H-Source announces planned debt-to-equity conversion

Proposed USD 2.7 million conversion will significantly improve balance sheet

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VANCOUVER, BC, March 4, 2021 /CNW/ - H-Source Holdings Ltd. ("**H-Source**" or the "**Company**") (TSXV: HSI) (OTCQB: HSCHF), an innovative leader in the AI & SAAS based technology platform, and seeking to revolutionize the Global Healthcare procurement, logistics & distribution supply chain, today announced plans to convert all of the Company's approximately USD $2.4 million outstanding principal amount of 12.0% unsecured convertible debentures issued in the months of June & July 2019 (the " **2019 Debentures** ") as well as the conversion of approximately USD $0.3 million in outstanding interest.

John Kupice (CEO of H-Source) stated: "All of the debenture holders have agreed to allow for the conversion under the terms and conditions of the debentures, and this shows a message consistent with supporting the Company as shareholders rather than creditors. We are very pleased with the support of our partners and welcome the ownership stake".

John Kupice further comments: "These conversions will significantly improve our balance sheet and support enhanced access to non-dilutive financing. As the management continues to execute on its growth plans and build shareholder value, we believe it is important to show the strength in its financial position. We look forward to continuing to aggressively pursue our growth strategy in both the United States and globally".

About H-Source Holdings Ltd.
H-Source Holdings Ltd. is a proprietary, patented technology company operating within the healthcare industry through its wholly-owned subsidiary, H-Source, Inc. The Company has developed an advanced technology solutions stack that provides participating members a private, secure, Software As A Service ("SAAS") platform to engage in the buy, sell, track, and transfer of medical supplies, pharmaceuticals, capital equipment, and medical devices. Integrating advanced Artificial Intelligence ("AI") and Business Intelligence ("BI") enhance the data analytics for supply chain optimization. The platform is FDA and DSCSA compliant for pharmaceuticals and GS-1 UDI/GTIN for devices including serialization, ownership, and custody in extended modules. Blockchain is offered as an add-on, at an additional cost, for robust security and traceability. Additionally, the H-Source platform provides all the accounting and data allowing buyers and sellers to capture product transactions and custody movements. This platform is designed to increase and maximize supply chain efficiency while reducing costs by moving products directly from manufacturers, providers, and distributors to businesses or consumers. For more information, please visit http://h-source.com/.

On behalf of the board of directors of H-Source Holdings Ltd.

John Kupice
CEO & Director

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This news release contains forward-looking statements relating to the completion of the listing of the Company's shares on the TSXV and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", *"expects" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the TSXV and other risks detailed from time to time in the filings made by the Company with securities regulations.*

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.

SOURCE H-Source Holdings Ltd.

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