H-Source Holdings Secures PPE Contracts and Provides Corporate Update

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VANCOUVER, BC, Nov. 15, 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, seeking to revolutionize the Global Healthcare procurement, logistics & distribution supply chain, is pleased to announce the successful procurement of Personal Protective Equipment ("**PPE**") by sourcing and securing the delivery of Nitrile Gloves (the "**Gloves**") for their clients (the "**Contracts**").

H-Source has successfully intiatied a restructuring and pivot to provide PPE supplies, with direct product sales from PPE manufacturers to clients, utilizing the H-Source ecosystem and platform.

The first Contract secures the initial delivery of Two Hundred & Fifty Thousand (250,000) boxes of Gloves for specific buyers, with H-Source shareholders providing financing. The second Contract is directly with the manufacturer and distributor for the Nitrile Gloves. After the initial delivery, H-Source has the option to extend the production contract to up to Five Hundred Thousand (500,000) boxes of Gloves per month for twelve months. The first shipment, via air freight, is to arrive and close during the month of November, which will record material revenue for November of 2021. The first delivery and subsequent deliveries could generate top line revenue of up to USD Seven Million ($7,000,000), providing profitability for H-Source. This is a significant milestone as H-Source continues to execute on its growth strategy. The Company expects to announce additional contracts before the 2021 year end.

The following material events provide a Corporate update as H-Source restructures and continues to execute on its growth strategy, and to monetize its proprietary technology platform:

- The following Board members have tenderded their resignation: Murray Walden, Richard Umbdenstock, Martin Hubbes, and Chip Overstreet. H-Source is grateful for their dedication and commitment over the last 5 years. Their efforts helped position the company for ongoing success.
- The announcement of three (3) interim Directors will occur this week, including a new Audit Committee Chair. New Board members will be nominated and voted on at the upcoming Annual Meeting planned in Q1, 2022.
- The new Board members will primarily be from technology, healthcare, and finance backgrounds. The new Board will support the Company's strategy to transform healthcare supply chains utilizing the H-Source platform and technology, and to move PPE products direct from manufacturers to healthcare and government clients at a significant reduction in costs.
- The Company is currently in a trading halt on the TSX-V and OTCQB. For reasons set out in its news release of May 4, 2021, the filing of its annual audited financial statements for the year ended December 31, 2020, the accompanying management's discussion and analysis and the related CEO and CFO certifications (collectively, the "Filings") were not filed by the prescribed deadline. As a result, the Q1, Q2, and Q3 Filings were also not filed by their prescribed deadlines. The Company expects to resume trading in early 2022 on the respective exchanges after completion of the Contracts mentioned above and the completion of the annual and interim Filings. At that time, H-Source will apply for reinstatement. In the interim, there is a possibility of trading on the OTC via the Expert Market and possibly on the TSX-V via NEX.
- The Company expects announcements of additional contracts, and successful execution of these contracts, before the end of 2021.
- A complete overhaul, upgrade and release of a new version of H-Source software occurred this past summer which completes the full pivot to a SaaS based, technology solutions provider,

helping supply chains initially focused on healthcare.
- It has been mutually agreed by both parties that the Natrezza Partnership and potential investment announced in the July 16, 2021 news release is not proceeding at this time.

John Kupice, CEO of H-Source, stated, "We are pleased to announce the contracts for Nitrile Gloves. We have secured the product, the financing, and the buyer. It is essential that we follow through and close this initial transaction, thereby enabling the contract extensions which are already presold. We will continue our transformation to a SaaS based technology platform, providing solutions to our valued clients, and direct engagement with our new Board members and marketing initiatives."

About H-Source Holdings Ltd.
H-Source Holdings Ltd. is a technology company operating within the healthcare industry through its wholly owned subsidiary, H-Source, Inc. The Company has developed a technology solution that provides a private, secure and Software As A Service ("**SAAS**") platform for members to buy, sell, track, and transfer medical supplies, pharmaceuticals, capital equipment and supplies. Integrated Artificial Intelligence ("**AI**") and Business Intelligence ("BI") enhance the data analytics for supply chain optimization. The platform is FDA and DSCSA compliant for pharmaceuticals including serialization , ownership and custody in extended modules. Blockchain is offered as an add-on at additional cost for additional security and traceability. This platform is designed to increase supply chain efficiency and reduce costs moving products directly from manufacturers 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.

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CNW 20:15e 15-NOV-21