# Nuvo Pharmaceuticals® Announces Approval of Takeda's Cabpirin Tablets in Japan, Triggering a US$2.0 Million Milestone Payment due in Q2 2020

*- Takeda holds a non-exclusive license to Nuvo's Yosprala™ patent permitting it to market Capbirin in Japan -*

Mississauga, Ontario, Canada – March 31, 2020 – Nuvo Pharmaceuticals Inc. (Nuvo or the Company) (TSX:NRI; OTCQX:NRIFF), a Canadian focused healthcare company with global reach and a diversified portfolio of commercial products, today announced that its wholly owned subsidiary, Nuvo Pharmaceuticals (Ireland) DAC (Nuvo Ireland) has received notice from Takeda Pharmaceutical Co., Ltd. (Takeda), that Japan's Ministry of Health, Labor and Welfare (the MHLW) has approved Cabpirin combination tablets, a combination of the potassium-competitive acid blocker (P-CAB) vonoprazan fumarate and low-dose aspirin that will be co-promoted in Japan by Takeda and its co-promotion partner Otsuka Pharmaceutical Co., Ltd. Takeda holds a non-exclusive license to Nuvo Ireland's Japanese patent no. 4756823 which covers the Cabpirin formulation.

The global intellectual property portfolio and all related license agreements for Yosprala were included as part of the transaction that closed on December 31, 2018, wherein Nuvo acquired a portfolio of more than 20 revenue-generating products from Aralez Pharmaceuticals Inc. Pursuant to this acquisition, Nuvo Ireland is entitled to retain 50% of all revenues generated from the commercialization of such intellectual property, with the remaining 50% to be paid to the estate of Pozen Inc. The MHLW approval triggers a US$2.0 million milestone payment from Takeda to Nuvo Ireland. Nuvo Ireland anticipates receiving the milestone payment no later than May 29, 2020. Upon commercial launch by Takeda, which is currently anticipated to occur during the second half of 2020, Nuvo Ireland will earn a single-digit royalty on net sales of Capbirin in Japan, until patent expiry on May 31, 2022, as well as having the potential for additional event-driven milestone payments.

"This approval marks the addition of another revenue stream from a major, multinational healthcare partner for the Nuvo Ireland business. The milestone payment and anticipated royalty stream will bolster our Licensing and Royalty business segment which includes international royalty revenues from Vimovo, Resultz®, Yosprala, Suvexx™/Treximet and Pennsaid®/Pennsaid 2%," said Jesse Ledger, Nuvo's President and CEO. "Our team at Nuvo Ireland continues to pursue international partners in select geographies for Resultz, Suvexx, Pennsaid 2% and Yosprala, as we continue to grow this important segment of the Nuvo business."

## About Yosprala

Yosprala is currently the only prescription fixed-dose combination of aspirin (acetylsalicylic acid), an anti-platelet agent, and omeprazole, a proton-pump inhibitor, approved in the U.S. It is indicated for patients who require aspirin for secondary prevention of cardiovascular and cerebrovascular events and who are at risk of developing aspirin associated gastric ulcers. Yosprala is designed to support both cardio- and

gastro-protection for at-risk patients through the proprietary Intelli-COAT system, which is formulated to sequentially deliver immediate-release omeprazole (40 mg) followed by a delayed-release, enteric-coated aspirin core in either 81 mg or 325 mg dose strengths. Yosprala was approved by the U.S. Food and Drug Administration (FDA) in September 2016 and was commercially launched in the U.S. in October 2016. Yosprala is currently commercialized in the U.S. by Genus Lifesciences. In Japan, Takeda holds a non-exclusive license to the Yosprala patent under which Takeda commercializes Capbirin combination tablets, a combination of the potassium-competitive acid blocker (P-CAB) vonoprazan fumarate and low-dose aspirin.

**About Nuvo Pharmaceuticals Inc.**

Nuvo (TSX: NRI; OTCQX: NRIFF) is a Canadian focused, healthcare company with global reach and a diversified portfolio of commercial products. The Company targets several therapeutic areas, including pain, allergy and dermatology. The Company's strategy is to in-license and acquire growth-oriented, complementary products for Canadian and international markets. Nuvo's head office is located in Mississauga, Ontario, Canada, the international operations are located in Dublin, Ireland and the FDA, Health Canada and E.U. approved manufacturing facility is located in Varennes, Québec, Canada. The Varennes facility operates in a Good Manufacturing Practices (GMP) environment respecting the U.S, Canada and E.U. GMP regulations and is regularly inspected by Health Canada and the FDA. For additional information, please visit www.nuvopharmaceuticals.com.

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**Forward-Looking Statements**

*This press release contains "forward-looking information" as defined under Canadian securities laws (collectively, "forward-looking statements"). The words "plans", "expects", "does not expect", "goals", "seek", "strategy", "future", "estimates", "intends", "anticipates", "does not anticipate", "projected", "believes" or variations of such words and phrases or statements to the effect that certain actions, events or results "may", "will", "could", "would", "should", "might", "likely", "occur", "be achieved" or "continue" and similar expressions identify forward-looking statements. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking statements.*

*Forward-looking statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. Such forward-looking statements are qualified in their entirety by the inherent risks, uncertainties and changes in circumstances surrounding future expectations which are difficult to predict and many of which are beyond the control of the Company. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by management of the Company as of the date of this press release, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Material factors and assumptions used to develop the forward-looking statements, and material risk factors that could cause actual results to differ materially from the forward-looking statements, include but are not limited to, the validity of the '907 and '285 Patents claims, the outcome of ongoing patent litigation and other factors, many of which are beyond the control of Nuvo. Additional factors that could cause Nuvo's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the risk factors included in Nuvo's most recent Annual Information Form dated February 24, 2020 under the heading "Risks Factors", and as described from time to time in the reports and disclosure documents filed by Nuvo with Canadian securities regulatory agencies and commissions. These and other factors should be considered carefully and readers should not place undue reliance on Nuvo's forward-looking statements. When relying on forward-looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking*

*statements involve significant risks and uncertainties. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved.*

*All forward-looking statements are based only on information currently available to the Company and are made as of the date of this press release. Except as expressly required by applicable Canadian securities law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All forward-looking statements in this press release are qualified by these cautionary statements.*