% for the year ended December 31, 2024.

2025: An Industry Leader in Customer Satisfaction

- Throughout 2025, Kneat solidified its position as the global standard for validation lifecycle management. The Company's Kneat Gx platform was recognized by G2 as the #1 Pharma and Biotech Software for both the Fall and Winter 2025 reports, earning a near-perfect customer satisfaction score of 98/100.

Strategic Milestones and Operational Excellence

- **Global Enterprise Wins:** In 2025, we achieved a record year for new customer acquisitions, including nine major strategic wins with strong multi-year growth potential. Collectively, these new strategic customers represent more than 300,000 employees across the life sciences sector, spanning pharmaceuticals, medical devices, technology, and specialty chemicals.
- **Strategic Partnerships:** Early in 2025, Kneat entered a landmark partnership with Capgemini, bringing together premier systems integration expertise with the Kneat Gx platform. This collaboration positions us to accelerate digital validation across global manufacturing networks.
- **Product Innovation:** Our engineering organization continued to advance the platform with new capabilities that expand existing products and enable the development of new solutions to drive customer value. Recent enhancements include DataStream APIs, expanded eLogbook functionality, and a suite of AI features purpose-built for GxP-regulated environments. They included a content review assistant, natural-language analysis expert, user-support expert, and real-time language translation. All these AI capabilities operate within embedded governance frameworks to ensure outputs meet the rigorous standards for life sciences.
- **Leadership Expansion:** We strengthened our executive leadership with the appointment of Donal O'Sullivan as Chief Product Officer and the transition of co-founder Kevin Fitzgerald to Chief Innovation Officer. These additions reinforce our long-term vision and commitment to delivering industry-leading solutions.

^[1] ARR and NRR are supplementary measures. EBITDA and Adjusted EBITDA are non-IFRS measures and are not recognized, defined or standardized measures under IFRS. These measures are defined in the "Supplementary and Non-IFRS Measures" section of this news release.

Outlook for 2026

Kneat enters 2026 with strong operational momentum:

- In January 2026, Kneat announced that a leading provider of technologies for biopharma research and manufacturing selected Kneat for equipment validation at several of its sites around the world.
- In February 2026, Kneat announced that a global maker of pharmaceutical packaging, dispensers and drug delivery systems selected Kneat for Commissioning, Qualification and Validation.
- Also in February, Kneat was named the Gold winner in the Healthcare, Pharmaceuticals, and Related Industries category at the 2026 Stevie® Awards for Sales & Customer Service.

With a solid balance sheet and growing footprint in the pharmaceutical manufacturing supply chain, Kneat expects to outpace 2025's incremental ARR. While Kneat anticipates typical second-half seasonality, this growth combined with our exceptional revenue retention, reinforces Kneat's proven durable growth model.

“Kneat continued to build a durable business throughout 2025, and our pipeline for 2026 looks promising. This includes new customers and expansions, including some projects that carried over from 2025. With this favourable set-up for a continued strong top line, and the teams and talent already in place at Kneat to execute, we have set a target of cash flow breakeven for the full year. This milestone equips us to keep creating value for life sciences well into the future.”

- Dave O'Reilly, Chief Financial Officer of Kneat.

Quarterly Conference Call

Eddie Ryan, Chief Executive Officer of Kneat, and Dave O'Reilly Chief Financial Officer of Kneat, will host a conference call to discuss Kneat's fourth-quarter and full-year 2025 results and hold a Q&A session for analysts and investors via webcast on Thursday, February 26, 2026, at 9:00 a.m. ET.

Interested parties can register for the live webcast via the following link:

[Register Here](#)

Supplementary and Non-IFRS Financial Measures

The Company uses supplementary financial measures as key performance indicators in its MD&A and other communications. Management uses both IFRS measures and supplementary, non-IFRS financial measures as key performance indicators when planning, monitoring and evaluating the Company's performance.

Annual Recurring Revenue (“ARR”)

Kneat management use ARR to evaluate and assess the Company's performance, identify trends affecting its business, formulate financial projections and make financial decisions. The Company believes that ARR is a useful metric for investors as it provides a measure of the value of the recurring revenue at a point in time (end date of the relevant quarter). ARR is based on signed agreements and indicates the level of recurring revenue that the Company would anticipate reporting in a 12-month period based on the full annual SaaS and maintenance fees for existing customers. In specific circumstances, the Company may utilize pricing incentives for limited contract periods. These

incentives are not included in the calculation of ARR. ARR is used by Kneat to assess the expected recurring revenues from the customers that are live on the Kneat Gx platform at the end of the period. ARR is calculated using the licenses delivered to customers at the period end, multiplied by the expected customer retention rate of 100% and multiplied by the full agreed annual SaaS license or maintenance fee. Since many of the customer contracts are in currencies other than the Canadian dollar, the Canadian dollar equivalent is calculated using the related period end exchange rate multiplied by the contracted currency amount.

Net Revenue Retention Rate (“NRR”)

We believe that our Net Revenue Retention Rate is a key measure to provide insight into the long-term value of our customers and our ability to retain and expand revenue from our customer base over time. Our Net Revenue Retention Rate is calculated over a trailing twelve-month period by considering the cohort of customers on our platform as of the beginning of the period and dividing the ARR attributable to this group of customers at the end of the period by the ARR at the beginning of the period. By implication, this ratio excludes any ARR from new customers acquired during the period but includes revenue changes for this cohort base of customers during the period being measured. This measure provides insight into customer expansions, downgrades, and churn, and illustrates the level of scaling by those customers.

Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”)

EBITDA is calculated as net income (loss) attributable to kneat.com excluding interest income (expense), provision for income taxes, depreciation and amortization. We provide and use this non-IFRS measure of our operating performance to highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures and to inform financial comparisons with other companies. A reconciliation of EBITDA to IFRS financial measures is provided in the financial statements accompanying this press release.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”)

Adjusted EBITDA is calculated as net income (loss) attributable to kneat.com excluding interest income (expense), provision for income taxes, depreciation and amortization, foreign exchange gain (loss) and stock-based compensation expense. We provide and use this non-IFRS measure of our operating performance to highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures and to inform financial comparisons with other companies. A reconciliation of Adjusted EBITDA to IFRS financial measures is provided in the financial statements accompanying this press release.

About Kneat

Kneat Solutions provides leading companies in highly regulated industries with unparalleled efficiency in validation and compliance through its digital validation platform Kneat Gx. As an industry leader in customer satisfaction, Kneat boasts an excellent record for implementation, powered by our user-friendly design, expert support, and on-demand training academy. Kneat Gx is an industry-leading digital validation platform that enables highly regulated companies to manage any validation discipline from end-to-end. Kneat Gx is fully ISO 9001 and ISO 27001 certified, fully validated, and 21 CFR Part 11/Annex 11 compliant. Multiple independent customer studies have shown that Kneat Gx reduces man-hours associated with validation documentation by up to 50%, accelerates review and approval cycles by up to 50%, and consistently supports higher standards of regulatory compliance.. For more information visit www.kneat.com.

Cautionary and Forward-Looking Statements

Except for the statements of historical fact contained herein, certain information presented constitutes “forward-looking information” within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, the relationship between Kneat and the customer, Kneat’s business development activities, the use and implementation timelines of Kneat’s software within the customer’s validation processes, the ability and intent of the customer to scale the use of Kneat’s software within the customer’s organization, our ability to win business from new customers and expand business from existing customers, the expected use of our financial resources and the anticipated effects thereof on our business and operations, and the compliance of Kneat’s platform under regulatory audit and inspection. These and other assumptions, risks and uncertainties may cause Kneat’s actual results, performance, achievements and developments to differ materially from the results, performance, achievements or developments expressed or implied by forward-looking statements.

Material risks and uncertainties relating to our business are described under the headings “Cautionary Note Regarding Forward-Looking Statements and Information” and “Risk Factors” in our MD&A dated February 25, 2026, under the heading “Risk Factors” in our Annual Information Form dated February 25, 2026 and in our other public documents filed with Canadian securities regulatory authorities, which are available at www.sedarplus.ca. Forward-looking statements are provided to help readers understand management’s expectations as at the date of this release and may not be suitable for other purposes. Readers are cautioned not to place undue reliance on forward-looking statements. Kneat assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as expressly required by law. 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.

For further information:

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kneat.com, inc.**Consolidated Statements of Loss and Comprehensive Loss***(expressed in Canadian dollars)*

	Three months		Year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Revenue	17,000,462	13,733,611	63,262,615	48,938,419
Cost of revenue	<u>(3,811,715)</u>	<u>(3,372,387)</u>	<u>(15,320,927)</u>	<u>(12,179,880)</u>
Gross profit	13,188,747	10,361,224	47,941,688	36,758,539
Expenses				
Research and development	(5,932,717)	(4,545,776)	(22,079,332)	(17,268,722)
Sales and marketing	(5,774,176)	(4,828,337)	(22,744,738)	(17,163,189)
General and administrative	<u>(2,426,179)</u>	<u>(1,823,992)</u>	<u>(11,564,507)</u>	<u>(8,273,995)</u>
Operating loss	(944,325)	(836,881)	(8,446,889)	(5,947,367)
Finance expense	(813,303)	(1,034,424)	(3,425,831)	(3,665,098)
Interest income	82,566	298,308	516,740	678,388
Foreign exchange (loss)/gain	<u>(1,951,463)</u>	<u>(828,354)</u>	<u>9,166,188</u>	<u>1,399,547</u>
Loss before income taxes	(3,626,525)	(2,401,351)	(2,189,792)	(7,534,530)
Income tax expense	<u>6,251</u>	<u>(61,907)</u>	<u>(158,857)</u>	<u>(192,598)</u>
Net loss for the year	(3,620,274)	(2,463,258)	(2,348,649)	(7,727,128)
Other comprehensive income/(loss)				
Foreign currency translation adjustment to presentation currency	<u>880,383</u>	<u>411,921</u>	<u>(4,133,741)</u>	<u>(995,322)</u>
Comprehensive loss for the year	<u>(2,739,891)</u>	<u>(2,051,337)</u>	<u>(6,482,390)</u>	<u>(8,722,450)</u>
Loss per share - Basic & diluted	(0.04)	(0.03)	(0.02)	(0.09)
Weighted-average number of common shares outstanding:				
Basic & diluted	95,503,626	93,005,493	94,914,957	86,545,119
Reconciliation:				
Net loss for the year	(3,620,274)	(2,463,258)	(2,348,649)	(7,727,128)
Finance expense	813,303	915,122	3,425,831	3,665,098
Interest income	(82,566)	(298,308)	(516,740)	(678,388)
Income tax expense	(6,251)	61,907	158,857	192,598
Depreciation expense	193,333	174,751	749,376	745,639
Amortization of intangible assets expense	<u>3,961,629</u>	<u>2,740,271</u>	<u>13,242,068</u>	<u>9,389,343</u>
EBITDA	1,259,174	1,130,485	14,710,743	5,587,162
Adjustments to EBITDA				
Foreign exchange loss/(gain)	1,951,463	828,354	(9,166,188)	(1,399,547)
Stock based compensation	<u>1,022,959</u>	<u>669,201</u>	<u>3,986,274</u>	<u>2,785,517</u>
Adjusted EBITDA	4,233,596	2,628,040	9,530,829	6,973,132

kneat.com, inc.
Consolidated Statements of Financial Position

(expressed in Canadian dollars)

	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash	48,742,766	58,889,572
Amounts receivable	15,106,191	18,377,009
Prepayments	1,794,465	1,870,095
	<hr/>	<hr/>
	65,643,422	79,136,676
Non-current assets		
Amounts receivable	2,716,981	2,368,006
Property and equipment	7,668,514	6,782,179
Intangible asset	45,732,862	36,290,869
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Total Assets	121,761,779	124,577,730
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Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	9,353,846	8,580,104
Contract liabilities	18,901,645	21,631,416
Loan payable	7,482,780	4,116,723
Lease liabilities	385,226	434,096
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	36,123,497	34,762,339
Non-current liabilities		
Contract liabilities	-	33,393
Lease liabilities	6,553,199	5,671,952
Loan payable and accrued interest	14,064,053	19,038,203
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Total Liabilities	56,740,749	59,505,887
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Equity		
Shareholders' equity	65,021,030	65,071,843
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Total Liabilities and Equity	121,761,779	124,577,730
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kneat.com, inc.

Consolidated Statements of Cash Flow

(expressed in Canadian dollars)

	Year ended December 31, 2025	Year ended December 31, 2024
Operating activities		
Net loss for the year	(2,348,649)	(7,727,128)
Charges to loss not involving cash:		
Depreciation of property and equipment	749,376	745,639
Share-based compensation	3,986,274	2,785,517
Interest expense	3,238,970	3,494,441
Tax expense	158,857	192,598
Amortization of the intangible asset	13,242,068	9,389,343
Amortization of loan issuance costs	186,861	171,593
Disposal of property and equipment	475	-
Foreign exchange gain	(9,166,188)	(1,399,547)
Decrease in non-current contract liabilities	(35,025)	(9,436)
Net change in non-cash operating working capital related to operations	2,247,933	1,107,145
Net cash provided by operating activities	12,260,952	8,750,165
Financing activities		
Payment of principal and interest on loans payable	(6,599,069)	(2,475,283)
Proceeds from the exercise of stock options	1,422,229	2,086,699
Repayment of lease liabilities	(693,718)	(744,061)
Proceeds received from public equity financing	-	55,625,110
Share issuance costs associated with public equity financing	-	(3,869,212)
Net cash (used in)/provided by financing activities	(5,870,558)	50,623,253
Investing activities		
Additions to the intangible asset	(21,748,986)	(18,676,567)
Collection of research and development tax credits	1,931,843	2,360,342
Additions to property and equipment	(279,646)	(165,592)
Net cash used in investing activities	(20,096,789)	(16,481,817)
Effects of exchange rates on cash	3,559,589	745,445
Net change in cash during the year	(10,146,806)	43,637,046
Cash – Beginning of year	58,889,572	15,252,526
Cash – End of year	48,742,766	58,889,572