

Valeo Pharma Reports Record Quarterly Revenues for the First Quarter 2023

written by Raj Shah | March 15, 2023

- Fifth consecutive quarter of revenue growth at \$13.2 million in Q1-23, up 210% over Q1-22
- Fifth consecutive quarter of adjusted gross profit increase at \$4.2 million, up 178% over Q1-22
- Fifth consecutive quarter of adjusted EBITDA loss reduction at \$2.2 million, a 51% improvement over Q1-22
- Physicians prescribing Enerzair and Ateectura reached 1,583 at the end of Q1-23, representing 39% growth from the prior quarter and a 799% increase year-over-year
- Total annual Enerzair and Ateectura prescriptions reached 34,000 at the end of Q1-23, up 41% sequentially and 1917% year-over-year.

March 15, 2023 ([Source](#)) – [Valeo Pharma Inc.](#) (TSX: [VPH](#)) (OTCQB: [VPHIF](#)) (FSE: [VP2](#)) (“**Valeo**” or the “**Company**”), a Canadian pharmaceutical company, today reported its financial results for the first quarter ended January 31, 2023.

First quarter 2023 Results & Highlights:

- Record quarterly revenues of \$13.2 million in Q1-23, compared to \$4.2 million in Q1-22, up 210%
- Record adjusted gross profit of \$4.2 million in Q1-23 compared to \$1.5 million in Q1-22, up 178%
- Q1-23 net loss of \$6.2 million compared to \$5.9 million in Q1-22

- Q1-23 adjusted EBITDA loss of \$2.2 million compared to \$4.5 million in Q1-22, A 51% reduction
- Enerzair and Ateectura prescribing physicians reached 1,583 at the end of Q1-23, a 39% growth for the quarter and 799% increase year-over-year
- Total of 34,000 Enerzair and Ateectura prescriptions over the last 12-months at the end of Q1-23, up 41% sequentially and 1917% year-over-year

“Our core innovative products continue to gain market share in their respective therapeutic areas significantly contributing to our revenue and margin growth. Enerzair and Ateectura, our asthma therapies, continue their rapid adoption with Enerzair now the leading drug in the fast-growing triple-active asthma market”, said Steve Saviuk, CEO. “The strong increase in the number of physician prescribers and total prescriptions dispensed over previous periods is due to the important clinical benefits that these therapies provide and the dynamic commercial effort by our dedicated field force and marketing team. These therapies are meeting the high expectations we have set and are rapidly establishing Valeo as a growing force in asthma care”.

Commenting on the record first quarter 2023 results, Luc Mainville, Senior Vice-President and Chief Financial Officer said, “Valeo delivered yet another solid quarter of improving key financial performance metrics during the first quarter of 2023 with consecutive record quarterly revenues, increasing adjusted gross profit and decreasing adjusted EBITDA loss. As we continue to work towards expanding our product portfolio we are focused on taking full advantage of our existing operating leverage. With tight control over operating expenses, our growing revenues will result in a continued expansion of our gross profit and overall profitability going forward”.

First Quarter 2023 Financial Results

- Record revenues were \$13.2 million for the quarter ended January 31, 2023 compared to \$4.2 million for the quarter ended January 31, 2022 representing a 210% increase. The increase over the previous comparable period is mainly due to the addition of Xiidra®, Simbrinza® and Allerject®, as well as continued growth and market share gains of our other core products, Redesca®, Enerzair® and Ateectura®;
- Adjusted gross profit was \$4.2 million for the quarter ended January 31, 2023 compared to \$1.5 million for the quarter ended January 31, 2022, representing a 178% increase. The increase over the previous comparable period is mainly due to the significant increase in our revenues;
- Net loss was \$6.2 million for the quarter ended January 31, 2023 compared to \$5.9 million for the quarter ended January 31, 2022. The increase in net loss in Q1-23 was due to the increase in financial expenses, which was partly offset by the significant increase of our gross profit; and
- Adjusted EBITDA loss was \$2.2 million for the quarter ended January 31, 2023 compared to \$4.5 million for the quarter ended January 31, 2022, a 51% improvement.

First Quarter 2023 Highlights

- In January 2023, the Company granted 26,786 RSUs as well as 395,850 DSUs to members of management in accordance with and subject to the terms of the Corporation's Equity Incentive Plan;
- In January 2023, the Company announced that Health Canada accepted for review Veru's New Drug Submission ("NDS-CV") for sabizabulin for COVID-19. Sabizabulin is a novel dual

antiviral and anti-inflammatory agent being developed for the treatment of hospitalized moderate to severe COVID-19 adult patients at high risk for acute respiratory distress syndrome (ARDS) and death; and

- In November 2022, the Company announced the resignation of Frederic Fasano as President and Chief Operating Officer.

First Quarter 2023 Subsequent Events

- In February 2023, the Company announced that Onstryv[®] (safinamide) for the treatment of patients suffering from Parkinson's disease, was now listed for public reimbursement on the Public Prescription Drug Insurance Plan of the Quebec *Régie de l'assurance maladie du Québec* ("RAMQ"), effective February 1, 2023; and
- During the month of February and March 2023, convertible debentures issued in February 2020 and representing \$0.7 million in principal and interest were converted into 1,671,880 shares of the Corporation.

Grant of Incentive Share Options

Valeo also announces the grant of 1,865,000 incentive share options ("Options") to employees of the Company, including 1,250,000 Options to executives, the whole in accordance with the Company's Share Option Plan. The Options have an exercise price of \$0.66 per Class A share of the Company, vest equally over two years and have a seven year term.

First Quarter 2023 Webcast and Conference Call

Valeo will host a conference call to discuss its first quarter 2023 results and highlights on Thursday March 16, 2023 at 8.30

am (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 (254549 #).

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

<https://app.webinar.net/a5zqnWzNDX9>

Financial Statements and MD&A

Valeo Pharma's financial statements and Management's Discussion and Analysis for the three month period ended January 31, 2023 are available on SEDAR at www.sedar.com.

About Valeo Pharma

Valeo Pharma is a fast growing Canadian pharmaceutical company dedicated to the commercialization of innovative prescription products in Canada with a focus on Respiratory/Allergy, Ophthalmology and Hospital Specialty Products. Headquartered in Kirkland, Quebec Valeo Pharma has all the required capabilities and the full 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's objectives, strategies and businesses that involve risks and uncertainties. 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.

SOURCE Valeo Pharma Inc.

For further information: Steve Saviuk, CEO, 514-693-8830, steve.saviuk@valeopharma.com or Luc Mainville, Senior Vice-President and Chief Financial Officer, 514-693-8854, luc.mainville@valeopharma.com or Frederic Dumais, Director, Communications and Investor Relations, 514-693-8847, frederic.dumais@valeopharma.com