
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 28, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission File Number : 001-35803

Mallinckrodt plc

(Exact name of registrant as specified in its charter)

Ireland

(State or other jurisdiction of incorporation or organization)

98-1088325

(I.R.S. Employer Identification No.)

**College Business & Technology Park, Cruiserath,
Blanchardstown, Dublin 15, Ireland
(Address of principal executive offices) (Zip Code)**

**Telephone: +353 1 696 0000
(Registrant's telephone number, including area code)**

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>	Emerging Growth Company	<input type="checkbox"/>
Non-accelerated Filer	<input checked="" type="checkbox"/>	Smaller Reporting Company	<input checked="" type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of August 2, 2024, the registrant had 19,696,335 ordinary shares outstanding at \$0.01 par value.

**MALLINCKRODT PLC
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited; in millions, except per share data)

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
Net sales	\$ 514.3	\$ 475.0
Cost of sales	319.3	370.1
Gross profit	195.0	104.9
Selling, general and administrative expenses	127.9	122.4
Research and development expenses	29.2	29.0
Restructuring charges, net	0.2	(0.2)
Liabilities management and separation costs	10.3	10.3
Operating income (loss)	27.4	(56.6)
Interest expense	(59.4)	(162.6)
Interest income	6.0	4.7
Other expense, net	(3.5)	(1.2)
Reorganization items, net	—	(4.0)
Loss from continuing operations before income taxes	(29.5)	(219.7)
Income tax expense	13.9	528.1
Loss from continuing operations	(43.4)	(747.8)
Income from discontinued operations, net of income taxes	0.1	—
Net loss	\$ (43.3)	\$ (747.8)
Basic (loss) income per share (Note 6):		
Loss from continuing operations	\$ (2.20)	\$ (56.74)
Income from discontinued operations	0.01	—
Net loss	\$ (2.20)	\$ (56.74)
Basic weighted-average shares outstanding	19.7	13.2
Diluted (loss) income per share (Note 6):		
Loss from continuing operations	\$ (2.20)	\$ (56.74)
Income from discontinued operations	0.01	—
Net loss	\$ (2.20)	\$ (56.74)
Diluted weighted-average shares outstanding	19.7	13.2

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - (Continued)
(unaudited; in millions, except per share data)

	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
Net sales	\$ 982.1	\$ 899.6
Cost of sales	623.1	744.9
Gross profit	359.0	154.7
Selling, general and administrative expenses	264.8	240.4
Research and development expenses	57.1	57.3
Restructuring charges, net	10.4	1.0
Liabilities management and separation costs	17.0	15.2
Operating income (loss)	9.7	(159.2)
Interest expense	(118.5)	(324.6)
Interest income	12.8	9.4
Other expense, net	0.2	(15.8)
Reorganization items, net	—	(9.6)
Loss from continuing operations before income taxes	(95.8)	(499.8)
Income tax expense	13.2	497.3
Loss from continuing operations	(109.0)	(997.1)
Income from discontinued operations, net of income taxes	0.3	—
Net loss	\$ (108.7)	\$ (997.1)
Basic (loss) income per share (Note 6):		
Loss from continuing operations	\$ (5.53)	\$ (75.68)
Income from discontinued operations	0.02	—
Net loss	\$ (5.52)	\$ (75.68)
Basic weighted-average shares outstanding	19.7	13.2
Basic (loss) income per share (Note 6):		
Loss from continuing operations	\$ (5.53)	\$ (75.68)
Income from discontinued operations	0.02	—
Net loss	\$ (5.52)	\$ (75.68)
Diluted weighted-average shares outstanding	19.7	13.2

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE OPERATIONS
(unaudited; in millions)

	<u>Successor</u>	<u>Predecessor</u>
	<u>Three Months</u>	<u>Three Months</u>
	<u>Ended</u>	<u>Ended</u>
	<u>June 28, 2024</u>	<u>June 30, 2023</u>
Net loss	\$ (43.3)	\$ (747.8)
Other comprehensive (loss) income, net of tax:		
Currency translation adjustments	(3.5)	(3.6)
Derivatives, net of tax	—	10.1
Benefit plans, net of tax	—	(0.1)
Total other comprehensive (loss) income, net of tax	<u>(3.5)</u>	<u>6.4</u>
Comprehensive loss	<u>\$ (46.8)</u>	<u>\$ (741.4)</u>
	<u>Successor</u>	<u>Predecessor</u>
	<u>Six Months</u>	<u>Six Months</u>
	<u>Ended</u>	<u>Ended</u>
	<u>June 28, 2024</u>	<u>June 30, 2023</u>
Net loss	\$ (108.7)	\$ (997.1)
Other comprehensive (loss) income, net of tax:		
Currency translation adjustments	(8.3)	(1.8)
Derivatives, net of tax	—	5.8
Benefit plans, net of tax	—	(0.2)
Total other comprehensive (loss) income, net of tax	<u>(8.3)</u>	<u>3.8</u>
Comprehensive loss	<u>\$ (117.0)</u>	<u>\$ (993.3)</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited; in millions, except share data)

	Successor	
	June 28, 2024	December 29, 2023
Assets		
Current Assets:		
Cash and cash equivalents	\$ 291.1	\$ 262.7
Accounts receivable, less allowance for doubtful accounts of \$5.4 and \$6.5	395.3	377.5
Inventories	808.9	982.7
Prepaid expenses and other current assets	156.9	138.9
Total current assets	1,652.2	1,761.8
Property, plant and equipment, net	346.5	321.7
Intangible assets, net	560.3	608.4
Deferred income taxes	784.7	801.0
Other assets	230.3	240.7
Total Assets	\$ 3,574.0	\$ 3,733.6
Liabilities and Shareholders' Equity		
Current Liabilities:		
Current maturities of long-term debt	\$ 6.5	\$ 6.5
Accounts payable	86.0	100.4
Accrued payroll and payroll-related costs	58.9	82.8
Accrued interest	17.1	20.1
Acthar Gel-Related Settlement	21.3	21.5
Accrued and other current liabilities	292.2	269.9
Total current liabilities	482.0	501.2
Long-term debt	1,739.8	1,755.9
Acthar Gel-Related Settlement	117.2	128.5
Pension and postretirement benefits	39.9	40.6
Environmental liabilities	34.6	35.1
Other income tax liabilities	20.4	19.6
Other liabilities	91.6	92.5
Total Liabilities	2,525.5	2,573.4
Commitments and contingencies (Note 12)		
Shareholders' Equity:		
Ordinary A shares, €1.00 par value, 25,000 authorized; none issued and outstanding	—	—
Ordinary shares, \$0.01 par value, 500,000,000 authorized; 19,696,335 issued and outstanding	0.2	0.2
Additional paid-in capital	1,199.9	1,194.6
Accumulated other comprehensive (loss) income	(4.7)	3.6
Retained deficit	(146.9)	(38.2)
Total Shareholders' Equity	1,048.5	1,160.2
Total Liabilities and Shareholders' Equity	\$ 3,574.0	\$ 3,733.6

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited; in millions)

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Cash Flows From Operating Activities:		
Net loss	\$ (108.7)	\$ (997.1)
Adjustments to reconcile net cash from operating activities:		
Depreciation and amortization	67.2	286.2
Share-based compensation	5.3	5.3
Deferred income taxes	16.3	475.5
Non-cash (amortization) accretion expense	(2.1)	138.6
Other non-cash items	5.8	16.8
Changes in assets and liabilities:		
Accounts receivable, net	(18.6)	14.4
Inventories	161.6	75.7
Accounts payable	(11.5)	(24.5)
Income taxes	(5.9)	159.4
Acthar Gel-Related Litigation Settlement liability	(21.4)	(16.5)
Other	(41.0)	(12.8)
Net cash from operating activities	47.0	121.0
Cash Flows From Investing Activities:		
Capital expenditures	(50.9)	(26.3)
Proceeds from debt and equity securities	22.6	—
Other	0.7	0.7
Net cash from investing activities	(27.6)	(25.6)
Cash Flows From Financing Activities:		
Repayment of debt	(4.4)	(22.0)
Repurchase of shares	—	(0.1)
Other	(0.2)	—
Net cash from financing activities	(4.6)	(22.1)
Effect of currency rate changes on cash	(2.2)	(1.1)
Net change in cash, cash equivalents and restricted cash	12.6	72.2
Cash, cash equivalents and restricted cash at beginning of period	343.4	466.7
Cash, cash equivalents and restricted cash at end of period	\$ 356.0	\$ 538.9
Cash and cash equivalents at end of period	\$ 291.1	\$ 480.6
Restricted cash included in prepaid expenses and other current assets at end of period (Note 11)	23.6	22.7
Restricted cash included in other long-term assets at end of period (Note 11)	41.3	35.6
Cash, cash equivalents and restricted cash at end of period	\$ 356.0	\$ 538.9

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited; in millions)

	Ordinary Shares		Treasury Shares		Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Number	Par Value	Number	Amount				
Balance as of December 29, 2023 (Successor)	19.7	\$ 0.2	—	\$ —	\$ 1,194.6	\$ (38.2)	\$ 3.6	1,160.2
Net loss	—	—	—	—	—	(65.4)	—	(65.4)
Other comprehensive loss	—	—	—	—	—	—	(4.8)	(4.8)
Share-based compensation	—	—	—	—	1.9	—	—	1.9
Balance as of March 29, 2024 (Successor)	19.7	\$ 0.2	—	\$ —	\$ 1,196.5	\$ (103.6)	\$ (1.2)	\$ 1,091.9
Net loss	—	—	—	—	—	(43.3)	—	(43.3)
Other comprehensive loss	—	—	—	—	—	—	(3.5)	(3.5)
Share-based compensation	—	—	—	—	3.4	—	—	3.4
Balance as of June 28, 2024 (Successor)	19.7	\$ 0.2	—	\$ —	\$ 1,199.9	\$ (146.9)	\$ (4.7)	\$ 1,048.5
Balance as of December 30, 2022 (Predecessor)	13.2	\$ 0.1	—	\$ —	\$ 2,191.0	\$ (588.2)	\$ 10.8	\$ 1,613.7
Net loss	—	—	—	—	—	(249.3)	—	(249.3)
Other comprehensive loss	—	—	—	—	—	—	(2.6)	(2.6)
Share-based compensation	—	—	—	—	2.6	—	—	2.6
Balance as of March 31, 2023 (Predecessor)	13.2	\$ 0.1	—	\$ —	\$ 2,193.6	\$ (837.5)	\$ 8.2	\$ 1,364.4
Net loss	—	—	—	—	—	(747.8)	—	(747.8)
Other comprehensive income	—	—	—	—	—	—	6.4	6.4
Vesting of restricted shares	0.2	—	0.1	(0.1)	—	—	—	(0.1)
Share-based compensation	—	—	—	—	2.5	—	—	2.5
Balance as of June 30, 2023 (Predecessor)	13.4	\$ 0.1	0.1	\$ (0.1)	\$ 2,196.1	\$ (1,585.3)	\$ 14.6	\$ 625.4

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

MALLINCKRODT PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited; dollars in millions, except share data, per share data, and where indicated)

1. Background and Basis of Presentation

Background

Mallinckrodt plc is a global business of multiple wholly owned subsidiaries (collectively, “Mallinckrodt” or the “Company”) that develop, manufacture, market and distribute specialty pharmaceutical products and therapies. Areas of focus include autoimmune and rare diseases in specialty areas like neurology, rheumatology, hepatology, nephrology, pulmonology, ophthalmology and oncology; immunotherapy and neonatal respiratory critical care therapies; analgesics and gastrointestinal products.

The Company operates in two reportable segments, which are further described below:

- *Specialty Brands* includes innovative specialty pharmaceutical brands; and
- *Specialty Generics* includes niche specialty generic drugs and active pharmaceutical ingredients (“API(s)”).

The Company owns or has rights to use the trademarks and trade names that are used in conjunction with the operation of its business. One of the more important trademarks that the Company owns or has rights to use that appears in this Quarterly Report on Form 10-Q is “Mallinckrodt,” which is a registered trademark or the subject of pending trademark applications in the United States (“U.S.”) and other jurisdictions. Solely for convenience, the Company only uses the TM or [®] symbols the first time any trademark or trade name is mentioned in the following notes. Such references are not intended to indicate in any way that the Company will not assert, to the fullest extent permitted under applicable law, its rights to its trademarks and trade names. Each trademark or trade name of any other company appearing in the following notes is, to the Company’s knowledge, owned by such other company.

2023 Chapter 11 Cases

On August 28, 2023, the Company voluntarily initiated Chapter 11 proceedings (“2023 Chapter 11 Cases”) under chapter 11 of title 11 (“Chapter 11”) of the United States Code (“Bankruptcy Code”) in the U.S. Bankruptcy Court for the District of Delaware (“Bankruptcy Court”). On September 20, 2023, the directors of the Company initiated examinership proceedings with respect to Mallinckrodt plc by presenting a petition to the High Court of Ireland pursuant to Section 510(1)(b) of the Companies Act 2014 seeking the appointment of an examiner to Mallinckrodt plc. On October 10, 2023, the Bankruptcy Court entered an order confirming a plan of reorganization (“2023 Plan”). Subsequent to the Bankruptcy Court’s order confirming the 2023 Plan, the High Court of Ireland made an order confirming a scheme of arrangement on November 10, 2023, which is based on and consistent in all respects with the 2023 Plan (“2023 Scheme of Arrangement”). The 2023 Plan and the 2023 Scheme of Arrangement became effective on November 14, 2023, (“2023 Effective Date”), and the Company emerged from the 2023 Chapter 11 Cases and the Irish examinership proceedings (together, the “2023 Bankruptcy Proceedings”) on that date. See Note 2 of Notes to Consolidated Financial Statements in the Company’s Annual Report on Form 10-K for the fiscal year ended December 29, 2023 filed with the SEC on March 26, 2024 (“Annual Report on Form 10-K”) for further information on the 2023 Plan and emergence from the 2023 Bankruptcy Proceedings.

As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within selling, general and administrative (“SG&A”) expenses. Cash paid for these professional fees for the six months ended June 28, 2024 (Successor) was \$19.3 million.

2020 Chapter 11 Cases

Reorganization items, net for the Predecessor period represents amounts incurred after the effective date of the plan of reorganization and scheme of arrangement for the 2020 Chapter 11 Cases and the Irish examinership proceedings (together, the “2020 Bankruptcy Proceedings”) in 2022 that directly resulted from the 2020 Bankruptcy Proceedings and were entirely comprised of professional fees associated with the implementation of the plan of reorganization and scheme of arrangement. Cash paid for reorganization items, net for the six months ended June 30, 2023 (Predecessor) was \$14.6 million.

Adoption of Fresh-Start Accounting

Upon emergence from the 2023 Bankruptcy Proceedings on November 14, 2023, the Company adopted fresh-start accounting in accordance with the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 852 - *Reorganizations* (“ASC 852”), and became a new entity for financial reporting purposes as of the 2023 Effective Date. References to “Successor” relate to the financial position of the reorganized Company as of December 29, 2023 and June 28, 2024 and results of operations of the reorganized Company subsequent to November 14, 2023, while references to “Predecessor” relate to the financial position of the Company as of December 30, 2022 and results of operations of the Company for the period from December 31, 2022 through November 14, 2023. All emergence-related transactions related to the 2023 Effective Date were recorded as of November 14, 2023. Accordingly, the unaudited condensed consolidated financial statements for the Successor periods are not comparable to the unaudited condensed consolidated financial statements for the Predecessor periods. See Note 3 of Notes to Consolidated Financial Statements in the Company’s Annual Report on Form 10-K for further information.

Basis of Presentation

The unaudited condensed consolidated financial statements have been prepared in U.S. dollars and in accordance with generally accepted accounting principles in the U.S. (“GAAP”). The preparation of the unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results may differ from those estimates. The unaudited condensed consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries and entities in which they own or control more than 50.0% of the voting shares. In the opinion of management, all adjustments necessary for a fair statement of results of operations, cash flows and financial position have been made. All intercompany balances and transactions have been eliminated in consolidation and all normal recurring adjustments necessary for a fair statement have been included in the results reported.

The results of entities disposed of are included in the unaudited condensed consolidated financial statements up to the date of disposal, and where appropriate, these operations have been reported in discontinued operations. Divestitures of product lines and businesses not meeting the criteria for discontinued operations have been reflected in operating loss.

The fiscal year-end balance sheet data was derived from audited consolidated financial statements, but does not include all of the annual disclosures required by GAAP; accordingly these unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited annual consolidated financial statements included in its Annual Report on Form 10-K.

Summary of Significant Accounting Policies

Share-Based Compensation

The Company recognizes the cost of employee services received in exchange for awards of equity or liability-based instruments based on the grant-date fair value of those awards. That cost is recognized over the requisite service period, which is the period an employee is required to provide service in exchange for the award (generally the vesting period). The cost for liability-based instruments is remeasured accordingly each reporting period throughout the requisite service period.

As of the 2023 Effective Date, the Company’s ordinary shares were no longer traded on an active market. Accordingly, the fair value of those share-based awards granted after the 2023 Effective Date requires the valuation of the Company’s equity utilizing the application of significant estimates, assumptions, and judgments. With the assistance of a third-party valuation advisor, the estimated fair value of total share-based awards was based on an income approach, a calculation of the present value of the future cash flows to be generated by the business based on its projection. The basis of the discounted cash flow analysis used in developing the equity value was based on Company prepared projections that included a variety of estimates and assumptions, including but not limited to expected future revenue and expenses, future cash flows, discount rates, and the probability of possible future events. While the Company considers such estimates and assumptions reasonable, they are inherently subject to significant business, economic and competitive uncertainties, many of which are beyond the Company’s control and, therefore, may not be realized. Changes in these estimates and assumptions may have had a significant effect on the determination of the Company’s equity value.

Fiscal Year

The Company reports its results based on a “52-53 week” year ending on the last Friday of December. Unless otherwise indicated, the three and six months ended June 28, 2024 (Successor) refers to the thirteen and twenty-six week periods ended June 28, 2024 (Successor) and the three and six months ended June 30, 2023 (Predecessor) refers to the thirteen and twenty-six week periods ended June 30, 2023 (Predecessor).

2. Recently Issued Accounting Standards

Recently Issued Accounting Standards Not Yet Adopted

The FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* in November 2023. This ASU expands on reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The required disclosure, which is on an annual and interim basis, specifies that significant segment expenses are expenses that are regularly provided to the chief operating decision maker and are used to evaluate performance by segment to make decisions about resource allocations. ASU 2023-07 is effective for the Company beginning with the fiscal year ending December 27, 2024 and interim periods within the fiscal year ending December 26, 2025, with early adoption permitted. The Company currently expects that the guidance will result in incremental footnote disclosures within its consolidated financial statements.

The FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* in December 2023. This ASU requires public business entities to disclose additional information in specified categories with respect to the reconciliation of the effective tax rate to the statutory rate (the “rate reconciliation”) for federal, state, and foreign income taxes. It also requires greater detail about individual reconciling items in the rate reconciliation to the extent the impact of those items exceeds a specified threshold. ASU 2023-09 is effective for the Company for the fiscal year ending December 25, 2025. The Company is currently evaluating the disclosure requirements of this standard and the impact on its consolidated financial statements.

3. Revenue from Contracts with Customers

Product Sales Revenue

See Note 14 for presentation of the Company's net sales by product family.

Reserves for variable consideration

The following table reflects activity in the Company's sales reserve accounts:

	Rebates and Chargebacks ⁽¹⁾	Product Returns	Other Sales Deductions	Total
Balance as of December 30, 2022 (Predecessor)	\$ 265.3	\$ 16.0	\$ 12.7	\$ 294.0
Provisions	726.0	5.8	21.0	752.8
Payments or credits	(748.3)	(8.6)	(25.4)	(782.3)
Balance as of June 30, 2023 (Predecessor)	<u>\$ 243.0</u>	<u>\$ 13.2</u>	<u>\$ 8.3</u>	<u>\$ 264.5</u>
Balance as of December 29, 2023 (Successor)	\$ 201.6	\$ 14.5	\$ 11.3	\$ 227.4
Provisions	832.7	11.0	25.5	869.2
Payments or credits	(811.0)	(9.6)	(26.2)	(846.8)
Balance as of June 28, 2024 (Successor)	<u>\$ 223.3</u>	<u>\$ 15.9</u>	<u>\$ 10.6</u>	<u>\$ 249.8</u>

(1) Includes \$35.4 million and \$59.0 million of accrued Medicaid and \$36.8 million and \$35.1 million of accrued rebates as of June 28, 2024 (Successor) and December 29, 2023 (Predecessor), respectively, included within accrued and other current liabilities in the unaudited condensed consolidated balance sheets.

Product sales transferred to customers at a point in time and over time were as follows:

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
Product sales transferred at a point in time	86.9 %	83.6 %
Product sales transferred over time	13.1	16.4
	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
Product sales transferred at a point in time	85.8 %	82.0 %
Product sales transferred over time	14.2	18.0

Transaction price allocated to the remaining performance obligations

The following table includes estimated revenue from contracts extending greater than one year for certain of the Company's hospital products that are expected to be recognized in the future related to performance obligations that were unsatisfied or partially unsatisfied as of June 28, 2024 (Successor):

Remainder of Fiscal 2024	\$	38.0
Fiscal 2025		66.9
Fiscal 2026		36.6
Thereafter		11.3

4. Restructuring and Related Charges

The Company, from time to time, seeks more cost-effective means to improve profitability and to respond to changes in its markets. As such, the Company may incur restructuring costs as a component of the Company's operating costs. During fiscal 2021 (Predecessor) and 2018 (Predecessor), the Company's predecessor board of directors approved restructuring programs, neither of which has pre-determined actions or a specified time period. Charges of \$50.0 million to \$100.0 million were authorized for under the 2021 program and \$100.0 million to \$125.0 million were authorized for under the 2018 program. The 2021 program commenced upon substantial completion of the 2018 program, which occurred during the first quarter of 2024.

During the first quarter of 2024, the Company committed to a plan to cease commercialization and clinical development, and wind down production of StrataGraft® ("StrataGraft"). As a result, the Company recorded restructuring and related charges, net, within the Specialty Brands segment related to StrataGraft, which are shown in the tables below.

Additionally, during the first quarter of 2024, the Company recorded a \$2.5 million net gain within SG&A, which included a \$5.1 million non-cash gain related to the write-off of a lease liability, offset by a \$2.6 million lease termination cash penalty. The termination penalty is currently recorded in accrued and other current liabilities on the unaudited condensed consolidated balance sheet as of June 28, 2024 (Successor).

These actions began in the first quarter of 2024 and are expected to be completed in the first quarter of 2025. As of June 28, 2024, the Company currently expects to incur an immaterial amount of additional one-time termination benefits within the Specialty Brands segment through the first quarter of 2025. The exact timing to complete all actions and final costs associated will depend on a number of factors and are subject to change.

Net restructuring and related charges by segment were as follows:

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
Specialty Brands	\$ 0.2	\$ —
Corporate	—	(0.2)
Restructuring charges, net	\$ 0.2	\$ (0.2)

	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
Specialty Brands	\$ 10.4	\$ —
Corporate	—	1.7
Restructuring and related charges, net	10.4	1.7
Less: accelerated depreciation	—	(0.7)
Restructuring charges, net	\$ 10.4	\$ 1.0

Net restructuring and related charges by program were comprised of the following:

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
2021 Program	\$ 0.2	\$ —
2018 Program	—	(0.2)
Total charges expected to be settled in cash	\$ 0.2	\$ (0.2)

	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
2021 Program	\$ 10.4	\$ —
2018 Program	—	1.7
Less: non-cash charges, including accelerated depreciation	—	(0.8)
Total charges expected to be settled in cash	\$ 10.4	\$ 0.9

The following table summarizes the restructuring reserves, which are included in accrued and other current liabilities on the Company's unaudited condensed consolidated balance sheet:

	2021 Program		
	Severance	Contract Costs	Total
Balance as of December 29, 2023 (Successor)	\$ —	\$ —	\$ —
Charges from continuing operations	4.6	5.8	10.4
Cash payments	(3.1)	(4.0)	(7.1)
Balance as of June 28, 2024 (Successor)	\$ 1.5	\$ 1.8	\$ 3.3

Cumulative net restructuring and related charges incurred for the 2021 and 2018 Programs were as follows as of June 28, 2024 (Successor):

	2021 Program	2018 Program
Specialty Brands	\$ 10.4	\$ 3.1
Specialty Generics	—	19.3
Corporate	—	96.9
	\$ 10.4	\$ 119.3

5. Income Taxes

The Company recognized an income tax expense of \$13.9 million and \$13.2 million on losses from continuing operations before income taxes of \$29.5 million and \$95.8 million for the three and six months ended June 28, 2024 (Successor), respectively. This resulted in an effective tax rate of negative 47.1% and negative 13.8%, respectively. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded for current year interest limitations, the mix of pretax earnings in various jurisdictions, and remaining effects of adoption of fresh-start accounting as a result of emergence from the 2023 Bankruptcy Proceedings for both periods.

The Company recognized an income tax expense of \$528.1 million and \$497.3 million on losses from continuing operations before income taxes of \$219.7 million and \$499.8 million for the three and six months ended June 30, 2023 (Predecessor), respectively. This resulted in an effective tax rate of negative 240.4% and negative 99.5%, respectively. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded on the beginning of the year deferred tax assets as a result of the Company's substantial doubt about the ability to continue as a going concern and the mix of pretax earnings in various jurisdictions for both periods.

During the six months ended June 28, 2024 (Successor), net cash payments for income taxes were \$2.7 million related to operational activity. During the six months ended June 30, 2023 (Predecessor), net cash refunds for income taxes were \$137.8 million, including refunds of \$141.6 million received as a result of provisions in the Coronavirus Aid, Relief, and Economic Security Act and net payments of \$3.8 million related to operational activity.

On December 20, 2021, the Organization for Economic Co-operation and Development (“OECD”) released the Global Anti-Base Erosion (“GloBE”) Model Rules (“Pillar Two”) providing a legislative framework for the Income Inclusion Rule and the Under-Taxed Payment Rule (“UTPR”). Pillar Two is designed to ensure that large multinational enterprise groups pay a minimum level of tax on the income arising in each of the jurisdictions where they operate, principally creating a 15% minimum global effective tax rate. On December 15, 2022, the E.U. member states, as well as many other countries, adopted a directive implementing the Pillar Two global minimum tax rules. On December 20, 2022, the OECD released three guidance documents related to Pillar Two. These documents included guidance on safe harbors and penalty relief and consultation papers on the GloBE Information Return and Tax Certainty for the GloBE rules. A number of jurisdictions have transposed the directive into national legislation with the rules to be applicable for fiscal years beginning on or after December 31, 2023, with the exception of the UTPR which is to be applicable for fiscal years beginning on or after December 31, 2024. As the Company’s fiscal year end was December 29, 2023, Pillar Two is not effective until the Company’s fiscal year ending December 25, 2025. The Company is closely monitoring developments and is evaluating the impacts these new rules will have on its tax rate, including the eligibility to qualify for the safe harbor rules.

The Company’s unrecognized tax benefits, excluding interest, totaled \$33.1 million and \$33.3 million as of June 28, 2024 (Successor) and December 29, 2023 (Successor), respectively. Within the next twelve months, the unrecognized tax benefits and the related interest and penalties are not expected to change significantly.

6. Loss per Share

Loss per share is computed by dividing net loss by the number of weighted-average shares outstanding during the period. A net loss cannot be diluted, so when the Company is in a net loss position, basic and diluted loss per share are the same. If the Company records net income in the future, the denominator of a diluted earnings per share calculation will include both the weighted average number of shares outstanding and the number of common stock equivalents, if the inclusion of such common stock equivalents would be dilutive.

Outstanding equity awards that could potentially dilute per share amounts in the future, but were not included in the computation of diluted per share amounts because to do so would have been antidilutive, were approximately 1.8 million and 1.7 million of Opioid CVRs and equity awards for the three and six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), respectively.

The weighted-average number of shares outstanding used in the computations of both basic and diluted loss per share were as follows (*in millions*):

	Successor	Predecessor
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023
Basic and diluted	19.7	13.2

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Basic and diluted	19.7	13.2

7. Inventories

Inventories were comprised of the following:

	Successor	
	June 28, 2024	December 29, 2023
Raw materials	\$ 94.3	\$ 98.0
Work in process	431.7	501.8
Finished goods	282.9	382.9
	<u>\$ 808.9</u>	<u>\$ 982.7</u>

8. Property, Plant and Equipment

The gross carrying amount and accumulated depreciation of property, plant and equipment were comprised of the following:

	Successor	
	June 28, 2024	December 29, 2023
Property, plant and equipment, gross	\$ 374.8	\$ 331.3
Less: accumulated depreciation	(28.3)	(9.6)
Property, plant and equipment, net	<u>\$ 346.5</u>	<u>\$ 321.7</u>

Depreciation expense was as follows:

	Successor	Predecessor
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023
Depreciation expense	\$ 8.7	\$ 11.8

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Depreciation expense	\$ 19.0	\$ 23.7

9. Intangible Assets

The gross carrying amount and accumulated amortization of intangible assets were comprised of the following:

	Successor			
	June 28, 2024		December 29, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Completed technology	\$ 624.6	\$ 64.3	\$ 624.6	\$ 16.2

Intangible asset amortization expense was as follows:

	Successor	Predecessor
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023
Amortization expense	\$ 23.3	\$ 129.3

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Amortization expense	\$ 48.1	\$ 262.5

The estimated aggregate amortization expense on intangible assets owned by the Company is expected to be as follows:

	Successor
Remainder of Fiscal 2024	\$ 42.3
Fiscal 2025	74.8
Fiscal 2026	68.4
Fiscal 2027	62.0
Fiscal 2028	55.6
Fiscal 2029	46.3

10. Debt

Debt was comprised of the following at the end of each period:

	Successor					
	June 28, 2024			December 29, 2023		
	Principal	Carrying Value	Unamortized Discount and Debt Issuance Costs	Principal	Carrying Value	Unamortized Discount and Debt Issuance Costs
Current maturities of long-term debt:						
First-Out Takeback Term Loan due November 2028	\$ 1.7	\$ 1.7	\$ —	\$ 1.7	\$ 1.7	\$ —
Second-Out Takeback Term Loan due November 2028	4.8	4.8	—	4.8	4.8	—
Total current debt	\$ 6.5	\$ 6.5	\$ —	\$ 6.5	\$ 6.5	\$ —
Long-term debt:						
First-Out Takeback Term Loan due November 2028	\$ 226.0	239.0	\$ —	\$ 227.1	\$ 241.7	\$ —
Second-Out Takeback Term Loan due November 2028	632.4	672.8	—	635.6	680.7	—
14.75% Second-Out Takeback Notes due November 2028	778.6	830.5	—	778.6	836.4	—
Receivables financing facility due December 2027	—	—	2.5	—	—	2.9
Total long-term debt	1,637.0	1,742.3	2.5	1,641.3	1,758.8	2.9
Total debt	\$ 1,643.5	\$ 1,748.8	\$ 2.5	\$ 1,647.8	\$ 1,765.3	\$ 2.9

Takeback debt

In connection with emergence from the 2023 Bankruptcy Proceedings, the Company entered into a new senior secured first lien term loan facility with an aggregate principal amount of approximately \$871.4 million (“First and Second-Out Takeback Term Loans”), consisting of approximately \$229.4 million of “first-out” Takeback Term Loans (“First-Out Takeback Term Loans”) and approximately \$642.0 million of “second-out” Takeback Term Loans (“Second-Out Takeback Term Loans”). The Company also issued approximately \$778.6 million in aggregate principal amount of “second-out” 14.75% senior secured first lien notes due 2028 (“Takeback Notes” and, together with the Second-Out Takeback Term Loans, the “Second-Out Takeback Debt” and, together with the Takeback Term Loans, the “Takeback Debt”).

Applicable interest rate

As of June 28, 2024 (Successor), the applicable interest rate and outstanding principal on the Company's debt instruments were as follows:

	Applicable Interest Rate
Fixed-rate instruments	14.75 %
First-Out Takeback Term Loans ⁽¹⁾	11.34
Second-Out Takeback Term Loans ⁽¹⁾	13.34

(1) Includes the impact of the interest rate cap agreement, which is discussed further in Note 13.

11. Guarantees

In disposing of assets or businesses, the Company has from time to time provided representations, warranties and indemnities to cover various risks and liabilities, including unknown damage to assets, environmental risks involved in the sale of real estate, liability to investigate and remediate environmental contamination at waste disposal sites and manufacturing facilities, and unidentified tax liabilities related to periods prior to disposition. The Company assesses the probability of potential liabilities related to such representations, warranties and indemnities and adjusts potential liabilities as a result of changes in facts and circumstances. The Company believes, given the information currently available, that the ultimate resolutions will not have a material adverse effect on its financial condition, results of operations and cash flows.

In connection with the sale of the Specialty Chemical business (formerly known as Mallinckrodt Baker) in fiscal 2010, the Company agreed to indemnify the purchaser with respect to various matters, including certain environmental, health, safety, tax and other matters. The indemnification obligations relating to certain environmental, health and safety matters have a term of 17 years from the sale, while some of the other indemnification obligations have an indefinite term.

On October 12, 2020, the Company voluntarily initiated the 2020 Bankruptcy Proceedings. The liability relating to all of these indemnification obligations was governed by a contract that was rejected as part of the 2020 Bankruptcy Proceedings and is no longer a liability of the Successor Company. The Company was required to pay \$30.0 million into an escrow account as collateral to the purchaser. The contract governing the escrow account was assumed in the 2020 Bankruptcy Proceedings. As of June 28, 2024 (Successor) and December 29, 2023 (Successor), \$20.8 million and \$20.2 million remained in restricted cash, included in other long-term assets on the unaudited condensed consolidated balance sheets, respectively. As of June 28, 2024 (Successor), the Company does not expect to make future payments related to these indemnification obligations.

As of June 28, 2024 (Successor), the Company had various other letters of credit, guarantees and surety bonds totaling \$31.9 million and restricted cash of \$44.1 million held in segregated accounts primarily to collateralize surety bonds for the Company's environmental liabilities. Comparatively, as of December 29, 2023 (Successor), the Company had various other letters of credit, guarantees and surety bonds totaling \$31.4 million and restricted cash of \$42.9 million held in segregated accounts primarily to collateralize surety bonds for the Company's environmental liabilities.

12. Commitments and Contingencies

The Company is subject to various legal proceedings and claims, including government investigations, environmental matters, product liability matters, patent infringement claims, antitrust matters, securities class action lawsuits, personal injury claims, employment disputes, contractual and other commercial disputes, and other legal proceedings, all in the ordinary course of business, including those described below. Although it is not feasible to predict the outcome of these matters, the Company believes, unless otherwise indicated below, given the information currently available, that the ultimate resolution of any particular matter, or matters that have the same legal or factual issues, will not have a material adverse effect on its financial condition, results of operations and cash flows.

Governmental Proceedings

Florida Civil Investigative Demand. In or around February 2019, the Company received a civil investigative demand (“CID”) from the U.S. Attorney's Office for the Middle District of Florida for documents related to alleged payments to healthcare providers in Florida and whether those payments violated the Anti-Kickback Statute. The Company has cooperated with the investigation.

Generic Pricing Subpoena. In March 2018, the Company received a grand jury subpoena issued by the U.S. District Court for the Eastern District of Pennsylvania (“EDPA”) pursuant to which the Antitrust Division of the Department of Justice is seeking documents regarding generic products and pricing, communications with generic competitors and other related matters. The Company is in the process of responding to this subpoena and is cooperating in the investigation.

MNK 2011 Inc. (formerly known as Mallinckrodt Inc.) v. U.S. Food and Drug Administration and United States of America. In November 2014, the FDA reclassified the Company's Methylphenidate ER in the Orange Book: Approved Drug Products with Therapeutic Equivalence (“Orange Book”). In November 2014, the Company filed a Complaint in the U.S. District Court for the District of Maryland Greenbelt Division against the FDA and the U.S. (“MD Complaint”) for judicial review of the FDA's reclassification. In July 2015, the court granted the FDA's motion to dismiss with respect to three of the five counts in the MD Complaint and granted summary judgment in favor of the FDA with respect to the two remaining counts (“MD Order”). On October 18, 2016, the FDA initiated proceedings, proposing to withdraw approval of the Company's Abbreviated New Drug Application (“ANDA”) for Methylphenidate ER. On October 21, 2016, the U.S. Court of Appeals for the Fourth Circuit issued an order placing the Company's appeal of the MD Order in abeyance pending the outcome of the withdrawal proceedings. The parties exchanged documents and in April 2018, the Company filed its submission in support of its position in the withdrawal proceedings. A potential outcome of the withdrawal proceedings is that the Company's Methylphenidate ER products may lose their FDA approval and have to be withdrawn from the market.

Specialty Generics Grand Jury Subpoenas

U.S. Attorney's Office Subpoena W.D. Va. In August 2023, the Company received a grand jury subpoena from the U.S. Attorney's Office for the Western District of Virginia (“WDVA USAO”). Subsequently, the Company received additional grand jury subpoenas from the WDVA USAO, most recently, in June 2024. The subpoenas seek production of certain data and information for the time period from July 17, 2017 to the present, including information and data relating to the Company's Specialty Generics controlled substances compliance program, the Company's reporting of suspicious orders for controlled substances, chargebacks and other transactions, financial accounts related to these issues, financial transactions involving prescription drug products, and communications between the Company and the U.S. Drug Enforcement Administration.

U.S. Attorney's Office Subpoena E.D.PA. In May 2024, the Company received a grand jury subpoena from the U.S. Attorney's Office for the Eastern District of Pennsylvania seeking production of data and information with respect to a customer for the time period from January 1, 2020 to May 2024, including information and data relating to potentially suspicious orders for controlled substances. The Company suspended sales to this customer in October 2023 prior to receipt of the subpoena.

The Company is in the process of responding to the subpoenas from both U.S. Attorney Offices and is cooperating in the investigations. The Company cannot predict the eventual scope, duration or outcome of the investigations at this time.

Patent Litigation

Branded Products. The Company will continue to vigorously enforce its intellectual property rights relating to its Branded products to prevent the marketing of infringing generic or competing products prior to the expiration of patents covering those products, which, if unsuccessful, could adversely affect the Company's ability to successfully maximize the value of individual Branded products and have an adverse effect on its financial condition, results of operations and cash flows. In the case of litigation filed against potential generic or competing products to Company's Branded products, those litigation matters can either be settled or the litigation pursued through a trial and any potential appeals of the lower court decision.

Generic Products. The Company continues to pursue development of a portfolio of generic products, some of which require submission of a Paragraph IV certification against patents listed in the FDA's Orange Book for the Branded product asserting that the Company's proposed generic product does not infringe and/or the Orange Book patent(s) are invalid and/or unenforceable. In the case of litigation filed against Company for such potential generic products, those litigation matters can either be settled or the litigation pursued through a trial and any potential appeals of the lower court decision in order to successfully launch those generic products in the future.

Mallinckrodt Pharmaceuticals Ireland Limited et al. v. Airgas Therapeutics LLC et al. On December 30, 2022, the Company initiated litigation against Airgas Therapeutics, LLC, Airgas USA LLC, and Air Liquide S.A. (collectively "Airgas") in the District of Delaware following notice from Airgas of its abbreviated new drug application ("ANDA") submission seeking approval from the FDA for a generic version of INOmax[®] (nitric oxide) gas, for inhalation ("INOmax"). Airgas's ANDA received final approval from the FDA in July 2023, and according to Airgas' counsel, the original ANDA was filed in April 2011. The case is at an early stage and discovery is ongoing. In October 2023, the parties completed briefing on the Company's motion for preliminary injunction seeking to prevent defendants Airgas Therapeutics LLC and Airgas USA LLC from infringing the Company's U.S. patents during the pendency of the litigation. On February 12, 2024, the court entered stipulations of consent for filing of an amended complaint. On March 22, 2024, the court granted Air Liquide S.A.'s motion to dismiss. AirGas Therapeutics, LLC and AirGas USA LLC remain parties to the litigation. The court set a trial date of September 8, 2025.

Many of the patents asserted against Airgas were previously asserted in the District of Delaware against Praxair Distribution, Inc. and Praxair, Inc. (collectively "Praxair") in 2015 and 2016 following Praxair's submissions with FDA seeking approval for a nitric oxide drug product and delivery system. The litigation against Praxair resulted in Praxair's launch of a competitive nitric oxide product. The Company continues to develop and pursue patent protection of next generation nitric oxide delivery systems and additional uses of nitric oxide and intends to vigorously enforce its intellectual property rights against any parties that may seek to market a generic version of the Company's INOmax product and/or next generation delivery systems.

Amitiza[®] ("Amitiza") Patent Challenges. The Company was granted numerous Japanese patents related to Amitiza. The Company has received notifications of petitions for invalidation trials described below, each of which was filed with the Japan Patent Office ("JPO") and relates to Amitiza and its use in Japan. The JPO has the authority to determine the validity of each of these patent grants and each of these patent term extension ("PTE") registration grants. A party may appeal the JPO's determination to a court of law.

In October 2023, the Company received notification that Sawai Pharmaceutical Co., Ltd. ("Sawai") had filed petitions for two invalidation trials against two PTE registrations for JP Patent No. 4332353. In December 2023, the Company received notification that Sawai had filed a petition for an invalidation trial against JP Patent Appln. No. 2002-586947. In April 2024, the Company received notification that Sawai had filed petitions for invalidation trials with respect to only the 12 μ g strength of Amitiza against PTE registrations of three additional patents (JP Patent No. 4786866, JP Patent Appln. No. 2003-543603 and JP Patent Appln. No. 2004-564537), and against one patent itself (JP Patent No. 4786866). In May 2024, the Company received notification that Sawai had filed petitions for invalidation trials with respect to only the 12 μ g strength of Amitiza against PTE registrations of two additional patents (JP Patent No. 4332316, JP Patent Appln. No. 2024-800068 and JP Patent No. 4684334, JP Patent Appln. No. 2024-800069).

In January 2024, the Company received notification that Towa Pharmaceutical Co., Ltd. had filed a petition for an invalidation trial against the PTE registration for JP Patent Appln. No. 2002-586947.

Each of these challenges is at an early stage. The Company believes that each of these patents and/or PTE registrations is valid, and the Company will vigorously defend these patents and PTE registrations.

Commercial and Securities Litigation

Putative Class Action Securities Litigation (Continental General). On July 7, 2023, a putative class action lawsuit was filed against the Company, its Chief Executive Officer (“CEO”) Sigurdur Olafsson, its Chief Financial Officer (“CFO”) Bryan Reasons, and the Chairman of the Board, Paul Bisaro, in the U.S. District Court for the District of New Jersey, captioned *Continental General Insurance Company and Percy Rockdale, LLC v. Mallinckrodt plc et al.*, No. 23-cv-03662. The complaint purports to be brought on behalf of all persons who purchased or otherwise acquired Mallinckrodt's securities between June 17, 2022 and June 14, 2023. The lawsuit generally alleges that the defendants made false and misleading statements in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder related to the Company's business, operations, and prospects, including its financial strength, its ability to timely make certain payments related to Mallinckrodt's Opioid-Related Litigation Settlement and the risk of additional filings for bankruptcy protection. The lawsuit seeks monetary damages in an unspecified amount. A lead plaintiff was designated by the court on September 10, 2023. On December 26, 2023, an amended complaint was filed by the lead plaintiff against Olafsson, Reasons, and Bisaro (“Continental Defendants”). As to the Company, any liability to the plaintiffs in this matter was discharged upon emergence from the 2023 Bankruptcy Proceedings. The Continental Defendants filed a motion to dismiss on February 26, 2024.

Putative Class Action Securities Litigation (Strougo). In July 2019, a putative class action lawsuit was filed against the Company, its former CEO Mark C. Trudeau, its CFO Bryan M. Reasons, its former Interim CFO George A. Kegler and its former CFO Matthew K. Harbaugh, in the U.S. District Court for the Southern District of New York, captioned *Barbara Strougo v. Mallinckrodt plc, et al.* The complaint purports to be brought on behalf of all persons who purchased or otherwise acquired Mallinckrodt's securities between February 28, 2018 and July 16, 2019. The lawsuit generally alleges that the defendants made false and/or misleading statements in violation of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder related to the Company's clinical study designed to assess the efficacy and safety of its Acthar Gel in patients with amyotrophic lateral sclerosis. The lawsuit seeks monetary damages in an unspecified amount. On July 30, 2020, the court approved the transfer of the case to the U.S. District Court for the District of New Jersey. On August 10, 2020, an amended complaint was filed by the lead plaintiff alleging an expanded putative class period of May 3, 2016 through March 18, 2020 against the Company and Mark C. Trudeau, Bryan M. Reasons, George A. Kegler and Matthew K. Harbaugh, as well as newly named defendants Kathleen A. Schaefer, Angus C. Russell, Melvin D. Booth, JoAnn A. Reed, Paul R. Carter, and Mark J. Casey (collectively with Trudeau, Reasons, Kegler and Harbaugh, the “Strougo Defendants”) The amended complaint claims that the defendants made various false and/or misleading statements and/or failed to disclose various material facts regarding Acthar Gel and its results of operations. On October 1, 2020, the defendants filed a motion to dismiss the amended complaint. On March 17, 2022, the Strougo action was administratively closed. On March 29, 2022, the Strougo action was reinstated only with respect to the Strougo Defendants, and the Strougo Defendants filed their reply in support of their motion to dismiss on May 2, 2022. As to the Company, this matter was resolved in bankruptcy with no further liability against the Company. However, the Company has indemnification obligations as to the Strougo Defendants. On December 16, 2022, the District Court issued an order denying the Strougo Defendants' motion to dismiss in all respects. The Strougo Defendants answered the complaint. In June 2024, the parties reached an agreement in principle to resolve all claims in this matter, which will be funded by the Company's insurance carriers and is not material to the Company's financial condition, results of operations and cash flows.

Local 542. In May 2018, the International Union of Operating Engineers (“IUOE”) Local 542 filed a non-class complaint against the Company and other defendants in Pennsylvania state court alleging improper pricing and distribution of Acthar Gel, in violation of Pennsylvania's Unfair Trade Practices and Consumer Protection Law, aiding and abetting, unjust enrichment and negligent misrepresentation captioned *Int'l Union of Operating Engineers Local 542 v. Mallinckrodt ARD Inc., et al.* Plaintiff filed an amended complaint in August 2018, the Company's objections to which were denied by the court. In January 2021, the Company removed this case to the EDPA. In March 2021, the EDPA granted the Company's motion to transfer the case to the U.S. District Court for the District of Delaware (“District of Delaware”) and denied without prejudice Local 542's motion to remand the case to state court. In June 2021, the District of Delaware referred this case to the Bankruptcy Court in Delaware. On November 17, 2022, Local 542 filed a motion to withdraw the reference to the Bankruptcy Court, and the case was transferred back to the District of Delaware at Case No. 22-cv-01502. On June 27, 2023, the District of Delaware entered an order to withdraw reference of the action to the Bankruptcy Court and to transfer the case back to the EDPA to be remanded to state court. On January 9, 2024, the Court of Common Pleas entered an order marking the claims against the Mallinckrodt defendants “discontinued and ended without prejudice.”

Generic Pharmaceutical Antitrust Multi-District Litigation.

In August 2016, a multi-district litigation (“MDL”) was established in the EDPA relating to allegations of antitrust violations with respect to generic pharmaceutical pricing (“Generic Pricing MDL”). Plaintiffs in the Generic Pricing MDL, captioned *In re: Generic Pharmaceuticals Pricing Antitrust Litigation*, allege a conspiracy of price-fixing and customer allocation among generic drug manufacturers beginning in or around July 2009. The Generic Pricing MDL includes lawsuits against the Company and dozens of other pharmaceutical companies, including a complaint filed by Attorneys General for 51 States, Territories and the District of Columbia seeking monetary damages and injunctive relief. While the Company is not subject to monetary damages in connection with these matters as a result of the 2023 Plan and vigorously disagrees with the plaintiffs' characterization of the facts and law, the Company is not able to reasonably estimate whether any injunctive relief will be granted, and if granted, whether it will materially impact the Company's financial position or operations.

Environmental Remediation and Litigation Proceedings

The Company is involved in various stages of investigation and cleanup related to environmental remediation matters at a number of sites, including as described below. The ultimate cost of site cleanup and timing of future cash outlays is difficult to predict, given the uncertainties regarding the extent of the required cleanup, the interpretation of applicable laws and regulations and alternative cleanup methods. The Company concluded that, as of June 28, 2024 (Successor), it was probable that it would incur remediation costs in the range of \$16.7 million to \$51.1 million. The Company also concluded that, as of June 28, 2024 (Successor), the best estimate within this range was \$35.2 million, of which \$0.6 million was included in accrued and other current liabilities and the remainder was included in environmental liabilities on the unaudited condensed consolidated balance sheet as of June 28, 2024 (Successor). While it is not possible at this time to determine with certainty the ultimate outcome of these matters, the Company believes, given the information currently available, that the final resolution of all known claims, after taking into account amounts already accrued, will not have a material adverse effect on its financial condition, results of operations and cash flows.

Lower Passaic River, New Jersey. The Company and approximately 70 other companies (“Cooperating Parties Group” or “CPG”) are parties to a May 2007 Administrative Order on Consent with the U.S. Environmental Protection Agency (“EPA”) to perform a remedial investigation and feasibility study (“RI/FS”) of the 17-mile stretch known as the Lower Passaic River Study Area (“River”). The Company's potential liability stems from former operations at Lodi and Belleville, New Jersey (the “Lodi facility” and the “Belleville facility” respectively). In April 2014, the EPA issued a revised Focused Feasibility Study (“FFS”), with remedial alternatives to address cleanup of the lower 8-mile stretch of the River. The EPA estimated that the cost for the remediation alternatives ranged from \$365.0 million to \$3.2 billion and the EPA's preferred approach had an estimated cost of \$1.7 billion. In April 2015, the CPG presented a draft of the RI/FS of the River to the EPA that included alternative remedial actions for the entire 17-mile stretch of the River. In March 2016, the EPA issued the Record of Decision (“ROD(s)”) for the lower 8 miles of the River with a slight modification on its preferred approach and a revised estimated cost of \$1.38 billion. In October 2016, the EPA announced that Occidental Chemicals Corporation had entered into an agreement to develop the remedial design.

In August 2018, the EPA finalized a buyout offer of \$0.3 million with the Company, limited to its former Lodi facility, for the lower 8 miles of the River. In September 2021, the EPA issued the ROD for the upper 9 miles of the River selecting source control as the remedy for the upper 9 miles with an estimated cost of \$441.0 million. In September 2022, the Company entered into a conditional \$0.3 million Early Cash-Out Consent Decree (“CD”) with the EPA as a buyout for its portion of the upper part of the River related to its former Lodi facility; finalization of the CD is subject to the EPA approval following the public comment period. The comment period resulted in a modification to the CD by the EPA which includes a cost reopener of \$3.7 billion to the covenant not to sue. The United States filed the modified CD with the U. S. District Court for the District of New Jersey on January 17, 2024, and a motion for entry and response to comments was filed on January 31, 2024. At least one party in the litigation has filed a brief in opposition to the motion to enter the modified CD. The court has not yet ruled on the motion.

The portion of the liability related to the Belleville facility was discharged against the Company as a result of the plan of reorganization related to the 2020 Bankruptcy Proceedings (“2020 Plan”). Any reserves associated with this contingency were included in liabilities subject to compromise as of June 16, 2022 (Predecessor), and any related liabilities were discharged under the Bankruptcy Code. The portion of the liability related to the Lodi facility remains a part of the reserve until the CD is lodged.

As of June 28, 2024 (Successor), the Company estimated that its remaining liability related to the River was \$21.1 million, which was included within environmental liabilities on the unaudited condensed consolidated balance sheet as of June 28, 2024 (Successor). Despite the issuance of the revised FFS and the RODs for both the lower and upper River by the EPA, the RI/FS by the CPG, and the conditional CD by the EPA, there are many uncertainties associated with the final agreed-upon remediation, potential future liabilities and the Company's allocable share of the remediation. Given those uncertainties, the amounts accrued may not be indicative of the amounts for which the Company may be ultimately responsible and will be refined as the remediation progresses.

Bankruptcy Litigation and Appeals

Sanofi. On October 13, 2021, in the Company's 2020 Bankruptcy Proceedings, sanofi-aventis U.S. LLC ("Sanofi") filed a motion asking the Bankruptcy Court for an order determining that, under the Bankruptcy Code, the Company could not discharge certain alleged royalty obligations owed to Sanofi under an asset purchase agreement through which the Company acquired certain intellectual property from Sanofi's predecessor ("Sanofi Motion"). On November 4, 2021, the Bankruptcy Court denied the Sanofi Motion and ordered that any royalty obligations allegedly owed to Sanofi constitute prepetition unsecured claims that may be discharged under the Bankruptcy Code. On November 19, 2021, Sanofi appealed the Bankruptcy Court's ruling of the Sanofi Motion to the District Court. Briefing was completed on March 10, 2022 and the District Court affirmed on December 21, 2022, for which Sanofi filed a notice of appeal to the Third Circuit Court of Appeals on January 17, 2023. On April 25, 2024, the Third Circuit ruled in favor of the Company in all respects, stating that royalty obligations owed to Sanofi were discharged in bankruptcy.

Stratatech. Consummation of the 2020 Plan discharged the Company's liability with respect to certain contingent consideration provided to the prior securityholders of Stratatech Corporation ("Stratatech"). However, Russell Smestad, as the representative of these securityholders, has filed a motion in the Bankruptcy Court for an order either (i) granting allowance and immediate payment of an administrative expense claim in the amount of the liability of \$20 million or (ii) finding that the claim was not susceptible to discharge and should be paid in full. In May 2024, the parties reached a settlement fully resolving the matter; the settlement amount and its terms are not material to the Company's financial condition, results of operations and cash flows.

Other Matters

The Company is a defendant in a number of other pending legal proceedings relating to present and former operations, acquisitions and dispositions. The Company does not expect the outcome of these proceedings, either individually or in the aggregate, to have a material adverse effect on its financial condition, results of operations and cash flows.

13. Financial Instruments and Fair Value Measurements

Fair value is defined as the exit price that would be received from the sale of an asset or paid to transfer a liability, using assumptions that market participants would use in pricing an asset or liability. The fair value guidance establishes a three-level fair value hierarchy as follows:

- Level 1 — observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2 — significant other observable inputs that are observable either directly or indirectly; and
- Level 3 — significant unobservable inputs in which there is little or no market data, which requires the Company to develop its own assumptions.

The following tables provide a summary of the significant assets and liabilities that are measured at fair value on a recurring basis at the end of each period:

	Fair Value Measurement Using Fair Value Hierarchy:			
	June 28, 2024 (Successor)	Level 1	Level 2	Level 3
Assets:				
Debt and equity securities held in rabbi trusts	\$ 23.1	\$ 15.5	\$ 7.6	\$ —
Equity securities	32.1	32.1	—	—
Interest rate cap	14.2	—	14.2	—
	<u>\$ 69.4</u>	<u>\$ 47.6</u>	<u>\$ 21.8</u>	<u>\$ —</u>
Liabilities:				
Debt derivative liability	\$ 20.4	\$ —	\$ —	\$ 20.4
Deferred compensation liabilities	20.1	—	20.1	—
Contingent consideration liabilities	16.8	—	—	16.8
	<u>\$ 57.3</u>	<u>\$ —</u>	<u>\$ 20.1</u>	<u>\$ 37.2</u>

	Fair Value Measurement Using Fair Value Hierarchy:			
	December 29, 2023 (Successor)	Level 1	Level 2	Level 3
Assets:				
Debt and equity securities held in rabbi trusts	\$ 43.3	\$ 29.1	\$ 14.2	\$ —
Equity securities	28.9	28.9	—	—
Interest rate cap	12.9	—	12.9	—
	<u>\$ 85.1</u>	<u>\$ 58.0</u>	<u>\$ 27.1</u>	<u>\$ —</u>
Liabilities:				
Debt derivative liabilities	\$ 15.1	\$ —	\$ —	\$ 15.1
Deferred compensation liabilities	21.0	—	21.0	—
Contingent consideration liabilities	14.7	—	—	14.7
	<u>\$ 50.8</u>	<u>\$ —</u>	<u>\$ 21.0</u>	<u>\$ 29.8</u>

Debt and equity securities held in rabbi trusts. Debt securities held in rabbi trusts primarily consist of U.S. government and agency securities and corporate bonds. When quoted prices are available in an active market, the investments are classified as level 1. When quoted market prices for a security are not available in an active market, they are classified as level 2. Equity securities held in rabbi trusts primarily consist of U.S. common stocks, which are valued using quoted market prices reported on nationally recognized securities exchanges. During the six months ended June 28, 2024 (Successor), proceeds from debt and equity securities held in rabbi trusts were \$22.6 million.

Equity securities. Equity securities consist of shares in Silence Therapeutics plc and Panbela Therapeutics, Inc. for which quoted prices are available in an active market; therefore, these investments are classified as level 1 and are valued based on quoted market prices reported on internationally recognized securities exchanges. The three and six months ended June 28, 2024 (Successor) included \$4.3 million unrealized losses and \$2.7 million of unrealized gains, respectively, on equity securities related to our investments in Silence Therapeutics plc and Panbela Therapeutics, Inc, while the three and six months ended June 30, 2023 (Predecessor) included \$1.2 million and \$16.3 million of unrealized losses, respectively. These amounts were recorded within other expense, net in the unaudited condensed consolidated statements of operations.

Interest rate cap. The Company is exposed to interest rate risk on its variable-rate debt. During the three months ended March 31, 2023, the Company entered into an interest rate cap agreement, which serves to reduce the volatility on future interest expense cash outflows. The interest rate cap agreement has a total notional value of \$860.0 million with an upfront premium of \$20.0 million and provides the Company with interest rate protection, through March 26, 2026, to the extent that the one-month secured overnight funding rate (“SOFR”) exceeds 3.84%.

The interest rate cap agreement is not accounted for as a cash flow hedge and the changes in fair value of the interest rate cap were recorded within other expense, net in the unaudited condensed consolidated statements of operations. The fair value of the interest rate cap is included in other assets on the Company’s unaudited condensed consolidated balance sheet as of June 28, 2024 (Successor).

The Company elected to use the income approach to value the interest rate cap derivative using observable level 2 market expectations at the measurement date and standard valuation techniques to convert future amounts to a single present amount (discounted) reflecting current market expectations about those future amounts. Level 2 inputs for derivative valuations are limited to quoted prices for similar assets or liabilities in active markets (specifically futures contracts) and inputs other than quoted prices that are observable such as SOFR rate curves, futures and volatilities. Mid-market pricing is used as a practical expedient in the fair value measurements. During the three and six months ended June 28, 2024 (Successor), the Company recognized a \$0.8 million unrealized loss and a \$1.3 million unrealized gain, respectively, in other expense, net in the unaudited condensed consolidated statements of operations related to the changes in fair value of the interest rate cap.

Debt derivative liabilities. The debt derivative liabilities related to the Company's First and Second-Out Takeback Term Loans and Takeback Notes are measured using a 'with and without' valuation model to compare the fair values of each debt instrument including the identified embedded derivative feature. The “with” value corresponds to the fair value of each instrument assuming mandatory prepayment upon an asset sale. The “without” value corresponds to the fair value of each instrument assuming no mandatory prepayment upon an asset sale. These derivative liabilities are classified as level 3 and the fair value of the debt instruments including the embedded derivative features were determined using the Black-Derman-Toy model based on three potential scenarios included in the tables below which includes significant unobservable inputs. The estimated settlement value of each scenario, which would include any required applicable premium, is then discounted to present value using a discount rate that is a 2.03% and 3.03% credit spread for the First and Second-Out Takeback Term Loans, respectively, plus the U.S. treasury yield commensurate with the cash flow payment date. The applicable premium estimates were calculated at each mandatory prepayment event date in accordance with the contractual definition and were based, in part, on subjective assumptions. These subjective assumptions relate to scenario-

related proceeds from an asset sale, inclusive of estimated transaction fees and related taxes. The debt derivative liability is recorded at fair value, with the changes in fair value reported within earnings. The debt derivative liability was \$20.4 million and \$15.1 million as of June 28, 2024 (Successor) and December 29, 2023 (Successor), respectively, and was recorded within accrued and other current liabilities within the unaudited condensed consolidated balance sheets as of June 28, 2024 (Successor) and December 29, 2023 (Successor). The \$0.6 million decrease and \$5.3 million increase in debt derivative liability during the three and six months ended June 28, 2024 (Successor), respectively, were recognized in other expense, net, within the unaudited condensed consolidated statements of operations. Significant assumptions utilized in the determination of the fair value as of June 28, 2024 (Successor) are as follows:

Debt derivatives related to first and second-out takeback term loans:

Input	Scenario 1	Scenario 2	Scenario 3
Remaining term (years)	4.4	4.4	4.4
Maturity Date	November 14, 2028	November 14, 2028	November 14, 2028
Coupon Rate	7.50% - 9.50% + SOFR	7.50% - 9.50% + SOFR	7.50% - 9.50% + SOFR
Probability of mandatory prepayment event before November 2025 ⁽¹⁾	70.0%	10.0%	7.0%
Estimated timing of mandatory prepayment event before November 2025 ⁽¹⁾	December 2024	March 2025	December 2024 and March 2025

(1) Represents a significant unobservable input

Debt derivatives related to takeback notes:

Input	Scenario 1	Scenario 2	Scenario 3
Remaining term (years)	4.4	4.4	4.4
Maturity Date	November 14, 2028	November 14, 2028	November 14, 2028
Coupon Rate	14.75%	14.75%	14.75%
Probability of mandatory prepayment event before November 2025 ⁽¹⁾	70.0%	10.0%	7.0%
Estimated timing of mandatory prepayment event before November 2025 ⁽¹⁾	December 2024	March 2025	December 2024 and March 2025

(1) Represents a significant unobservable input

Deferred compensation liabilities. The Company maintains a non-qualified deferred compensation plan in the U.S., which permits eligible employees of the Company to defer a portion of their compensation. A recordkeeping account is set up for each participant and the participant chooses from a variety of funds for the deemed investment of their accounts. The recordkeeping accounts generally correspond to the funds offered in the Company's U.S. tax-qualified defined contribution retirement plan and the account balance fluctuates with the investment returns on those funds.

Contingent consideration liability. In accordance with the 2020 Plan and the Scheme of Arrangement related to the 2020 Irish examinership proceedings, the Company will provide consideration for the Terlivaz contingent value right agreement ("CVR") primarily in the form of the achievement of a cumulative net sales milestone. The determination of fair value is dependent upon a number of factors, which include projections of future net sales, a weighted average cost of capital, and certain other market place data. The Company assesses the likelihood and timing of making such payments at each balance sheet date. The fair value of the contingent payment was measured based on the net present value of a probability-weighted assessment. The Company determined the fair value of the Terlivaz CVR as of June 28, 2024 (Successor) and December 29, 2023 (Successor) to be \$16.8 million and \$14.7 million, respectively. All contingent consideration liabilities were classified within other liabilities in the unaudited condensed consolidated balance sheets as of June 28, 2024 (Successor) and December 29, 2023 (Successor).

Financial Instruments Not Measured at Fair Value

The following methods and assumptions were used by the Company in estimating fair values for financial instruments not measured at fair value as of June 28, 2024 (Successor) and December 29, 2023 (Successor):

- The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and the majority of other current assets and liabilities approximate fair value because of their short-term nature. The Company classifies cash on hand and deposits in banks, including commercial paper, money market accounts and other highly liquid investments it may hold from time to time, with an original maturity of three months or less, as cash and cash equivalents (level 1). The fair value of restricted cash was equivalent to its carrying value of \$64.9 million and \$80.7 million as of June 28, 2024 (Successor) and December 29, 2023 (Successor) (level 1), respectively. Included within the balance as of the 2023 Effective Date was \$24.0 million related to the funding of a professional fee escrow account upon emergence from the 2023 Bankruptcy Proceedings. As of June 28, 2024 (Successor), the professional fee escrow balance was zero.
- The Company's life insurance contracts are carried at cash surrender value, which is based on the present value of future cash flows under the terms of the contracts (level 3). Significant assumptions used in determining the cash surrender value include the amount and timing of future cash flows, interest rates and mortality charges. The fair value of these contracts approximates the carrying value of \$44.5 million and \$45.3 million as of June 28, 2024 (Successor) and December 29, 2023 (Successor), respectively. These contracts are included in other assets on the unaudited condensed consolidated balance sheets.

The following table presents the carrying values and estimated fair values of the Company's debt as of the end of each period:

	Successor			
	June 28, 2024		December 29, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Level 1:				
14.75% Second-Out Takeback Notes due November 2028	\$ 830.5	\$ 848.7	\$ 836.4	\$ 844.4
Level 2:				
First-Out Takeback Term Loan Due November 2028	240.7	253.6	243.4	232.8
Second-Out Takeback Term Loan Due November 2028	677.6	692.5	685.5	654.0
Total Debt	<u>\$ 1,748.8</u>	<u>\$ 1,794.8</u>	<u>\$ 1,765.3</u>	<u>\$ 1,731.2</u>

Concentration of Credit and Other Risks

Financial instruments that potentially subject the Company to concentrations of credit risk primarily consist of accounts receivable. The Company generally does not require collateral from customers. A portion of the Company's accounts receivable outside the U.S. includes sales to government-owned or supported healthcare systems in several countries, which are subject to payment delays. Payment is dependent upon the financial stability and creditworthiness of those countries' national economies.

The following table shows net sales attributable to distributors that accounted for 10.0% or more of the Company's total net sales:

	Successor	Predecessor
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023
FFF Enterprises, Inc.	21.6 %	23.8 %
Cencora, Inc. (formerly known as AmerisourceBergen Corp.)	16.8	*
	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
FFF Enterprises, Inc.	20.9 %	21.4 %
Cencora, Inc.	16.0	*

* Net sales to this distributor were less than 10.0% of the Company's total net sales for the respective periods presented above.

The following table shows accounts receivable attributable to distributors that accounted for 10.0% or more of the Company's gross accounts receivable at the end of each period:

	Successor	
	June 28, 2024	December 29, 2023
Cencora, Inc.	35.1 %	24.2 %
McKesson Corporation	19.5	20.0

The following table shows net sales attributable to products that accounted for 10.0% or more of the Company's total net sales:

	Successor	Predecessor
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023
Acthar Gel	22.9 %	24.6 %
INOmax	12.9	16.2
Therakos	13.1	13.2
APAP	*	12.6

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Acthar Gel	22.5 %	22.1 %
INOmax	13.9	17.7
Therakos	12.8	13.5
APAP	10.1	11.8

* Net sales attributable to this product were less than 10.0% of the Company's total net sales for the respective periods presented above.

14. Segment Data

The Company operates in two reportable segments, which are further described below:

- *Specialty Brands* includes innovative specialty pharmaceutical brands; and
- *Specialty Generics* includes niche specialty generic drugs and APIs.

Management measures and evaluates the Company's operating segments based on segment net sales and operating income. Management excludes corporate expenses from segment operating income. In addition, certain amounts that management considers to be non-recurring or non-operational are excluded from segment operating income because management and the chief operating decision maker evaluate the operating results of the segments excluding such items. These items may include, but are not limited to, depreciation and amortization, share-based compensation, net restructuring charges, non-restructuring impairment charges and liabilities management and separation costs. Although these amounts are excluded from segment operating income, as applicable, they are included in reported consolidated operating loss and are reflected in the reconciliations presented below.

Selected information by reportable segment was as follows:

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
Net sales:		
Specialty Brands	\$ 274.5	\$ 280.1
Specialty Generics	239.8	194.9
Net sales	\$ 514.3	\$ 475.0
Operating income (loss):		
Specialty Brands	\$ 15.7	\$ 61.6
Specialty Generics	62.4	35.1
Segment operating income	78.1	96.7
Unallocated amounts:		
Corporate and unallocated expenses ⁽¹⁾	(11.1)	0.6
Depreciation and amortization	(32.1)	(141.1)
Share-based compensation	(3.4)	(2.7)
Restructuring charges, net	(0.2)	0.2
Liabilities management and separation costs ⁽²⁾	(10.3)	(10.3)
Recovery of bad debt - customer bankruptcy	6.4	—
Operating income (loss)	27.4	(56.6)
Interest expense	(59.4)	(162.6)
Interest income	6.0	4.7
Other expense, net	(3.5)	(1.2)
Reorganization items, net ⁽³⁾	—	(4.0)
Loss from continuing operations before income taxes	\$ (29.5)	\$ (219.7)

(1) Includes administration expenses and certain compensation, legal, environmental and other costs not charged to the Company's reportable segments.

(2) Represents costs included in SG&A, primarily related to professional fees and costs incurred as the Company explored potential sales of non-core assets to enable further deleveraging post-emergence from the 2023 and professional fees and costs incurred in connection with the Company's evaluation of its financial situation and related discussions with its stakeholders prior to the commencement of the 2023 Chapter 11 Cases. As of the 2023 Petition Date, professional fees directly related to the 2023 Chapter 11 Cases that were previously reflected as liabilities management and separation costs were classified as reorganization items, net.

(3) As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within SG&A expenses.

	Successor	Predecessor
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023
Net sales:		
Specialty Brands	\$ 531.8	\$ 532.1
Specialty Generics	450.3	367.5
Net sales	<u>\$ 982.1</u>	<u>\$ 899.6</u>
Operating income (loss):		
Specialty Brands	\$ 45.6	\$ 94.0
Specialty Generics	100.6	67.9
Segment operating income	<u>146.2</u>	<u>161.9</u>
Unallocated amounts:		
Corporate and unallocated expenses ⁽¹⁾	(43.0)	(13.4)
Depreciation and amortization	(67.2)	(286.2)
Share-based compensation	(5.3)	(5.3)
Restructuring charges, net	(10.4)	(1.0)
Liabilities management and separation costs ⁽²⁾	(17.0)	(15.2)
Recovery of bad debt - customer bankruptcy	<u>6.4</u>	<u>—</u>
Operating income (loss)	<u>9.7</u>	<u>(159.2)</u>
Interest expense	(118.5)	(324.6)
Interest income	12.8	9.4
Other expense, net	0.2	(15.8)
Reorganization items, net ⁽³⁾	—	(9.6)
Loss from continuing operations before income taxes	<u>\$ (95.8)</u>	<u>\$ (499.8)</u>

(1) Includes administration expenses and certain compensation, legal, environmental and other costs not charged to the Company's reportable segments.

(2) Represents costs included in SG&A, primarily related to professional fees and costs incurred as the Company explored potential sales of non-core assets to enable further deleveraging post-emergence from the 2023 and 2020 Bankruptcy Proceedings and professional fees and costs incurred in connection with the Company's evaluation of its financial situation and related discussions with its stakeholders prior to the commencement of the 2023 Chapter 11 Cases. As of the 2023 Petition Date, professional fees directly related to the 2023 Chapter 11 Cases that were previously reflected as liabilities management and separation costs were classified as reorganization items, net.

(3) As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within SG&A expenses.

Net sales by product family within the Company's reportable segments were as follows:

	Successor	Predecessor
	Three Months Ended	Three Months Ended
	June 28, 2024	June 30, 2023
Acthar Gel	\$ 117.7	\$ 116.8
INOmax	66.4	76.9
Therakos	67.2	62.9
Amitiza	15.3	18.6
Terlivaz	5.3	3.4
Other	2.6	1.5
Specialty Brands	<u>274.5</u>	<u>280.1</u>
Opioids	95.2	72.1
ADHD	41.8	19.0
Addiction treatment	21.0	16.1
Other	3.6	2.4
Generics	<u>161.6</u>	<u>109.6</u>
Controlled substances	26.4	20.9
APAP	47.3	59.8
Other	4.5	4.6
API	<u>78.2</u>	<u>85.3</u>
Specialty Generics	<u>239.8</u>	<u>194.9</u>
Net sales	<u>\$ 514.3</u>	<u>\$ 475.0</u>

	Successor	Predecessor
	Six Months Ended	Six Months Ended
	June 28, 2024	June 30, 2023
Acthar Gel	\$ 220.5	\$ 198.8
INOmax	136.6	159.6
Therakos	125.4	121.6
Amitiza	34.7	43.1
Terlivaz	11.3	5.6
Other	3.3	3.4
Specialty Brands	<u>531.8</u>	<u>532.1</u>
Opioids	177.1	134.3
ADHD	73.5	41.4
Addiction treatment	36.4	31.7
Other	5.1	4.2
Generics	<u>292.1</u>	<u>211.6</u>
Controlled substances	49.3	39.4
APAP	99.0	106.2
Other	9.9	10.3
API	<u>158.2</u>	<u>155.9</u>
Specialty Generics	<u>450.3</u>	<u>367.5</u>
Net sales	<u>\$ 982.1</u>	<u>\$ 899.6</u>

15. Subsequent Events

Therakos Divestiture

On August 3, 2024, the Company entered into a Purchase and Sale Agreement (the “Agreement”) with Solaris Bidco Limited, Solaris IPCo Limited and Solaris US BidCo, LLC (collectively, the “Purchasers”), affiliates of CVC Capital Partners IX, for the transfer of the assets and liabilities constituting the Company’s Therakos business to Purchasers. Upon the terms and subject to the conditions set forth in the Agreement, Purchasers will acquire the Therakos business from the Company (the “Transaction”) for a base purchase price of \$925.0 million.

The base purchase price is subject to customary adjustments; it could be decreased as a result of certain transaction expenses of the purchased entities and items defined as indebtedness in the Agreement, could be increased by certain amounts of cash, and could be increased or decreased based on the Therakos business’s net working capital at closing relative to an agreed working capital target. Such final purchase price will be paid in cash.

One of the Purchasers also made an irrevocable commitment to acquire the shares of the French company operating the Therakos business, Therakos (France) SAS. The definitive agreement with such Purchaser in relation to the shares of Therakos (France) SAS will become effective after satisfaction of local information requirements.

Subject to satisfaction or waiver of the closing conditions, the Company expects the Transaction to be completed in the fourth quarter of 2024. The Agreement provides that the Purchasers are not required to close prior to October 21, 2024, subject to extension in certain circumstances. The Company is required to use net proceeds from the transaction to prepay or redeem the Takeback Term Loans and Takeback Notes. Such mandatory prepayment or redemption will require us to pay a makewhole premium with the prepaid or redeemed debt, the amount of which will be based on the final net proceeds. Refer to Note 13 for additional information on this premium.

The Agreement provides termination rights for the Company and Purchasers under certain circumstances, including, subject to certain conditions, an uncured material breach by the other party or if the Transaction is not consummated by February 3, 2025. If the Agreement is terminated in connection with Purchasers’ breach of the Agreement or failure to consummate the Transaction under certain circumstances, Purchasers will be required to pay a termination fee of approximately \$50.9 million in cash (the “Reverse Termination Fee”).

Purchasers have obtained equity financing commitments from CVC Capital Partners IX and debt financing commitments for the purpose of financing the Transaction, and CVC Capital Partners IX has agreed to guarantee Purchasers’ obligation to pay the Reverse Termination Fee, as well as certain other amounts, subject to the terms and conditions set forth in a limited guarantee. The obligations of the equity and debt financing sources under the applicable commitment letters are subject to customary conditions.

In connection with the Transaction, the parties will also enter into a transition services agreement and certain other agreements at the closing.

Amended and Restated Incentive Plans

In August 2024, the Company’s Board of Directors approved amended and restated award agreements under its 2024 Stock and Incentive Plan for the restricted unit awards and performance unit awards previously granted to for the Company’s non-employee directors and executive officers and amended and restated the Company’s Transaction Incentive Plan. As these amendments were approved during August 2024, the Company is still finalizing the impact on its unaudited condensed consolidated financial statements. The Company will record the impact of these amendments in the three months ended September 27, 2024 (Successor).

MALLINCKRODT PLC
MANAGEMENT'S DISCUSSION AND ANALYSIS

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes included in this Quarterly Report on Form 10-Q. This Quarterly Report on Form 10-Q includes forward-looking statements that are based on management's beliefs and assumptions and on information currently available to management. See "Forward-Looking Statements" at the end of this Item 2 for important additional information and related considerations.

Overview

We are a global business consisting of multiple wholly owned subsidiaries that develop, manufacture, market and distribute specialty pharmaceutical products and therapies. Areas of focus include autoimmune and rare diseases in specialty areas like neurology, rheumatology, hepatology, nephrology, pulmonology, ophthalmology and oncology; immunotherapy and neonatal respiratory critical care therapies; analgesics and gastrointestinal products.

We operate our business in two reportable segments, which are further described below:

- *Specialty Brands* includes innovative specialty pharmaceutical brands; and
- *Specialty Generics* includes niche specialty generic drugs and active pharmaceutical ingredients ("API(s)").

For further information on our business and products, refer to our Annual Report on Form 10-K for the fiscal year ended December 29, 2023 ("Annual Report on Form 10-K"), filed with the United States ("U.S.") Securities and Exchange Commission ("SEC") on March 26, 2024.

Therakos® Divestiture

On August 3, 2024, we entered into a definitive agreement with affiliates of CVC Capital Partners IX ("Purchasers") under which Purchasers will acquire the Therakos business for a base purchase price of \$925.0 million, subject to customary adjustments. The transaction is expected to close in the fourth quarter of 2024, subject to regulatory approvals and other customary closing conditions. There can be no assurance that all of the conditions will be satisfied or waived; see "Forward-Looking Statements" at the end of this Item 2 for important additional information and related considerations. Additional information regarding this transaction and related agreements is included in Note 15 of the notes to the unaudited condensed consolidated financial statements and our Form 8-K filed with the SEC on August 5, 2024. As described in more detail in "Liquidity and Capital Resources," we are required to use net proceeds from the transaction to reduce our debt.

2023 Emergence from Bankruptcy

On August 28, 2023, we voluntarily initiated Chapter 11 proceedings ("2023 Chapter 11 Cases") under chapter 11 of title 11 ("Chapter 11") of the United States Code ("Bankruptcy Code") in the U.S. Bankruptcy Court for the District of Delaware ("Bankruptcy Court"). On September 20, 2023, our directors of the Company initiated examinership proceedings with respect to Mallinckrodt plc by presenting a petition to the High Court of Ireland pursuant to Section 510(1)(b) of the Companies Act 2014 seeking the appointment of an examiner to Mallinckrodt plc. On October 10, 2023, the Bankruptcy Court entered an order confirming a plan of reorganization ("2023 Plan"). Subsequent to the Bankruptcy Court's order confirming the 2023 Plan, the High Court of Ireland made an order confirming a scheme of arrangement on November 10, 2023, which is based on and consistent in all respects with the 2023 Plan ("2023 Scheme of Arrangement"). The 2023 Plan and the 2023 Scheme of Arrangement became effective on November 14, 2023, ("2023 Effective Date"), and we emerged from the 2023 Chapter 11 Cases and the Irish examinership proceedings (together, the "2023 Bankruptcy Proceedings") on that date.

Upon emergence from the 2023 Bankruptcy Proceedings on November 14, 2023, we adopted fresh-start accounting in accordance with the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 852 - *Reorganizations* ("ASC 852"), and became a new entity for financial reporting purposes as of the 2023 Effective Date. References to "Successor" relate to the financial position of the reorganized Company as of December 29, 2023 and June 28, 2024 and results of operations of the reorganized Company subsequent to November 14, 2023, while references to "Predecessor" relate to the financial position of the Company as of December 30, 2022 and results of operations of the Company for the period from December 31, 2022 through November 14, 2023. All emergence-related transactions related to the 2023 Effective Date were recorded as of November 14, 2023. Accordingly, the unaudited condensed consolidated financial statements for the Successor periods are not comparable to the Predecessor period.

As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within selling, general and administrative (“SG&A”) expenses. Further, we expect a significant reduction in professional fees directly related to the implementation of the 2023 Plan during 2024.

As a result of our emergence from the 2023 Bankruptcy Proceedings, we had significant changes to our Board of Directors, with the majority of our non-employee directors being newly appointed to the Board of Directors in February 2024. As a result, our Board of Directors may determine, from time to time, to implement changes in our business strategy. At the direction of our Board of Directors, we are engaged in a process of evaluating the assets across our portfolio, in both our Specialty Brands and Specialty Generics segments, and pursuing divestiture opportunities, with a goal of further reducing our debt and maximizing shareholder value. We have engaged Lazard to assist with this process.

For a discussion of certain risks related to our evaluation of divestiture opportunities, see Part I, Item 1A. “Risk Factors” of our Annual Report on Form 10-K.

Business Factors Influencing the Results of Operations

We cannot adequately benchmark certain operating results of the three and six months ended June 28, 2024 (Successor) against the three and six months ended June 30, 2023 (Predecessor) as the comparison of Successor and Predecessor periods would not be in accordance with U.S generally accepted accounting principles (“GAAP”). We do not believe that reviewing the results of the Successor period in isolation would be useful in identifying trends in or reaching conclusions regarding our overall operating performance. Management believes that our key performance metrics such as net sales and segment results of operations for the three and six months ended June 28, 2024 (Successor) provide a meaningful comparison and are useful in identifying current business trends when compared to the three and six months ended June 30, 2023 (Predecessor). Accordingly, in addition to presenting our results of operations as reported in our unaudited condensed consolidated financial statements in accordance with GAAP, the discussion in “Results of Operations” and “Segment Results” below utilizes a comparison of the three and six months ended June 28, 2024 (Successor) against the three and six months ended June 30, 2023 (Predecessor).

Specialty Brands

Acthar Gel continues to experience persistent demand stabilization and positive prescriber momentum in the category, reflecting the continued prescriber and patient need. We launched SelfJect on August 5, 2024, providing patients with an important new option to manage challenging chronic and acute inflammatory and autoimmune conditions, underscoring Mallinckrodt’s continued investment to modernize the brand for patients.

Net sales of INOmax[®] for the three months ended June 28, 2024 (Successor) decreased \$10.5 million, or 13.7%, to \$66.4 million driven primarily by continued competition from alternative nitric oxide products, which could continue to adversely affect our ability to successfully maximize the value of INOmax and have an adverse effect on our financial condition, results of operations and cash flows. We received U.S. Food and Drug Administration (“FDA”) approval of our 510(k) for INOmax Evolve our next-generation nitric oxide delivery system. We expect the platform to be available in U.S. hospitals in the beginning of the third quarter of 2024. We intend to vigorously enforce our intellectual property rights relating to our nitric oxide products against any additional parties that may seek to market an alternative version of our INOmax product and/or our next generation delivery systems.

Terlivaz continued its ongoing launch during the three months ended June 28, 2024 (Successor). While uptake has been slower than anticipated, we remain focused on expanding adoption of Terlivaz as the preferred first-line treatment for hepatorenal syndrome patients through early patient identification and physician education.

Specialty Generics

Net sales from the Specialty Generics segment for the three months ended June 28, 2024 (Successor) increased \$44.9 million, or 23.0%, to \$239.8 million driven primarily by an increase in finished-dosage generics net sales of \$52.0 million driven by our ability to manufacture and supply product during periods of market disruption partially offset by a decrease in API net sales of \$7.1 million.

The FDA has announced plans to require manufacturers of opioid analgesics dispensed in outpatient settings to make prepaid mail-back envelopes available to dispensing pharmacies as a new drug disposal option for patients. This measure, if and when implemented as announced, would result in increased costs to us, which could negatively impact our results of operations if we are unable to pass such costs to our customers. At this time, we are unable to estimate the potential impact of this measure.

Results of Operations

Three Months Ended June 28, 2024 (Successor) Compared with Three Months Ended June 30, 2023 (Predecessor)

Net Sales

Net sales by geographic area were as follows (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Three Months Ended June 28, 2024	Three Months Ended June 30, 2023	Percentage Change
U.S.	\$ 466.8	\$ 426.2	9.5 %
Europe, Middle East and Africa	43.1	45.9	(6.1)
Other geographic areas	4.4	2.9	51.7
Net sales	<u>\$ 514.3</u>	<u>\$ 475.0</u>	8.3 %

Net sales for the three months ended June 28, 2024 (Successor) increased \$39.3 million, or 8.3%, to \$514.3 million, compared with \$475.0 million for the three months ended June 30, 2023 (Predecessor). This increase was primarily driven by an increase in finished-dosage generics net sales within our Specialty Generics segment, partially offset by a decrease in net sales of INOmax within our Specialty Brands segment, as previously mentioned. For further information on changes in our net sales, refer to “Segment Results” within this Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Operating Income (Loss)

Gross profit. Gross profit for the three months ended June 28, 2024 (Successor) increased \$90.1 million, or 85.9%, to \$195.0 million, compared with \$104.9 million for the three months ended June 30, 2023 (Predecessor). Gross profit margin was 37.9% for the three months ended June 28, 2024 (Successor), compared with 22.1% for the three months ended June 30, 2023 (Predecessor). These increases were driven by lower intangible asset amortization expense of \$23.3 million for the three months ended June 28, 2024 (Successor), compared with \$129.3 million for the three months ended June 30, 2023 (Predecessor), as a result of the decreased intangible assets fair value from the 2023 fresh-start accounting. The increase in gross profit was also driven by the increase in net sales, as discussed above, as well as a change in product mix. These increases were partially offset by inventory step-up amortization of \$109.1 million for the three months ended June 28, 2024 (Successor), compared with \$54.3 million for the three months ended June 30, 2023 (Predecessor).

Selling, general and administrative expenses. SG&A expenses for the three months ended June 28, 2024 (Successor) increased \$5.5 million, or 4.5%, to \$127.9 million, compared with \$122.4 million for the three months ended June 30, 2023 (Predecessor). As a percentage of net sales, SG&A expenses were 24.9% and 25.8% for the three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), respectively. These increases were primarily driven by a \$0.7 million increase in the fair value of our contingent consideration liabilities during the three months ended June 28, 2024 (Successor), compared to a \$7.5 million decrease during the three months ended June 30, 2023 (Predecessor) coupled with incremental compensation costs. These increases were partially offset by \$3.3 million of income related to professional fees incurred subsequent to our emergence from the 2023 Bankruptcy Proceedings during the three months ended June 28, 2024 (Successor), primarily driven by the release of the remaining professional fee escrow account of \$6.4 million. Also included in the offset was a recovery of bad debt expense of \$6.4 million related to a customer’s emergence from bankruptcy.

Non-Operating Items

Interest expense and interest income. During the three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), net interest expense was \$53.4 million and \$157.9 million, respectively. During the three months ended June 28, 2024 (Successor), interest expense included \$5.2 million of accretion expense associated with our settlement obligations compared to \$44.4 million during the three months ended June 30, 2023 (Predecessor). The decrease in accretion expense associated with our settlement obligations was driven by our elimination of the opioid-related litigation liability during the 2023 Bankruptcy Proceedings. Further reducing our interest expense, net, was \$6.0 million of amortization of debt compared to \$24.3 million of accretion expense associated with debt during the three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), respectively. The decrease in interest expense was also impacted by a lower average outstanding debt balance during the three months ended June 28, 2024 (Successor) that yielded a decrease in interest expense as compared to the three months ended June 30, 2023 (Predecessor). The increase in our interest income of \$1.3 million was primarily driven by interest income of \$3.2 million from our interest rate cap agreement.

Other expense, net. During the three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), we incurred other expense of \$3.5 million and \$1.2 million, respectively. The three months ended June 28, 2024 (Successor) included \$4.3 million of unrealized losses on equity securities related to our investments in Silence Therapeutics plc and Panbela Therapeutics, Inc, compared to \$1.2 million of unrealized losses during the three months ended June 30, 2023 (Predecessor).

Reorganization items, net. During the three months ended June 30, 2023 (Predecessor), we recorded \$4.0 million in reorganization items, net, which represented professional fees associated with the implementation of the plan of reorganization after the emergence from our Chapter 11 cases in 2022. As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within SG&A expenses.

Income tax expense. We recognized an income tax expense of \$13.9 million on a loss from continuing operations before income taxes of \$29.5 million for the three months ended June 28, 2024 (Successor). This resulted in an effective tax rate of negative 47.1%. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded for current year interest limitations, the mix of pretax earnings in various jurisdictions, and remaining effects of adoption of fresh-start accounting as a result of emergence from the 2023 Bankruptcy Proceedings.

The Company recognized an income tax expense of \$528.1 million on a loss from continuing operations before income taxes of \$219.7 million for the three months ended June 30, 2023 (Predecessor). This resulted in an effective tax rate of negative 240.4%. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded on the beginning of the year deferred tax assets as a result of the substantial doubt about the ability to continue as a going concern and the mix of pretax earnings in various jurisdictions.

Six Months Ended June 28, 2024 (Successor) Compared with Six Months Ended June 30, 2023 (Predecessor)

Net Sales

Net sales by geographic area were as follows (dollars in millions):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
U.S.	\$ 889.3	\$ 805.8	10.4 %
Europe, Middle East and Africa	85.6	86.5	(1.0)
Other geographic areas	7.2	7.3	(1.4)
Net sales	<u>\$ 982.1</u>	<u>\$ 899.6</u>	9.2 %

Net sales for the six months ended June 28, 2024 (Successor) increased \$82.5 million, or 9.2%, to \$982.1 million, compared with \$899.6 million for the six months ended June 30, 2023 (Predecessor). This increase was primarily driven by an increase in finished-dosage generics net sales within our Specialty Generics segment and Acthar Gel within our Specialty Brands segment, partially offset by a decrease in net sales of INOmax and Amitiza within our Specialty Brands segment, as previously mentioned. For further information on changes in our net sales, refer to “Segment Results” within this Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Operating Income (Loss)

Gross profit. Gross profit for the six months ended June 28, 2024 (Successor) increased \$204.3 million, or 132.1%, to \$359.0 million, compared with \$154.7 million for the six months ended June 30, 2023 (Predecessor). Gross profit margin was 36.6% for the six months ended June 28, 2024 (Successor), compared with 17.2% for the six months ended June 30, 2023 (Predecessor). These increases were driven by lower intangible asset amortization expense of \$48.1 million for the six months ended June 28, 2024 (Successor), compared with \$262.5 million for the six months ended June 30, 2023 (Predecessor), as a result of the decreased intangible assets fair value from the 2023 fresh-start accounting. The increase in gross profit was also driven by the increase in net sales, as discussed above, as well as a change in product mix. These increases were partially offset by inventory step-up amortization of \$212.4 million for the six months ended June 28, 2024 (Successor), compared with \$125.6 million for the six months ended June 30, 2023 (Predecessor).

Selling, general and administrative expenses. SG&A expenses for the six months ended June 28, 2024 (Successor) increased \$24.4 million, or 10.1%, to \$264.8 million, compared with \$240.4 million for the six months ended June 30, 2023 (Predecessor). As a percentage of net sales, SG&A expenses were 27.0% and 26.7% for the six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), respectively. These increases were primarily driven by a \$2.1 million increase in the fair value of our contingent consideration liabilities during six months ended June 28, 2024 (Successor), compared to a \$7.1 million decrease during the three months ended June 30, 2023 (Predecessor) coupled with \$4.7 million of professional fees incurred subsequent to our emergence from the 2023 Bankruptcy Proceedings during the six months ended June 28, 2024 (Successor) and incremental compensation costs. The increases were partially offset by a recovery of bad debt expense of \$6.4 million related to a customer's emergence from bankruptcy.

Restructuring charges, net. During the six months ended June 28, 2024 (Successor), we incurred \$10.4 million related to one-time termination benefits and contract termination costs related to the ceased commercialization and clinical development and wind down of production of StrataGraft®. During the six months ended June 30, 2023 (Predecessor), we incurred \$1.0 million primarily related to employee severance and related benefits.

Liabilities management and separation costs. Liabilities management and separation costs were \$17.0 million during the six months ended June 28, 2024 (Successor) compared to \$15.2 million during the six months ended June 30, 2023 (Predecessor). Both periods were primarily related to professional fees and costs incurred as we explored potential sales of non-core assets to enable further deleveraging post-emergence from the 2023 Bankruptcy Proceedings and the Chapter 11 cases in 2022, respectively, and professional fees and costs incurred in connection with the Company's evaluation of its financial situation and related discussions with its stakeholders prior to the commencement of the 2023 Chapter 11 Cases during the six months ended June 30, 2023 (Predecessor).

Non-Operating Items

Interest expense and interest income. During the six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), net interest expense was \$105.7 million and \$315.2 million, respectively. During the six months ended June 28, 2024 (Successor), interest expense included \$10.1 million of accretion expense associated with our settlement obligations compared to \$90.4 million during the six months ended June 30, 2023 (Predecessor). The decrease in accretion expense associated with our settlement obligations was driven by our elimination of the opioid-related litigation liability during the 2023 Bankruptcy Proceedings. Further reducing our interest expense, net, was \$12.1 million of amortization of debt compared to \$48.3 million of accretion expense associated with debt during the six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), respectively. The decrease in interest expense was also impacted by a lower average outstanding debt balance during the six months ended June 28, 2024 (Successor) that yielded a decrease in interest expense as compared to the six months ended June 30, 2023 (Predecessor). The increase in our interest income of \$3.4 million was primarily driven by interest income of \$6.5 million from our interest rate cap agreement.

Other expense, net. During the six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor), we incurred other expense of \$0.2 million and \$15.8 million, respectively. The six months ended June 28, 2024 (Successor) included \$2.7 million of unrealized gains on equity securities related to our investments in Silence Therapeutics plc and Panbela Therapeutics, Inc, compared to \$16.3 million of unrealized losses during the six months ended June 30, 2023 (Predecessor). During the six months ended June 28, 2024 (Successor), we recorded a \$4.0 million unrealized net loss related to the changes in fair value of our derivative assets and liabilities.

Reorganization items, net. During the six months ended June 30, 2023 (Predecessor), we recorded \$9.6 million in reorganization items, net, which represented professional fees associated with the implementation of the plan of reorganization after the emergence from our Chapter 11 cases in 2022. As of December 30, 2023, professional fees directly related to the 2023 Bankruptcy Proceedings that were previously reflected as reorganization items, net, are classified within SG&A expenses.

Income tax expense. We recognized an income tax expense of \$13.2 million on a loss from continuing operations before income taxes of \$95.8 million for the six months ended June 28, 2024 (Successor). This resulted in an effective tax rate of negative 13.8%. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded for current year interest limitations, the mix of pretax earnings in various jurisdictions, and remaining effects of adoption of fresh-start accounting as a result of emergence from the 2023 Bankruptcy Proceedings.

We recognized an income tax expense of \$497.3 million on a loss from continuing operations before income taxes of \$499.8 million for the six months ended June 30, 2023 (Predecessor). This resulted in an effective tax rate of negative 99.5%. The effective tax rate is lower than the Irish statutory tax rate of 12.5% primarily due to the impact of valuation allowances recorded on the beginning of the year deferred tax assets as a result of the substantial doubt about the ability to continue as a going concern and the mix of pretax earnings in various jurisdictions.

Segment Results

Management measures and evaluates our operating segments based on segment net sales and operating income. Management excludes corporate expenses from segment operating income. In addition, certain amounts that management considers to be non-recurring or non-operational are excluded from segment operating income because management and the chief operating decision maker evaluate the operating results of the segments excluding such items. These items may include, but are not limited to, depreciation and amortization, share-based compensation, net restructuring charges, non-restructuring impairment charges and liabilities management and separation costs. Although these amounts are excluded from segment operating income, as applicable, they are included in reported consolidated operating loss and are reflected in the reconciliations presented below. Selected information by business segment is as follows:

Three Months Ended June 28, 2024 (Successor) Compared with Three Months Ended June 30, 2023 (Predecessor)

Net Sales

Net sales by segment are shown in the following table (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023	Non-GAAP Percentage Change
Specialty Brands	\$ 274.5	\$ 280.1	(2.0)%
Specialty Generics	239.8	194.9	23.0
Net sales	<u>\$ 514.3</u>	<u>\$ 475.0</u>	8.3 %

Specialty Brands. Net sales for the three months ended June 28, 2024 (Successor) decreased \$5.6 million, or 2.0%, to \$274.5 million, compared with \$280.1 million for the three months ended June 30, 2023 (Predecessor). As previously discussed, the decrease in net sales was primarily driven by a \$10.5 million, or 13.7%, decrease in INOmax.

Net sales for Specialty Brands by geography were as follows (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023	Non-GAAP Percentage Change
U.S.	\$ 252.9	\$ 260.5	(2.9)%
Europe, Middle East and Africa	18.2	17.6	3.4
Other	3.4	2.0	70.0
Net sales	<u>\$ 274.5</u>	<u>\$ 280.1</u>	(2.0)%

Net sales for Specialty Brands by key products were as follows (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023	Non-GAAP Percentage Change
Acthar Gel	\$ 117.7	\$ 116.8	0.8 %
INOmax	66.4	76.9	(13.7)
Therakos	67.2	62.9	6.8
Amitiza	15.3	18.6	(17.7)
Terlivaz	5.3	3.4	55.9
Other	2.6	1.5	73.3
Specialty Brands	<u>\$ 274.5</u>	<u>\$ 280.1</u>	(2.0)%

Specialty Generics. Net sales for the three months ended June 28, 2024 (Successor) increased \$44.9 million, or 23.0%, to \$239.8 million, compared with \$194.9 million for the three months ended June 30, 2023 (Predecessor). As previously discussed, the increase in net sales was primarily driven by a \$52.0 million, or 47.4% increase, in finished-dosage generic net sales driven by our opioid and ADHD products partially offset by a \$7.1 million, or 8.3%, decrease in API net sales.

Net sales for Specialty Generics by geography were as follows (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023	Non-GAAP Percentage Change
U.S.	\$ 213.9	\$ 165.7	29.1 %
Europe, Middle East and Africa	24.9	28.3	(12.0)
Other	1.0	0.9	11.1
Net sales	<u>\$ 239.8</u>	<u>\$ 194.9</u>	23.0 %

Net sales for Specialty Generics by key products were as follows (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023	Non-GAAP Percentage Change
Opioids	\$ 95.2	\$ 72.1	32.0 %
ADHD	41.8	19.0	120.0
Addiction treatment	21.0	16.1	30.4
Other	3.6	2.4	50.0
Generics	<u>161.6</u>	<u>109.6</u>	47.4
Controlled substances	26.4	20.9	26.3
APAP	47.3	59.8	(20.9)
Other	4.5	4.6	(2.2)
API	<u>78.2</u>	<u>85.3</u>	(8.3)
Specialty Generics	<u>\$ 239.8</u>	<u>\$ 194.9</u>	23.0 %

Operating Income (Loss)

Operating income by segment for the three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor) is shown in the following table (*dollars in millions*):

	Successor Three Months Ended June 28, 2024	Predecessor Three Months Ended June 30, 2023
Specialty Brands ⁽¹⁾	\$ 15.7	\$ 61.6
Specialty Generics ⁽²⁾	62.4	35.1
Segment operating income	<u>78.1</u>	<u>96.7</u>
Unallocated amounts:		
Corporate and unallocated expenses ⁽³⁾	(11.1)	0.6
Depreciation and amortization	(32.1)	(141.1)
Share-based compensation	(3.4)	(2.7)
Restructuring charges, net	(0.2)	0.2
Liabilities management and separation costs ⁽⁴⁾	(10.3)	(10.3)
Recovery of bad debt - customer bankruptcy	6.4	—
Total operating income (loss)	<u>\$ 27.4</u>	<u>\$ (56.6)</u>
Interest expense	(59.4)	(162.6)
Interest income	6.0	4.7
Other expense, net	(3.5)	(1.2)
Reorganization items, net	—	(4.0)
Loss from continuing operations before income taxes	<u>\$ (29.5)</u>	<u>\$ (219.7)</u>

- The three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor) included inventory fair-value step-up expense of \$76.5 million and \$43.3 million, respectively.
- The three months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor) included inventory fair-value step-up expense of \$32.6 million and \$11.0 million, respectively. Additionally, the three months ended June 28, 2024 (Successor) included \$0.5 million of fresh-start inventory-related income.
- Includes administration expenses and certain compensation, legal, environmental and other costs not charged to our reportable segments.

- (4) Represents costs, primarily related to professional fees and costs incurred as we explored potential sales of non-core assets to enable further deleveraging post-emergence from the 2023 and professional fees and costs incurred in connection with our evaluation of our financial situation and related discussions with our stakeholders prior to the commencement of the 2023 Chapter 11 Cases. As of the 2023 Petition Date, professional fees directly related to the 2023 Chapter 11 Cases that were previously reflected as liabilities management and separation costs are classified as reorganization items, net.

Specialty Brands. Operating income for the three months ended June 28, 2024 (Successor) decreased \$45.9 million, to \$15.7 million, compared with \$61.6 million for the three months ended June 30, 2023 (Predecessor). Operating margin decreased to 5.7% for the three months ended June 28, 2024 (Successor), compared with 22.0% for the three months ended June 30, 2023 (Predecessor). These decreases in operating income and margin were primarily driven by a \$33.2 million increase of inventory step-up expense to \$76.5 million for the months ended June 28, 2024 (Successor), compared with \$43.3 million for the three months ended June 30, 2023 (Predecessor). The decrease was coupled with a \$5.6 million decrease in net sales as discussed above, resulting in a net decrease in gross profit of \$43.0 million. The decrease in operating income also included a \$1.6 million and \$1.4 million increase in SG&A expense and R&D expense, respectively.

Specialty Generics. Operating income for the three months ended June 28, 2024 (Successor) increased \$27.3 million, to \$62.4 million, compared with an operating income of \$35.1 million for the three months ended June 30, 2023 (Predecessor). Operating margin increased to 26.0% for the three months ended June 28, 2024 (Successor), compared with 18.0% for the three months ended June 30, 2023 (Predecessor). These increases in operating income and margin were primarily driven by a \$44.9 million increase in net sales as described above, partially offset by a \$21.6 million increase of inventory step-up expense to \$32.6 million for the three months ended June 28, 2024 (Successor), compared with \$11.0 million for the three months ended June 30, 2023 (Predecessor), resulting in a \$25.4 million increase to gross profit. The increase in operating income was coupled with a \$1.1 million decrease to SG&A expense.

Corporate and unallocated expenses. Corporate and unallocated expenses for the three months ended June 28, 2024 (Successor) increased \$11.7 million, to \$11.1 million, compared with corporate and unallocated income of \$0.6 million for the three months ended June 30, 2023 (Predecessor). The increase in corporate and unallocated expense was primarily driven by a \$0.7 million increase in the fair value of our contingent consideration liabilities during the three months ended June 28, 2024 (Successor), compared to a \$7.5 million decrease during the three months ended June 30, 2023 (Predecessor) coupled with incremental compensation costs. The increases were partially offset by a gain of \$3.3 million, which was primarily driven by the release of the remaining professional fee escrow account of \$6.4 million, partially offset by professional fees incurred subsequent to our emergence from the 2023 Bankruptcy Proceedings during the three months ended June 28, 2024 (Successor).

Six Months Ended June 28, 2024 (Successor) Compared with Six Months Ended June 30, 2023 (Predecessor)

Net Sales

Net sales by segment are shown in the following table (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
Specialty Brands	\$ 531.8	\$ 532.1	(0.1)%
Specialty Generics	450.3	367.5	22.5
Net sales	<u>\$ 982.1</u>	<u>\$ 899.6</u>	9.2 %

Specialty Brands. Net sales for the six months ended June 28, 2024 (Successor) decreased \$0.3 million, or 0.1%, to \$531.8 million, compared with \$532.1 million for the six months ended June 30, 2023 (Predecessor). The decrease in net sales was primarily driven by a \$23.0 million, or 14.4%, decrease in INOmax and a \$8.4 million, or 19.5%, decrease in Amitiza partially offset by a \$21.7 million, or 10.9%, increase in Acthar Gel.

Net sales for Specialty Brands by geography were as follows (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
U.S.	\$ 492.5	\$ 493.8	(0.3)%
Europe, Middle East and Africa	34.1	33.3	2.4
Other	5.2	5.0	4.0
Net sales	<u>\$ 531.8</u>	<u>\$ 532.1</u>	(0.1)%

Net sales for Specialty Brands by key products were as follows (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
Acthar Gel	\$ 220.5	\$ 198.8	10.9 %
INOmax	136.6	159.6	(14.4)
Therakos	125.4	121.6	3.1
Amitiza	34.7	43.1	(19.5)
Terlivaz	11.3	5.6	101.8
Other	3.3	3.4	(2.9)
Specialty Brands	<u>\$ 531.8</u>	<u>\$ 532.1</u>	<u>(0.1)%</u>

Specialty Generics. Net sales for the six months ended June 28, 2024 (Successor) increased \$82.8 million, or 22.5%, to \$450.3 million, compared with \$367.5 million for the six months ended June 30, 2023 (Predecessor). As previously discussed, the increase in net sales was primarily driven by a \$80.5 million, or 38.0% increase, in finished-dosage generic net sales driven by our opioid and ADHD products and a \$2.3 million, or 1.5%, increase in API net sales.

Net sales for Specialty Generics by geography were as follows (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
U.S.	\$ 396.8	\$ 312.0	27.2 %
Europe, Middle East and Africa	51.5	53.2	(3.2)
Other	2.0	2.3	(13.0)
Net sales	<u>\$ 450.3</u>	<u>\$ 367.5</u>	<u>22.5 %</u>

Net sales for Specialty Generics by key products were as follows (*dollars in millions*):

	Successor	Predecessor	Non-GAAP
	Six Months Ended June 28, 2024	Six Months Ended June 30, 2023	Percentage Change
Opioids	\$ 177.1	\$ 134.3	31.9%
ADHD	73.5	41.4	77.5
Addiction treatment	36.4	31.7	14.8
Other	5.1	4.2	21.4
Generics	<u>292.1</u>	<u>211.6</u>	<u>38.0</u>
Controlled substances	49.3	39.4	25.1
APAP	99.0	106.2	(6.8)
Other	9.9	10.3	(3.9)
API	<u>158.2</u>	<u>155.9</u>	<u>1.5</u>
Specialty Generics	<u>\$ 450.3</u>	<u>\$ 367.5</u>	<u>22.5%</u>

Operating Income (Loss)

Operating income by segment for the six months ended June 28, 2024 (Successor) and June 30, 2023 (Predecessor) is shown in the following table (dollars in millions):

	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
Specialty Brands ⁽¹⁾	\$ 45.6	\$ 94.0
Specialty Generics ⁽²⁾	100.6	67.9
Segment operating income	146.2	161.9
Unallocated amounts:		
Corporate and unallocated expenses ⁽³⁾	(43.0)	(13.4)
Depreciation and amortization	(67.2)	(286.2)
Share-based compensation	(5.3)	(5.3)
Restructuring charges, net	(10.4)	(1.0)
Liabilities management and separation costs ⁽⁴⁾	(17.0)	(15.2)
Recovery of bad debt - customer bankruptcy	6.4	—
Total operating income (loss)	\$ 9.7	\$ (159.2)
Interest expense	(118.5)	(324.6)
Interest income	12.8	9.4
Other expense, net	0.2	(15.8)
Reorganization items, net	—	(9.6)
Loss from continuing operations before income taxes	\$ (95.8)	\$ (499.8)

- (1) The six months ended June 28, 2024 (Successor) and June 30, 2023 (Successor) included inventory fair-value step-up expense of \$148.5 million and \$104.4 million, respectively.
- (2) The six months ended June 28, 2024 (Successor) and June 30, 2023 (Successor) included inventory fair-value step-up expense of \$63.9 million and \$21.3 million, respectively. Additionally, the six months ended June 28, 2024 (Successor) included \$2.5 million of fresh-start inventory-related income.
- (3) Includes administration expenses and certain compensation, legal, environmental and other costs not charged to our reportable segments.
- (4) Represents costs included in SG&A, primarily related to professional fees and costs incurred as we explored potential sales of non-core assets to enable further deleveraging post-emergence from the 2023 and 2020 Bankruptcy Proceedings, professional fees and costs incurred in connection with our evaluation of our financial situation and related discussions with our stakeholders prior to the commencement of the 2023 Chapter 11 Cases. As of the 2023 Petition Date, professional fees directly related to the 2023 Chapter 11 Cases that were previously reflected as liabilities management and separation costs are classified as reorganization items, net.

Specialty Brands. Operating income for the six months ended June 28, 2024 (Successor) decreased \$48.4 million, to \$45.6 million, compared with \$94.0 million for the six months ended June 30, 2023 (Predecessor). Operating margin decreased to 8.6% for the six months ended June 28, 2024 (Successor), compared with 17.7% for the six months ended June 30, 2023 (Predecessor). These decreases in operating income and margin were primarily driven by a \$44.1 million increase of inventory step-up expense to \$148.5 million for the six months ended June 28, 2024 (Successor), compared with \$104.4 million for the six months ended June 30, 2023 (Predecessor), resulting in a net decrease in gross profit of \$43.7 million. The decrease in operating income also included a \$2.9 million and \$1.8 million increase in SG&A expense and R&D expense, respectively.

Specialty Generics. Operating income for the six months ended June 28, 2024 (Successor) increased \$32.7 million, to \$100.6 million, compared with an operating income of \$67.9 million for the six months ended June 30, 2023 (Predecessor). Operating margin increased to 22.3% for the six months ended June 28, 2024 (Successor), compared with 18.5% for the six months ended June 30, 2023 (Predecessor). The increases in operating income and margin were primarily driven by a \$82.8 million increase in net sales as described above, partially offset by a \$42.6 million increase of inventory step-up expense to \$63.9 million for the months ended June 28, 2024 (Successor), compared with \$21.3 million for the six months ended June 30, 2023 (Predecessor), resulting in a \$31.7 million increase to gross profit.

Corporate and unallocated expenses. Corporate and unallocated expenses for the six months ended June 28, 2024 (Successor) increased \$29.6 million, to \$43.0 million, compared with \$13.4 million for the six months ended June 30, 2023 (Predecessor). The increase in corporate and unallocated expense was primarily driven by a \$2.1 million increase in the fair value of our contingent consideration liabilities during six months ended June 28, 2024 (Successor), compared to a \$7.1 million decrease during the six months ended June 30, 2023 (Predecessor) coupled with \$4.7 million of professional fees incurred subsequent to our emergence from the 2023 Bankruptcy Proceedings during the six months ended June 28, 2024 (Successor) and incremental compensation costs.

Liquidity and Capital Resources.

Significant factors driving our liquidity position include cash flows generated from operating activities, financing transactions (inclusive of interest on our variable-rate debt instruments), capital expenditures, cash paid in connection with settlement obligations, acquisitions and licensing agreements and cash received as a result of our divestitures. We have historically generated and expect to continue to generate positive cash flows from operations, and we believe that our sources of liquidity are adequate to fund our operations for the next twelve months and the foreseeable future. Our ability to fund our capital needs, including to repay our outstanding indebtedness and meet our settlement obligation, particularly over the long-term, is impacted by our ongoing ability to generate cash from operations and access to capital markets. See the discussion of risks related to our outstanding indebtedness contained in Part I, Item 1A. “Risk Factors” of our Annual Report on Form 10-K under the heading “Risk Factors — Risks Related to Our Indebtedness and Settlement Obligation.” In addition, with a goal of further reducing our debt and maximizing shareholder value, we are also evaluating the assets across our portfolio and pursuing divestiture opportunities. At the request of some of our holders, we expect to continue to consider whether and when it would be advisable to suspend our reporting obligations under the Securities Exchange Act of 1934, as amended.

As described above, on August 3, 2024, we announced that we had entered into a definitive agreement with Purchasers under which they will acquire our Therakos business for a base purchase price of \$925.0 million, subject to customary adjustments. The transaction is expected to close in the fourth quarter of 2024, subject to regulatory approvals and other customary closing conditions. We are required to use net proceeds from the transaction to prepay or redeem our first-out takeback term loans, second-out takeback term loans and second-out takeback notes. Such mandatory prepayment or redemption will require us to pay a makewhole premium with the prepaid or redeemed debt, the amount of which will be based on the final net proceeds. Refer to Notes 13 and 15 of the notes to the unaudited condensed consolidated financial statements for additional information on this premium and agreement, respectively.

If the agreement is terminated in connection with the purchasers’ breach of the agreement or failure to consummate the transaction under certain circumstances, the Purchasers will be required to pay a termination fee of approximately \$50.9 million in cash.

Pursuant to the plan of reorganization from our Chapter 11 cases from 2022, during the three months ended June 28, 2024 (Successor), we made a payment of \$21.4 million inclusive of interest, related to our Acthar Gel-related settlement, upon the two-year anniversary of the effective date of our emergence from the Chapter 11 cases on June 16, 2022 and will make a payment of \$21.3 million, inclusive of interest, upon the three-year anniversary in 2025.

We are exposed to interest rate risk on our variable-rate debt. In March 2023, we entered into an interest rate cap agreement. Subsequent to the 2023 Bankruptcy Proceedings, the agreement converts substantially all of our variable-rate debt to a fixed rate through the expiration date of the interest rate cap, which serves to reduce the volatility on future interest expense cash outflows. The interest rate cap agreement has a total notional value of \$860.0 million with an upfront premium of \$20.0 million and provides us with interest rate protection, through March 26, 2026, to the extent that one-month secured overnight funding rate (“SOFR”) exceeds 3.84%. Refer to Note 13 of the notes to the unaudited condensed consolidated financial statements for additional information.

A summary of our cash flows from operating, investing, and financing activities is provided in the following table (*dollars in millions*):

	Successor Six Months Ended June 28, 2024	Predecessor Six Months Ended June 30, 2023
Net cash from:		
Operating activities	\$ 47.0	\$ 121.0
Investing activities	(27.6)	(25.6)
Financing activities	(4.6)	(22.1)
Effect of currency exchange rate changes on cash and cash equivalents	(2.2)	(1.1)
Net increase in cash, cash equivalents and restricted cash	<u>\$ 12.6</u>	<u>\$ 72.2</u>

Operating Activities

Net cash provided by operating activities of \$47.0 million for the six months ended June 28, 2024 (Successor) was attributable to a net loss of \$108.7 million, adjusted for non-cash items of \$92.5 million primarily driven by depreciation and amortization of \$67.2 million, partially offset with \$63.2 million of cash inflow from net changes in working capital. The change in working capital was primarily driven by a \$161.6 million inflow related to inventory, offset by a \$21.4 million outflow related to a payment, including interest, to the Department of Justice (“DOJ”) and other parties pursuant to the terms of the Acthar Gel-Related Settlement, an \$18.6 million increase in accounts receivable, a \$11.5 million decrease in accounts payable, a \$5.9 million outflow in income taxes primarily driven by an increase in prepaid income taxes and a \$41.0 million net cash outflow related to other assets and liabilities.

Net cash provided by operating activities of \$121.0 million for the six months ended June 30, 2023 (Predecessor) was attributable to a net loss of \$997.1 million, adjusted for non-cash items of \$922.4 million, driven by depreciation and amortization of \$286.2 million and accretion on our settlement obligations and debt of \$138.6 million, partially offset with \$195.7 million of cash inflow from net changes in working capital. The change in working capital was primarily driven by a \$159.4 million inflow in income taxes predominately related to Coronavirus Aid, Relief, and Economic Security Act income tax refunds of \$141.6 million received, a \$75.7 million increase in inventory and a \$14.4 million increase in accounts receivable, partially offset by a \$24.5 million decrease in accounts payable, a \$16.5 million outflow related to a payment, including interest, to the DOJ and other parties pursuant to the terms of the Acthar Gel-Related Settlement and a \$12.8 million net cash outflow related to other assets and liabilities.

Investing Activities

Net cash used in investing activities of \$27.6 million for the six months ended June 28, 2024 (Successor) was primarily driven by \$50.9 million of capital expenditures, partially offset by cash inflow of \$22.6 million from proceeds from debt and equity securities held in rabbi trust. Comparatively, net cash used in investing activities was \$25.6 million for the six months ended June 30, 2023 (Predecessor) and was primarily driven by \$26.3 million of capital expenditures.

Under our term loan credit agreement and our notes, the proceeds from the sale of assets and businesses must be either reinvested into capital expenditures or business development activities within one year of the respective transaction or we are required to make repayments on our term loans and offer to repurchase certain of our notes.

Financing Activities

Net cash used in financing activities was \$4.6 million for the six months ended June 28, 2024 (Successor), compared with \$22.1 million for the six months ended June 30, 2023 (Predecessor). For both respective periods, the net cash used in financing activities was primarily attributable to debt repayments.

Cash Requirements and Sources from Existing Contractual Arrangements

See “Cash Requirements and Sources from Existing Contractual Arrangements” in Part II, Item 7 “Management's Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K for a description of our material cash requirements from known contractual obligations include debt obligations, legal settlements, lease obligations, purchase obligations and other liabilities reflected on our unaudited condensed consolidated balance sheet as of June 28, 2024 (Successor).

Commitments and Contingencies

Legal Proceedings

See Note 12 of the notes to the unaudited condensed consolidated financial statements for a description of the litigation, legal and administrative proceedings and claims as of June 28, 2024 (Successor).

Guarantees

In disposing of assets or businesses, we have from time to time provided representations, warranties and indemnities to cover various risks and liabilities, including unknown damage to the assets, environmental risks involved in the sale of real estate, liability to investigate and remediate environmental contamination at waste disposal sites and manufacturing facilities, and unidentified tax liabilities related to periods prior to disposition. We assess the probability of potential liabilities related to such representations, warranties and indemnities and adjust potential liabilities as a result of changes in facts and circumstances. We believe, given the information currently available, that the ultimate resolutions will not have a material adverse effect on our financial condition, results of operations and cash flows. See Note 11 of the notes to the unaudited condensed consolidated financial statements, in Part I, Item 1 of this report.

Off-Balance Sheet Arrangements

As of June 28, 2024 (Successor), we had various letters of credit, guarantees and surety bonds totaling \$31.9 million. See Note 11 of the notes to the unaudited condensed consolidated financial statements, in Part I, Item 1 of this report.

Critical Accounting Estimates

The preparation of our unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses.

We believe that our critical accounting estimates are based on, among other things, judgments and assumptions made by management that include inherent risks and uncertainties. During the three and six months ended June 28, 2024 (Successor), there were no significant changes to these policies or in the underlying accounting assumptions and estimates used in the above critical accounting policies from those disclosed in our Annual Report on Form 10-K, except for those related to share-based compensation described in Note 1 of the notes to the unaudited condensed consolidated financial statements, in Part I, Item 1, of this report.

Recently Issued Accounting Standards

See Note 2 of the notes to the unaudited condensed consolidated financial statements, in Part I, Item 1, of this report for a discussion regarding recently issued accounting standards.

Forward-Looking Statements

We have made forward-looking statements in this Quarterly Report on Form 10-Q that are based on management's beliefs and assumptions and on information currently available to management. Forward-looking statements include, but are not limited to, information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition, and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "project," "anticipate," "approximately," "estimate," "predict," "potential," "continue," "may," "could," "should" or the negative of these terms or similar expressions. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, but are not limited to, the following:

- the parties' ability to satisfy the conditions to the divestiture of the Therakos business, including regulatory approvals and the ability to complete the divestiture on the anticipated timeline or at all;
- the potential impact of the divestiture on our businesses and the risk that consummating the divestiture may be more difficult, time-consuming and costly than expected;
- changes in Mallinckrodt's board of directors, business strategy and performance;
- Mallinckrodt's evaluation of the assets across its portfolio, and its related pursuit of any divestiture opportunities, including completion of the sale of the Therakos business;
- the exercise of contingent value rights by the Opioid Master Disbursement Trust II (the "Trust");
- Mallinckrodt's repurchases of debt securities;
- the liquidity, results of operations and businesses of Mallinckrodt and its subsidiaries;
- governmental investigations and inquiries, regulatory actions, and lawsuits, in each case related to Mallinckrodt or its officers;
- Mallinckrodt's contractual and court-ordered compliance obligations that, if violated, could result in penalties;
- historical commercialization of opioids, including compliance with and restrictions under the global settlement to resolve all opioid-related claims;
- matters related to Acthar Gel, including the settlement with governmental parties to resolve certain disputes and compliance with and restrictions under the related corporate integrity agreement;

- the ability to maintain relationships with Mallinckrodt's suppliers, customers, employees and other third parties following the emergence from the 2023 Bankruptcy Proceedings, as well as perceptions of the Company's increased performance and credit risks associated with its constrained liquidity position and capital structure;
- the possibility that Mallinckrodt may be unable to achieve its business and strategic goals even now that the emergence from the 2023 Bankruptcy Proceedings was successfully consummated;
- the non-dischargeability of certain claims against Mallinckrodt as part of the bankruptcy process;
- developing, funding and executing Mallinckrodt's business plan;
- Mallinckrodt's capital structure since its emergence from the 2023 Bankruptcy Proceedings;
- scrutiny from governments, legislative bodies and enforcement agencies related to sales, marketing and pricing practices;
- pricing pressure on certain of Mallinckrodt's products due to legal changes or changes in insurers' or other payers' reimbursement practices resulting from recent increased public scrutiny of healthcare and pharmaceutical costs;
- the reimbursement practices of governmental health administration authorities, private health coverage insurers and other third-party payers;
- complex reporting and payment obligations under the Medicare and Medicaid rebate programs and other governmental purchasing and rebate programs;
- cost containment efforts of customers, purchasing groups, third-party payers and governmental organizations;
- changes in or failure to comply with relevant laws and regulations;
- any undesirable side effects caused by Mallinckrodt's approved and investigational products, which could limit their commercial profile or result in other negative consequences;
- Mallinckrodt's and its partners' ability to successfully develop, commercialize or launch new products or expand commercial opportunities of existing products, including Acthar Gel (repository corticotropin injection) Single-Dose Pre-filled SelfJect™ Injector and the INOmax Evolve platform;
- Mallinckrodt's ability to successfully identify or discover additional products or product candidates;
- Mallinckrodt's ability to navigate price fluctuations;
- competition;
- Mallinckrodt's and its partners' ability to protect intellectual property rights, including in relation to ongoing and future litigation;
- limited clinical trial data for Acthar Gel;
- the timing, expense and uncertainty associated with clinical studies and related regulatory processes;
- product liability losses and other litigation liability;
- material health, safety and environmental liabilities;
- business development activities or other strategic transactions;
- attraction and retention of key personnel;
- the effectiveness of information technology infrastructure, including risks of external attacks or failures;
- customer concentration;
- Mallinckrodt's reliance on certain individual products that are material to its financial performance;
- Mallinckrodt's ability to receive sufficient procurement and production quotas granted by the U.S. Drug Enforcement Administration;
- complex manufacturing processes;
- reliance on third-party manufacturers and supply chain providers and related market disruptions;
- conducting business internationally;
- Mallinckrodt's ability to achieve expected benefits from prior or future restructuring activities;
- Mallinckrodt's significant levels of intangible assets and related impairment testing;
- natural disasters or other catastrophic events;

- Mallinckrodt's substantial indebtedness and settlement obligation, its ability to generate sufficient cash to reduce its indebtedness and its potential need and ability to incur further indebtedness;
- restrictions contained in the agreements governing Mallinckrodt's indebtedness and settlement obligation on Mallinckrodt's operations, future financings and use of proceeds;
- actions taken by third parties, including the Company's creditors, the Trust and other stakeholders;
- Mallinckrodt's variable rate indebtedness;
- Mallinckrodt's tax treatment by the Internal Revenue Service under Section 7874 and Section 382 of the Internal Revenue Code of 1986, as amended;
- future changes to applicable tax laws or the impact of disputes with governmental tax authorities;
- the impact of Irish laws;
- the impact on the holders of Mallinckrodt's ordinary shares if Mallinckrodt's were to cease to be a reporting company in the United States;
- the comparability of Mallinckrodt's post-emergence financial results and the projections filed with the Bankruptcy Court; and
- the lack of comparability of Mallinckrodt's historical financial statements and information contained in its financial statements after the adoption of fresh-start accounting following emergence from the 2023 Bankruptcy Proceedings.

In addition to the above considerations, see the "Risk Factors" section of our Annual Report on Form 10-K, and subsequent filings with the SEC that identify and describe in more detail the risks and uncertainties to which our businesses are subject. There may be other risks and uncertainties that we are unable to predict at this time or that we currently do not expect to have a material adverse effect on our business.

These forward-looking statements are made as of the filing date of this Quarterly Report on Form 10-Q. We expressly disclaim any obligation to update these forward-looking statements other than as required by law. Given these uncertainties, one should not put undue reliance on any forward-looking statements.

Mallinckrodt on the Internet

Financial results, news, and other information about Mallinckrodt can be accessed from the Company's website at <https://ir.mallinckrodt.com>. This site includes important information on the Company's locations, products and services, financial reports, news releases, and career opportunities. The Company's periodic and current reports on Forms 10-K, 10-Q, 8-K, and other filings, including exhibits and supplemental schedules filed therewith, and amendments to those reports, filed with the SEC are available on the Company's website, free of charge, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Information contained on, or that may be accessed through, the Company's website is not incorporated by reference in this Report and, accordingly, you should not consider that information part of this report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Our operations include activities in the U.S. and countries outside of the U.S. These operations expose us to a variety of market risks, including the effects of changes in interest rates and currency exchange rates. We monitor and manage these financial exposures as an integral part of our overall risk management program. We do not utilize derivative instruments for trading or speculative purposes.

Interest Rate Risk

Our exposure to interest rate risk relates primarily to our variable-rate debt instruments, which bear interest based on SOFR plus margin. As of June 28, 2024 (Successor), our outstanding variable rate debt included \$864.9 million on our senior secured term loans. Assuming a one percent increase in the applicable interest rates, in excess of applicable minimum floors, annual interest expense for fiscal 2024 would increase by approximately \$8.6 million. However, we mitigate this exposure with our interest rate cap agreement. For additional information on the interest rate cap agreement, refer to Note 13, of the notes to the unaudited condensed consolidated financial statements.

The remaining outstanding debt as of June 28, 2024 (Successor) is fixed-rate debt. Changes in market interest rates generally affect the fair value of fixed-rate debt, but do not impact earnings or cash flows.

Currency Risk

Certain net sales and costs of our international operations are denominated in the local currency of the respective countries. As such, profits from these subsidiaries may be impacted by fluctuations in the value of these local currencies relative to the U.S. dollar. We also have significant intercompany financing arrangements that may result in gains and losses in our results of operations. In an effort to mitigate the impact of currency exchange rate effects we may hedge certain operational and intercompany transactions; however, our hedging strategies may not fully offset gains and losses recognized in our results of operations.

The unaudited condensed consolidated statement of operations is exposed to currency risk from intercompany financing arrangements, which primarily consist of intercompany debt and intercompany cash pooling, where the denominated currency of the transaction differs from the functional currency of one or more of our subsidiaries. The aggregate potential unfavorable impact from a hypothetical 10.0% adverse change in foreign exchange rates was \$1.6 million as of June 28, 2024 (Successor), with all other variables held constant. This hypothetical loss does not reflect any hypothetical benefits that would be derived from hedging activities, including cash holdings in similar foreign currencies, that we have historically utilized to mitigate our exposure to movements in foreign exchange rates.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (“the Exchange Act”), is recorded, processed, summarized and reported within the specified time periods, and that such information is accumulated and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our CEO and CFO, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our CEO and CFO concluded that, as of that date, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended June 28, 2024 (Successor) that have materially affected, or are likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 12 of the notes to the unaudited condensed consolidated financial statements for a description of the litigation, legal, and administrative proceedings and claims as of June 28, 2024 (Successor), which are incorporated herein by reference.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed in Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 5. Other Information.

Amended and Restated Award Agreements to the Stock Incentive Plan

As previously disclosed, on February 2, 2024, the Board of Directors (“Board”) of Mallinckrodt adopted the Mallinckrodt Pharmaceuticals 2024 Stock and Incentive Plan (the “Equity Plan”), and reserved an aggregate of 1,036,649 ordinary shares of Mallinckrodt (the “Ordinary Shares”) (subject to adjustment in accordance with the terms of the Equity Plan) for the issuance of equity awards thereunder to employees and directors.

Also as previously disclosed, pursuant to the terms of the Equity Plan and certain individual written award agreements thereunder (“Award Agreements”), in February 2024, the Board granted equity awards to Mallinckrodt’s executive officers and directors (each, an “Equity Grant”) in an aggregate amount of 820,689 Ordinary Shares. An additional 215,960 Ordinary Shares remain unallocated but available for future grants at the discretion of the Board. Pursuant to the Equity Plan and the Award Agreements, each Equity Grant is a mix of one-third time-vesting restricted stock units that vest in equal annual portions over three years (the “RSUs”) and two-thirds performance-vesting stock units (the “PSUs”). The Equity Plan is more fully described in Mallinckrodt’s Current Report on Form 8-K, filed with the SEC on February 2, 2024.

On August 4, 2024, the Board approved the amendment and restatement of the Award Agreements (the “A&R Award Agreements”). Under the terms of the A&R Award Agreements, the PSUs vest based on Mallinckrodt’s attainment of total realized value targets over a three-year performance period measured at the end of fiscal year 2026. For purposes of the PSUs, total realized value will be determined based on an independent valuation of Mallinckrodt as of the end of fiscal year 2026 plus the after-tax proceeds of any assets sold. The A&R Award Agreements provide participants with unvested awards the ability to elect to receive, when they would otherwise vest, the cash amount offered in any share repurchases in lieu of all or a portion of Ordinary Shares they would otherwise receive on vesting. Any cash amounts elected would be delivered at the same time as the Ordinary Shares would have been delivered, so as to comply with Section 409A of the Internal Revenue Code.

Awards granted to executives under the Equity Plan and the A&R Award Agreements are subject to forfeiture and recoupment upon a termination of the executive for Cause (as defined in the Equity Plan) or the executive’s engagement in certain significant misconduct under the terms of Mallinckrodt’s previously disclosed recoupment policy.

The applicable forms of A&R Award Agreements for the participants provide that in the event of a participant’s termination of employment or service by Mallinckrodt without Cause, or in the case of an executive’s termination of employment for Good Reason (each as defined in the Equity Plan), the participant’s unvested awards will, subject with respect to the PSUs to achievement of the performance targets, vest pro rata based on the date of termination; provided that in the event such termination (a) is of the Chief Executive Officer (“CEO”), or (b) for the other executives and non-employee directors occurs in connection with a Change in Control (as defined in the A&R Award Agreements) or a sale of certain significant assets, the awards will not be subject to proration and will vest in full. In the event of a participant’s death or disability, or in the case of an executive’s termination of employment for Normal Retirement (as defined in the Equity Plan), the participant’s unvested RSUs will vest in full, and the participant’s unvested PSUs will remain outstanding and will be eligible to vest and be settled based on Mallinckrodt’s achievement of the performance targets subject, in the case of the executive’s termination of employment without Cause or for Good Reason, to the executive signing and not revoking a release of claims. In the event of an executive’s termination of employment for Early Retirement (as defined in the Equity Plan), a pro-rata portion of the executive’s unvested RSUs will vest and a pro-rata portion of the executive’s unvested PSUs will remain outstanding and will be eligible to vest and be settled based on Mallinckrodt’s achievement of the performance targets.

During the 12-month period following a participant's termination of employment or service for any reason other than for Cause (and the absence of any Covenant Breach, as defined below), Mallinckrodt has a right but not an obligation to repurchase all or any portion of the participant's vested Ordinary Shares at Fair Market Value (as defined in the Equity Plan). In the event of a termination of the participant's employment or service for Cause or for the material breach by the participant of any restrictive covenants in their operative agreements with Mallinckrodt (a "Covenant Breach"), Mallinckrodt has the right to repurchase the vested Ordinary Shares at the lesser of the price paid by the participant for the Ordinary Shares, which is expected to be \$0, and the Fair Market Value of the Ordinary Shares. In recognition of the expected illiquidity of the Ordinary Shares at the end of the Performance Cycle (as defined in the Equity Plan) under the Equity Plan, the A&R Award Agreements also provide the participants with certain rights to require Mallinckrodt to repurchase at the Fair Market Value the vested Ordinary Shares following each of the third and fifth anniversaries of the grant dates, a Change in Control or a sale of certain significant assets, subject to, among other conditions, such purchase not violating the terms of Mallinckrodt's debt instruments and the Board's determination that doing so would neither reasonably be expected to result in an event of default under Mallinckrodt's debt instruments or otherwise impair Mallinckrodt's ability to meet its operating goals.

The foregoing description of the A&R Award Agreements is qualified in its entirety by references to the terms and conditions of the amended and restated form of restricted unit award for officers, the amended and restated form of restricted unit award for the CEO, the amended and restated form of restricted unit award for directors, the amended and restated form of performance unit award for officers, the amended and restated form of performance unit award for the CEO and the amended and restated form of performance unit award for directors, which are attached to this Quarterly Report on Form 10-Q as Exhibits 10.1, 10.2, 10.3, 10.4, 10.5 and 10.6, respectively.

Amended and Restated Transaction Incentive Plan

As previously disclosed, on February 2, 2024, the Board adopted a Transaction Incentive Plan (the "Transaction Incentive Plan") intended to compensate designated Mallinckrodt executive officers and directors with bonus payments to be made upon the consummation of qualifying asset sale transactions (each, a "Transaction"). For a description of the Transaction Incentive Plan, refer to Mallinckrodt's Current Report on Form 8-K, filed with the SEC on February 2, 2024.

On August 4, 2024, the Board amended and restated the Transaction Incentive Plan (the "A&R Transaction Incentive Plan"). The aggregate value of the bonuses payable under the A&R Transaction Incentive Plan will vary based on the amount of proceeds received in connection with the Transaction and when the Transaction signs or closes, but in no instance shall the aggregate value of bonuses payable to executive officers and directors with respect to a Transaction exceed 3% of the proceeds received by Mallinckrodt or its shareholders in connection with that Transaction. Each bonus payment earned under the A&R Transaction Incentive Plan will be generally delivered 50% in connection with closing of the applicable Transaction and 50% on the earlier of (a) December 31, 2026 and (b) a Significant Asset Transaction (as defined in the A&R Transaction Incentive Plan); provided, however that in the event that a Transaction closes following a Significant Asset Transaction, 100% of the applicable bonus payment earned with respect to such Transaction generally will be paid in connection with closing of the such Transaction. In order to be eligible for any bonus payments under the A&R Transaction Incentive Plan, a participant must remain in service to Mallinckrodt on the applicable date or no longer be in service to Mallinckrodt by reason of death or disability or termination without Cause (as defined in the A&R Transaction Incentive Plan) or, in the case of an executive's departure for Good Reason (as defined in the A&R Transaction Incentive Plan). Bonus payments that relate to deferred proceeds will generally be paid in connection with the receipt of those proceeds if the participant either continued service through the payment date or was involuntarily terminated prior to the payment date. In the event of a participant's termination of employment or service to the Company without Cause, in the case of an executive for Good Reason, or as a result of death or disability, the participant will be entitled to receive all earned and unpaid Transaction bonuses and all bonuses that would have been earned for Transactions that signed within six months after the date of termination.

Specified executive officers and the non-employee directors who were previously designated as participants under the Transaction Incentive Plan remain designated as participants under the A&R Transaction Incentive Plan without any changes to participation levels previously disclosed by the Company.

The foregoing description of the A&R Transaction Incentive Plan is qualified in its entirety by references to the terms and conditions of the A&R Transaction Incentive Plan, which is attached to this Quarterly Report on Form 10-Q as Exhibit 10.7.

Rule 10b5-1 Trading Plans

None of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted, terminated, or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408(a) of Regulation S-K) during the period covered by this Report.

Item 6. Exhibits.

Exhibit Number	Exhibit
2.1	Purchase and Sale Agreement, by and between the Company and Solaris Bidco Limited, Solaris IPCo Limited and Solaris US BidCo LLC, dated as of August 3, 2024 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed August 5, 2024)
2.2	First Amended Plan of Reorganization of Mallinckrodt Plc and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed October 10, 2023)
3.1	Certificate of Incorporation of Mallinckrodt plc (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed July 1, 2013)
3.2	Memorandum and Articles of Association of Mallinckrodt plc (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed November 15, 2023)
4.1	Indenture, dated as of November 14, 2023, by and among the Issuers, the Guarantors, Wilmington Savings Fund Society, FSB, as first lien trustee and Acquiom Agency Services LLC, as Collateral Agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed November 15, 2023)
4.2	Form of 14.750% senior secured first lien notes due 2028 (included in Exhibit 4.1)
4.3	Supplemental Indenture No. 1, dated as of May 1, 2024, to the Indenture, dated as of November 14, 2023, by and among the Issuers, the Guarantors, Wilmington Savings Fund Society, FSB, as first lien trustee and Acquiom Agency Services LLC, as Collateral Agent
10.1	Form of Amended and Restated Restricted Unit Award for Officers under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.2	Form of Amended and Restated Restricted Unit Award for the CEO under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.3	Form of Amended and Restated Restricted Unit Award for Directors under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.4	Form of Amended and Restated Performance Unit Award for Officers under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.5	Form of Amended and Restated Performance Unit Award for the CEO under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.6	Form of Amended and Restated Performance Unit Award for Directors under the Mallinckrodt plc 2024 Stock and Incentive Plan.†*
10.7	Mallinckrodt plc Amended and Restated Long-Term Transaction Incentive Plan.*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document. The financial information contained in the XBRL-related documents is “unaudited” and “unreviewed.” The instance document does not appear in the interactive file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Schema Document
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101.INS).

† Compensation plans or arrangements.

* Portions of the exhibit have been omitted in accordance with Item 601 of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MALLINCKRODT PLC

By: /s/ Bryan M. Reasons

Bryan M. Reasons

Executive Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

Date: August 6, 2024

SUPPLEMENTAL INDENTURE NO. 1

SUPPLEMENTAL INDENTURE NO. 1 (this "Supplemental Indenture") dated as of May 1, 2024, among each Subsidiary Guarantor listed on Schedule 1 hereto (the "Released Guarantors"), MALLINCKRODT INTERNATIONAL FINANCE S.A., a public limited liability company (*société anonyme*) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 124, boulevard de la Pétrusse, L-2330 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 172 865 (together with any successor thereto, the "Issuer"), MALLINCKRODT CB LLC, a Delaware limited liability company and a direct wholly owned subsidiary of the Issuer (together with any successor thereto, the "US Co-Issuer"), and together with the Issuer, the "Issuers"), Wilmington Savings Fund Society FSB, as first lien trustee (the "Trustee") and Acquiom Agency Services LLC, as collateral agent (the "Collateral Agent") under the Indenture referred to below.

WITNESSETH:

WHEREAS the Issuers, certain Guarantors, the Trustee and the Collateral Agent have heretofore executed an indenture, dated as of November 14, 2023 (as amended, supplemented or otherwise modified prior to the date hereof, the "Indenture"), providing for the issuance of the Issuers' 14.750% First Lien Senior Secured Notes due 2028 (the "Notes"), initially in the aggregate principal amount of \$778,620,219;

WHEREAS Section 12.02(b) of the Indenture provides that the Guarantee of any Guarantor shall automatically terminate and be of no further force or effect and such Guarantor shall be automatically released from all obligations under Article XII of the Indenture upon, *inter alia*, such Guarantor being designated as an "Unrestricted Subsidiary" under the Indenture in accordance with the requirements set forth therein;

WHEREAS Section 12.02(b) of the Indenture provides that the Liens securing the Notes will automatically be released as to any property that (i) is owned by a Guarantor that has been released from its Guarantee and (ii) becomes Excluded Securities, including (subject to certain limitations) any Equity Interests of any Unrestricted Subsidiary;

WHEREAS pursuant to that certain Notice of Designation and Officer's Certificate, dated as of May 1, 2023 (the "Designation Notice"), from the Parent and the Issuer to the Trustee and the Collateral Agent, the Parent and the Issuer have designated each Released Guarantor as an "Unrestricted Subsidiary" under the Indenture (the "Designation");

WHEREAS, as a result of the Designation, each Released Guarantor is an Unrestricted Subsidiary;

WHEREAS the Designation is not in violation of, and is permitted by, the Indenture;

WHEREAS, in connection with the Designation, the Collateral Agent and the Trustee shall substantially concurrently herewith enter into and acknowledge, as applicable, (i) that certain Partial Release of Collateral and Guarantor Release, dated as of the date hereof (the "Collateral Release Document") and (ii) those two certain Deeds of Release, dated as of the date hereof (the "UK Deeds of Release");

WHEREAS the Issuer desires and has requested the Trustee and the Collateral Agent to join in entering into this Supplemental Indenture for the purpose of evidencing (i) the termination of the Released Guarantors' Guarantees and the release of the Released Guarantors from all obligations under Article XII of the Indenture and (ii) the discharge, termination and release of all Liens on Collateral Granted by the Released Guarantors under the Note Documents;

WHEREAS, Section 9.01 of the Indenture provides that the Issuer may direct the Trustee and the Collateral Agent to, and at such direction, the Trustee and the Collateral Agent shall, enter into an amendment to any of the Note Documents, to (i) provide for the release of First Lien Collateral from the Lien pursuant to the Indenture, the First Lien Collateral Documents and the Intercreditor Agreements when permitted or required by the First Lien Collateral Documents, the Indenture or the Intercreditor Agreements and to (ii) confirm and evidence the release, termination, discharge or retaking of any Guarantee or Lien with respect to or securing the Notes when such release, termination, discharge or retaking is provided for under the Indenture, the First Lien Collateral Documents or the Intercreditor Agreements, as applicable;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Released Guarantors, the Issuers and the Trustee mutually covenant and agree for the equal and ratable benefit of the holders of the Notes as follows:

1. Defined Terms. Terms defined in the Indenture and not otherwise defined in this Supplemental Indenture shall have the meanings assigned thereto in the Indenture, except that the term "holders" in this Supplemental Indenture shall refer to the term "holders" as defined in the Indenture and the Trustee acting on behalf of and for the benefit of such holders. The words "herein," "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular Section hereof.

2. **Release of Guarantors and Collateral.** The parties hereto agree that (1) the Guarantee of each Released Guarantor is hereby automatically terminated and of no further force or effect and each Released Guarantor is hereby and without further action released from all obligations under the Indenture (including, without limitation, Article XII of the Indenture) and (2) all Liens, security interests, pledges, mortgages and other encumbrances, all of any kind, nature or description in (i) any First Lien Collateral granted by each of the Released Guarantors or (ii) any Equity Interests of the Released Guarantors, in each case under the Note Documents (including, without limitation, Article XIII of the Indenture) shall be automatically and irrevocably discharged, terminated and irrevocably released, and the Collateral Agent agrees to take all actions specified in the Collateral Release Document and the UK Deeds of Release to effectuate the foregoing).
3. **Ratification of Indenture; Supplemental Indentures Part of Indenture.** Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.
4. **Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. THE APPLICATION TO THE NOTES OF THE PROVISIONS SET OUT IN ARTICLES 86 TO 94-8 OF THE LUXEMBOURG LAW ON COMMERCIAL COMPANIES DATED AUGUST 10, 1915, AS AMENDED, IS EXCLUDED.**
5. **Trustee Makes No Representation.** The Trustee, at the direction of the Issuers, accepts the amendments of the Indenture effected by this Supplemental Indenture on the terms and conditions set forth in the Indenture, including the terms and provisions defining and limiting the liabilities and responsibilities of the Trustee. Without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any of the recitals or statements contained herein, all of which recitals or statements are made solely by the Issuers, or for or with respect to (i) the validity or sufficiency of this Supplemental Indenture or any of the terms or provisions hereof, (ii) the proper authorization hereof by the Issuers and the Released Guarantors, in each case, by action or otherwise, (iii) the due execution hereof by the Issuers and the Released Guarantors or (iv) the consequences of any amendment herein provided for, and the Trustee makes no representation with respect to any such matters.
6. **Counterparts.** The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Supplemental Indenture. Notwithstanding the foregoing, the exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture and signature pages for all purposes.
7. **Effect of Headings.** The Section headings of this Supplemental Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

[Remainder of page intentionally left blank.]

WILMINGTON SAVINGS FUND SOCIETY FSB, not
in its individual capacity, but solely as Trustee

/s/ Raye Goldsborough

By: _____
Name: Raye Goldsborough
Title: Director

Acquiom Agency Services LLC, not in its individual
capacity, but solely as Collateral Agent

/s/ Beth Cesari

By: _____
Name: Beth Cesari
Title: Senior Director

[Signature Page to Supplemental Indenture No. 1]

Schedule 1

MKG Medical UK Ltd

MUSHI UK Holdings Limited

Mallinckrodt Enterprises UK Limited

[Signature Page to Supplemental Indenture No. 1]

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

[EC other than CEO Form]

**Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)**

**TERMS AND CONDITIONS
OF
Amended and Restated RESTRICTED UNIT AWARD**

RESTRICTED UNIT AWARD (“Award”) granted on February 2, 2024 (the “Grant Date”), as amended and restated as of August 5, 2024.

1. Grant of Restricted Units. Mallinckrodt plc (the “Company”) has granted you [] Restricted Units subject to the provisions of these Terms and Conditions and the Plan. The Company will hold the Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. Amount and Form of Payment. Each Restricted Unit represents one (1) Ordinary Share and vested Restricted Units will be redeemed solely for Shares, subject to Section 10. Any Share issued pursuant to a Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. Dividends. Each unvested Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Restricted Units and shall be paid as of the same date payment for the Restricted Units occurs.

4. Vesting. The Restricted Units shall vest in three equal installments on each of the first three (3) anniversaries of January 1, 2024 (the “Vesting Commencement Date”), subject to your continued service through the applicable vesting date. To the extent not already vested, the Restricted Stock Units will become fully vested on a Change in Control, subject to your continued service through a Change in Control. Payment of vested Restricted Units and associated DEUs shall be made no later than the last day of the calendar year in which the vesting date occurs. If your employment terminates before full (100%) vesting, you will forfeit the unvested portion of Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your employment terminates due to Normal Retirement, Early Retirement, death, Disability, or a termination by the Company without Cause or by you with Good Reason, Restricted Units and associated DEUs subject to this Award will become vested to the extent set forth in Section 5 or Section 5 and 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

5. Early Retirement, Normal Retirement, Disability or Death. Notwithstanding the vesting provisions described in Section 4, Restricted Units subject to this Award will vest if your Termination of Employment is a result of your Early Retirement, Normal Retirement, Disability or death as follows:

(i) **Early Retirement.** If your employment terminates as a result of your Early Retirement, you will be entitled to pro rata vesting of a portion of the Restricted Unit Award equal to the total number of Restricted Units subject to this Award, multiplied by a fraction, the numerator of which is the period of time (in whole months) that have elapsed since the Vesting Commencement Date, and the denominator of which is 36, minus any Restricted Units subject to this Award that previously vested. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

(ii) **Normal Retirement, Disability or Death.** If your employment terminates as a result of your Normal Retirement, your death or a Disability, then you will become fully vested in all Restricted Units subject to this Award on the date of your Normal Retirement, death or Termination of Employment due to Disability. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment as a result of your Normal Retirement or Disability (but not your death), payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

6. Termination of Employment by the Company without Cause or by you with Good Reason. Notwithstanding the vesting provisions described in Section 4, upon your Termination of Employment by the Company without Cause or by you with Good Reason, a number of Restricted Units equal to the product of the number of Restricted Units subject to this Award *multiplied by* a fraction, the numerator of which is the number of full months between the Vesting Commencement Date and your Termination of Employment and the denominator of which is thirty-six, shall vest as of the effective date of the Release (as defined in that certain employment agreement dated as of February 2, 2024 by and between you and ST Shared Services LLC (the “Employment Agreement”)); provided, that if such termination was a Change in Control Termination (as defined in the Employment Agreement), all of the Restricted Units subject to this Award shall vest as of the effective date of the Release. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

7. Change in Control. For purposes of these Terms and Conditions, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination.

8. Withholdings. Prior to the issuance or delivery of any Shares subject to this Award, the Company shall withhold a number of Shares having a Fair Market Value as of such date equal to the amount necessary to satisfy applicable tax requirements (e.g., income tax, social insurance, payroll tax and payment on account), as determined in good faith by the Company, provided, however, that prior to withholding Shares, the Company shall give you a reasonable, advance opportunity to elect to satisfy such withholding obligations via making a cash payment to the Company in lieu of having Shares withheld. If, at any time after the Grant Date, you become subject to tax in more than one jurisdiction, the Company may be required to withhold or account for applicable tax requirements in the various jurisdictions. Furthermore, if the Shares subject to this Award vest under circumstances where they have not otherwise been fully paid-up in accordance with the requirements of Irish law, the Company or any Subsidiary may require you to pay the par value of each Share which vests hereunder at the time of such vesting. If the Company or any Subsidiary cannot withhold or account for all taxes associated with this Award, or obtain payment of the par value of each Share that vests hereunder, by application of the means described herein, then, by accepting this Award, you agree that you will pay to the Company or any Subsidiary all amounts necessary to satisfy applicable tax requirements or the requirement that Shares be issued on a fully paid-up basis and acknowledge that the Company may refuse to issue or deliver Shares subject to this Award or delay such issuance or delivery of the proceeds from the sale of such Shares, if you do not comply with such obligations.

9. Transfer of Award. You may not transfer this Award or any interest in Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse or your lineal descendants (whether by blood or adoption) (each, a “Permitted Transferee”); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions and the Plan, and any such terms and conditions that relate to termination of employment or service shall apply to such Permitted Transferee upon your termination of employment or service. Any other attempt to transfer this Award or any interest in Restricted Units is null and void.

10. Adjustments and Buybacks.

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, or other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the “Buy-Back Consideration”) for some or all of your Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

11. Restrictions on Payment of Shares. Payment of Shares for Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

12. Disposition of Securities. By accepting this Award, you acknowledge that you have read and understand the Company's Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company's securities.

13. Governing Terms. The vesting of Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan. If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date.

14. Executive Financial Recoupment Program. Notwithstanding any other provision of this Award to the contrary, any Shares issued hereunder, and/or any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recovery, repayment, or other action in accordance with the terms of the Company's policy with respect to its Executive Financial Recoupment Program, as it may be amended from time to time (the "Recoupment Policy"), Section 4.1 of the Plan and applicable securities laws. By accepting this Award, you agree and consent to the Company's application, implementation, and enforcement of (a) the Recoupment Policy, (b) Section 4.1 of the Plan, and (c) any provision of applicable law relating to the cancellation, recovery, or repayment of compensation under this Award, and expressly agree that the Company may take such actions as are necessary or desirable to effectuate the Recoupment Policy, Section 4.1 of the Plan, any similar policy, or applicable law without further consent or action being required of you. To the extent the terms of this Award and the Recoupment Policy (or similar policy or applicable securities laws) conflict, the terms of such policy shall govern.

15. Personal Data. To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or "sensitive personal data" within the meaning of applicable law ("Personal Data"). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Restricted Units, including amounts awarded, unvested, or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination of employment and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to your employer's and the Company's accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company's transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal Data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your employment status or service with your employer.

16. No Contract of Employment or Promise of Future Grants. By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company's sole discretion and is not considered part of any employment contract or your ordinary or expected salary or other compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, an employment contract or guarantee of employment with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any restricted units, or benefits in lieu of restricted units, even if restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company's sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your salary or compensation for purposes of any pension or retirement benefits or for purposes of calculating any termination, severance, redundancy, resignation, end of service payments, bonuses, long-service awards, life or accident insurance benefits or similar payments. Neither this Award, nor any gains received hereunder, is intended to replace any pension rights or compensation. If the Company or Subsidiary terminates your employment for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award or your Employment Agreement.

17. Limitations. Nothing in these Terms and Conditions or the Plan grants to you any right to continued employment with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary's right to terminate your employment at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

18. Entire Agreement and Amendment. These Terms and Conditions, the Plan, and any other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

19. Severability. The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

20. Waiver. By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

21. Notices. By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with your employer, the Company or Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

22. Code Section 409A Compliance. This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. Therefore, payment upon vesting under Sections 4, 5 or 6 of these Terms and Conditions shall be delayed for 6 months following your Termination of Employment if you are a "specified employee" as described in Section 7.11 of the Plan and such delay is necessary to avoid taxation under Section 409A. To the extent any payments or settlements under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

23. Governing Law. This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

24. Put Right. During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a “Put Period”), you will have the option to require the Company (via written notice to the Company (the “Put Notice”)) to repurchase either 50% or 100% of the Shares you receive in settlement of the Restricted Units under this Award (the “Put Shares”), provided that you have not been terminated for Cause; and provided further that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the “Put Right”). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

25. Acceptance. In order to receive this Award, you must electronically acknowledge and accept on the Company’s designated third party equity administrator’s website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

[CEO Form]

**Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)**

**TERMS AND CONDITIONS
OF
AMENDED AND RESTATED RESTRICTED UNIT AWARD**

RESTRICTED UNIT AWARD (“Award”) granted on February 2, 2024 (the “Grant Date”), as amended and restated as of August 5, 2024.

1. **Grant of Restricted Units.** Mallinckrodt plc (the “Company”) has granted you [] Restricted Units subject to the provisions of these Terms and Conditions and the Plan. The Company will hold the Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. **Amount and Form of Payment.** Each Restricted Unit represents one (1) Ordinary Share and vested Restricted Units will be redeemed solely for Shares, subject to Section 10. Any Share issued pursuant to a Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. **Dividends.** Each unvested Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Restricted Units and shall be paid as of the same date payment for the Restricted Units occurs.

4. **Vesting.** The Restricted Units shall vest in three equal installments on each of the first three (3) anniversaries of January 1, 2024 (the “Vesting Commencement Date”), subject to your continued service through the applicable vesting date. To the extent not already vested, the Restricted Stock Units will become fully vested on a Change in Control, subject to your continued service through a Change in Control. Payment of vested Restricted Units and associated DEUs shall be made no later than the last day of the calendar year in which the vesting date occurs. If your employment terminates before full (100%) vesting, you will forfeit the unvested portion of Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your employment terminates due to Normal Retirement (as defined in that certain employment agreement dated as of February 2, 2024 by and between you and ST Shared Services LLC (the “Employment Agreement”)), Early Retirement, death, Disability, or a termination by the Company without Cause or by you with Good Reason, Restricted Units and associated DEUs subject to this Award will become vested to the extent set forth in Section 5 or Section 5 and 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

5. **Early Retirement, Normal Retirement, Disability or Death.** Notwithstanding the vesting provisions described in Section 4, Restricted Units subject to this Award will vest if your Termination of Employment is a result of your Early Retirement, Normal Retirement, Disability or death as follows:

(i) **Early Retirement.** If your employment terminates as a result of your Early Retirement, you will be entitled to pro rata vesting of a portion of the Restricted Unit Award equal to the total number of Restricted Units subject to this Award, multiplied by a fraction, the numerator of which is the period of time (in whole months) that have elapsed since the Vesting Commencement Date, and the denominator of which is 36, minus any Restricted Units subject to this Award that previously vested. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

(ii) **Normal Retirement, Disability or Death.** If your employment terminates as a result of your Normal Retirement, your death or a Disability, then you will become fully vested in all Restricted Units subject to this Award on the date of your Normal Retirement, death or Termination of Employment due to Disability. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment as a result of your Normal Retirement or Disability (but not your death), payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

6. **Termination of Employment by the Company without Cause or by you with Good Reason.** Notwithstanding the vesting provisions described in Section 4, upon your Termination of Employment by the Company without Cause or by you with Good Reason, all of the Restricted Units subject to this Award shall vest as of the effective date of the Release (as defined in the Employment Agreement). Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

7. **Change in Control.** For purposes of these Terms and Conditions, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination.

8. **Withholdings.** Prior to the issuance or delivery of any Shares subject to this Award, the Company shall withhold a number of Shares having a Fair Market Value as of such date equal to the amount necessary to satisfy applicable tax requirements (e.g., income tax, social insurance, payroll tax and payment on account), as determined in good faith by the Company, provided, however, that prior to withholding Shares, the Company shall give you a reasonable, advance opportunity to elect to satisfy such withholding obligations via making a cash payment to the Company in lieu of having Shares withheld. If, at any time after the Grant Date, you become subject to tax in more than one jurisdiction, the Company may be required to withhold or account for applicable tax requirements in the various jurisdictions. Furthermore, if the Shares subject to this Award vest under circumstances where they have not otherwise been fully paid-up in accordance with the requirements of Irish law, the Company or any Subsidiary may require you to pay the par value of each Share which vests hereunder at the time of such vesting. If the Company or any Subsidiary cannot withhold or account for all taxes associated with this Award, or obtain payment of the par value of each Share that vests hereunder, by application of the means described herein, then, by accepting this Award, you agree that you will pay to the Company or any Subsidiary all amounts necessary to satisfy applicable tax requirements or the requirement that Shares be issued on a fully paid-up basis and acknowledge that the Company may refuse to issue or deliver Shares subject to this Award or delay such issuance or delivery of the proceeds from the sale of such Shares, if you do not comply with such obligations.

9. **Transfer of Award.** You may not transfer this Award or any interest in Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse or your lineal descendants (whether by blood or adoption) (each, a "Permitted Transferee"); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions and the Plan, and any such terms and conditions that relate to termination of employment or service shall apply to such Permitted Transferee upon your termination of employment or service. Any other attempt to transfer this Award or any interest in Restricted Units is null and void.

10. **Adjustments and Buybacks.**

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, or other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the "Buy-Back Consideration") for some or all of your Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

11. **Restrictions on Payment of Shares.** Payment of Shares for Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

12. **Disposition of Securities.** By accepting this Award, you acknowledge that you have read and understand the Company's Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company's securities.

13. **Governing Terms.** The vesting of Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan; provided that, for purposes of these Terms and Conditions, "Fair Market Value" shall not include any discount for minority interest or lack of marketability (but, for the avoidance of doubt, shall otherwise be determined in accordance with the Plan). If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date. Notwithstanding anything to the contrary in these Terms and Conditions or the Plan, any determination with respect to the character of your Termination of Employment or the breach of any restrictive covenant by you shall be subject to de novo review.

14. **Executive Financial Recoupment Program.** Notwithstanding any other provision of this Award to the contrary, any Shares issued hereunder, and/or any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recovery, repayment, or other action in accordance with the terms of the Company's policy with respect to its Executive Financial Recoupment Program, as it may be amended from time to time, subject to the terms of Section 13.13 of the Employment Agreement (the "Recoupment Policy"), Section 4.1 of the Plan and applicable securities laws. By accepting this Award, you agree and consent to the Company's application, implementation, and enforcement of (a) the Recoupment Policy, (b) Section 4.1 of the Plan, and (c) any provision of applicable law relating to the cancellation, recovery, or repayment of compensation under this Award, and expressly agree that the Company may take such actions as are necessary or desirable to effectuate the Recoupment Policy, Section 4.1 of the Plan, any similar policy, or applicable law without further consent or action being required of you. To the extent the terms of this Award and the Recoupment Policy (or similar policy or applicable securities laws) conflict, the terms of such policy shall govern.

15. **Personal Data.** To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or "sensitive personal data" within the meaning of applicable law ("Personal Data"). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Restricted Units, including amounts awarded, unvested, or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination of employment and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to your employer's and the Company's accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company's transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal Data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your employment status or service with your employer.

16. **No Contract of Employment or Promise of Future Grants.** By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company's sole discretion and is not considered part of any employment contract or your ordinary or expected salary or other compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, an employment contract or guarantee of employment with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any restricted units, or benefits in lieu of restricted units, even if restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company's sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your salary or compensation for purposes of any pension or retirement benefits or for purposes of calculating any termination, severance, redundancy, resignation, end of service payments, bonuses, long-service awards, life or accident insurance benefits or similar payments. Neither this Award, nor any gains received hereunder, is intended to replace any pension rights or compensation. If the Company or Subsidiary terminates your employment for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award or your Employment Agreement.

17. **Limitations.** Nothing in these Terms and Conditions or the Plan grants to you any right to continued employment with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary's right to terminate your employment at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

18. **Entire Agreement and Amendment.** These Terms and Conditions, the Plan, and any other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing with your written consent and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

19. **Severability.** The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

20. **Waiver.** By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

21. **Notices.** By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with your employer, the Company or Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

22. **Code Section 409A Compliance.** This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. Therefore, payment upon vesting under Sections 4, 5 or 6 of these Terms and Conditions shall be delayed for 6 months following your Termination of Employment if you are a "specified employee" as described in Section 7.11 of the Plan and such delay is necessary to avoid taxation under Section 409A. To the extent any payments or settlements under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

23. **Governing Law.** This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

24. **Put Right.** During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a “Put Period”), you will have the option to require the Company (via written notice to the Company (the “Put Notice”)) to repurchase either 50% or 100% of the Shares you receive in settlement of the Restricted Units under this Award (the “Put Shares”), provided that you have not been terminated for Cause; and provided further that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the “Put Right”). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board and subject to your reasonable agreement. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

25. **Repurchase Right.** In the event that the Company exercises the Repurchase Option and determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the Repurchase Price in respect of the Repurchase Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Repurchase Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board and subject to your reasonable agreement.

26. **Acceptance.** In order to receive this Award, you must electronically acknowledge and accept on the Company’s designated third party equity administrator’s website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

[Director Form]

**Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)**

**TERMS AND CONDITIONS
OF
Amended and Restated RESTRICTED UNIT AWARD**

RESTRICTED UNIT AWARD (“Award”) granted on February 19, 2024 (the “Grant Date”) as amended and restated as of August 5, 2024.

1. Grant of Restricted Units. Mallinckrodt plc (the “Company”) has granted you [] Restricted Units subject to the provisions of these Terms and Conditions and the Plan. The Company will hold the Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. Amount and Form of Payment. Each Restricted Unit represents one (1) Ordinary Share and vested Restricted Units will be redeemed solely for Shares, subject to Section 9. Any Share issued pursuant to a Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. Dividends. Each unvested Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Restricted Units and shall be paid as of the same date payment for the Restricted Units occurs.

4. Vesting. The Restricted Units shall vest in three equal installments on each of the first three (3) anniversaries of January 1, 2024 (the “Vesting Commencement Date”), subject to your continued service through the applicable vesting date. To the extent not already vested, the Restricted Stock Units will become fully vested on a Change in Control, subject to your continued service through a Change in Control. Payment of vested Restricted Units and associated DEUs shall be made no later than the last day of the calendar year in which the vesting date occurs. If your service as a Director terminates before full (100%) vesting, you will forfeit the unvested portion of Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your service as a Director terminates due to death, Disability, or a termination by the Company without Cause, Restricted Units and associated DEUs subject to this Award will become vested to the extent set forth in Section 5 or Section 5 and 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

5. Disability or Death. Notwithstanding the vesting provisions described in Section 4, if your service as a Director terminates as a result of your death or a Disability, then you will become fully vested in all Restricted Units subject to this Award on the date of your death or Termination of Directorship due to Disability. Payment of such vested amounts shall be made within 30 days of your Termination of Directorship; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

6. Termination of Directorship by the Company without Cause. Notwithstanding the vesting provisions described in Section 4, upon your Termination of Directorship by the Company without Cause, a number of Restricted Units equal to the product of the number of Restricted Units subject to this Award *multiplied by* a fraction, the numerator of which is the number of full months between the Vesting Commencement Date and your Termination of Directorship and the denominator of which is thirty-six, shall vest as of the effective date of your release of claims in the Company’s customary form (a “Release”); provided, that if such termination occurs during the period beginning 120 days prior to a Change in Control and ending 24 months after the date of such Change in Control (a “Change in Control Termination”), all of the Restricted Units subject to this Award shall vest as of the effective date of the Release. Payment of such vested amounts shall be made within 30 days of your Termination of Directorship; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

7. Change in Control. For purposes of these Terms and Conditions, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination.

8. Transfer of Award. You may not transfer this Award or any interest in Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse or your lineal descendants (whether by blood or adoption) (each, a “Permitted Transferee”); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions and the Plan, and any such terms and conditions that relate to termination of service shall apply to such Permitted Transferee upon your termination of service. Any other attempt to transfer this Award or any interest in Restricted Units is null and void.

9. Adjustments and Buybacks.

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, or other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the “Buy-Back Consideration”) for some or all of your Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

10. Restrictions on Payment of Shares. Payment of Shares for Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

11. Disposition of Securities. By accepting this Award, you acknowledge that you have read and understand the Company’s Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company’s securities.

12. Governing Terms. The vesting of Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan. If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date.

13. Personal Data. To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or “sensitive personal data” within the meaning of applicable law (“Personal Data”). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Restricted Units, including amounts awarded, unvested, or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to the Company’s accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company’s transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your service with the Company.

14. No Contract of Directorship or Promise of Future Grants. By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company’s sole discretion and is not considered part of any service contract or your ordinary or expected compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, a service contract or guarantee of service with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any restricted units, or benefits in lieu of restricted units, even if restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company’s sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your compensation for any purpose. Neither this Award, nor any gains received hereunder, is intended to replace any compensation. If the Company or Subsidiary terminates your service for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award.

15. Limitations. Nothing in these Terms and Conditions or the Plan grants to you any right to continued service with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary’s right to terminate your service at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

16. Entire Agreement and Amendment. These Terms and Conditions, the Plan, and any other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

17. Severability. The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

18. Waiver. By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

19. Notices. By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with the Company or Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

20. Code Section 409A Compliance. This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. To the extent any payments or settlements under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

21. Governing Law. This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

22. Put Right. During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a "Put Period"), you will have the option to require the Company (via written notice to the Company (the "Put Notice")) to repurchase either 50% or 100% of the Shares you receive in settlement of the Restricted Units under this Award (the "Put Shares"), provided that you have not experienced a Termination of Directorship for Cause; and provided further; provided that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the "Put Right"). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

23. Acceptance. In order to receive this Award, you must electronically acknowledge and accept on the Company's designated third party equity administrator's website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

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[EC other than CEO Form]

**Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)**

**TERMS AND CONDITIONS
OF
Amended and Restated PERFORMANCE RESTRICTED UNIT AWARD
DECEMBER 30, 2023 – DECEMBER 25, 2026 PERFORMANCE CYCLE**

PERFORMANCE RESTRICTED UNIT AWARD (“Award”) granted on February 2, 2024 (the “Grant Date”), as amended and restated as of August 5, 2024.

1. **Grant of Performance Restricted Units.** Mallinckrodt plc (the “Company”) has granted to you a target number of [____] Performance Restricted Units subject to the provisions of these Terms and Conditions and the Plan. This grant is made as a Long-Term Performance Award under Section 4.4 of the Plan, and shall be referred to herein as Performance Restricted Units. The Company will hold the Performance Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. **Amount and Form of Payment.** Each Performance Restricted Unit represents one (1) Ordinary Share and any Performance Restricted Units that vest pursuant to Section 4 will be redeemed solely for Shares, subject to Section 10. Notwithstanding anything contrary in the Plan, any fractional Shares will be rounded up the nearest whole Share for purposes of payment. Any Share issued pursuant to a Performance Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. **Dividends.** Each unvested Performance Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Performance Restricted Units.

4. **Vesting.**

(i) Except as provided below, Performance Restricted Units subject to this Award will fully vest on the last day of the Performance Cycle, including, for the avoidance of doubt, if the last day of the Performance Cycle occurs as a result of a Change in Control, provided that, except as provided herein, you are an Employee on the last day of the Performance Cycle. The target number of Performance Restricted Units specified in this Terms and Conditions agreement shall be adjusted at the end of the Performance Cycle based on the attainment level of achievement for the Performance Cycle (as described in Appendix A). Payment shall be made on or within 30 days after the Committee Certification Date (as defined in Appendix A), but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) If your employment terminates before the last day of the Performance Cycle, you will forfeit the Performance Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your employment terminates due to Normal Retirement, Early Retirement, death, Disability, or a termination by the Company without Cause or by you with Good Reason, Performance Restricted Units and associated DEUs subject to this Award shall, subject to applicable performance achievement, become vested to the extent set forth in Section 5 or Section 5 and 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

5. **Early Retirement, Normal Retirement, Disability or Death.** Notwithstanding the vesting provisions described in Section 4, Performance Restricted Units subject to this Award shall, subject to applicable performance achievement, become vested if your Termination of Employment is a result of your Early Retirement, Normal Retirement, Disability or death as follows:

(i) **Early Retirement.** If your employment terminates as a result of your Early Retirement, a pro rata portion of your Performance Restricted Units equal to the total number of Performance Restricted Units subject to this Award, multiplied by a fraction, the numerator of which is the period of time (in whole months) that have elapsed since the beginning of the Performance Cycle through the date of termination, and the denominator of which is 36, will remain outstanding and eligible to vest, based on actual performance during the Performance Cycle, at the same time and in the same manner as the vesting of performance restricted units held by active employees that are attributable to such Performance Cycle (and, for the avoidance of doubt, following your termination, such pro-rata portion shall be deemed the target number of Performance Restricted Units under your Award). Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) Normal Retirement, Disability or Death. If your employment terminates as a result of your Normal Retirement, your death or Disability, the Performance Restricted Units will remain outstanding and will be eligible to fully vest, based on actual performance during the Performance Cycle, at the same time and in the same manner as the vesting of performance restricted units held by active employees that are attributable to such Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

6. **Termination of Employment by the Company without Cause or by you with Good Reason.** Notwithstanding the vesting provisions described in Section 4, Performance Restricted Units subject to this Award may become vested if your Termination of Employment is a termination by the Company without Cause or by you with Good Reason as follows:

(i) **Termination not in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon the termination of your employment by the Company without Cause or by you with Good Reason other than a Change in Control Termination (as defined in that certain employment agreement dated as of February 2, 2024 by and between you and ST Shared Services LLC (the “Employment Agreement”)) that occurs before the end of the Performance Cycle, a number of Performance Restricted Units equal to the product of the number of Performance Restricted Units subject to this Award *multiplied by* a fraction, the numerator of which is the number of full months between the first day of the Performance Cycle and your Termination of Employment and the denominator of which is 36, will remain outstanding through the end of the Performance Cycle and will be eligible to vest and be settled in accordance with Appendix A based on the Company’s actual performance level of the performance goals set forth in Appendix A during the Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) **Termination in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon a Change in Control Termination (as defined in your Employment Agreement) before the end of the Performance Cycle, a number of Performance Restricted Units shall be eligible to vest and be settled based on the Company’s actual performance level achieved as compared to the performance goals in accordance with Appendix A as of the date of the Change in Control. Subject to the delay in payment described in Section 22 that applies if you are a “specified employee” upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

7. **Change in Control.** For purposes of these Terms and Conditions and Appendix A, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination and for purposes of determining when the Performance Cycle shall cease.

8. **Withholdings.** Prior to the issuance or delivery of any Shares subject to this Award, the Company shall withhold a number of Shares having a Fair Market Value as of such date equal to the amount necessary to satisfy applicable tax requirements (e.g., income tax, social insurance, payroll tax and payment on account), as determined in good faith by the Company provided, however, that prior to withholding Shares, the Company shall give you a reasonable, advance opportunity to elect to satisfy such withholding obligations via making a cash payment to the Company in lieu of having Shares withheld. If, at any time after the Grant Date, you become subject to tax in more than one jurisdiction, the Company may be required to withhold or account for applicable tax requirements in the various jurisdictions. Furthermore, if the Shares subject to this Award vest under circumstances where they have not otherwise been fully paid-up in accordance with the requirements of Irish law, the Company or any Subsidiary may require you to pay the par value of each Share which vests hereunder at the time of such vesting. If the Company or any Subsidiary cannot withhold or account for all taxes associated with this Award, or obtain payment of the par value of each Share that vests hereunder, by application of the means described herein, then, by accepting this Award, you agree that you will pay to the Company or any Subsidiary all amounts necessary to satisfy applicable tax requirements or the requirement that Shares be issued on a fully paid-up basis and acknowledge that the Company may refuse to issue or deliver Shares subject to this Award or delay such issuance or delivery of the proceeds from the sale of such Shares, if you do not comply with such obligations.

9. **Transfer of Award.** You may not transfer this Award or any interest in Performance Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse, or your lineal descendants (whether by blood or adoption) (each, a “Permitted Transferee”); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions and the Plan, and any such terms and conditions that relate to termination of employment or service shall apply to such Permitted Transferee upon your termination of employment or service. Any other attempt to transfer this Award or any interest in Performance Restricted Units is null and void.

10. **Adjustments and Buybacks.**

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the "Buy-Back Consideration") for some or all of your Performance Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Performance Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

11. **Restrictions on Payment of Shares.** Payment of Shares for Performance Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

(iii) If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

12. **Disposition of Securities.** By accepting this Award, you acknowledge that you have read and understand the Company's Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company's securities.

13. **Governing Terms.** The vesting of Performance Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan. If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date.

14. **Executive Financial Recoupment Program.** Notwithstanding any other provision of this Award to the contrary, any Shares issued hereunder, and/or any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recovery, repayment, or other action in accordance with the terms of the Company's policy with respect to its Executive Financial Recoupment Program, as it may be amended from time to time (the "Recoupment Policy") Section 4.1 of the Plan, and applicable securities laws. By accepting this Award, you agree and consent to the Company's application, implementation, and enforcement of (a) the Recoupment Policy, (b) Section 4.1 of the Plan, and (c) any provision of applicable law relating to the cancellation, recovery, or repayment of compensation under this Award, and expressly agree that the Company may take such actions as are necessary or desirable to effectuate the Recoupment Policy, Section 4.1 of the Plan, any similar policy, or applicable law without further consent or action being required of you. To the extent the terms of this Award and the Recoupment Policy (or similar policy or applicable securities laws) conflict, the terms of such policy shall govern.

15. **Personal Data.** To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or “sensitive personal data” within the meaning of applicable law (“Personal Data”). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Performance Restricted Units, including amounts awarded, unvested or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination of employment, and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to your employer’s and the Company’s accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company’s transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal Data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your employment status or service with your employer.

16. **No Contract of Employment or Promise of Future Grants.** By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company’s sole discretion and is not considered part of any employment contract or your ordinary or expected salary or other compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, an employment contract or guarantee of employment with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of performance restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any performance restricted units, or benefits in lieu of performance restricted units, even if performance restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company’s sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your salary or compensation for purposes of any pension or retirement benefits or for purposes of calculating any termination, severance, redundancy, resignation, end of service payments, bonuses, long-service awards, life or accident insurance benefits or similar payments. Neither this Award, nor any gains received hereunder, is intended to replace any pension rights or compensation. If the Company or Subsidiary terminates your employment for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Performance Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award or your Employment Agreement.

17. **Limitations.** Nothing in these Terms and Conditions or the Plan grants to you any right to continued employment with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary’s right to terminate your employment at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

18. **Entire Agreement and Amendment.** These Terms and Conditions, the Plan, and other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

19. **Severability.** The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

20. **Waiver.** By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

21. **Notices.** By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with your employer, the Company or Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator, or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

22. **Code Section 409A Compliance.** This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. Therefore, payment upon vesting under Section 6(ii) of these Terms and Conditions shall be delayed for 6 months following your Termination of Employment if you are a "specified employee" as described in Section 7.11 of the Plan and such delay is necessary to avoid taxation under Code Section 409A. To the extent any payments or settlement under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

23. **Governing Law.** This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

24. **Put Right.** During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a "Put Period"), you will have the option to require the Company (via written notice to the Company (the "Put Notice")) to repurchase either 50% or 100% of the Shares you receive in settlement of the Performance Restricted Units under this Award (the "Put Shares"), provided that you have not been terminated for Cause; and provided further that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the "Put Right"). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

25. **Acceptance.** In order to receive this Award, you must electronically acknowledge and accept on the Company's designated third party equity administrator's website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

**APPENDIX A
TO
TERMS AND CONDITIONS
OF
AMENDED AND RESTATED**

PERFORMANCE RESTRICTED UNIT AWARD

**Performance Restricted Unit Award Vesting Requirements
DECEMBER 30, 2023 – DECEMBER 25, 2026 Performance Cycle**

Performance Goals

This Appendix A describes the vesting requirements for performance restricted units (“PSUs”) awarded under these “Terms and Conditions of Performance Restricted Unit Award” for the period from December 30, 2023 through December 25, 2026 (the “Performance Cycle”). The number of PSUs subject to these Terms and Conditions that vest is based entirely upon the Company’s Realized Value. Upon the expiration of the Performance Cycle, the Committee shall calculate the level of achievement attained for the Performance Cycle (in the manner described below) and certify the extent to which the performance goals have been achieved. As of the last day of the Performance Cycle, you shall become vested in the number of PSUs that corresponds to the attained level of achievement certified by the Committee, with the number of vested PSUs determined on the date that the Committee formally certifies such attained level of achievement (the “Committee Certification Date”). The Committee Certification Date shall occur no later than sixty (60) days after the conclusion of the Performance Cycle. Except as otherwise provided in these Terms and Conditions, if your employment or service terminates for any reason before the expiration of the Performance Cycle, you will automatically forfeit all PSUs and they will be cancelled as of the date of your termination of employment or service.

Realized Value

As of the last day of the Performance Cycle, the PSUs will vest based on the Realized Value calculated at the end of the Performance Cycle, with such calculation determined by the Committee in good faith on the Committee Certification Date.

The “Realized Value” is the sum of (i) the Net Proceeds (as defined below) generated by sales or dispositions of assets of the Company *plus* (ii) the aggregate fair market value of the Company’s remaining assets at the end of the Performance Cycle, which, for the avoidance of doubt, shall value cash and cash equivalents at face value (the “Remaining Asset FMV”), determined by a reputable third party valuation firm to be retained by the Board. Such third party valuation firm and the valuation methodology to be used by such valuation firm shall be determined by the majority agreement of the Company’s Transaction Review Committee; provided, that, if the Company’s Transaction Review Committee cannot reach agreement as to the valuation firm and/or the methodology, following their reasonable good faith efforts over a period of no more than 30 days, a majority of the Company’s Transaction Review Committee shall propose a valuation firm and/or methodology, as applicable, to be considered in good faith by the Board, which shall make the ultimate determination. “Net Proceeds” means an amount equal to the Initial Net Proceeds (as defined in the Company’s Transaction Incentive Plan) *plus* any Incremental Net Proceeds (as defined in the Company’s Transaction Incentive Plan) payable during the Performance Cycle *less* any amounts paid pursuant to the Company’s Transaction Incentive Plan during the Performance Cycle.

Realized Value Goal	Realized Value (in millions)
Threshold	\$[***]
Target	\$[***]
Maximum	\$[***]

Payments will be determined based on linear interpolation between threshold and target, and target and maximum performance levels, as follows:

Realized Value Goal Achievement	% of Target Payout
Below Threshold	0%
Threshold - Target	0-50%
Target - Maximum	50%-100%
Above Maximum	100%

For the avoidance of doubt, (i) if the Realized Value is less than \$[***], all PSUs will be forfeited for no consideration and (ii) if the Realized Value is equal to or greater than \$[***], 100% (and no more than 100%) of the PSUs will vest.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is below the threshold value. If an employee was issued 100 PSUs, then the employee would forfeit all 100 PSUs on the Committee Certification Date because the Realized Value was below the threshold value.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is between the target and maximum values. If an employee was issued 100 PSUs, then the employee would vest in 80 PSUs on the Committee Certification Date based on linear interpolation.

Change in Control

Upon the consummation of a Change in Control, the Performance Cycle shall cease and the date of consummation of the Change in Control shall be the last day of the Performance Cycle.

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

[CEO Form]

**Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)**

**Terms and Conditions
OF**

**Amended and Restated PERFORMANCE RESTRICTED UNIT AWARD
DECEMBER 30, 2023 – DECEMBER 25, 2026 PERFORMANCE CYCLE**

PERFORMANCE RESTRICTED UNIT AWARD (“Award”) granted on February 2, 2024 (the “Grant Date”), as amended and restated as of August 5, 2024.

1. **Grant of Performance Restricted Units.** Mallinckrodt plc (the “Company”) has granted to you a target number of [____] Performance Restricted Units subject to the provisions of these Terms and Conditions and the Plan. This grant is made as a Long-Term Performance Award under Section 4.4 of the Plan, and shall be referred to herein as Performance Restricted Units. The Company will hold the Performance Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. **Amount and Form of Payment.** Each Performance Restricted Unit represents one (1) Ordinary Share and any Performance Restricted Units that vest pursuant to Section 4 will be redeemed solely for Shares, subject to Section 10. Notwithstanding anything contrary in the Plan, any fractional Shares will be rounded up the nearest whole Share for purposes of payment. Any Share issued pursuant to a Performance Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. **Dividends.** Each unvested Performance Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Performance Restricted Units.

4. **Vesting.**

(i) Except as provided below, Performance Restricted Units subject to this Award will fully vest on the last day of the Performance Cycle, including, for the avoidance of doubt, if the last day of the Performance Cycle occurs as a result of a Change in Control, provided that, except as provided herein, you are an Employee on the last day of the Performance Cycle. The target number of Performance Restricted Units specified in this Terms and Conditions agreement shall be adjusted at the end of the Performance Cycle based on the attainment level of achievement for the Performance Cycle (as described in Appendix A). Payment shall be made on or within 30 days after the Committee Certification Date (as defined in Appendix A), but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) If your employment terminates before the last day of the Performance Cycle, you will forfeit the Performance Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your employment terminates due to Normal Retirement (as defined in that certain employment agreement dated as of February 2, 2024 by and between you and ST Shared Services LLC (the “Employment Agreement”)), Early Retirement, death, Disability, or a termination by the Company without Cause or by you with Good Reason, Performance Restricted Units and associated DEUs subject to this Award shall, subject to applicable performance achievement, become vested to the extent set forth in Section 5 or Section 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

1. **Early Retirement, Normal Retirement, Disability or Death.** Notwithstanding the vesting provisions described in Section 4, Performance Restricted Units subject to this Award shall, subject to applicable performance achievement, become vested if your Termination of Employment is a result of your Early Retirement, Normal Retirement, Disability or death as follows:

(i) **Early Retirement.** If your employment terminates as a result of your Early Retirement, a pro rata portion of your Performance Restricted Units equal to the total number of Performance Restricted Units subject to this Award, multiplied by a fraction, the numerator of which is the period of time (in whole months) that have elapsed since the beginning of the Performance Cycle through the date of termination, and the denominator of which is 36 will remain outstanding and eligible to vest, based on actual performance during the Performance Cycle, at the same time and in the same manner as the vesting of performance restricted units held by active employees that are attributable to such Performance Cycle (and, for the avoidance of doubt, following your termination, such pro-rata portion shall be deemed the target number of Performance Restricted Units under your Award). Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) **Normal Retirement, Disability or Death.** If your employment terminates as a result of your Normal Retirement, your death or Disability, the Performance Restricted Units will remain outstanding and will be eligible to fully vest, based on actual performance during the Performance Cycle, at the same time and in the same manner as the vesting of performance restricted units held by active employees that are attributable to such Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

1. **Termination of Employment by the Company without Cause or by you with Good Reason.** Notwithstanding the vesting provisions described in Section 4, Performance Restricted Units subject to this Award may become vested if your Termination of Employment is a termination by the Company without Cause or by you with Good Reason as follows:

(i) **Termination not in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon the termination of your employment by the Company without Cause or by you with Good Reason other than a Change in Control Termination (as defined in your Employment Agreement) that occurs before the end of the Performance Cycle, your Performance Restricted Units will remain outstanding through the end of the Performance Cycle and will be eligible to vest and be settled in accordance with Appendix A based on the Company's actual performance level of the performance goals set forth in Appendix A during the Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) **Termination in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon a Change in Control Termination (as defined in your Employment Agreement) before the end of the Performance Cycle, a number of Performance Restricted Units shall be eligible to vest and be settled based on the Company's actual performance level achieved as compared to the performance goals in accordance with Appendix A as of the date of the Change in Control. Subject to the delay in payment described in Section 22 that applies if you are a "specified employee" upon your Termination of Employment, payment of such vested amounts shall be made within 30 days of your Termination of Employment; provided that, you shall not have the right, directly or indirectly, to choose the taxable year of payment.

2. **Change in Control.** For purposes of these Terms and Conditions and Appendix A, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination and for purposes of determining when the Performance Cycle shall cease.

3. **Withholdings.** Prior to the issuance or delivery of any Shares subject to this Award, the Company shall withhold a number of Shares having a Fair Market Value as of such date equal to the amount necessary to satisfy applicable tax requirements (e.g., income tax, social insurance, payroll tax and payment on account), as determined in good faith by the Company provided, however, that prior to withholding Shares, the Company shall give you a reasonable, advance opportunity to elect to satisfy such withholding obligations via making a cash payment to the Company in lieu of having Shares withheld. If, at any time after the Grant Date, you become subject to tax in more than one jurisdiction, the Company may be required to withhold or account for applicable tax requirements in the various jurisdictions. Furthermore, if the Shares subject to this Award vest under circumstances where they have not otherwise been fully paid-up in accordance with the requirements of Irish law, the Company or any Subsidiary may require you to pay the par value of each Share which vests hereunder at the time of such vesting. If the Company or any Subsidiary cannot withhold or account for all taxes associated with this Award, or obtain payment of the par value of each Share that vests hereunder, by application of the means described herein, then, by accepting this Award, you agree that you will pay to the Company or any Subsidiary all amounts necessary to satisfy applicable tax requirements or the requirement that Shares be issued on a fully paid-up basis and acknowledge that the Company may refuse to issue or deliver Shares subject to this Award or delay such issuance or delivery of the proceeds from the sale of such Shares, if you do not comply with such obligations.

4. **Transfer of Award.** You may not transfer this Award or any interest in Performance Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse, or your lineal descendants (whether by blood or adoption) (each, a "Permitted Transferee"); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions and the Plan, and any such terms and conditions that relate to termination of employment or service shall apply to such Permitted Transferee upon your termination of employment or service. Any other attempt to transfer this Award or any interest in Performance Restricted Units is null and void.

5. **Adjustments and Buybacks.**

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the "Buy-Back Consideration") for some or all of your Performance Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Performance Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

6. **Restrictions on Payment of Shares.** Payment of Shares for Performance Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

7. **Disposition of Securities.** By accepting this Award, you acknowledge that you have read and understand the Company's Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company's securities.

8. **Governing Terms.** The vesting of Performance Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan; provided that, for purposes of these Terms and Conditions, "Fair Market Value" shall not include any discount for minority interest or lack of marketability (but, for the avoidance of doubt, shall otherwise be determined in accordance with the Plan). If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date. Notwithstanding anything to the contrary in these Terms and Conditions or the Plan, any determination with respect to the character of your Termination of Employment or the breach of any restrictive covenant by you shall be subject to de novo review.

9. **Executive Financial Recoupment Program.** Notwithstanding any other provision of this Award to the contrary, any Shares issued hereunder, and/or any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recovery, repayment, or other action in accordance with the terms of the Company's policy with respect to its Executive Financial Recoupment Program, as it may be amended from time to time, subject to the terms of Section 13.13 of the Employment Agreement, (the "Recoupment Policy") Section 4.1 of the Plan, and applicable securities laws. By accepting this Award, you agree and consent to the Company's application, implementation, and enforcement of (a) the Recoupment Policy, (b) Section 4.1 of the Plan, and (c) any provision of applicable law relating to the cancellation, recovery, or repayment of compensation under this Award, and expressly agree that the Company may take such actions as are necessary or desirable to effectuate the Recoupment Policy, Section 4.1 of the Plan, any similar policy, or applicable law without further consent or action being required of you. To the extent the terms of this Award and the Recoupment Policy (or similar policy or applicable securities laws) conflict, the terms of such policy shall govern.

10. **Personal Data.** To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or “sensitive personal data” within the meaning of applicable law (“Personal Data”). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Performance Restricted Units, including amounts awarded, unvested or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination of employment, and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to your employer’s and the Company’s accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company’s transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal Data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your employment status or service with your employer.

11. **No Contract of Employment or Promise of Future Grants.** By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company’s sole discretion and is not considered part of any employment contract or your ordinary or expected salary or other compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, an employment contract or guarantee of employment with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of performance restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any performance restricted units, or benefits in lieu of performance restricted units, even if performance restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company’s sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your salary or compensation for purposes of any pension or retirement benefits or for purposes of calculating any termination, severance, redundancy, resignation, end of service payments, bonuses, long-service awards, life or accident insurance benefits or similar payments. Neither this Award, nor any gains received hereunder, is intended to replace any pension rights or compensation. If the Company or Subsidiary terminates your employment for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Performance Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award or your Employment Agreement.

12. **Limitations.** Nothing in these Terms and Conditions or the Plan grants to you any right to continued employment with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary’s right to terminate your employment at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

13. **Entire Agreement and Amendment.** These Terms and Conditions, the Plan, and other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing with your written consent and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

14. **Severability.** The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

15. **Waiver.** By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

16. **Notices.** By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with your employer, the Company or Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator, or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

17. **Code Section 409A Compliance.** This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. Therefore, payment upon vesting under Section 6(ii) of these Terms and Conditions shall be delayed for 6 months following your Termination of Employment if you are a "specified employee" as described in Section 7.11 of the Plan and such delay is necessary to avoid taxation under Code Section 409A. To the extent any payments or settlement under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

18. **Governing Law.** This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

19. **Put Right.** During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a "Put Period"), you will have the option to require the Company (via written notice to the Company (the "Put Notice")) to repurchase either 50% or 100% of the Shares you receive in settlement of the Performance Restricted Units under this Award (the "Put Shares"), provided that you have not been terminated for Cause; and further provided that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the "Put Right"). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board and subject to your reasonable agreement. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

20. **Repurchase Right.** In the event that the Company exercises the Repurchase Option and determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the Repurchase Price in respect of the Repurchase Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Repurchase Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board and subject to your reasonable agreement.

21. **Acceptance.** In order to receive this Award, you must electronically acknowledge and accept on the Company's designated third party equity administrator's website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

**APPENDIX A
TO
TERMS AND CONDITIONS
OF
AMENDED AND RESTATED
PERFORMANCE RESTRICTED UNIT AWARD**

**Performance Restricted Unit Award Vesting Requirements
December 30, 2023 – December 25, 2026 Performance Cycle**

Performance Goals

This Appendix A describes the vesting requirements for performance restricted units (“PSUs”) awarded under these “Terms and Conditions of Performance Restricted Unit Award” for the period from December 30, 2023 through December 25, 2026 (the “Performance Cycle”). The number of PSUs subject to these Terms and Conditions that vest is based entirely upon the Company’s Realized Value. Upon the expiration of the Performance Cycle, the Committee shall calculate the level of achievement attained for the Performance Cycle (in the manner described below) and certify the extent to which the performance goals have been achieved. As of the last day of the Performance Cycle, you shall become vested in the number of PSUs that corresponds to the attained level of achievement certified by the Committee, with the number of vested PSUs determined on the date that the Committee formally certifies such attained level of achievement (the “Committee Certification Date”). The Committee Certification Date shall occur no later than sixty (60) days after the conclusion of the Performance Cycle. Except as otherwise provided in these Terms and Conditions, if your employment or service terminates for any reason before the expiration of the Performance Cycle, you will automatically forfeit all PSUs and they will be cancelled as of the date of your termination of employment or service.

Realized Value

As of the last day of the Performance Cycle, the PSUs will vest based on the Realized Value calculated at the end of the Performance Cycle, with such calculation determined by the Committee in good faith on the Committee Certification Date.

The “Realized Value” is the sum of (i) the Net Proceeds (as defined below) generated by sales or dispositions of assets of the Company *plus* (ii) the aggregate fair market value of the Company’s remaining assets at the end of the Performance Cycle which, for the avoidance of doubt, shall value cash and cash equivalents at face value (the “Remaining Asset FMV”), determined by a reputable third party valuation firm to be retained by the Board. Such third party valuation firm and the valuation methodology to be used by such valuation firm shall be determined by the majority agreement of the Company’s Transaction Review Committee; provided, that, if the Company’s Transaction Review Committee cannot reach agreement as to the valuation firm and/or the methodology, following their reasonable good faith efforts over a period of no more than 30 days, a majority of the Company’s Transaction Review Committee shall propose a valuation firm and/or methodology, as applicable, to be considered in good faith by the Board, which shall make the ultimate determination. “Net Proceeds” means an amount equal to the Initial Net Proceeds (as defined in the Company’s Transaction Incentive Plan) *plus* any Incremental Net Proceeds (as defined in the Company’s Transaction Incentive Plan) payable during the Performance Cycle *less* any amounts paid pursuant to the Company’s Transaction Incentive Plan during the Performance Cycle.

Realized Value Goal	Realized Value (in millions)
Threshold	\$[***]
Target	\$[***]
Maximum	\$[***]

Payments will be determined based on linear interpolation between threshold and target, and target and maximum performance levels, as follows:

Realized Value Goal Achievement	% of Target Payout
Below Threshold	0%
Threshold - Target	0-50%
Target - Maximum	50%-100%
Above Maximum	100%

For the avoidance of doubt, (i) if the Realized Value is less than \$[***], all PSUs will be forfeited for no consideration and (ii) if the Realized Value is equal to or greater than \$[***], 100% (and no more than 100%) of the PSUs will vest.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is below the threshold value. If an employee was issued 100 PSUs, then the employee would forfeit all 100 PSUs on the Committee Certification Date because the Realized Value was below the threshold value.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is between the target and maximum values. If an employee was issued 100 PSUs, then the employee would vest in 80 PSUs on the Committee Certification Date based on linear interpolation.

Change in Control

Upon the consummation of a Change in Control, the Performance Cycle shall cease and the date of consummation of the Change in Control shall be the last day of the Performance Cycle.

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

[Director Form]

Mallinckrodt Pharmaceuticals
2024 Stock and Incentive Plan (“Plan”)

TERMS AND CONDITIONS
OF
Amended and Restated PERFORMANCE RESTRICTED UNIT AWARD
DECEMBER 30, 2023 – DECEMBER 25, 2026 PERFORMANCE CYCLE

PERFORMANCE RESTRICTED UNIT AWARD (“Award”) granted on February 19, 2024 (the “Grant Date”) as amended and restated as of August 5, 2024.

1. Grant of Performance Restricted Units. Mallinckrodt plc (the “Company”) has granted to you a target number of [_____] Performance Restricted Units subject to the provisions of these Terms and Conditions and the Plan. This grant is made as a Long-Term Performance Award under Section 4.4 of the Plan, and shall be referred to herein as Performance Restricted Units. The Company will hold the Performance Restricted Units in a bookkeeping account on your behalf until such units become payable or are forfeited or cancelled.

2. Amount and Form of Payment. Each Performance Restricted Unit represents one (1) Ordinary Share and any Performance Restricted Units that vest pursuant to Section 4 will be redeemed solely for Shares, subject to Section 9. Notwithstanding anything contrary in the Plan, any fractional Shares will be rounded up the nearest whole Share for purposes of payment. Any Share issued pursuant to a Performance Restricted Unit shall be paid up to its par value on issuance by a subsidiary of the Company or as otherwise determined by the Company.

3. Dividends. Each unvested Performance Restricted Unit will be credited with a Dividend Equivalent Unit (“DEU”) for any cash or stock dividends distributed by the Company on an Ordinary Share. DEUs will be calculated at the same dividend rate paid to other holders of Ordinary Shares and will be adjusted and vest in accordance with the adjustment and vesting provisions applicable to the underlying Performance Restricted Units.

4. Vesting.

(i) Except as provided below, Performance Restricted Units subject to this Award will fully vest on the last day of the Performance Cycle, including, for the avoidance of doubt, if the last day of the Performance Cycle occurs as a result of a Change in Control, provided that, except as provided herein, you are a Director on the last day of the Performance Cycle. The target number of Performance Restricted Units specified in this Terms and Conditions agreement shall be adjusted at the end of the Performance Cycle based on the attainment level of achievement for the Performance Cycle (as described in Appendix A). Payment shall be made on or within 30 days after the Committee Certification Date (as defined in Appendix A), but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) If your service as a Director terminates before the last day of the Performance Cycle, you will forfeit the Performance Restricted Units and associated DEUs. However, notwithstanding the foregoing or anything to the contrary in the Plan, if your service as a Director terminated as a result of your death, Disability, or a termination by the Company without Cause, Performance Restricted Units and associated DEUs subject to this Award shall, subject to applicable performance achievement, become vested to the extent set forth in Section 5 or Section 5 and 6, as applicable, and such vested amounts shall be paid in accordance with the provisions of Section 5 or 6, as applicable.

5. Disability or Death. Notwithstanding the vesting provisions described in Section 4, if your Termination of Directorship is a result of your Disability or death, the Performance Restricted Units will remain outstanding and will be eligible to fully vest, based on actual performance during the Performance Cycle, at the same time and in the same manner as the vesting of performance restricted units held by active Directors that are attributable to such Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

6. Termination of Directorship by the Company without Cause. Notwithstanding the vesting provisions described in Section 4, Performance Restricted Units subject to this Award may become vested if your Termination of Directorship is a termination by the Company without Cause as follows:

(i) **Termination not in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon your Termination of Directorship by the Company without Cause other than a Change in Control Termination (as defined below) that occurs before the end of the Performance Cycle, a number of Performance Restricted Units equal to the product of the number of Performance Restricted Units subject to this Award *multiplied by* a fraction, the numerator of which is the number of full months between the first day of the Performance Cycle and your Termination of Directorship and the denominator of which is 36, will remain outstanding through the end of the Performance Cycle and will be eligible to vest and be settled in accordance with Appendix A based on the Company's actual performance level of the performance goals set forth in Appendix A during the Performance Cycle. Payment shall be made on or after the Committee Certification Date, but in any event during the next calendar year following the last day of the Performance Cycle.

(ii) **Termination in Connection with a Change in Control.** Notwithstanding the vesting provisions described in Section 4, upon your Termination of Directorship by the Company without Cause that occurs during the period beginning 120 days prior to a Change in Control and ending 24 months after the date of such Change in Control (a "Change in Control Termination") before the end of the Performance Cycle, a number of Performance Restricted Units shall be eligible to vest and be settled based on the Company's actual performance level achieved as compared to the performance goals in accordance with Appendix A as of the date of the Change in Control. Payment of such vested amounts shall be made within 30 days of your Termination of Directorship; provided that you shall not have the right, directly or indirectly, to choose the taxable year of payment.

7. **Change in Control.** For purposes of these Terms and Conditions and Appendix A, a Change in Control shall be defined as set forth in the Plan and shall also include: (i) a sale or disposition [***], or (ii) a sale or disposition [***]. For the avoidance of doubt, such modified Change in Control definition shall apply for determining whether or not a termination is or is not a Change in Control Termination and for purposes of determining when the Performance Cycle shall cease.

8. **Transfer of Award.** You may not transfer this Award or any interest in Performance Restricted Units except by will or the laws of descent and distribution or pursuant to your spouse, or your lineal descendants (whether by blood or adoption) or any trust, family partnership or family limited liability company, the sole beneficiaries, partners or members of which are you, your spouse, or your lineal descendants (whether by blood or adoption) (each, a "Permitted Transferee"); provided that, following any such transfer, the Permitted Transferee shall be bound by all of these Terms and Conditions of this Agreement and the Plan, and any such terms and conditions that relate to termination of service shall apply to such Permitted Transferee upon your termination of service. Any other attempt to transfer this Award or any interest in Performance Restricted Units is null and void.

9. **Adjustments and Buybacks.**

(i) In the event of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the issuance of warrants or other rights to purchase Shares or other securities, other similar corporate transaction or event, or other returns of value to shareholders not heretofore described, the Committee shall, in its good faith and reasonable discretion, equitably adjust the number and kind of Shares covered by this Award and other relevant provisions to the extent necessary to prevent dilution or enlargement of the benefits or potential benefits intended to be provided by this Award. Any such determinations and adjustments made by the Committee will be binding on all persons.

(ii) In the event the Company initiates any tender offer or broad based repurchase of Shares from shareholders of the Company, then you shall be given a reasonable advance opportunity to elect to receive the consideration received per Share by shareholders in any such tender offer or repurchase (the "Buy-Back Consideration") for some or all of your Performance Restricted Units which Buy-Back Consideration shall be delivered to you at the same time as Shares would otherwise have been issued to you pursuant to the Performance Restricted Units. The Company shall provide opportunities for the funds to be held in a Rabbi Trust or other similar arrangement in order for you to be able to notionally invest the Buy-Back Consideration in investment alternatives selected by the Company in its sole discretion.

10. **Restrictions on Payment of Shares.** Payment of Shares for Performance Restricted Units is subject to the conditions that, to the extent required at the time of delivery of such Shares:

(i) The Shares covered by this Award will be duly listed, upon official notice of issuance, on a nationally recognized stock exchange; and

(ii) A Registration Statement under the United States Securities Act of 1933 with respect to the Shares will be effective or an exemption from registration will apply.

If there is any registration, qualification, exchange control or other legal requirement imposed upon this Award or the Shares subject to this Award by applicable securities or exchange control laws (including rulings or regulations issued by the United States Securities and Exchange Commission or any other governmental agency with jurisdiction over the issuance of this Award or the Shares subject to this Award), the Company shall not be required to deliver any Shares subject to this Award before the Company, in its sole good faith discretion, has determined that either (a) it has satisfied any such requirements or has received the requisite approval from the appropriate governmental agency; or (b) an exemption from such registration or exchange control requirement applies. By accepting this Award, you acknowledge that you understand that the Company is under no obligation to register this Award or the Shares subject to this Award with any governmental agency or to seek approval from any governmental agency for the issuance or sale of Shares subject to this Award.

11. Disposition of Securities. By accepting this Award, you acknowledge that you have read and understand the Company's Insider Trading Policy and are aware of and understand your obligations under United States federal securities laws with respect to trading in the Company's securities.

12. Governing Terms. The vesting of Performance Restricted Units, the disposition of any Shares received on or after such vesting, and the treatment of any gains received upon such disposition are subject to the terms of the Plan and any rules that the Committee, in its good faith and reasonable discretion, prescribes. The Plan document, as amended from time to time, is incorporated into these Terms and Conditions. These Terms and Conditions shall constitute the Award Certificate referred to in the Plan. Unless defined herein, capitalized terms used in these Terms and Conditions are defined in the Plan. If there is any conflict between the terms of the Plan and these Terms and Conditions, these Terms and Conditions shall govern. By accepting this Award, you acknowledge receipt of the Plan, as in effect on the Grant Date.

13. Personal Data. To comply with applicable law and to administer this Award appropriately, the Company and its agents may accumulate, hold and process your personal data and/or "sensitive personal data" within the meaning of applicable law ("Personal Data"). Personal Data includes, but is not limited to, the information provided to you as part of the grant package and any changes thereto (e.g., details of Performance Restricted Units, including amounts awarded, unvested or vested), other appropriate personal and financial data about you (e.g., name, home address, telephone number, date of birth, nationality, job title, reason for termination, and social security, social insurance or other identification number), and information about your participation in the Plan and Shares obtained under the Plan from time to time. By accepting this Award, you give your explicit consent to the Company's accumulating, transferring, and processing Personal Data as necessary or appropriate for Plan administration. Your Personal Data will be retained only as long as is necessary to administer your participation in the Plan. If applicable, by accepting this Award, you also give your explicit consent to the Company's transfer of Personal Data outside the country in which you work or reside and to the United States of America where the same level of data protection laws may not apply as in your home country. The legal persons for whom your Personal Data are intended (and by whom your Personal Data may be transferred, processed or exchanged) include the Company, its Subsidiaries (or former Subsidiaries as are deemed necessary), the outside Plan administrator, their respective agents, and any other person that the Company retains or utilizes for compensation planning or Plan administration purposes. You have the right to request a list of the names and addresses of any potential recipients of your Personal Data and to review and correct your Personal Data by contacting your local Human Resources Representative. By accepting this Award, you acknowledge your understanding that the transfer of the information outlined here is important to Plan administration and that failure to consent to the transmission of such information may limit or prohibit your participation in the Plan. By accepting this Award, you acknowledge that you are providing the consents herein on a purely voluntary basis and that, if you do not consent or if you later seek to revoke your consent, it will adversely impact the ability of the Company to administer your Awards but it will not adversely impact your service with the Company.

14. No Contract of Directorship or Promise of Future Grants. By accepting this Award, you agree that you are bound by the terms of the Plan and these Terms and Conditions and acknowledge that this Award is granted in the Company's sole discretion and is not considered part of any service contract or your ordinary or expected compensation for services of any kind rendered to the Company or any Subsidiary. You further agree that this Award, and your Plan participation, do not form, and will not be interpreted as forming, a service contract or guarantee of service with the Company or any Subsidiary. The Company, in its sole discretion, voluntarily established the Plan and may amend or terminate it at any time pursuant to the terms of the Plan. You understand that the grant of performance restricted units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any performance restricted units, or benefits in lieu of performance restricted units, even if performance restricted units have been granted repeatedly in the past and that all decisions with respect to future grants will be in the Company's sole discretion. By accepting this Award, you also acknowledge that this Award and any gains received hereunder are extraordinary items and are not considered part of your compensation for any purpose. Neither this Award, nor any gains received hereunder, is intended to replace any compensation. If the Company or Subsidiary terminates your service for any reason, you agree that you will not be entitled to damages or compensation for breach of contract, dismissal (in any circumstances, including unfair dismissal) or compensation for loss of office or otherwise to any sum, Shares, Performance Restricted Units or other benefits to compensate you for the loss or diminution in value of any actual or prospective rights, benefits or expectation under or in relation to the Plan, except as otherwise provided in this Award.

15. Limitations. Nothing in these Terms and Conditions or the Plan grants to you any right to continued service with the Company or any Subsidiary or to interfere in any way with the Company or Subsidiary's right to terminate your service at any time and for any reason, subject to applicable law. Payment of Shares is not secured by a trust, insurance contract or other funding medium, and you do not have any interest in any fund or specific Company or Subsidiary asset by reason of this Award. You have no rights as a stockholder of the Company pursuant to this Award until Shares are actually delivered to you.

16. Entire Agreement and Amendment. These Terms and Conditions, the Plan, and other Company policies specifically referred to herein constitute the entire understanding between you and the Company regarding this Award. These Terms and Conditions supersede any prior agreements, commitments or negotiations concerning this Award. These Terms and Conditions may not be modified, altered or changed except by the Committee (or its delegate) in writing and pursuant to the terms of the Plan; provided, however, that the Company has the unilateral authority to amend these Terms and Conditions without your consent to the extent necessary, as determined in its good faith and reasonable discretion, to comply with applicable securities registration or exchange control requirements and to impose additional requirements on this Award or Shares subject to this Award if the Company in good faith reasonably deems it necessary to comply with applicable law and using all reasonable efforts to endeavor not to diminish the intended economic benefits of this Award.

17. Severability. The invalidity or unenforceability of any provision of these Terms and Conditions will not affect the validity or enforceability of the other provisions of these Terms and Conditions, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

18. Waiver. By accepting this Award, you acknowledge that a waiver by the Company of any breach by you of a provision of these Terms and Conditions shall not operate or be construed as a waiver by the Company of any other provision of these Terms and Conditions or of a subsequent breach.

19. Notices. By accepting this Award, you agree to receive documents, notices and any other communications relating to your participation in the Plan in writing by regular mail to your last known address on file with the Company or a Subsidiary or any outside Plan administrator, or by electronic means, including by e-mail, through an online system maintained by any outside Plan administrator, or by a posting on the Company's intranet website or on an online system or website maintained by any outside Plan administrator.

20. Code Section 409A Compliance. This Award is subject to Code Section 409A, and the provisions contained in Section 7.11 of the Plan shall govern and shall supersede any applicable provision of these Terms and Conditions. To the extent any payments or settlement under this Award become due as a result of a Change in Control, as modified by Section 7, payment shall be made at a time as is necessary to avoid taxation under Code Section 409A.

21. Governing Law. This Award and these Terms and Conditions shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

22. Put Right. During the 90-day period following each of (a) the 90th day following the third (3rd) anniversary of the Grant Date and (b) the 90th day following the fifth (5th) anniversary of the Grant Date (each, a "Put Period"), you will have the option to require the Company (via written notice to the Company (the "Put Notice")) to repurchase either 50% or 100% of the Shares you receive in settlement of the Performance Restricted Units under this Award (the "Put Shares"), provided that you have not experienced a Termination of Directorship for Cause; and provided further that your heirs and representatives (if you are incapacitated following Disability) shall have the right to exercise the Put Right in the event of your death or Disability) and your compliance with any applicable restrictive covenants in all material respects through any such purchase date (the "Put Right"). Following your exercise of the Put Right, the Company shall be required to repurchase the Put Shares within 90 days following the Put Notice at a price equal to the Fair Market Value on the date of repurchase; provided that if the Company determines reasonably and in good faith that a Repurchase Prohibition exists, then the Company shall have the right, upon written notice to you, to consummate the repurchase but make payment of the purchase price in respect of the Put Shares subject thereto in the form of a promissory note, bearing interest at the prime rate and payable upon the earliest to occur of the Repurchase Prohibition ceasing to apply, the third anniversary of the date of the Put Notice, a Change in Control or an initial public offering of the Company, and containing such other customary terms and conditions as may be determined, reasonably and in good faith, by the Company at the direction of the Board. On the date of the Put Notice and no more than fifteen (15) days prior to the purchase date, you shall (i) make the customary representations and warranties in connection with the redemption (if applicable) and sale of the Put Shares, including that you (x) have good and marketable title to the applicable Put Shares and (y) have due power and authority to execute and deliver any documents to sell, transfer, assign and deliver the Put Shares and (ii) transfer the Put Shares subject to the Put Notice to the Company, free and clear of all liens, other than liens in favor of the Company or its affiliates. For the avoidance of doubt, the limitations set forth in this Put Right shall not limit your ability to participate in any other Company-sponsored share repurchase programs, subject to the terms and conditions of any such share repurchase programs.

23. Acceptance. In order to receive this Award, you must electronically acknowledge and accept on the Company's designated third party equity administrator's website the terms and conditions set forth in the Plan and these Terms and Conditions. By accepting this Award, you agree to the following: (i) you have carefully read, fully understand and agree to all of the terms and conditions contained in the Plan and these Terms and Conditions; and (ii) you understand and agree the Plan and these Terms and Conditions constitute the entire understanding between you and the Company regarding this Award, and any prior agreements, commitments or negotiations concerning this Award are replaced and superseded. If you do not acknowledge these Terms and Conditions on the website, you will not be entitled to your Award.

[Electronic Signature]

**APPENDIX A
TO
TERMS AND CONDITIONS
OF
Amended and Restated
PERFORMANCE RESTRICTED UNIT AWARD**

**Performance Restricted Unit Award Vesting Requirements
DECEMBER 30, 2023 – DECEMBER 25, 2026 Performance Cycle**

Performance Goals

This Appendix A describes the vesting requirements for performance restricted units (“PSUs”) awarded under these “Terms and Conditions of Performance Restricted Unit Award” for the period from December 30, 2023 through December 25, 2026 (the “Performance Cycle”). The number of PSUs subject to these Terms and Conditions that vest is based entirely upon the Company’s Realized Value. Upon the expiration of the Performance Cycle, the Committee shall calculate the level of achievement attained for the Performance Cycle (in the manner described below) and certify the extent to which the performance goals have been achieved. As of the last day of the Performance Cycle, you shall become vested in the number of PSUs that corresponds to the attained level of achievement certified by the Committee, with the number of vested PSUs determined on the date that the Committee formally certifies such attained level of achievement (the “Committee Certification Date”). The Committee Certification Date shall occur no later than sixty (60) days after the conclusion of the Performance Cycle. Except as otherwise provided in these Terms and Conditions, if your service terminates for any reason before the expiration of the Performance Cycle, you will automatically forfeit all PSUs and they will be cancelled as of the date of your termination of service.

Realized Value

As of the last day of the Performance Cycle, the PSUs will vest based on the Realized Value calculated at the end of the Performance Cycle, with such calculation determined by the Committee in good faith on the Committee Certification Date.

The “Realized Value” is the sum of (i) the Net Proceeds (as defined below) generated by sales or dispositions of assets of the Company *plus* (ii) the aggregate fair market value of the Company’s remaining assets at the end of the Performance Cycle, which, for the avoidance of doubt, shall value cash and cash equivalents at face value (the “Remaining Asset FMV”), determined by a reputable third party valuation firm to be retained by the Board. Such third party valuation firm and the valuation methodology to be used by such valuation firm shall be determined by the majority agreement of the Company’s Transaction Review Committee; provided, that, if the Company’s Transaction Review Committee cannot reach agreement as to the valuation firm and/or the methodology, following their reasonable good faith efforts over a period of no more than 30 days, a majority of the Company’s Transaction Review Committee shall propose a valuation firm and/or methodology, as applicable, to be considered in good faith by the Board, which shall make the ultimate determination. “Net Proceeds” means an amount equal to the Initial Net Proceeds (as defined in the Company’s Transaction Incentive Plan) *plus* any Incremental Net Proceeds (as defined in the Company’s Transaction Incentive Plan) payable during the Performance Cycle *less* any amounts paid pursuant to the Company’s Transaction Incentive Plan during the Performance Cycle.

Realized Value Goal	Realized Value (in millions)
Threshold	\$[***]
Target	\$[***]
Maximum	\$[***]

Payments will be determined based on linear interpolation between threshold and target, and target and maximum performance levels, as follows:

Realized Value Goal Achievement	% of Target Payout
Below Threshold	0%
Threshold - Target	0-50%
Target - Maximum	50%-100%
Above Maximum	100%

For the avoidance of doubt, (i) if the Realized Value is less than \$[***], all PSUs will be forfeited for no consideration and (ii) if the Realized Value is equal to or greater than \$[***], 100% (and no more than 100%) of the PSUs will vest.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is below the threshold value. If a Participant was issued 100 PSUs, then the Participant would forfeit all 100 PSUs on the Committee Certification Date because the Realized Value was below the threshold value.

Example: If at the end of the Performance Cycle, the Company had closed asset sale transactions resulting in Net Proceeds equal to \$[***] and a third party valuation firm determines that the Company's remaining assets have a fair market value equal to \$[***], then the Realized Value will be \$[***], which is between the target and maximum values. If a Participant was issued 100 PSUs, then the Participant would vest in 80 PSUs on the Committee Certification Date based on linear interpolation.

Change in Control

Upon the consummation of a Change in Control, the Performance Cycle shall cease and the date of consummation of the Change in Control shall be the last day of the Performance Cycle.

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT HAS BEEN OMITTED BY MEANS OF REDACTING A PORTION OF THE TEXT AND REPLACING IT WITH [***] BECAUSE IT IS BOTH: (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

MALLINCKRODT PLC
AMENDED AND RESTATED
LONG-TERM TRANSACTION INCENTIVE PLAN (“Transaction Incentive Plan”)

A. **Purposes.** The Board of Directors (the “Board”) of Mallinckrodt plc (the “Company”), has determined that it is in the best interests of the Company to provide an incentive to retain certain key employees and directors of the Company and its subsidiaries through and following the closing of certain asset sale transactions and to align incentivization of employees and directors with the Board acting in the best interests of the Company. In order to accomplish these objectives, the Board has caused the Company to adopt this Mallinckrodt plc Transaction Incentive Plan (this “Plan”), effective as of January 1, 2024 (the “Effective Date”), pursuant to which such key employees and directors shall be eligible to receive Transaction Bonuses and Incremental Transaction Bonuses (each as defined below) upon and following the closing of Qualifying Transactions (as defined below), subject to the satisfaction of the terms and conditions set forth herein. The Board approved this amendment and restatement of the Plan on August 5, 2024, provided that the terms of the Plan as amended and restated shall apply to any Qualifying Transaction occurring after the Effective Date.

B. **Participants.** The “Participants” shall mean, collectively, those persons listed on Exhibit A hereto, which may be amended from time to time by the Board, each of whom shall receive a Participation Letter (as defined below).

C. **Plan Term.** This Plan shall be effective as of the Effective Date and shall remain in effect until the three (3) year anniversary of the Effective Date (the “Termination Date”) (provided that (i) Initial Net Proceeds in respect of any Qualifying Transaction that has a Measurement Date on or prior to the Termination Date shall still be payable after the Termination Date in accordance with the terms of this Plan and any applicable Participant Letter thereunder, and (ii) Incremental Transaction Bonuses with respect to any Incremental Net Proceeds received after the Termination Date shall still be payable after the Termination Date in accordance with the terms of this Plan and any applicable Participant Letter thereunder).

D. **Transaction Bonuses and Incremental Transaction Bonuses – Payment and Eligibility.** Except as may otherwise be provided in a Participant’s Participation Letter, upon the date of the closing of each Qualifying Transaction (each, a “Closing Date”), each Participant who has remained continuously employed or engaged by the Company or any of its subsidiaries during the period beginning on the Effective Date and ending on such Closing Date, shall be eligible to receive a Transaction Bonus with respect to such Qualifying Transaction, which Transaction Bonus shall be payable in cash in two equal installments, as follows: (i) 50% of the Transaction Bonus shall be paid on or within thirty (30) days following the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction and (ii) 50% of the Transaction Bonus shall be paid on the earlier of (A) the Termination Date, subject to the Participant’s continued employment or service with the Company or any of its subsidiaries through the Termination Date, and (B) a Significant Asset Transaction, subject to the Participant’s continued employment or service with the Company or any of its subsidiaries through the Significant Asset Transaction, provided, however, that in the event of a Closing Date that occurs following a Significant Asset Transaction, 100% of the applicable Transaction Bonus shall be paid on, or within thirty (30) days following, the Closing Date of such Qualifying Transaction or if a notice of objection as described in Section G has been delivered within sixty (60) days following the Closing Date of such Qualifying Transaction. In addition, except as may otherwise be provided in a Participant’s Participation Letter, if there are any Incremental Net Proceeds (as defined below) with respect to a Qualifying Transaction, each Participant shall receive the Incremental Transaction Bonus on the Termination Date (or, if later, promptly after the underlying Incremental Net Proceeds are received), subject to the Participant’s continued employment or service with the Company or any of its subsidiaries through the payment date.

E. **Transaction Bonus Pool and Incremental Transaction Bonus Pool.** The “Transaction Bonus Pool” for each Qualifying Transaction shall be an amount equal to the product of the Initial Net Proceeds (as defined below) with respect to such Qualifying Transaction *multiplied* by the “Bonus Pool Funding Percentage” set forth in the table below, which varies depending on the Measurement Date (as defined below) with respect to such Qualifying Transaction and will be determined as follows:

Measurement Date	Bonus Pool Funding Percentage
[***]	3.00%
[***]	[***]%
[***]	[***]%
[***]	[***]%

The “Measurement Date” in respect of each Qualifying Transaction shall be [***].

If the Measurement Date of a Qualifying Transaction occurs on or after [***]. The “Incremental Transaction Bonus Pool” for each Qualifying Transaction (if any) will be an amount equal to the product of the Incremental Net Proceeds with respect to such Qualifying Transaction *multiplied* by the Bonus Pool Funding Percentage applicable to such Qualified Transaction as determined in accordance with the table above.

F. Certain Definitions.

(1) “Incremental Net Proceeds” means, with respect to each Qualifying Transaction, the amount equal to the sum of all after-tax proceeds received in cash or the “fair market value” (as determined by the Board in its good faith and reasonable discretion) of securities received in connection with such Qualifying Transaction during the period starting the day after the Closing Date of such Qualifying Transaction and ending on the fifth (5th) anniversary thereof (the “Post-Closing Payment Period”), which, for the avoidance of doubt, will be determined in each case [***].

(2) “Incremental Transaction Bonus” means, with respect to each Participant in connection with each Qualifying Transaction, an amount, if any, equal to the product of (a) the amount of the applicable Incremental Transaction Bonus Pool, as determined in accordance with paragraph (E) above, *multiplied by* (b) such Participant’s applicable “Transaction Bonus Percentage” as set forth on Exhibit A hereto and in such Participant’s Participation Letter.

(3) “Initial Net Proceeds” means, with respect to each Qualifying Transaction, the amount equal to the sum of all after-tax proceeds received by the Company or its shareholders or debtholders in cash or the “fair market value” (as determined by the Board in its good faith and reasonable discretion) of securities in connection with such Qualifying Transaction, the value of any debt or indebtedness assumed or exchanged or any other value realized on the Closing Date of such Qualifying Transaction, [***].

(4) “Participation Letter” means a letter setting forth a Participant’s Transaction Bonus Percentage and any additional terms and conditions in substantially the form attached hereto as Exhibit B.

(5) “Qualifying Transaction” means the sale, disposition or spinoff, or similar transaction, of any of the Specified Assets or any other sale, disposition or spinoff, or similar transaction, of other assets with a gross sale price in excess of \$[***]. In the good faith and reasonable discretion of the Board, a significant partial sale of a Specified Asset shall be deemed a Qualifying Transaction. For the purposes of the foregoing sentence, sales of related or substantially similar assets shall be aggregated, if they [***].

(6) “Significant Asset Transaction” means the earlier of (i) the closing of a sale, disposition [***], or (ii) a sale, disposition [***].

(7) “Specified Assets” means [***].

(8) “Transaction Bonus” means, with respect to each Participant in connection with each Qualifying Transaction, an amount equal to the product of (a) the amount of the applicable Transaction Bonus Pool, as determined in accordance with paragraph (E) above, *multiplied by* (b) such Participant’s applicable Transaction Bonus Percentage as set forth on Exhibit A hereto and in such Participant’s Participation Letter.

G. Miscellaneous.

(1) Board Determination. Except as provided herein, the Board, acting reasonably in good faith, shall make all determinations under this Plan, including without limitation all determinations relating to the occurrence of a Qualifying Transaction, the calculation of Initial Net Proceeds and Incremental Net Proceeds and the determination of the Bonus Pool Funding Percentage. No later than ten (10) business days following the Closing Date of each Qualifying Transaction, the Company shall provide in writing to each Participant entitled to payment in respect of such Qualifying Transaction the amount of the Transaction Bonus Pool and an estimate of the amount of Incremental Net Proceeds that could be payable in respect of such Qualifying Transaction, with accompanying back up calculations (the “TriP Calculations”). If the majority of the members of the Board as in effect on the Effective Date no longer constitute a majority of the members of the Board as of the date of a particular Qualifying Transaction and if executive Participants in the Plan who would receive greater than 40% of the proceeds payable to executives in respect of a particular Qualifying Transaction (the “Objecting Executives”) give written notice to the Board of their objection to the Board’s determination of the amount of the Transaction Bonus Pool and the estimate of the amount of Incremental Net Proceeds that could be payable in respect of such Qualifying Transaction within ten (10) business days of receipt of the TriP Calculations, an independent outside appraiser selected by the Company in good faith and subject to the reasonable approval of a majority of the Objecting Executives, such approval not to be unreasonably withheld, conditioned or delayed, and paid for by the Company shall perform all calculations relating to the calculation of Initial Net Proceeds, Incremental Net Proceeds and the determination of the Bonus Pool Funding Percentage applicable to the particular Qualifying Transaction.

(2) Amendment. The Plan may be amended by the Board in its good faith and reasonable discretion at any time and from time to time; provided that no such amendment shall impair the then-existing rights of a Participant under the Plan, including for the avoidance of doubt, this Section G, at any time after August 5, 2024 without the consent of such Participant.

(3) Taxes. All amounts payable hereunder shall be subject to any applicable federal, state and local tax withholding and other applicable charges or withholdings. The Transaction Bonuses and Incremental Transaction Bonuses are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, and this Plan and the Participation Letters shall be interpreted consistent with such intent.

(4) Choice of Law. This Plan shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

(5) No Effect on Employment. Neither this Plan nor any Transaction Bonuses or Incremental Transaction Bonuses payable hereunder shall confer upon any Participant any right to continued employment or service with the Company or any of its subsidiaries or shall in any way modify or restrict the rights of the Company or any of its subsidiaries to terminate such employment or service.

(6) Use of “Employee” and “Employment.” The words “employee” and “employment” are sometimes used herein to describe the relationship between the Participant and the Company or any of its subsidiaries or affiliates, even though the Participant may not be deemed an employee for tax purposes. Unless the context indicates otherwise, when this Plan refers to “employee” or “employment,” such reference means the service relationship described in the immediately preceding sentence, and when this Plan refers to the termination of employment, such reference means the end of such service relationship between the Participant and the Company or the applicable subsidiary or affiliate.

(7) Entire Plan; Relation to Other Agreements. Except as otherwise set forth herein or otherwise agreed to in writing between the Company and a Participant, the Plan and the Participant’s Participation Letter contain the entire understanding of the parties relating to the subject matter hereof and supersede any prior agreement, arrangement and understanding between any Participant and the Company with respect to the subject matter hereof.

EXHIBIT A

Participants

[INTENTIONALLY OMITTED]

EXHIBIT B
[see attached]

ST SHARED SERVICES LLC

August ____, 2024

[Name]

[Address line 1]

[Address line 2]

[Address line 3]

Dear [Name],

As you know, you were previously notified by ST Shared Services LLC (the "Company") that the Board of Directors (the "Board") of Mallinckrodt plc ("Mallinckrodt") selected you as a participant in Mallinckrodt's Transaction Incentive Plan (the "Plan"), pursuant to which you are eligible to receive one or more cash bonuses (each, a "Transaction Bonus") subject to the terms and conditions set forth in your original participation letter dated February 2, 2024 (the "Original Letter") and the Plan. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

The purpose of this letter (the "Participation Letter") is to amend and restate the Original Letter as set forth herein.

Your Transaction Bonus Percentage is [____]%. Accordingly, subject to the terms and conditions set forth in the Plan, in connection with the Closing Date of each Qualifying Transaction, you will be eligible to receive a Transaction Bonus equal to the product of your Transaction Bonus Percentage *multiplied by* the Initial Transaction Bonus Pool calculated for such Qualifying Transaction, 50% of which shall be payable on or within thirty (30) days following the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction, subject to your continued employment with the Company or one of its affiliates through such closing, and 50% of which shall be payable on the earlier of (A) the Termination Date of the Plan, subject to your continued employment with the Company or one of its affiliates through such date, and (B) a Significant Asset Transaction, subject to your continued employment with the Company or one of its affiliates through the Significant Asset Transaction (the "Deferred Payment") provided, however, that in the event of a Closing Date that occurs following a Significant Asset Transaction, 100% of the applicable Transaction Bonus shall be paid on, or within thirty (30) days following, the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction. Any Deferred Payment shall accrue interest at the prime rate. You shall also be eligible to receive an Incremental Transaction Bonus in connection with each Qualifying Transaction equal to the product of your Transaction Bonus Percentage *multiplied by* the Incremental Transaction Bonus Pool calculated for such Qualifying Transaction, which shall be payable on the Termination Date of the Plan, subject to your continued employment with the Company or one of its affiliates through such date. You shall be eligible for more than one Transaction Bonus and Incremental Transaction Bonus if Mallinckrodt closes more than one Qualifying Transaction during your continued employment with the Company or one of its affiliates or any applicable tail period as set forth below.

Notwithstanding the foregoing, in the event of the termination of your employment by the Company without Cause, by you with Good Reason, or as a result of your death or Disability (each, as defined in that certain employment agreement by and between you and ST Shared Services LLC, dated as of February 2, 2024 (the "Employment Agreement"), subject to your (or your estate's or beneficiary's, in the event of your death) execution of the Release (as defined in the Employment Agreement), the Company shall pay you (i) any portion of each Transaction Bonus that is then-unpaid (including any Deferred Payment) with respect to each Qualifying Transaction that occurred prior to the date of such termination of employment, in a lump sum on the first regular payroll date following the effective date of the Release, (ii) 100% of each Transaction Bonus with respect to any Qualifying Transaction with a Signing Date prior to the date of such termination of employment but a Closing Date that occurs at any time following such termination of employment, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, (iii) 100% of any Transaction Bonus arising out of each Qualifying Transaction with a Signing Date that occurs on or prior to the date that is six (6) months following the date of such termination of employment, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, and (iv) any Incremental Transaction Bonuses that are paid to Participants in connection with each Qualifying Transaction that is covered by (i), (ii) or (iii) above following the date of such termination of employment for such period of time as the Board with the assistance of outside advisors and, in its good faith and reasonable discretion, can reasonably conclude that payment of such Incremental Transaction Bonuses constitute short-term deferrals under Code Section 409A as and when such amounts would have otherwise been payable under the Plan but for such termination of employment (or if later, the first payroll date following the effective date of the Release). Notwithstanding anything to the contrary in the Plan, any determination with respect to the character of your termination of employment or the breach of any restrictive covenant under your Employment Agreement shall be subject to de novo review.

In the event of any discrepancy between the terms of this Participation Letter and the Plan, this Participation Letter shall control. If you have any questions, please contact _____ at _____@mnk.com.

Sincerely yours,

ST Shared Services LLC

Name:

Title:

Acknowledged and accepted:

Name:

Title:

[ST SHARED SERVICES LLC]¹

August __, 2024

[Name]

[Address line 1]

[Address line 2]

[Address line 3]

Dear [Name],

As you know, you were previously notified by [ST Shared Services LLC] (the “Company”) that the Board of Directors (the “Board”) of Mallinckrodt plc (“Mallinckrodt”) selected you as a participant in Mallinckrodt’s Transaction Incentive Plan (the “Plan”), pursuant to which you are eligible to receive one or more cash bonuses (each, a “Transaction Bonus”) subject to the terms and conditions set forth in your original participation letter dated February 2, 2024 (the “Original Letter”) and the Plan. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

The purpose of this letter (the “Participation Letter”) is to amend and restate the Original Letter as set forth herein.

Your Transaction Bonus Percentage is [_____]%. Accordingly, subject to the terms and conditions set forth in the Plan, in connection with the Closing Date of each Qualifying Transaction, you will be eligible to receive a Transaction Bonus equal to the product of your Transaction Bonus Percentage *multiplied by* the Initial Transaction Bonus Pool calculated for such Qualifying Transaction, 50% of which shall be payable on or within thirty (30) days following the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction, subject to your continued employment with the Company or one of its affiliates through such closing, and 50% of which shall be payable on the earlier of (A) the Termination Date of the Plan, subject to your continued employment with the Company or one of its affiliates through such date, and (B) a Significant Asset Transaction, subject to your continued employment with the Company or one of its affiliates through the Significant Asset Transaction (the “Deferred Payment”), provided, however, that in the event of a Closing Date that occurs following a Significant Asset Transaction, 100% of the applicable Transaction Bonus shall be paid on, or within thirty (30) days following, the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction. Any Deferred Payment shall accrue interest at the prime rate. You shall also be eligible to receive an Incremental Transaction Bonus in connection with each Qualifying Transaction equal to the product of your Transaction Bonus Percentage *multiplied by* the Incremental Transaction Bonus Pool calculated for such Qualifying Transaction, which shall be payable on the Termination Date of the Plan, subject to your continued employment with the Company or one of its affiliates through such date. You shall be eligible for more than one Transaction Bonus and Incremental Transaction Bonus if Mallinckrodt closes more than one Qualifying Transaction during your continued employment with the Company or one of its affiliates.

¹ To be updated for people who have a different employing entity.

Notwithstanding the foregoing, in the event of the termination of your employment by the Company without Cause, by you with Good Reason, or as a result of your death or Disability (each, as defined in that certain employment agreement by and between you and the Company, dated as of February 2, 2024 (the "Employment Agreement"), subject to your (or your estate's or beneficiary's, in the event of your death) execution of the Release (as defined in the Employment Agreement), the Company shall pay you (i) any portion of each Transaction Bonus that is then-unpaid (including any Deferred Payment) with respect to each Qualifying Transaction that occurred prior to the date of such termination of employment, in a lump sum on the first regular payroll date following the effective date of the Release, (ii) 100% of each Transaction Bonus with respect to any Qualifying Transaction with a Signing Date prior to the date of such termination of employment but a Closing Date that occurs at any time following such termination of employment, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, (iii) 100% of any Transaction Bonus arising out of each Qualifying Transaction with a Signing Date that occurs on or prior to the date that is six (6) months following the date of such termination of employment, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, and (iv) any Incremental Transaction Bonuses that are paid to Participants in connection with each Qualifying Transaction that is covered by (i), (ii), or (iii) above following the date of such termination of employment for such period of time as the Board, with the assistance of outside advisors and in its good faith and reasonable direction, can reasonably conclude that payment of such Incremental Transaction Bonuses constitute short-term deferrals under Code Section 409A, as and when such amounts would have otherwise been payable under the Plan but for such termination of employment (or if later, the first payroll date following the effective date of the Release).

In the event of any discrepancy between the terms of this Participation Letter and the Plan, this Participation Letter shall control. If you have any questions, please contact at @mnk.com.

Sincerely yours,

[ST Shared Services LLC]²

Name:

Title:

Acknowledged and accepted:

Name:

Title:

² To be updated based on employing entity.

MALLINCKRODT PLC

August ____, 2024

[Name]

[Address line 1]

[Address line 2]

[Address line 3]

Dear [Name],

As you know, you were previously notified by Mallinckrodt plc (the “Company”) as a member of the Board of Directors of the Company (the “Board”), you have been designated as a participant in the Company’s Transaction Incentive Plan (the “Plan”), pursuant to which you are eligible to receive one or more cash bonuses (each, a “Transaction Bonus”) subject to the terms and conditions set forth in your original participation letter dated February 2, 2024 (the “Original Letter”) and the Plan. Capitalized terms used but not defined in herein shall have the meanings ascribed to them in the Plan.

The purpose of this letter (the “Participation Letter”) is to amend and restate the Original Letter as set forth herein.

Your Transaction Bonus Percentage is [_____]%. Accordingly, subject to the terms and conditions set forth in the Plan, in connection with the Closing Date of each Qualifying Transaction, you will be eligible to receive a Transaction Bonus equal to the product of your Transaction Bonus Percentage *multiplied by* the Initial Transaction Bonus Pool calculated for such Qualifying Transaction, 50% of which shall be payable on or within thirty (30) days following the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction, subject to your continued service on the Board through such closing, and 50% of which shall be payable on the earlier of (A) the Termination Date of the Plan, subject to your continued service on the Board through such date and (B) a Significant Asset Transaction, subject to your continued service on the Board through the Significant Asset Transaction (the “Deferred Payment”) provided, however, that in the event of a Closing Date that occurs following a Significant Asset Transaction, 100% of the applicable Transaction Bonus shall be paid on, or within thirty (30) days following, the Closing Date of such Qualifying Transaction or, if a notice of objection as described in Section G of the Plan has been delivered, within sixty (60) days following the Closing Date of such Qualifying Transaction. Any Deferred Payment shall accrue interest at the prime rate. You shall also be eligible to receive an Incremental Transaction Bonus in connection with each Qualifying Transaction equal to the product of your Transaction Bonus Percentage *multiplied by* the Incremental Transaction Bonus Pool calculated for such Qualifying Transaction, which shall be payable on the Termination Date of the Plan, subject to your continued service on the Board through such date. You shall be eligible for more than one Transaction Bonus and Incremental Transaction Bonus if the Company closes more than one Qualifying Transaction during your continued Board service.

Notwithstanding the foregoing, in the event of the termination of your service on the Board by the Company without Cause or as a result of your death or Disability (each, as defined in the Company's 2024 Stock and Incentive Plan), subject to your (or your estate's or beneficiary's, in the event of your death) execution of a release of claims agreement in the Company's customary form (a "Release"), the Company shall pay you (i) any portion of each Transaction Bonus that is then-unpaid (including any Deferred Payment) with respect to each Qualifying Transaction that occurred prior to the date of such termination of Board service, in a lump sum on the first regular payroll date following the effective date of the Release, (ii) 100% of each Transaction Bonus with respect to any Qualifying Transaction with a Signing Date prior to the date of such termination of Board service but a Closing Date that occurs at any time following such termination of Board service, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, and (iii) 100% of any Transaction Bonus arising out of each Qualifying Transaction with a Signing Date that occurs on or prior to the date that is six (6) months following the date of such termination of Board service, on the first payroll date following the later of the effective date of the Release or the Closing Date of such Qualifying Transaction, and (iv) any Incremental Transaction Bonuses that are paid to Participants in connection with each Qualifying Transaction that is covered by (i), (ii) or (iii) above following the date of such termination of Board service for such period of time as the Board, with the assistance of outside advisors and in its good faith and reasonable direction, Board may designate, in its good faith and reasonable direction, can reasonably conclude that payment of such Incremental Transaction Bonuses constitute short-term deferrals under Code Section 409A as and when such amounts would have otherwise been payable under the Plan but for such termination of Board service (or if later, the first payroll date following the effective date of the Release).

In the event of any discrepancy between the terms of this Participation Letter and the Plan, this Participation Letter shall control. If you have any questions, please contact at @mnk.com.

Sincerely yours,

Mallinckrodt plc

Name:

Title:

Acknowledged and accepted:

Name:

Title:

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Sigurdur Olafsson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mallinckrodt plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

By: /s/ Sigurdur Olafsson

Sigurdur Olafsson

*President and Chief Executive Officer and Director
(Principal Executive Officer)*

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bryan M. Reasons, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mallinckrodt plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

By: /s/ Bryan M. Reasons

Bryan M. Reasons

*Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)*

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned officers of Mallinckrodt plc (“the Company”) hereby certify to their knowledge that the Company's quarterly report on Form 10-Q for the period ended June 28, 2024 (“the Report”), as filed with the Securities and Exchange Commission on the date hereof, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Sigurdur Olafsson

Sigurdur Olafsson

*President and Chief Executive Officer and Director
(principal executive officer)*

August 6, 2024

By: /s/ Bryan M. Reasons

Bryan M. Reasons

*Executive Vice President and Chief Financial Officer
(principal financial and accounting officer)*

August 6, 2024