



**PRESS RELEASE
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VALEO PHARMA CLOSES US\$40 MILLION NON-DILUTIVE FINANCING FROM SAGARD HEALTHCARE PARTNERS

- **Proceeds to fund acquisition of Canadian rights to 3 growing commercial stage drugs**
- **Acquisition allows Valeo to expand into Ophthalmology and Allergy**
- **Licensing transactions to more than double Valeo's annual revenues**
- **Provides financial flexibility to accelerate growth and reach profitability**

MONTREAL, QUEBEC, August 2, 2022 – Valeo Pharma Inc. (**TSX: VPH, OTCQB: VPHIF, FSE: VP2**) (“**Valeo**” or the “**Company**”), a growing Canadian pharmaceutical company, is pleased to announce that, it has closed a non-dilutive US\$40 million Secured Term Loan (the “**Facility**”) from Sagard Healthcare Partners.

The Facility is subject to the terms and conditions of a credit agreement. Highlights of the agreement are as follows:

- Senior secured term loan of up to US\$40 million.
- US\$30 million fully funded on the closing.
- Additional US\$10 million available for future in-licensing transactions and/or acquisitions prior to December 31, 2023.
- Facility matures after 5 years from closing.

“We are thrilled to have the financial support of Sagard Healthcare Partners, a sophisticated and knowledgeable healthcare investor. Their support is a testament to the quality of our commercial assets, the soundness of our business model and the talented team we have at Valeo”, said Steve Saviuk, CEO. “This non-dilutive financing provides us with the necessary financial flexibility to accelerate our growth, deliver on defined value creation milestones and execute on our ambitious corporate objectives”.

“We are excited to support Valeo as it continues to build a broad portfolio of commercial products”, said David MacNaughtan, Partner & Head of Sagard Healthcare Partners. “We look forward to working with Valeo to advance its mission to become a leading Canadian



specialty pharmaceutical company and provide Canadian healthcare professionals and patients with innovative therapeutic solutions to improve quality of life”.

The Company intends to use the proceeds of the Facility to (i) fund the purchase price (including inventory transfers) for the acquisition of the Canadian license rights to Xiidra and Simbrinza from Novartis Pharmaceuticals Canada, (ii) fund the purchase price (including inventory transfers) for the acquisition of the Canadian license rights to Allerject from Kaléo, (iii) fund future in-licensing transactions and/or acquisitions, and (iv) for general corporate purposes.

Reedland Capital Partners, acting through Weild & Co., member FINRA|SIPC, served as financial advisor to Valeo in connection with this transaction. For more information, please visit www.reedland.com.

Special Event Webcast and Conference Call

Valeo will host a conference call to discuss the US\$40 million non-dilutive financing and new products commercialization and supply transactions on Tuesday August 2, 2022, at 9.30am (ET). The telephone numbers to access the conference call are 416-764-8659 and 1-888-664-6392. An audio replay of the call will be available. The numbers to access the audio replay are 416-764-8677 and 1-888-390-0541 using the following access code (292407 #).

A live audio webcast of the conference call will be available via:

<https://app.webinar.net/2EK7WNaoA0j>

About Sagard Healthcare Partners

Sagard Healthcare Partners is a wholly owned subsidiary of Sagard, a multi-strategy alternative asset manager with more than US\$14 billion under management and professionals located in Canada, the U.S. and Europe. Sagard seeks attractive investment returns by combining its entrepreneurial and disciplined culture with flexible capital and a unique global network of portfolio companies, limited partners, advisors and other valued relationships. As a firm, Sagard operates platforms that invest across five asset classes: venture capital, private equity, private credit, real estate and healthcare royalties. Through its ecosystem partners, Sagard also engages in private wealth management and new venture creation.

About Valeo Pharma

Valeo Pharma is a pharmaceutical company dedicated to the commercialization of innovative prescription products in Canada with a focus on Respiratory/Allergy, Ophthalmology and Specialty Products. Headquartered in Kirkland, Quebec, Valeo Pharma has the full capability and complete infrastructure to register and properly manage its



growing product portfolio through all stages of commercialization. For more information, please visit www.valeopharma.com and follow us on LinkedIn and Twitter.

Forward Looking Statements

This press release contains forward-looking statements about Valeo Pharma's objectives, strategies and businesses that involve risks and uncertainties, including statements about the Offering, the Concurrent Private Placement and the anticipated use of proceeds therefrom. These statements are "forward-looking" because they are based on our current expectations about the markets we operate in and on various estimates and assumptions. Actual events or results may differ materially from those anticipated in these forward-looking statements if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate.

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