

# Valeo Pharma's Redesca™ rollout is progressing rapidly, proving the value of its business model, as its revenue grows 280% in Q3, 2021

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[Valeo Pharma Inc.](#) (CSE: VPH | OTCQB: VPHIF | FSE: VP2) (“Valeo”) is a specialty pharmaceutical marketing company dedicated to the commercialization of innovative prescription drug products in Canada. Valeo focuses on achieving ‘speed to market’ for their product portfolio, which currently covers the key specific areas of respiratory, neurology, and oncology, as well as specialty products for broader use.

**Valeo Pharma has a growing portfolio of pharmaceutical products**



Source: [Valeo Pharma company presentation](#)

**Redesca™ achieves speed to market and a rapid rollout across Canada**

Valeo's Redesca™ product is a low molecular weight heparin (“LMWH”) biosimilar, and it is starting to make good progress in the marketplace. Valeo [announced](#) on October 3, 2021, that Redesca™ has obtained approved for use listings in 700 hospitals and healthcare facilities across Canada. This followed on from the Redesca™ [launch](#) only 6 months earlier in April 2021 and the April 30 addition of Redesca™ onto the Ontario Drug Benefit Formulary.

Valeo has proven themselves again to be a super fast mover at getting new pharmaceutical products into the market.

Valeo CEO, Steve Saviuk, [stated](#): “These listing agreements significantly expand the number of Canadian hospitals that can now access Redesca. Increased hospital accessibility, coupled with extensive public and private reimbursement coverage, provides a solid foundation to support the continued growth of Redesca....”

### **Valeo Pharma is achieving record revenues (in Canadian dollars) and margins**

As a result of the past several years of work, and the commercialization of Valeo’s 8 pharmaceutical products, Valeo [announced](#) on September 22, 2021 that it had achieved “record revenues and gross margins” in Q3 2021. Highlights included:

- “Record revenues of \$5.7 million compared to \$1.5 million in Q3 2020, **up 280%**
- Record gross margin of \$2.2 million compared to \$0.1 in Q3 2020, **up 1602%**
- Net loss of \$2.9 million compared to \$1.6 in Q3 2020
- Adjusted EBITDA loss of \$0.8 million compared to \$0.7 million in Q3 2020
- Record YTD revenues after 9 months of \$10.2 million, up 94% over the first 9 months of 2020.”

Certainly some very impressive results from Valeo. Looking ahead Valeo suggests that this is just the beginning as it is targeting growing revenues 20x from C\$8 million in 2020 to C\$160 million by 2025.

### **Valeo Pharma targets to grow revenues 20x from 2020 to 2025**



Source: [Valeo Pharma company presentation](#)

## **More about Valeo Pharma**

Valeo's business model is based on forming partnerships with pharmaceutical companies that do the research & development (R&D) and manufacturing, while Valeo concentrates on the regulatory requirements and the sales and marketing.

## **Closing remarks**

Valeo Pharma is delivering on its promises of rapidly commercializing and selling a growing portfolio of pharmaceuticals in Canada. Impressive Q3 revenue growth of 280% YoY and a 1,602% improvement YoY for gross margin speaks volumes towards validating Valeo's strategy working.

Valeo is targeting a massive 20x increase in revenues from 2020 to 2025 and given their performance so far I would not bet against them.

Valeo adds the necessary missing key components, of addressing regulatory hurdles and of post-approval marketing, to the process of bringing new prescription drugs to the Canadian market by companies too small or too specialized to be able to afford these functions in-house.

Valeo Pharma trades on a market cap of [C\\$71 million](#). Don't miss this one.