

## **Covalon Technologies Releases Statement on United States – Canada Trade Dispute**

MISSISSAUGA, Ontario – February 3, 2025 – (BUSINESS WIRE) – Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV; OTCQX: CVALF), an advanced medical technologies company, today released a statement on the tariffs announced by President Trump on Canadian imports.

While many elements to this rapidly-evolving situation are unclear and tariff implementation details are yet to be announced, the Company wishes to provide the following initial comments:

- Covalon has manufacturing and commercial operations on both sides of the Canada – United States border. Depending on the specific regulations that will in due course be published, Covalon has the flexibility to adjust manufacturing processes and locations that could mitigate negative financial implications to the Company.
- Almost all of Covalon's revenues are in US Dollars, and the majority of its costs are in Canadian dollars. There has been, and will likely continue to be, foreign exchange benefit to the company. The current exchange rate of 1.45 in Canadian Dollars to the US Dollar compares with the exchange rate a year ago of 1.35.
- The Company's products have improved patients' lives on Canadian soil and American soil, as well as in numerous other countries around the world. Every day, Covalon employees based in Canada and the United States work together seamlessly with one common purpose – improving patient outcomes through our innovative and compassionate medical products and technologies. Our customers, including nurses, doctors and infection preventionists working in hospitals and clinics in the United States, Canada and the rest of the world, have come to rely on Covalon as a trusted supplier of differentiated products to help them achieve the best clinical outcomes for their patients.
- The company had a very successful 2024 fiscal year, capped by the recent announcement that Covalon was ranked as the top medical device company, and #4 overall on the OTCQX's Best 50 Companies - an annual ranking of the top 50 U.S. and international companies traded on the OTCQX exchange, based on an equal weighting of one-year total return and average daily dollar volume growth in 2024. Covalon joined other notable high performers from the United States, Canada, the United Kingdom, Australia and Turkey.

Covalon is hoping for a quick and fair resolution to the current trade dispute. In parallel, we are also planning and executing to ensure a strong outcome for our key stakeholders – patients, customers, employees, business partners and shareholders.

To learn more about Covalon, please visit our website at [www.covalon.com](http://www.covalon.com) or contact us at [investors@covalon.com](mailto:investors@covalon.com).

### **About Covalon**

Covalon is a leading MedTech company dedicated to improving patient outcomes through innovative and compassionate medical products and technologies. Our expertise spans advanced wound care,



vascular access, and surgical consumables, with a strong focus on enhancing healing, reducing healthcare-associated infections (HAIs), and protecting skin integrity. Our solutions are designed for patients and made for care providers. The Company is listed on the TSX Venture Exchange (COV) and trades on the OTCQX Market (CVALF). To learn more about Covalon, visit our website at [www.covalon.com](http://www.covalon.com).

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