

# ScreenPro Announces Acquisition of Add Biomedical Inc. and Shares Consolidation

Toronto, Ontario--(Newsfile Corp. - February 23, 2022) - **ScreenPro Security Inc. (CSE: SCRN)** ("**ScreenPro**" or the "**Company**") is pleased to announce that the Company has entered into a Share Exchange Agreement ("**Agreement**") in connection with the proposed acquisition of Add Biomedical Inc. ("**Add Biomedical**" or the "**Target**"), a biomedical screening Company with the initial focus on breast cancer detection. ScreenPro will acquire 100% of issued and outstanding shares of the Target, an arm's length privately held company, established pursuant to the *Business Corporations Act* British Columbia (the "**Proposed Acquisition**"). One of Targets preeminent products is an at-home rapid test kit (CA15-3).

According to a recent market research report "Breast Cancer Screening Market Forecast to 2027 - COVID-19 Impact and Global Analysis by Test Type (Blood Marker tests, Imaging Test, Genetic Test, Immunohistochemistry Test); End User (Hospitals, Diagnostic Centers, Cancer Institutes, Research Laboratories), and Geography", published by The Insight Partners, the global breast cancer screening market is expected to reach US\$6.2 billion by 2027 from US\$4.6 billion in 2019; it is estimated to grow at a CAGR of 4.8% from 2020 to 2027.

Estimated break down of the breast cancer screening market is below:

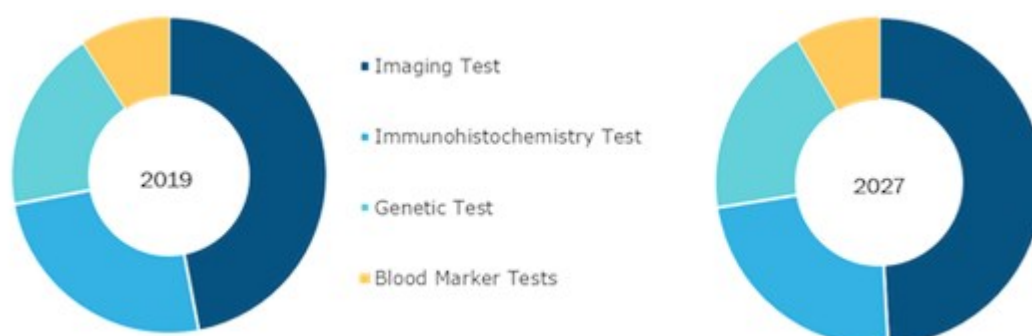


Image 1

To view an enhanced version of image 1, please visit:

[https://orders.newsfilecorp.com/files/7406/114505\\_3e2de4a9043ad8ae\\_002full.jpg](https://orders.newsfilecorp.com/files/7406/114505_3e2de4a9043ad8ae_002full.jpg)

According to the World Health Organization, the most common type of cancer incident in the US is breast cancer, with approximately 234,087 breast cancer cases and 41,904 deaths in 2018. Furthermore, the American Cancer Society has estimated that there were approximately 276,480 new cases in the United States for 2020.

The future expansion plans of Add Biomedical into veterinary diagnostics represents another large opportunity as the global veterinary diagnostics market size was valued at USD 4.4 billion in 2018 and is projected to reach USD 9.5 billion by 2026, exhibiting a CAGR of 10.0% during the forecast period.

**Source:** <https://www.fortunebusinessinsights.com/industry-reports/veterinary-diagnostics-market-101040>

Add Biomedical is working on full commercialization of its products in North America. With ScreenPro's strong relationships in the distribution and logistics industry, the commercialization process is expected to be expedited. Further details to be announced at a later date.

*"Add Biomedical is a strategic acquisition and expands ScreenPro's offerings into the*

screening/detection industry. In addition, Add Biomedical is financially secure with over \$1,000,000 in cash to help its operations. Further, the working capital infusion will also aid the Company in expediting its expansion and growth plans for this year. The ability to use Add Biomedical's technology in other industries like animal healthcare represents a large opportunity for ScreenPro and its shareholders. We are excited about the addition of Add Biomedical." - Lena Kozovski, CEO.

### Transaction Terms:

The Proposed Acquisition is structured as a share acquisition. The Company will acquire 100% of the securities of Target and closing of the proposed acquisition is subject to customary terms and conditions, including but not limited to the following:

1. The Company will acquire the Target shares for an aggregate purchase price of CAD \$5 million (the "**Purchase Price**"). The Purchase Price shall be satisfied through the issuance of units (the "**Consideration Units**") of the Company.
2. Each Consideration Unit shall comprise one common share (a "**Consideration Share**") issued at a deemed price of \$0.15, and one common share purchase warrant (a "**Consideration Warrant**") exercisable at \$0.20 for a period of two years from the closing date.
3. The issuance of the Consideration Units shall be subject to the receipt of regulatory approvals and may be subject to statutory hold periods.
4. The Agreement contains customary representations, warranties, covenants, conditions and termination rights, and other customary information in accordance with the applicable corporate and securities legislation.
5. The Board of Directors, and shareholders of the Company, if necessary, approving the Agreement and the issuance of the Consideration Units in exchange for the Target shares.
6. The receipt of the approval of the Canada Securities Exchange (the "**CSE**") for the Proposed Acquisition and issuance of the Consideration Units.

### Consolidation of Shares

Further to ScreenPro Security's press releases dated March 5, March 16 and October 29, 2021 its board of directors has decided to consolidate its issued and outstanding common shares ("**Common Shares**") on the basis of ten (10) pre-consolidation Common Shares for one post-consolidation Common Share (the "**Consolidation**").

The Company currently has 416,389,396 Common Shares issued and outstanding. Following the Consolidation, the Company will have approximately 41,638,940 Common Shares outstanding. No fractional Common Shares will be issued pursuant to the Consolidation and any fractional Common Shares that would have otherwise been issued will be rounded down to the nearest whole number, in accordance with the *Business Corporations Act* (Ontario).

The Company's shareholders approved, at the Company's March 15, 2021, annual and special shareholders meeting, the consolidation of the Common Shares of the Company at a ratio of up to one (1) post Consolidation share for each fifteen (15) pre Consolidation shares, and further authorized the Company's directors to fix the consolidation ratio.

The change in the number of issued and outstanding Common Shares resulting from the Consolidation will not materially affect any shareholder's percentage ownership in the Company, although such ownership will be represented by a smaller number of Common Shares.

The Company's shares will start trading on the CSE on a post Consolidation basis on February 24,

2022, under the new CUSIP number 81100U201. The exercise or conversion price and the number of shares issuable under any of the Company's outstanding convertible securities will be proportionately adjusted upon Consolidation. The Company's name will remain unchanged.

Completion of the Consolidation is subject to, among other things, approval of the Canadian Securities Exchange.

Lena Kozovski, CEO of ScreenPro, said: "*The Consolidation of the Company's shares will enable ScreenPro to gain increased interest from investors and therefore broaden the investor base and best allow the Company to achieve fair value in the capital markets.*"

## **About ScreenPro**

ScreenPro provides turnkey coronavirus screening solutions to the private sector including testing, track, and tracing software. ScreenPro's unique access to multiple manufacturers of high-quality test kits and its strategic partnership with Canvas Labs in Vancouver and Integrated Explorations in Ontario. This platform allows ScreenPro to be a nationwide provider of a full-service testing solutions across Canada.

For additional information on ScreenPro and other corporate information, please visit the Company's website at [www.screenprosecurity.com](http://www.screenprosecurity.com).

*Neither the Canadian Securities Exchange (the "CSE") nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*

## **For further information please contact:**

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## **Forward Looking Statements:**

*Certain statements contained in this news release may constitute forward-looking information, including statements relating to expectations regarding the proposed acquisition of Add Biomedical Inc, the Consolidation of the Company's shares and the future development of ScreenPro's business. Forward-looking information is often, but not always, identified using words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", and similar expressions. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The actual results of ScreenPro could differ materially from those anticipated in this forward-looking information because of regulatory decisions, competitive factors in the industries in which ScreenPro operates, prevailing economic conditions, changes to ScreenPro's strategic growth plans, and other factors, many of which are beyond the control of ScreenPro. Management of ScreenPro believes that the expectations reflected in the forward-looking information herein are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Any forward-looking information contained in this news release represents ScreenPro's expectations as of the date hereof and is subject to change after such date. ScreenPro disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.*

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/114505>