HLS Therapeutics Inc.

HLS Therapeutics Announces Partial Redemption of Preferred Shares

TORONTO, April 26, 2018 /CNW/ - HLS Therapeutics Inc. ("HLS" or the "Company") (TSXV: HLS) announces that it intends to redeem 9,321,492 (71.83%) of the Company's outstanding Class A preferred shares ("Preferred Shares") on May 9, 2018 on a pro rata basis (the "Partial Redemption"). The shares will be redeemed at a price of CDN $0.61149 per share, for a total redemption payment of CDN $5.7 million (the "Aggregate Redemption Payment").

A notice of redemption will be provided to registered holders of Preferred Shares in accordance with the rights, privileges and conditions attached to the Preferred Shares (the "Share Terms"). HLS expects that the notice will be mailed on or about April 26, 2018. Non-registered shareholders (i.e. shareholders that hold their Preferred Shares through a broker or other intermediary) should contact their broker or other intermediary for information regarding the redemption process for Preferred Shares in which they hold a beneficial interest.

Under the plan of arrangement (the "Arrangement") involving former HLS Therapeutics Inc. and Automodular Corporation ("AMD") completed on March 12, 2018, former shareholders of AMD received common shares of HLS and Preferred Shares in exchange for their common shares of AMD. The purpose of the Preferred Shares is to facilitate the distribution to such shareholders, through one or more redemptions of Preferred Shares, of the net settlement proceeds from AMD's litigation with General Motors Company and General Motors of Canada Limited (the "GM Claim") and certain additional AMD funds (deposited into an escrow account on closing of the Arrangement) to the extent such funds are not used by HLS to satisfy legacy AMD claims.

The Aggregate Redemption Payment represents the net settlement proceeds in respect of the GM Claim, together with additional cash in the escrow account approved for distribution to holders of Preferred Shares by the Board of Directors of HLS in accordance with the Share Terms. HLS expects that the balance of the Preferred Shares will be redeemed (and the remainder of the escrowed funds, if any, distributed to the holders of Preferred Shares) through a final redemption at the end of 2020.

The Company's transfer agent and redemption agent is Computershare Investor Services Inc. Questions regarding the redemption process may be directed to Computershare at 1-800-564-6253 or by e-mail to corporateactions@computershare.com.

About HLS

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.

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 timing for mailing of the notice of redemption in connection with the Partial Redemption and the timing for subsequent redemptions of Preferred Shares. 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 the risk that the escrowed funds may not be sufficient to address AMD legacy matters, risks relating to 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 joint information circular of HLS and AMD dated February 5, 2018 in respect of the Arrangement, which has 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.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE HLS Therapeutics Inc.

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