



# Beyond Medical to Acquire Telehealth Company Kayan Health

VANCOUVER, BC, Jan. 14, 2021 /CNW/ - Beyond Medical Technologies ("**Beyond Medical**" or the "**Company**") (CSE: DOCT) (Frankfurt: 7FM2), is pleased to announce that it has entered into a letter of intent (the "**Letter of Intent**") with Kayan Health Limited ("**Kayan Health**") which sets out the basic terms and conditions for the acquisition by the Company of all the issued and outstanding securities of Kayan Health in exchange for securities of the Company (the "**Transaction**"). Following completion of the Transaction, Kayan Health will become a wholly-owned subsidiary of the Company.

"The name Beyond Medical reflects the transformation in the Company's strategic focus that took place in the past year to combat COVID-19 by manufacturing and distributing medical grade personal protective equipment" said Kal Malhi, Chairman of Beyond Medical. "The new corporate name reflects the Company's core business and enables future brands to integrate into one corporate identity. Kayan Health has demonstrated a unique telehealth platform that delivers critical solutions to the medical industry. This acquisition will allow Beyond Medical to leverage its capabilities to deliver a one-stop solution to the medical industry with software and medical grade PPE."

"We believe that healthcare is a relationship business, any focus to build an ecosystem that frees the medical specialists and the patients/people from the current limitations and barriers that come with the existing healthcare systems is the future of healthcare and is a great investment opportunity" said Ahmad Al-Hidiq, CEO of Kayan Health. "Our partnership and union with Beyond Medical will allow us to access all the resources needed to fully invest into our suite of digital healthcare products towards the common goal - the democratization of healthcare"

## **About Kayan Health**

Kayan Health's proprietary AI-powered health communications platform helps doctors streamline communications with their patients and remotely monitor them. Additionally, Kayan Health's proprietary platform allows patients to schedule virtual consultations with their physicians and communicate with them through chat, audio and video calls. The platform also integrates with wearable devices and diagnostic tools that delivers both patients and doctors with greater visibility onto the patient's health and provides them with proactive automated alerts such as elevated blood pressure and heart rates. Storing all this data into a holistic patient profile that's integrated with the clinic's electronic health systems – ensuring their patients' health records are up to date, accessible by all, helps deliver better care and enables the clinic to generate more revenue.

Kayan Health's platform has already been deployed in multiple clinics in the United States and is projected to reach \$5M in revenue by 2022. Kayan Health's proprietary platform was developed by the founders of HeyDoc!, a telehealth app launched in 2016 that had supported over 3,000 patients globally. Kayan Health is a privately held company based in Toronto, Ontario.

## **Proposed Acquisition**

Pursuant to the terms of the Letter of Intent, the Company will acquire 100% of the issued and outstanding common shares of Kayan Health in exchange for common shares ("**Common Shares**")

of the Company. The Company will issue to the Kayan Health shareholders the aggregate sum of up to \$6,000,000 payable in Common Shares as follows:

- \$4,000,000 upon closing, payable in Common Shares at a price per Common Share equal to the volume weighted average trading price of the Common Shares for the seven (7) trading days ending on the day prior to the parties entering into the Definitive Agreement (as defined herein); and
- \$2,000,000 upon Kayan Health achieving a mutually agreed upon milestone (the "**Performance Milestone**") payable in Common Shares at a price per Common Share equal to the volume weighted average trading price of the Common Shares for the seven (7) trading days ending on the day prior to Kayan Health achieving the Performance Milestone.

The Company will provide Kayan Health with working capital of \$100,000 per month (to a maximum of \$400,000) until the parties have executed a Definitive Agreement (as defined herein). Effective on closing of the Transaction, the Company will also appoint two (2) nominees of Kayan Health to the Company's board of directors.

The Letter of Intent sets out certain terms and conditions pursuant to which the Transaction will be completed. The Transaction remains subject to certain closing conditions including, without limitation, the (a) completion of customary due diligence, (b) negotiation and execution of a definitive agreement (the "**Definitive Agreement**") on or before April 30, 2021 and (c) the receipt of all required regulatory and third party approvals and, if applicable, the approval of the shareholders of the Company and Kayan Health, respectively. There can be no guarantees that the Transaction will be completed as contemplated or at all.

In connection with the Transaction, the parties agree that finder's fees may be paid concurrently with the closing of the Transaction to eligible finders who are not Related Parties, as defined by applicable securities laws, up to the maximum amount permitted by the policies of the CSE and applicable securities laws, subject to approval of the CSE.

### **Private Placement**

Prior to or concurrently with the closing of the Transaction, the Company will complete a non-brokered private placement of units (the "**Units**") at \$0.15 per Unit for minimum gross proceeds of \$3,000,000 and maximum gross proceeds of \$5,000,000 (the "**Private Placement**"). Each Unit will consist of one Common Share and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant will be exercisable to purchase one additional Common Share (each, a "**Warrant Share**") at a price of \$0.30 per Warrant Share for a period of two (2) years from closing of the Private Placement (the "**Closing Date**").

The Warrants will be subject to an acceleration right of the Company (the "**Warrant Acceleration Right**") if on any ten (10) consecutive trading days the closing price of the Common Shares is greater than \$0.40 per Common Share. If the Company exercises its Warrant Acceleration Right, the new expiry date of the Warrants will be the 30th day following the notice to Warrant holders of such exercise. The Company intends to use the net proceeds from the Private Placement to fund transaction expenses related to the Transaction, continue to grow its mask-manufacturing business, and for general working capital purposes.

The Private Placement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the approvals of the CSE.

All securities issued in connection with the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities laws. A finder's fee may be paid in connection with the Private Placement to eligible arm's length

finders in accordance with CSE policies and applicable securities laws.

The securities offered have not been registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold absent registration or compliance with an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

#### About Beyond Medical

Beyond Medical is an industrial/technology company with a manufacturing facility located in Delta, British Columbia. The Company is developing its Organivore and Pharmavore waste digesters using its proprietary technology. The Company, through its subsidiary Micron Technologies, is also manufacturing medical grade face masks compliant with ASTM F2100 Standards

***The Canadian Stock Exchange, nor its regulation service provider, accept responsibility for the adequacy or accuracy of this news release.***

#### **FORWARD LOOKING STATEMENTS:**

*Completion of the Transaction is subject to a number of conditions, including receipt of appropriate regulatory approvals. The Transaction cannot close until all such conditions are satisfied. There can be no assurance that the Transaction will be completed as proposed or at all.*

*All information contained in this news release with respect to the Company and Kayan Health was supplied by the parties, respectively, for inclusion herein, and the Company and its respective directors and officers have relied on Kayan Health for any information concerning such party.*

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

*This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.*

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