

ENDOCEUTICS, INC., AND CERTAIN AFFILIATES¹ (the "Endoceutics Group"),
OBTAIN THE ISSUANCE OF AN INITIAL ORDER UNDER THE CCAA

QUEBEC CITY, Quebec, Wednesday, September 28, 2022 -

After a thorough and exhaustive analysis of the financial situation of the Endoceutics Group and of all the alternatives available to it to restructure its affairs and finances, the Board of Directors has determined that it was in the best interest of the Endoceutics Group to seek the issuance of an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36 (the "**CCAA**"). Pursuant to the Initial Order rendered on Monday, September 26, 2022, the Superior Court of Quebec appointed Ernst & Young Inc. (the "**Monitor**") to act as Monitor in the CCAA proceedings.

Despite the Endoceutics Group's significant progress over the years, fostered by its high-level research and production capabilities, it has encountered financial difficulties and challenges requiring the implementation of the proposed restructuring process, with the view of preserving the expertise of the Endoceutics Group and continuing to develop, produce and market products on its own behalf and on behalf of third parties, including its flagship product *Intrarosa*.

"The implementation of the restructuring process, beginning with the Initial Order obtained Monday, represents an important step for the Endoceutics Group. We are confident that this will ensure the continuity of the company's business for the long term and in particular for the benefit of postmenopausal women affected by vaginal atrophy," said Dennis Turpin, President and CEO of Endoceutics.

"In addition, the implementation of the process will allow us to continue our efforts to expand into domestic and foreign markets, which have been considerably affected by the pandemic and its impact on consumer habits. The process will also allow it possible to restructure the level of indebtedness of the Endoceutics Group, in order to ensure its success and its sustainability", he added.

The Initial Order allows for the immediate issuance by the Court of the stay of proceedings that may be taken by the creditors of the Endoceutics Group, with respect to each of the entities covered by the Initial Order.

In addition, it will allow the Endoceutics Group to implement the restructuring of its business and finances, so as to allow the continuity of its operations in a viable manner, all under the supervision of the Court and the Monitor, and with the help of its advisors.

The process envisioned at this stage of the file should include, in particular:

- i. the continuity of the activities of the Endoceutics Group in order to preserve its assets and to honor the payments related to its operations;
- ii. the appointment of the Monitor under the CCAA;

¹ The Debtors and entities for which an Initial Order was obtained are Endoceutics, Inc., Endoceutics Pharma (MSH) Inc., Endoceutics Pharma (Québec) Inc., Endoceutics SA, Endoceutics Pharma (USA) Inc. and Endorecherche Inc.

- iii. the conduct of Sale and Investment Solicitation Process for the purpose of generating cash to, on one hand, finance the restructuring and, on the other hand, repay or significantly reduce the indebtedness of the Endoceutics Group; and
- iv. the review of contracts to which the Endoceutics Group is party and the termination of certain undesirable agreements.

As mentioned above, and while a comprehensive restructuring plan continues being developed under the protection of the CCAA, the Endoceutics Group will continue the production and distribution of pharmaceutical products in Quebec, Canada and worldwide, for the benefit of patients and of all of its stakeholders. Business operations will therefore not be interrupted and there will be no impact on employees. Suppliers will continue to be paid for any services rendered after the issuance of the Initial Order, in accordance with the terms thereof.

The management team will work closely with its business partners and stakeholders to ensure their support for an effective and successful restructuring.