



HLS Therapeutics Announces Board Appointment

TORONTO, ON – December 21, 2020 – HLS Therapeutics Inc. (“HLS” or the “Company”) (TSX:HLS), a specialty pharmaceutical company focusing on central nervous system and cardiovascular markets, announces that John L. Welborn, Jr., Managing Director, Co-Chief Investment Officer for Stadium Capital Management, LLC (“Stadium”), will be nominated for election to the board of directors of the Company (the “Board”) as an independent director. Stadium and its affiliates are the largest shareholder of HLS and own approximately 18.8% of the Company’s issued and outstanding common shares.

Mr. Welborn will be nominated for election to the Board at the Company’s next annual meeting of shareholders (“AGM”) to be held in the spring of 2021. From the date hereof until the 2021 AGM, Mr. Welborn, will act in a non-voting, observer capacity.

“John will bring significant business and investment expertise to the Board, as well as the perspective of a large, long-term and well-informed shareholder,” said William Wells, Executive Chairman of HLS. “This appointment reflects our commitment to building a strong and diverse board of directors to help the Company execute on its long-term growth strategy and continue to build shareholder value.”

Mr. Welborn added, “With the accelerating launch of HLS’s cardiovascular franchise in 2021, I am pleased to join the board of directors of HLS at such an exciting and transformational time for the business. The HLS team has built a robust product portfolio with significant growth potential and a compelling platform to pursue additional expansion opportunities. I look forward to helping the company maximize its potential in this next stage of its growth curve.”

Mr. Welborn, 43, joined Stadium in 2000 and currently serves as Managing Director, Co-Chief Investment Officer. Previously, Mr. Welborn was a Financial Analyst at The Beacon Group, LLC, a principal investment and advisory firm that is now part of J.P. Morgan Chase & Co. Mr. Welborn earned a B.S. degree in Commerce from the McIntire School of Commerce at the University of Virginia. Mr. Welborn has served on the boards of Intermountain Community Bancorp, Panhandle State Bank, Inc., Ascena Retail Group, Inc. and West Coast Bancorp (board observer).

ABOUT STADIUM CAPITAL MANAGEMENT, LLC

Founded in 1997, Stadium is a private investment advisory firm located in New Canaan, CT. Stadium invests with a concentrated, long-term orientation in undervalued smaller public companies in the U.S., Canada and Europe.

ABOUT HLS THERAPEUTICS INC.

Formed in 2015, HLS is a specialty pharmaceutical company focused on the acquisition and commercialization of late-stage development, commercial stage promoted and established branded pharmaceutical products in the North American markets. HLS’s focus is on products targeting the central nervous system and cardiovascular therapeutic areas. HLS’s management team is composed of seasoned pharmaceutical



executives with a strong track record of success in these therapeutic areas and at managing products in each of these lifecycle stages. For more information, please visit: www.hlstherapeutics.com

FORWARD LOOKING INFORMATION

This release includes forward-looking statements regarding HLS and its business. Such statements are based on the current expectations and views of future events of HLS's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including, among others, statements with respect to HLS's pursuit of additional product and pipeline opportunities in certain therapeutic markets, statements regarding growth opportunities and expectations regarding financial performance. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting HLS, including risks relating to the specialty pharmaceutical industry, risks related to the regulatory approval process, economic factors and many other factors beyond the control of HLS. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause HLS's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. A discussion of the material risks and assumptions associated with this release can be found in the Company's Annual Information Form dated March 18, 2020 and Management's Discussion and Analysis dated November 4, 2020, both of which have been filed on SEDAR and can be accessed at www.sedar.com. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and HLS undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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