HLS Therapeutics Inc.

HLS Therapeutics Announces Fourth Quarter and Fiscal 2019 Financial Results

- **Revenue of $54.2 million, Adjusted EBITDA of $31.6 million and Cash from Operations of $26.4 million**
- **Received approval from Health Canada for Vascepa® to reduce the risk of cardiovascular events**
- **Received medical device license from Health Canada for the CSAN® Pronto™ point-of-care blood testing medical device**

TORONTO, March 19, 2020 /CNW/ - HLS Therapeutics Inc. ("HLS" or the "Company") (TSX:HLS), a specialty pharmaceutical company focusing on central nervous system and cardiovascular markets, announces its financial results for the three- and twelve-month periods ended December 31, 2019 ("Q4 2019" and "Fiscal 2019"). All amounts are in thousands of United States ("U.S.") dollars unless otherwise stated.

FISCAL 2019 OPERATIONAL HIGHLIGHTS

- Upon completion of a priority review, Health Canada approved Vascepa (icosapent ethyl) to reduce the risk of cardiovascular events (cardiovascular death, non-fatal myocardial infarction, non-fatal stroke, coronary revascularization or hospitalization for unstable angina) in statin-treated patients with elevated triglycerides, who are at high risk of cardiovascular events due to established cardiovascular disease, or diabetes, and at least one other cardiovascular risk factor
- Built a national Cardiovascular salesforce in preparation for the launch of Vascepa consisting of 22 sales representatives and eight other field-based roles
- Filed with Health Canada, and received a medical device license for the CSAN Pronto point-of-care white blood cell testing device for treatment-resistant schizophrenia patients using Clozaril®, and launched the product into the Canadian market
- Completed a pilot program in the U.S. for the Athelas One device that will instruct our 2020 tactical plan
- Acquired an exclusive license for the Canadian rights to PERSERIS®, a novel long-acting injectable risperidone product for the treatment of schizophrenia
- Graduated to the Toronto Stock Exchange

FISCAL 2019 FINANCIAL HIGHLIGHTS

- Revenue was $54.2 million compared to $61.4 million in 2018
- Adjusted EBITDA was $31.6 million compared to $41.1 million in 2018
- Net loss was ($19.6) million, or ($0.67) per common share, compared to net loss of ($24.8) million, or ($0.92) per common share, in 2018
- Cash from operations was $26.4 million compared to $32.7 million in 2018
- Completed a C$50.0 million (US$37.3 million) bought deal offering, which included the exercise in full of the underwriters' over-allotment option
- Cash and cash equivalents of $47.1 million at the end of 2019 compared to $10.9 million at the end of 2018
- Returned a total of $4.3 million to common shareholders via the Company's quarterly dividend of C$0.05 per outstanding common share

OPERATIONAL HIGHLIGHTS SUBSEQUENT TO 2019 YEAR-END

- Vascepa was added to Health Canada's Register of Innovative Drugs and as a result the product will benefit from data protection for a term of eight years. A $3.8 million milestone payment became payable to Amarin on confirmation of data protection for Vascepa
- Launched Vascepa in the Canadian market with a dedicated Cardiovascular team of more than 30 people, which includes a national team of 22 sales representatives
- New Drug Submission ("NDS") for PERSERIS accepted by Health Canada on January 23, 2020
- NDS for Trinomia® accepted by Health Canada on February 19, 2020

"2019 was a pivotal year for HLS in which we achieved important milestones that we believe strengthen the core foundation of the business and position the Company for transformative growth," said Greg Gubitz, CEO of HLS. "Regarding our financial performance, this year we invested in the business to prepare for the launch of Vascepa, while continuing to generate strong operating margins and significant cash flow. Our financial position was further strengthened with the completion of a C$50 million bought-deal financing that expanded our institutional shareholder base and provided us with additional resources to support our organic and acquisitive growth initiatives."

"Obtaining priority review and subsequently gaining approval from Health Canada for Vascepa were the key operational achievements in 2019. Priority review is generally granted when a drug addresses a serious life-threatening condition, when there is no existing treatment and when there is substantial evidence backing up its clinical effectiveness. Health Canada's regulatory approval of Vascepa was based on the significant data supporting the product from the 8,179 patient REDUCE-IT® outcomes trial."

"REDUCE-IT is a landmark cardiovascular outcome study that has been referred to as the most significant development of the last 25 years in the field of preventative cardiology. For eligible patients, the REDUCE-IT trial results showed that not only does Vascepa reduce the residual risk of a first cardiovascular event by 25%, but it also prevents the occurrence of subsequent events by more than 30%. The specific reduction in cardiovascular death reached 20%, heart attacks were reduced by 30%, and strokes by 29%."

"Vascepa represents the first and only prescription medication for patients with those cardiovascular risks and is a new treatment option for healthcare practitioners. Many major medical societies[1] now recommend Vascepa to reduce the risk of cardiovascular disease, which is the number-one cause of death worldwide. Here in Canada, every ten minutes someone dies from cardiovascular disease[2]. The REDUCE-IT trial results suggest that we have the potential to make a significant life-changing difference to many Canadians who suffer from cardiovascular disease and to the many healthcare practitioners and loved ones involved in their care."

"Subsequent to year-end, Vascepa was added to Health Canada's Register of Innovative Drugs. On the heels of announcing this data exclusivity, we increased our peak-year sales forecast for the product to C$200-300 million, from C$150-250 million, reflecting our growing confidence in its potential. Following our launch in February 2020, we are now working to make Vascepa available to the many Canadians who may benefit from the product."

"2019 was also a busy year for expanding and developing our overall product portfolio. We received a medical device license from Health Canada for CSAN Pronto and launched that product into the Canadian market in late 2019. So far, we have received positive feedback from the healthcare community on the potential of the device to simplify the safety blood monitoring process for treatment-resistant schizophrenia. We also in-licensed PERSERIS and filed an NDS with Health Canada with an indication for the treatment of schizophrenia in adults. With its unique sub-cutaneous long-acting injectable delivery formulation, PERSERIS could, if approved by Health Canada, bring another treatment option to patients and practitioners and it is complementary to our Clozaril business."

"With Trinomia, subsequent to year-end, our NDS was accepted for review by Health Canada. Trinomia is a polypill combination of an antiplatelet (acetylsalicylic acid), a statin (atorvastatin) and an ACE inhibitor (ramipril). HLS is seeking approval for Trinomia in adult patients with an established cardiovascular disease who have been adequately controlled with the individual components. We believe that an affordable and accessible cardiovascular polypill can bring simplicity and enhanced compliance to a treatment that is essential to reduce the likelihood of a second cardiovascular event. In addition, as the drug is a cardiovascular therapeutic option, we believe there are excellent commercial synergies between Trinomia and Vascepa, as both would be promoted with the same salesforce calling on the same prescribers. Trinomia is already commercialized in 31 countries by Ferrer and its other licensees."

"Finally, regarding COVID-19, HLS has taken prudent steps to minimize any potential impact to our employees, partners in the medical community and patients. For the most part, these are standard procedures being adopted by companies worldwide that involve working from home and eliminating unnecessary travel. We continue to move ahead with promotion of our products, but we have withdrawn face-to-face meetings between sales reps and healthcare providers in respect of standard recommendations for 'social distancing'. To be clear, our Vascepa launch continues, but the current environment requires modifications to our strategy. As such, we remain in contact with the medical community and we are moving forward with the marketing activity that we can reasonably do today."

DIVIDEND

On March 18, 2020, the Company's Board of Directors declared a dividend of C$0.05 per outstanding common share to be paid on June 15, 2020, to shareholders of record as of April 30, 2020.

These dividends paid on the Company's common shares are designated to be "eligible dividends" for purposes of section 89(1) of the *Income Tax Act* (Canada).

FINANCIAL REVIEW

Revenue

The following table provides revenue segmentation by revenue type and geography for the three- and twelve-month periods ended December 31, 2019:

	Three months ended December 31,		Year ended December 31,	
	2019	2018	2019	2018
Product sales				
Canada	7,023	8,065	27,159	29,726

United States	4,496	4,909	17,433	20,097
	11,429	12,974	44,592	49,823
Royalty revenue	2,508	3,687	9,568	11,592
	13,937	16,661	54,160	61,415

In the Canadian market where Clozaril and the CSAN patient support program are supported by a comprehensive network of HLS employees, Clozaril continues to be the market-leading treatment for treatment-resistant schizophrenia with a growing number of patients. The number of Clozaril patients in Canada grew by 2.4% year-over-year.

Clozaril net sales in Canada of $27.2 million were down 8.6% from the prior year. The decrease reflects the impact of a 2.4% reduction in the average exchange rate over the year on the translation of results to U.S. dollars. With a growing number of patients and other strong fundamentals, the remaining decline in year-over-year revenue for Clozaril in Canada was largely attributable to recent changes in the Ontario government's purchasing directives. These changes led to a boost in inventories in Q4 2018 and then a subsequent drawdown of inventory levels beginning mid-year in 2019 with Ontario hospitals now maintaining a lower ongoing base of inventory. The Company believes that Clozaril patients in Ontario are still well supported by the new pattern of more frequent hospital orders, which is more consistent with order patterns elsewhere in Canada.

HLS introduced CSAN Pronto into the Canadian market toward the end of 2019 and the Company is working with leading mental health institutions across Canada to make the new blood testing system available to Clozaril patients. This device is designed to enhance and simplify the mandatory blood monitoring process for Canadian patients prescribed Clozaril. HLS has the exclusive Canadian rights to this device in the field of schizophrenia.

The discontinuation of the previous authorized generic supply agreement accounts for $0.9 million of the $2.7 million decline in U.S. product sales year-over-year. This authorized generic supply agreement had generated marginal results and was discontinued at the end of 2018. The branded Clozaril business in the U.S. market continues to experience modest low single-digit percentage volume declines year-over-year. Clozaril product sales in 2018 benefited from $0.8 million more favorable gross-to-net adjustments in the prior period.

In 2019, HLS conducted a pilot program with Athelas, the developer and manufacturer of the Athelas One medical device (as it is known in the U.S.), to evaluate the potential for the blood testing system for clozapine patients in the U.S. market. Based on the results of this pilot program, in 2020 the Company will work with Athelas to progressively extend the program to selected regions and settings of care.

Absorica royalty revenue was $9.6 million in 2019 compared to $11.6 million in 2018. After considerable volatility in past years, it appears that Absorica prescription activity in the U.S. market is now relatively stable, though in a declining trend. Subsequent to the year-end, on February 6, 2020, the distributor of Absorica announced that the U.S. marketer of the product had launched Absorica LD, a line extension to Absorica, that could provide the potential for near-term growth in the Company's royalty revenues. Looking forward, HLS still expects that the economic life of its marketing rights will terminate at the end of 2020.

Operating Expenses

	Three months ended December 31,		Year ended December 31,	
	2019	**2018**	**2019**	**2018**
Cost of product sales	484	592	1,932	2,595
Selling and marketing	2,028	1,380	6,256	4,323
Medical, regulatory and patient support	1,520	1,153	5,287	4,437
General and administrative	2,669	2,345	9,042	8,964
	6,701	5,470	22,517	20,319

The cost of product sales for Clozaril continues to be stable and low relative to revenues. The reduction in cost of product sales from the prior year is primarily attributable to the decision to discontinue the previous authorized generic supply agreement for Clozaril in the U.S. market at the end of 2018.

Selling and marketing activities increased by $0.6 million for the fourth quarter of 2019 and by $1.9 million for Fiscal 2019, relative to the same periods in the prior year, reflecting additional activity to prepare and support the launches of Vascepa and CSAN Pronto, including the pilot program in the U.S. market. Medical, regulatory and patient support activities increased by $0.4 million for Q4 2019 and by $0.9 million for Fiscal 2019, relative to same periods in the prior year, primarily as a result of additional activity related to preparations for the launch of Vascepa.

Adjusted EBITDA

	Three months ended December 31,		Year ended December 31,	
	2019	**2018**	**2019**	**2018**
Net income (loss) for the period	(12,220)	369	(19,552)	(24,806)
Stock-based compensation	2,034	537	3,761	1,062
Amortization and depreciation	8,154	8,042	32,510	32,395
Acquisition and transaction costs	327	143	957	891
Finance and related costs	9,497	1,210	14,878	35,551
Income tax expense (recovery)	(556)	890	(911)	(3,997)
Adjusted EBITDA	7,236	11,191	31,643	41,096

For Q4 2019 and Fiscal 2019, the decrease in Adjusted EBITDA reflects the decrease in Clozaril product sales, the decrease in Absorica royalties and the increase in other operating expenses, particularly the selling and marketing costs and medical, regulatory and patient support costs tied to preparations for the introduction of Vascepa and CSAN Pronto. These negative impacts were partially offset by the reduction in Clozaril's cost of product sales.

Interest Expense and Debt

Interest on the senior secured term loan in Fiscal 2019 was $5.7 million compared to $12.2 million in Fiscal 2018. The decrease in interest expense is primarily due to the refinancing of the Company's debt in August 2018. The Company's current debt structure has both a lower principal amount outstanding and a lower interest rate than its original debt facility.

As at December 31, 2019, the principal debt balance outstanding under the new senior secured term facility was $93.8 million compared to $98.8 million at December 31, 2018. This compares with the original senior secured loan borrowing of $185.0 million at the Company's inception and the $137.9 million loan balance at the end of Q2 2018 just prior to the Company restructuring its debt.

Net Loss

Net loss in 2019 was ($19.6) million, or ($0.67) per share, compared to a net loss of ($24.8) million, or ($0.92) per share in 2018. Despite the decrease in Adjusted EBITDA, net loss improved year-over-year primarily due to costs incurred in Q3 2018 related to the refinancing of the Company's debt as well as lower interest expense paid throughout 2019 resulting from that refinancing. The net loss in 2019 also includes an $8.8 million non-cash fair value adjustment for the lender warrants as a result of the increase in the HLS stock price over the period.

Cash from Operations and Financial Position

Cash generated from operations was $26.4 million in 2019, compared to $32.7 million in 2018. As at December 31, 2019, the Company had cash and cash equivalents of $47.1 million, up from $10.9 million at December 31, 2018. Cash and cash equivalents increased in Fiscal 2019 due to positive cash generated from operations and the C$50.0 million (US$37.3 million) bought-deal equity financing completed in Q2 2019.

Q4 FISCAL 2019 CONFERENCE CALL

HLS will hold a conference call today at 8:30 am Eastern Time to discuss its Q4 and Fiscal 2019 financial results. The call will be hosted by Mr. Greg Gubitz, Chief Executive Officer, Mr. Gilbert Godin, President and Chief Operating Officer and Mr. Tim Hendrickson, Chief Financial Officer.

DATE:	Thursday, March 19, 2020
TIME:	8:30 am ET
DIAL-IN NUMBER:	(888) 231-8191 or (647) 427-7450
WEBCAST LINK:	https://event.on24.com/wcc/r/2201043/DA0B5FD59F1976B20702F21468E97551
TAPED REPLAY:	(855) 859-2056 or (416) 849-0833
REPLAY PASSCODE:	3268006

A link to the live audio webcast of the conference call will also be available on the events page of the investors section of HLS Therapeutics' website at www.hlstherapeutics.com. Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to hear the webcast. The taped replay will be available for 14 days and the archived webcast will be available for 90 days.

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 visit: www.hlstherapeutics.com

CAUTIONARY NOTE REGARDING NON-IFRS MEASURES

This press release refers to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of HLS's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of HLS's financial information reported under IFRS. HLS uses non-IFRS measures to provide investors with supplemental measures of its operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. HLS also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. HLS's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess HLS's ability to meet its future debt service, capital expenditure and working capital requirements.

In particular, management uses Adjusted EBITDA as a measure of HLS's performance. To reconcile net loss for the year with Adjusted EBITDA, each of (i) "stock-based compensation", (ii) "amortization and depreciation", (iii) "acquisition costs", (iv) "finance and related costs", and (v) "income tax recovery" appearing in the Consolidated Statement of Net Loss are added to net loss for the year to determine Adjusted EBITDA. Adjusted EBITDA does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss) prepared in accordance with IFRS as issued by the IASB.

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, 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.

REFERENCES

1. https://amarincorp.gcs-web.com/static-files/50cdf210-9124-4cc9-85bf-535b62d143a0
2. Statistics Canada 2016 (Most recent published data) Table 13-10-0147-01, 13-10-0154-01, 13-100146-01, 13-10-0145-01, 13-10-0143-01, 13-10-015501 calculated using ICD-10-CA codes for heart conditions, stroke and vascular dementia as per defined by Heart and Stroke Foundation

HLS THERAPEUTICS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
[in thousands of U.S. dollars]

	As at December 31, 2019	As at December 31, 2018
ASSETS		
Current		
Cash and cash equivalents	47,078	10,930
Accounts receivable	11,858	17,509
Inventories	2,055	1,505
Derivative financial instruments	271	755
Prepaid expenses and other current assets	1,838	919
Total current assets	63,100	31,618
Property, plant and equipment	1,276	363
Intangible assets	252,050	271,153
Restricted assets	2,188	2,290
Deferred tax asset	1,057	1,001
Total assets	319,671	306,425
Current		
Accounts payable and accrued liabilities	13,466	12,405
Provisions	5,471	6,574
Debt and other financial liabilities	27,855	18,920
Income taxes payable	347	369
Total current liabilities	47,139	38,268
Debt and other financial liabilities	91,822	104,459
Deferred tax liability	2,511	5,209
Total liabilities	141,472	147,936
Shareholders' equity		
Share capital	248,687	210,360
Contributed surplus	11,517	12,973
Accumulated other comprehensive loss	(537)	(7,455)
Deficit	(81,468)	(57,389)
Total shareholders' equity	178,199	158,489
Total liabilities and shareholders' equity	319,671	306,425

HLS THERAPEUTICS INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Unaudited
[in thousands of U.S. dollars]

	Three months ended		Year ended	
	December 31, 2019	**December 31, 2018**	**December 31, 2019**	**December 31, 2018**
Revenues	13,937	16,661	54,160	61,415
Expenses				
Cost of product sales	484	592	1,932	2,595
Selling and marketing	2,028	1,380	6,256	4,323
Medical, regulatory and patient support	1,520	1,153	5,287	4,437
General and administrative	2,669	2,345	9,042	8,964
Adjusted EBITDA	7,236	11,191	31,643	41,096
Stock-based compensation	2,034	537	3,761	1,062
Amortization and depreciation	8,154	8,042	32,510	32,395
Operating income	(2,952)	2,612	(4,628)	7,639
Acquisition and transaction costs	327	143	957	891
Finance and related costs, net	9,497	1,210	14,878	35,551
Income (loss) before income taxes	(12,776)	1,259	(20,463)	(28,803)
Income tax expense (recovery)	(556)	890	(911)	(3,997)
Net income (loss) for the period	(12,220)	369	(19,552)	(24,806)
Other comprehensive income (loss)				
Translation of foreign operations	2,598	(7,978)	6,918	(13,396)
Comprehensive income (loss) for the period	(9,622)	(7,609)	(12,634)	(38,202)
Net loss per share:				
Basic and diluted	$ (0.40)	$ 0.01	$ (0.67)	$ (0.92)
Weighted average number of common shares				
Basic	30,890,295	27,295,297	29,360,830	26,952,523
Effect of dilutive securities	-	4,748,837	-	-
Diluted	30,890,295	32,044,134	29,360,830	26,952,523

HLS THERAPEUTICS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
[in thousands of U.S. dollars]

	Share capital	**Contributed surplus**	**Accumulated other comprehensive income (loss)**	**Deficit**	**Total**
Balance, December 31, 2017	192,743	12,330	5,941	(30,632)	180,382
Common shares issued	19,905	—	—	—	19,905
Share issuance costs	(1,252)	—	—	—	(1,252)
Shares repurchased	(1,036)	—	—	112	(924)
Stock option expense	—	643	—	—	643
Net loss for the year	—	—	—	(24,806)	(24,806)
Dividends declared	—	—	—	(2,063)	(2,063)
Unrealized foreign currency translation adjustment	—	—	(13,396)	—	(13,396)
Balance, December 31, 2018	210,360	12,973	(7,455)	(57,389)	158,489
Common shares issued	37,329	—	—	—	37,329
Share issuance costs	(2,411)	—	—	—	(2,411)
Warrants exercised	3,395	(3,358)	—	—	37
Stock options exercised	14	—	—	—	14
Warrants granted	—	470	—	—	470
Stock option expense	—	1,432	—	—	1,432
Net loss for the year	—	—	—	(19,552)	(19,552)
Dividends declared	—	—	—	(4,527)	(4,527)
Unrealized foreign currency translation adjustment	—	—	6,918	—	6,918
Balance, December 31, 2019	248,687	11,517	(537)	(81,468)	178,199

HLS THERAPEUTICS INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
[in thousands of U.S. dollars]

	Three months ended		Year ended	
	December 31, 2019	**December 31, 2018**	**December 31, 2019**	**December 31, 2018**
OPERATING ACTIVITIES				
Net loss for the period	(12,220)	369	(19,552)	(24,806)
Adjustments to reconcile net loss to cash provided by operating activities				
Stock-based compensation	2,034	537	3,761	1,062
Amortization and depreciation	8,154	8,042	32,510	32,395
Debt refinancing costs	-	-	-	18,951
Accreted interest	425	613	1,979	4,895
Fair value adjustment on financial assets and liabilities	8,729	(635)	9,384	(775)
Listing expense	-	-	-	435
Foreign exchange	(982)	-	(982)	-
Deferred income taxes	(919)	251	(2,241)	(5,446)
Changes in non-cash working capital balances related to operations	(2,876)	1,979	1,549	6,036
Cash provided by operating activities	2,345	11,156	26,408	32,747
INVESTING ACTIVITIES				
Capital expenditures	(60)	(7)	(199)	(99)
Acquisitions	(4,325)	(4,325)	(12,800)	(13,800)
Other intangible additions	(697)	(363)	(2,360)	(682)
Cash used in investing activities	(5,082)	(4,695)	(15,359)	(14,581)
FINANCING ACTIVITIES				
Common shares issued	-	-	37,329	19,470

Common share issuance costs	(69)	-	(2,648)	(1,699)
Stock options exercised	13	-	14	-
Warrants exercised	2	-	37	-
Common shares repurchased	-	-	-	(924)
Dividends paid	(1,143)	(1,047)	(4,332)	(1,047)
Original senior secured term loan repaid	-	-	-	(151,271)
New senior secured term loan repaid	(1,250)	(1,250)	(5,000)	98,750
Cash portion of debt refinancing costs	-	(3,000)	(1,000)	(11,453)
Lease payments	(132)	-	(453)	-
Restricted cash	-	-	-	5,555
Lender royalty payment	-	-	-	(237)
Cash used in financing activities	(2,579)	(5,297)	23,947	(42,856)
Net change in cash and cash equivalents in the period	(5,316)	1,164	34,996	(24,690)
Foreign exchange	1,051	(141)	1,152	(599)
Cash and cash equivalents, beginning of period	51,343	9,907	10,930	36,219
Cash and cash equivalents, end of period	47,078	10,930	47,078	10,930

SOURCE HLS Therapeutics Inc.

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https://hlstherapeutics.investorroom.com/2020-03-19-HLS-Therapeutics-Announces-Fourth-Quarter-and-Fiscal-2019-Financial-Results