

## **Corporate Update – Completion of Asset Sale**

**PITTSBURGH, Pennsylvania – June 30, 2026** – Lipella Pharmaceuticals Inc. ("Lipella" or the "Company") has completed the sale of its pharmaceutical development programs and associated intellectual property and regulatory assets to XRAIY LLC pursuant to an Asset Purchase Agreement approved by the United States Bankruptcy Court for the Western District of Pennsylvania under Section 363 of the U.S. Bankruptcy Code.

The assets transferred include the Company's pharmaceutical development programs, associated intellectual property, regulatory assets, clinical data, drug product inventory, and related technology.

Following the closing of the asset sale, Lipella will continue to administer its remaining affairs in accordance with its Chapter 11 proceedings and applicable orders of the Bankruptcy Court.

Additional information regarding Lipella's Chapter 11 case and public disclosures is available through the Company's SEC filings and the docket of the United States Bankruptcy Court for the Western District of Pennsylvania Case No. 26-20879-CMB.