

Endo GUC Trust

Financial Statements

as of and for the Quarter Ended March 31, 2025

(Unaudited)

Unaudited Statement of Net Assets in Liquidation as of Inception (April 11, 2024), December 31, 2024 and March 31, 2025			
(Thousands)			
Assets	April 11, 2024	December 31, 2024	March 31, 2025
Cash and cash equivalents	\$0	\$4,832	\$11,711
Total assets	\$0	\$4,832	\$11,711
Liabilities	\$0	\$0	\$0
Net assets in liquidation	\$0	\$4,832	\$11,711

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Unaudited Statement of Changes in Net Assets in Liquidation For the Period January 1, 2025 to March 31, 2025 (Thousands)	
Receipts	
Chapter 11 plan funding	\$0
Proceeds of litigation funding*	\$9,203
Interest received	\$56
Total receipts	\$9,259
Operating Expenses	
Trustee, Trust Oversight and Trust Professional fees and expenses	\$2,352
Other operating expenses	\$28
Total operating expenses	\$2,380
Distributions	
Distributions to Sub-Trusts	\$0
Distributions to Class A-1, A-2 and A-3 Unit Holders	\$0
Distributions to and for benefit of Indenture Trustees	\$0
Total distributions	\$0
Total increase (decrease) in net assets in liquidation	\$6,879

*Net of transaction costs paid by and deducted by purchasers prior to funding to the Trust, but gross of transaction costs paid or to be paid by the Trust (shown or to be shown in Operating Expenses for the periods in which paid).

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 and amended on February 28, 2025 (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 issued approximately 169 million Class A Units to former holders of claims arising under second lien and unsecured notes issued by the Debtors ("Notes"), as well as 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 are entitled to receive certain cash distributions from the Trust, the initial distributions of which cash were made in the year ended December 31, 2024 and which are further-described below. The Trust also made in the year ended December 31, 2024 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 (collectively, the "Sub-Trusts") and under certain circumstances will be required to, and shall, make additional distributions to the Mesh Claims and Reverse Payment Claims Sub-Trusts in the future. (The Plan and GUC Trust Agreement contemplated possible additional payments to the Ranitidine Claims Sub-Trust, but in the year ended December 31, 2024, the Trustee determined that the conditions for making such payments will not arise.)

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

Additional information and documentation concerning the Trust can be found on the Trust's website at www.EndoGUCTrust.com.

2. Certain Interim Accounting Policies

The unaudited Financial Statements (the "Statements") reflect the accounts of the Trust. The Trustee continues to consider certain definitive accounting policies and expects to adopt definitive accounting policies on or after July 1, 2025. (Reports made after such adoption will make use of

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such policies, including restatement of prior period activities and balances if and as required.) 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 funding payment obligations, if any, arising from such settlement or judgment if and when funded will be accrued as liabilities;
- (b) the Trustee will not disclose the existence or progress of any mediation (except and solely to the extent the existence or progress of any mediation has become public information), the existence or 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 Funding (as defined in, and further discussed by, note 7 below);
- (c) unpaid invoices and unbilled works in progress of Trust professionals will not be accrued as an expense nor realized as a liability – note that the exclusion of unpaid invoices from liabilities is a change in interim accounting policies made on the advice of the Trust's external accounting firm;
- (d) amounts payable or possibly payable to beneficiaries of the Trust will not be realized as liabilities;
- (e) disclosures on a per-Unit basis will be made upon the adoption of definitive accounting policies;
- (f) the Trustee will not consolidate or report on the finances of the Sub-Trusts; and
- (g) the obligations of the Trust to the purchasers under the Litigation Funding, being entirely contingent upon the receipt of, and limited to no more than the amount of, the proceeds of Causes of Action net of certain specified priority obligations relating thereto, shall not be recognized as liabilities until and unless a judgment of damages is entered or a settlement definitively agreed which gives rise to a determinable obligation to such purchasers.

Each of these interim policies is subject to change.

3. Receipts

During the quarter ended March 31, 2025, the Trust's receipts consisted of \$0.06 million in interest

paid on the Trust's cash balances and \$9.2 million in proceeds of the Litigation Funding.

All the Trust's cash received during on or before March 31, 2025 was and remained as of March 31, 2025 deposited in insured or collateralized interest-bearing bank accounts, and interest paid upon such deposits during the quarter ended March 31, 2025 is set forth above in the Trust's Unaudited Statement of Changes in Net Assets in Liquidation. Subject to the 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 were upon each of the Effective Date and March 31, 2025: (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).

During the quarter ended March 31, 2025, the Trust accrued \$2.4 million in Trustee, Trust Oversight and Trust Professional Fees and Expenses. Legal services in relation to Causes of Action and Litigation Funding (as below defined) accounted for the substantial majority of this expenditure. This figure includes fixed monthly costs of \$65,500 (as of December 31, 2024) and \$77,500 (as of March 31, 2025) for the monthly compensation of the Trustee and certain members of the Trust Oversight Board. Dundon Advisers LLC, financial adviser to the Trustee, provides the Trust with office facilities and ministerial services at no 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 of \$0.03 million in the quarter ended March 31, 2025 consisted of bank fees and the renewal premium due on the Trust's director and officer insurance coverage.

6. Distributions and Payments Required by the Plan

No Plan-required distributions or payments were made in the quarter ended March 31, 2025.

7. Litigation Funding

During the year ended December 31, 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 Funding").

On July 16, 2024 and July 19, 2024, the Trustee disclosed to the Bankruptcy Court the terms of

the Litigation Funding and sought Bankruptcy Court approval of the Litigation Funding without further court proceedings in the absence of any objections. No objections were filed and the Bankruptcy Court entered an order approving the terms of the Litigation Funding on July 29, 2024.

On March 3, 2025, the definitive agreement and other documentation of the Litigation Funding were executed and came into force, and on March 10, 2025, in respect of the first prepaid sale under the Litigation Funding in the gross amount of \$10.0 million, the Trust received funding, after certain transaction costs deducted at the point of payment, of \$9.2 million. Significant additional transaction costs are reflected in the Trust's Unaudited Statements of Changes in Net Assets in Liquidation for the year ended December 31, 2024, the quarter ended March 31, 2025, or (to the extent paid on or after April 1, 2025) will be reflected in the Trust's expense and cash balance reporting for the period in which paid.

8. Tender and Registration Activities

No tender or registration activities took place during the quarter ended March 31, 2025.

9. Causes of Action Litigation

Directors and Officers Litigation (*De Silva, et al.*)

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).

On January 6, 2025, the defendants filed with the Bankruptcy Court a motion to dismiss the case. On March 17, 2025, the Trustee filed with the Bankruptcy Court its opposition to dismissal.

McKinsey Litigation (*McKinsey, et al.*)

On August 15, 2024, the Trustee filed a complaint in the Bankruptcy Court asserting Causes of Action against former strategy consultants to the former Debtors captioned *Matthew Dundon, Trustee of the Endo GUC Trust, Plaintiff v. McKinsey & Company, Inc. and McKinsey & Company, Inc. United States* (24-AP- 07027).

On January 10, 2025, the Trustee filed with the Bankruptcy Court its opposition to McKinsey's motion to dismiss which had been filed in the year ended December 31, 2024. The motion to dismiss was argued on March 6, 2025 in the Bankruptcy Court.

Product Liability Insurance Coverage Litigation (*ACE Property and Casualty Insurance Company, et al.*)

On August 15, 2024, the Trustee filed a complaint in the United States District Court for the Eastern District of Pennsylvania (the "Pennsylvania District Court") asserting Causes of Action against certain product liability insurers of the former Debtors captioned *Matthew Dundon, as the Trustee of the Endo General Unsecured Creditors' Trust, Plaintiff, v. ACE Property and Casualty*

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Insurance Company, et al. (24-CV-04221).

On January 22, 2025, the Bankruptcy Court denied the leave which certain *Ace Property & Casualty et al.* defendants had sought to proceed against the Trust in Delaware State Court.

Sponsor Litigation (TPG Capital, L.P., et al.)

On August 16, 2024, the Trustee filed a complaint in the Bankruptcy Court asserting Causes of Action against certain former shareholders of one of the former Debtors captioned *Matthew Dundon, Trustee of the Endo GUC Trust, Plaintiff, v. TPG Capital, L.P., et al.* (24-AP-07030).

On January 31, 2025, the Trustee filed an amended complaint, and filed a corrected version of the amended complaint on February 3, 2025.

10. Subsequent Developments

The following developments occurred between April 1, 2025 and May 13, 2025, inclusive. This discussion excludes litigation developments which are non-disclosable pursuant to the policies noted above and developments which the Trustee judges to be both immaterial and not making any prior disclosure inaccurate. No developments on or after May 14, 2025 were evaluated for inclusion or are included below.

Directors and Officers Litigation

The defendants' response to the Trustee's opposition to dismissal was filed on April 16, 2025. The Trustee submitted a supplemental letter to the Court on April 30, 2025 to which the defendants replied on May 8, 2025.

Sponsor Litigation

The defendants moved to dismiss the amended complaint on April 1, 2025. This motion has been set for hearing on September 5, 2025.