



October 12, 2020

Dear Valued Former Employee,

I hope this message finds you and your families safe and healthy. Today we announced important actions we are taking to strengthen our company's financial position and resolve a range of legal liabilities, enabling us to focus on achieving our long-term strategic plans.

We have entered into several key agreements, including:

- A **restructuring support agreement** with key creditors and litigation parties outlining the terms of a financial restructuring designed to strengthen our balance sheet, significantly reduce our debt and improve our financial position, allowing us to continue driving our strategic priorities and investing in our business to develop and commercialize therapies to improve health outcomes for patients;
- An agreement in principle on an **amended proposed opioid settlement** that would resolve opioid-related claims against Mallinckrodt and its subsidiaries; and
- An agreement in principle with certain governmental parties **to resolve various Acthar® Gel-related matters**, including the CMS Medicaid rebate dispute.

To implement these agreements in a fair, orderly, efficient and legally binding manner, we have voluntarily initiated Chapter 11 reorganization proceedings under the U.S. Bankruptcy Code. The entities that are part of this court-supervised process include our parent company, Mallinckrodt plc, substantially all of our U.S. subsidiaries, including our Specialty Brands and Specialty Generics entities, and certain of our international subsidiaries.

We have worked diligently over the last several months to achieve a comprehensive resolution to the uncertainties facing our business. We are now on a clear path to eliminating legal uncertainties, maximizing value, strengthening our balance sheet and moving ahead with our long-term goal to become an innovation-driven biopharmaceutical company meeting the needs of underserved patients with severe and critical conditions.

**Regardless of the business for which you worked or supported, here are the most important things to keep in mind as we move forward:**

- For the majority of retirees and former employees, we do **not** anticipate your benefits will be impacted by the filing.
- If you are receiving or entitled to a pension under one of the qualified terminated pension plans, your pension benefits have either been paid as a lump sum or received in a guaranteed annuity contract and will not be impacted by the filing.
- Your 401(k) account will **not** be impacted by the filing as those assets are held in a creditor protected trust.
- If you are a participant in the Mallinckrodt Pharmaceuticals Supplemental Savings and Retirement Plan (SSRP), **we expect that you will continue to receive distributions in accordance with your elections.**
- Benefits under all other non-qualified supplemental retirement and executive life insurance arrangements will cease and you will need to file a claim. You will be notified if your benefits are impacted.
- Other post-employment benefits are also expected to continue as normal.



We intend to move through this restructuring process as quickly as possible and will continue to keep you informed as we make progress. You can find additional information, including a fact sheet and FAQs to help answer any questions you may have, on our restructuring website, [www.advancingmnk.com](http://www.advancingmnk.com).

We appreciate your contributions to the Company. Thank you for your service to Mallinckrodt and the patients we serve.

Sincerely,

Mark Trudeau  
President and Chief Executive Officer