



Velan Inc.

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PRESS RELEASE

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FOR IMMEDIATE RELEASE

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VELAN INC. ANNOUNCES ITS CEO TRANSITION PLAN

MONTREAL, QUEBEC

Velan Inc. (TSX:VLN) announces CEO transition plan

Velan Inc (TSX: VLN) today announced that in accordance with its succession plan, CEO Yves Leduc will leave Velan after seven years leading the Corporation. Mr. Leduc will remain in his current role until November 30th when he will be succeeded by the current President, Bruno Carbonaro, who will assume the role of CEO on December 1st. According to the transition plan approved by the Board, Mr. Leduc will become Special Advisor to the Chairman and will remain a director of the Board until January 12th, 2022.

Jim Mannebach, Chairman of the Board, stated “The announcement today is an outcome of the Company’s succession plan, whereby Bruno Carbonaro was hired by Yves in 2019. During the year, Yves let us know of his intention to leave once an orderly transition plan had been fully defined and carried out. It was accordingly decided that the right time for the CEO succession was the beginning of the fourth quarter of the current fiscal year, as the completion of the transformative V20 plan marks the beginning of a new phase in the Company’s development. The Board wishes to recognize the substantial contributions of Yves Leduc during his years as leader of Velan under difficult market conditions and a global pandemic.”

Tom Velan, Director and former CEO and Chairman said “Yves became the first non-Velan family leader of the company which was a tough challenge after 65 years of family leadership. His leadership role was made more difficult by the collapse of the oil price shortly before Yves joined the company and by the COVID global pandemic which again highly impacted the global economy and energy markets. In 2019, Yves convinced the board about the need for the V20 restructuring plan and led the transformation process. Yves demonstrated remarkable leadership in steering the company through the uncharted waters of completing such a major restructuring while facing a global pandemic. Following the restructuring, the company is now in a better position for profitable growth. I want to thank Yves for leading the company through such a challenging period.”

“In 2015, I inherited the role of heading one of the preeminent companies in the valve industry, known globally for its outstanding brand and products,” said Yves. “Since then, my team’s purpose was to reposition Velan in an industry that had changed dramatically, to increase our market focus, and better serve our customers by leveraging more effectively our capabilities as a true global corporation. With the deployment of V20 now mostly behind us, delivering the expected margin improvement, as highlighted at our last quarterly report, as well as a near-record backlog achieved despite the outbreak of the global pandemic, Velan is poised for a strong rebound. To my team and each of our employees, everywhere in the world, I want to tell them how extremely proud I am of them and express my deepest gratitude for their relentless efforts. I wish to thank the Board of Directors for its support through often challenging



times. Finally, to the Velan family, and Tom in particular, thank you for your trust. What you have accomplished since the Company's foundation in 1950 is formidable, and I am honored to have played a part in the most recent chapter of Velan's remarkable history."

"Bruno Carbonaro has demonstrated, throughout his career, extraordinary leadership abilities. In his two years with the Company, his role has rapidly expanded to include the global scope of our operations. He has proven he is the right leader at the right time for Velan, ready to succeed me. I look forward to supporting Bruno through a successful transition until the end of the fiscal year" commented Yves.

Jim Mannebach added: "The Board is convinced that under the leadership of Bruno, Velan will succeed and thrive. I look forward to working with Bruno, as I have with Yves since I became Chairman, as we focus on growth in all of our markets, generating positive returns to our stakeholders."

About Velan

Founded in Montreal in 1950, Velan Inc. (www.velan.com) is one of the world's leading manufacturers of industrial valves, with sales of US\$302.1 million in its last reported fiscal year. The Company employs close to 1,700 people and has manufacturing plants in 9 countries. Velan Inc. is a public company with its shares listed on the Toronto Stock Exchange under the symbol VLN.

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This news release may include forward-looking statements, which generally contain words like "should", "believe", "anticipate", "plan", "may", "will", "expect", "intend", "continue" or "estimate" or the negatives of these terms or variations of them or similar expressions, all of which are subject to risks and uncertainties, which are disclosed in the Company's filings with the appropriate securities commissions. While these statements are based on management's assumptions regarding historical trends, current conditions and expected future developments, as well as other factors that it believes are reasonable and appropriate in the circumstances, no forward-looking statement can be guaranteed, and actual future results may differ materially from those expressed herein. The Company disclaims any intention or obligation to update or revise any forward-looking statements contained herein whether as a result of new information, future events or otherwise, except as required by the applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.