



HLS Therapeutics®

Q1 2024

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Forward-Looking Statements



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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 = 1.35 CAD

Provided as part of an oral presentation and qualified by such, contains forward-looking statements, actual results may vary materially; HLS disclaims any duty to update

North American Pharma Company Focused on Commercial Stage Assets



2 THERAPEUTIC AREAS:



Psychiatric Disorders



Cardiovascular

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

US\$ 63.1M

2023 Revenue

US\$ 21.1M

2023 Adj. EBITDA

C\$ 125M

Market Cap
as at 04.01.24

* HLS also has a corporate office in Barbados



HLS Therapeutics[®]

- **New leadership**
-

- **Driving operational effectiveness**
-

- **Poised for organic growth**



Life-changing medicine for Treatment Resistant Schizophrenia

HLS owns product rights for Canada and the USA



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



The Only Approved Treatment for TRS

- 60% response rate² with TRS patients
- On the WHO's list of essential medicines
- Reduces overall healthcare costs
- HLS owns US and Canadian product rights

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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.

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

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 generic¹

>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 to Drive Leading Market Share in Canada

Consistent Brand Performance Generates Stable Cash Flow



US\$39.5M

Revenue 2023

US\$29.7M

Direct contribution to
Adjusted EBITDA 2023

8

consecutive years
of patient growth in Canada
since acquired by HLS
(up 1% in 2023)

Goal is to grow North American Clozaril sales 1-2%



Vascepa[®]

A New Paradigm in the Treatment
of Cardiovascular Risk

HLS has in-licensed the product rights for Canada



Cardiovascular Disease is a Leading Cause of Death

~3M

Canadians on statins with diagnosed heart disease and/or diabetes¹



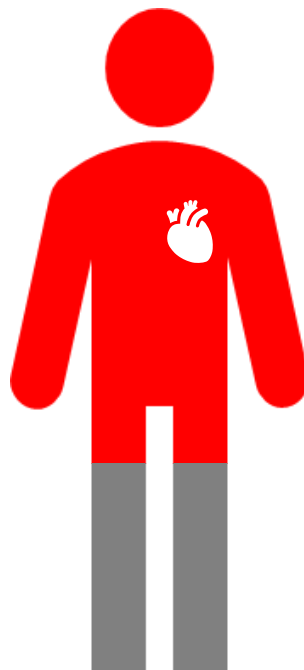
With CV disease



With diabetes



With CV disease and diabetes



Significant CV risk remains

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

Reduce-IT: Landmark Clinical Study



The NEW ENGLAND
JOURNAL of MEDICINE

CRITERIA:

8,200 statin-treated patients
11 countries

5-year trial in:

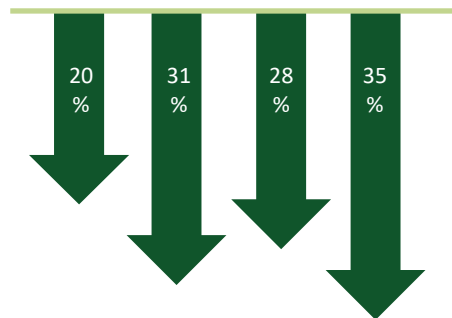
- Patients who have had a CV event
- Diabetic patients with additional CV risk factors

RESULTS:

25%

Relative Risk Reduction in major adverse CV events in patients on statin treatment¹

CV Death Heart Attack Stroke Surgical bypass



European
Heart Journal

EVAPORATE TRIAL:

Vascepa patients showed a **17%** reduction in low-attenuation plaque over baseline at 18 months²

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.

Significant Near-Term Growth Potential

Vascepa®

~800,000 Canadians¹ in-label
with access to reimbursement

C\$1B

Total Addressable Market

Reimbursement in place:

- ~95% private payer coverage
- ~85% 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 late 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



Adapt go-to-market model

Launched updated promotional services agreement with Pfizer on January 1, 2024

- General Practitioners now make up >55% of NRx



Improve reimbursement dynamics

Implemented PLA with BC Pharmacare on February 6, 2024

- Increased national coverage to **~85% of public** covered lives
- Increased national coverage to **~95% of private** covered lives

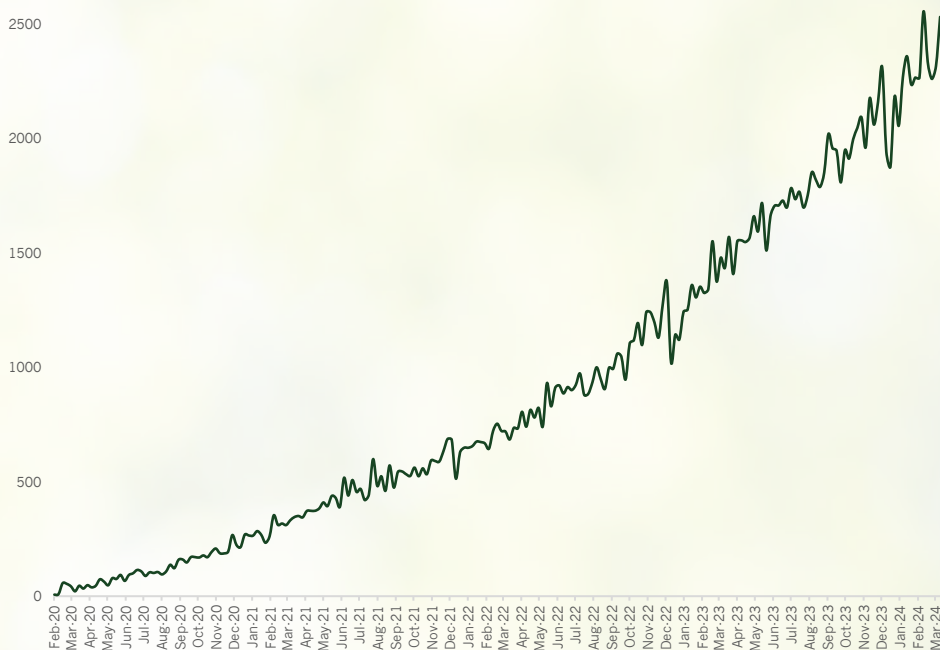
Improving reimbursement dynamics in Ontario

- EAP (public plan) authorization backlog reduced from ~50 to <5 days
- Pursuing simpler mechanism for public reimbursement (LU code)

Prescription Momentum Remains Strong



Weekly script data since launch



73% increase
in prescribers[^]



99% increase
in consistent prescribers[^]



86% increase
in total prescriptions*



70% increase
in 30-day unit equivalents*

[^]Q4 2023 compared to Q4 2022

*F2023 compared to F2022



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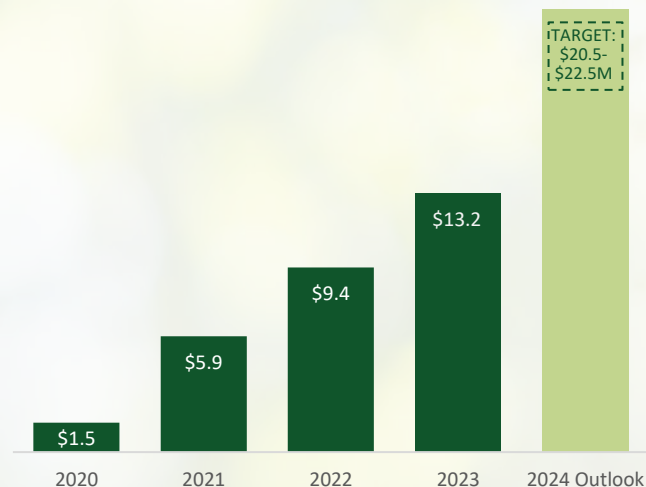
**Financials and Outlook:
solid foundation
to support growth**

Cash-Flow Generating Portfolio and Organic Growth

(USD\$ millions)		FY 2022	FY 2023	% change	% change (constant currency)
REVENUE	Product	51.7	52.7	2%	+5%
	Royalty	9.8	10.3	+6%	+6%
	Total	61.5	63.1	+3%	+5%
ADJUSTED EBITDA ¹		23.8	21.1	(11%)	

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

Annual Vascepa Revenue (USD\$ millions)



2023 Cash Flow From Operations \$15.8M

2024 Outlook: Revenue & Adjusted EBITDA



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Revenue

Vascepa

\$20.5-22.5M (55-70% growth)

Clozaril

~\$40M (1-2% growth)

Royalty

\$3-4M (60-70% decline)

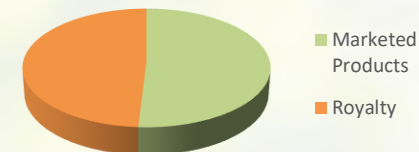
Marketed Products

\$60.5-62.5M (15-19% growth)

Consolidated revenue goal of \$63.5M-\$66.5M (1-5% growth)

Adj EBITDA

2023 AEBITDA



2024 AEBITDA (forecast)



Adj EBITDA goal is at or above 2023

Revenue & Adj EBITDA Growth Prospects Improve Beyond 2024



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- 1 Vascepa expected to be profitable
- 2 Scalable Vascepa operating model; margins improve as top-line grows
- 3 Royalty portfolio expected to grow modestly beginning in 2025
- 4 Improved operating performance could support portfolio expansion

Remain confident in Vascepa's potential to generate annual sales > C\$100M

Strong Balance Sheet



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Summary Balance Sheet & Capitalization

(US\$ millions)	At Dec 31, 2022	At Dec 31, 2023
Cash and Cash Equivalents	20.7	22.0
Senior Secured Term Loan and Revolver	97.3	88.5
Net Debt (Term Loan less Cash)	75.9	66.5

	At Dec 31, 2022	At Dec 31, 2023
Shares Outstanding ('000's)	32,451	32,263

Updated Credit Agreement



- \$25M revolver capacity (undrawn)
- Allowable restricted payments (NCIB) capped at \$2.5M for 2024
- Interest rates relatively unchanged
- \$70M expansion facility remains available

Share Buyback



- Return of capital via NCIB
- Look to increase activity in remainder of 2024 within parameters of amended credit agreement

2023 Cash Flow From Operations \$15.8M



HLS Therapeutics[®]

- **Strong team in place**
-

- **2024 is a year of execution**
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- **Profitable growth unlocks expansion opportunities**



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