About the Proposed Global Settlement

1. What did Mallinckrodt announce?
   - We reached an agreement in principle on the terms of a global settlement that would resolve all opioid-related claims against Mallinckrodt, Specialty Generics, and the Company’s other subsidiaries.
   - The agreement in principle is with a court-appointed plaintiffs’ executive committee representing the interests of thousands of plaintiffs in the opioid multidistrict litigation¹, and is supported by a broad-based group of 47 state and U.S. Territory Attorneys General.
   - To implement the proposed settlement, we expect that Specialty Generics, which manufactures certain generic opioid products, among other products, will file voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code in the coming months.
   - The Specialty Brands business and related subsidiaries would not be part of the Chapter 11 process.

2. What are the terms of the proposed settlement?
   - Under the terms of the proposed settlement, which would become effective upon Specialty Generics’ emergence from a contemplated Chapter 11 process, subject to court approval and other conditions:
     - Plaintiffs would receive $1.6 billion, comprising $300 million upon Specialty Generics’ emergence from Chapter 11 and $1.3 billion in structured increments over eight years, beginning upon effectiveness of the settlement. The substantial majority of those payments are expected to be contributed to a trust which, among other things, would establish an abatement fund to be administered to cover the costs of opioid-addiction treatment and related efforts;
     - Upon Specialty Generics’ emergence from the contemplated Chapter 11 process, the trust would receive warrants, exercisable at $3.15 per share, to purchase ordinary shares that would represent approximately 19.99% of the Company’s fully diluted outstanding shares, including after giving effect to the exercise of the warrants; and
     - Specialty Generics would abide by certain agreed-upon operating covenants.
   - Detailed terms of the proposed settlement have been filed in an 8-K with the Securities and Exchange Commission.

3. What is Chapter 11?
   - Chapter 11 is a court-supervised process that provides us the legal tools to implement the proposed settlement while our operations continue as normal.
   - Many well-known companies, including American Airlines and General Motors, have gone through a Chapter 11 process.
   - We expect the Specialty Generics business will continue operating as normal during and after the contemplated court-supervised process.

¹ Captioned In re National Prescription Opiate Litigation, Case No. 17-md-2804 (N.D. Ohio).
4. Why is Specialty Generics contemplating filing for Chapter 11?
   • We intend for Specialty Generics to file for Chapter 11 to implement the proposed global opioid settlement.
   • This court-supervised process is expected to lead to the creation of a trust which, among other things, would establish an abatement fund to offset the expense of helping to combat opioid addiction and providing support to communities impacted by opioid abuse.
   • This process would also provide a fair, orderly, efficient and legally binding mechanism to resolve all opioid-related claims against Mallinckrodt, Specialty Generics, and the Company’s other subsidiaries.
   • We expect that the Specialty Generics business would continue operating as normal through a court-supervised process. The Specialty Brands business is not expected to be part of the Chapter 11 process and would continue operating as normal too.

5. Will the Company continue operating as normal if Specialty Generics files for Chapter 11?
   • The Specialty Brands business would not be part of the Chapter 11 filing and is fully expected to continue operating normally.
   • We fully expect that the Specialty Generics business would continue operating as normal during and after a court-supervised process.

6. What does this mean for the Company’s plans to separate the Specialty Brands and Specialty Generics businesses?
   • As you may know, one of our longstanding strategic priorities has been to facilitate a separation of Specialty Generics and Specialty Brands.
   • We currently expect that Specialty Generics would continue to be a fully operational, indirect, wholly-owned subsidiary of Mallinckrodt during and following emergence from the contemplated court-supervised process.
   • Once Specialty Generics completes the contemplated Chapter 11 process, we will continue to evaluate strategic options for that business.
   • Looking ahead, we will continue to focus on our business operations and ensuring both the Specialty Brands and Specialty Generics businesses continue to deliver value to the Company and our stakeholders.
   • In the meantime, we are working to develop and bring to market therapies for currently served patient groups, including underserved patients with severe and critical conditions.

7. What are the Company’s next steps?
   • We are continuing to engage with the plaintiffs group to finalize the details and satisfy the terms of the agreement in principle.
   • Following that, we expect the filing to occur in the coming months.
   • Although there is not a definitive timeline to share, it is our intent to move through this process as quickly and efficiently as possible.
   • We will keep you informed of important milestones as we move forward.
Specialty Brands – FAQs for Retirees and Former Employees

What This Means for Retirees and Former Employees

8. What does this mean for Specialty Brands retirees?
   - The contemplated Chapter 11 filing by the Specialty Generics business will have no impact on retirees or former employees.
   - If you are receiving a pension, your pension benefits have either been paid as a lump sum or received in a guaranteed annuity contact.
   - If you were or are a participant in the Mallinckrodt Pharmaceuticals Supplemental Savings and Retirement Plan (SSRP), you will continue to receive payments in accordance with your elections. The SSRP is not part of the entity that is contemplating Chapter 11.
   - Other post-employment benefits are also fully expected to continue as normal.
   - We appreciate your contributions to the Company. Thank you for your continued support.

9. What does this mean for Mallinckrodt Pharmaceuticals Supplemental Savings & Retirement Plan / SSRP?
   - If you were or are a participant in the Mallinckrodt Pharmaceuticals Supplemental Savings and Retirement Plan (SSRP), you will continue to receive payments in accordance with your elections.
   - The SSRP is not part of the entity that is contemplating Chapter 11.

Additional Information

10. How can I obtain more information?
    - We will keep you informed as we move forward.
    - We have also created a website with information specific to the proposed settlement, which you can visit at www.advancingmnk.com.