



KDA GROUP ANNOUNCES NET EARNINGS FOR THE SECOND QUARTER OF 2021 AND AN UPDATE ON ITS TECHNOLOGY PROJECTS

Thetford Mines, Quebec – March 23, 2021 – KDA Group Inc. (TSXV: KDA) (“**KDA**” or the “**Corporation**”) has released its unaudited condensed consolidated financial results for the second quarter ended January 31, 2021 (“**Q2-2021**”). The Corporation’s financial results, together with the management’s discussion and analysis, have been filed on SEDAR. All financial figures are in Canadian dollars unless otherwise indicated.

Q2-2021 highlights:

- For Q2-2021, the net income amounted to \$0.2 million (\$0.00 per share) compared to a net loss of \$0.2 million (\$0.00 per share) in Q2-2020, an improvement of \$0.4 million.
- The Corporation has generated sales of \$5.9 million in Q2-2021 (\$6.2 million in Q2-2020). This slight decrease has been offset by the increase of the gross margin (33% vs 24% in Q2-2020).
- KDA generated \$0.9 million of earnings before interests, taxes, depreciation and amortization in Q2-2021 and \$1.5 million for the six-month period ended January 31, 2021.

KDA also announces that during the last six months, it began, through its wholly owned subsidiary, KDA Technology Group Inc. (“**Tech KDA**”), the development of new technology products for the healthcare market, which are expected to be launched in 2021-2022.

Tech KDA’s objective is to develop and market world-class technology products for the healthcare sector. The estimated budget for the development and commercialization of all these technology products for the next two fiscal years of 2021 and 2022 is \$3 million of which \$1 million has already been spent to date. Firm agreements were entered into during the year with consultants and subcontractors under which Tech KDA and the Corporation have committed to spend approximately \$1.5 million over the next few months.

The Corporation will announce the launch and commercialization of each technology product individually when developed and ready for commercialization by Tech KDA.

“The Corporation is proud of the results announced in its second quarter of 2021, as well as of our overall plan to market healthcare technology products through our wholly owned subsidiary, Tech KDA, which will ensure innovation and improvement in the management and tracking of the electronic medical record in this constantly evolving and changing environment to which we will be able to contribute in a direct way to all its stakeholders. We are extremely excited about this opportunity to propel the Corporation’s solutions into the healthcare technology ecosystem in multiple large international markets,” said Sylvain Duvernay, CEO of KDA.

ABOUT KDA GROUP

KDA Group is a leading technological innovations and specialized solutions provider in the pharmaceutical market. Today, it is a respected name for quality and expertise among the different stakeholders in the pharmaceutical and medical sector. Its management team is guided by a vision of continuing to lead the way in Quebec while extending operations across Canada and internationally. Additional information on the Corporation is available at www.kdagroup.ca and on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release from KDA Group contains forward-looking statements. Forward-looking statements are typically identified by the words assumption, goal, guidance, objective, outlook, strategy, target, and other similar expressions, or future or conditional verbs such as aim, anticipate, believe, predict, could, expect, intend, may, plan, seek, should, strive, and will. By their nature, forward-looking statements require us to make estimates and assumptions and express opinions based on current conditions and anticipated developments, as well as other factors that Management may deem appropriate under the circumstances. There is inherent uncertainty and significant risk in these estimates, assumptions, and opinions, particularly of a commercial, economic, and competitive nature, and they are therefore subject to change. KDA Group cannot guarantee that these estimates, assumptions, and opinions will prove to be accurate.

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INFORMATION

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