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| In the matter of  Espero Pharmaceuticals, Inc.  c/o PPSE (ABC), LLC  555 Fifth Avenue, 14th Floor  New York, NY 10017 |  | **NOTICE OF NO DISTRIBUTION RE ASSIGNMENT FOR THE BENEFIT OF CREDITORS OF ESPERO PHARMACEUTICALS, INC.** |

**TO: ALL CREDITORS OF ESPERO PHARMACEUTICALS, INC., AND OTHER PARTIES IN INTEREST:**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

On July 8, 2020, Espero Pharmaceuticals, Inc., a Delaware corporation (the "Company"), as Assignor made a General Assignment for the Benefit of Creditors, (the "General Assignment") to PPSE (ABC), LLC (the "Assignee"), as the Assignee pursuant to Delaware law in the Court of Chancery (the “Court”). Pursuant to the General Assignment, the Company transferred ownership of its rights in its tangible and intangible assets (collectively, the "Assets") to the Assignee for liquidation and distribution of the proceeds thereof to the creditors and shareholders of the Company pursuant to the priorities established by applicable law.

In order to liquidate the Assets, the Assignee conducted an extensive marketing process over the course of three months. The only qualified bid received by the Assignee for the Assets was from Horizon Technology Finance Corporation and Horizon Credit II LLC as secured lenders to the Company (the “Secured Lenders”) holding first priority, perfected security interests in substantially all Assets of the Company.[[1]](#footnote-1) The purchase price (the “Purchase Price”) for the Assets consisted of $7,000,000 of debt forgiveness evidenced by a credit bid of the Secured Lenders. The Court entered an order on October 6, 2020 approving the sale of the Assets to the Secured Lenders and the sale closed on October 22, 2020.

Since the sale proceeds generated from the sale of the Assets was in the form of the Secured Lenders’ credit bid and there are no other Assets to liquidate, there are no funds from which to make **distributions to creditors or shareholders of the Company. In the near future, the Assignee will be filing a motion with the Court to close the assignment estate.** Should you have any questions, you can contact the Assignee at:

PPSE (ABC), LLC

555 Fifth Avenue, 14th Floor

New York, NY 10017

Dated: April 1, 2021

*PPSE (ABC), LLC*

Assignee

1. As of May 2020, the Secured Lenders were owed over $11 million dollars. The Assignee, through its counsel, reviewed and verified the Secured Lenders’ security documents to confirm the validity of the asserted liens against the Company’s Assets. [↑](#footnote-ref-1)