

## FORM 7

### November 2021 - MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Valeo Pharma Inc. (the “Issuer” or the “Company”)**

Trading Symbol: **VPH**

Number of Outstanding Listed Securities: **78 822 774**

Date: **December 7th, 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The Issuer continued to implement various strategic and operational initiatives, namely:**

- 1) Maximize the commercial potential of its products currently on the market**
- 2) Prepare for the Canadian launch of Health Canada approved products not yet commercialized.**

- 3) Execute any required regulatory, quality, supply chain, operational, marketing, and commercial activities required to support the above 2 initiatives as well as for products still in the process of obtaining regulatory approval.
  - 4) Actively promote itself to/and negotiate with local and foreign companies for securing Canadian rights to additional products that would represent a great complement to its existing product portfolio.
  - 5) Actively promote itself to potential institutional, and retail investors including life science analysts covering the Canadian healthcare sector.
2. Provide a general overview and discussion of the activities of management.

**Support activities listed in section 1 above and more specifically:**

- 1) Continued to work on increasing public and private reimbursement for its low molecular weight heparin biosimilar, Redesca™ and Redesca HP™, with coverage for public reimbursement currently available in 9 provinces and territories across the country in addition to several governmental agencies and 90% of privately insured lives in Canada via private payer health plans.
  - 2) Continued to work on increasing public and private reimbursement for its 2 new asthma products (Enerzair® Breezhaler® and Ateectura® Breezhaler®), with coverage for public reimbursement currently available in 1 province and 85% of privately insured lives in Canada via private payer health plans
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**Nothing applicable during the period**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**Nothing applicable during the period.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**The Company successfully entered into a Product Listing Agreement with Quebec Minister of Health, for the listing and public reimbursement of Redesca™ and Redesca HP™, its low molecular weight heparin ("LMWH") biosimilar for the prevention and treatment of thromboembolic disorders, on the Quebec RAMQ list of medications, effective November 10, 2021.**

**The Company successfully entered into a Product Listing Agreement with Alberta Minister of Health, for the listing and public reimbursement of Enerzair® Breezhaler® and Ateectura® Breezhaler®, its two innovative asthma therapies, on the Alberta Drug Benefit list effective November 1, 2021.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**Nothing applicable during the period.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**Nothing applicable during the period.**

8. Describe the acquisition of new customers or loss of customers.

**Nothing applicable during the period.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

**Nothing applicable during the period**

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

**Nothing applicable during the period**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**Nothing applicable during the period.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**Nothing applicable during the period.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**The Company and Desjardins Capital Markets, as lead underwriter and sole bookrunner, together with a syndicate of underwriters, agreed to increase the size of a previously announced bought deal private placement of convertible unsecured debentures from \$10,000,000 to \$15,000,000. The Debentures will mature on December 31, 2024 and will accrue interest at the rate of 12.0% per annum, payable quarterly beginning on March 31, 2022. At the holders' option, the Debentures may be converted into common shares of the Company at any time and from time to time, up to the Maturity Date, at a conversion price of \$1.15 per common share. The Company will use commercially reasonable efforts to list the Debentures on the Canadian Securities Exchange.**

**Concurrently with the Offering, Investissement Québec has committed to a concurrent private placement of \$10,000,000 of convertible unsecured debentures issuable on the same terms as those issuable pursuant to the Offering, resulting in aggregate gross proceeds from the Offering and Concurrent Private Placement of \$25,000,000.**

The net proceeds of the Offering and Concurrent Private Placement will be used to (i) support commercial efforts related to the recently launched products (Redesca™, Enerzair®, and Ateectura®); (ii) reimburse, at maturity, the non-convertible debentures previously issued by the Company and maturing on January 31, 2022, and July 10, 2022; (iii) for working capital and general corporate purposes; and (iv) support an upcoming TSX listing application.

The Debentures and any common shares issuable upon conversion thereof will be subject to a statutory hold period lasting four months and one day following the Closing Date. The closing of the Offering and Concurrent Private Placement is expected to occur on or about December 9, 2021 and is subject to certain conditions, including but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the CSE.

14. Provide details of any securities issued and options or warrants granted.

**The Company issued 22,600 shares to a service supplier as payment in connection with services provided**

15. Provide details of any loans to or by Related Persons.

**Nothing applicable during the period.**

16. Provide details of any changes in directors, officers or committee members.

**Nothing applicable during the period**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The outbreak of a novel strain of the coronavirus, ("COVID-19"), has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown which may impact demand for our products and our ability to secure timely access to supplies. As of today, our revenues and supply chain have not been impacted by the COVID-19 outbreak and we continue to interact with the medical community while respecting social-distancing recommendations.**

### **Certificate of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: December 7th, 2021

Valeo Pharma Inc.

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*/s/ Luc Mainville*  
Senior VP & Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>	For Month End	Date of Report
Name of Issuer Valeo Pharma Inc.	November 2021	YY/MM/D 2021/12/07
Issuer Address 16667, Boul. Hymus,		
City/Province/Postal Code Kirkland, Quebec, H9H 4R9	Issuer Fax No. (514) 694-0865	Issuer Telephone No. (514) 694-0150
Contact Name Luc Mainville	Contact Position Sr. VP & CFO	Contact Telephone No. (514) 693-8854
Contact Email Address <a href="mailto:mainville@valeopharma.com">mainville@valeopharma.com</a>	Web Site Address <a href="http://www.valeopharma.com">www.valeopharma.com</a>	