



October 12, 2020

Dear Valued Partner,

I hope this message finds you, your families and your colleagues 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.

Here are the most important things to keep in mind as we move forward:

- **All of our businesses are continuing to operate normally**, with a primary focus on developing new therapies, improving health outcomes and supporting underserved patients.
- We deeply value our relationship with you and your organization, and **there are no changes to how we work together or the level of support we provide to your organization**. We also do not expect any changes to our participation or engagement with you as a result of this announcement.
- We are continuing our **long-term commitments to providing safe and effective medications** for patients with pain and to fighting prescription drug abuse, misuse and diversion. We are also continuing our initiatives **to support a broad range of programs** that encourage the appropriate prescribing, use, storage and disposal of pain medications.

Ultimately, our commitment to patients continues to be at the center of all that we do.

Keeping You Informed

We intend to move through this restructuring process as quickly as possible and will continue to keep you informed as we make progress. In the meantime, additional information is available at www.advancingmnk.com. If you have questions, please feel free to reach out to your normal company contact.



As always, we value our relationship with you and your organization and we look forward to working closely with you throughout this process and well into the future. Thank you for your partnership.

Sincerely,

Mark Trudeau
President and Chief Executive Officer