Notice of Termination of Development of ETOREAT®

The MEDRx Group have been working in the United States on the development of ETOREAT®, a topical patch for alleviating pain caused by inflammation. MEDRx announced in a news release titled “Topline Phase III Clinical Trial Results for ETOREAT® in the United States” dated August 22, 2016 that the clinical trial results did not have a statistically significant difference in the cumulative pain score between test subjects who received ETOREAT® and those who received a placebo.

Based on the results of the clinical trial and discussions with the U.S. Food and Drug Administration, the MEDRx Board of Directors approved a resolution today to terminate activities in the United States for the development of ETOREAT® as a prescription drug.

Regarding the effect of this matter on the 2016 results of operations, please refer to “Notice Regarding Revisions to Earnings Forecasts” that was announced today (November 22, 2016).