

KITS

NEWS RELEASE

Kits Eyecare Ltd. Announces \$10.15 Million Secondary Offering and Concurrent Bought Block Trade of Common Shares

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VANCOUVER, BC, Sept. 5, 2024 /CNW/ - Kits Eyecare Ltd. (TSX: KITS) ("KITS" or the "Company"), a leading vertically integrated eyecare provider, announces that Roger Hardy and entities managed by Roger Hardy (the "Hardy Shareholders"), LD Group Holdings Ltd. ("LD Group") and Joseph Thompson (together with the Hardy Shareholders and LD Group, the "Selling Securityholders"), have entered into an agreement with Canaccord Genuity Corp. as sole bookrunner and sole-lead underwriter ("Canaccord Genuity" or the "Lead Underwriter"), pursuant to which the Lead Underwriter, on behalf of a syndicate (collectively, the "Underwriters"), have agreed to purchase on a bought deal basis an aggregate of 1,000,000 common shares held by the Selling Securityholders at an offering price of \$10.15 per share (the "Offering Price") for total gross proceeds to the Selling Securityholders of \$10,150,000 (the "Offering"). KITS will not receive any proceeds from the Offering.

The Lead Underwriter has also been granted an over-allotment option (the "Over-Allotment Option") to purchase up to an additional 150,000 common shares from the Selling Securityholders at the Offering Price for additional gross proceeds of \$1,522,500 if the Over-Allotment Option is exercised in full. The Over-Allotment Option can be exercised at any time, in whole or in part, for a period of 30 days from the closing date of the Offering, which is expected to occur on or about September 26, 2024 and is subject to certain customary closing conditions.

A preliminary short form prospectus relating to the Offering will be filed no later than September 11, 2024 with Canadian securities regulatory authorities.

In a separate transaction that is expected to close concurrent with the Offering, the Underwriters have agreed to purchase on a bought deal basis from the spouse of Sabrina Liak (the "**Block Shareholder**") 225,000 common shares at the Offering Price for total gross proceeds of \$2,283,750 (the "**Concurrent Bought Block Trade**"). The Concurrent Bought Block Trade is expected to close on or about September 26, 2024. The completion of the Offering is not conditional upon the completion of the Concurrent Bought Block Trade.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the 1933 Act or under any U.S. state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act, and applicable U.S. state securities laws.

About KITS

KITS makes eyecare easy. KITS is a leading vertically integrated digital eyecare brand providing eyewear for eyes everywhere. We offer customers access to a vast selection of contact lenses and eyeglasses, including our own exclusive KITS designed products, as well as a robust suite of online vision tools. Our efficient digital platform, backed by our industry-leading manufacturing and designs, removes intermediaries, and enables us to offer great prices and deliver made to order personalized products with incredible care and accuracy. We are creating disruption in the industry by constantly pursuing cutting-edge technologies to enable the best customer experience, including online eyewear fitting tools, and virtual try-on for glasses. We strive to delight our customers with our competitive prices, a convenient digital shopping experience, fast and reliable delivery options, and an unrelenting focus on earning our customers' lifelong trust. For more information on KITS, visit: www.kits.com.

Forward-Looking Information

Certain information in this press release, including statements relating to the closing date of the Offering, the completion of the Concurrent Bought Block Trade, and the exercise by the Lead Underwriter of the Over-Allotment Option, constitutes forward-looking information. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or

circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by KITS as of the date of this press release, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the factors described in greater detail under the "Risk Factors" sections of the management's annual information form, discussion and analysis of financial condition and results of operations of KITS for the 3-month and 6-month periods ended June 30, 2024, each available at www.sedarplus.ca. These factors are not intended to represent a complete list of the factors that could affect KITS; however, these factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. In particular, the closing of the Offering is subject to customary closing conditions and there can be no assurance that all such conditions will be satisfied. The forward-looking statements contained in this press release are made as of the date of this press release, and KITS expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

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