

Lipocine Announces Pro Rata Distribution of Series B Preferred Stock to its Holders of Common Stock

SALT LAKE CITY, March 10, 2023 [/PRNewswire/](#) -- Lipocine Inc. (NASDAQ: LPCN), a clinical-stage biopharmaceutical company focused on metabolic and endocrine disorders, today announced that its Board of Directors declared a dividend of one one-thousandth of a share of newly designated Series B Preferred Stock, par value \$0.0001 per share, for each outstanding share of the Company's common stock held of record as of 5:00 p.m. Eastern Time on March 24, 2023. The shares of Series B Preferred Stock will be distributed to such recipients at 5:00 p.m. Eastern Time on March 24, 2023. The outstanding shares of Series B Preferred Stock will vote together with the outstanding shares of the Company's common stock, as a single class, exclusively with respect to a reverse stock split, as well as any proposal to adjourn any meeting of stockholders called for the purpose of voting on the reverse stock split, and will not be entitled to vote on any other matter, except to the extent required under the Delaware General Corporation Law. Subject to certain limitations, each outstanding share of Series B Preferred Stock will have 1,000,000 votes per share (or 1,000 votes per one one-thousandth of a share of Series B Preferred Stock).

All shares of Series B Preferred Stock that are not present in person or by proxy at the meeting of stockholders held to vote on the reverse stock split as of immediately prior to the opening of the polls at such meeting will automatically be redeemed by the Company. Any outstanding shares of Series B Preferred Stock that have not been so redeemed will be redeemed if such redemption is ordered by the Company's Board of Directors or automatically upon the approval by the Company's stockholders of an amendment to the Company's certificate of incorporation effecting the reverse stock split at such meeting. After the redemption of the Series B Preferred Stock, the Company's capitalization structure will be as it was prior to the dividend of the Series B Preferred Stock, with the same number of common shares outstanding as were outstanding prior to the March 24, 2023 dividend of the Series B Preferred Stock, without giving effect to the reverse stock split, the issuance of common stock in connection with a stock option exercise or other sales of common stock by the Company.

The Series B Preferred Stock will be uncertificated, and no shares of Series B Preferred Stock will be transferable by any holder thereof except in connection with a transfer by such holder of any shares of the Company's common stock held by such holder. In that case, a number of one one-thousandth of a share of Series B Preferred Stock equal to the number of shares of the Company's common stock to be transferred by such holder would be transferred to the transferee of such shares of common stock.

Further details regarding the Series B Preferred Stock will be contained in a report on Form 8-K to be filed by the Company with the Securities and Exchange Commission.

About Lipocine Inc.

Lipocine is a biopharmaceutical company leveraging its proprietary technology platform to augment therapeutics through effective oral delivery to develop products for CNS disorders. Lipocine has candidates in development as well as candidates for which we are exploring partnering. Our candidates represent enablement of patient friendly oral delivery options for favorable benefit to risk profile which target large addressable markets with significant unmet medical needs.

Lipocine clinical development candidates include: LPCN 1154, oral brexanolone, for the potential treatment of postpartum depression, LPCN 2101 for the potential treatment of epilepsy and LPCN 1148, an oral prodrug of bioidentical testosterone targeted for the management of symptoms associated with liver cirrhosis. Lipocine is exploring partnering for LPCN 1107, our candidate for prevention of pre-term birth, LPCN 1148, LPCN 1144, our candidate for treatment of non-cirrhotic NASH, and LPCN 1111, a once-a-day therapy candidate for testosterone replacement therapy (TRT). TLANDO, a novel oral prodrug of testosterone containing testosterone undecanoate developed by Lipocine, is approved by the FDA for conditions associated with a deficiency of endogenous testosterone, also known as hypogonadism, in adult males. For more information, please visit www.lipocine.com.

Forward-Looking Statements

This release contains "forward-looking statements" that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and include statements that are not historical facts regarding the Company's 2023 annual meeting, any potential reverse stock split, the redemption of the Series B Preferred Stock, and the Company's capital structure. Investors are cautioned that all such forward-looking statements involve risks and uncertainties, including, without limitation, the risks that we may not be successful in developing product candidates to treat CNS disorders, we may not be able to enter into partnerships or other

strategic relationships to monetize our non-core assets, the FDA will not approve any of our products, risks related to our products, expected product benefits not being realized, clinical and regulatory expectations and plans not being realized, new regulatory developments and requirements, risks related to the FDA approval process including the receipt of regulatory approvals, the results and timing of clinical trials, patient acceptance of Lipocine's products, the manufacturing and commercialization of Lipocine's products, and other risks detailed in Lipocine's filings with the SEC, including, without limitation, its Form 10-K and other reports on Forms 8-K and 10-Q, all of which can be obtained on the SEC website at www.sec.gov. Lipocine assumes no obligation to update or revise publicly any forward-looking statements contained in this release, except as required by law.

SOURCE Lipocine Inc.

For further information: Krista Fogarty, Phone: (801) 994-7383, kf@lipocine.com; Investors: PJ Kelleher, Phone: (617) 430-7579, pkelleher@lifesciadvisors.com

<https://ir.lipocine.com/2023-03-10-Lipocine-Announces-Pro-Rata-Distribution-of-Series-B-Preferred-Stock-to-its-Holders-of-Common-Stock>