



LD Micro Main Event

OTCQB: VLRX

John Timberlake, President & CEO

December 7, 2016



Forward Looking Statements

This presentation shall not be deemed an offer to sell securities nor a solicitation of an offer to purchase securities. Any sale by the company shall be made pursuant to a definitive purchase agreement. Unless otherwise stated in this presentation, references to “Valeritas,” “we,” “us,” “our” or “our company” refer to Valeritas Holdings, Inc. and its subsidiaries.

This presentation contains estimates, projections and forward-looking statements. Our estimates, projections and forward-looking statements are based on our management’s current assumptions and expectations of future events and trends, which affect or may affect our business, strategy, operations or financial performance. Although we believe that these estimates, projections and forward-looking statements are based upon reasonable assumptions and expectations, they are subject to numerous known and unknown risks and uncertainties and are made in light of information currently available to us. Many important factors may adversely and materially affect our results as indicated in forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The words “believe,” “may,” “might,” “could,” “would,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “plan” and similar words are intended to identify estimates, projections and forward-looking statements. Estimates, projections and forward-looking statements speak only as of the date they are made, and, except to the extent required by law, we undertake no obligation to update or review any estimate, projection or forward-looking statement because of new information, future events or other factors.

Our estimates, projections and forward-looking statements may be influenced by one or more of the following factors:

- our history of operating losses and uncertainty regarding our ability to achieve profitability;
- our reliance on V-Go® Disposable Insulin Delivery device, or V-Go, to generate all of our revenue;
- our inability to retain a high percentage of our patient customer base or our significant wholesale customers;
- the failure of V-Go to achieve and maintain market acceptance;
- our inability to operate in a highly competitive industry and to compete successfully against competitors with greater resources;
- competitive products and other technological breakthroughs that may render V-Go obsolete or less desirable;
- our inability to maintain or expand our sales and marketing infrastructure;
- any inaccuracies in our assumptions about the insulin-dependent diabetes market;
- manufacturing risks, including risks related to manufacturing in Southern China, damage to facilities or equipment and failure to efficiently increase production to meet demand;
- our dependence on limited source suppliers and our inability to obtain components for our product;
- our failure to secure or retain adequate coverage or reimbursement for V-Go by third-party payers;
- our inability to enhance and broaden our product offering, including through the successful commercialization of the pre-fill V-Go;
- our inability to protect our intellectual property and proprietary technology;
- our failure to comply with the applicable governmental regulations to which our product and operations are subject;
- our ability to operate as a going concern; and
- our liquidity.

Valeritas with V-Go® Disposable Insulin Delivery device

Compelling Opportunity in Type 2 Diabetes Market

- ▣ Significantly de-risked commercial stage company
 - ~\$20M revenue & 35% Gross Margins
 - > 10 million V-Go's dispensed to patients
 - Substantial growth opportunities
- ▣ Addressing needs of 4.6M patients with Type 2 diabetes on insulin not at goal
- ▣ Established reimbursement
 - commercial and Medicare (under Medicare Part D)
 - primarily distributed at retail pharmacy
 - cost neutral vs. insulin pens to patients & payors
- ▣ Robust clinical data: V-Go® delivers clinically-relevant A1C reductions with less insulin
- ▣ Capital-efficient commercial strategy gaining traction

The Valeritas Leadership Team

Proven Track Record of Success in Diabetes and Device Manufacturing

Years of Experience
Industry / Valeritas



John Timberlake
President & Chief Executive Officer

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SANOFI

Deloitte.



Erick Lucera
Chief Financial Officer

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Matt Nguyen
SVP Commercial

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Johnson & Johnson



SANOFI



Geoffrey Jenkins
EVP Manufacturing, Operations, R&D

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Majority independent Board of Directors with executive operational experience in medical technology companies

Rodney Altman, M.D.	Katherine Crothall, Ph.D.	Peter Devlin	Luke Düster	Joe Mandato	Brian Roberts
Spindletop Capital, Team Health, CMEA	Aspire Bariatrics, Animas, Liberty Venture, Luxar,	Insulet, Abbott Diabetes	CRG Healthcare Investment Mgt.	DeNovo Ventures Guidant Corporation Gynecare, Ioptex Research	Insulet, ViewRay, Avedro

V-Go® Disposable Insulin Delivery device: The Ideal Insulin Delivery Device For Patients with Type 2 Diabetes



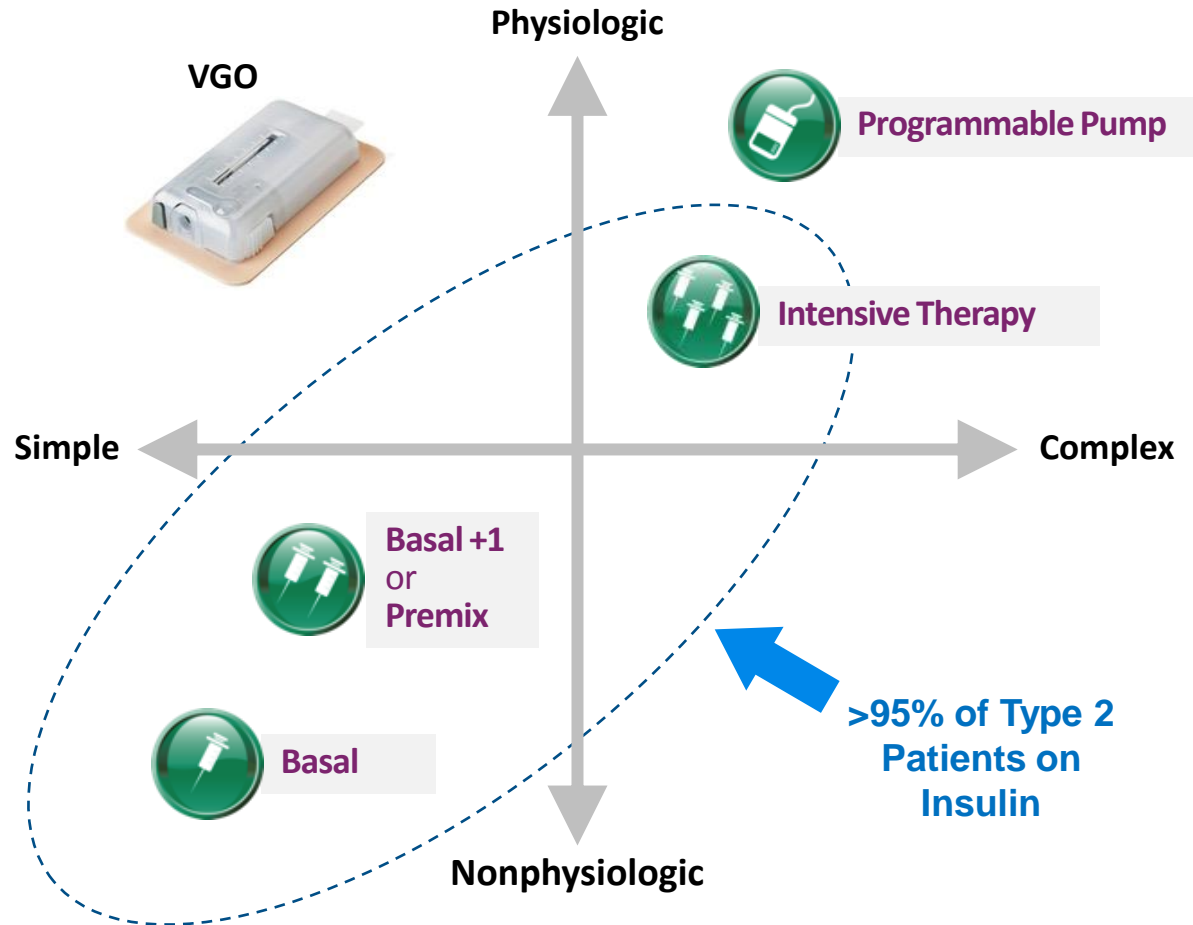
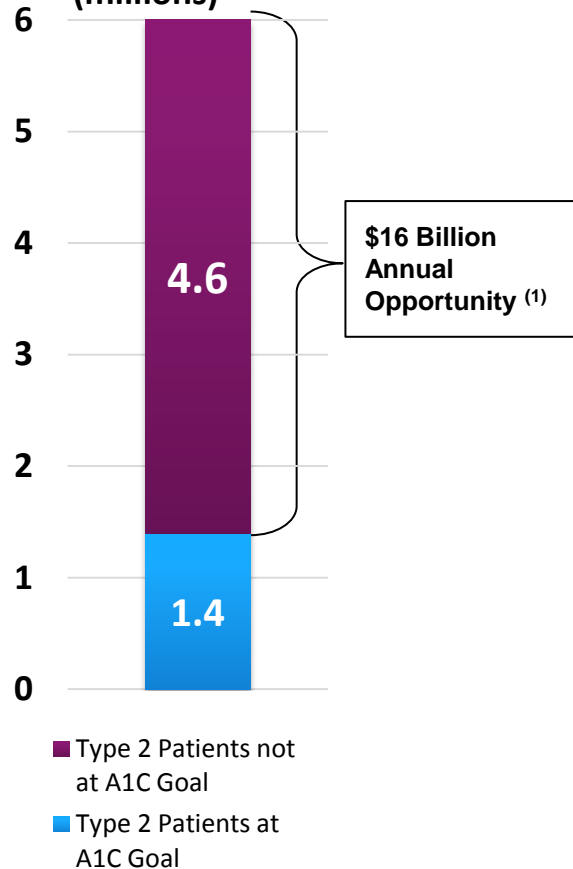
- Only FDA-cleared single-use, fully disposable insulin delivery device with basal (background) and bolus (meal time) capability commercially available on the market in the US
- Specifically designed to address unmet needs in Type 2 diabetes market
- Small, discreet, wearable, disposable and easy-to-use
- Convenient drug-like distribution model
- Reimbursed at the pharmacy – where patients with Type 2 diabetes go



Addresses Key Unmet Needs for Type 2 Patients on Insulin

The 4.6 Million Patients in the U.S. V-Go® can Benefit Represent a \$16 Billion Market

U.S. Type 2 Patients
on Insulin
(millions)



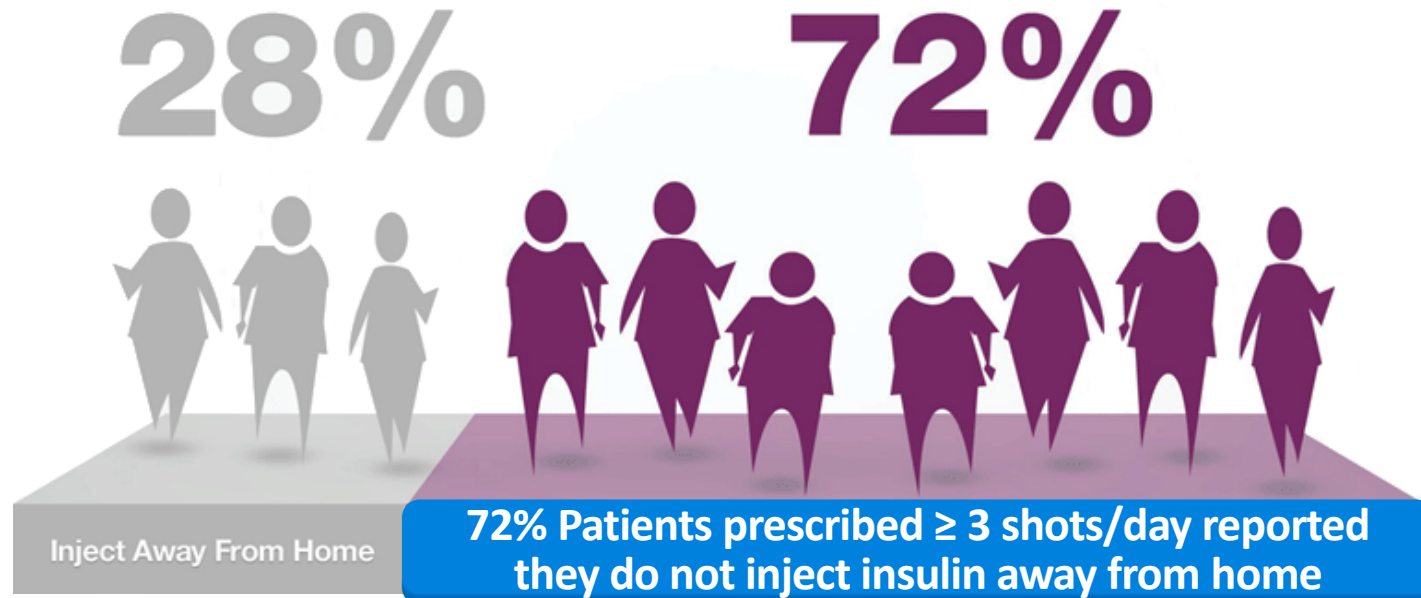
82% of Patients with Type 2 Diabetes Initiated on Basal-Only Insulin Regimens Required Mealtime Insulin to Achieve and Maintain A1C Goal^{(2)*}

(1) Based on V-Go® Wholesale Acquisition Price (WAC) of \$306.70 per month x 12 months x 4.6 M Type 2 Patients on Insulin not at goal. WAC price is the gross price sold to wholesalers. The Company's net price is WAC less fees, discounts and rebates.

(2) Holman RR et al. N Engl J Med. 2009;361(18):1736-1747

*A1C refers to a blood test that correlates with a person's average blood glucose level over a span of three months.

Complexity and Lack of Discretion Can Result in Non-Compliance



V-Go[®] SOLVES UNMET PATIENT NEEDS:



Simplicity



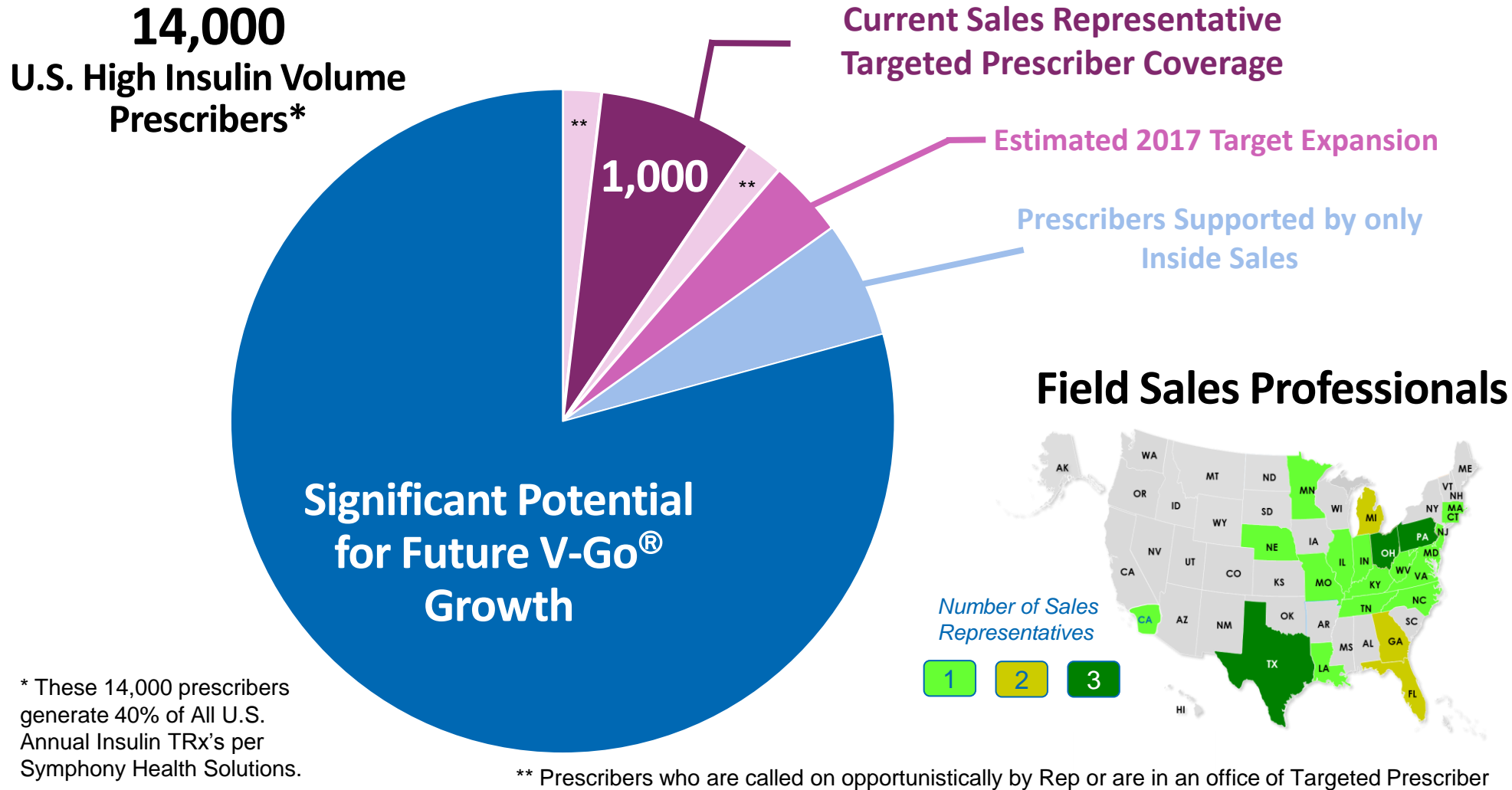
Ease-of-use



Discretion

V-Go allows patients to easily and discreetly delivery additional insulin at meal time or when they have a snack in public without anyone knowing

Significant Growth Opportunity With Disciplined Sales Force Expansion



* These 14,000 prescribers generate 40% of All U.S. Annual Insulin TRx's per Symphony Health Solutions.

Valeritas is Focused on Generating Share Within our Current Targets

Figures approximate. The Company has field based sales professionals located in these states. Sales Territories are based in a local geography within a state. No sales professional is responsible for an entire state.

Established Reimbursement

V-Go[®] is Cost-effective for both Payors & Patients

Basal/Bolus Pen Therapy



\$31 co-pay \$31 co-pay \$11 co-pay

\$73 co-pay

Neutral Cost to **Payors**
(~\$18/day) between Regimens⁽¹⁾

V-Go[®] Therapy



\$31 or \$53 co-pay¹

\$31 co-pay

Neutral Cost to **Patients** (+/- \$11)

\$62 or \$84 co-pay⁽²⁾

* V-Go has been studied with both Humalog[®] and NovoLog[®]

(1) What a Payor Pays (Net of Rebates & Co-pays when V-Go Contracted in Preferred Position)

(2) Avg. Nat'l Tier 2 or Tier 3 Co-pay for commercial plans is \$31 and \$53, respectively, The Kaiser Family Foundation and Health Research & Education Trust Employer Health Benefits 2014 Annual Survey.

Strong and Extensive Data Supports Broad Adoption

**Statistically Significant
Improvements in A1C⁽¹⁻⁶⁾**

Improved Quality of Life⁽¹⁾

**Lowered Total Daily Insulin Dose
(Prescribed / Administered)⁽¹⁻⁶⁾**

Demonstrated Cost Reductions⁽⁴⁾

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**Published
Clinical
Papers**

~750*

patients studied

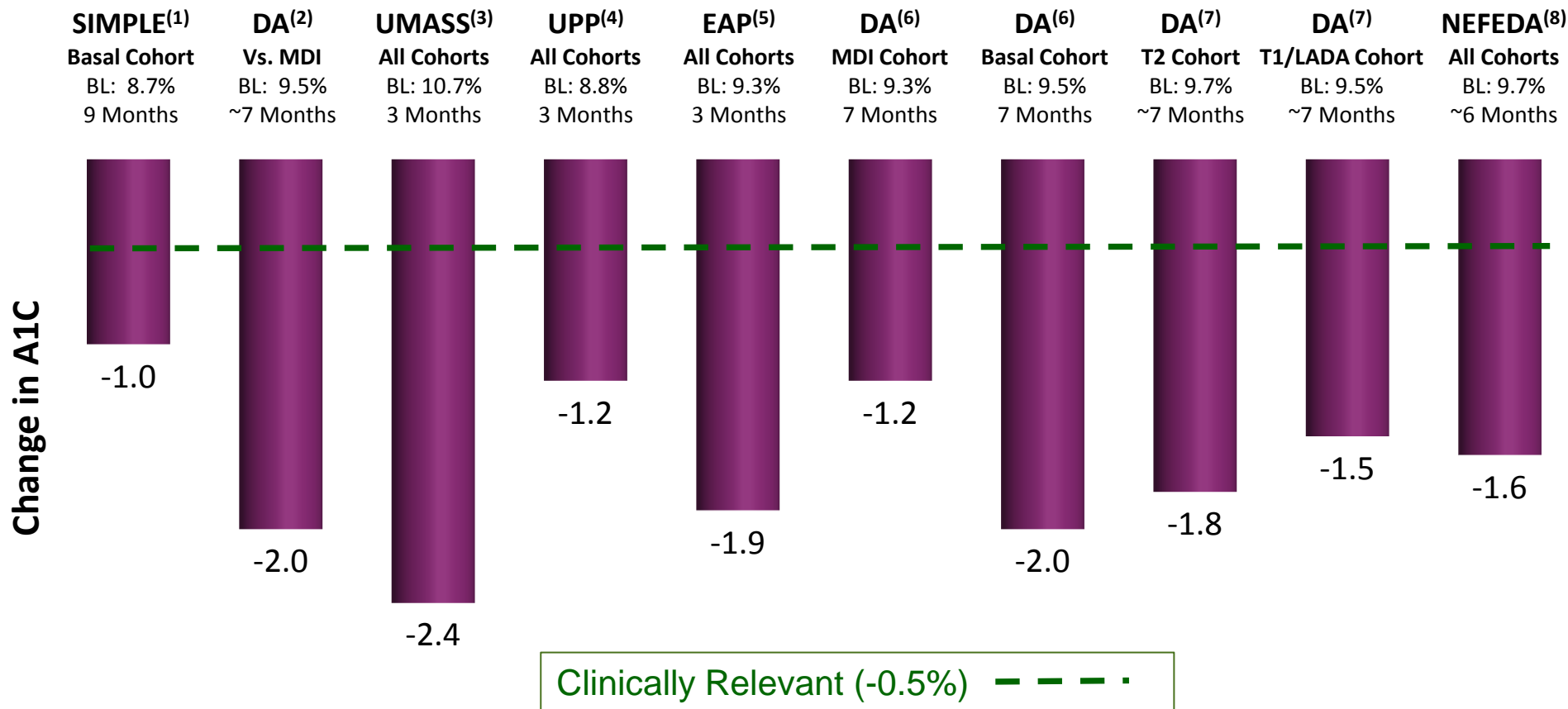
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**Posters at
Medical
Meetings**

*Excludes 169 V-Go patients in completed but not yet presented study

(1) Rosenfeld CR, et al. Endocr Pract. 2012; 18 (5):660-667; (2) Grunberger, G, et al. Poster presented at 73rd Scientific Sessions of the ADA; 2013 June 21-25; Chicago, IL. 985-P; (3) Omer, A. et al. Poster presented at 73rd Scientific Sessions of the ADA; 2013 June 21-25; Chicago, IL. 980-P; (4) Lajara, et al. Drugs-Real World Outcomes [First online 02 June 2016]; (5) Lajara R, et al. Diabetes Ther. 2015;6 (4):531-545 ; (6) Lajara R et al. Endocr Pract. 2016 June; 22 (6): 726-725.

Robust Clinical Data Validates V-Go[®]'s Ability to Deliver Clinically Relevant Reductions in A1C Levels



BL= Baseline

(1) Grunberger G, et al. Poster presented at: AACE 23rd Annual Scientific and Clinical Congress. May 14-18, 2014; Las Vegas, NV.

(2) Lajara R, Davidson JA, et al. *Endocr Pract*. 2016 June; 22 (6): 726-725.

(3) Omer A, et al. Poster presented at 73rd Scientific Sessions of the ADA; June 21-25, 2013; Chicago, IL.

(4) Rosenfeld CR, et al. *Endocr Pract*. 2012; 18 (5):660-667.

(5) Sandberg M, et al. *Practical Diabetology*. 2013;32(3): 6–22.

(6) Lajara R, et al. *Practical Diabetology*. 2016;36(5): 10-15.

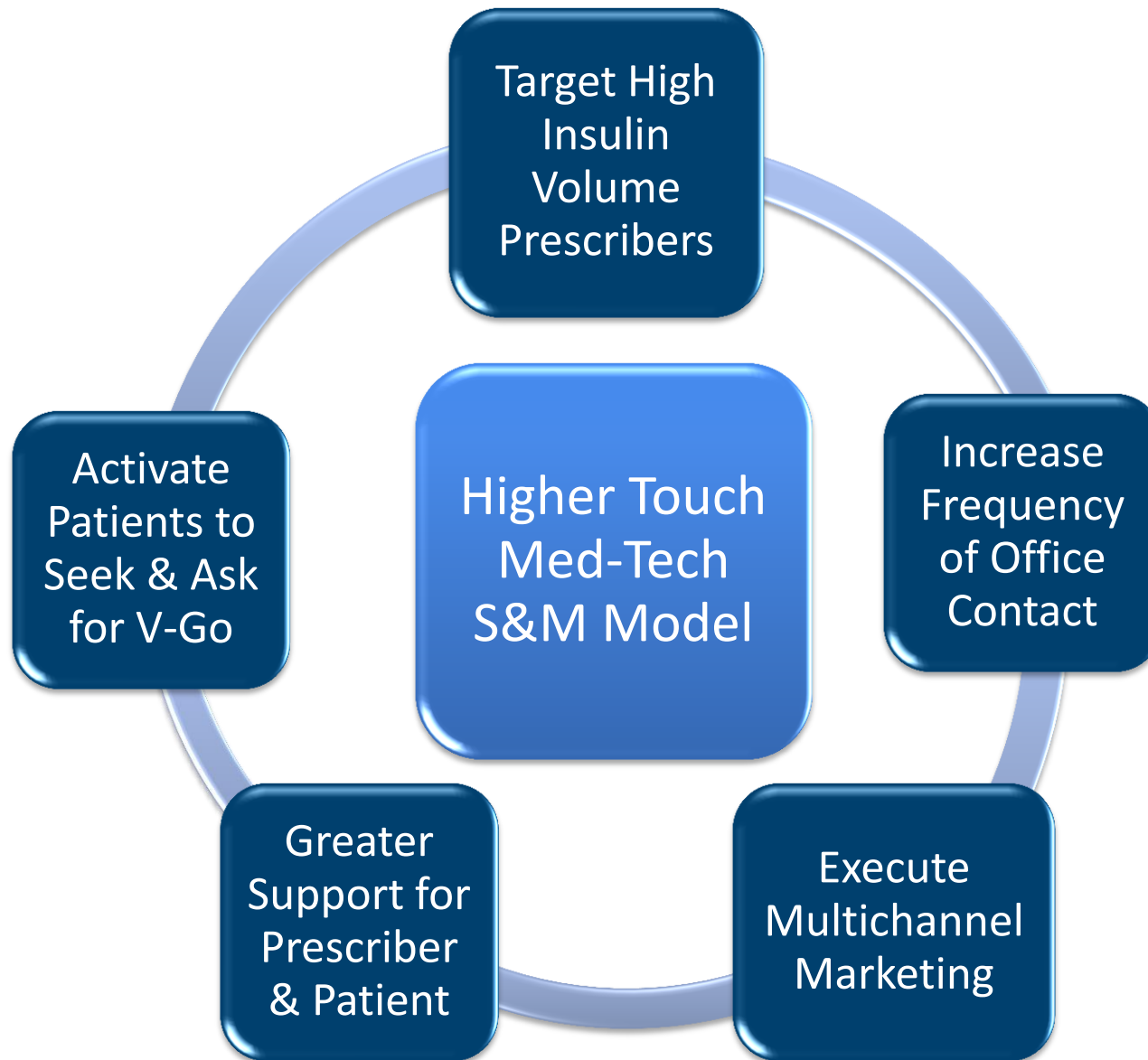
(7) Lajara R, et al. *Diabetes Ther*. 2015;6 (4):531-545.

(8) Sutton D, et al. Poster presented at 76th Scientific Sessions of the ADA; June 10-14, 2013; New Orleans, LA.

Patients naive to insulin
reduced A1C by 3.4%⁷

Current Sales & Marketing Model

Focused, Integrated and Capital Efficient



Sales rep target list changed from ~60 doctors to ~30

Instead of ~15 minutes at each doctor's office 2x per month, Now spending ~40 min 3-4x per month at each doctor's office

Estimated 8% growth in 2016 revenue with < 50% of the Sales representatives vs. 2015

Current Sales Targeting Model — Actual Example Territory

Top Decile Insulin Prescribers – Symphony Data

BLINDED	SPECIALTY	INSULIN DECILE	TOTAL_INSULIN _TRX_CNT	BLINDED	SPECIALTY	INSULIN DECILE	TOTAL_INSULIN _TRX_CNT
Dr 1	ENDOCRINOLOGY	10	7,084	Dr 51	FAMILY MEDICINE	8	904
Dr 2	ENDOCRINOLOGY	10	5,488	Dr 52	INTERNAL MEDICINE	8	897
Dr 3	ENDOCRINOLOGY	10	4,615	Dr 53	ENDOCRINOLOGY	8	885
Dr 4	UNKNOWN	10	4,528	Dr 54	ENDOCRINOLOGY	8	853
Dr 5	ENDOCRINOLOGY	10	3,663	Dr 55	UNKNOWN	8	843
Dr 6	ENDOCRINOLOGY	10	3,629	Dr 56	ENDOCRINOLOGY	8	838
Dr 7	UNKNOWN	10	3,446	Dr 57	UNKNOWN	8	831
Dr 8	ENDOCRINOLOGY	10	3,387	Dr 58	FAMILY MEDICINE	8	831
Dr 9	ENDOCRINOLOGY	10	3,275	Dr 59	INTERNAL MEDICINE	8	793
Dr 10	ENDOCRINOLOGY	10	3,178	Dr 60	INTERNAL MEDICINE	8	781
Dr 11	ENDOCRINOLOGY	10	3,102	Dr 61	INTERNAL MEDICINE	8	779
Dr 12	ENDOCRINOLOGY	10	3,049	Dr 62	INTERNAL MEDICINE	8	763
Dr 13	ENDOCRINOLOGY	10	2,925	Dr 63	INTERNAL MEDICINE	8	755
Dr 14	ENDOCRINOLOGY	10	2,853	Dr 64	FAMILY MEDICINE	7	738
Dr 15	INTERNAL MEDICINE	10	2,846	Dr 65	INTERNAL MEDICINE	7	738
Dr 16	UNKNOWN	10	2,681	Dr 66	INTERNAL MEDICINE	7	724
Dr 17	FAMILY MEDICINE	9	2,586	Dr 67	FAMILY MEDICINE	7	720
Dr 18	UNKNOWN	9	2,445	Dr 68	FAMILY MEDICINE	7	714
Dr 19	ENDOCRINOLOGY	9	2,426	Dr 69	FAMILY MEDICINE	7	713
Dr 20	UNKNOWN	9	2,269	Dr 70	ENDOCRINOLOGY	7	703
Dr 21	ENDOCRINOLOGY	9	2,233	Dr 71	INTERNAL MEDICINE	7	700
Dr 22	ENDOCRINOLOGY	9	2,145	Dr 72	FAMILY MEDICINE	7	698
Dr 23	UNKNOWN	9	2,119	Dr 73	INTERNAL MEDICINE	7	697
Dr 24	ENDOCRINOLOGY	9	2,075	Dr 74	ENDOCRINOLOGY	7	678
Dr 25	ENDOCRINOLOGY	9	2,068	Dr 75	ENDOCRINOLOGY	7	676
Dr 26	ENDOCRINOLOGY	9	1,930	Dr 76	FAMILY MEDICINE	7	671
Dr 27	ENDOCRINOLOGY	9	1,919	Dr 77	ENDOCRINOLOGY	7	665
Dr 28	ENDOCRINOLOGY	9	1,915	Dr 78	UNKNOWN	7	664
Dr 29	DIABETES	9	1,867	Dr 79	INTERNAL MEDICINE	7	662
Dr 30	UNKNOWN	9	1,755	Dr 80	FAMILY MEDICINE	7	659
Dr 31	UNKNOWN	9	1,745	Dr 81	FAMILY MEDICINE	7	658
Dr 32	UNKNOWN	9	1,675	Dr 82	FAMILY MEDICINE	7	654
Dr 33	ENDOCRINOLOGY	9	1,548	Dr 83	INTERNAL MEDICINE	7	652
Dr 34	UNKNOWN	9	1,522	Dr 84	FAMILY MEDICINE	7	652
Dr 35	UNKNOWN	9	1,444	Dr 85	INTERNAL MEDICINE	7	652
Dr 36	ENDOCRINOLOGY	8	1,421	Dr 86	FAMILY MEDICINE	7	651
Dr 37	UNKNOWN	8	1,413	Dr 87	FAMILY MEDICINE	7	646
Dr 38	FAMILY MEDICINE	8	1,345	Dr 88	FAMILY MEDICINE	7	645
Dr 39	INTERNAL MEDICINE	8	1,152	Dr 89	FAMILY MEDICINE	7	643
Dr 40	ENDOCRINOLOGY	8	1,051	Dr 90	INTERNAL MEDICINE	7	643
Dr 41	UNKNOWN	8	1,017	Dr 91	INTERNAL MEDICINE	7	631
Dr 42	INTERNAL MEDICINE	8	1,012	Dr 92	FAMILY MEDICINE	7	627
Dr 43	INTERNAL MEDICINE	8	1,003	Dr 93	INTERNAL MEDICINE	7	624
Dr 44	FAMILY MEDICINE	8	974	Dr 94	FAMILY MEDICINE	7	624
Dr 45	INTERNAL MEDICINE	8	950	Dr 95	INTERNAL MEDICINE	7	622
Dr 46	INTERNAL MEDICINE	8	948	Dr 96	UNSPECIFIED	7	621
Dr 47	UNKNOWN	8	946	Dr 97	UNKNOWN	7	620
Dr 48	GENERAL PRACTICE	8	941	Dr 98	INTERNAL MEDICINE	7	615
Dr 49	FAMILY MEDICINE	8	920	Dr 99	FAMILY MEDICINE	7	613
Dr 50	FAMILY MEDICINE	8	908	Dr 100	INFECTIOUS DISEASES	7	607

Current Targets

Target List Refined By:

- Rep relationships
- Access to other prescribers in office
- Academic or other “no-rep see” facilities
- Reimbursement coverage
- Rapid Acting insulin prescribers
- Physicians that have expressed intent to Rx

Top ~30 Sales Target List

BLINDED	SPECIALTY	INSULIN DECILE	TOTAL_INSULIN_ TRX_CNT	Q4 TARGET
Dr 1	ENDOCRINOLOGY	10	7,084	Y
Dr 3	ENDOCRINOLOGY	10	4,615	Y
Dr 5	ENDOCRINOLOGY	10	3,663	Y
Dr 6	ENDOCRINOLOGY	10	3,629	Y
Dr 8	ENDOCRINOLOGY	10	3,387	Y
Dr 11	ENDOCRINOLOGY	10	3,102	Y
Dr 13	ENDOCRINOLOGY	10	2,925	Y
Dr 14	ENDOCRINOLOGY	10	2,853	Y
Dr 17	FAMILY MEDICINE	9	2,586	Y
Dr 21	ENDOCRINOLOGY	9	2,233	Y
Dr 22	ENDOCRINOLOGY	9	2,145	Y
Dr 23	UNKNOWN	9	2,119	Y
Dr 24	ENDOCRINOLOGY	9	2,075	Y
Dr 25	ENDOCRINOLOGY	9	2,068	Y
Dr 26	ENDOCRINOLOGY	9	1,930	Y
Dr 30	UNKNOWN	9	1,755	Y
Dr 33	ENDOCRINOLOGY	9	1,548	Y
Dr 36	ENDOCRINOLOGY	8	1,421	Y
Dr 48	GENERAL PRACTICE	8	941	Y
Dr 51	FAMILY MEDICINE	8	904	Y
Dr 52	INTERNAL MEDICINE	8	897	Y
Dr 56	ENDOCRINOLOGY	8	838	Y
Dr 83	INTERNAL MEDICINE	7	652	Y
Dr 93	INTERNAL MEDICINE	7	624	Y
Dr 104	INTERNAL MEDICINE	7	594	Y

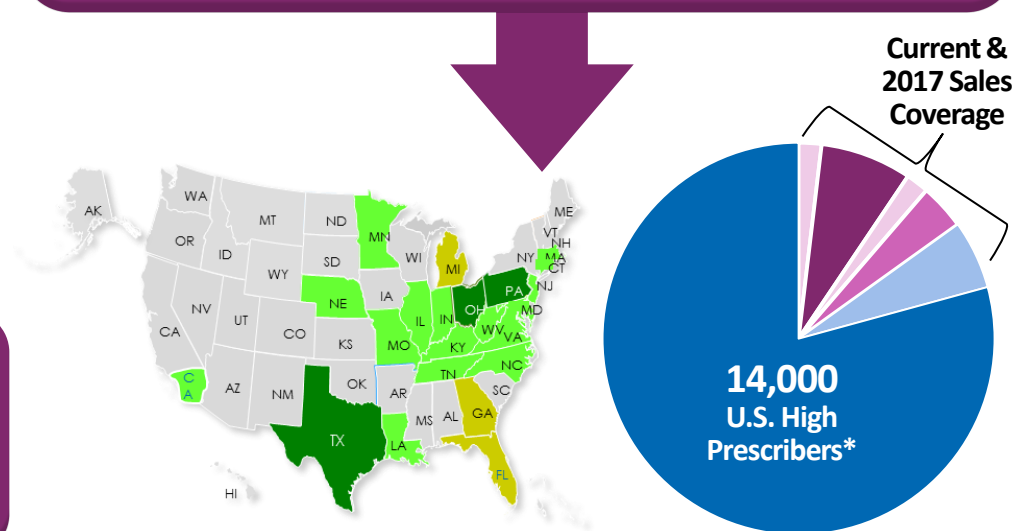
Ability to Create and Achieve Sustainable Growth

Target 30 – Expanding Share of Rapid Acting Insulin TRx

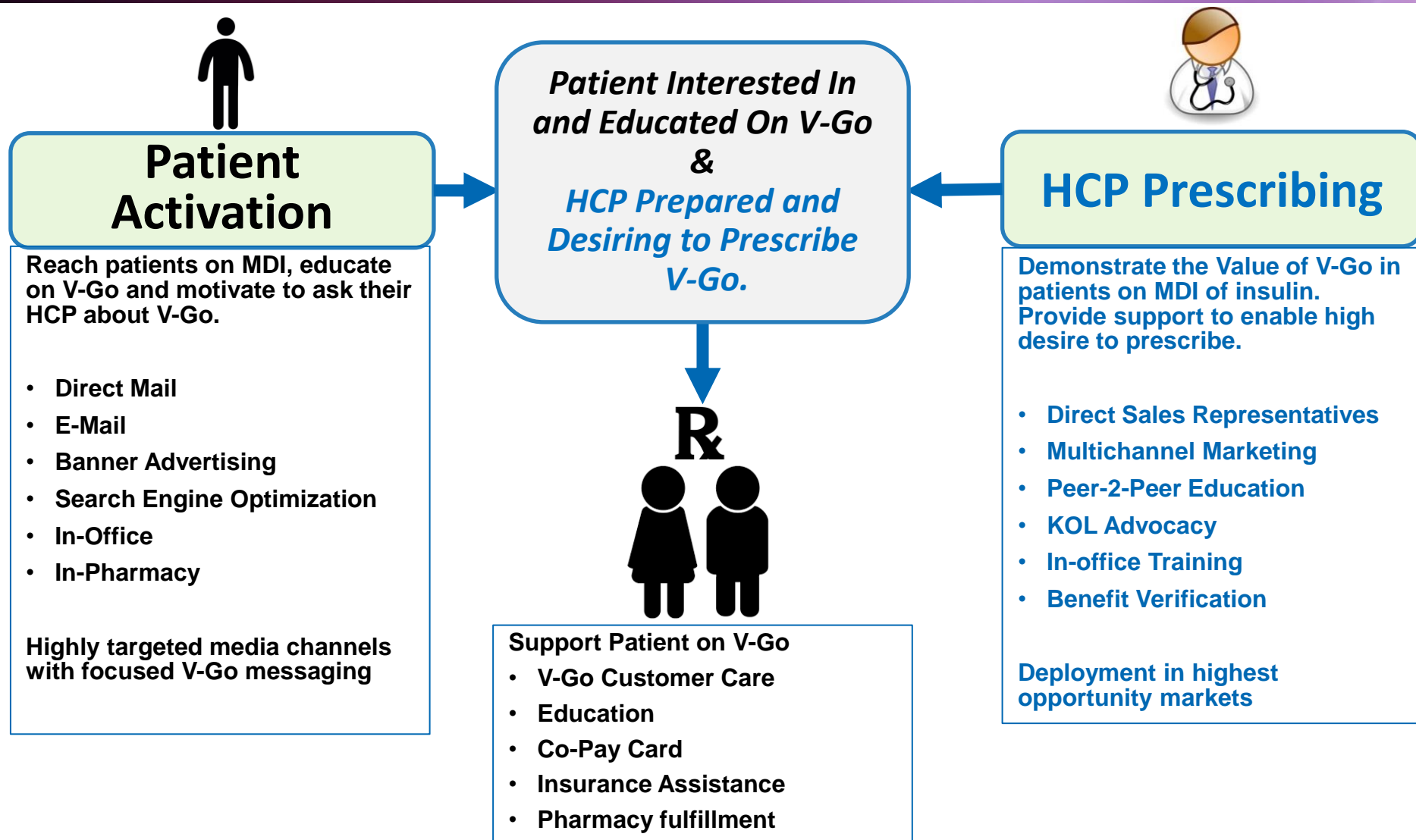
BLINDED	INSULIN DECILE	TOTAL_INSULIN_TRX_CNT	Q4 TARGET	V-GO SHARE OF TOTAL RAI
Dr 1	10	7,084	Y	13%
Dr 3	10	4,615	Y	6%
Dr 5	10	3,663	Y	6%
Dr 6	10	3,629	Y	4%
Dr 8	10	3,387	Y	2%
Dr 11	10	3,102	Y	1%
Dr 13	10	2,925	Y	1%
Dr 14	10	2,853	Y	0%
Dr 17	9	2,586	Y	13%
Dr 21	9	2,233	Y	11%
Dr 22	9	2,145	Y	11%
Dr 23	9	2,119	Y	10%
Dr 24	9	2,075	Y	7%
Dr 25	9	2,068	Y	6%
Dr 26	9	1,930	Y	6%
Dr 30	9	1,755	Y	5%
Dr 33	9	1,548	Y	1%
Dr 36	8	1,421	Y	36%
Dr 48	8	941	Y	31%
Dr 51	8	904	Y	23%
Dr 52	8	897	Y	13%
Dr 56	8	838	Y	8%
Dr 83	7	652	Y	28%
Dr 93	7	624	Y	10%
Dr 104	7	594	Y	6%

- I. Increase use & grow share of V-Go within the current ~ 30 Targeted Offices
- II. Gradually call on Add'l High-Volume Prescribers in Geographic Territory (expand beyond the 30 current targets ~ 100 potential)
- III. Increase # of High Volume Prescribers by Splitting Territory and adding new Rep
- IV. Add New Sales Representatives in New Territories

Moving just prescribers who write 1 NRx per week to 2 NRx per week would increase Total NRx's by 26%

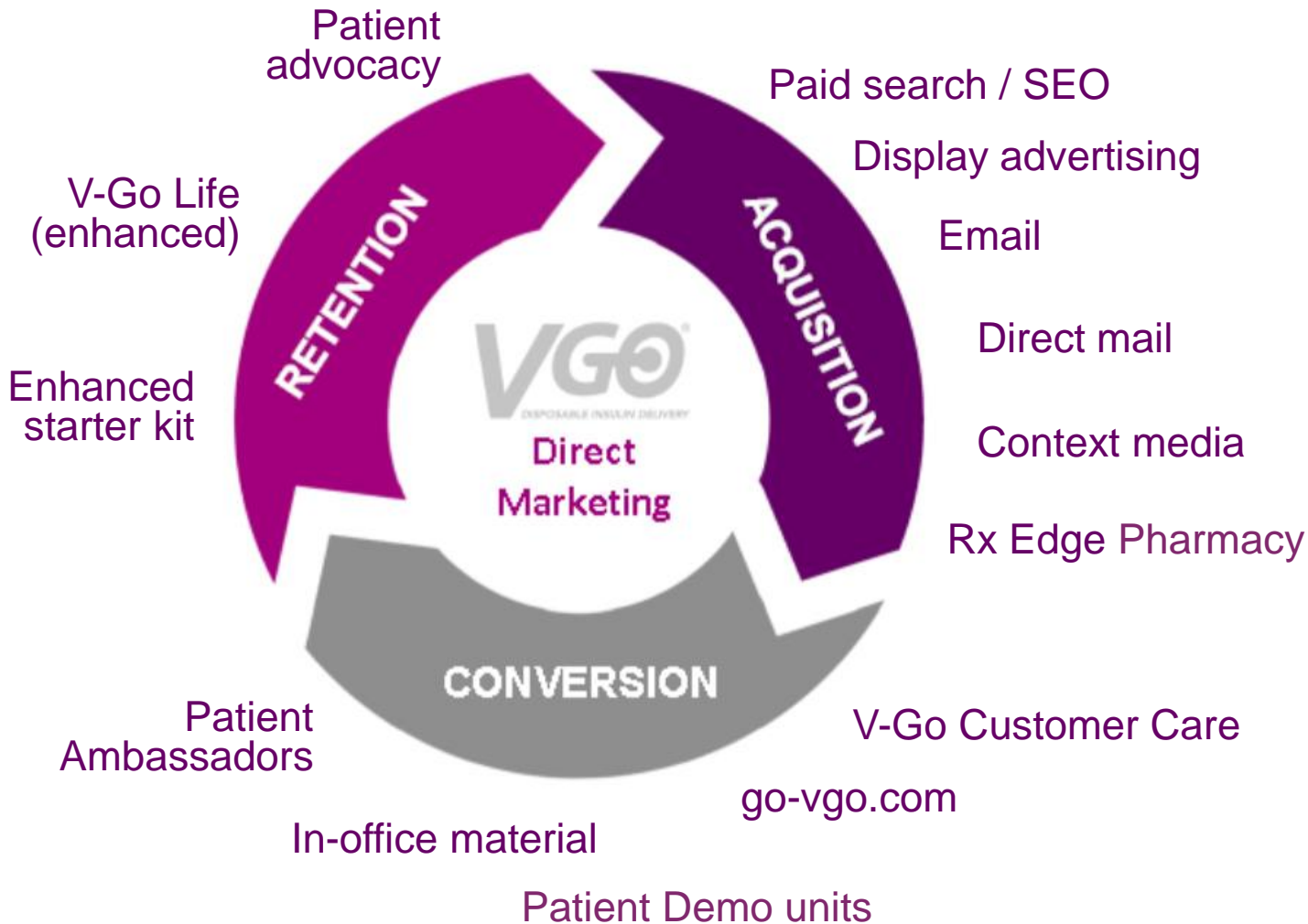


Integrated Marketing Strategy for V-Go



Patient Activation Strategy

Drive Patients to Ask for and Stay on V-Go®



Focused and Capital Efficient Growth Strategy

Scalable Business Model

Launch V-Go® Prefill

Collaborate with Core Technology

Launch V-Go® Link

Commercialize V-Go® OUS (Distribution/Licenses)

Expand Sales Force in U.S.

Advance V-Go® Next Generation Line Extensions

Execute Capital-Efficient U.S. Sales & Market Strategy

Short Term

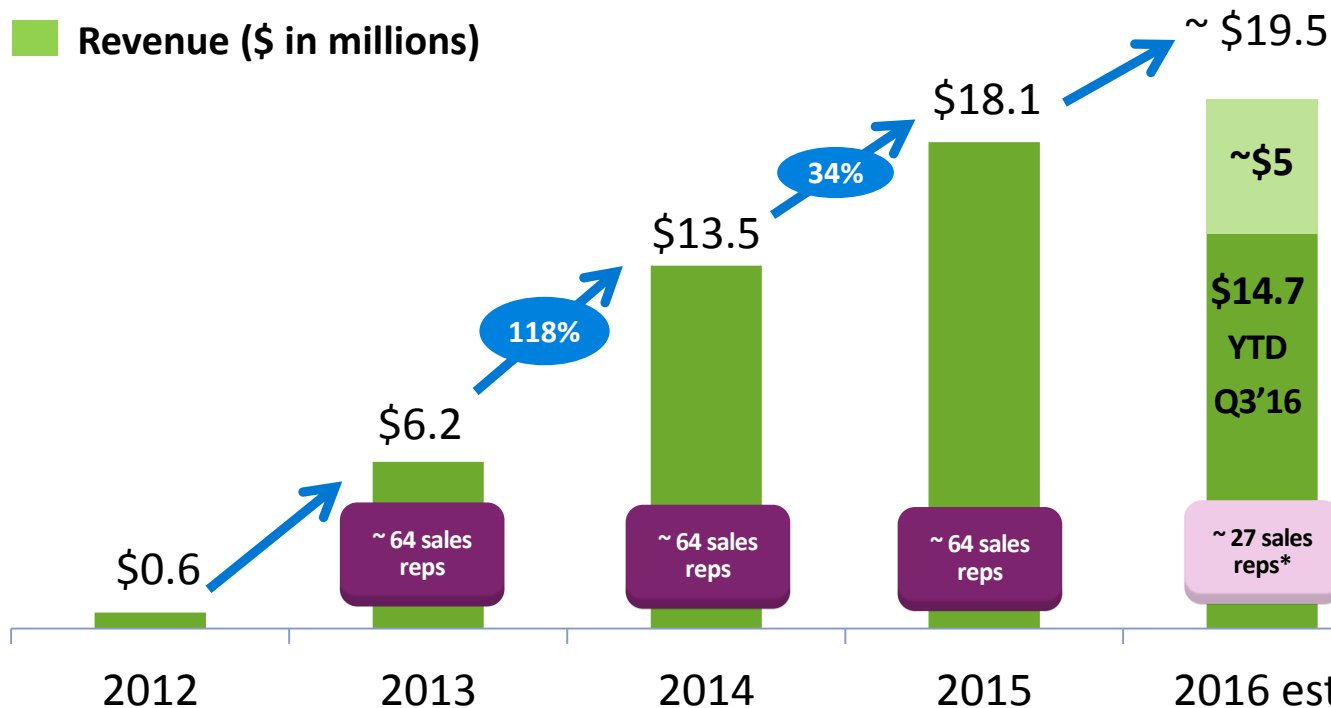
TIME

Long Term

Valeritas: Financial Profile

Poised for Growth and Profitability

Annual Revenue (March 2012 – December 2015)



2016

Greater Revenue
with < 50% of the
Sales
Representatives

With a
Significant
Reduction in
Cash Burn

3Q16 Financial Summary (\$ in millions)	3Q16	3Q15	Change
Revenue	\$4.9	\$4.7	2.6%
Gross Margin	35.5%	13.1%	+224bps
Operating Expenses	\$9.4	\$11.4	(18)%
Net Loss	\$9.2	\$14.5	(37)%
Cash	\$15.5	\$7.5	207%

* The Company completed a restructuring in February 2016 and estimates it will have an average of 27 filled sales territories over the ten months between March and December 2016.

Financial Highlights (at September 30, 2016) (unless otherwise noted)

Common Stock Outstanding	12.7 Million shares
Shares on a fully diluted basis	15.0 Million shares
Share Price (as of 11/30/2016) – range	\$4.98 (\$3.50 to \$6.50)
Market Cap (as of 11/30/2016)	\$63.1M
LTM Net Revenue	\$19.6M
LTM EBITDA	(\$34.7M)
Cash & Short-Term Investments	\$15.5M
Total Debt	\$57.4M (\$52.2 – CRG; \$5.2 – WCAS)
NOL Carryforward (12/31/15)	\$306M
Largest Shareholder	CRG – 75%
Cash Burn (12 Mo & 3 Mo ended 9/30/2016)	\$36.1M / \$4.9 M
ADTV – 90 Days (as of 11/30/2016)	1,775 (3,361 30 days)

Investment Conclusion

- Compelling opportunity creating a new exciting category within the Type 2 diabetes market with the potential to generate sustainable YOY growth
- Company Transitioned to a Medical Device Focused & Capital-Efficient Commercial Strategy
- Commercial Operations at Inflection Point
 - Positive early results demonstrating potential to generate sustainable YOY growth
- Gross Margin Leverage
 - ~35% GM on ~\$20M revenue with ability to reach 80% at global scale
- Company intends to raise capital sufficient to fund operations well through inflection point and up to CFBE



valeritas

DELIVERING QUALITY OF LIFE

Thank you

