

## **Endo GUC Trust Provides Its Initial Quarterly Update**

New York – August 14, 2024. For Immediate Release.

Matthew Dundon, Trustee of the Endo GUC Trust, formed upon the exit from Chapter 11 proceedings of Endo International plc and its affiliated debtors, announced that the Endo GUC Trust has released the attached interim financial statements and discussion for the quarter ended June 30, 2024, supplemented by a summary of material events which occurred from July 1, 2024 to August 11, 2024.

Contact: Joshua Nahas, [jn@dundon.com](mailto:jn@dundon.com), (914) 341-1188.

# Endo GUC Trust

---

**Financial Statements**  
**as of and for the Period Ended June 30, 2024**  
**(Unaudited)**

## Endo GUC Trust

---

<b>Unaudited Statement of Net Assets in Liquidation as of Inception (April 11, 2024) and June 30, 2024</b>		
<b>Assets</b>	<b>April 11, 2024</b>	<b>June 30, 2024</b>
Cash and cash equivalents	\$ 0	\$ 35,557,545.46
<b>Total assets</b>	<b>\$ 0</b>	<b>\$ 35,557,545.46</b>
<b>Liabilities</b>		
Accounts payable	\$ 0	\$ 62,082.00
<b>Total liabilities</b>	<b>\$ 0</b>	<b>\$ 62,082.00</b>
<b>Net assets in liquidation</b>	<b>\$ 0</b>	<b>\$ 35,495,463.46</b>

## Endo GUC Trust

---

<b>Unaudited Statement of Changes in Net Assets in Liquidation For the Period April 11, 2024 to June 30, 2024</b>	
<b>Receipts</b>	
Chapter 11 Plan funding	\$ 61,868,120.12
Interest earned	244,562.03
<b>Total receipts</b>	<b>\$ 62,112,682.15</b>
<b>Operating Expenses</b>	
Trustee, Trust Oversight and Trust Professional fees and expenses	\$ 238,764.92
Other expenses	\$ 180,846.05
<b>Total expenses</b>	<b>\$ 419,610.97</b>
<b>Distributions</b>	
Initial distributions to Sub-Trusts	\$ 24,700,000.00
Distributions to and for benefit of Indenture Trustees	1,497,607.72
<b>Total distributions</b>	<b>\$ 26,197,607.72</b>
<b>Total increase (decrease) in net assets in liquidation</b>	<b>\$ 35,495,463.46</b>
<b>Net assets in liquidation, beginning of period</b>	<b>\$ —</b>
<b>Net assets in liquidation, end of period</b>	<b>\$ 35,495,463.46</b>
<b>NOTES</b>	
<b>Non-cash changes to net assets in liquidation</b>	
Increase (decrease) to accounts payable	\$ 62,082.00
<b>Total non-cash changes in net assets in liquidation</b>	<b>\$ 62,082.00</b>
<b>Total increase (decrease) in cash</b>	<b>\$ 35,557,545.46</b>

# Endo GUC Trust

---

## NOTES TO FINANCIAL STATEMENTS

(Unaudited)

### 1. Description of the Trust

On August 16, 2022 Endo International plc and on August 16, 2022, or certain later dates, certain of Endo International plc's affiliates (collectively, the "Debtors") commenced proceedings under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). On March 22, 2024, the Bankruptcy Court confirmed the Debtors' *Fourth Amended Joint Chapter 11 Plan of Reorganization* (the "Plan") and on April 23, 2024, the Plan became effective (the "Effective Date").

The Endo GUC Trust (the "Trust") was established pursuant to the Plan on April 11, 2024 as a Delaware statutory trust, of which Matthew Dundon serves as trustee (solely in his capacity as the trustee of the Trust and not in any individual capacity, the "Trustee"). The Trust is presently governed by the Endo GUC Trust Agreement, dated April 23, 2024 (the "GUC Trust Agreement"). The GUC Trust Agreement provides for rights, obligations and means of governance of the Trust as contemplated by the Plan. The GUC Trust Agreement defines certain terms used in these Notes to Financial Statements.

The Trust is authorized to issue Class A Units to former holders of claims arising under second lien and unsecured notes issued by the Debtors ("Notes"), and Class B Units (together with the Class A Units, the "Units") to former holders of Other General Unsecured Claims against the Debtors. In accordance with the terms of the GUC Trust Agreement, the holders of Units will be entitled to receive certain cash distributions from the Trust. The GUC Trust Agreement also provides, pursuant to the Plan, that the Trust will make cash distributions to certain sub-trusts created for the benefit of former holders of Mesh Claims, Ranitidine Claims, Generic Price Fixing Claims and Reverse Payment Claims (each as defined in the Plan) against the Debtors (the "Sub-Trusts").

On the Effective Date and pursuant to the Plan, the Debtors transferred certain causes of action and insurance rights (the "Causes of Action"), cash and certain other assets to the Trust.

From April 11, 2024 through June 30, 2024, among other things, the Trust (i) retained various professionals, including counsel to pursue certain Causes of Action, (ii) commenced various beneficiary registration and tender processes related to the Units, and (iii) undertook other organizational activities typical of bankruptcy liquidating and litigation trusts.

Additional information and documentation concerning the Trust can be found on the Trust's website at [www.EndoGUCTrust.com](http://www.EndoGUCTrust.com).

### 2. Certain Interim Accounting Policies

The unaudited Financial Statements (the "Statements") reflects the accounts of the Trust. The Trust has yet to adopt its definitive accounting policies, but will do so prior to reporting its activities for that portion of the full calendar year of 2024 in which it will have been in existence.

## Endo GUC Trust

---

The Statements have not been prepared in accordance with generally accepted accounting principles; rather they have been prepared using a liquidation basis of accounting, which the Trust considers an appropriate basis of accounting at this time.

The Statements were prepared using certain interim accounting policies, most importantly:

- (a) no asset or liability value will be assigned to Causes of Action until and unless a judgment of damages is entered or a settlement definitively agreed, in which case the gross amount of the judgment or settlement will be accrued as an asset and the aggregate amount of contingent legal fees and litigation finance payment obligations, if any, arising from such settlement or judgment if and when funded will be accrued as liabilities;
- (b) the Trust will not disclose the status of any settlement negotiations nor its litigation or other strategy concerning the Causes of Action, nor (except and to the extent already disclosed or required by the applicable court or arbitrator) its funding arrangements for the Causes of Action including contingency fee terms and the terms of the Litigation Financing (see note 8);
- (c) unbilled works in progress of Trust professionals will not be accrued as an expense nor realized as an account payable;
- (d) amounts payable or possibly payable to beneficiaries of the Trust will not be realized as liabilities;
- (e) disclosures on a per-unit basis for the Class A Units will be made after issuance of the Class A Units has been completed. Disclosures on a per-unit basis for the Class B Units will be made following the initial issuance of the Class B Units, and will include Class B Units held in the Disputed Claims Reserve;
- (f) the Trust will not consolidate or report on the finances of the Sub-trusts.

Each of these interim policies is subject to change and the report for the period of April 11, 2024 to June 30, 2024 will be restated to the extent definitive accounting policies may require.

### **3. Receipts**

Pursuant to the Plan, on the Effective Date, certain Debtors transferred \$61,868,120.12 in cash to the Trust.

On and before June 30, 2024, all the Trust's cash and cash equivalents was deposited in insured or collateralized interest-bearing bank accounts, and interest earned upon such deposits is set forth above in the Trust's Unaudited Statement of Changes in Net Assets in Liquidation. Subject to the

# Endo GUC Trust

---

requirements of the GUC Trust Agreement, the Trustee may change the deposit / investments of the Trust's liquid assets from time to time.

## **4. Trustee, Trust Oversight and Trust Professional Fees and Expenses**

On April 23, 2024, a five-member Oversight Board was appointed by the Official Committee of Unsecured Creditors of the Debtors. The Oversight Board's members are: (i) Morton Branzburg (designated in the interests of the Debtors' general unsecured non-funded debt creditors), Ephraim Diamond (designated as the Independent Board Member (as defined in the GUC Trust Agreement), and Daniel Golden, Dennis Prieto, and Himanshu Sheth (each designated in the interests of the Debtors' unsecured and second lien bondholders).

The Trust incurs fixed monthly costs of \$65,500, including the monthly compensation of the Trustee and certain members of the Trust Oversight Board who receive compensation. The Trustee provides the Trust with office facilities and ministerial services at no additional charge. The Trust incurs recurring but non-fixed costs consisting principally of the fees and disbursements of legal and financial advisers.

## **5. Other Expenses**

The Trust's other expenses in the period ended June 30, 2024 consisted principally of the cost to obtain CUSIPs for the Class A1 and Class A2 beneficial interests and the initial premium due on its director and officer insurance coverage.

## **6. Distributions**

On and after the Effective Date, the Trust made various payments required under the Plan, including a transfer of \$24,700,000 to Heather Barlow, not in any personal capacity but solely in her capacity as trustee for the Sub-Trusts, and payment of certain fees and expenses for the indenture trustees for the Debtors' unsecured and second lien notes.

## **7. Litigation Financing**

Prior to June 30, 2024, the Trust agreed in principle, subject to approval of the Bankruptcy Court and execution of definitive documentation, to a forward sale to certain of the Debtors' former unsecured and second lien noteholders of a portion of the possible return upon Causes of Action, the proceeds of which sales, being not less than \$10 million, would be used, in addition to other assets of the Trust, to fund the pursuit of Causes of Action (the "Litigation Financing").

## **8. Subsequent Developments as of August 11, 2024**

On July 16, 2024 and July 19, 2024, the Trustee filed papers in the Bankruptcy Court disclosing the terms of the Litigation Financing and seeking Bankruptcy Court approval of the Litigation Financing without further court proceedings in the absence of any objections. No objections were timely filed and the Bankruptcy Court entered an order approving the Litigation Financing on July 29, 2024. Definitive documentation of the Litigation Financing remains pending.

## Endo GUC Trust

---

On July 24, 2024, the Trustee extended the deadline from August 5, 2024 to September 5, 2024 for former holders of Notes and other non-opioid general unsecured claims against the Debtors to take actions, execute and submit certain forms and/or to provide certain materials and information required under the Plan in order to receive, or remain eligible to be considered to receive, distributions from the Trust and the Sub-Trusts. Former holders of Notes and other non-opioid general unsecured claims against the Debtors should consult the information and documentation on the Trust's website to assure that they have or will take all actions required of them by September 5, 2024.

On July 26, 2024, the Trustee filed a complaint in the Bankruptcy Court asserting Causes of Action against certain of the former Debtors' directors and officers captioned *Matthew Dundon, Trustee of the Endo GUC Trust, Plaintiff, v. Rajiv De Silva, Douglas S. Ingram, Arthur J. Higgins, Nancy J. Hutson, Roger H. Kimmel, William P. Montague, Todd B. Sisitsky, Jill D. Smith, William F. Spengler, Paul V. Campanelli, Suketu P. Upadhyay, Karen A. Wallace, Brian Lortie, Antonio R. Pera, Joseph Barbarite, and John Does 1-10* (24-AP-07022). No defendant has answered or filed a motion to dismiss the complaint.