

A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form base shelf prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities.

This short form prospectus has been filed under legislation in each of the provinces of Canada that permits certain information about these securities to be determined after this short form base shelf prospectus has become final and that permits the omission from this short form base shelf prospectus of that information. Unless an exemption from the prospectus delivery requirements has been granted or is otherwise available, the legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale therein and only by persons permitted to sell such securities. The securities to be offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), and, subject to certain exceptions, may not be offered or sold in the United States of America or to U.S. persons (as defined in Regulation S under the U.S. Securities Act). See “Plan of Distribution”.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Knight Therapeutics Inc. c/o Davies Ward Phillips & Vineberg LLP at 1501 McGill College Avenue, 26th Floor, Montreal, Quebec H3A 3N9 (telephone: 514-483-4483), and are also available electronically at www.sedar.com.

New Issue and Secondary Offering

December 9, 2020

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS



KNIGHT THERAPEUTICS INC.

\$360,000,000

Common Shares

Subscription Receipts

Debt Securities (unsecured)

This short form base shelf prospectus relates to the offering for sale from time to time by Knight Therapeutics Inc. (the “**Company**” or “**we**”), during the 25-month period that this prospectus, including any amendments hereto, remains valid, of (i) common shares of the Company (“**Common Shares**”), (ii) subscription receipts of the Company (“**Subscription Receipts**”), and (iii) debt securities of the Company (“**Debt Securities**”, and collectively with the Common Shares and the Subscription Receipts, the “**Securities**”), or any combination thereof, with an aggregate offering price of up to \$360,000,000 (or its equivalent in any other currency used to denominate the Common Shares, the Subscription Receipts, the Debt Securities or any combination thereof at the time of offering). The Securities offered hereby may be offered separately or together, in separate series, in amounts, at prices and on terms to be determined based on market conditions at the time of the sale and set forth in one or more prospectus supplements. One or more shareholders of the Company may also offer and sell Common Shares under this prospectus. See “Selling Shareholders” and “Plan of Distribution”.

All shelf information permitted under applicable securities legislation to be omitted from this prospectus, including, without limitation, the information disclosed in the specific terms of any offering of Securities, as discussed above, will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus, except where an exemption from such delivery requirements has been obtained. For the purposes of applicable securities laws, each prospectus supplement will be incorporated by reference into this prospectus as of the date of such prospectus supplement and only for the purposes of the distribution of the Securities to which that prospectus supplement pertains. You should read this prospectus and any applicable prospectus supplement carefully before you invest in any Securities offered pursuant to this prospectus.

The Securities may be offered and sold pursuant to this prospectus through underwriters, dealers, directly or through agents designated from time to time at amounts and prices and other terms determined by us or any selling shareholder. In connection with any underwritten offering of Securities, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at levels other than those that might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”. A prospectus supplement will set out the names of any underwriters, dealers, agents or selling shareholder involved in the sale of Securities, the amounts, if any, to be purchased by underwriters, the plan of distribution for such Securities, including the net proceeds we expect to receive from the sale of such Securities, the amounts and prices at which such Securities are sold, the compensation of such underwriters, dealers or agents and other material terms of the plan of distribution.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference

to the prevailing price of the Securities in a specified market or at prices to be negotiated with purchasers. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution. This prospectus may qualify an “at-the-market distribution”, as defined in National Instrument 44-102 – *Shelf Distributions* (in Québec, *Regulation 44-102 respecting Shelf Distributions*) (“NI 44-102”) of the Canadian Securities Administrators.

In connection with any offering of Common Shares, other than an “at-the-market distribution”, unless otherwise specified in a prospectus supplement, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize, maintain or otherwise affect the market price of the Common Shares at a level other than those which otherwise might prevail on the open market. Such transaction may be commenced, interrupted or discontinued at any time. A purchaser who acquires Common Shares forming part of the underwriters’, dealers’ or agents’ over-allocation position acquires those Common Shares under this prospectus and the prospectus supplement relating to the particular offering of Common Shares, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See “*Plan of Distribution*”. No underwriter, dealer or agent involved in an “at-the-market distribution” and no person or company acting jointly or in concert with such underwriter, dealer or agent will over-allot Common Shares in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Common Shares in connection with an “at-the-market distribution”.

The issued and outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “GUD”. **Unless otherwise specified in the applicable prospectus supplement, no Securities sold pursuant to a prospectus supplement, other than Common Shares, will be listed on any securities exchange, including the TSX.**

Any offering of Debt Securities or Subscription Receipts will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable prospectus supplement, the Debt Securities and Subscription Receipts will not be listed on any securities exchange and there is no market through which the Debt Securities or the Subscription Receipts may be sold and purchasers may not be able to resell such Securities purchased under this prospectus and any prospectus supplement. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities, and the extent of issuer regulation.

To the extent required, earnings coverage ratios will be provided in the applicable prospectus supplement with respect to the issuance of Debt Securities pursuant to this prospectus.

No securities regulator has approved or disapproved the Securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

No underwriter or agent has been involved in the preparation of this prospectus nor has any underwriter or agent performed any review of the contents of this prospectus.

Any investment in the Securities involves significant risks that should be carefully reviewed and considered by prospective investors before purchasing such Securities. Prospective investors should review the risk factors outlined in the documents incorporated by reference herein and in the applicable prospectus supplement.

Prospective investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of an investment in the Securities.

In this Prospectus, all references to “\$” are to the lawful currency of Canada and all dollar amounts herein are in Canadian dollars, unless otherwise indicated.

Our head and registered office is located at 3400 De Maisonneuve Blvd. W., Suite 1055, Montreal, Québec, H3Z 3B8.

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ABOUT THIS PROSPECTUS

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or any amendment or supplement to this prospectus. We do not take any responsibility for, or provide any assurance as to the reliability of, any other information that others may provide you. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of Securities, and that information appearing in any document incorporated by reference is accurate only as of the date of such document. Our business, financial condition, results of operations or prospects may have changed since those dates. This prospectus is not an offer to sell or the solicitation of an offer to buy Securities in any circumstances under which such offer or solicitation is unlawful.

As used in this prospectus, unless the context indicates or requires otherwise, the terms “Knight”, the “Company”, “we”, “us” and “our” refer to Knight Therapeutics Inc., together with its subsidiaries, including, without limitation, Biotoscana Investments S.A. (“GBT”). All references to “\$” are to the lawful currency of Canada and all dollar amounts herein are in Canadian dollars, unless otherwise indicated. The financial statements incorporated by reference in this prospectus are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

All information permitted under applicable laws to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus, unless an exemption from the prospectus delivery requirements has been granted or is otherwise available to us. Each prospectus supplement will be incorporated by reference in this prospectus for the purposes of securities legislation as of the date of the prospectus supplement and only for the purposes of the distribution of those Securities to which the prospectus supplement pertains.

NOTICE REGARDING NON-IFRS MEASURES

Certain information with respect to the Company contained in documents incorporated by reference in this prospectus includes non-IFRS financial measures, which are not defined under International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). Please refer to the Annual MD&A (as defined below) and the Interim MD&A (as defined below) which are incorporated by reference in this prospectus, for definitions and reconciliations of these non-IFRS measures and an explanation of why the Company believes the non-IFRS financial measures provide useful additional information related to the operating results of the Company. Prospective investors are cautioned that these non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Further, these measures do not have any standardized meaning and the Company’s method of calculating each measure may not be comparable to calculations used by other issuers bearing the same description.

To the extent that the applicable prospectus supplement contains non-IFRS financial measures, the applicable prospectus will provide definitions and reconciliations of these non-IFRS measures and an explanation of why the Company believes the non-IFRS financial measures provide useful additional information related to the operating results of the Company.

MARKET AND INDUSTRY DATA

We have obtained the market and industry data presented in this prospectus and in the documents incorporated by reference herein from a combination of third-party sources and management estimates. Although we believe that these third-party sources and management estimates are reliable, the accuracy and completeness of such data have not been verified by any independent sources. Market and industry data, including estimates and projections relating to size of market and market share, are inherently imprecise and cannot be verified due to limitations on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations inherent in any market research or other survey. Management’s estimates are based on internal research, its knowledge of the relevant market and industry and extrapolations from third-party sources. While we are not aware of any misstatements regarding the market and industry data presented in this prospectus, such data involve risks and

uncertainties and are subject to change based on various factors, including those factors discussed under “Forward-Looking Information” and “Risk Factors” in this prospectus and in the documents incorporated by reference herein.

NOTICE TO UNITED STATES RESIDENTS

THE COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OF AMERICA, ITS POSSESSIONS AND OTHER AREAS SUBJECT TO ITS JURISDICTION WITHOUT SUCH REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Company’s Chief Financial Officer c/o Davies Ward Phillips & Vineberg LLP at 1501 McGill College Avenue, 26th Floor, Montreal, Quebec, H3A 3N9, Tel: 514-484-4483. These documents may also be obtained under our profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Except to the extent that their contents are modified or superseded by a statement contained in this prospectus or in any other document that is also incorporated by reference in this prospectus, the following documents filed with the securities commissions or similar authorities in each of the provinces of Canada are specifically incorporated by reference into and form an integral part of this prospectus:

- (a) the annual information form of the Company dated April 9, 2020 for the fiscal year ended December 31, 2019 (the “**Annual Information Form**”);
- (b) the audited consolidated financial statements of the Company for the fiscal years ended December 31, 2019 and 2018, together with the notes thereto and the independent auditor’s report thereon;
- (c) the management’s discussion and analysis of the Company for the fiscal year ended December 31, 2019 (the “**Annual MD&A**”);
- (d) the unaudited interim consolidated financial statements of the Company for the three and nine-month periods ended September 30, 2020, together with the notes thereto;
- (e) the management’s discussion and analysis of the Company for the three and nine-month periods ended September 30, 2020 (the “**Interim MD&A**”);
- (f) the management information circular of the Company dated May 26, 2020 prepared in connection with the annual meeting of the shareholders of the Company held on June 25, 2020; and
- (g) the business acquisition report of the Company dated February 12, 2020 prepared in connection with the acquisition by the Company of an interest in GBT on November 29, 2019.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* (in Québec, *Regulation 44-101 respecting Short Form Prospectus Distributions*) of the Canadian Securities Administrators filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this prospectus and during the 25-month period that this prospectus, including any amendments hereto, remains valid shall be deemed to be incorporated by reference in this prospectus. Documents referenced in any of the

documents incorporated by reference in this prospectus but not expressly incorporated by reference therein or herein and not otherwise required to be incorporated by reference therein or herein are not incorporated by reference in this prospectus.

Notwithstanding anything herein to the contrary, any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this prospectus, to the extent that a statement contained herein or in any other subsequently filed document which is also incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall thereafter neither constitute, nor be deemed to constitute, a part of this prospectus, except as so modified or superseded.

Upon a new annual information form and annual consolidated financial statements being filed by us with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this prospectus is effective, the previous annual information form, the previous annual consolidated financial statements and all interim consolidated financial statements and in each case the accompanying management's discussion and analysis, and material change reports, filed prior to the commencement of the financial year of the Company in which the new annual information form is filed shall be deemed to no longer be incorporated into this prospectus for purpose of future offers and sales of Securities under this prospectus. Upon interim consolidated financial statements and the accompanying management's discussion and analysis being filed by us with the applicable Canadian securities commissions or similar regulatory authorities during the period that this prospectus is effective, all interim consolidated financial statements and the accompanying management's discussion and analysis filed prior to such new interim consolidated financial statements and management's discussion and analysis shall be deemed to no longer be incorporated into this prospectus for purposes of future offers and sales of Securities under this prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by us with the applicable Canadian securities commissions or similar regulatory authorities during the period that this prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this prospectus for purposes of future offers and sales of Securities under this prospectus.

A prospectus supplement containing the specific variable terms in respect of an offering of the Securities will be delivered to purchasers of such Securities together with this prospectus, unless an exemption from the prospectus delivery requirements has been granted or is otherwise available, and will be deemed to be incorporated by reference into this prospectus as of the date of such prospectus supplement only for the purposes of the offering of the Securities covered by such prospectus supplement.

FORWARD-LOOKING INFORMATION

This prospectus contains forward-looking information within the meaning of applicable Canadian securities laws. This forward-looking information includes, but is not limited to, statements with respect to management's expectations regarding the future growth, results of operations, performance and business prospects of the Company. This forward-looking information relates to, among other things, our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimations and intentions, and may also include other statements that are predictive in nature, or that depend upon or refer to future events or conditions. Statements with the words "could", "expect", "may", "will", "anticipate", "assume", "intend", "plan", "believes", "estimates", "guidance", "foresee", "continue" and similar expressions are intended to identify statements containing forward-looking information, although not all forward-looking statements include such words. 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.

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the

statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to the following risk factors described in greater detail under “*Risks Related to Knight’s Business*” in the Annual Information Form and the other risks detailed in the other documents incorporated by reference herein: the risks related to the Company’s dependence on key persons and its ability to hire and retain key personnel, the Company’s ability to implement its strategy to grow the business, the partial reliance of the Company’s business plan on investments and acquisitions, the Company’s ability to integrate new products and companies, the Company’s ability to acquire license rights to new products or renew existing license rights, the Company’s ability to successfully develop new drugs, the Company’s ability to maintain good labour relations with GBT’s employees, the Company’s ability to maintain approvals for development, manufacture and distribution of pharmaceutical products, the Company’s ability to comply with environmental standards through its facilities, the Company’s reliance on key products, the value of the Company’s intangible assets and goodwill, the Company’s strategic loan investments, the Company’s ability to maintain financial covenants on existing financial leverage, the profitability of the Company’s strategic investments and their capacity to secure product rights, the Company’s investments in neglected tropical diseases and rare pediatric diseases, the Company’s ability to have access to additional financing and capital, and dilution, the globalization of the Company’s business, the competition of generic products, the Company’s dependence upon companies in which it invests, the level of control on the Company’s strategic investments, the limited access to information about privately-held companies in which the Company invests, product liability claims, insurance and recalls, and unexpected product safety or efficacy concerns, marketing and competition, the Company’s ability to obtain regulatory approvals, new legislation or regulatory requirements, the Company’s ability to obtain product reimbursement, product pricing regulations on certain drug products, the Company’s ability to protect and maintain its intellectual property and licensing arrangements, the Company’s reliance on branded generic portfolio, disputes regarding ownership or inventorship of products and technologies, the Company’s reliance on third parties for supply and manufacture of products, the Covid-19 global pandemic, global political and economic conditions, the Company’s agreements relating to the development and distribution of products, environmental, social and governance matters, the Company’s concentration of credit risk, the Company’s policies regarding returns, allowances and chargebacks, the value of certain of the Company’s assets, income taxes, the PFIC rules related to the ownership and disposition of the Company’s shares, quarterly fluctuations, the compliance with laws and regulations affecting public companies, the Company’s reliance on information technology, the Company’s reliance on data obtained from IQVIA Inc., the volatility of the Company’s share price, the Company’s exposure to interest rates on its cash, cash equivalents marketable securities and loans, the Company’s exposure to foreign exchange risk cash, cash equivalents marketable securities, trade and other receivables, other financial assets including equity price risks, other balances payable and accounts and accrued liabilities and its earnings in jurisdictions outside of Canada, and the Company’s dividend policy.

Although the forward-looking information contained or incorporated by reference herein is based upon what we believe are reasonable assumptions, prospective investors are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information, including assumptions concerning the Company’s ability to identify targets for potential acquisitions or in-licencing opportunities, the Company’s ability to obtain approval for its products as well as reimbursement, the Company’s ability to successfully commercialize its products and the outlook and potential financial viability of the Company’s strategic investments.

All of the forward-looking information in this prospectus is qualified by these cautionary statements. Statements containing forward-looking information included in this prospectus are made only as of the date hereof and in a document incorporated by reference in this prospectus are made only as of the date of such document. The Company 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.

Before making any investment decision in respect of the Securities and for a detailed discussion of the risks and uncertainties associated with the Company’s business, its operations and its financial targets, performance and condition and the material factors and assumptions underlying the forward-looking information herein and therein, fully review the disclosure incorporated by reference in this short form prospectus and the risks referenced under “Risk Factors” in this prospectus and in the Annual Information Form.

THE COMPANY

The Company was incorporated under the *Canada Business Corporations Act* (the “CBCA”) on November 1, 2013. On February 28, 2014, the Company ceased to be a wholly-owned subsidiary of Paladin Labs Inc. immediately following a court approved plan of arrangement under section 192 of the CBCA, and the Common Shares were listed on the TSX Venture Exchange (the “TSX-V”) the same day. On April 29, 2014, the Common Shares were up-listed from the TSX-V to the TSX. The articles of the Company have been amended several times, and most recently the Company amalgamated with NeurAxon on January 1, 2015. The Company’s head and registered offices are located at 3400 De Maisonneuve Blvd. W., Suite 1055, Montreal, Québec, H3Z 3B8.

The Company’s Business

The Company is a Rest-of-World specialty pharmaceutical company which continues to grow through (i) the acquisition and in-licensing of prescription pharmaceutical products and over-the-counter products, and targeted promotion of these products, and (ii) the acquisition of specialty pharmaceutical businesses in select international markets. On November 29, 2019, Knight completed the acquisition of a 51.2% interest in GBT, a pan-Latin American specialty pharmaceutical company. GBT is a biopharmaceutical group that operates in the fast-growing Latin American region and focuses on rapidly growing market segments such as oncology and onco-hematology, infectious diseases and other specialty therapeutic areas. GBT is currently present throughout ten Latin American countries where it operates through four companies, namely, Biotoscana, United Medical, LKM and DOSA. Knight also expects to expand its presence in specialty therapeutic fields by developing branded generic products for the Latin American market. The Company finances other life science companies in Canada and internationally on a secured basis with the strategic goal of securing product distribution rights for Canada and Latin American markets. Knight wholly-owns Knight Therapeutics (Barbados) Inc., Knight Therapeutics (USA) Inc., Abir Therapeutics Inc. and has a 99.94% ownership of GBT.

For an additional description of the business of the Company, see “*General Development of the Business*”, “*Description of the Business*”, “*The Corporation’s Strategy*” and “*Business of the Corporation*” (collectively on pages 6 through 38) in the Annual Information Form which is incorporated by reference herein.

Recent Developments

Completion of the Acquisition of Biotoscana Investments S.A.

On November 29, 2019, the Company acquired a controlling stake of 51.2% in GBT (the “**GBT Transaction**”), from a controlling shareholder group that included Advent International and Essex Woodlands, among others. The purchase price per share paid by the Company at closing was \$3.48, for an aggregate purchase price of approximately \$189 million. Subsequent to the GBT Transaction, the remaining 48.8% of GBT was publicly-held and traded on B3, Brazil’s main stock exchange, through Brazilian depository receipt (“**BDRs**”). On July 15, 2020, the Company announced the launch of the tender offer for the acquisition and delisting of all outstanding BDRs of GBT (the “**Unified Tender Offer**”). Pursuant to the Unified Tender Offer, the Company paid an aggregate purchase price of approximately \$171 million and obtained a 99.94% ownership of GBT. On October 23, 2020, the BDR program of GBT was cancelled by the Brazilian Securities and Exchange Commission.

New Distribution Agreement with Gilead Sciences Inc.

On October 26, 2020, the Company announced that it had entered into a new exclusive distribution agreement with Gilead Sciences Inc. (“**Gilead**”) for the commercialization of AmBisome® (liposomal amphotericin B) in Brazil. The agreement will be effective stating January 1, 2021. AmBisome® is licensed from Gilead and has been part of the Company’s Brazilian affiliate’s portfolio for over twenty years. The Company’s affiliates are responsible for distribution and commercial activities for AmBisome® in Brazil as well as Bolivia, Paraguay and Peru.

CONSOLIDATED CAPITALIZATION

Except as otherwise disclosed in this prospectus, there have been no material changes in our consolidated share and loan capital, on a consolidated basis, from September 30, 2020 to the date of this prospectus, other than (i)

the Company has purchased an aggregate of 137,800 Common Shares pursuant to its normal course issuer bid announced on July 10, 2020, and (ii) the Company has repaid loans in the amount of \$5.33 million.

Our authorized capital consists of an unlimited number of Common Shares. As at December 8, 2020, we had 130,035,132 Common Shares issued and outstanding, all of which are fully paid and non-assessable, and 135,384,039 Common Shares on a fully diluted basis, including 5,320,679 stock options granted under the Company's share option plan and 28,228 warrants.

USE OF PROCEEDS

The use of proceeds for any particular offering of Securities under this prospectus will be described in the applicable prospectus supplement. Unless otherwise specified therein, we intend to use the net proceeds of any offering under this prospectus to fund business development activities, acquisitions, working capital, financing activities, debt repayment or other general corporate purposes. The aggregate proceeds from the issuance and sale of Securities under this prospectus shall not exceed \$360 million. We will not receive any proceeds from any sale of Common Shares by selling shareholders under this prospectus.

SELLING SHAREHOLDERS

Common Shares may be sold under this prospectus by way of a secondary offering by or for the account of certain of our shareholders. The prospectus supplement that will be filed in connection with any offering of Common Shares by one or more selling shareholders will include the following information:

- the name or names of the selling shareholders;
- the number or amount of Common Shares owned, controlled or directed by each selling shareholder;
- the number or amount of Common Shares being distributed for the account of each selling shareholder;
- the number or amount of Common Shares to be owned, controlled or directed by the selling shareholder after the distribution and the percentage that number or amount represents of the total number of the outstanding Common Shares;
- whether the Common Shares are owned by the selling shareholders both of record and beneficially of record only, or beneficially only; and
- all other information that is required to be included in the applicable prospectus supplement.

PLAN OF DISTRIBUTION

We may from time to time during the 25-month period that this prospectus, including any amendments hereto, remains valid, offer for sale and issue up to an aggregate of \$360 million of Securities. The Company may offer and sell the Securities to or through underwriters, agents, or dealers purchasing as principals, and may also sell directly to one or more purchasers or through agents or pursuant to applicable statutory exemptions.

This prospectus may also, from time to time, relate to the offering of Common Shares by certain selling shareholders. The selling shareholders may sell all or a portion of the Common Shares beneficially owned by them and offered thereby from time to time directly or through one or more underwriters, broker-dealers or agents. Common Shares may be sold by the selling shareholders in one or more transactions at fixed prices (which may be changed from time to time), at market prices prevailing at the time of the sale, at varying prices determined at the time of sale, at prices related to prevailing market prices or at negotiated prices.

The prospectus supplement relating to any particular offering of Securities under this prospectus will identify each underwriter, dealer or agent, as the case may be, engaged by us in connection with such offering and the name or names of any selling shareholders. The prospectus supplement will also set forth the terms of the offering, including, where applicable, any fees, commissions, discounts or any other compensation payable by us or the selling shareholders to underwriters, dealers or agents in connection with the offering, the method of distribution of the

Securities, the initial issue price, the proceeds to us or any selling shareholder and any other material terms of the plan of distribution. Any initial offering price and discounts, concessions or commissions allowed or re-allowed or paid to dealers may be changed from time to time.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices or at prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing prices or at negotiated prices, including sales in transactions that are deemed to be “at-the-market distributions”, as defined in NI 44-102, and sales made directly on the TSX or other existing trading markets for the Common Shares. Any such transactions that are deemed “at-the-market-distributions” will be subject to regulatory approval. No underwriter, dealer or agent involved in an “at-the-market distribution”, no affiliate of such an underwriter, dealer or agent and no person acting jointly or in concert with such an underwriter, dealer or agent will over-allot Common Shares in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Common Shares in connection with an “at-the-market distribution”.

The price at which Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

In connection with the sale of the Securities, underwriters, dealers or agents may receive compensation, including in the form of underwriters’, dealers’ or agents’ fees, commissions or concessions. Underwriters, dealers and agents that participate in the distribution of the Securities may be deemed to be underwriters for the purposes of applicable Canadian securities legislation and any compensation received by them from the Company and any profit on the resale of the Securities by them may be deemed to be underwriting commissions. In connection with any offering of Common Shares, except as otherwise set out in a prospectus supplement relating to a particular offering of Common Shares hereunder and other than in relation to an “at-the-market distribution”, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions intended to fix, stabilize, maintain or otherwise affect the market price of the Common Shares at a level other than those which otherwise might prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time.

Underwriters, dealers or agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with us, to indemnification by the Company against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

BOOK-BASED SYSTEM

Except as otherwise provided in the applicable prospectus supplement, Securities will be issued by way of instant deposit under the book-based system administered by CDS Clearing and Depository Services Inc. or a successor thereto (collectively, “CDS”), registered in the name of CDS or its nominee. No purchaser of Securities will receive a certificate or other instrument from us or CDS evidencing that purchaser’s ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a participant (“Participant”) in the depository service of CDS acting on behalf of such purchaser. Each purchaser of Securities will receive a customer confirmation of purchase from the registered dealer from which the Securities are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for Participants having interest in the Securities.

Transfer of ownership of Securities will be effected through records maintained by CDS or its nominee for such Securities with respect to interests of Participants, and on the records of Participants with respect to interests of persons other than Participants. An owner of a beneficial interest in a Security in a “book-entry” form who desires to sell or otherwise transfer that interest may do so only through Participants. The ability of that owner to pledge its interest in the security or otherwise take action with respect to its interest in the Securities may be limited due to the lack of a physical certificate.

DESCRIPTION OF SHARE CAPITAL

The following description of our share capital summarizes certain provisions of our articles of incorporation. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of our articles of incorporation. Moreover, a prospectus supplement relating to a particular offering of Common Shares may include terms pertaining to the Common Shares being offered thereunder that are not within the terms and parameters described in this prospectus.

Our authorized capital consists of an unlimited number of Common Shares. As at December 8, 2020, we had 130,035,132 Common Shares issued and outstanding, all of which are fully paid and non-assessable, and 135,384,039 Common Shares on a fully diluted basis, including 5,320,679 stock options granted under the Company's share option plan and 28,228 warrants.

The holders of the Common Shares are entitled to receive, as and when declared by the board of directors of the Company, dividends in such amounts as shall be determined by the Company's board of directors. The holders of Common Shares have the right to receive the remaining property of the Company in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

As at December 8, 2020, to the knowledge of the Company's management, the only person who beneficially owns, or exercises control or direction over, directly or indirectly, 10% or more of the issued and outstanding Common Shares, was Jonathan Ross Goodman, Chief Executive Officer of the Company, who beneficially owns, directly or indirectly, 17% of the issued and outstanding Common Shares.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

We may issue Subscription Receipts that entitle the holder thereof to receive upon satisfaction of certain release conditions, and for no additional consideration, Common Shares, Debt Securities or any combination thereof. The Subscription Receipts may be offered separately or together with other Securities, and Subscription Receipts sold with other Securities may be attached to or separate from the other Securities.

The Subscription Receipts will be issued under one or more subscription receipt agreements, that we will enter into with one or more escrow agents. If underwriters or agents are involved in the sale of Subscription Receipts, one or more of such underwriters or agents may also be parties to the subscription receipt agreement governing those Subscription Receipts. The relevant subscription receipt agreement will establish the terms of the Subscription Receipts. Under the subscription receipt agreement, a purchaser of Subscription Receipts will have a contractual right of rescission following the issuance of Common Shares or Debt Securities, as the case may be, to such purchaser, entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the Common Shares or Debt Securities, as applicable, if this prospectus, the relevant prospectus supplement, and any amendment thereto, contains a misrepresentation, provided such remedy for rescission is exercised within 180 days of the date the Subscription Receipts are issued.

The particular terms of any Subscription Receipts that we offer, and the extent to which the general terms and provisions described in this section apply to those Subscription Receipts, will be set out in the applicable prospectus supplement. All such terms will comply with any applicable requirements of the TSX relating to Subscription Receipts. The prospectus supplement will include some or all of the following:

- (a) the number of Subscription Receipts offered;
- (b) the price at which the Subscription Receipts will be offered;
- (c) the currency or currencies in which the Subscription Receipts will be offered;
- (d) the designation, number and terms, as applicable, of the Common Shares or Debt Securities to be received by holders of Subscription Receipts upon satisfaction of the release conditions, and the anti-dilution provisions that will result in the adjustment of those numbers;
- (e) the release conditions that must be met in order for holders of Subscription Receipts to receive for no additional consideration, Common Shares or Debt Securities, as applicable;

- (f) the procedure for the issuance and delivery of Common Shares or Debt Securities, as applicable, to holders of Subscription Receipts upon satisfaction of the release conditions;
- (g) whether any payments will be made to holders of Subscription Receipts upon delivery of the Common Shares or Debt Securities, as applicable, upon satisfaction of the release conditions;
- (h) the terms and conditions under which the escrow agent will hold in escrow all or a portion of the proceeds from the sale of the Subscription Receipts together with any interest income earned thereon (collectively, the “**escrowed funds**”), pending satisfaction of the release conditions;
- (i) the terms and conditions under which the escrow agent will hold Common Shares or Debt Securities, as applicable, pending the satisfaction of the release conditions;
- (j) the terms and conditions under which the escrow agent will release all or a portion of the escrowed funds to us upon satisfaction of the release conditions;
- (k) if the Subscription Receipts are sold to or through underwriters or agents, the terms and conditions under which the escrow agent will release a portion of the escrowed funds to such underwriters or agents in payment of all or a portion of their fees or commission in connection with the sale of the Subscription Receipts;
- (l) procedures for the refund by the escrow agent to holders of Subscription Receipts of all or a portion of the subscription price for their Subscription Receipts, plus any pro rata entitlement to interest earned or income generated on such amount, if the release conditions are not satisfied;
- (m) any entitlement of ours to purchase the Subscription Receipts in the open market by private agreement or otherwise;
- (n) whether we will issue the Subscription Receipts as global securities and, if so, who the depository will be;
- (o) provisions as to modification, amendment or variation of the subscription receipt agreement or any rights or terms attaching to the Subscription Receipts; and
- (p) any other specific material terms, preferences, rights or limitations of, or restrictions on, the Subscription Receipts.

DESCRIPTION OF DEBT SECURITIES

The particular terms of a series of Debt Securities offered by any prospectus supplement and the extent, if any, to which such general terms may apply to those Debt Securities will be described in the related prospectus supplement. We may only offer unsecured and subordinated Debt Securities and which may be convertible. Debt Securities will be issued under and governed by the terms of one or more trust indentures that we will enter into with one or more banks or trust companies acting as indenture trustee that will be named in the applicable prospectus supplement. The particular terms of any Debt Securities that we offer will be set out in the applicable prospectus supplement.

EARNINGS COVERAGE RATIOS

Information regarding earnings coverage ratios, as applicable, will be provided as required in each applicable prospectus supplement to this prospectus.

TRADING PRICE AND VOLUME

Information regarding trading price and volume of the issued and outstanding Common Shares listed on any securities exchange, as applicable, will be provided as required in each applicable prospectus supplement to this prospectus.

PRIOR SALES

Information regarding prior sales of the Common Shares or any securities convertible into or exercisable for Common Shares will be provided as required in the applicable prospectus supplement.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

The applicable prospectus supplement will describe certain material Canadian federal income tax considerations to an investor of the acquisition, ownership and disposition of any Securities offered thereunder.

RISK FACTORS

Before deciding whether to invest in any Securities, investors should consider carefully the risks set out in the documents incorporated by reference in this prospectus (including the risks described under “Risk Factors” in the Annual Information Form, and all subsequently filed documents incorporated by reference in this prospectus) and those described in each applicable prospectus supplement to this prospectus.

LEGAL MATTERS

Unless otherwise specified in a prospectus supplement relating to any Securities offered, certain legal matters relating to an offering of Securities under this prospectus will be passed upon on our behalf by Davies Ward Phillips & Vineberg LLP. As at the date hereof, the partners and associates of Davies Ward Phillips & Vineberg LLP, as a group, beneficially own, directly or indirectly, less than 1% of our outstanding securities of any class and less than 1% of the outstanding securities of any class of our associates or affiliates.

In addition, certain legal matters in connection with an offering and sale of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of such offering and sale by such underwriters, dealers or agents.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Ernst & Young LLP, 900 De Maisonneuve Blvd. West, Suite 2300, Montreal, Québec, H3A 0A8. Ernst & Young LLP is independent with respect to the Company within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

The transfer agent and registrar for the Common Shares is AST Trust Company (Canada) at its principal office in Montreal, Québec, and Toronto, Ontario.

ENFORCEABILITY OF JUDGMENTS AGAINST FOREIGN PERSONS

Three of our directors, James C. Gale, Robert N. Lande and Nicolas Sujoy, reside outside of Canada and have each appointed Davies Ward Phillips & Vineberg LLP as their agent for service of process in Canada at the following address: 1501 McGill College Avenue, 26th Floor, Montreal, Québec, H3A 3N9, Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or that resides outside of Canada, even if such person has appointed an agent for service of process.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Unless otherwise provided in the applicable prospectus supplement, the following is a description of a purchaser’s statutory or contractual rights.

Securities legislation in some provinces and territories of Canada provides purchasers of Securities with the right to withdraw from an agreement to purchase Securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, the prospectus supplement, and any amendment relating to Securities purchased by a purchaser are not sent or delivered to the purchaser. However, purchaser of Common Shares

distributed under an at-the-market distribution by the Company do not have the right to withdraw from an agreement to purchase the Common Shares and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to the Common Shares purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the Common Shares purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to Securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Common Shares distributed under an at-the-market distribution by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to Securities by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

Original Canadian purchasers of Securities which are convertible, exchangeable or exercisable into other securities of the Company will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original Canadian purchasers to receive the amount paid for such Securities (and any additional amount paid upon conversion, exchange or exercise), upon surrender of the underlying securities acquired upon such conversion, exchange or exercise, in the event that this prospectus, the applicable prospectus supplement or any amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law. In an offering of Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the amount paid for the Securities. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor. This contractual right of rescission does not extend to holders of Securities who acquire such Securities from an initial purchaser, on the open market or otherwise.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal advisor.

CERTIFICATE OF THE COMPANY

December 9, 2020

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the Securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

(Signed) Jonathan Ross Goodman
Chief Executive Officer

(Signed) Arvind Utchanah
Chief Financial Officer

On behalf of the Board of Directors

(Signed) Robert Lande
Director

(Signed) Samira Sakhia
Director