

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MALLINCKRODT PLC, *et al.*,

Debtors.¹

) Chapter 11

) Case No. 20-12522 (JTD)

) (Jointly Administered)

COVER LETTER AND RECOMMENDATION OF THE DEBTORS

To: All Holders of Claims in Voting Classes

You are receiving this letter because you are a Holder² of a Claim (a “**Voting Holder**”) in one or more of the following Classes as set forth in the *Joint Plan of Reorganization of Mallinckrodt plc and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 2916] (together with all schedules and exhibits thereto, and as may be modified, amended, or supplemented from time to time, the “**Plan**”):

Class	Claim
2(b)	2024 First Lien Term Loan Claims
2(c)	2025 First Lien Term Loan Claims
3	First Lien Notes Claims
4	Second Lien Notes Claims
5	Guaranteed Unsecured Notes Claims
6(a)	Acthar Claims
6(b)	Generics Price Fixing Claims
6(c)	Asbestos Claims
6(d)	Legacy Unsecured Notes Claims
6(e)	Environmental Claims
6(f)	Other General Unsecured Claims
7	Trade Claims
8(a)	State Opioid Claims
8(b)	Municipal Opioid Claims
8(c)	Tribe Opioid Claims
8(d)	U.S. Government Opioid Claims
9(a)	Third-Party Payor Opioid Claims
9(b)	PI Opioid Claims
9(c)	NAS PI Opioid Claims

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <http://restructuring.primeclerk.com/Mallinckrodt>. The Debtors’ mailing address is 675 McDonnell Blvd., Hazelwood, Missouri 63042.

² Capitalized terms used and not otherwise defined herein shall have the meaning given to them in the Plan.

9(d)	Hospital Opioid Claims
9(e)	Ratepayer Opioid Claims
9(f)	NAS Monitoring Opioid Claims
9(g)	Emergency Room Physicians Opioid Claims
9(h)	Other Opioid Claims
10	Settled Federal/State Acthar Claims

As a Voting Holder, you are entitled to vote to accept or reject the Plan. ***Therefore, you should read this letter and the enclosed materials carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

As set forth in the enclosed Disclosure Statement³ and accompanying materials (collectively, the “**Solicitation Package**”),⁴ Mallinckrodt plc and its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”) entered into a Restructuring Support Agreement (the “**RSA**”) with holders of over 84% of the principal amount of the Debtors’ guaranteed unsecured notes, the multi-state governmental entities group, the ad hoc group of governmental opioid claimants, and the ad hoc first lien term lenders. The Plan incorporates the terms of the RSA, which is the culmination of extensive multi-party, arm’s-length negotiations to effectuate a financial restructuring of, and resolve the extensive litigation facing, the Debtors.

The Debtors are jointly proposing the Plan, which seeks to (i) resolve the extensive litigation facing the Debtors, including with respect to its Acthar- and opioid-related liability, and (ii) restructure the Debtors’ capital structure in such a way that maximizes recovery to all creditors while ensuring the Debtors remain a financially strong and competitive enterprise upon emergence. At present, there is no alternative to address the extensive litigation facing the Debtors other than the Plan. The Debtors, therefore, believe a failure to approve the Plan would cause substantial damage to the Debtors and reduce any recovery you might otherwise receive as a creditor.

The Debtors strongly recommend that you vote to accept the Plan. The Debtors believe that liquidation under chapter 7 would result in substantially smaller distributions to creditors than those provided for in the Plan, as described in further detail in the Disclosure Statement and the exhibits attached thereto. In addition, the Plan is supported by:

- the Supporting Term Lenders, who, together with other Supporting Parties, hold approximately 70% in principal amount of the Debtors’ First Lien Term Loan Claims;
- fifty (50) U.S. States and Territories and the Plaintiffs’ Executive Committee in the Multi-District Litigation, including the members of the Governmental Plaintiff Ad Hoc Committee, that each maintain or represent Opioid Claims against certain of the Debtors;

³ “**Disclosure Statement**” refers to *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of Mallinckrodt plc And Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 2916] (together with all schedules and exhibits thereto, and as may be modified, amended, or supplemented from time to time).

⁴ In addition to this letter, your Solicitation Package includes letters from the Official Committee of Unsecured Creditors and the Official Committee of Opioid-Related Claimants in connection with the Plan.

- the MSGE Group, representing 1,318 entities that maintain Opioid Claims against certain of the Debtors, including 1,245 counties, cities and other municipal entities, 9 tribal nations, 13 hospital districts, 16 independent public school districts, 33 medical groups, and 2 funds; and
- the Unsecured Notes Ad Hoc Group, holding approximately 84% percent in principal amount of the Debtors' Guaranteed Unsecured Notes Claims.

THE DEBTORS BELIEVE THAT CONFIRMATION AND CONSUMMATION OF THE PLAN IS IN THE BEST INTERESTS OF ALL HOLDERS OF CLAIMS AND STRONGLY URGE YOU TO VOTE IN FAVOR OF THE PLAN.

YOU MAY DO SO BY TIMELY SUBMITTING A BALLOT INDICATING YOUR ACCEPTANCE OF THE PLAN AS EXPLAINED IN THE VOTING INSTRUCTIONS ACCOMPANYING YOUR BALLOT. THE VOTING DEADLINE IS SEPTEMBER 3, 2021, AT 4:00 P.M. (PREVAILING EASTERN TIME).

If you have any questions about the materials in the Solicitation Package, please feel free to contact the Debtors' Notice and Claims Agent Prime Clerk LLC (the "*Notice and Claims Agent*") by: (a) visiting the website maintained by the Notice and Claims Agent at <http://restructuring.primeclerk.com/Mallinckrodt>; (b) calling the Debtors' restructuring hotline at 877-467-1570 (US/Canada) or 347-817-4093 (International) or (c) writing to (i) Mallinckrodt plc Ballot Processing, c/o Prime Clerk LLC One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165 or (ii) mallinckrodtinfo@primeclerk.com.

Dated: June 18, 2021

/s/ Michael J. Merchant

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