RVL Pharmaceuticals plc Announces Prepackaged Reorganization of Certain U.S. Subsidiaries

October 12, 2023 at 6:50 AM EDT

Lender to Provide Incremental Liquidity to Support Long-Term Growth

Senior Secured Lender to Exchange Outstanding Debt into Equity of the Reorganized Entities

Business Operations at U.S. Subsidiaries to Continue as They Pursue Strategic Plan

RVLP Ordinary Shares Expected to be Cancelled

BRIDGEWATER, N.J., Oct. 12, 2023 (GLOBE NEWSWIRE) -- RVL Pharmaceuticals plc ("RVL" or "the Company"), a specialty pharmaceutical company focused on the commercialization of UPNEEQ® (oxymetazoline hydrochloride ophthalmic solution), 0.1%, for the treatment of acquired blepharoptosis, or droopy eyelid, in adults, today announced that certain of its U.S. operating subsidiaries, RevitaLid Pharmaceutical Corp., RVL Pharmaceuticals, Inc. and RVL Pharmacy, LLC (the "RVL Subsidiaries"), have reached an agreement with their sole secured lenders, funds managed by Athyrium Capital Management ("Athyrium"), and other key stakeholders, to effectuate a change of control transaction through prepackaged bankruptcy cases commenced in the United States Bankruptcy Court for the District of Delaware today (the "Reorganization"). The Reorganization provides a structured pathway for the RVL Subsidiaries to significantly reduce their debt, while enabling them to streamline operations, maintain jobs and position themselves under new ownership. As a result of the Reorganization, RVL is expected to commence the wind-down of any remaining operations of the Company and its subsidiaries, other than the RVL Subsidiaries. RVL's public equity is expected to be cancelled upon completion of its wind-down, anticipated to be during 2024, likely resulting in no recovery to public shareholders.

Under the Reorganization, funds managed by Athyrium will exchange their outstanding debt into equity of a newly formed entity that will either (1) directly hold 100% of the equity interests of Revitalid Pharmaceutical, Corp., which is currently an indirect wholly owned subsidiary of the Company, or (2) indirectly hold 100% of the equity interests of RVL Pharmaceuticals, Inc., which is currently a wholly owned subsidiary of Revitalid Pharmaceutical, Corp. and the direct parent of RVL Pharmacy, LLC. In addition, funds managed by Athyrium are committed to providing incremental financing facilities to support the RVL Subsidiaries' operations during the Reorganization and to support their long-term growth and liquidity. The Reorganization will enhance the RVL Subsidiaries' ability to invest in UPNEEQ, accelerate their strategic initiatives, and allow for the continued delivery of high-quality, innovative ocular and aesthetic solutions for patients and healthcare partners. The Reorganization contemplates that all of RVL Subsidiaries' vendors, suppliers, and customers will be unaffected by the Reorganization, and their employees will remain employed by these entities.

Brian Markison, Chief Executive Officer and Chairman of the Company's Board of Directors, commented, "This is a significant step forward in securing RVL's future, ensuring we continue to meet the demands of our patients while also executing our long-term growth strategy. As we move forward, we remain committed to realizing the full commercial potential of UPNEEQ."

The RVL Subsidiaries are being advised by Ropes & Gray LLP, Richards, Layton & Finger, P.A., and A&L Goodbody LLP as legal counsel, Ernst & Young LLP as financial advisor, and Ducera Partners LLC as investment banker.

Additional Reorganization Information:

The RVL Subsidiaries have filed a series of "First Day Motions" with the United States Bankruptcy Court for the District of Delaware. For more information about the Reorganization, including access to court filings and other documents, please visit https://restructuring.ra.kroll.com/RVL. Interested parties who may have questions related to the Reorganization may call the responsible claims agent at (844) 870-7074 (U.S./Canada, toll-free) or +1 (646) 651-1184 (international, toll) or email inquiries at RVLInfo@ra.kroll.com.

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About the Company

RVL Pharmaceuticals plc is a specialty pharmaceutical company focused on the commercialization of UPNEEQ® (oxymetazoline hydrochloride ophthalmic solution), 0.1%, for the treatment of acquired blepharoptosis, or low-lying eyelid, in adults. UPNEEQ is the first non-surgical treatment option approved by the FDA for acquired blepharoptosis.

IMPORTANT SAFETY INFORMATION

INDICATION

UPNEEQ® (oxymetazoline hydrochloride ophthalmic solution), 0.1%, is indicated for the treatment of acquired blepharoptosis in adults.

WARNINGS AND PRECAUTIONS

- **Ptosis Association:** Ptosis may be associated with neurologic or orbital diseases such as stroke, cerebral aneurysm, Horner syndrome, myasthenia gravis, external ophthalmoplegia, orbital infection, and orbital masses. Consider these conditions in the presence of ptosis with decreased levator muscle function and/or other neurologic signs.
- **Cardiovascular Impact:** Alpha-adrenergic agonists as a class may impact blood pressure. Advise UPNEEQ patients with cardiovascular disease, orthostatic hypotension, and/or uncontrolled hypertension or hypotension to seek medical care if their condition worsens.
- **Use with Caution:** Use UPNEEQ with caution in patients with cerebral or coronary insufficiency or Sjögren's syndrome. Advise patients to seek medical care if signs and symptoms of potentiation of vascular insufficiency develop.
- **Glaucoma Risk:** UPNEEQ may increase the risk of angle closure glaucoma in patients with untreated narrow-angle glaucoma. Advise patients to seek immediate medical care if signs and symptoms of acute narrow-angle glaucoma develop.
- **Container Safety:** Patients should not touch the tip of the single patient-use container to their eye or to any surface, in order to avoid eye injury or contamination of the solution.

ADVERSE REACTIONS

Adverse reactions that occurred in 1-5% of subjects treated with UPNEEQ include punctate keratitis, conjunctival hyperemia, dry eye, blurred vision, instillation site pain, eye irritation, and headache.

DRUG INTERACTIONS

- **Blood Pressure:** Alpha-adrenergic agonists, as a class, may impact blood pressure. Exercise caution when using drugs such as beta-blockers, anti-hypertensives, and/or cardiac glycosides.
- **Metabolism:** Caution is advised in patients taking monoamine oxidase inhibitors, which can affect the metabolism and uptake of circulating amines.

Cautionary Note Regarding Forward-Looking Statements

This press release includes statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward-looking statements." The Company's actual results may vary significantly from the results anticipated in these forward-looking statements, which can generally be identified by the use of forward-looking terminology, including the terms "believes," "expects," "may," "will," "should," "seeks," "projects," "approximately," "intends," "plans," "targets," "estimates" or "anticipates," or, in each case, their negatives or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Reorganization and the winding down of RVL, its results of operations, financial condition, liquidity, prospects, financial guidance, growth plan, strategies, trends and other events, particularly relating to sales of UPNEEQ, the rollout of Elevate, our next generation ecommerce portal, and our future marketing mix shift to consumers, expectations regarding our total addressable market and consumer awareness, plans to potentially partner with or acquire companies to support growth and integrate into our infrastructure and the potential synergies resulting from such partnership or acquisition, the continuation of historical trends, its ability to manage costs and service its debt and the sufficiency of its cash balances and cash generated from operating and financing activities for future liquidity and capital resource needs. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company may not achieve the plans, intentions or expectations disclosed in its forward-looking statements, and you should not place significant reliance on its forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements the Company makes. Important factors that could cause actual results and events to differ materially from those indicated in the forward-looking statements include the following: UPNEEQ's ability to reach market acceptance by clinicians and patients; the Company's ability to successfully commercialize UPNEEQ; customers' willingness to pay the price the Company charges for UPNEEQ; the results of the Company's marketing and sales expenditures; the Company's dependence on third-party suppliers and distributors for UPNEEQ; UPNEEQ's ability to produce its intended effects; the impact of legal proceedings; and other risks and uncertainties more fully described in the "Risk Factors" section of the Company's Annual Report on Form 10-K filed on March 20, 2023, its Quarterly Report on Form 10-Q filed on May 11, 2023, its Quarterly Report on Form 10-Q filed on August 14, 2023, and other filings that the Company makes with the Securities and Exchange Commission. These forward-looking statements speak only as of the time of this press release and the Company does not undertake to publicly update or revise them, whether as a result of new information, future events or otherwise, except as required by law.