Endurance RP Limited

壽康集團有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 575)

LICENCE AGREEMENT WITH SK-PHARMA FOR THE COMMERCIAL LAUNCH OF FORTACIN™ IN ISRAELI AND BALKAN REGIONS AND OPERATIONS UPDATE

This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Licence Agreement

The Board is pleased to inform the Shareholders and potential investors that on 14 December 2021 (after market close in Hong Kong) Solutions, a wholly owned subsidiary of the Company, entered into an exclusive Licence Agreement with SK-Pharma in respect of the rights to commercialise Fortacin™, Solutions' novel treatment for premature ejaculation, by way of the sale and, among other things, distribution of Fortacin™ in the Israeli and Balkan regions, hereinafter referred to as the "Territory".

Solutions continues to retain full commercialisation rights for Fortacin™ for the rest of the world not otherwise subject to a licence agreement, including but not limited to the US and Canada, Latin America, the Middle East and Sub-Saharan Africa.

SK-Pharma shall have responsibility, at its own expense, for filing applications for, and obtaining and maintaining any and all regulatory approvals, namely marketing authorisations, required under applicable law to commercialise Fortacin™ in the Territory. SK-Pharma expects that regulatory approvals will take approximately 18 months to obtain and will launch Fortacin™ in the Israeli region shortly thereafter with the Balkan region to follow.

SK-Pharma has undertaken that it shall enter into Manufacturer Agreements with PSNW with respect to Fortacin™ in the Territory, which shall all be subject to prior written approval by Solutions.

SK-Pharma shall pay to Solutions a price per each unit of Fortacin™ ordered by SK-Pharma from PSNW (or otherwise provided by PSNW to SK-Pharma or its authorised recipients). All sums paid to Solutions by SK-Pharma shall be without withholding or deduction of any kind.

SK-Pharma has certain Minimum Marketing Commitments and Minimum Annual Quantities of product to be ordered from PSNW in respect of certain regions within the Territory, with failure to comply giving Solutions certain rights and remedies for compensation, as well as removal of regions from the scope of the Licence Agreement or termination in some cases.

The Licence Agreement contains customary terms and conditions in respect of intellectual property rights, confidentiality, representations and warranties. In respect of each region within the Territory, the Licence Agreement will have an initial term of five (5) years after the date when SK-Pharma places the first commercial purchase order for Fortacin™ with PSNW; and thereafter the initial term may be extended automatically by additional successive two (2) year terms each time.

Consistent with other licence agreements entered into by the Group with other counterparties historically, the Licence Agreement and transactions contemplated therein are of a revenue nature and are entered into in the ordinary and usual course of business of the Group and do not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. The Company will keep the Shareholders and potential investors updated on the progress made by SK-Pharma in respect of the necessary regulatory approvals in the Territory and the likely commercial launch date for the Territory as and when such details become known.

Other Operations Update

In the US, the Company's CRO has requested a RLD Type C meeting with the FDA for the purposes of obtaining feedback from the division on the RLD protocol before the EOP2 meeting, which the Company anticipates in 1Q 2022. At the EOP2 meeting the Company will be seeking FDA agreement with PEBEQ as the endpoint, concurrence on the protocol of the Phase III study and agreement on the RLD study.

It is anticipated that although timelines have been extended since the Company's last Shareholders' update, using a streamlined adaptive clinical trial design the previously projected timelines are attainable.

In China, the Company has been informed by Wanbang Biopharmaceutical that clinical supplies (both active and placebo) have now been released for shipment and it is expected that the clinical trial will commence from January 2022. The Company looks forward to the commencement of the clinical trial as the next critical step towards commercialisation of Senstend™ in China.

As at 13 December 2021, the Company's investment in DVP shares and DVP options have increased significantly to approximately US$12.74 million (or approximately HK$99.37 million) from 31 December 2020. The Company's current fair value gain of its holding of DVP shares and DVP options together with the subscriptions and disposals of certain DVP shares during the year is approximately US$14.88 million (or approximately HK$116.06 million), representing an increase of approximately 622.59% from 31 December 2020. The fair value gain for the financial year ending 31 December 2021 is subject to change based on DVP's share price as at 31 December 2021.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

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LICENCE AGREEMENT

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Solutions continues to retain full commercialisation rights for Fortacin™ for the rest of the world not otherwise subject to a licence agreement, including but not limited to the US and Canada, Latin America, the Middle East and Sub-Saharan Africa.

Regulatory Responsibility

SK-Pharma shall have responsibility, at its own expense, for filing applications for, and obtaining any and all regulatory approvals, namely marketing authorisations, required under applicable law to commercialise Fortacin™ in the Territory. Solutions shall, at SK-Pharma's expense, provide SK-Pharma with such reasonable assistance as it may request in order to seek and obtain such regulatory approvals. SK-Pharma expects that regulatory approvals will take approximately 18 months to obtain and post such approvals will launch Fortacin™ in the Israeli and Balkan regions. SK-Pharma shall use its best efforts to diligently pursue the approval of the application for the necessary regulatory approvals and shall provide Solutions with written updates at least every quarter regarding the status of the registration process. All costs of the application for, maintenance of and renewal of, or otherwise connected with, the regulatory approvals, namely marketing authorisations, shall be borne by SK-Pharma.

Manufacturing and Supply Arrangements

Under the Licence Agreement, SK-Pharma has undertaken that it shall enter into the following agreements (the "**Manufacturer Agreements**") with PSNW with respect to Fortacin™ in the Territory, which shall all be subject to prior written approval by Solutions: (i) a manufacturing and supply agreement, pursuant to which SK-Pharma shall (inter alia) purchase Fortacin™ from PSNW and PSNW shall manufacture Fortacin™ for SK-Pharma; and (ii) a technical agreement with regard to Fortacin™; and (iii) a marketing authorisation agreement, as required in the Balkan region. Solutions shall communicate with PSNW to indicate its approval of the Manufacturer Agreements. SK Pharma shall not enter into any agreement or arrangement with any other person with respect to purchase or manufacture of Fortacin™.

Payments

SK-Pharma shall pay to Solutions a price per each unit of Fortacin™ ordered by SK-Pharma from PSNW (or otherwise provided by PSNW to SK-Pharma or its authorised recipients) (the "**Unit Price**"). However, to the extent an order consists of a re-order to replace defective Fortacin™, no Unit Price shall be charged on Fortacin™ ordered in respect of such re-order. The Unit Price shall be payable by SK-Pharma to Solutions within 15 days from the end of each calendar quarter. If SK-Pharma fails to make a payment due to Solutions under the Licence Agreement by the due date, then, without limiting Solutions' remedies, SK-Pharma shall pay interest, accruing daily, on the overdue sum from the due date until payment of the overdue sum. All sums paid to Solutions by SK-Pharma shall be without withholding or deduction of any kind. All

sums payable by SK-Pharma under the Licence Agreement are exclusive of VAT and all other applicable taxes, duties and levies, which shall (if and to the extent applicable) be payable by SK-Pharma at the rate and in the manner from time to time prescribed by law. All invoices and payments shall be in Euros.

Minimum Marketing Commitment and Minimum Annual Quantities

The Licence Agreement provides that SK-Pharma has certain minimum marketing commitments (the "**Minimum Marketing Commitment**") in respect of certain regions within the Territory, ending 24 months following the grant of the relevant regulatory approvals, namely marketing authorisations.

In addition, under the Licence Agreement, SK-Pharma shall: (a) order from PSNW during each year for each region, starting from the launch of Fortacin™ in the relevant region, the annual minimum quantities of units of Fortacin™ set out in the Licence Agreement for such region (the "**Minimum Annual Quantities**"); and (b) within 7 days of each such order provide a copy of each such order in writing to Solutions.

Under the Licence Agreement, if SK-Pharma fails to order from PSNW a prescribed minimum percentage of the Minimum Annual Quantities in a specific region for a prescribed period of time, Solutions has certain remedies under the Licence Agreement, including compensation, removing a certain region from the scope of the Licence Agreement or termination of the Licence Agreement in its entirety in certain circumstances depending upon the region in question and whether or not SK-Pharma has been in compliance with the Minimum Marketing Commitment up to that point in time. These remedies are Solutions' sole remedies for such breaches of the Licence Agreement.

Term, Termination and Customary Provisions

The Licence Agreement in respect of each region within the Territory will have an initial term of five (5) years after the date when SK-Pharma places with PSNW the first commercial purchase order for Fortacin™ for that region and thereafter, in respect of each region the initial term may be extended automatically by additional successive two (2) year terms each time for the relevant region if SK-Pharma has complied with its obligations under the Licence Agreement in respect of ordering the prescribed Minimum Annual Quantities for the regions in question. Solutions may terminate the Licence Agreement immediately at any time after ten (10) years, by giving 180 days' written notice to SK-Pharma. Either party may terminate the Licence Agreement immediately at any time by giving written notice to the other if the other party is in material breach of the Licence Agreement which, if remediable, it fails to remedy within

30 days of written notice from the terminating party requiring it to do so. Each party also has customary termination rights for insolvency or insolvency related events occurring.

The Licence Agreement also contains customary provisions in respect of such items as confidentiality, exclusivity and intellectual property. In addition, the Licence Agreement contains various warranties and representation as are customary for such an agreement.

The liability of both parties under the Licence Agreement is limited to certain matters, save in the event of, among other things, death or personal injury caused by a party's negligence, or that of its employees, agents or subcontractors (as applicable); or fraud or fraudulent misrepresentation by it or its employees.

Consistent with other licence agreements entered into by the Group with other counterparties historically, the Licence Agreement and transactions contemplated therein are of a revenue nature and are entered into in the ordinary and usual course of business of the Group and do not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. The Company will keep the Shareholders and potential investors updated on the progress made by SK-Pharma in respect of the necessary regulatory approvals in the Territory and the likely commercial launch date for the Territory as and when such details become known.

Fortacin™ is the first European Union approved prescription treatment for premature ejaculation that does not act on the central nervous system and has been available in the United Kingdom by way of prescription since November 2016. The treatment is a topical spray containing low doses of two anaesthetics – lidocaine and prilocaine – that take effect almost immediately upon application, giving users more control without reducing pleasure.

Jamie Gibson, Chief Executive Officer of Endurance RP Limited, said, "We look forward to bringing on SK-Pharma as a licencee for the Israeli and Balkan regions and further the commercialisation of Fortacin™ around the world."

OTHER OPERATIONS UPDATE

FDA

The Company's clinical research organisation ("**CRO**") in the US, has been submitting over the last few months, the highly successful results of the Company's Premature

Ejaculation Bothersome Evaluation Questionnaire ("**PEBEQ**") study, including the Phase II study results, the psychometric evaluations, and the referenced listed drug ("**RLD**") protocol, which will allow the FDA to review the PEBEQ as a clinical study endpoint.

The Company's CRO has requested a RLD Type C meeting with the FDA for the purposes of obtaining feedback from the division on the RLD protocol before the end of phase 2 ("**EOP2**") meeting, which the Company anticipates in 1Q 2022. At the EOP2 meeting the Company will be seeking FDA agreement with PEBEQ as the endpoint, concurrence on the protocol of the Phase III study and agreement on the RLD study. It is anticipated that although timelines have been extended since the Company's last Shareholders' update, using a streamlined adaptive clinical trial design the previously projected timelines are attainable.

China

The Company has been informed by Wanbang Biopharmaceutical that clinical supplies (both active and placebo) have now been released for shipment after further delays by the manufacturer in receiving key components due to disruptions in its supply chain. It is expected that the clinical trial will commence from January 2022. The Company looks forward to the commencement of the clinical trial as the next critical step towards commercialisation of Senstend™ in China.

If the clinical study meets its endpoints and the National Medical Product Administration ("**NMPA"**) has granted an import licence for Senstend™, then US$5 million (or approximately HK$39 million) before deduction of PRC withholding tax will be payable to the Group from Wanbang Biopharmaceutical. In addition, upon first commercial sale of Senstend™ in China, US$2 million (or approximately HK$15.6 million) before deduction of PRC withholding tax shall be payable to the Group from Wanbang Biopharmaceutical, while the Group will also generate low to mid-teens royalties of Wanbang Biopharmaceutical's net sales of Senstend™ in China.

Fair value gain in DEVELOP Global Limited ("DVP") (formerly known as Venturex Resources Limited)

As at 13 December 2021, the Company's investment in DVP shares and DVP options have increased significantly to approximately US$12.74 million (or approximately HK$99.37 million) from 31 December 2020. The Company's current fair value gain of its holding of DVP shares and DVP options together with the subscriptions and disposals of certain DVP shares during the year is approximately US$14.88 million (or

approximately HK$116.06 million), representing an increase of approximately 622.59% from 31 December 2020. The fair value gain for the financial year ending 31 December 2021 is subject to change based on DVP's share price as at 31 December 2021.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context require otherwise:

"**Board**"	the board of directors of the Company
"**Company**"	Endurance RP Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange and are also traded on the open market (Freiverkehr) of the Frankfurt Stock Exchange
"**Director(s)**"	the director(s) of the Company
"FDA"	The Food and Drug Administration of the US Department of Health and Human
"**Fortacin™**"	Fortacin™ or whatever trademark is ultimately agreed between the parties to the Licence Agreement as being the trademark to be used for the licenced product in the Territory
"**Group**"	the Company and its subsidiaries
"**HK$**"	Hong Kong dollars, the lawful currency in Hong Kong
"**Licence Agreement**"	the licence and registration assistance agreement entered into between Solutions and SK-Pharma, the Group's out-licencing and commercial partner for the sale and distribution of Fortacin™ in the Territory, on 14 December 2021 (after market close in Hong Kong)

"**Listing Rules**"	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Manufacturer Agreements"	has the meaning given to it in the paragraph under the heading "Manufacturing and Supply Arrangements" in this announcement
"**Minimum Annual Quantities**"	has the meaning given to it in the paragraph under the heading "Minimum Marketing Commitment and Minimum Annual Quantities" in this announcement
"**Minimum Marketing Commitment**"	has the meaning given to it in the paragraph under the heading "Minimum Marketing Commitment and Minimum Annual Quantities" in this announcement
"**PRC**" and "**China**"	the People's Republic of China
"**PSNW**"	Pharmaserve (North West) Limited, a manufacturer in the United Kingdom properly authorised by Solutions for manufacture of the licensed product
"**Share(s)**"	the ordinary shares, with voting rights, of US$0.01 each in the capital of the Company, which are listed on the Stock Exchange and are also traded on the open market (Freiverkehr) of the Frankfurt Stock Exchange
"**Shareholder(s)**"	holders of Shares
"**SK-Pharma**"	K.S. KIM International (SK-Pharma) Ltd, a company formed under the laws of the State of Israel, an independent third party (as defined under the Listing Rules) and their respective beneficial owner(s) and associate(s) is/are third parties independent from the Company and is/are not connected persons(s) of the Group
"**Solutions**"	Plethora Solutions Limited, a company incorporated in the United Kingdom with limited liability, an indirect wholly owned subsidiary of the Company and the licensor under the Licence Agreement

"**Stock Exchange**"	The Stock Exchange of Hong Kong Limited
"**Territory**"	select territories in the Israeli and Balkan regions as set out in the Licence Agreement
"**Unit Price**"	has the meaning given to it in the paragraph under the heading "Payments" in this announcement
"**US**"	the United States
"**US$**"	United States dollars, the lawful currency in the US
"**Wanbang Biopharmaceutical**"	Wanbang Biopharmaceutical Group Co., Ltd., the Company's commercial strategic partner for the PRC

Note: Unless otherwise specified herein, amounts denominated in US$ have been translated, for the purpose of illustration only, into HK$ using the exchange rate of US$1.00 = HK$7.80.

Forward Looking Statements

This announcement, including any information included or incorporated by reference in this announcement, contains statements about the Company that are or may be forward looking statements. Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statement. Much of the risk and uncertainty relates to factors that are beyond the Company's abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements. Neither the Company nor any of its associates or directors, officers, employees, managers, agents, representatives, partners, members, consultants or advisers: (i) provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statement will actually occur; nor (ii) assume any obligation to, and do not intend to, revise or update these forward looking statements, except as required pursuant to applicable law, the Listing Rules or other applicable regulation. The Company disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law, the Listing Rules or other applicable regulation.

No Profit Forecasts or Estimates

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for the Company. The Company does not undertake to update information contained in this announcement, except as required by applicable law, the Listing Rules or other applicable regulation.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Note: Unless otherwise specified herein, the amounts dominated into US$ have been translated, for the purpose of illustration only, into HK$ using the exchange rate of US$1.00 = HK$7.80.

By Order of the Board
Endurance RP Limited
Jamie Gibson
Executive Director

Hong Kong, 14 December 2021

As at the date of this announcement, the Board comprises six Directors**:**

Executive Director:
Jamie Gibson *(Chief Executive Officer)*

Non-Executive Directors:
James Mellon *(Chairman)*
Jayne Sutcliffe

Independent Non-Executive Directors:
David Comba
Julie Oates
Mark Searle

* For identification purposes only