



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 Generics and Specialty Brands 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 strategic plans.

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 providing patient access to quality medicine in complex markets and improving the lives of patients with high-quality generics medications and active pharmaceutical ingredients.
- 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 fully expect to continue **fulfilling orders without interruption and investing in R&D** to improve patient health outcomes as we do today.
- 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 reach out to your normal company contact.



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