IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	
	)	Chapter 11
NVN Liquidation, Inc., *et al*.,	)	
f/k/a NOVAN, INC.,[1]	)	Case No. 23-10937 (LSS)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	**Re: D.I. 476**

NOTICE OF (I) INTERIM APPROVAL OF COMBINED DISCLOSURE STATEMENT AND PLAN; AND (II) THE HEARING TO CONSIDER (A) FINAL APPROVAL OF THE COMBINED DISCLOSURE STATEMENT AND PLAN AS CONTAINING ADEQUATE INFORMATION AND (B) CONFIRMATION OF THE COMBINED DISCLOSURE STATEMENT AND PLAN

[1] The Debtors in these chapter 11 cases, along with the last four digitals of the Debtors' federal tax identification number (if applicable), are: NVN Liquidation, Inc., (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118). The corporate headquarters and the mailing address for the Debtors is P.O. Box 64, Pittsboro, NC 27312.

PLEASE TAKE NOTICE OF THE FOLLOWING:

On July 17, 2023 (the "Petition Date"), the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed voluntary petitions for relief under title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Court").

I. APPROVAL OF DISCLOSURE STATEMENT AND PLAN ON AN INTERIM BASIS

1. On December 19, 2023, the Court entered an order (the "Solicitation Procedures Order"), which, among other things, approved, on an interim basis, the *Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors* (as may be amended, modified, or supplemented from time to time, the "Disclosure Statement and Plan")[2] filed by the Debtors in these chapter 11 cases (the "Chapter 11 Cases").

2. **Copies of the Disclosure Statement and Plan, the Solicitation Procedures Order, and all other documents filed in these Chapter 11 Cases may be obtained without charge at, or upon request to the Debtors' claim and voting agent, Kurtzman Carson Consultants LLC, at (888) 251-2954 or (310) 751-2614 (for parties outside the U.S. and Canada) or at NovanInfo@kccllc.com.**

3. **Confirmation Hearing.** A hearing (the "Confirmation Hearing") to consider (a) final approval of the Disclosure Statement and Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and (b) confirmation of the Disclosure Statement and Plan will be held before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 6th Floor, Courtroom #2, 824 North Market Street, Wilmington, Delaware 19801, on **January 25, 2024, at 10:00 a.m. (prevailing Eastern Time)**. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Debtors in open court of the adjourned date at the Confirmation Hearing or any continued hearing or as indicated in any notice filed with the Court on the docket in the Chapter 11 Cases.

4. **Voting Deadline.** Only Holders of Claims in Class 3 (NVN Unsecured Claims) and Class 4 (EPI Unsecured Claims) are entitled to vote to accept or reject the Disclosure Statement and Plan. For more information concerning the nature of those classes of claims, please review the Disclosure Statement and Plan. The deadline for the submission of such votes is **January 18, 2024, at 4:00 p.m. (prevailing Eastern Time)**.

5. **Parties Not Entitled to Vote.** Holders of Unimpaired Claims in Class 1 (Other Priority Claims) and Class 2 (Other Secured Claims) are deemed to accept the Disclosure

[2] Capitalized terms used but not otherwise defined shall have the meanings ascribed to such terms in the combined Disclosure Statement and Plan.

Statement and Plan. Holders of Impaired Claims or Interests in Class 5 (Subordinated Claims) or Class 6 (Equity) will receive no distribution under the Disclosure Statement and Plan on account of such Claims and Interests and are deemed to reject the Disclosure Statement and Plan. For more information concerning the nature of those classes of claims, please review the Disclosure Statement and Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, and Priority Tax Claims, as described in the Disclosure Statement and Plan, have not been classified and, therefore, Holders of such Claims are not entitled to vote to accept or reject the Disclosure Statement and Plan. The respective treatment of such unclassified Claims is set forth in Article VI of the Disclosure Statement and Plan.

6. **Objections to Confirmation.** Objections to confirmation of the Disclosure Statement and Plan, including any objection to the adequacy of the disclosures in the Disclosure Statement and Plan, if any, must: (a) be in writing; (b) state the name and address of the objecting party and the nature of the Claim or Interest of such party; (c) state with particularity the basis and nature of such objection; and (d) be filed with the Court and served on the Notice Parties[1] so as to be received no later than **4:00 p.m. (prevailing Eastern Time) on January 18, 2024**. Unless an objection is timely served and filed as prescribed herein, it may not be considered by the Court.

7. **Summary of Key Dates. A table summarizing the key dates described in this notice is included below for ease of reference:**

Timetable	
Event	**Date**
Voting Record Date	**December 19, 2023**
Date by Which Solicitation Will be Mailed	**December 20, 2023** (or within three business days of entry of the Proposed Solicitation Procedures Order)
Deadline to File Rule 3018 Motions	**January 8, 2024, at 4:00 p.m. (ET)**
Deadline for Debtors to Respond to any Rule 3018 Motion	**January 22, 2024, at 4:00 p.m. (ET)**
Deadline to File Plan Supplement	**(on or before 7 days prior to the earlier of (a) voting deadline or (b) deadline to object to confirmation) January 11, 2024, at 4:00 p.m. (ET)**

[1] The Notice Parties are: (a) counsel to the Debtors, Morris, Nichols, Arsht & Tunnell LLP, 1201 Market Street, 16th Floor, Wilmington, Delaware 19801 (Attn: Derek C. Abbott, Esq. (dabbott@morrisnichols.com)); (b) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King St., Lockbox 35, Wilmington, DE 19801 (Attn: Linda J. Casey, Esq. (linda.casey@usdoj.gov)); and (c) counsel to the Official Committee of Unsecured Creditors (the "Committee") Goodwin Procter, LLP, The New York Times Building, 620 Eighth Avenue, New York, New York 10018 (Attn: Howard Steel (hsteel@goodwinlaw.com), Barry Bazian (bbazian@goodwinlaw.com), Stacy Dasaro (sdasaro@goodwinlaw.com), and James Lathrop (jlathrop@goodwinlaw.com)).

Voting Deadline	**(not more than 10 days prior to hearing) January 18, 2024 at 4:00 p.m. (ET)**
Deadline to Object to Confirmation and Final Approval of Adequacy of Disclosures	**(at least 28 days from service) January 18, 2024, at 4:00 p.m. (ET)**
Deadline to File a Proposed Confirmation Order	**January 22, 2024** (or three business days prior to the Confirmation Hearing)
Deadline to File Confirmation Brief and any Replies in Support of Confirmation	**January 23, 2024, at 4:00 p.m. (ET)** (or two business days prior to the Confirmation Hearing)
Confirmation Hearing	**January 25, 2024, at 10:00 a.m. (ET)** (or as soon as possible thereafter)

ARTICLE X OF THE COMBINED DISCLOSURE STATEMENT AND PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. YOU ARE ADVISED TO REVIEW AND CONSIDER THE COMBINED DISCLOSURE STATEMENT AND PLAN CAREFULLY, PARTICULARLY ARTICLE X THEREOF, BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER. INCLUDING:

Section 10.4(a): From and after the Effective Date, all Persons and Entities who have held, hold, or may hold Claims or Equity Interests that have been released, dismissed, cancelled, settled or waived, or are subject to exculpation, under this Plan or the Confirmation Order, are permanently enjoined from taking any of the following actions against the Estate, the Released Parties, the Liquidating Trust, the Liquidating Trustee, or any of their respective property or assets, on account of any such Claims or Equity Interests: (i) commencing or continuing, in any manner or in any place, any action or proceeding seeking to collect or to recover in any manner against, or assert control or dominion over, the assets; (ii) enforcing, attaching, collecting, or recovering in any manner against the assets, any judgment, award, decree or order; (iii) creating, perfecting, or enforcing any Lien or encumbrance against the assets; (iv) asserting setoff unless such setoff was formally asserted in a timely Filed proof of Claim or in a pleading Filed with the Bankruptcy Court prior to entry of the Confirmation Order (notwithstanding any indication in any proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff) or right of subrogation of any kind against any debt, liability, or obligation due to the Debtors; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with or with respect to any such Claims or Interests; *provided, however*, that such Persons and Entities shall not be precluded from exercising their rights under and consistent with the terms of this Plan or the Confirmation Order.

Section 10.4(b): Upon the Bankruptcy Court's entry of the Confirmation Order, all Holders of Claims and Interests, and other parties in interest, along with their Related Parties, shall be enjoined from taking any actions to interfere with the implementation or

substantial consummation of this Plan by the Debtors, the Liquidating Trustee and/or their respective Related Parties, as applicable.

Section 10.4(c): By accepting distributions pursuant to this Plan, each holder of an Allowed Claim will be deemed to have specifically consented to the Injunctions set forth in this Section.

Section 10.5: Exculpation. Notwithstanding anything contained in this Plan to the contrary, the Exculpated Parties, and any property of any of the foregoing Persons, shall not have or incur any liability to any Entity for any act taken or omitted to be taken from the Petition Date through the Effective Date in connection with, related to or arising from the formulation, negotiation, preparation, dissemination, implementation, or administration of this Plan, the Solicitation Materials, the Disclosure Statement, or any contract, instrument, or other agreement or document created or entered into in connection with this Plan, or any other act taken or omitted to be taken from the Petition Date through the Effective Date in connection with or in contemplation of the restructuring of the Debtors, these chapter 11 cases, or the confirmation or consummation of this Plan, including but not limited to (i) formulating, preparing, disseminating, implementing, confirming, consummating or administrating this Plan (including soliciting acceptances or rejections thereof if necessary); (ii) the Disclosure Statement, or any contract, instrument, release or other agreement or document entered into or any action taken or not taken in connection with this Plan; (iii) the Settlement Term Sheet; or (iv) any Distributions made pursuant to this Plan, except for acts constituting willful misconduct, bad faith, or gross negligence, and in all respects such parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan. Notwithstanding the foregoing, for the avoidance of doubt, this Section of the Plan shall not (i) exculpate or release the Exculpated Parties from anything other than as expressly identified in the first sentence of this Section, (ii) prevent or limit the ability of the Debtors or the Liquidating Trustee to object to a Claim of an Exculpated Party on any basis other than matters exculpated or released in this Section, (iii) prevent or limit the ability of the Debtors or the Liquidating Trustee to object to, or defend against, on any basis, any Administrative Claim of an Exculpated Party for substantial contribution, or (iv) exculpate or release the Liquidating Trustee or the Liquidating Trust Professionals with respect to any act taken or omitted to be taken after the Effective Date that would result in liability under the terms of the Liquidating Trust Agreement.

Section 10.6: Releases by the Debtors. Except as otherwise expressly provided in the Plan or the Confirmation Order, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, each of the Debtors and their Estates shall, and shall be deemed to, completely and forever release, waive, void, extinguish and discharge unconditionally, each and all of the Released Parties of and from any and all Claims, Causes of Action, obligations, suits, judgments, damages, debts, rights, remedies and liabilities of any nature whatsoever, whether liquidated or unliquidated, fixed or Contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or prior to the Effective Date (including prior to the Petition Date) in connection with or related to any of the Debtors, including, without limitation, (i) the chapter 11 cases, (ii) the combined

Plan and Disclosure Statement, (iii) the subject matter of, or the transaction or events giving rise to, any claim or equity interest that is treated in this Plan, (iv) the business or contractual arrangements between any Debtor and any Released Party, (v) the negotiation, formulation or preparation of this combined Plan and Disclosure Statement, the Plan Supplement, or related agreements, instruments or other documents, (vi) the Sale or its related transaction documents, and the negotiation, formulation or preparation of the Sale and the related transaction documents, (vii) the Settlement Term Sheet, and (viii) the confirmation or consummation of this Plan or the solicitation of votes on this Plan that may be asserted by or on behalf of any of the Debtors or their respective Estates, against any of the Released Parties. The foregoing releases shall not extend to acts constituting willful misconduct, bad faith, or gross negligence.

Binding Nature of the Combined Disclosure Statement and Plan:

If confirmed, the combined Disclosure Statement and Plan will bind all Holders of Claims and Interests to the maximum extent permitted by applicable law, whether or not such Holder will receive or retain any property or interest in property under the combined Disclosure Statement and Plan, has filed a Proof of Claim in these cases, or failed to vote to accept or reject the combined Disclosure Statement and Plan or voted to reject the combined Disclosure Statement and Plan.

Dated: December 19, 2023
Wilmington, Delaware

Respectfully submitted,

/s/ Daniel B. Butz

MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Derek C. Abbott (No. 3376)
Daniel B. Butz (No. 4227)
Tamara K. Mann (No. 5643)
Scott D. Jones (No. 6672)
1201 Market Street, 16th Floor
Wilmington, Delaware 19801
Telephone: (302) 658-9200
Facsimile: (302) 658-3989
Email: dabbott@morrisnichols.com
dbutz@morrisnichols.com
tmann@morrisnichols.com
sjones@morrisnichols.com