
SHARE PURCHASE AGREEMENT

Made as of January 17, 2025

Between

XEDITON PHARMACEUTICALS INC.
(the “**Purchaser**”)

and

VALEO PHARMA INC.
(“**Valeo**”)

and

VPI PHARMACEUTICALS INC./ VPI PHARMACEUTIQUES INC.
(“**VPI**”)

and

VALEO PHARMA CORP.
(“**Valeo US**” and together with Valeo and VPI, the “**Valeo Entities**”)

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This Agreement is made as of January 17, 2025, between

Xediton Pharmaceuticals Inc.
(the “**Purchaser**”)

and

Valeo Pharma Inc.
(“**Valeo**”)

and

VPI Pharmaceuticals Inc./ VPI Pharmaceutiques Inc.(“**VPI**”)

and

Valeo Pharma Corp. (“**Valeo US**” and together with Valeo and VPI, the “**Valeo Entities**”)

RECITALS

- A. WHEREAS** the Valeo Entities are in the business of acquiring or in-licensing branded pharmaceutical and hospital speciality products for sale in Canada (the “**Business**”).
- B. WHEREAS** on October 1, 2024, the Superior Court of Quebec (Commercial Division) (the “**Court**”) granted an initial order, as amended by an amended and restated order granted on October 11, 2024 (as amended, the “**ARIO**”) under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) with respect to the Valeo Entities (the “**CCAA Proceedings**”), providing for, among other things, the appointment of Ernst & Young Inc. as the monitor (the “**Monitor**”) and the approval of an interim financing facility.
- C. WHEREAS** on October 11, 2024, the Court granted an order (the “**SISP Order**”) approving a sale and investment solicitation process (the “**SISP**”) in respect of the Business, on the terms and subject to the process and procedures set out on Schedule “A” to the SISP Order (the “**SISP Procedures**”).
- D. WHEREAS** on November 28, 2024, the Purchaser delivered a non-binding letter of intent pursuant to the SISP Procedures.
- E. WHEREAS** on December 3, 2024, the Monitor informed the Purchaser that it had been selected as a “Qualified Bidder” pursuant to the SISP Procedures.
- F. WHEREAS** prior to the SISP deadline of December 20, 2024, the Purchaser delivered a binding Qualified Purchase Bid as defined in the SISP.

G. WHEREAS on the same date and pursuant to the SISP Procedures, the Purchaser deposited \$3,500,000.00 (the “**Deposit**”) in escrow with the Monitor to be applied to the Share Purchase Price on Closing.

H. WHEREAS the Purchaser was selected as the Successful Bidder, as defined in the SISP Procedures.

I. WHEREAS the Purchaser has agreed to purchase, and the Valeo Entities have agreed to sell, the Business or parts thereof through subscription and purchase of all the Purchased Shares (as hereinafter defined) and Equity Interests of Valeo.

J. WHEREAS in order to accommodate the Purchaser’s acquisition of the Purchased Shares and Equity Interests of Valeo, the Valeo Entities intend to effect the Pre-Closing Reorganization such that New ParentCo (as hereinafter defined) shall own all of the outstanding shares of Valeo immediately prior to Closing.

K. WHEREAS pursuant to the Pre-Closing Reorganization and the ARVO, all of the Valeo Entities’ rights, benefits and interests in and to the Excluded Assets (as hereinafter defined) and Excluded Contracts (as hereinafter defined) shall be transferred to and vested in ResidualCo (as hereinafter defined), and all Excluded Liabilities (as hereinafter defined) shall be transferred to, assumed by and vested in ResidualCo, upon such terms and conditions and at such times as set forth in this Agreement and in accordance with the ARVO and the Pre-Closing Reorganization.

L. WHEREAS the Purchaser shall subscribe for and purchase from Valeo the Purchased Shares in consideration for the Share Purchase Price (as hereinafter defined).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

“**Accord Facility**” means the two demand revolving facilities provided by Accord Financial Inc. to Valeo, as borrower, pursuant to a Loan Agreement dated as of the September 22, 2023, as amended.

“**Affiliate**” means, with respect to any specified Person, any other Person that directly or indirectly, including through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person, where “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” means this share purchase agreement.

“ARIO” has the meaning ascribed to it in the recitals of this Agreement.

“ARVO” means an approval and reverse vesting order of the Court in form and in substance satisfactory to the Vendor and the Purchaser, each acting reasonably, approving this Agreement and vesting in and to the Purchaser the Purchased Shares, together with the Equity Interests of Valeo, free and clear of and from any and all Encumbrances.

“Authorization” means, with respect to any Person, any order, permit, approval, consent, waiver, license or other authorization of any Governmental Entity having jurisdiction over the Person.

“Books and Records” means all information in any form relating to the Business, including books of account, financial and accounting information and records, personnel records, tax records, sales and purchase records, customer and supplier lists, lists of potential customers, referral sources, research and development reports and records, production reports and records, equipment logs, operating guides and manuals, business reports, plans and projections, marketing and advertising materials and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).

“Business” has the meaning ascribed to it in the recitals of this Agreement.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major Canadian chartered banks are closed for business in Montreal, Quebec.

“Cash Flow” has the meaning ascribed to it in the Interim Facility.

“CCAA” has the meaning ascribed to it in the recitals of this Agreement.

“Closing” means the completion of the transaction of purchase and sale of the Purchased Shares as contemplated in this Agreement.

“Closing Date” means a date no later than five (5) Business Days after which all of the conditions in Article 6 have been satisfied or waived, except for those conditions that by their nature can only be satisfied on the Closing Date, as indicated on the Monitor’s Certificate, but shall be no later than the Outside Date.

“Closing Time” means the first moment in time (Eastern Time) on the Closing Date.

“Contracts” means any agreement, contract, consent (including any contractual consent or government consent), lease, license, undertaking, engagement or commitment of any nature, whether written or oral.

“Court” has the meaning ascribed to it in the recitals hereto.

“Cure Costs” means all amounts, costs and expenses required (A) to be paid to remedy the monetary defaults of Valeo in relation to the Retained Contracts, including any other fees and expenses required to be paid to a counterparty or any other Person in connection with, or as a condition to, the ARVO, including the amounts set out on **Schedule A**, and (B) to pay off Payables, without duplication. The Purchaser shall have the right, in its sole discretion, to (i) to exclude a Retained Contract for which the counterparty disputes the amounts of Valeo’s monetary default thereunder, or (ii) agree to alternative arrangements with the counterparty to any Retained Contract.

“Cure Costs and PLA Accruals Deficit” means the amount by which the aggregate amount of the Cure Costs and the PLA Accruals, as of the close of business on the Business Day prior to the Closing Date, is greater than \$5,000,000.

“Cure Costs and PLA Accruals Surplus” means the amount by which the aggregate amount of the Cure Costs and the PLA Accruals, as of the close of business on the Business Day prior to the Closing Date, is less than \$5,000,000.

“Employees” means all individuals who are employed by Valeo and engaged in the Business, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence, all individuals who have been placed on temporary lay-off which has not expired, and **“Employee”** means any one of them.

“Encumbrances” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation, which, for greater clarity, shall include all charges pursuant to the ARIO.

“Equity Interests” means any capital share, capital stock, partnership, membership, joint venture other ownership or equity interest, participation or securities (whether voting or nonvoting, whether preferred, common or otherwise, and including options, warrants, share appreciation, contingent interest or similar rights) of a Person.

“ETA” means the *Excise Tax Act* (Canada), as amended.

“Excluded Assets” means any and all properties, rights, assets and undertakings of the Valeo Entities that are not Retained Assets (for greater clarity, “Excluded Assets” includes Excluded Contracts, cash or cash equivalents and deposits).

“Excluded Contracts” means all Contracts that are not Retained Contracts (for greater clarity, “Excluded Contracts” includes (i) all Contracts of employment entered into by any employee of the Valeo Entities (other than a Retained Employee except to the extent contemplated in Section 5.7) prior to the Closing Date, (ii) all consulting Contracts between any of the Valeo Entities and contractors or consultants thereof and (iii) all insurance policies including, without limitation, those insuring the Valeo Entities and any of their assets (including the Retained Assets) and any officers, directors or employees of the Valeo Entities or its consultants or affiliates);

“Excluded Liabilities” means any and all Liabilities of the Valeo Entities that are not Retained Liabilities (for greater clarity, “Excluded Liabilities” includes any liabilities under Excluded Contracts as well as any liabilities relating to the Interim Facility, the Accord Facility and the Senior Secured Facility that are not being paid down pursuant to Section 3.3).

“Governmental Entity” means: (i) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, county, municipal, local, or other; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, Crown corporation, expropriation or taxing authority under or for the account of any of the above.

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board, as consistently applied.

“Income Tax Act” means the *Income Tax Act* (Canada), as amended.

“Intellectual Property” means all intellectual property or similar proprietary rights of the Valeo Entities throughout the world, including all patents, patent applications, trademarks, industrial designs, trade names, service marks (and all goodwill associated with any of the foregoing), copyrights, technology, software, data and database rights, trade secrets, proprietary information, websites, domain names, know-how and processes and other intellectual property, whether registered or not, throughout the world.

“Interim Facility” means the interim financing facility provided pursuant to the DIP Term Sheet made as of September 30, 2024, between Sagard Healthcare Partners (Delaware), LP, as interim lender, Valeo, as borrower, VPI and Valeo US, as guarantors, as amended from time to time.

“Interim Facility Amount” means unpaid principal and accrued and unpaid interest and other fees owing under the Interim Facility, as of the Closing Time.

“Interim Period” means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

“Inventory” means inventory in respect of Retained Contracts that are finished products, maintained or held by, stored by or on behalf of, Valeo for commercial sale (including, such inventory (i) being held by customers pursuant to consignment arrangements, (ii) being held by suppliers or vendors under tolling or similar arrangements, or (iii) which has not yet been delivered to Valeo, but for which Valeo has prepaid the purchase price of such inventory), the value of which is the aggregate price paid (or prepaid) by Valeo to suppliers or vendors for the landed costs of Inventory (excluding ancillary shipping and other costs), as determined in accordance with IFRS. For greater certainty, for purposes hereof, “Inventory” shall include any Inventory that has been prepaid.

“Inventory Deficit” means the amount by which the value of Inventory, as of the close of business on the Business Day prior to the Closing Date, is less than \$7,500,000.

“Inventory Surplus” means the value of Inventory (excluding ancillary shipping and other costs), as determined in accordance with IFRS, as of the close of business on the Business Day prior to the Closing Date, is more than \$7,500,000.

“Laws” means any principle of common law and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws, (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity and (iii) to the extent that they have the force of law, standards, policies, guidelines, notices and protocols of any Governmental Entity.

“Lease” means the lease agreement in respect of the Leased Premises.

“Leased Premises” means the premises leased by the company as part of the Lease and located at 16667 Hymus Blvd, Kirkland, Quebec H9H 4R9.

“Liability” means, with respect to any Person, any debt, liability or obligation of such Person of any kind, character or description, whether known or unknown, certain or uncertain, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person and **“Liabilities”** means more than one of them;

“Monitor” has the meaning specified in the recitals of this Agreement.

“Monitor’s Certificate” means the certificate to be delivered to the Purchaser and the Vendor and filed with the Court by the Monitor certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties and the transactions contemplated by this Agreement have been completed.

“New ParentCo” means the entity to be incorporated by or at the direction of Valeo prior to the Closing Time as part of the Pre-Closing Reorganization that will, pursuant to the Pre-Closing Reorganization and the ARVO, become the parent company of Valeo.

“Organizational Documents” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

“Outside Date” means January 30, 2025, or such later date as may be agreed to between the Parties and the Monitor.

“Parties” means each of the Vendor, the Valeo Entities and the Purchaser and any other Person who may become a party to this Agreement.

“Payables” means ordinary course payables owing to suppliers of Inventory.

“Permits and Licenses” means the permits, licenses, Authorizations, approvals, or other evidence of authority related to the Business and listed in **Schedule B** hereto, including, the permits, licenses, authorizations, approvals, or other evidence of authority related to the Business and issued to, granted to, conferred upon, or otherwise created for, the Valeo Entities.

“Person” means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

“PLA Accruals” means the aggregate amount of accrued and unpaid rebate obligations (other than Cure Costs) payable by Valeo under each of the product listing agreements designated as Retained Contracts and attributable to the period prior to Closing in the amounts set out in **Schedule A**.

“Pre-Closing Reorganization” means the reorganization transactions which shall be implemented by the Parties prior to Closing and that are detailed in **Schedule E** hereto, including the documents giving effect thereto.

“Pre-Closing Tax Returns” has the meaning set out in Section 9.1.

“Purchased Shares” means all the issued and outstanding common shares in the capital of Valeo, as of the Closing, and following the extinguishment of the Equity Interests of Valeo pursuant to the ARVO.

“Purchaser” has the meaning specified in the preamble above.

“Receivables” means all trade receivables of Valeo in respect of goods shipped or products sold to customer, which are less than ninety (90) days old, undisputed and not subject to set off, excluding any receivables owed by Valeo Entities or any party not at arms’ length with the Valeo Entities, calculated in accordance with IFRS.

“Receivables Deficit” means the amount by which the Receivables as of the close of business on the Business Day prior to the Closing Date is less than \$5,000,000.

“Receivables Surplus” means the amount by which the Receivables as of the close of business on the Business Day prior to the Closing Date is more than \$5,000,000.

“Representative” means, in respect of a Party, each director, officer, employee, agent, Affiliate, manager, lender, attorney, accountant, professional advisor, consultant, contractor and other representative of such Party or such Party’s Affiliates.

“ResidualCo” means a new subsidiary of the Vendor, to be incorporated by or at the direction of the Vendor, in form satisfactory to the Purchaser, prior to the Closing Time as part of the Pre-Closing Reorganization.

“Retained Assets” means (i) the Retained Contracts, (ii) all marketing authorizations, regulatory documentation, and other data and information regarding the development, manufacture and commercialization of the products of the Business, including all safety and efficacy databases, clinical data, and non-clinical data, including all Permits and Licenses, and all regulatory documentation and correspondence between any of the Valeo Entities and a Governmental Entity; (iii) all purchase orders under the Retained Contracts; (iv) Intellectual Property, including all registered trademarks and tradenames of the Valeo Entities, all Valeo Entities’ rights to collect royalties and proceeds in connection therewith (including any earned and uncollected royalties), all Valeo Entities’ rights to sue and recover for past, present and future infringements, dilutions, misappropriations of, or other conflicts with, such registered trademarks and tradenames and any and all corresponding rights of the Valeo Entities that, now or hereafter, may be secured throughout the world; (v) Inventory; (vi) Receivables; (vii) all non-disclosure, confidentiality, and similar arrangements with any persons, including Employees and other third parties; (viii) all Books and Records that relate to the Retained Assets; (ix) all other data and information regarding the development, manufacture and commercialization of the Inventory, including all safety and efficacy databases, clinical data and non-clinical data as well as any materials used to market and or educate prescribers and users regarding the Inventory; (x) Valeo Software; (xi) all goodwill associated with the other Retained Assets and the Business; (xii) all rights in connection with prepaid expenses (except rent expenses in connection with real property used by the Business and premium expenses in connection with insurance policies insuring the Valeo Entities and any of their assets), escrows and similar items in connection with any of the Retained Assets; (xiii) all refunds, credits, causes of action, claims, rights of recovery and rights of set-off in favour of the Valeo Entities of any kind related to any of the Retained Assets; (xiv) all of Valeo Entities’ rights under warranties, indemnities, and all similar rights against third parties and for the benefit of the Valeo Entities to the extent related to any other Retained Assets and the Business; (xv) all bank accounts and safety deposit boxes of Valeo; (xvi) the three narcotic vaults used in the Business as of the date hereof; (xvii) all tax losses of the Valeo Entities; (xviii) all websites, phone numbers and fax numbers and other proprietary modes of communication used in the Business; and (xix) Equity Interests of VPI and Valeo US held by Valeo.

“Retained Contracts” means the Contracts listed at **Schedule C** hereto. The Purchaser may, on written notice to the Vendor and the Monitor, at any time and from time to time prior to the Business Day before the hearing of the motion for the ARVO, elect to include or exclude any Contracts to **Schedule C** (if included, the amount of any monetary default under such Contracts shall be added to the Cure Costs to be paid in accordance with this Agreement).

“Retained Employees” has the meaning set out in Section 5.7.

“Retained Liabilities” means, as of the Closing Time:

- (i) all liabilities of Valeo arising after Closing that relate to events or circumstances that occurred after Closing and all liabilities for Taxes (other than any liabilities for Taxes attributable to the period prior to the Closing Time, including any Taxes

arising from or in connection with the consummation of the Transaction and the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo); and

- (ii) any other Liabilities designated as Retained Liabilities by the Purchaser on **Schedule D** (provided the Purchaser may, on written notice to the Vendor and the Monitor, at any time and from time to time prior to the Business Day before the hearing of the motion for the ARVO, elect to include or exclude any Liabilities on **Schedule D**).

“**Sales Tax**” means all taxes, interest, penalties, and fines imposed under either Part IX of the Excise Tax Act and *An Act Respecting the Québec Sales Tax* (Québec) or under any other provincial legislation in Canada, and the regulations made thereunder.

“**Senior Secured Facility**” means that certain loan agreement dated July 28, 2022 amongst, *inter alios*, Sagard Healthcare Partners (Delaware), LP and Valeo Pharma Inc., as borrower, as amended.

“**Service List**” has the meaning set out in Section 5.2(a)(v).

“**Share Purchase Price**” has the meaning set out in Section 3.2.

“**SISP Order**” has the meaning defined in the recitals to this Agreement.

“**SISP Procedures**” has the meaning defined in the recitals to this Agreement.

“**Software**” means computer software and databases, together with, as applicable, object code, source code, firmware, files, development tools and embedded version thereof, and documentation related thereto.

“**Tax Returns**” means all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements in respect of Taxes that are required to be prepared and/or filed with any applicable Governmental Entity, including all amendments, schedules, attachments, or supplements thereto and whether in tangible or electronic form.

“**Taxes**” means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies, rates, withholdings, dues, contributions and other charges, collections or assessments of any kind whatsoever, imposed by any Governmental Entity; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**Transaction**” means, collectively, the Pre-Closing Reorganization and the purchase and sale of the Purchased Shares and Equity Interests of Valeo, and all related steps contemplated by this Agreement and as contemplated, approved and effectuated by the ARVO.

“**Valeo Software**” mean any Software that used in the Business.

“**Vendor**” means New ParentCo.

1.2 Interpretation

In this Agreement, unless otherwise stated or the context otherwise requires:

- (a) the words “hereunder”, “hereof” and similar expressions refer to this Agreement and not to any particular section or schedule and references to “Sections” and “Schedule” are to Sections of and the Schedules to this Agreement;
- (b) words importing the singular include the plural and vice versa and words importing any gender include all genders;
- (c) the word “including” means “including without limiting the generality of the foregoing”;
- (d) a reference to any statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted, or replaced and includes any regulation made thereunder;
- (e) a reference to any agreement (including this Agreement), indenture or other document is to that document as amended, supplemented, restated, or replaced from time to time;
- (f) references to dollar amounts are to Canadian dollars; and
- (g) the division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Pre-Incorporation Contract

The Parties acknowledge and agree that this Agreement is a pre-constitution contract for purposes of articles 319 and 320 of the *Civil Code of Québec*, and that upon the adoption of this Agreement by New ParentCo, this Agreement shall be ratified and New ParentCo shall be bound to all of the obligations, and entitled to the benefits of, the Vendor as if it was an original signatory hereto, and the Valeo Entities shall cease to be bound by all of the obligations, and shall cease to be entitled to all of the benefits of, the Vendor. The Valeo Entities shall continue to be bound by all other obligations and entitled to all other benefits under this Agreement.

1.4 Schedules

The following Schedules are incorporated in and form part of this Agreement:

SCHEDULE A – Cure Costs and PLA Accruals

SCHEDULE B – Permits and Licenses

SCHEDULE C – Retained Contracts

SCHEDULE D – Retained Liabilities

SCHEDULE E – Pre-Closing Reorganization

SCHEDULE F – Illustrative Calculation

SCHEDULE G– Notice Obligations

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 PRE-CLOSING REORGANIZATION

2.1 Pre-Closing Reorganization

- (a) Prior to the Closing Date, in accordance with and at the times set forth in **Schedule E**, the Parties shall complete the Pre-Closing Reorganization.
- (b) The steps set forth in the Pre-Closing Reorganization shall occur, and be deemed to have occurred in the order and manner to be set out in **Schedule E**.
- (c) Pursuant to the steps contemplated by and the terms of the ARVO, in accordance with the Pre-Closing Reorganization set forth in **Schedule E**, all Equity Interests of Valeo outstanding prior to the issuance of the Purchased Shares other than the Equity Interests held by the Vendor shall be purchased by the Purchaser for consideration equal to the Future Cash Payments (as defined below), and such Equity Interests and the Purchased Shares shall represent 100% of the outstanding Equity Interests in Valeo after such issuance.

2.2 Excluded Assets

Prior to the Closing Time and at the time provided for in the Pre-Closing Reorganization and the ARVO, on and subject to the terms and conditions of this Agreement and the ARVO, all of the Valeo Entities' right, title and interest in and to the Excluded Assets, if any, shall be transferred to ResidualCo in accordance with the steps set forth in **Schedule E**.

2.3 Excluded Contracts

Prior to the Closing Time and at the time provided for in the Pre-Closing Reorganization and the ARVO, on and subject to the terms and conditions of this Agreement and the ARVO, all of the Valeo Entities' rights, benefits, obligations under and interests in, to and under the Excluded Contracts shall be assigned to and assumed by ResidualCo in accordance with the steps set forth in **Schedule E**. Notwithstanding any other provision of this Agreement, as of the Closing Time,

neither the Purchaser nor any of the Valeo Entities shall assume, or have any liability or obligations whatsoever under any of the Excluded Contracts.

2.4 Excluded Liabilities

Prior to the Closing Time and at the time provided for in the Pre-Closing Reorganization and the ARVO, on and subject to the terms and conditions of this Agreement and the ARVO, the Excluded Liabilities shall be transferred to and assumed by ResidualCo in accordance with the steps set forth in **Schedule E**. Notwithstanding any other provision of this Agreement, and in conformity with the ARVO, as of the Closing Time, neither the Purchaser nor any of the Valeo Entities shall retain, assume, or have any liability or obligations under or in respect of any of the Excluded Liabilities, and the Valeo Entities shall be forever irrevocably released and discharged from such Excluded Liabilities. The Purchaser may, on written notice to the Vendor and the Monitor, at any time and from time to time prior to the Business Day before the motion seeking the granting of the ARVO, elect to include or exclude any Liability of the Valeo Entities as a Retained Liability (in which case such Liability shall be retained by the applicable Valeo Entity and shall not be transferred to or assumed by ResidualCo).

ARTICLE 3 SALE AND PURCHASE OF PURCHASED SHARES

3.1 Subscription for Purchased Shares

- (a) Subject to the terms and conditions hereof and the ARVO, on the Closing Date, the Purchaser shall subscribe for and purchase from Valeo and Valeo shall issue to the Purchaser, the Purchased Shares, free and clear of all Encumbrances pursuant to the ARVO, which Purchased Shares shall, immediately following the implementation of the ARVO, represent 100% of the then Equity Interests of Valeo. Also pursuant to the ARVO, all rights, title, and interest in and to the Retained Assets shall remain in Valeo, free and clear of any Encumbrances, and any Retained Liabilities shall also remain in the applicable Valeo Entity. Without limiting the foregoing, the Retained Assets shall be free of all Encumbrances, including but not limited to the Interim Facility and the Senior Secured Facility and all charges granted pursuant to the ARVO.
- (b) Pursuant to the ARVO, all of the Equity Interests held by the Vendor shall be purchased by the Purchaser for consideration equal to the Future Cash Payments and such Equity Interests and the Purchased Shares issued to the Purchaser shall represent all of the Equity Interests of Valeo following such purchase.

3.2 Share Purchase Price

The purchase price payable by the Purchaser for the Purchased Shares and the Equity Interests held by the Vendor (the “**Share Purchase Price**”) is the aggregate of the following:

- (a) \$20,000,000 (inclusive of the Deposit and any applicable Sales Tax);
- (b) plus, the Future Cash Payments;

- (c) less, an amount equal to the Receivables Deficit, if any;
- (d) plus, an amount equal to the Receivables Surplus, if any;
- (e) less, an amount equal to the Inventory Deficit, if any;
- (f) plus, an amount equal to the Inventory Surplus, if any;
- (g) less, the Cure Costs and PLA Accruals Surplus, if any; and
- (h) plus, the Cure Costs and PLA Accruals Deficit, if any.

An illustrative example of the calculation provided for in this Section 3.2 is included as **Schedule F**.

3.3 Payments of the Share Purchase Price.

The Share Purchase Price will be paid as follows:

- (a) For the Purchased Shares, to the Monitor, at the Closing, pursuant to an irrevocable written direction by Valeo, an amount equal to the Share Purchase Price less Future Cash Payments, as defined below, by delivery of a wire transfer of immediately available funds from the Purchaser including application of the Deposit to, (i) first, to be applied as a permanent repayment of Valeo's obligations pursuant to the Interim Facility Amount in accordance with the priority of payment for interest, fees and principal set forth in the Interim Facility approved by the Court; (ii) second, all amounts owing under the Accord Facility and (iii) third, the balance to be applied to permanently repay amounts owing pursuant to Valeo's obligations under the Senior Secured Facility in accordance with the priority of payment for interest, fees and principal set forth in the Accord Facility and the Senior Secured Facility, respectively, but in any event all such amounts to be applied pursuant to clause (i) and clause (ii) above shall not exceed the aggregate amount equal to the Share Purchase Price less the Future Cash Payments, as defined below; and
- (b) For the Equity Interests held by the Vendor, at the Closing, the delivery by the Purchaser to the Vendor of a promissory note, on terms (including with respect to security for payment obligations) acceptable to the Purchaser and Vendor, acting reasonably (the "**Promissory Note**"), obligating the Purchaser to pay to the Vendor or its assignee either of the following amounts (the "**Future Cash Payments**"), as determined by the Purchaser on the first anniversary of the Closing Date:
 - (i) the amount of (a) \$5,000,000 on the first anniversary of the Closing Date, and (b) \$5,000,000 on the second anniversary of the Closing Date, both by delivery of a wire transfer of immediately available funds to the Vendor or its assignee; or
 - (ii) the amount of \$7,500,000 on the first anniversary of the Closing Date, by delivery of a wire transfer of immediately available funds to the Vendor or its assignee.

The Promissory Note will: (i) be unconditionally freely assignable by the Vendor in partial repayment of amounts owing pursuant to the Senior Secured Facility and, upon such assignment, fully enforceable by the assignee against the Purchaser; (ii) provide that obligations under it are unconditionally payable without any right of set-off, deduction, holdback or similar remedy against the Vendor or its assignee for any reason whatsoever; (iii) be fully guaranteed in performance by Valeo; (iv) be secured by second lien security against all property and assets of the Purchaser and Valeo, ranking subordinate only to security for borrowed indebtedness under the Purchaser's existing or new credit facilities with Royal Bank of Canada; (v) include usual and customary terms for the preservation and maintenance of the Promissory Note and the security therefor; and (vi) contain other usual and customary terms satisfactory to the Vendor and the Purchaser, acting reasonably. At Closing, the Vendor, Valeo, the Purchaser, Sagard Healthcare Partners (Delaware), LP and Royal Bank of Canada will execute and mutually deliver a subordination agreement providing for, among other things, the subordinated second lien and other terms contemplated in this Section 3.3(b) and the payee's rights to enforce payment obligations under the Promissory Note as and when due if a continuing event of default has not occurred under the Purchaser's credit agreements with Royal Bank of Canada. For greater certainty, any obligations under the Senior Secured Facility that are not repaid by the Vendor at or before Closing shall be deemed an Excluded Liability and transferred to ResidualCo but also constitute obligations of New ParentCo pursuant to the ARVO.

3.4 Pre-Closing Audits

Three Business Days prior to the Closing Date, the Monitor shall furnish to the Purchaser a certificate (the "**Closing Certificate**") signed on Valeo's behalf by the Monitor setting forth Valeo's reasonable good faith estimate of each of the following: Receivables Deficit (if any), Receivables Surplus (if any), Inventory Deficit (if any), Inventory Surplus (if any), the Cure Costs and PLA Accruals Surplus (if any) and Cure Costs and PLA Accruals Deficit (if any), each as of the Closing Date, together with reasonable working papers and other reasonable documentation providing support for and setting out the details of such calculation in the Closing Certificate. On the Business Day prior to the Closing Date, a nationally known independent accounting firm selected and paid for by the Purchaser and satisfactory to the Vendor, acting reasonably, shall conduct a physical count of the Inventory to verify the Receivables Deficit (if any), Receivables Surplus (if any), Inventory Deficit (if any), Inventory Surplus (if any), the Cure Costs and PLA Accruals Surplus (if any) and Cure Costs and PLA Accruals Deficit (if any), which amounts shall be applied to the determination of the Share Purchase Price. The Purchaser shall be permitted to have representative(s) thereof present during such physical count or inspection, at the sole expense of the Purchaser.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor and the Valeo Entities as of the date hereof and as of the Closing Time, and acknowledges that the Vendor and the Valeo Entities are

relying on such representations and warranties in connection with entering into this Agreement and performing their obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation duly incorporated, organized, and subsisting under the laws of its jurisdiction of incorporation and has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder.
- (b) Corporate Authorization. The Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the Transaction contemplated herein will not breach its Organizational Documents, any agreement binding upon it or any applicable Laws.
- (c) No Consents. Other than the ARVO, execution, delivery, and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization, or other order of, action by, filing with or notification to, any Governmental Entity.
- (d) Execution and Binding Obligation. This Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Closing Time, duly and validly executed and delivered by the Purchaser and constitute or will, as at the Closing Time, constitute legal, valid, and binding obligations of the Purchaser enforceable in accordance with the terms hereof or thereof.
- (e) Absence of Conflicts. The Purchaser is not a party to, bound or affected by or subject to any charter or by-law provision or applicable Laws or Authorizations that would be violated, breached, or under which any default would occur or with notice or the passage of time would be created, as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement.
- (f) No Litigation. There are no proceedings before or pending before any Governmental Entity or threatened to be brought by or before any Governmental Entity by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser.
- (g) No Order. The Purchaser is not subject to any order of any Governmental Entity, nor are there any such orders threatened to be imposed by any Governmental Entity, which could affect the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser.
- (h) Informed and Sophisticated Purchaser. The Purchaser is an informed and sophisticated Purchaser, and has engaged expert advisors and is experienced in the evaluation and purchase of property and assets and retention of liabilities such as the Purchased Shares, the Business, the Retained Assets and the Retained Liabilities as contemplated hereunder. The Purchaser has undertaken such investigations and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make

an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement.

- (i) Sufficient Funds. The Purchaser has, and will have, sufficient funds available to satisfy its obligations to pay the Share Purchase Price at the Closing Time.

4.2 Representations and Warranties of the Valeo Entities

The Valeo Entities represent and warrant to the Purchaser as of the date hereof and as of the Closing Time, and acknowledge that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Valeo Entities are corporations that are duly incorporated, organized, and subsisting under the laws of their respective jurisdiction of incorporation and have the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder.
- (b) Corporate Authorization. Subject to obtaining the ARVO, the Valeo Entities have taken all necessary corporate action to authorize the entering into and performance by them of this Agreement, any ancillary documents hereto and completion of the Transaction contemplated herein and therein will not breach their Organizational Documents, any material agreement binding upon them or any applicable Laws with respect to any of them.
- (c) Execution and Binding Obligations. Subject to obtaining the ARVO, this Agreement and all other documents contemplated hereunder to which the Valeo Entities are or will be a party, have been or will be, as at the Closing Time, duly and validly executed and delivered by the Valeo Entities and constitute or will, as at the Closing Time, constitute legal, valid, and binding obligations of the Valeo Entities enforceable in accordance with the terms hereof or thereof, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity, regardless of whether asserted in a proceeding in equity or law.
- (d) VPI and Valeo US. Each of VPI and Valeo US is inactive, does not own any assets and does not conduct any business or generate any revenue.
- (e) Termination of Representations and Warranties. The representations and warranties of the Valeo Entities in this Agreement, and the Valeo Entities' covenants in Article 5, shall terminate at Closing and thereafter shall be of no further force or effect. The sole remedy that shall be available to the Purchaser as a result of a breach by the Valeo Entities of such representations, warranties or covenants shall be termination pursuant to Section 7.7(c).

4.3 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as of the Closing Time as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Vendor is a corporation duly incorporated, organized, and subsisting under the laws of its jurisdiction of incorporation and has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder.
- (b) Corporate Authorization. Subject to obtaining the ARVO, the Vendor has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement, any ancillary documents hereto and completion of the Transaction contemplated herein and therein will not breach its Organizational Documents, any material agreement binding upon the Vendor or any applicable Laws with respect to the Vendor.
- (c) Execution and Binding Obligations. Subject to obtaining the ARVO, this Agreement and all other documents contemplated hereunder to which the Vendor is or will be a party, have been or will be, as at the Closing Time, duly and validly executed and delivered by the Vendor and constitute or will, as at the Closing Time, constitute legal, valid, and binding obligations of the Vendor enforceable in accordance with the terms hereof or thereof, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity, regardless of whether asserted in a proceeding in equity or law.
- (d) Taxes.
 - (i) The Vendor is not a non-resident of Canada for purposes of section 116 of the Income Tax Act.
 - (ii) The Vendor will be a registrant for the purposes of tax imposed under (A) *An Act Respecting the Québec Sales Tax* (Québec) and (B) Part IX of the ETA and will provide the Purchaser with the applicable registration numbers.
- (e) Retained Contracts. The Vendor confirms that no counterparty to a Retained Contract has notified the Vendor or the Monitor of the occurrence of a non-monetary or continuing default. For greater certainty, (i) such non-monetary or continuing defaults do not include defaults under Retained Contracts that will be cured or waived under the ARVO; and (ii) as it pertains to a Retained Contract entered into between Valeo and a supplier or distributor thereto, the Vendor confirms there is no ongoing non-monetary breach by Valeo under such Retained Contract.
- (f) Termination of Representations and Warranties. The representations and warranties of the Valeo Entities and the Vendor in this Agreement, and the covenants of the Vendor and the Valeo Entities in Article 5, shall terminate at Closing and thereafter shall be of no further force or effect. The sole remedy that shall be available to the Purchaser as a result of a breach by the Vendor or the Valeo Entities of such representations, warranties or covenants shall be termination pursuant to Section 7.7(c).

4.4 As is, Where is.

The Purchased Shares shall be sold and issued to the Purchaser, and the Retained Assets shall be retained by the Purchaser on an “*as is, where is basis*”, subject to the representations and warranties contained herein (including in the schedules hereof). Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, or quality or in respect of any other matter or thing whatsoever concerning the Purchased Shares or the Retained Assets.

ARTICLE 5 COVENANTS

5.1 Joinder of New ParentCo

The Valeo Entities shall cause, immediately upon incorporation of New ParentCo in accordance with the Pre-Closing Reorganization, New ParentCo to become party to this Agreement by way of joinder, in a form satisfactory to the Purchaser in all respects, pursuant to which New ParentCo agrees to become bound as Vendor hereunder. Without limiting the foregoing, Xediton Pharmaceuticals Inc. will remain liable as a guarantor for payment of the Future Cash Payments.

5.2 Interim Period

(a) During the Interim Period the Valeo Entities shall:

- (i) continue to conduct and maintain the Business and the Retained Assets in substantially the same manner as conducted and maintained on the date of this Agreement. The Valeo Entities shall not transport, remove, or dispose of, and shall not allow the transportation, removal, or disposal of, any Retained Asset out of their current locations;
- (ii) keep in good standing the Permits and Licenses that are active as of the date of this Agreement;
- (iii) comply with their obligations under all Retained Contracts in accordance with the Cash Flow. The occurrence of a material default or material event of default that has not been waived or cured (other than a default or event of default arising out of the initiation of the CCAA Proceedings or in relation to non-payment of Cure Costs) under any of the Retained Contracts shall constitute a breach of covenant under this Agreement;
- (iv) keep the Purchaser fully informed of any material developments relating to the Valeo Entities or the Business; and
- (v) provide duly constituted notice of the Transaction and not less than seven (7) days’ service of the motion record wherein the ARVO is sought from the Court to all parties whose rights are affected by the Transaction, including but not limited to

each (A) Governmental Entity counterparty to Product Listing Agreements set forth on **Schedules C and G**; (B) any licenses held by Valeo (including as set forth on **Schedule B**); (C) any other counterparty to a Retained Contract entered into by Valeo prior to the date hereof; (D) creditors of the Valeo Entities who have registered an interest pursuant to any personal property security legislation (or equivalent in the Province of Quebec); (E) all Governmental Entities in respect of which any Taxes are remitted by any of the Valeo Entities; (F) all parties on the Service List in the CCAA Proceeding (the “**Service List**”); provided, further, that in no case shall such notice of the Transaction be delivered later than seven (7) days’ prior to the date on which the Court is hearing the motion for the ARVO.

- (b) During the Interim Period, the Valeo Entities shall not, except with the consent or at the direction of the Purchaser in its sole discretion, or except if taking place in the normal course of business and in accordance with the Cash Flow as at the date of this Agreement:
- (i) enter into any Contract or obtain any Authorization or terminate, amend, restate, supplement, extend, assign, or waive (partially or completely) any rights under any Contract or Authorization;
 - (ii) sell, lease, exchange, transfer or otherwise dispose of, or agree to sell, lease, exchange, transfer or otherwise dispose of, any Retained Asset;
 - (iii) settle or compromise any litigation or claims relating to the Business or Retained Assets or that would impose any restrictions or Liabilities on the Business or the Purchaser’s use of the Retained Assets after the Closing;
 - (iv) permit, allow or suffer any assets that would be Retained Assets to be subjected to any newly created Encumbrance;
 - (v) cancel or compromise any debt or claim that would be included in the Retained Assets or waive or release any material right of the Vendor that would be included in the Retained Assets;
 - (vi) terminate or hire any executive officers, members of senior management or other Employees or contractors or consultants, other than in connection with a for-cause termination;
 - (vii) enter into or adopt any collective agreement or enter into negotiations in connection therewith;
 - (viii) grant any increase in the compensation or benefits of any Employee or former Employee or any dependent or other Person claiming through an Employee or former Employee, including the grant, increase or acceleration in any severance, change in control, termination or similar compensation or benefits payable to any Employee, other than as provided in the ARIO;

- (ix) enter into, adopt, amend, modify or terminate any employee compensation plan other than as required pursuant to applicable Laws or the terms of such employee compensation plan in effect as of the date hereof;
- (x) take any action that would reasonably be expected to prevent or significantly impede or materially delay the completion of the Transaction contemplated hereunder, or the financial terms and value bargained for by the Purchaser hereunder;
- (xi) make, revoke, or change any election relating to Taxes, file any amended Tax Return, request, enter into or obtain any Tax ruling with or from a Governmental Entity, or execute or file, or agree to execute or file, with any Governmental Entity any agreement or other document extending, or having the effect of extending, the period of assessment or collection of any Taxes; or
- (xii) agree to do any of the foregoing.

5.3 Access During Interim Period

During the Interim Period, upon written request by the Purchaser to the Monitor, the Vendor and the Valeo Entities shall give, or cause to be given, to the Purchaser and their Representatives reasonable access during normal business hours to the Retained Assets, including their Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser deems reasonably necessary or desirable to further familiarize themselves with the Business and the Retained Assets. Without limiting the generality of the foregoing, the Purchaser and their Representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement. Such investigations, inspections, surveys, and tests shall be carried out at the Purchaser's sole and exclusive risk, during normal business hours, and without undue interference with the Business.

5.4 Risk of Loss and Casualty

Until the Closing Time, all of the Retained Assets will be at the risk of the Vendor and the Valeo Entities. If, before the Closing Time, any material portion of the Retained Assets are destroyed or damaged or are appropriated, expropriated or otherwise, the Valeo Entities and the Vendor will promptly so notify the Purchaser, who shall have the option, exercisable by notice in writing:

- (a) to complete the Transaction, in which event all proceeds of any insurance (including business interruption insurance) will be immediately payable to the Purchaser upon receipt by the Vendor or the Valeo Entities; or
- (b) to terminate this Agreement.

5.5 Insurance Matters

Until the Closing, the Vendor and the Valeo Entities will keep in full force and effect all of their existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practices of the Vendor and the Valeo Entities in the ordinary course of business.

5.6 Cure Costs Payment

On or immediately following the Closing of the Transaction, the Purchaser shall pay or cause Valeo to pay all Cure Costs in accordance with **Schedule A** and the ARVO, provided that at all times during the Interim Period, Payables will be paid in accordance with the then applicable CCAA cash flow forecast appended to the term sheet in respect of the Interim Facility.

5.7 Employees

- (a) As part of the Purchaser's rights during the Interim Period pursuant to Section 5.3 hereof, the Purchaser shall be provided reasonable access to the Employees to meet and interview them. The Purchaser will, no less than three (3) Business Days prior to the Closing Date, designate a minimum of twenty (20) Employees that shall be retained by Valeo on and after the Closing Date on the terms and conditions of such Employees' current employment arrangements with Valeo (the "**Retained Employees**"), provided, however, that any equity compensation to which such Retained Employees are or were entitled shall be cancelled in accordance with the ARVO.
- (b) After Closing, the Purchaser may, in its sole discretion, terminate any Retained Employee within 30 days following Closing (a "**Post-Closing Terminated Employee**"). All liabilities in respect of the termination of the Post-Closing Terminated Employee shall be vested in ResidualCo as Excluded Liabilities immediately upon such Employee's termination in accordance with the terms of the ARVO. For greater certainty, the Purchaser shall have no liability and shall not assume any liability in respect of any such Post-Closing Terminated Employees.
- (c) Employees other than the Retained Employees shall be terminated by the applicable Valeo Entity employer not later than one (1) Business Day prior to the Closing Date.

5.8 Lease

- (a) As part of the Purchaser's rights during the Interim Period, the Purchaser shall be provided reasonable access to the Leased Premises, as required in order to visit and inspect same, upon 48 hour notice to Valeo and the Monitor.
- (b) After Closing, the Purchaser shall be entitled to occupy the Leased Premises for a period of up to 90 days following Closing (the "**Occupation Period**"). The Purchaser will be required, at least 35 days in advance, to notify the Monitor that it intends to terminate the Lease, in order for the landlord of the Leased Premises to be notified of such termination at least 30 days in advance of the effective termination date (the "**Effective Termination Date**"). The ARVO will further provide that the Purchaser does not assume obligations

pertaining to the “broom-swept state” or otherwise of the Leased Premises upon termination. The payment of any monetary obligations pursuant to the Lease will be assumed by the Purchaser from the Closing Date, until the Effective Termination Date, and all other liabilities in connection with the Lease being vested in ResidualCo as Excluded Liabilities.

- (c) During the Occupation Period, the Purchaser and Retained Employees may use the personal property located in the Leased Premises without cost.
- (d) Any professional fees secured by the Administration Charge under the CCAA Proceedings incurred during the first 45 days of the Occupation Period shall be for the account of Valeo Entities. Thereafter, to the extent that the (i) Purchaser elects to continue with the Occupation Period after the first 45 days thereof and (ii) Monitor has concluded its services in connection with the CCAA Proceedings other than to facilitate the continued Occupation Period, any fees of the Monitor (determined on an hourly basis) incurred after the 46th day of the Occupation Period until the Effective Termination Date shall be paid by the Purchaser to the Monitor in trust.

ARTICLE 6 CONDITIONS

6.1 Conditions - Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed:

- (a) the form and substance of the ARVO sought from the Court shall be satisfactory to the Purchaser in its reasonable discretion and shall include an order for provisional execution;
- (b) the Pre-Closing Reorganization shall have been completed in the order and in the timeframes set out in the Pre-Closing Reorganization and the ARVO;
- (c) all representations and warranties of the Vendor and the Valeo Entities contained in this Agreement shall be true in all respects as of the Closing Time with the same effect as though made on and as of that date;
- (d) each of the Vendor and the Valeo Entities shall have performed in all respects its obligations under this Agreement to the extent required to be performed at or prior to the Closing Time;
- (e) on or before the Closing Date, there shall not have occurred any material default under any of the Permits and Licenses that remains unremedied;
- (f) Valeo shall have terminated the employment of the Employees that are not Retained Employees and all liabilities owing to any such Employees in respect of such terminations, including all amounts owing on account of or damages in lieu of, statutory notice, termination payments, severance, benefits, bonuses or other compensation or entitlements,

shall be Excluded Liabilities which, pursuant to the ARVO, shall be assigned and transferred as against Valeo, to and assumed by, ResidualCo;

- (g) all documents relating to Closing and the Transaction, and all actions or proceedings taken on or prior to the Closing Time in connection with the performance by the Vendor and the Valeo Entities of their respective obligations under this Agreement shall be satisfactory to the Purchaser, acting reasonably, and the Purchaser shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as they may reasonably request, in each case in form and substance satisfactory to the Purchaser;
- (h) no Governmental Entity shall have objected to the completion of the Transaction and the Purchaser shall have no indication that the Permits and Licenses will not remain in full force and effect immediately following the completion of the Transaction;
- (i) since the date hereof, no change, effect, event, occurrence, state of facts or development shall have occurred that resulted in, or would reasonably be expected to result in, a material adverse effect;
- (j) Valeo, effective upon the Closing, shall have delivered written authorization and irrevocable directions to all banks of Valeo that George Gafrey (or any other designee thereof) has the sole authority over all banks accounts of Valeo maintained at such banks;
- (k) Valeo shall have delivered to the Purchaser all of the deliverables contained in Section 7.3, in form and substance reasonably satisfactory to the Purchaser; and
- (l) Valeo shall have delivered all notices and effected service of the motion record in respect of the ARVO pursuant to Section 5.2(a)(v).

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 6.1 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing and such waiver is signed by the Purchaser. If any condition set out in Section 6.1 is not satisfied or performed on or prior to the date specified therefor, the Purchaser may elect on written notice to the Valeo Entities to terminate this Agreement.

6.2 Conditions - Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date; and
- (b) the Purchaser shall have performed in all material respects its obligations under this Agreement to the extent required to be performed at or prior to the Closing Time.

The foregoing conditions are for the exclusive benefit of the Vendor and the Valeo Entities. Any condition in this Section 6.2 may be waived by the Vendor and the Valeo Entities in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor and the Valeo Entities only if made in writing. If any condition set forth in Section 6.2 is not satisfied or performed on or prior to the date specified therefor, the Vendor and the Valeo Entities may elect on written notice to the Purchaser to terminate the Agreement.

6.3 Conditions - Purchaser and Vendor

The obligations of the Vendor and the Valeo Entities, on the one part, and the Purchaser, and on the other part, to complete the Transaction are subject to the following conditions being fulfilled or performed:

- (a) the ARVO shall have been obtained and shall not have been stayed, varied, or vacated, or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);
- (b) no applicable Laws and no judgment, injunction, order, or decree shall have been issued by a Governmental Entity or otherwise in effect that restrains or prohibits the completion of the Transaction; and
- (c) no motion, action or proceedings shall be pending by or before a Governmental Entity to restrain or prohibit the completion of the Transaction contemplated by this Agreement.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of the Valeo Entities, the Vendor and the Purchaser. If the conditions set out in this Section 6.3 are not satisfied performed or mutually waived on or before the Outside Date, any Party shall have the option to terminate this Agreement upon written notice to the other Parties.

ARTICLE 7 CLOSING

7.1 Closing

Subject to the conditions set out in this Agreement, the completion of the Transaction shall take place virtually at the Closing Time, or as otherwise determined by mutual agreement of the Parties in writing, but, in any event, shall take place prior to the Outside Date.

7.2 Purchaser Deliveries on Closing

At or before the Closing Time, the Purchaser shall execute and deliver, or arrange for the delivery, as the case may be, to the Vendor (or the Monitor, as the case may be) the following, each of which shall be in form and substance satisfactory to the Vendor:

- (a) certified copies of (i) the constating documents of the Purchaser, (ii) all resolutions of the shareholders, as applicable, and the board of directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and any ancillary agreement, and (iii) a list of its officers and directors authorized to sign

agreements together with the specimen signatures for such directors and officers signing this Agreement or any ancillary agreement hereto;

- (b) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by an appropriate government official of the jurisdiction of its incorporation;
- (c) a certificate dated as of the Closing Date from the Purchaser confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time with the same effect as though made on and as of the Closing Time, and that the Purchaser has performed in all material respects each of its obligations under this Agreement required to be performed by it at or prior to the Closing Time;
- (d) an acknowledgement dated as of the Closing Date that each of the conditions precedent in Section 6.2 and 6.3 of this Agreement have been fulfilled, performed or waived (in the case of Section 6.2 by, or on behalf of Vendor and, in the case of Section 6.3, mutually by Vendor and Purchaser), as of the Closing Time;
- (e) the Promissory Note signed by the Purchaser;
- (f) written confirmation to the Monitor that all conditions precedent in Section 6.2 of this Agreement have been satisfied or waived (by, or on behalf of Vendor); and
- (g) such further and other documentation as is referred to in this Agreement or as the Valeo Entities and the Vendor may reasonably require to give effect to this Agreement.

7.3 Vendor's Deliveries on Closing

At or before the Closing Time, the Vendor shall execute and deliver, or arrange for the delivery, as the case may be, to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser:

- (a) the Books and Records for the Valeo Entities, to be delivered electronically, if possible, or to the extent not possible, to be made available for pick-up by Purchaser at the Closing;
- (b) a true copy of the ARVO, issued by the Court;
- (c) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Vendor and the Valeo Entities contained in this Agreement are true in all material respects as of the Closing Time with the same effect as though made on and as of the Closing Time, and that the Vendor and the Valeo Entities have performed in all material respects each of the obligations under this Agreement required to be performed by each of them at or prior to the Closing Time;
- (d) an acknowledgement dated as of the Closing Date that each of the conditions precedent in Sections 6.1 and 6.3 of this Agreement have been fulfilled, performed or waived (in the

case of Section 6.1 by, or on behalf of Purchaser and, in the case of Section 6.3, mutually by Vendor and Purchaser) as of the Closing Time;

- (e) stock certificates or similar documents representing all of the issued and outstanding shares in the capital of Valeo, which shall be the Purchased Shares;
- (f) resignation letters, effective as of the Closing Time, executed by each of the members of the board of directors of Valeo;
- (g) the transfer of Inventory to a carrier arranged and paid for by the Purchaser;
- (h) an agreement assigning the Promissory Note to Sagard Healthcare Partners Delaware L.P. executed by the Vendor;
- (i) written confirmation to the Monitor that all conditions of Closing pursuant to Section 6.1 have been satisfied or waived (by, or on behalf of Purchaser); and
- (j) stock certificates or similar documents representing all of the Equity Interests of VPI and Valeo US held by Valeo; and
- (k) such further and other documentation as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

7.4 Monitor's Certificate

Upon receipt of payment in full of the Share Purchase Price and the written confirmations referred to in Section 7.2(f) and 7.3(i), the Monitor shall (a) issue the Monitor's Certificate concurrently to the Vendor and the Purchaser, at which time the Closing will be deemed to have occurred; and (b) file as soon as practicable a copy of the Monitor's Certificate with the CCAA Court and provide soon thereafter an original of the Monitor's Certificate to the Purchaser. The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the CCAA Court without independent investigation and will have no liability to the Vendor, the Valeo Entities or the Purchaser or any other Person as a result of the filing of the Monitor's Certificate.

7.5 Post-Closing Cooperation

Vendor, on the one hand, and Purchaser, on the other hand, shall provide each other, as well as the Monitor or any bankruptcy trustee, as applicable, with such cooperation and information as either of them may reasonably request of the other, including:

- (i) in filing any Tax Returns or in connection with any audit or other proceedings in respect of Taxes after Closing;
- (ii) in the provision of notice and/or communications to unsecured creditors and employees of the Valeo Entities in respect of the Closing of the Transaction, in form and substance acceptable to the Valeo Entities, the Purchaser and the Monitor acting reasonably; and

- (iii) in respect of any other post closing matters.

7.6 Dispute Resolution

If any dispute arises with respect to any other matter related to the Transaction or the interpretation or enforcement of this Agreement, such dispute will be determined exclusively by the Court as the Court may direct, on application by the Vendor, the Valeo Entities, the Monitor or the Purchaser.

7.7 Termination

This Agreement may, by notice pursuant to Section 9.3, given on or prior to the Closing Date, be terminated:

- (a) by mutual consent of the Valeo Entities and the Purchaser;
- (b) by the Purchaser or the Valeo Entities, if:
 - (i) Closing has not occurred on or before the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 6 by the Outside Date;
 - (ii) the ARVO shall not have been granted by January 24, 2025, or such later date as may be agreed to between the Parties and the Monitor;
- (c) by the Purchaser, if:
 - (i) the ARVO is subject to any motion seeking to stay, vary, appeal or set aside the ARVO;
 - (ii) there has been a material breach of this Agreement by the Vendor or the Valeo Entities and, where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within 15 days following written notice of such breach by the Purchaser; or
 - (iii) any of the conditions in Section 6.1 have not been satisfied and it becomes reasonably apparent that any of such conditions will never be satisfied (other than as result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing;
- (d) by the Vendor or the Valeo Entities, if there has been any material breach of this Agreement by the Purchaser (including to fulfill its material obligations under Section 6.2 or 7.2 of this Agreement and to pay the Share Purchase Price at Closing) or if any of the conditions in Section 6.2 of this Agreement have not been satisfied as a result of a material failure or omission of the Purchaser to fulfil its obligations under the terms of this Agreement.

7.8 Effects of Termination and Closing

The rights of termination under Section 7.7 are in addition to any other rights the respective Party may have under this Agreement or otherwise, and the exercise of a right of termination by a Party will not constitute an election of remedies. If this Agreement is terminated pursuant to Section 7.7 this Agreement will be of no further force or effect; provided, however, this Section 7.8 (*Effect of Termination*), Section 7.9 (*Deposit*), and Article 9 (*General*) and provisions that by their nature should survive, will survive the termination of this Agreement, and (ii) the termination of this Agreement will not relieve any Party from any liability for any breach of this Agreement occurring prior to termination.

7.9 Deposit

Without limiting the generality of Section 7.8 in the event this Agreement is terminated:

- (a) by both Parties pursuant to Section 7.7(a) or by either of the Parties pursuant to Section 7.7(b), the Deposit shall be returned to the Purchaser;
- (b) by the Purchaser pursuant to Section 7.7(c), the Deposit shall be returned to the Purchaser and the return of the Deposit shall be the Purchaser's sole and exclusive remedy for such termination of this Agreement; or
- (c) by the Vendor or the Valeo Entities pursuant to Section 7.7(d), the Deposit shall be forfeited by the Purchaser and the forfeit of the Deposit shall be the sole and exclusive remedy of the Vendor and the Valeo Entities for such termination of this Agreement.

ARTICLE 8 APPROVAL AND REVERSE VESTING ORDER

8.1 Approval and Reverse Vesting Order

- (a) Each of the Valeo Entities and the Purchaser shall cooperate with drafting the materials for the motion for issuance and entry of the ARVO on a prompt and timely basis, and the Valeo Entities shall deliver to the Purchaser prior to filing, and as early in advance as is practicable to permit adequate and reasonable time for the Purchaser and its counsel to review and comment, draft copies of all of the Valeo Entities' proposed pleadings, motions and other material papers to be filed by the Valeo Entities in connection with such motions and proposed orders and relief requested therein and any challenges thereto, and the Service List in respect of the motion seeking approval of the Transaction and the ARVO. For greater certainty, the ARVO sought by the Valeo Entities shall be in form and substance satisfactory to the Purchaser, acting reasonably.
- (b) The Valeo Entities, in consultation with the Purchaser and the Monitor, shall determine all Persons required to receive notice of the motions for the ARVO under applicable Laws and the requirements of the *Companies' Creditors Arrangement Act*, the Court and any other Person determined necessary by the Valeo Entities or the Purchaser. For greater certainty, the parties to receive service of the motion materials in respect of the Transaction and the motion seeking the ARVO pursuant to this Agreement are not limited to the foregoing

sentence and includes other parties as determined by the Purchaser pursuant to Section 5.2(a)(v) herein.

ARTICLE 9 GENERAL

9.1 Tax Returns

- (a) The Purchaser shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for the Valeo Entities for all Tax periods ending on or prior to the Closing Date (the “**Pre-Closing Tax Returns**”) that are not required to be filed prior to the Closing Date. At least thirty (30) days prior to the date upon which any Pre-Closing Tax Returns required to be filed are filed by the Valeo Entities, drafts of such Pre-Closing Tax Returns shall be submitted to the Vendor for review by the Vendor and their legal and tax advisors. The Valeo Entities shall make any changes to such draft Pre-Closing Tax Returns requested by the Vendor fifteen (15) days following receipt of such draft Pre-Closing Tax Returns, provided that such changes are not contrary to applicable Laws. The Valeo Entities shall make (or omit to make) any elections, designations, claims, allowances, deductions or amendments thereto in respect of Taxes as may be reasonably requested by the Purchaser, provided that such elections, designations, claims, allowances, deductions or amendments are not contrary to applicable Laws.
- (b) The Purchaser shall cause the Valeo Entities to make the election under Section 256(9) of the *Income Tax Act* (and the corresponding provisions of any applicable provincial or territorial legislation) in respect of the taxation year of the Valeo Entities ending as a result of the Closing.

9.2 Access to Books and Records

- (a) The Purchaser shall, and shall cause the Valeo Entities from and after the Closing Date to, retain and preserve all Books and Records for seven (7) years, or for any longer periods as may be required by any applicable Laws. The Purchaser shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent such electronic copies exist), available to the Monitor and the Vendor, its successors, any trustee in bankruptcy or any receiver of the Vendor, and shall, at such party’s expense, permit any of the foregoing persons to take copies of such Books and Records as they may reasonably require.
- (b) The Vendor shall, for a period of six (6) years from the Closing Date have access to and the right to copy, at its expense, for *bona fide* business purposes (including in respect of any insolvency proceedings of the Valeo Entities) and during usual business hours, upon reasonable prior notice to the Purchaser, all Books and Records existing at the Closing Time or relating to the period of time prior to the Closing Time that are transferred and conveyed to the Purchaser (including, for greater certainty, any Books and Records that remain in the possession and control of the Valeo Entities after Closing).

9.3 Notice

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

- (a) to the Purchaser at:

Xediton Pharmaceuticals Inc.
2020 Winston Park Drive, Suite 402
Oakville, Ontario L6H 6X7
Attention: George Gafrey
Email: george.gafrey@xediton.com

with a copy (which shall not constitute notice) to:

Mintz LLP
200 Bay Street
Suite 2800
Toronto, ON M5J 2J3
Attention: Cheryl Reicin
Email: creicin@mintz.com

- (b) to the Vendor or the Valeo Entities at:

Valeo Pharma Inc.
16667 boul Hymus
Kirkland, Québec H9H 4R9
Attention: Al Moghaddam
Email: al.moghaddam@valeopharma.com

with a copy to:

McMillan LLP
1000 Sherbrooke Street West
Suite 2700
Montréal, Québec, H3A 3G4
Attention: Tushara Weerasooriya, Emile Catimel-Marchand and Eric Vallieres
Email: tushara.weerasooriya@mcmillan.ca
emile.catimel-marchand@mcmillan.ca
eric.vallieres@mcmillan.ca

- (c) to the Monitor:

Ernst & Young Inc.
900 Boulevard de Maisonneuve Quest
Bureau 2300
Montréal, Québec, H3A 0A8

Attention: Martin Rosenthal and Mario Denis
Email: martin.rosenthal@parthenon.ey.com
mario.denis@parthenon.ey.com

with a copy to:

McCarthy Tétrault LLP
1000 De La Gauchetiere Street West
Bureau MZ400
Montréal, Québec, H3B 0A2
Attention: Alain N. Tardif and Marc-Etienne Boucher
Email: atardif@mccarthy.ca
meboucher@mccarthy.ca

Such notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (ii) if sent by facsimile or email, on the Business Day following the date of confirmation of transmission by the originating facsimile or email. A Party may change its address for service from time to time by providing notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party.

9.4 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Valeo Entities and the Purchaser or by their respective solicitors.

9.5 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing and the covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

9.6 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Subject to the prerogatives of the Monitor expressly provided under this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and no Person, other than the Parties and their successors and their permitted assigns, shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

9.7 Amendment

Subject to the foregoing and the terms of this Agreement, no amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

9.8 Entire Agreement

This Agreement and the attached Schedules constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings, and agreements. Unless as provided for by this Agreement, this Agreement may not otherwise be amended or modified in any respect except by written instrument executed by all of the Parties.

9.9 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

9.10 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court.
- (b) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Quebec courts situated in the City of Montreal (and appellate courts therefrom) and waives objection to the venue of any proceeding in such court or that such court provides an inappropriate forum.

9.11 Assignment

- (a) This Agreement may not be assigned by the Purchaser without the prior written consent of the other Parties; provided, however that the Purchaser shall be permitted to assign the benefit of all or a portion of this Agreement prior to or after Closing to an Affiliate thereof in circumstances where (i) prior notice of such assignment is provided to the Valeo Entities, the Vendor and the Monitor, (ii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment, and (iii) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Valeo Entities and the Vendor and the Purchaser shall acknowledge and confirm its continuing obligations and liabilities in favour of the Valeo Entities and the Vendor in form and substance satisfactory to the Vendor; for greater certainty, the Purchaser shall be permitted to assign the right to buy all or a portion of the Purchased Shares to one or more Affiliates and such assignment shall be permitted so long as the requirements of this Section 9.11(a) are complied with.

Except as specifically contemplated herein as it relates to ResidualCo, this Agreement may not be assigned by the Vendor or the Valeo Entities without the consent of the Purchaser.

9.12 Further Assurances

Each of the Parties shall, at the request and expense of the requesting party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents (including registrations and removal of encumbrances to be discharged) and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

9.13 No Liability; Monitor

The Purchaser acknowledges and agrees that the Monitor, together with its Representatives, shall have no Liability in connection with this Agreement whatsoever in their respective capacity as monitor and financial advisors, in their personal capacity or otherwise.

9.14 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

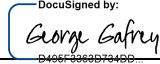
9.15 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein, other than those contained in Article 3, Article 7 or 8.1(b), is prohibited or unenforceable pursuant to applicable Laws, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

XEDITON PHARMACEUTICALS INC.

By: 
Name: George Gafrey
Title: Chief Executive Officer

VALEO PHARMA INC.

By: _____
Name: Al Moghaddam
Title: CEO

**VPI PHARMACEUTICALS INC./ VPI
PHARMACEUTIQUES INC.**

By: _____
Name: Al Moghaddam
Title: CEO

VALEO PHARMA CORP.

By: _____
Name: Al Moghaddam
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

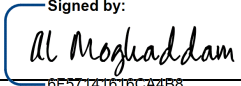
XEDITON PHARMACEUTICALS INC.

By: _____

Name: George Gafrey

Title: Chief Executive Officer

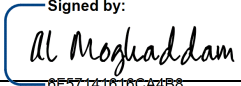
VALEO PHARMA INC.

Signed by:
By:  _____
6F57141610CA4B6...

Name: Al Moghaddam

Title: CEO

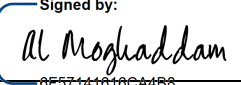
**VPI PHARMACEUTICALS INC./ VPI
PHARMACEUTIQUES INC.**

Signed by:
By:  _____
6F57141610CA4B6...

Name: Al Moghaddam

Title: CEO

VALEO PHARMA CORP.

Signed by:
By:  _____
6F57141610CA4B6...

Name: Al Moghaddam

Title: Authorized Signatory

SCHEDULE A
CURE COSTS AND PLA ACCRUALS

See attachment.

A/P & Provisions Summary

A/P & Provisions Summary						
\$CAD	in Accounts Payable		in Provisions			
As at Jan 17, 2025	Product Supply	PLAs	PLAs	GPO Rebates	Transition Grants	Total
Redesca	0	1,112,048	713,635	100,000	150,000	2,075,684
Onstryv	0	0	192,004	0	0	192,004
Yondelis	244,959	0	0	0	0	244,959
Enerzair	0	1,802,606	1,733,016	0	0	3,535,622
Aectura	0	176,105	279,949	0	0	456,053
Simbrinza	0	1,100,649	1,022,276	0	0	2,122,925
M-Eslon	1,324,886	0	0	0	0	1,324,886
Noyada	0	0	0	0	0	0
Ametop	384,093	0	0	0	0	384,093
Total	1,953,938	4,191,408	3,940,880	100,000	150,000	10,336,226

PLAs by Province Summary

PLAs in Payables														
\$CAD														
As at Jan 17, 2025	ON	QC	BC	AB	AHS	SK	NS	NB	PEI	NL	CSC	NIHB	VAC	Total
Redesca	222,679	725,149	44,778	42,432	12,625	13,450	5,041	0	24,356	0	48	21,371	121	1,112,048
Onstryv	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Yondelis	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Enerzair	1,265,620	0	288,018	140,262	0	47,852	26,173	1,118	175	0	0	29,873	3,515	1,802,606
Aectura	93,101	0	49,461	16,436	0	10,834	1,012	139	0	0	0	3,552	1,569	176,105
Simbrinza	831,044	0	0	151,159	0	32,538	35,085	0	6,431	35,551	0	7,036	1,804	1,100,649
M-Eslon	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Noyada	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ametop	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	2,412,443	725,149	382,258	350,288	12,625	104,674	67,312	1,256	30,962	35,551	48	61,832	7,009	4,191,408

Legend:	
ON	Ontario
QC	Quebec
BC	British Columbia
AB	Alberta
AHS	Alberta Health Services
SK	Sakatchewan
NS	Nova Scotia
NB	New Brunswick
PEI	Prince Edward Island
NL	Newfound Land and Labrador
CSC	Correctional Services of Canada
NIHB	Non-Insured Health Benefits
VAC	Veterans Affairs Canada

PLAs in Provisions														
\$CAD														
As at Jan 17, 2025	ON	QC	BC	AB	AHS	SK	NS	NB	PEI	NL	CSC	NIHB	VAC	Total
Redesca	237,011	310,105	13,147	26,807	10,520	10,087	1,903	77,814	18,267	0	143	7,831	0	713,636
Onstryv	0	192,004	0	0	0	0	0	0	0	0	0	0	0	192,004
Yondelis	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Enerzair	1,392,563	87,384	78,975	111,898	0	35,889	6,337	6,502	131	1,943	0	11,378	16	1,733,016
Aectura	99,406	143,070	13,562	11,914	0	8,126	294	807	0	0	0	1,242	1,528	279,949
Simbrinza	818,948	0	30,183	107,136	0	24,404	8,435	0	4,823	25,415	0	2,418	513	1,022,276
M-Eslon	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Noyada	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ametop	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	2,547,927	732,563	135,868	257,756	10,520	78,505	16,969	85,123	23,221	27,358	143	22,869	2,057	3,940,881

SCHEDULE B
PERMITS AND LICENSES

Health Canada

1. The Establishment Licence No. 101116-A from Health Canada to Valeo Pharma Inc. issued on April 23, 2021 and its annex thereto.
2. The License No. 6-0604 from Health Canada to Valeo Pharma Inc. effective November 1, 2024.

SCHEDULE C
RETAINED CONTRACTS

Supplier/Licensors Contracts

Novartis – Enerzair and Ateectura

1. The Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc. dated March 26, 2019.
2. The Amendment to Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Canada Inc. dated April 21, 2021.
3. The Second Amendment to Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Canada Inc. dated May 12, 2021.
4. The Third Amendment to Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Canada Inc. dated April 14, 2022.
5. The Fourth Amendment to Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc. dated July 15, 2022.
6. The Quality Agreement for non MAH Business Development & Licensing Deals between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc dated March 15, 2021.

Novartis – Simbrinza

7. The Commercialization and Supply Agreement between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc. dated July 29, 2022.
8. The Quality Agreement for non MAH Business Development & Licensing Deals between Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc dated December 16, 2022.

Techdow - Redesca

9. The Exclusive License Agreement for the Distribution of Licensed Products among Valeo Pharma Inc., Sciencepharma Spotka Z Ograniczona Odpowiedzialnotcia Sp. K and Shenzhen Techdow Pharmaceutical Co., Ltd dated June 24, 2019.
10. The Commercial Agreement between Valeo Pharma Inc. and Sciencepharma Spotka Z Ograniczona Odpowiedzialnoscia Sp. K dated August 21, 2019.
11. The Supply Agreement among Valeo Pharma Inc., Sciencepharma Spotka Z Ograniczona Odpowiedzialnotcia Sp. K and Shenzhen Techdow Pharmaceutical Co., Ltd dated November 19, 2019.
12. The Quality Agreement on Manufacturing and Packaging for Biosimilar/Biologic Finished Dosage Form between Valeo Pharma Inc. and Shenzhen Techdow Pharmaceutical Co., Ltd. dated November 16, 2020.
13. The Quality Agreement on Manufacturing and Packaging for Biosimilar/Biologic Finished Dosage Form among Valeo Pharma Inc., Shenzhen Techdow Pharmaceutical

Co., Ltd. and Health-Med Spotka Z Ograniczona Odpowiedzialnoscia Sp.K. dated November 16, 2020.

14. The Pharmacovigilance, Safety Data Exchange and Scientific Service Agreement among Valeo Pharma Inc., Sciencepharma Spotka Z Ograniczona Odpowiedzialnoscia Sp. K and Shenzhen Techdow Pharmaceutical Co., Ltd dated March 24, 2021.
15. The Supply Agreement and all the amendments thereto (including as amended on March 1, 2022) between HealthPRO Procurement Services Inc. and Valeo Pharma Inc. dated April 26, 2021.
16. Call for Submissions – Public Procurement Tender Form Number 2022-4777-41-01 Drugs between Centre d’acquisitions gouvernementales Québec and Valeo Pharma Inc. dated January 17, 2022.
17. The Agreement for the Supply of Enoxparin Sodium Multi-Dose Vials between Valeo Pharma Inc. and Alberta Health Services effective March 1, 2022 (CLM206947).
18. Award notice Drugs - No. 2022-4777-40-01 from Centre d’acquisitions gouvernementales Québec to Valeo Pharma Inc. dated March 9, 2022.
19. Award notice Drugs - No. 2022-4777-40-01 from Centre d’acquisitions gouvernementales Québec to VPI Pharmaceuticals Inc. dated March 9, 2022.
20. The Agreement for PH Biologic and Biosimilar Injectable Pharmaceuticals VLO 2024 Committed between Valeo Pharma and Mohawk Medbuy Corporation dated October 1, 2024, as amended on September 18, 2024, September 27, 2024, October 7, 2024 and November 11, 2024.

Ethypharm – M-Eslon

21. The Distribution Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated August 19, 2015.
22. The Amendment N°1 to the Distribution Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated May 1, 2018.
23. The Amendment N°2 to the Distribution Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated December 21, 2018.
24. The Amendment N°3 to the Distribution Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated July 6, 2021.
25. The Amendment N°4 to the Distribution Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated February 28, 2024.
26. The Quality Agreement between Ethypharm Inc. and Valeo Pharma Inc. dated January 26, 2018.

Zambon – Onstryv

27. The Supply Agreement between Zambon S.p.A. and Valeo Pharma Inc. dated March 31, 2017.
28. The License and Distribution Agreement between Zambon S.p.A. and Valeo Pharma Inc. dated March 31, 2017.

29. The Rider N°1 to the Licence and Distribution Agreement dated March 31, 2017 between Zambon S.p.A. and Valeo Pharma Inc dated January 1, 2019.
30. The Pharmacovigilance Agreement between Zambon S.p.A. and Valeo Pharma Inc. dated June 26, 2018.
31. The Modification of Payments Conditions Related to the Article 9.2 of the Current License & Distribution Agreement dated March 31, 2017 between Valeo Pharma Inc. and Zambon S.p.A. dated May 29, 2020.

PharmaMar – Yondelis

32. The License and Commercialization Agreement between Pharma Mar S.A. and Valeo Pharma Inc. dated January 17, 2020.
33. The Safety Data Exchange Agreement between Pharma Mar, S.A and Valeo Pharma Inc. dated March 31, 2020.
34. The Quality Agreement on Manufacturing and Packaging Finished Dosage Form (FDF) between Valeo Pharma Inc. and Pharma Mar, S.A. dated June 23, 2020.

Aliance Pharma - Ametop

35. The License, Supply and Distribution Agreement between Alliance Pharma Inc. and Valeo Pharma Inc. dated April 27, 2020.
36. The Pharmacovigilance Agreement between Alliance Pharma Inc. and Valeo Pharma Inc. dated July 8, 2020.
37. The Quality Agreement on Manufacturing and Packaging Finished Dosage Form (FDF) between Valeo Pharma Inc. and Alliance Pharmaceuticals Ltd. dated October 22, 2020.

Product Listing Agreements

Novartis – Enerzair, Ateectura, and Simbrinza

1. The Product Listing Agreement between Her Majesty the Queen in Right of Ontario as represented by the Executive Officer of the Ontario Public Drug Programs of the Ministry of Health and Valeo Pharma Inc. dated May 30, 2008 as amended on January 30, 2009, April 22, 2013, January 19, 2015, March 22, 2016, April 1, 2021, October 22, 2021, January 20, 2022, September 9, 2022, March 29, 2023 and March 5, 2024.
2. The Master Product Listing Agreement between Her Majesty in Right of Newfoundland and Labrador as Represented by the Minister of Health and Community Services and Valeo Pharma Inc. dated June 30, 2021, as amended in 2022.
3. The Product Listing Agreement: Ateectura Breezhaler between the Government of Quebec, as represented by the Minister of Health and Social Services and Valeo Pharma Inc dated November 12, 2021.

4. The Product Listing Agreement: Enerzair Breezhaler between the Government of Quebec, as represented by the Minister of Health and Social Services and Valeo Pharma Inc dated November 12, 2021.
5. The Product Listing Agreement between Her Majesty the Queen in Right of Alberta as represented by the Minister of Health and Valeo Pharma Inc. for Atecura Breezhaler dated November 1, 2021.
6. The Product Listing Agreement between Her Majesty the Queen in Right of Alberta as represented by the Minister of Health and Valeo Pharma Inc. for Enerzair Breezhaler dated November 1, 2021.
7. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of New Brunswick as represented by the Minister of Health and Valeo Pharma Inc. for Enerzair Breezhaler dated November 15, 2021.
8. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of New Brunswick as represented by the Minister of Health and Valeo Pharma Inc. for Atecura Breezhaler dated November 15, 2021.
9. The Product Listing Agreement between Her Majesty the Queen in Right of Province of Nova Scotia as Represented by the Minister of Health and Wellness and Valeo Pharma Inc. for Atecura Breezhaler dated December 1, 2021.
10. The Product Listing Agreement between Her Majesty the Queen in Right of Province of Nova Scotia as represented by the Minister of Health and Wellness and Valeo Pharma Inc. for Enerzair Breezhaler dated December 1, 2021.
11. The Listing Agreement between Her Majesty the Queen in Right of Canada, as represented by the Minister of Indigenous Services and Valeo Pharma Inc. for Enerzair Breezhaler dated January 2, 2022.
12. The Listing Agreement between Her Majesty the Queen in Right of Canada, as represented by the Minister of Indigenous Services and Valeo Pharma Inc. for Atecura Breezhaler dated January 14, 2022, as amended on May 13, 2022.
13. The Listing Agreement between Her Majesty the Queen in Right of Canada, as Represented by the Minister of Veterans Affairs Canada and Valeo Pharma Inc. for Enerzair Breezhaler dated January 3, 2022.
14. The Listing Agreement between Her Majesty the Queen in Right of Canada, as Represented by the Minister of Veterans Affairs Canada and Valeo Pharma Inc. for Atecura Breezhaler dated January 27, 2022, as amended on May 6, 2022.
15. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of Saskatchewan as represented by the Minister of Health and Valeo Pharma Inc. dated July 1, 2017, as amended on March 1, 2022 and its Schedules thereto.

16. The Product Listing Agreement for Ateectura Breezhaler between the Government of Prince Edward Island, as represented by the Minister of Health and Wellness and Valeo Pharma Inc. dated March 28, 2022.
17. The Product Listing Agreement for Enerzair Breezhaler between the Government of Prince Edward Island, as represented by the Minister of Health and Wellness and Valeo Pharma Inc. dated March 28, 2022.
18. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of British Columbia as Represented by the Minister of Health and Valeo Pharma Inc. for Enerzair Breezhaler dated June 14, 2022.
19. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of British Columbia as Represented by the Minister of Health and Valeo Pharma Inc. for Ateectura Breezhaler dated June 14, 2022.
20. The Product Listing Agreement between the Government of the Northwest Territories, as represented by the Department of Health and Social Services and Valeo Pharma Inc. for Ateectura Breezhaler dated September 27, 2022.
21. The Product Listing Agreement between the Government of Northwest Territories, as represented by the Department of Health and Social Services and Valeo Pharma Inc. for Enerzair Breezhaler dated September 27, 2022.
22. The Product Listing Agreement between the Government of Manitoba, as represented by the Deputy Minister of Health and Valeo Pharma Inc. for Ateectura Breezhaler dated October 3, 2023.
23. The Product Listing Agreement between the Government of Manitoba, as represented by the Deputy Minister of Health and Valeo Pharma Inc. for Enerzair Breezhaler dated October 3, 2023.
24. The Product Listing Agreement between the Government of Yukon represented by the Minister of Health and Social Services and Valeo Pharma Inc. for Enerzair Breezhaler dated September 27, 2024.
25. The Three Party Novation Agreement – Substituting a Party between His Majesty the King in Right of Canada, as represented by the Minister of Indigenous Services, Novartis Pharmaceuticals Canada Inc and Valeo Pharma Inc. dated July 28, 2022.
26. The Consent to Assignment Agreement among His Majesty in Right of Newfoundland and Labrador as Represented by the Minister of Health and Community Services, Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc. dated July 29, 2022.
27. The Listing Agreement between Her Majesty the Queen in Right of Canada as represented by the Minister of Veterans Affairs Canada and Valeo Pharma Inc. for Simbrinza dated October 24, 2022.

28. Consent to Assignment Agreement among His Majesty the King in Right of The Province of Nova Scotia, as represented by the Minister of Health and Wellness, Novartis Pharmaceuticals Canada Inc, and Valeo Pharma Inc. dated March 10, 2023.
29. The Product Listing Agreement between His Majesty the King in Right of the Province of New Brunswick as represented by the Minister of Health and Valeo Pharma Inc. for Simbrinza dated November 13, 2023.
30. The Product Listing Renewal and Amending Agreement for Simbrinza between the Government of Prince Edward Island, as represented by the Minister of Health and Wellness and Valeo Pharma Inc. dated December 18, 2023.
31. The Assignment among His Majesty in Right of Alberta as represented by the Minister of Health, Novartis Pharmaceuticals Canada Inc. and Valeo Pharma Inc. in respect of the Product Listing Agreement for Simbrinza dated December 1, 2015 between the Minister and Alcon Canada Inc. and Re: Notice of assignment and request for consent from the Minister to assign the Product Listing Agreement, dated February 7, 2024.
32. The Assignment of the Product Listing Agreement for Simbrinza between Novartis Pharmaceuticals Canada Inc. (formerly Alcon Canada Inc.) and the Province of British Columbia to Valeo Pharma Inc. effective July 29, 2022 and its renewal thereto dated July 23, 2024.
33. The Product Listing Agreements for Simbrinza from the Government of Manitoba, as represented by the Deputy Minister of Health.
34. The Product Listing Agreement for Simbrinza from the Government of Yukon represented by the Minister of Health and Social Services.
35. The Product Listing Agreement for Simbrinza from Her Majesty the Queen in Right of the Province of Saskatchewan as represented by the Minister of Health and Social Services.

Techdow – Redesca

36. The Product Listing Agreement between Her Majesty the Queen in Right of Ontario as represented by the Executive Officer of the Ontario Public Drug Programs of the Ministry of Health and Valeo Pharma Inc. dated May 30, 2008 as amended on January 30, 2009, April 22, 2013, January 19, 2015, March 22, 2016, April 1, 2021, October 22, 2021, January 20, 2022, September 9, 2022, March 29, 2023 and March 5, 2024.
37. The Product Listing Agreement between the Government of Manitoba as represented by the Deputy Minister of Health and Seniors Care and Valeo Pharma Inc. dated June 11, 2021.
38. The Listing Agreement between the Government of the Northwest Territories as represented by the Department of Health and Social Services and Valeo Pharma Inc. dated June 23, 2021.

39. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of New Brunswick as represented by the Minister of Health and Valeo Pharma Inc dated June 25, 2021.
40. The Product Listing Agreement between the Government of Prince Edward Island, as represented by the Minister of Health and Wellness and Valeo Pharma Inc. dated June 28, 2021.
41. The Master Product Listing Agreement between Her Majesty in Right of Newfoundland and Labrador as Represented by the Minister of Health and Community Services and Valeo Pharma Inc. dated June 30, 2021.
42. The Product Listing Agreement and all schedules thereto between Her Majesty the Queen in Right of the Province of Saskatchewan as represented by the Minister of Health and Valeo Pharma Inc. dated August 1, 2021, as amended on December 1, 2021.
43. The Listing Agreement for Redesca between Her Majesty the Queen in Right of Canada as represented by the Director of Pharmacy and Health Technology, Health Services, Correctional Service Canada and Valeo Pharma Inc. dated August 18, 2021.
44. The Listing Agreement between Her Majesty the Queen in Right of Canada, as represented by the Minister of Indigenous Services and Valeo Pharma Inc. dated September 6, 2021.
45. The Product Listing Agreement between Her Majesty the Queen in Right of Alberta and Valeo Pharma Inc. dated September 6, 2021.
46. The Listing Agreement between Her Majesty the Queen in Right of Canada as represented by the Minister of Veterans Affairs Canada and Valeo Pharma Inc. dated September 6, 2021.
47. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of Nova Scotia as Represented by the Minister of Health and Wellness and Valeo Pharma Inc. dated November 1, 2021.
48. The Product Listing Agreement: Redesca and Redesca Hp between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated November 1, 2021.
49. The Product Listing Agreement between Her Majesty the Queen in Right of the Province of British Columbia as Represented by the Minister of Health and Valeo Pharma Inc. dated March 22, 2022.
50. The Listing Agreement between Government of Yukon represented by the Minister of Health and Social Services and Valeo Pharma Inc. dated September 21, 2023.

Zambon – Onstryv

51. Opinion sent to the Minister: registration – with conditions by the Institut national d'excellence en santé et en services sociaux Québec re Valeo Pharma Inc dated January 2020.
52. Letter of Intent Re 02484641, 02484668 Din(s): Safinamide (Safinamide Mesylate) (Onstryv) 50 mg Tablet, 100 mg Tablet from Valeo Pharma Inc. to Ministère De La Santé Et Des Services Sociaux Du Québec dated January 10, 2023.
53. The Product Listing Agreement: Onstryv between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated January 16, 2023.
54. The Listing Agreement between His Majesty the King in Right of Canada as represented by the Director of Pharmacy and Health Technology, Health Services, Correctional Service Canada and Valeo Pharma Inc. dated January 1, 2024 for Onstryv.

SCHEDULE D
RETAINED LIABILITIES

1. All liabilities of Valeo arising from the Retained Contracts (including open purchase orders thereunder) including, for greater certainty, the Cure Costs and PLA Accruals.
2. Any liabilities towards the Retained Employees, but only to the extent contemplated to be retained pursuant to Section 5.7 of the Agreement.
3. All other liabilities arising out of the ownership or operation of the Retained Assets and Retained Contracts by Purchaser to the extent arising after the Closing.

SCHEDULE E PRE-CLOSING REORGANIZATION

This document lists the steps to be implemented in the course of the acquisition, by way of a bid pursuant to an approval order of the Superior Court of Quebec by Xediton Pharmaceuticals Inc. (the “**Purchaser**”) of the shares of Valeo Pharma Inc. (“**Valeo**”) and the Equity Interests of VPI and Valeo US held by Valeo. Capitalized terms not defined herein have the meanings attached thereto in the approval and reverse vesting order (the “**ARVO**”) or, as the case may be, the Agreement.

\$ means Canadian dollars, unless otherwise stated.

I. Steps to be implemented upon issuance of the ARVO

1. On [X], Valeo will incorporate a corporation (“**New ParentCo**”), under the *Canada Business Corporations Act* (“**CBCA**”) with a share capital consisting of a class of voting and fully participating common shares (“**Voting Shares**”) and a class of non-participating redeemable and retractable voting shares (the “**Non-Participating Shares**”). Valeo subscribes for one Non-Participating Share.
2. On [X], New ParentCo will incorporate a corporation (“**ResidualCo**”) under the CBCA with authorized share capital consisting of a class of voting and fully participating common shares. New ParentCo subscribes for one common share of ResidualCo.
3. New ParentCo and ResidualCo will become CCAA parties.

II. Steps to be implemented before the Closing Date

4. On [X],¹ (i) all of the issued shares of Valeo will be exchanged for Voting Shares of New ParentCo on a one-for-one basis, such that, as a consequence, New ParentCo will thereafter hold all of the then issued and outstanding shares in the capital of Valeo (the “**Equity Interests**”) and (ii) the simultaneous cancellation of the Non-Participating Share held by Valeo for its subscription price and the cancellation, for no consideration, of all of the issued and outstanding options and warrants or any other securities of Valeo (including any securities convertible, exchangeable or exercisable for shares of Valeo).
5. Valeo will transfer the Excluded Assets and Excluded Contracts to ResidualCo and ResidualCo will assume the Excluded Liabilities as consideration for the Excluded Assets and the Excluded Contracts.² It is intended that novation be affected. As a result of this novation, assignment and the ARVO, Valeo will be discharged of all of its obligations under the Excluded Liabilities.
6. All Employees and consultants (that are not Retained Employees) will be terminated by Valeo and any liabilities to such terminated Employees and consultants shall be assumed by ResidualCo and deemed to be Excluded Liabilities.

III. Steps to be implemented on the Closing Date

¹ At least 2 business days before the Closing Date.

7. Under the terms of the Agreement, the Purchaser will subscribe for and purchase from Valeo, [X] common shares in the capital of Valeo for a subscription price equal to the Share Purchase Price, minus the Future Cash Payments.
8. Under the terms of the Agreement, Valeo will use the cash received under Step 6 above, in accordance with Section 3.3(a) of the Agreement, to (i) first, repay Valeo's obligations pursuant to the Interim Facility Amount, and (ii) second, repay the Accord Facility and partially repay the Senior Secured Facility.

Under the terms of the Agreement, the Purchaser will acquire 100% of the Equity Interests in Valeo (other than those held by the Purchaser pursuant to Step 6 above) from New ParentCo in exchange for the Future Cash Payments, as further described in the Promissory Note, obligating the Purchaser to pay the Vendor or its assignee either of the following amounts, as determined by the Purchaser on the first anniversary of the Closing Date: (i) the amount of (a) \$5,000,000 on the first anniversary of the Closing Date, and (b) \$5,000,000 on the second anniversary of the Closing Date, or (ii) the amount of \$7,500,000 on the first anniversary of the Closing Date. The Promissory Note will be assigned by New ParentCo to Sagard Healthcare Partners Delaware L.P. as lender under the Senior Secured Facility as partial repayment of the Senior Secured Facility.

SCHEDULE F
ILLUSTRATIVE CALCULATION

See attached.

Valeo - Schedule to the SPA
Xediton Closing Payment

CAD \$000s		A	B	Option 1	Option 2	Commentary
		Peg (SPA)	Estimate			
Gross Purchase Price				\$ 30,000	\$ 27,500	
= B - A	(+/-) A/R Adjustment	5,000	5,091	91	91	A/R less than 90 days aged (definition per SPA)
= B - A	(+/-) Inventory Adjustment	7,500	9,473	1,973	1,973	Inventory estimate includes on hand plus prepaid inventory
= A - B	(+/-) Cure Costs Adjustment	5,000	10,336	(5,336)	(5,336)	Includes AP, accruals, and provisions. Ties to file provided to Xediton (\$10.336M)
Adjusted Purchase Price				26,727	24,227	
(-) Deposit				(3,500)	(3,500)	Deposit submitted with binding bid Dec 20th
Net Purchase Price				23,227	20,727	
(-) Deferred Payment - 1st Anniversary				(5,000)	(7,500)	
(-) Deferred Payment - 2nd Anniversary				(5,000)	-	
Closing Payment Due				13,227	13,227	
Deferred Amounts Due				10,000	7,500	
Total Payments Due (excl. deposit)				23,227	20,727	

SCHEDULE G
NOTICE OBLIGATIONS

1. Notice must be given to the Minister pursuant to the Product Listing Agreement: Aectura Breezhaler between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated November 12, 2021.
2. Notice must be given to the Minister pursuant to the Product Listing Agreement: Enerzair Breezhaler between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated November 12, 2021.
3. Notice must be given to the Minister pursuant to the Product Listing Agreement: Onstryv between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated as of January 16, 2023.
4. Notice must be given to the Minister pursuant to the Product Listing Agreement: Redesca between the Government of Quebec, as represented by the Minister of Health and Social services and Valeo Pharma Inc dated November 1, 2021.