



VALEO PHARMA™

**PRESS RELEASE  
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## **VALEO PHARMA REPORTS 2019 FINANCIAL RESULTS AND CLOSING OF \$2.1 MILLION PRIVATE PLACEMENT**

- **2019 revenues of \$6.6 million, up 50% compared to 2018**
- **2019 gross margin up 68% compared to 2018**
- **Successful launch of Onstryv® for Parkinson's disease**
- **New Drug Submission Filing for Redesca, Valeo's low molecular weight heparin biosimilar**

MONTREAL, QUEBEC , February 28, 2020 – [Valeo Pharma Inc.](#) (CSE:VPH) (“**Valeo**” or the “**Company**”), a Canadian specialty pharmaceutical company today reported its financial results for the year-ended October 31, 2019.

“We delivered on key milestones in 2019 with a significant increase in our revenues and the addition of key products to our portfolio. In addition to the launch of Onstryv® and two additional specialty products in 2019, we expect Yondelis, Redesca and several new additional specialty products to favourably impact our revenues and profitability this year”, said Steve Saviuk, President and Chief Executive Officer of Valeo Pharma Inc. “With an unwavering focus on attaining profitability in the later half of this year”, added Mr. Saviuk.

Commenting on the 2019 financial results, Luc Mainville, Sr. Vice-President and Chief Financial Officer said: “We managed to significantly increase our revenues and gross margins despite the negative impact of the Synacthen global supply shortage last year. Excluding the impact of Synacthen on our results, our product revenues and gross margins from product sales would have grown by 115% and 204% over the prior fiscal year respectively. The anticipated growth of our revenues and gross margin derived from the addition of new products carrying higher margins, combined with a tight control on operating expenses will help us deliver improved quarterly results going forward”.

### **2019 Financial Highlights**

- Revenues of \$6.6 million for 2019 compared to \$4.4 million for 2018, a 50% increase;
- Gross margin at \$1.4 million for 2019 compared to \$0.8 million for 2018, a 68% improvement;



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- Net loss of \$3.6 million for 2019 compared to \$2.4 million for 2018;
- In July 2019, the Company closed a marketed public offering of units for aggregate gross proceeds to the Company of approximately \$3.1 million; and
- In February 2019, the Company closed a non-brokered private placement of convertible debentures for total gross proceeds of \$1.4 million.

### **2019 Business and Product Highlights**

- During the last quarter of 2019, the Company launched Benztropine and Ondansetron;
- Prior to year-end, the Company filed a registration dossier with the FDA for Ethacrynate Sodium with marketing approval and US sales expected to commence in and H2-2020;
- In July 2019, the Company launched Onstryv® (safinamide tablets) in Canada for the treatment of patients suffering from Parkinson's Disease;
- In July 2019, the Company signed a licensing agreement for the exclusive rights to register, distribute and market Redesca, a LMWH biosimilar in Canada;
- During the year, the Company secured the rights to three (3) additional hospital specialty products; and
- In February 2019, the Company listed its shares on the Canadian Securities Exchange ("CSE") under the symbol VPH.

### **Subsequent Events**

- In February 2020, the Company closed a non-brokered private placement of convertible debentures for total gross proceeds of \$2.1 million;
- In February 2020, the Company received notice of a positive recommendation by Quebec's Institut national d'excellence en santé et en services sociaux ("INESSS") to the Health Minister for the inclusion of Onstryv® on the list of medications covered by the Régie de l'assurance maladie du Québec (RAMQ);
- In January 2020, the Company signed a licensing agreement with PharmaMar for the exclusive rights to commercialize Yondelis® (trabectedin) in Canada; and



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- In November 2019, the Company announced that its New Drug Submission filed for Redesca, a low molecular weight heparin biosimilar was accepted for review by Health Canada.

### **Financial Statements and MD&A**

Valeo Pharma's financial statements and Management's Discussion and Analysis for the three-month and twelve-month periods ending October 31, 2019 are available on SEDAR at [www.sedar.com](http://www.sedar.com)

### **About Valeo Pharma**

Valeo Pharma is a specialty pharmaceutical company dedicated to the commercialization of innovative prescription products in Canada. With a focus on Neurodegenerative Diseases, Oncology, Women's Health and Hospital Specialty Products, Valeo Pharma has a growing portfolio of innovative products and the full infrastructure to properly manage these products through all stages of commercialization. Headquartered in Kirkland, Quebec, Valeo Pharma has all capabilities internally to register and market health care solutions for Canadian patients. For more information, please visit <http://www.valeopharma.com> and follow us on LinkedIn and Twitter.

### **Forward-Looking Statements**

*This news release may contain certain forward-looking statements regarding the Company's expectations for future events. Such expectations are based on certain assumptions that are founded on currently available information. If these assumptions prove incorrect, actual results may differ materially from those contemplated by the forward-looking statements contained in this press release. Factors that could cause actual results to differ include, amongst others, uncertainty as to the final result and other risks. The Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by security laws.*

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For more information:

Steve Saviuk  
President and CEO  
514-693-8830



VALEO PHARMA™

[saviuk@valeopharma.com](mailto:saviuk@valeopharma.com)

or

Luc Mainville  
Senior Vice-President and Chief Financial Officer  
514-693-8854  
[mainville@valeopharma.com](mailto:mainville@valeopharma.com)

or

Frederic Dumais  
Director, Communications and Investor Relations  
514-782-8803  
[dumais@valeopharma.com](mailto:dumais@valeopharma.com)