HLS Therapeutics®

Investor Presentation | September 2023



Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements”. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always using words or phrases such as “project”, “forecast”, “target”, “expect”, “seek”, “endeavour”, “anticipate”, “plan”, “estimate”, “believe”, “intend”, or stating that certain actions, events or results may, could, should, would, might or will occur or be taken, or achieved) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of known and unknown risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated. A number of factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this presentation. These factors should be considered carefully and prospective investors should not place undue reliance on these forward-looking statements. Although the forward-looking statements contained in this presentation are based upon what HLS currently believes to be reasonable assumptions, HLS cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, HLS does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances.

All figures in USD unless otherwise noted.

Historical financials are per HLS filed quarterly and annual statements

Forward-looking financial estimates are converted at an exchange rate of 1 USD = 1.333 CAD and 1 CAD = 0.75 USD

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HLS Therapeutics®

- New leadership
- Driving operational effectiveness
- Poised for organic growth

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HLS is a North American Commercially-Focused Pharmaceutical Company



* HLS also has a corporate office in Barbados

2 THERAPEUTIC AREAS:

Neuroscience

Cardiovascular

Foundation of cash flow generating assets combined with significant organic growth potential

US$ 61.5M
2022 Revenue

US$ 23.8M
2022 Adj. EBITDA

C$ 150M
Market Cap
as at 09.01.23

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NEUROSCIENCE

CLOZARIL®
Clozapine

Life-changing medicine for Treatment Resistant Schizophrenia



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Clozaril (Clozapine): A Life Changing Medicine

~3.3M
Americans &
~400,000
Canadians are living with schizophrenia

1/3
of all patients with schizophrenia have treatment-resistant schizophrenia (TRS)[1]

CLOZARIL®
Clozapine

The Only Approved Treatment for TRS

- 60% response rate[2] with TRS patients
- On the WHO's list of essential medicines
- Reduces overall healthcare costs
- HLS owns US and Canadian product rights

Under-Served Market: <1 in 4 TRS Patients are on Clozapine Treatment

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1 Treatment Resistance is considered a non-response to conventional therapy (2 failed trials)
2 Land R, Siskind D, McArdle P, Kisely S, Winckel K, Hollingworth SA. The impact of clozapine on hospital use: a systematic review and meta-analysis. Acta Psychiatr Scand. 2017 Apr;135(4):296-309. doi: 10.1111/acps.12700. Epub 2017 Feb 3. PMID: 28155220.

CSAN Patient Support Platform is Our Competitive Advantage



- The Clozaril Support & Assistance Network (CSAN) supports prescribers & patients
- Patients enrolled in CSAN have a compliance rate 32% higher than those using the leading generic[1]

>65,000 patient follow ups per year

>225,000 blood test results per year



DEDICATED TEAM:

Nurse Educators

Clinical Coordinators

Physician Consultants

INNOVATIVE TECH:

CSAN Pronto

– Easy point-of-care fingerstick blood sampling eliminates the need for lab testing

Key Differentiator for Maintaining the Leading Market Share in Canada

1 Peripharm report, September 2022. Economic Impact of Clozapine

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Consistent Brand Performance Generates Stable Cash Flow

CLOZARIL® Clozapine

US$42.2M

Revenue 2022

US$32.7M

Direct contribution to Adjusted EBITDA 2022

8

consecutive years

of patient growth in Canada since acquired by HLS

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CARDIOVASCULAR

Vascepa®

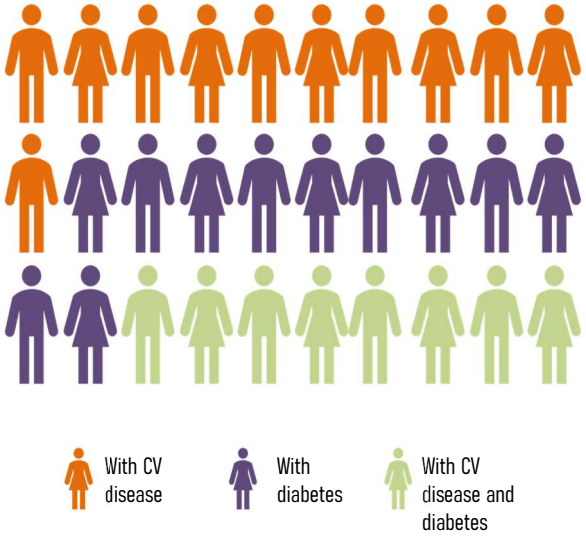
A New Paradigm in the Treatment of Cardiovascular Risk

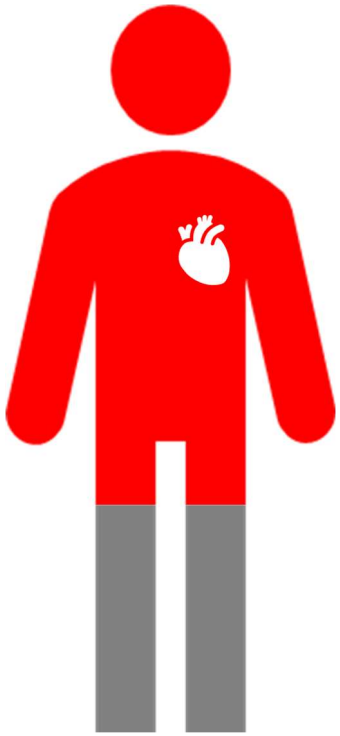


Cardiovascular Disease is a Leading Cause of Death

~3M

Canadians on statins with diagnosed heart disease and/or diabetes[1]





Significant CV risk remains

Statins reduce risk of a major CV event by 15-44%[2]

1 HLS estimate based on Statistics Canada and IQVIA Compuscript.
2 References for individual statin trials available upon request

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Reduce-IT: Landmark Clinical Study

Vascepa®

The NEW ENGLAND JOURNAL of MEDICINE

CRITERIA:

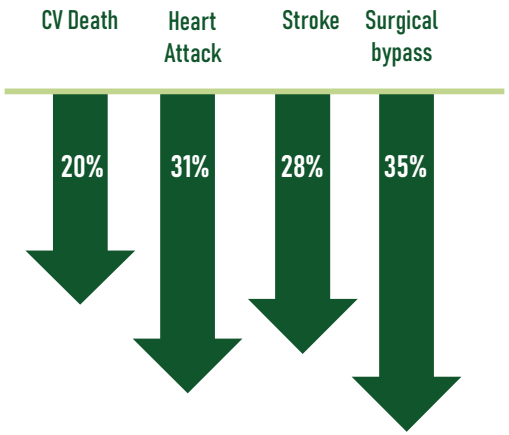
8,200 statin-treated patients
11 countries
5-year trial in:

- Patients who have had a CV event
- Diabetic patients with additional CV risk factors

RESULTS:

25%

Relative Risk Reduction in major adverse CV events in patients on statin treatment[1]



European Heart Journal

EVAPORATE TRIAL:

Vascepa patients showed a **17%** reduction in low-attenuation plaque over baseline at 18 months[2]

2 Budoff MJ, Bhatt DL, Kinninger A, Lakshmanan S, Muhlestein JB, Le VT, May HT, Shaikh K, Shekar C, Roy SK, Tayek J, Nelson JR. Effect of icosapent ethyl on progression of coronary atherosclerosis in patients with elevated triglycerides on statin therapy: final results of the EVAPORATE trial. Eur Heart J. 2020 Oct 21;41(40):3925-3932. doi: 10.1093/eurheartj/ehaa652. PMID: 32860032; PMCID: PMC7654934.

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1 Number needed to treat of 21

Significant Near-Term Growth Potential

Vascepa®

~800,000 Canadians[1] in-label with access to reimbursement

C$1B+

Total Addressable Market

Reimbursement in place:

- >90% private payer coverage
- >70% public payer coverage

25 international medical societies or journals recommend the use of Vascepa

Canadian Cardiovascular Society

American Diabetes Association.

Canadian Stroke Best Practices

American Heart Association.

Portfolio of issued and listed patents extends through 2030s

HLS has in-licensed the exclusive rights to Vascepa for the Canadian market

1 Meets criteria per prescribing label and with current reimbursement coverage through private or public plan

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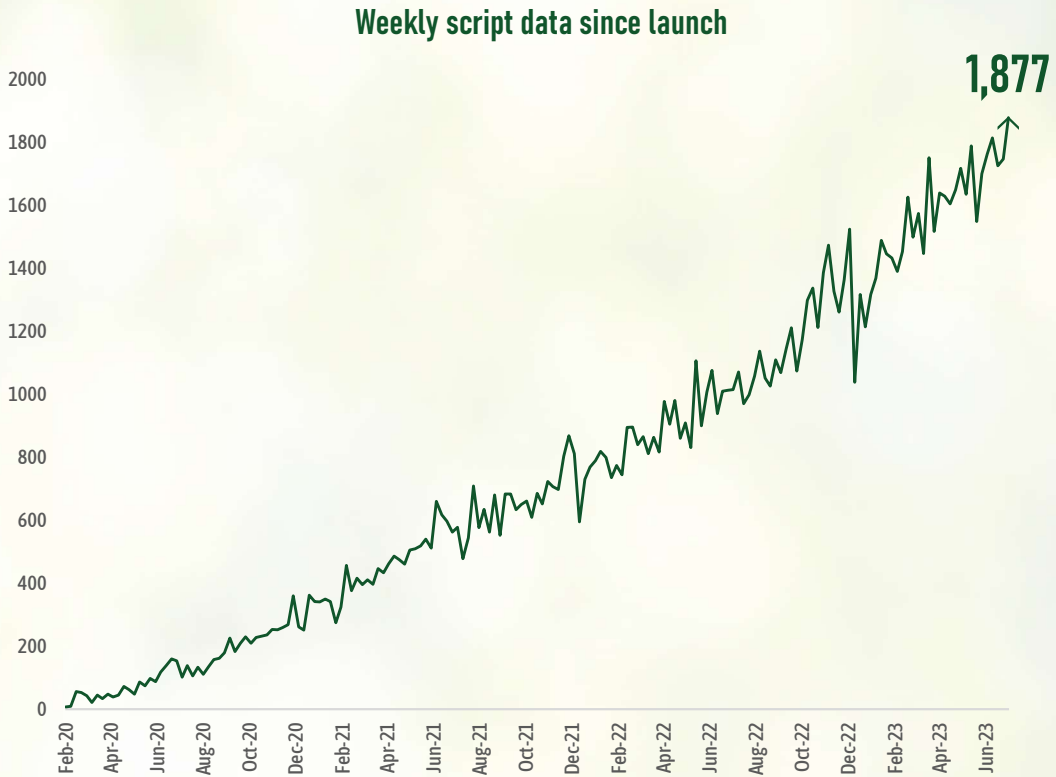
Strong Prescription Momentum

Vascepa®



91% increase
in total prescriptions*

96% increase in prescribers*

139% increase
in consistent prescribers*

(*Q2 2023 compared to Q2 2022)

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Drive Growth & Accelerate the Path to Profitability

Vascepa®

1	Adapt go-to-market model	• Focused sales force effort on specialists & promotionally-responsive GPs • Augment with cost-effective multi-channel marketing
2	Improve reimbursement dynamics	• Reduce administrative burden for physician practices • Improve level of access in public plans
3	Increase utilization across patient populations	• Increase usage in both public and private payer segments • Drive adoption in diabetes patient segment

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HLS Therapeutics®

Financial Strength:
Solid Foundation to support our growth

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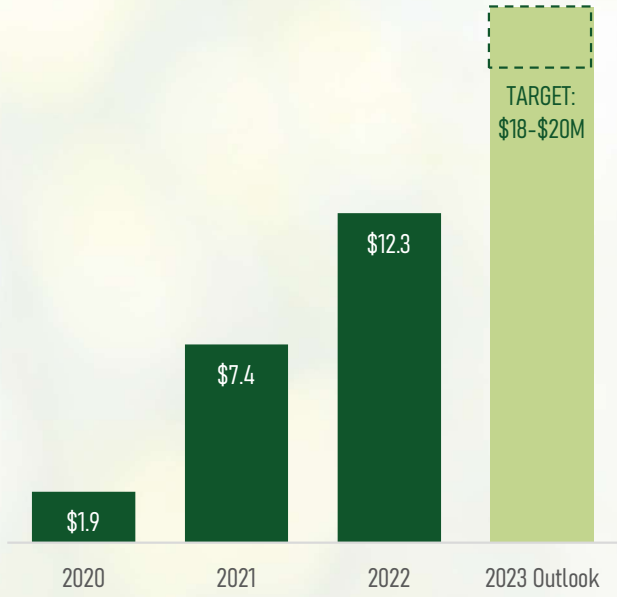
Cash-Flow Generating Assets and Organic Growth

(USD$ millions)		FY 2022	% change	% change (constant currency)	YTD 2023	% change	% change (constant currency)
REVENUE	Product	51.7	+2%	+4.5%	25.0	0%	+4%
	Royalty	9.8	+4%	+4%	6.2	+24%	+24%
	Total	**61.5**	+2%	+5%	**31.2**	+4%	+7%
ADJUSTED EBITDA[1]		**23.8**	(10%)		**10.6**	(15%)	

Numbers in columns may not add-up due to rounding to one decimal place

Annual Vascepa Revenue (CDN$ M)



2022 Cash Flow From Operations $16.9M, up $0.5M

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[1]Net income (loss) adjusted for (i) "stock-based compensation", (ii) "amortization and depreciation", (iii) "acquisition and transaction costs", (iv) "finance and related costs", and (v) "income tax expense (recovery)"

Vascepa to Become a Positive Contributor to Adjusted EBITDA

Adjusted EBITDA Contribution

ACTUAL (H1 2023)

CLOZARIL® Clozapine

direct contribution to Adjusted EBITDA:

$14.4M

Vascepa®

direct contribution (loss) to Adjusted EBITDA:

($4.7)M

OUTLOOK (H2 2024)

CLOZARIL® Clozapine

continued strong contribution to Adjusted EBITDA

Vascepa to generate positive contribution to Adjusted EBITDA in 2H 2024

Vascepa®

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Strong Balance Sheet with Capacity for Expansion

Summary Balance Sheet & Capitalization

(US$ millions)	At Dec 31, 2022	At Jun 30, 2023
Cash and Cash Equivalents	20.7	**20.9**
Senior Secured Term Loan and Revolver	97.1	**93.8**
Net Debt (Term Loan less Cash)	75.9	**72.9**

	At Dec 31, 2022	At Jun 30, 2023
Shares Outstanding ('000's)	32,451	**32,301**

Market Cap: ~ C$150M
as at 09.01.23

Share Buyback



- Return of capital via NCIB (share buyback)
- 4x increase in July/August over prior year period

Updated Credit Agreement



- Syndicate Led by JP Morgan
- Term extended to August 2026
- $30M revolver capacity (undrawn)
- $70M expansion facility available
- Interest rate of L+ 275-425 bp

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MANAGEMENT

Craig Millian, MBA
Chief Executive Officer

Tim Hendrickson, MBA
Chief Financial Officer

Brian T. Walsh, MBA
Senior Vice President, Commercial

Ryan C. Lennox, JD
Senior Vice President, Legal,
HR and Compliance

Patricia Perry
Vice President, Human Resources

Jason A. Gross, PharmD
Vice President, Scientific Affairs

Pauline Dapena-Cherry
Head, Corporate & Business Development

BOARD OF DIRECTORS

John Welborn, Chair of the Board
Senior Advisor, Stadium Capital Management, LLC

Craig Millian, Chief Executive Officer

Laura A. Brege
Managing Director, Cervantes Life Science Partners, LLC

Rodney Hill
Global Head of Technology, Data and Security, OMERS

Norma Beauchamp
Corporate director at Dialogue Health, Extendicare and Aurora Cannabis, and former healthcare industry executive

Dr. Kyle Dempsey
Partner, MVM Partners

Christian Roy
Healthcare industry consultant; previously Partner at TANK Worldwide and Vice President, Marketing, Pfizer Canada

John Hanna
Chief Financial Officer, Inca Networks Incorporated

Management & Board Ownership ~25%[1]

1 Includes holdings of Stadium Capital and MVM, who are represented on the board of directors

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HLS Therapeutics®

- Stable cash flow & significant organic growth potential

- Near-term operational catalysts for Vascepa
  - Improved promotional effectiveness
  - Enhanced reimbursement
  - Target positive Adj. EBITDA in 2H 2024

- ~4x increase in share buy-back

- Financial capacity for future expansion

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