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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 2, 2021

Mallinckrodt plc

(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction
of incorporation)

001-35803
(Commission
File Number)

98-1088325
(IRS Employer
Identification No.)

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

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 2.02 Results of Operations and Financial Condition.

On November 2, 2021, Mallinckrodt plc (the "Company" or "Mallinckrodt") provided its financial results for the three and nine months ended September 24, 2021 in the attached Exhibit 99.1.

The information in this Current Report on Form 8-K, including Exhibit 99.1, should be read in conjunction with the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 24, 2021.

The information contained in this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as otherwise expressly set forth by specific reference in such a filing.

NON-GAAP FINANCIAL MEASURES

Exhibit 99.1 contains financial measures, including adjusted EBITDA and net sales growth on a constant-currency basis, which are considered "non-GAAP" financial measures under applicable U.S. Securities and Exchange Commission rules and regulations.

Adjusted EBITDA represents amounts prepared in accordance with accounting principles generally accepted in the U.S. (GAAP) and adjusts for certain items that management believes are not reflective of the operational performance of the business. Consolidated adjusted EBITDA represents net loss, adjusted for interest expense, net, taxes, depreciation and amortization and certain items that management believes are not reflective of the operational performance of the business and additional adjustments. These adjustments include, but are not limited to, restructuring charges, net; non-restructuring impairment charges; discontinued operations; changes in fair value of contingent consideration obligations; significant legal and environmental charges; divestitures; separation costs; unrealized gain on equity investment; reorganization items, net; share-based compensation and other items identified by the Company.

Segment net sales growth on a constant-currency basis measures the change in segment net sales between current- and prior-year periods using a constant currency, the exchange rate in effect during the applicable prior-year period.

The Company has provided these adjusted financial measures because they are used by management, along with financial measures in accordance with GAAP, to evaluate the company's operating performance. In addition, the Company believes that they will be used by certain investors to measure Mallinckrodt's operating results. Management believes that presenting these adjusted measures provides useful information about the Company's performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. Reconciliations of these financial measures to the most directly comparable GAAP financial measures are included in Exhibit 99.1.

These adjusted measures should be considered supplemental to and not a substitute for financial information prepared in accordance with GAAP.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Third Quarter Financial Results.
104	Cover Page Interactive Data File (embedded within the inline XBRL document).

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 hereunto duly authorized.

MALLINCKRODT PLC
(registrant)

Date: November 2, 2021

By: /s/ Bryan M. Reasons

Bryan M. Reasons
Executive Vice President and Chief Financial Officer
(principal financial officer)

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in millions, except per share data)

	Three Months Ended			
	September 24, 2021	Percent of Net sales	September 25, 2020	Percent of Net sales
Net sales	\$ 507.2	100.0 %	\$ 698.3	100.0 %
Cost of sales	319.2	62.9	403.0	57.7
Gross profit	188.0	37.1	295.3	42.3
Selling, general and administrative expenses	127.3	25.1	220.8	31.6
Research and development expenses	47.3	9.3	65.5	9.4
Restructuring charges, net	11.0	2.2	3.2	0.5
Gains on divestiture	—	—	(9.7)	(1.4)
Opioid-related litigation settlement loss (gain)	125.0	24.6	(25.8)	(3.7)
Medicaid lawsuit	—	—	(0.2)	—
Operating (loss) income	(122.6)	(24.2)	41.5	5.9
Interest expense	(48.7)	(9.6)	(62.2)	(8.9)
Interest income	—	—	0.9	0.1
Other expense, net	(3.5)	(0.7)	—	—
Reorganization items, net	(126.2)	(24.9)	—	—
Loss from continuing operations before income taxes	(301.0)	(59.3)	(19.8)	(2.8)
Income tax benefit	(32.0)	(6.3)	(211.6)	(30.3)
(Loss) income from continuing operations	(269.0)	(53.0)	191.8	27.5
Income (loss) from discontinued operations, net of income taxes	5.3	1.0	(0.2)	—
Net (loss) income	\$ (263.7)	(52.0)%	\$ 191.6	27.4 %
Basic (loss) income per share:				
(Loss) income from continuing operations	\$ (3.18)		\$ 2.27	
Income (loss) from discontinued operations	0.06		—	
Net (loss) income	\$ (3.11)		\$ 2.26	
Diluted (loss) income per share:				
(Loss) income from continuing operations	\$ (3.18)		\$ 2.27	
Income (loss) from discontinued operations	0.06		—	
Net (loss) income	\$ (3.11)		\$ 2.26	
Weighted-average number of shares outstanding				
Basic	84.7		84.6	
Diluted	84.7		84.6	

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
CONSOLIDATED ADJUSTED EBITDA
(unaudited, in millions)

	Three Months Ended							
	September 24, 2021				September 25, 2020			
	Gross Profit	SG&A	R&D	Adjusted EBITDA	Gross Profit	SG&A	R&D	Adjusted EBITDA
Net loss	\$ 188.0	\$ 127.3	\$ 47.3	\$ (263.7)	\$ 295.3	\$ 220.8	\$ 65.5	\$ 191.6
Adjustments:								
Interest expense, net	—	—	—	48.7	—	—	—	61.3
Income taxes	—	—	—	(32.0)	—	—	—	(211.6)
Depreciation ⁽¹⁾	17.3	(4.3)	(1.6)	23.2	18.3	(5.5)	(1.7)	25.5
Amortization	144.5	(0.8)	—	145.3	209.7	(0.9)	—	210.6
Restructuring charges, net	—	—	—	11.0	—	—	—	3.2
(Income) loss from discontinued operations	—	—	—	(5.3)	—	—	—	0.2
Change in contingent consideration fair value	—	2.1	—	(2.1)	—	(8.1)	—	8.1
Significant legal and environmental charges	—	—	—	125.0	0.7	(13.4)	—	(11.9)
Gains on divestiture	—	—	—	—	—	—	—	(9.7)
Separation costs	—	(0.1)	—	0.1	—	(33.0)	—	33.0
Unrealized loss on equity investment	—	—	—	6.9	—	—	—	0.8
Reorganization items, net	—	—	—	126.2	—	—	—	—
Share-based compensation	0.1	(1.9)	(0.4)	2.4	0.2	(3.4)	(0.7)	4.3
As adjusted:	<u>\$ 349.9</u>	<u>\$ 122.3</u>	<u>\$ 45.3</u>	<u>\$ 185.7</u>	<u>\$ 524.2</u>	<u>\$ 156.5</u>	<u>\$ 63.1</u>	<u>\$ 305.4</u>

⁽¹⁾ Includes \$0.7 millions of accelerated depreciation in selling general and administrative ("SG&A") related to restructuring charges incurred during the three months ended September 24, 2021.

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SEGMENT OPERATING INCOME
(unaudited, in millions)

	Three Months Ended	
	September 24, 2021	September 25, 2020
Specialty Brands	\$ 189.9	291.8
Specialty Generics	15.2	43.1
Segment operating income	205.1	334.9
allocated amounts:		
Corporate and unallocated expenses ⁽¹⁾	(20.8)	(42.1)
Depreciation and amortization	(168.4)	(236.1)
Share-based compensation	(2.4)	(4.3)
Restructuring charges, net	(11.0)	(3.2)
Reparation costs	(0.1)	(33.0)
Opioid-related litigation settlement (loss) gain	(125.0)	25.8
Medicaid lawsuit	—	(0.5)
Operating (loss) income	\$ (122.6)	41.5

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

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SEGMENT NET SALES AND CONSTANT-CURRENCY GROWTH
(unaudited, in millions)

	Three Months Ended		Percent change	Currency impact	Constant-currency growth
	September 24, 2021	September 25, 2020			
Specialty Brands	\$ 359.7	\$ 539.6	(33.3)%	0.1 %	(33.4)%
Specialty Generics	147.5	159.4	(7.5)	0.1	(7.6)
Segment net sales	507.2	699.0	(27.4)	0.1	(27.5)
Medicaid lawsuit	—	(0.7)	*	*	*
Net sales	<u>\$ 507.2</u>	<u>\$ 698.3</u>	(27.4)%	0.1 %	(27.5)%

*Not meaningful

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SELECT PRODUCT LINE NET SALES AND CONSTANT-CURRENCY GROWTH
(unaudited, in millions)

	Three Months Ended		Percent change	Currency impact	Constant-currency growth
	September 24, 2021	September 25, 2020			
Specialty Brands					
Acthar Gel	\$ 143.4	\$ 195.3	(26.6)%	— %	(26.6)%
INOmax	98.4	141.9	(30.7)	—	(30.7)
Ofirmev	4.7	88.7	(94.7)	—	(94.7)
Therakos	62.5	62.6	(0.2)	0.7	(0.9)
Amitiza	49.6	47.7	4.0	—	4.0
Other	1.1	3.4	(67.6)	—	(67.6)
Specialty Brands Total	359.7	539.6	(33.3)	0.1	(33.4)
Specialty Generics					
Hydrocodone (API) and hydrocodone-containing tablets	16.9	20.0	(15.5)	—	(15.5)
Oxycodone (API) and oxycodone-containing tablets	15.2	16.1	(5.6)	—	(5.6)
Acetaminophen (API)	49.6	54.9	(9.7)	—	(9.7)
Other controlled substances	60.8	62.4	(2.6)	0.3	(2.9)
Other	5.0	6.0	(16.7)	—	(16.7)
Specialty Generics Total	147.5	159.4	(7.5)	0.1	(7.6)
Segment net sales	507.2	699.0	(27.4)	0.1	(27.5)
Medicaid lawsuit	—	(0.7)	*	*	*
Net sales	<u>\$ 507.2</u>	<u>\$ 698.3</u>	(27.4)%	0.1 %	(27.5)%

*Not meaningful

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

	Nine Months Ended			
	September 24, 2021	Percent of Net sales	September 25, 2020	Percent of Net sales
Net sales (includes refined estimate of the retrospective one-time charge of \$535.1 million related to the Medicaid lawsuit for the nine months ended September 25, 2020)	\$ 1,611.6	100.0 %	\$ 1,530.6	100.0 %
Cost of sales	958.4	59.5	1,171.7	76.6
Gross profit	653.2	40.5	358.9	23.4
Selling, general and administrative expenses	408.3	25.3	683.2	44.6
Research and development expenses	166.3	10.3	225.8	14.8
Restructuring charges, net	17.5	1.1	15.8	1.0
Non-restructuring impairment charges	64.5	4.0	63.5	4.1
Losses (gains) on divestiture	0.8	—	(10.1)	(0.7)
Opioid-related litigation settlement loss (gain)	125.0	7.8	(34.1)	(2.2)
Medicaid lawsuit	—	—	105.1	6.9
Operating loss	(129.2)	(8.0)	(690.3)	(45.1)
Interest expense	(160.7)	(10.0)	(200.9)	(13.1)
Interest income	1.9	0.1	5.4	0.4
Other income, net	15.9	1.0	1.1	0.1
Reorganization items, net	(329.2)	(20.4)	—	—
Loss from continuing operations before income taxes	(601.3)	(37.3)	(884.7)	(57.8)
Income tax benefit	(81.9)	(5.1)	(69.2)	(4.5)
Loss from continuing operations	(519.4)	(32.2)	(815.5)	(53.3)
Income from discontinued operations, net of income taxes	6.0	0.4	23.8	1.6
Net loss	\$ (513.4)	(31.9)%	\$ (791.7)	(51.7)%
Basic loss per share:				
Loss from continuing operations	\$ (6.13)		\$ (9.66)	
Income from discontinued operations	0.07		0.28	
Net loss	\$ (6.06)		\$ (9.38)	
Diluted loss per share:				
Loss from continuing operations	\$ (6.13)		\$ (9.66)	
Income from discontinued operations	0.07		0.28	
Net loss	\$ (6.06)		\$ (9.38)	
Weighted-average number of shares outstanding:				
Basic	84.7		84.4	
Diluted	84.7		84.4	

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
CONSOLIDATED ADJUSTED EBITDA
(unaudited, in millions)

	Nine Months Ended							
	September 24, 2021				September 25, 2020			
	Gross Profit	SG&A	R&D	Adjusted EBITDA	Gross Profit	SG&A	R&D	Adjusted EBITDA
Net loss	\$ 653.2	\$ 408.3	\$ 166.3	\$ (513.4)	\$ 358.9	\$ 683.2	\$ 225.8	\$ (791.7)
Adjustments:								
Interest expense, net	—	—	—	158.8	—	—	—	195.5
Income tax benefit	—	—	—	(81.9)	—	—	—	(69.2)
Depreciation ⁽¹⁾	52.2	(13.4)	(4.7)	70.3	54.2	(16.3)	(5.2)	75.7
Amortization	433.3	(2.5)	—	435.8	597.2	(2.6)	—	599.8
Restructuring charges, net	—	—	—	17.5	—	—	—	15.8
Non-restructuring impairment charges	—	—	—	64.5	—	—	—	63.5
Income from discontinued operations	—	—	—	(6.0)	—	—	—	(23.8)
Change in contingent consideration fair value	—	7.6	—	(7.6)	—	(2.4)	—	2.4
Significant legal and environmental charges	—	—	—	125.0	535.1	(53.1)	—	659.2
Losses (gains) on divestiture	—	—	—	0.8	—	—	—	(10.1)
Separation costs	—	(1.0)	—	1.0	—	(75.0)	—	75.0
Unrealized gain on equity investment	—	—	—	(4.8)	—	—	—	(2.2)
R&D upfront payment	—	—	—	—	—	—	(5.0)	5.0
Reorganization items, net	—	—	—	329.2	—	—	—	—
Share-based compensation	0.4	(6.6)	(1.4)	8.4	0.8	(14.0)	(2.8)	17.6
As adjusted:	<u>\$ 1,139.1</u>	<u>\$ 392.4</u>	<u>\$ 160.2</u>	<u>\$ 597.6</u>	<u>\$ 1,546.2</u>	<u>\$ 519.8</u>	<u>\$ 212.8</u>	<u>\$ 812.5</u>

⁽¹⁾ Includes \$2.0 million of accelerated depreciation in SG&A related to restructuring charges incurred during the nine months ended September 24, 2021.

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SEGMENT OPERATING INCOME
(unaudited, in millions)

	Nine Months Ended	
	September 24, 2021	September 25, 2020
Specialty Brands	\$ 588.6	\$ 765.0
Specialty Generics	73.8	155.5
Segment operating income	662.4	920.5
Unallocated amounts:		
Corporate and unallocated expenses ⁽¹⁾	(69.1)	(152.3)
Depreciation and amortization	(506.1)	(675.5)
Share-based compensation	(8.4)	(17.6)
Restructuring charges, net	(17.5)	(15.8)
Non-restructuring impairment charges	(64.5)	(63.5)
Separation costs	(1.0)	(75.0)
R&D upfront payment	—	(5.0)
Opioid-related litigation settlement (loss) gain	(125.0)	34.1
Medicaid lawsuit	—	(640.2)
Operating loss	\$ (129.2)	\$ (690.3)

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

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SEGMENT NET SALES AND CONSTANT-CURRENCY GROWTH
(unaudited, in millions)

	Nine Months Ended		Percent change	Currency impact	Constant-currency growth
	September 24, 2021	September 25, 2020			
Specialty Brands	\$ 1,149.6	\$ 1,553.0	(26.0)%	0.3 %	(26.3)%
Specialty Generics	462.0	512.7	(9.9)	0.1	(10.0)
Segment net sales	1,611.6	2,065.7	(22.0)	0.2	(22.2)
Medicaid lawsuit	—	(535.1)	*	*	*
Net sales	<u>\$ 1,611.6</u>	<u>\$ 1,530.6</u>	5.3 %	0.2 %	5.1 %

*Not meaningful

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
SELECT PRODUCT LINE NET SALES
(unaudited, in millions)

	Nine Months Ended		Percent change	Currency impact	Constant-currency growth
	September 24, 2021	September 25, 2020			
Specialty Brands					
Acthar	\$ 423.9	\$ 576.6	(26.5)%	— %	(26.5)%
Inomax	338.3	438.5	(22.9)	0.1	(23.0)
Ofirmev	24.0	216.0	(88.9)	—	(88.9)
Therakos	197.8	174.1	13.6	2.1	11.5
Amitiza	155.8	138.2	12.7	—	12.7
Other	9.8	9.6	2.1	—	2.1
Specialty Brands Total	1,149.6	1,553.0	(26.0)	0.3	(26.3)
Specialty Generics					
Hydrocodone (API) and hydrocodone-containing tablets	60.7	71.9	(15.6)	—	(15.6)
Oxycodone (API) and oxycodone-containing tablets	49.5	48.0	3.1	—	3.1
Acetaminophen (API)	146.8	154.5	(5.0)	—	(5.0)
Other controlled substances	187.9	223.8	(16.0)	0.3	(16.3)
Other	17.1	14.5	17.9	—	17.9
Specialty Generics Total	462.0	512.7	(9.9)	0.1	(10.0)
Segment net sales	1,611.6	2,065.7	(22.0)	0.2	(22.2)
Medicaid lawsuit	—	(535.1)	*	*	*
Net sales	<u>\$ 1,611.6</u>	<u>\$ 1,530.6</u>	5.3 %	0.2 %	5.1 %

*Not meaningful

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in millions)

	September 24, 2021	December 25, 2020
Assets		
Current Assets:		
Cash and cash equivalents	\$ 1,322.6	\$ 1,070.6
Accounts receivable, net	431.7	538.8
Inventories	367.6	344.9
Prepaid expenses and other current assets	203.7	350.0
Total current assets	2,325.6	2,304.3
Property, plant and equipment, net	767.7	833.1
Intangible assets, net	5,684.1	6,184.5
Other assets	380.6	393.5
Total Assets	\$ 9,158.0	\$ 9,715.4
Liabilities and Shareholders' Equity		
Current Liabilities:		
Current maturities of long-term debt	\$ 1,388.1	\$ 3,587.9
Accounts payable	122.2	93.3
Accrued payroll and payroll-related costs	62.7	79.4
Accrued interest	25.7	26.9
Accrued and other current liabilities	387.1	331.2
Total current liabilities	1,985.8	4,118.7
Pension and postretirement benefits	32.6	34.6
Environmental liabilities	60.3	59.8
Deferred income taxes	61.5	80.6
Other income tax liabilities	82.9	100.1
Other liabilities	86.0	109.8
Liabilities subject to compromise	6,335.5	4,192.6
Total Liabilities	8,644.6	8,696.2
Shareholders' Equity:		
Preferred shares	—	—
Ordinary shares	18.9	18.8
Ordinary shares held in treasury at cost	(1,616.1)	(1,616.1)
Additional paid-in capital	5,596.0	5,587.6
Retained deficit	(3,474.9)	(2,961.5)
Accumulated other comprehensive loss	(10.5)	(9.6)
Total Shareholders' Equity	513.4	1,019.2
Total Liabilities and Shareholders' Equity	\$ 9,158.0	\$ 9,715.4

MALLINCKRODT PLC
(DEBTOR-IN-POSSESSION)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in millions)

	Nine Months Ended	
	September 24, 2021	September 25, 2020
Cash Flows From Operating Activities:		
Net loss	\$ (513.4)	\$ (791.7)
Adjustments to reconcile net cash from operating activities:		
Depreciation and amortization	506.1	675.5
Share-based compensation	8.4	17.6
Deferred income taxes	(19.1)	304.0
Non-cash impairment charges	64.5	63.5
Losses (gains) on divestiture	0.8	(10.1)
Reorganization items, net	22.5	—
Other non-cash items	(6.0)	(21.6)
Changes in assets and liabilities:		
Accounts receivable, net	105.7	61.1
Inventories	(30.9)	(43.9)
Accounts payable	14.7	(52.4)
Income taxes	92.5	(431.2)
Opioid-related litigation settlement liability	125.0	—
Medicaid lawsuit	(4.8)	640.2
Other	40.4	(116.3)
Net cash from operating activities	<u>406.4</u>	<u>294.7</u>
Cash Flows From Investing Activities:		
Capital expenditures	(39.2)	(42.4)
Proceeds from divestitures, net of cash	15.7	(0.7)
Other	1.4	6.7
Net cash from investing activities	<u>(22.1)</u>	<u>(36.4)</u>
Cash Flows From Financing Activities:		
Repayment of external debt	(128.2)	(134.6)
Debt financing costs	—	(9.3)
Repurchase of shares	—	(0.4)
Other	—	(36.3)
Net cash from financing activities	<u>(128.2)</u>	<u>(180.6)</u>
Effect of currency rate changes on cash	(0.9)	0.2
Net change in cash, cash equivalents and restricted cash	<u>255.2</u>	<u>77.9</u>
Cash, cash equivalents and restricted cash at beginning of period	<u>1,127.0</u>	<u>822.6</u>
Cash, cash equivalents and restricted cash at end of period	<u>\$ 1,382.2</u>	<u>\$ 900.5</u>
Cash and cash equivalents at end of period	\$ 1,322.6	\$ 844.2
Restricted cash included in prepaid expenses and other assets at end of period	23.3	20.2
Restricted cash included in other long-term assets at end of period	36.3	36.1
Cash, cash equivalents and restricted cash at end of period	<u>\$ 1,382.2</u>	<u>\$ 900.5</u>