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Årsredovisning

för

ACO HUD NORDIC AB

556602-6224

Räkenskapsåret

2022

Fastställelseintyg

Undertecknad styrelseledamot i ACO HUD NORDIC AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 8 juni 2023. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stockholm den 9 juni 2023

Fredrik Sylwan

20230612344364

Styrelsen och verkställande direktören för ACO HUD NORDIC AB avger följande årsredovisning för räkenskapsåret 2022.

Förvaltningsberättelse

Information om verksamheten

ACO Hud Nordic AB är ett hudvårds- och läkemedelsföretag med verksamhet som omfattar produktutveckling och marknadsföring, samt med försäljning till apotek i Sverige, Norge, Danmark och Finland genom helägda dotterbolag.

Bolaget har sitt säte i Upplands Väsby.
Företaget har sitt säte i Box 622 194 26 Upplands Väsby.

Väsentliga händelser under räkenskapsåret

ACO Hud Nordic AB har under året fortsatt att ytterligare fokusera på satsningar inom produktutveckling och produktlanseringar.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Bolaget räknar med fortsatt tillväxt inom företagets försäljningsbolag genom ytterligare satsningar inom egen produktutveckling samt produktlanseringar.

Portföljen bolaget arbetar med stärks kontinuerligt med mycket starka varumärken och produkter med tydliga kund- och konsumentfördelar. Valutaexponeringen är huvudsakligen begränsad till leverantörer inom produktion och har därför mindre påverkan på bolagets resultat.

Bolaget ser mycket ljust på framtiden inom apoteksmarknaden och dess utveckling.

Hållbarhetsupplysningar

Hållbarhetsrapport enligt ÅRL 6:10 upprättas av Perrigo Company plc. Registrerat på Irland, reg nr 529592. Hållbarhetsrapporten omfattar även bolagets dotterbolag.

Ägarförhållanden

Bolaget ägs till 26% av Perrigo Holding NV, Belgien reg nr 0431.676.229 och till 74% av Perrigo Pharma Holding Nederland BV, Nederländerna reg nr 09091869.

Flerårsöversikt (Tkr)	**2022**	**2021**	**2020**	**2019**	**2018**
Nettoomsättning	1 161 992	1 024 315	933 514	887 648	839 386
Resultat efter finansiella poster	267 394	205 132	102 192	274 072	145 050
Balansomslutning	735 973	639 934	497 477	535 249	594 833
Antal anställda	91	87	87	88	81
Soliditet %	71	73	66	59	37

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Flerårsöversikt (Tkr)	**2022**	**2021**	**2020**	**2019**	**2018**

Förändringar i eget kapital (Tkr)

	Aktie-kapital	Reserv-fond	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	100	20	298 960	168 649	**467 728**
Disposition enligt beslut av årsstämman:					
Utdelning			-170 000		**-170 000**
Balanseras i ny räkning			168 649	-168 649	**0**
Årets resultat				222 326	**222 326**
Belopp vid årets utgång	**100**	**20**	**297 608**	**222 326**	**520 055**

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	297 608 337
årets vinst	222 326 480
	519 934 817
disponeras så att	
till aktieägare utdelas	150 000 000
i ny räkning överföres	369 934 817
	519 934 817

Styrelsens yttrande över den föreslagna vinstutdelningen

Den föreslagna utdelningen reducerar bolagets soliditet till 50,3 procent. Soliditeten är betryggande mot bakgrund av att bolagets verksamhet fortsatt bedrivs med lönsamhet. Likviditeten i bolaget bedöms kunna upprätthållas på en likaledes betryggande nivå.

Styrelsens uppfattning är att den föreslagna utdelningen ej hindrar bolaget från att fullgöra sina förpliktelser på kort och lång sikt, ej heller att fullgöra erforderliga investeringar. Den föreslagna utdelningen kan härmed försvaras med hänsyn till vad som anförs i ABL 17 kap 3 § 2-3 st. (försiktighetsregeln).

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

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Resultaträkning
Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Nettoomsättning	2, 3	1 161 992	1 024 315
Övriga rörelseintäkter		50 190	10 852
		1 212 182	**1 035 167**
Rörelsens kostnader			
Handelsvaror		-654 235	-583 997
Övriga externa kostnader	4, 5	-178 706	-143 899
Personalkostnader	6	-135 574	-118 473
Avskrivningar av materiella och immateriella anläggningstillgångar	7	-1 380	-1 171
Övriga rörelsekostnader		-30 653	-10 585
		-1 000 548	**-858 125**
Rörelseresultat	8	**211 634**	**177 042**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	9	50 400	30 000
Ränteintäkter	10	7 481	1 223
Räntekostnader och liknande resultatposter	11	-2 121	-3 133
		55 760	**28 090**
Resultat efter finansiella poster		**267 394**	**205 132**
Resultat före skatt		**267 394**	**205 132**
Skatt på årets resultat	12	-45 068	-36 483
Årets resultat	13, 14	**222 326**	**168 649**

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Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Dataprogram	15	757	1 031
Varumärken och licenser	16	0	457
		757	**1 488**
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer	17	1 422	1 998
		1 422	**1 998**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	18, 19	24 772	24 772
Andra långfristiga fordringar	20	600	600
		25 372	**25 372**
Summa anläggningstillgångar		**27 551**	**28 858**
Omsättningstillgångar			
Varulager m m			
Handelsvaror		212 146	231 396
Förskott till leverantörer		5 739	10 751
		217 885	**242 147**
Kortfristiga fordringar			
Fordringar hos koncernföretag	21	489 454	364 227
Aktuella skattefordringar		0	1 962
Övriga kortfristiga fordringar		44	1 800
Förutbetalda kostnader och upplupna intäkter	22	1 039	939
		490 537	**368 928**
Summa omsättningstillgångar		**708 422**	**611 075**
SUMMA TILLGÅNGAR		**735 973**	**639 933**

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Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	23, 24		
Bundet eget kapital			
Aktiekapital		100	100
Reservfond		20	20
		120	**120**
Fritt eget kapital			
Balanserad vinst		297 608	298 960
Årets vinst		222 326	168 649
		519 934	**467 609**
Summa eget kapital		**520 054**	**467 729**
Kortfristiga skulder			
Leverantörsskulder		33 189	33 258
Skulder till koncernföretag		87 838	63 456
Aktuella skatteskulder		6 671	0
Övriga kortfristiga skulder		33 734	27 196
Upplupna kostnader och förutbetalda intäkter	25	54 487	48 294
Summa kortfristiga skulder		**215 919**	**172 204**
SUMMA EGET KAPITAL OCH SKULDER		**735 973**	**639 933**

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Kassaflödesanalys

Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Den löpande verksamheten			
Resultat efter finansiella poster		267 395	205 132
Justeringar för poster som inte ingår i kassaflödet		1 380	1 171
Betald skatt		-36 435	-25 810
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**232 339**	**180 493**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager och pågående arbete		24 262	4 919
Förändring av kundfordringar		0	1 059
Förändring av kortfristiga fordringar		-38 876	-67 796
Förändring av leverantörsskulder		-69	352
Förändring av kortfristiga skulder		37 113	3 455
Kassaflöde från den löpande verksamheten		**254 769**	**122 482**
Investeringsverksamheten			
Investeringar i immateriella anläggningstillgångar		0	-341
Investeringar i materiella anläggningstillgångar		-73	-1 911
Kassaflöde från investeringsverksamheten		**-73**	**-2 252**
Finansieringsverksamheten			
Utbetald utdelning		-170 000	-30 000
Kassaflöde från finansieringsverksamheten		**-170 000**	**-30 000**
Årets kassaflöde		**84 696**	**90 231**
Likvida medel vid årets början			
Likvida medel vid årets början		174 827	84 597
Likvida medel vid årets slut	21	**259 523**	**174 827**

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Noter
Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).
Företaget är ett moderbolag men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i ÅRL 7 kap. 2§.

Tillämpade principer är oförändrade jämfört med föregående år. Men vissa jämförande poster har omklassificerats för att bättre överensstämma med nuvarande års presentationskrav.

Uppgifter om moderföretaget
Närmaste moderföretag är till 26% Perrigo Holding NV, Venecoweg 26, 9880 Nazareth, Belgien, reg nr 0431.676.229 och till 74% Perrigo Pharma Holding Nederland BV, Kralingseweg 201, 3062 CE Rotterdam, reg nr 09091869.
Moderföretag i den största koncern där ACO Hud Nordic AB är dotterföretag och koncernredovisning upprättas är Perrigo Company plc (3218507FH), adress: Sharp Building, 10-12 Hogan Place, Dublin 2, Irland. Registrerat på Irland, reg nr 529592.
Årsredovisning och koncernredovisning kan hämtas på www.perrigo.com, eller på tidigare angivna adress.

Intäkter
Försäljning av varor redovisas vid leverans av produkter till kunden, i enlighet med försäljningsvillkoren. Försäljning redovisas netto efter moms, rabatter och kursdifferenser vid försäljning i utländsk valuta. Försäljning av tjänst redovisas i samband med att tjänsten utförs.
Ränteintäkter redovisas i enlighet med effektiv avkastning.
Royalty redovisas i enlighet med den aktuella överenskommelsens ekonomiska innebörd.

Låneutgifter
I bolaget redovisas samtliga låneutgifter som kostnader i den period till vilken de hänför sig.

Inkomstskatter
Redovisade inkomstskatter innefattar skatt som skall betalas eller erhållas avseende aktuellt år, justeringar avseende tidigare års aktuella skatt.
Värdering av samtliga skatteskulder/-fordringar sker till nominella belopp och görs enligt de skatteregler och skattesatser som är beslutade eller som är aviserade och med stor säkerhet kommeratt fastställas.
För poster som redovisas i resultaträkningen, redovisas även därmed sammanhängande skatteeffekter i resultaträkningen. Skatteeffekter av poster som redovisas direkt mot eget kapital, redovisas mot eget kapital.

Immateriella tillgångar
Immatriella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar. Dataprogram avser utveckling av affärssystem. Följande avskrivningstider tillämpas:

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- Goodwill 10 år
- Varumärken och licenser 10 år
- Dataprogram 5 år

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med avskrivningar. I anskaffningsvärdet ingår utgifter som direkt kan hämföras till förvärvet av tillgången. Linjär avskrivningsmetod används för samtliga typer av materiella tillgångar, avskrivningstiden bestäms utifrån förväntad nyttjandetid. Realisationsvinst respektive realisationsförlust vid avyttring av en anläggningstillgång redovisas som Övrig rörelseintäkt respektive Övrig rörelsekostnad. Följandeavskrivningstider tillämpas:
- Laboratorieutrustning 10 år
- Möbler och övrig inredning 5 år
- Långsiktiga system- och datainvesteringar 5 år
- Inventarier, verktyg och installationer 3 år

Leasingavtal
Samtliga leasingavtal där företaget är leasetagare redovisas som operationell leasing (hyresavtal), oavsett om avtalen är finansiella eller operationella. Leasingavgiften redovisas som en balansförd tillgång samt en skuld över leasingperioden.

Finansiella instrument
Finansiella instrument som redovisas i balansräkningen inkluderar kundfordringar och övriga fordringar, kortfristiga placeringar, leverantörsskulder, och låneskulder. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Fordringar
Fordringar med förfallodag mer än 12 månader efter balansdagen redovisas som anläggningstillgångar, övriga som omsättningstillgångar. Fordringar upptas till det belopp som efter individuell prövning beräknas bli betalt.

Kundfordringar och övriga fordringar
Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp avinstrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i

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balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Nedskrivningsprövning av immatriella anläggningstillgångar samt finansiella anläggningstillgångar.
Vid varje balansdag bedömer bolaget om det finns någon indikation på nedskrivningsbehov i någon utav de immatriella anläggningstillgångarna samt de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående. Nedskrivning av immatriella anläggningstillgångar redovisas i resultaträkningsposten Nedskrivning av immatriella anläggningstillgångar. Nedskrivning av finansiella anläggningstillgångar redovisas i resultaträkningsposten Resultat från andelar i koncernföretag. Nedskrivningsbehovet prövas individuellt för immatriella anläggningstillgångar samt för aktier och andelar och övriga enskilda finansiella anläggningstillgångar som är väsentliga.

Aktier och andelar i dotterföretag
Aktier och andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott och koncernbidrag läggs till anskaffningsvärdet när deuppkommer. Utdelning från dotterföretag redovisas som intäkt.

Varulager
Varulagret värderas, med tillämpning av först-in först-ut-principen, till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet på balansdagen. För homogena varugrupper tillämpas kollektiv värdering.

Obeskattade reserver
Obeskattade reserver redovisas med bruttobelopp i balansräkningen, exklusive den uppskjutna skatteskuld som är hänförlig till reserverna.

Utländska valutor
Tillgångar och skulder i utländsk valuta värderas till balansdagens kurs. Skillnaden mellan anskaffningsvärde och balansdagens värde redovisas som Övriga rörelseintäkter eller Övriga rörelsekostnader.

Likvida medel
Bolaget har medel på koncernkonto hos koncernens moderbolag. Dessa klassificeras som fordran i balansräkningen och som likvida medel i kassaflödesanalysen.

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medför in- eller utbetalningar.
Som likvida medel klassificeras, förutom kassa- och banktillgodohavanden, kortfristiga finansiella placeringar som dels är utsatta för endast en obetydlig risk för värdefluktuationer, dels
- handlas på en öppen marknad till kända belopp eller
- har en kortare återstående löptid än tre månader från anskaffningstidpunkten.

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Ersättningar till anställda

Kortfristiga ersättningar

Kortfristiga ersättningar i bolaget utgörs av lön, sociala avgifter, betald semester, betald sjukfrånvaro, sjukvård och bonus. Kortfristiga ersättningar redovisas som en kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning.

Ersättningar efter avslutad anställning

I bolaget förekommer avgiftsbestämda pensionsplaner. I avgiftsbestämda planer betalar företaget fastställda avgifter till ett annat företag och har inte någon legal eller informell förpliktelse att betala något ytterligare även om det andra företaget inte kan uppfylla sitt åtagande. Bolagets resultat belastas för kostnader i takt med att de anställdas tjänster utförts.

Ersättningar vid uppsägning

Ersättningar vid uppsägning utgår då bolaget beslutar att avsluta en anställning före den normala tidpunkten för anställningens upphörande eller då en anställd accepterar ett erbjudande om frivillig avgång i utbyte mot sådan ersättning. Om ersättningen inte ger företaget någon framtida ekonomisk fördel redovisas en skuld och en kostnad när företaget har en legal eller informell förpliktelse att lämna sådan ersättning.
Ersättningen värderas till den bästa uppskattningen av den ersättning som skulle krävas för att reglera förpliktelsen på balansdagen.

Intäktsredovisning

Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Nyckeltalsdefinitioner

Eget kapital och obeskattade reserver (med avdrag för uppskjuten skatt) i förhållande till balansomslutningen.

Uppskattningar och bedömningar

ACO Hud Nordic AB gör uppskattningar och bedömningar om framtiden. De uppskattningar för redovisningsändamål som blir följden av dessa kommer, definitionsmässigt, sällan att motsvara det verkliga resultatet. De uppskattningar och antaganden som innebär en betydande risk för väsentliga justeringar i redovisade värden för tillgångar och skulder under nästkommande år behandlas i huvuddrag nedan.

Andelar i koncernföretag

Bolaget upptar en väsentlig post i balansräkningen hänförlig till andelar i koncernföretag, uppskattningen av denna post görs utifrån om det finns några indikatorer på nedskrivningsbehov för andelarna i dotterbolagen.

Inkurans i varulager

Bolagets försäljning är till viss del säsongsberoende och inför varje försäljningssäsong finns betydande lager av färdigställda produkter och det finns risk för att produkter senare måste kasseras. I bokslutet görs nedskrivning för inkurans baserat på produkternas hållbarhet. Årets resultat har belastats med 6 565 tkr (6 362 tkr) för inkuransnedskrivningar.

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Not 2 Nettoomsättningens fördelning

	2022	2021
I nettoomsättningen ingår intäkter från:		
Varor	1 159 777	1 016 898
Tjänster	2 214	7 417
	1 161 992	**1 024 315**
Fördelning varor geografisk marknad		
Sverige	732 148	647 246
Övriga länder	427 630	369 652
	1 159 779	**1 016 898**
Fördelning tjänster geografisk marknad		
Sverige	0	0
Övriga länder	2 214	7 418
	2 214	**7 418**

Not 3 Inköp och försäljning av tjänster mellan koncernföretag

Vid inköp och försäljning mellan koncernföretag tillämpas samma principer för prissättning som vid transaktioner med externa parter.

	2022	2021
Inköp av tjänster	99 937	82 262
Försäljning av tjänster	533 459	458 465
	633 396	**540 727**

Not 4 Leasingavtal

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2022	2021
Inom ett år	3 924	3 392
Senare än ett år men inom fem år	19 961	17 694
Senare än fem år	5 145	9 087
	29 029	**30 172**

Av leasingavgifterna som förfaller inom ett år avser 2 356 tkr hyra för lokaler.

Not 5 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

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	2022	2021
Ernst & Young AB		
Revisionsuppdrag	1 966	1 968
Skatterådgivning	74	74
	2 039	**2 042**
Deloitte & Touche AB		
Skatterådgivning	83	0
	83	**0**

Not 6 Anställda och personalkostnader

	2022	2021
Medelantalet anställda		
Kvinnor	73	68
Män	18	19
	91	**87**
Löner och andra ersättningar		
Styrelse och verkställande direktör	3 056	2 528
Bonus till styrelse och verkställande direktör	1 053	1 206
Övriga anställda	82 148	74 219
	86 257	**77 954**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	1 093	1 051
Pensionskostnader för övriga anställda	8 619	7 710
Övriga sociala avgifter enligt lag och avtal	29 975	24 898
	39 687	**33 658**
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**125 944**	**111 612**
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	50 %	0 %
Andel män i styrelsen	50 %	100 %
Andel kvinnor bland övriga ledande befattningshavare	100 %	0 %
Andel män bland övriga ledande befattningshavare	0 %	100 %

Not 7 Avskrivningar och nedskrivningar

Anläggningstillgångar skrivs av enligt plan över den förväntade nyttjandeperioden med hänsyn till väsentligt restvärde.

Penneo dokumentnyckel: 8HKDT-F2DNJ-NIY6M-Q47AD-E4C8E-0US5N

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Not 8 Inköp och försäljning mellan koncernföretag

	2022	2021
Andel av årets totala inköp som skett från andra företag i koncernen	89,00 %	80,00 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	100,00 %	100,00 %

Not 9 Resultat från andelar i koncernföretag

	2022	2021
Erhållna utdelningar	50 400	30 000
	50 400	**30 000**

Not 10 Övriga ränteintäkter och liknande resultatposter

	2022	2021
Ränteintäkter från koncernföretag	7 481	1 223
	7 481	**1 223**

Not 11 Räntekostnader och liknande resultatposter

	2022	2021
Räntekostnader till koncernföretag	-2 113	-3 088
Övriga räntekostnader	-8	-46
	-2 121	**-3 133**

Not 12 Aktuell och uppskjuten skatt

Avstämning av effektiv skatt

		2022		2021
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		267 395		205 132
Skatt enligt gällande skattesats	20,60	-55 083	20,60	-42 257
Ej avdragsgilla kostnader		-367		-358
Ej skattepliktiga intäkter		10 382		6 180
Justering av skatter för föregående år		0		-48
Redovisad effektiv skatt	**16,85**	**-45 068**	**17,79**	**-36 483**

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Not 13 Väsentliga händelser efter räkenskapsårets slut

Situationen i Ukraina tillsammans med effekterna av pandemin skapar osäkerhet och vi övervakar noggrannt alla potentiella aspekter av vår verksamhet inklusive kunder, leverantörer, etc. för att aktivt hantera potentiella risker eller möjligheter så fort de identifieras. På grund av osäkerheten kring ovan är de framtida effekterna på vårt resultat okända. För närvarande ser vi inte någon negativ inverkan på kundfordringar och har tagit höjd för potentiellt längre leveranstider.

Inga andra rapporterade händelser som väsentligen kunde påverka företagets finansiella ställning har inträffat efter räkenskapsårets slut.

Not 14 Hållbarhetsupplysningar

Företaget hänvisar till att hållbarhetsrapport enligt ÅRL 6:10 upprättas av Perrigo Company plc. Registrerat på Irland, reg nr 529592. Hållbarhetsrapporten heter "Perrigo 2021 Corporate Social Responsibility Report" och kan hämtas på www.perrigo.com, eller på följande adress: Perrigo Company Plc, Sharp Building, 10-12 Hogan Place, Dublin 2, Irland.

Not 15 Dataprogram

	2022-12-31	**2021-12-31**
Ingående anskaffningsvärden	7 643	7 303
Inköp		341
Försäljningar/utrangeringar	-92	
Utgående ackumulerade anskaffningsvärden	**7 551**	**7 643**
Ingående avskrivningar	-6 612	-6 240
Försäljningar/utrangeringar	92	
Årets avskrivningar	-274	-373
Utgående ackumulerade avskrivningar	**-6 794**	**-6 612**
Utgående redovisat värde	**757**	**1 031**

Not 16 Varumärken och licenser

	2022-12-31	**2021-12-31**
Ingående anskaffningsvärden	196 518	196 518
Utgående ackumulerade anskaffningsvärden	**196 518**	**196 518**
Ingående avskrivningar	-196 061	-195 358
Årets avskrivningar	-457	-703
Utgående ackumulerade avskrivningar	**-196 518**	**-196 061**
Utgående redovisat värde	**0**	**457**

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Not 17 Inventarier, verktyg och installationer

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	10 342	8 430
Inköp	73	1 911
Försäljningar/utrangeringar	-1 793	
Utgående ackumulerade anskaffningsvärden	**8 621**	**10 342**
Ingående avskrivningar	-8 343	-8 248
Försäljningar/utrangeringar	1 793	
Årets avskrivningar	-649	-95
Utgående ackumulerade avskrivningar	**-7 199**	**-8 343**
Utgående redovisat värde	**1 422**	**1 998**

Not 18 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	55 264	55 264
Utgående ackumulerade anskaffningsvärden	**55 264**	**55 264**
Ingående nedskrivningar	-30 492	-30 492
Utgående ackumulerade nedskrivningar	**-30 492**	**-30 492**
Utgående redovisat värde	**24 772**	**24 772**

Not 19 Specifikation andelar i koncernföretag

Namn	Kapital-andel %	Rösträtts-andel %	Antal andelar	Bokfört värde
Perrigo Sverige AB	100	100	3 000	300
Perrigo Norge AS	100	100	220	1 350
Perrigo Danmark A/S	100	100	1 016 001	22 040
Perrigo Suomi Oy	100	100	100	1 082
				24 772

	Org.nr	Säte
Perrigo Sverige AB	556111-8042	Stockholm
Perrigo Norge AS	976134257	Oslo NO
Perrigo Danmark A/S	26942187	Hörsholm DK
Perrigo Suomi Oy	17636494	Esbo FI

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Not 20 Andra långfristiga fordringar

Deposition hos Tullverket.

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	600	600
Utgående ackumulerade anskaffningsvärden	**600**	**600**
Utgående redovisat värde	**600**	**600**

Not 21 Likvida medel

	2022-12-31	2021-12-31
Likvida medel		
Medel på koncernkonto, jämställda med likvida medel	259 523	174 827
	259 523	**174 827**

Bolaget har medel på koncernkonto hos koncernens finansbolag. Dessa klassificeras som fordran i balansräkningen och som likvida medel i kassaflödesanalysen.

Not 22 Förutbetalda kostnader och upplupna intäkter

	2022-12-31	2021-12-31
Förutbetalda hyror	88	133
Förutbetalda pensionsförsäkringar	92	90
Förutbetalda licenser	98	290
Övriga poster	761	426
	1 039	**939**

Not 23 Antal aktier och kvotvärde

Namn	**Antal aktier**	**Kvot-värde**
Antal A-Aktier	1 000	100
	1 000	

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Not 24 Disposition av vinst

	2022-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel:	
balanserad vinst	297 608
årets vinst	222 326
	519 935
disponeras så att	
till aktieägare utdelas	150 000
i ny räkning överföres	369 935
	519 935

Not 25 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Upplupna löner	19 130	14 398
Upplupna semesterlöner	10 488	11 074
Upplupna sociala avgifter	5 090	4 621
Övriga poster	19 779	18 201
	54 487	**48 294**

Stockholm den dag som framgår av den elektroniska underskriften

Therése Pernebrink
Verkställande direktör

Fredrik Sylwan

Vår revisionsberättelse har lämnats den dag som framgår av min elektroniska underskrift

Ernst & Young AB

Stefan Andersson-Berglund
Auktoriserad revisor

Penneo dokumentnyckel: 8HKDT-F2DNJ-NIY6M-Q47AD-E4C8E-0U55N

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Therése Pernebrink
Styrelseledamot och VD
Serienummer: 19771208xxxx
IP: 81.235.xxx.xxx
2023-06-02 15:15:10 UTC

BankID

FREDRIK SYLWAN
Styrelseledamot
Serienummer: 19781211xxxx
IP: 98.128.xxx.xxx
2023-06-05 06:52:58 UTC

BankID

STEFAN ANDERSSON BERGLUND
Auktoriserad revisor
Serienummer: 19640720xxxx
IP: 92.34.xxx.xxx
2023-06-05 07:37:00 UTC

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Building a better working world

Revisionsberättelse

Till bolagsstämman i ACO Hud Nordic AB, org.nr 556602-6224

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för ACO Hud Nordic AB för räkenskapsåret 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av ACO Hud Nordic ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till ACO Hud Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Building a better working world

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av ACO Hud Nordic AB för räkenskapsåret 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till ACO Hud Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Stockholm den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Stefan Andersson Berglund
Auktoriserad revisor

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STEFAN ANDERSSON BERGLUND
Auktoriserad revisor
Serienummer: 19640720xxxx
IP: 92.34.xxx.xxx
2023-06-05 08:01:26 UTC

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2022
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 **001-36353**

Perrigo Company plc
(Exact name of registrant as specified in its charter)

Ireland	**N/A**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

The Sharp Building, Hogan Place, Dublin 2, Ireland D02 TY74
+353 1 7094000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, €0.001 par value	PRGO	New York Stock Exchange
3.900% Notes due 2024	PRGO24	New York Stock Exchange
4.375% Notes due 2026	PRGO26	New York Stock Exchange
4.400% Notes due 2030	PRGO30	New York Stock Exchange
5.300% Notes due 2043	PRGO43	New York Stock Exchange
4.900% Notes due 2044	PRGO44	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.	**Yes**	☒	**No**	☐
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 of Section 15(d) of the Act.	**Yes**	☐	**No**	☒
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	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
						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.	☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.	☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.	☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).	☐

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

The aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the closing sale price of our ordinary shares on July 2, 2022 as reported on the New York Stock Exchange, was $5,521,075,784. Ordinary shares held by each director or executive officer have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of February 24, 2023, the registrant had 134,648,425 outstanding ordinary shares.

Documents incorporated by reference:

The information called for by Part III will be incorporated by reference from the Registrant's definitive Proxy Statement for its Annual Meeting of Shareholders to be filed pursuant to Regulation 14A or will be included in an amendment to this Form 10-K.

PERRIGO COMPANY PLC

FORM 10-K
YEAR ENDED DECEMBER 31, 2022
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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our, or our industry's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In particular, statements about our expectations, beliefs, plans, objectives, assumptions, future events or future performance contained in this report, including certain statements contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "forecast," "predict," "potential" or the negative of those terms or other comparable terminology.

The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company's control, including: the effect of the coronavirus (COVID-19) pandemic and its variants; supply chain impacts on the Company's business, including those caused or exacerbated by armed conflict, trade and other economic sanctions and/or disease; general economic, credit, and market conditions; the impact of war between Russia and Ukraine and any escalation thereof, including the effects of economic and political sanctions imposed by the United States, United Kingdom, European Union, and other countries related thereto; the outbreak or escalation of conflict in other regions where we do business; future impairment charges, if we determine that the carrying amount of specific assets may not be recoverable from the expected future cash flows of such assets; customer acceptance of new products; competition from other industry participants, some of whom have greater marketing resources or larger market shares in certain product categories than the Company does; pricing pressures from customers and consumers; resolution of uncertain tax positions, including the Company's appeal of the draft and final Notices of Proposed Assessment ("NOPAs") issued by the U.S. Internal Revenue Service or any litigation relating thereto, ongoing or future government investigations and regulatory initiatives; uncertainty regarding the timing of and the Company's ability to obtain and maintain, certain regulatory approvals, including the sale of daily over-the-counter oral contraceptives; potential costs and reputational impact of product recalls or sales halts; potential adverse changes to U.S. and foreign tax, healthcare and other government policy; the timing, amount and cost of any share repurchases (or the absence thereof); fluctuations in currency exchange rates and interest rates; the Company's ability to achieve the benefits expected from the sale of its Rx business and the risk that potential costs or liabilities incurred or retained in connection with that transaction may exceed the Company's estimates or adversely affect the Company's business or operations; the Company's ability to achieve the benefits expected from the acquisition of Héra SAS ("HRA Pharma") and/or the risks that the Company's synergy estimates are inaccurate or that the Company faces higher than anticipated integration or other costs in connection with the acquisition; risks associated with the integration of HRA Pharma, including the risk that growth rates are adversely affected by any delay in the integration of sales and distribution networks; the consummation and success of other announced and unannounced acquisitions or dispositions, and the Company's ability to realize the desired benefits thereof; and the Company's ability to execute and achieve the desired benefits of announced cost-reduction efforts and other strategic initiatives and investments, including the Company's ability to achieve the expected benefits from its Supply Chain Reinvention Program. An adverse result with respect to the Company's appeal of any material outstanding tax assessments or pending litigation could have a material adverse impact on the Company's operating results, cash flows and liquidity, and could ultimately require the use of corporate assets to pay such assessments, damages from third-party claims, and related interest and/or penalties, and any such use of corporate assets would limit the assets available for other corporate purposes. There can be no assurance that the FDA will approve the sale of daily oral contraceptives without a prescription in the United States. These and other important factors, including those discussed in this report under "Risk Factors" and in any subsequent filings with the United States Securities and Exchange Commission, may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this report are made only as of the date hereof, and unless otherwise required by applicable securities laws, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

TRADEMARKS, TRADE NAMES AND SERVICE MARKS

This report contains trademarks, trade names and service marks that are the property of Perrigo Company plc, as well as, for informational purposes, trademarks, trade names, and service marks that are the property of other organizations. Solely for convenience, certain trademarks, trade names, and service marks referred to in this report appear without the ®, ™ and ℠ symbols, but those references are not intended to indicate that we or the applicable owner, as the case may be, will not assert, to the fullest extent under applicable law, our or their rights to such trademarks, trade names, and service marks.

PART I.

ITEM 1. BUSINESS

Perrigo Company plc was incorporated under the laws of Ireland on June 28, 2013 and became the successor registrant of Perrigo Company, a Michigan corporation, on December 18, 2013 in connection with the acquisition of Elan Corporation, plc ("Elan"). Unless the context requires otherwise, the terms "Perrigo", the "Company", "we," "our," "us," and similar pronouns used herein refer to Perrigo Company plc, its subsidiaries, and all predecessors of Perrigo Company plc and its subsidiaries.

WHO WE ARE

We are a leading provider of over-the-counter ("OTC") health and wellness solutions that are designed to enhance individual well-being. Our vision is *to make lives better by bringing Quality, Affordable Self-Care Products that consumers trust everywhere they are sold*. We are headquartered in Ireland and sell our products primarily in North America and Europe as well as in other markets around the world.

Our core competencies are geared to fully take advantage of the massive global trend towards self-care. We define self-care as not just treating disease or helping individuals feel better after taking a product, but also maintaining and enhancing their overall health and wellness. Consistent with our vision, we recently completed our three-year strategy to transform the Company into a consumer self-care leader by reconfiguring our portfolio through the divestiture of our Rx business in 2021 and acquiring Héra SAS ("HRA Pharma") in 2022. Additionally, we removed significant uncertainty during 2021 through final settlement of the Irish Revenue Notice of Amended Assessment. Upon completion of our transformation, we have transitioned our strategy to *'Optimizing'* our business and *'Accelerating'* profitable growth. Several initiatives are anticipated to propel this strategy, including plans to achieve significant synergies from our acquisitions and implementation of our Supply Chain Reinvention Program. In addition, we continue to invest in other initiatives, including innovation, information systems and tools, and our people to drive future consistent and sustainable results in line with consumer-packaged goods peers. Further 2022 highlights can be found in Item 7. Management Discussion and Analysis - Executive Overview.

Strategy & Competitive Advantage

Our objective is to grow our business by responsibly bringing our self-care vision to life. We aim to accomplish this by leveraging our global infrastructure to deliver high quality products to our customers and consumers through our expansive product offerings, providing new innovative products and product line extensions to existing consumers and servicing new consumers through entering new adjacent products and categories, new geographies and new channels of distribution organically and inorganically. Critical to this strategy is investing in and continually improving all aspects of five pillars which we call the *Perrigo Advantage*:

- High quality;
- Superior customer service;
- Leading innovation;
- Best cost; and
- Empowered people.

We seek to achieve our objective while remaining true to our four core values, *Integrity* - we do what is right; *Respect* - we demonstrate the value we hold for one another; *Responsibility* - we hold ourselves accountable for our actions; and our newest core value, *Curiosity* - we strive to always learn and innovate.

Among other things, we believe the following factors give us a competitive advantage and provide value to our customers and consumers:

- A diverse product portfolio, leadership in first-to-market product development, and product life cycle management;
- Experienced research and development ("R&D") department capable of developing high quality products and product formulations, differentiated product features and benefits, product reformulation, and differentiated store brand products relative to national brands;
- Deep understanding of consumer needs and customer strategies;

- Expansive pan-European commercial infrastructure, brand-building capabilities, and an extensive and diverse product portfolio;
- Turn-key regulatory and promotional capabilities;
- Supply chain breadth, and utilizing economies of scale to manage supply chain complexity across multiple dosage forms, formulations, and stock-keeping units;
- Quality and cost effectiveness throughout the supply chain and operational systems across all products creating a sustainable, low-cost network across our 20 manufacturing plants and distribution networks;
- Industry leading e-commerce support; and
- Shared services and R&D centers of excellence to drive global process consistency, and to maintain focus on the *Perrigo Advantage*.

SEGMENTS

Our reporting and operating segments reflect the way our chief operating decision maker, who is our CEO, makes operating decisions, allocates resources and manages the growth and profitability of the Company. Our reporting and operating segments are:

- **Consumer Self-Care Americas ("CSCA")** comprises our consumer self-care business in the U.S. and Canada. CSCA previously included our Latin American businesses until they were disposed on March 9, 2022.
- **Consumer Self-Care International ("CSCI")** comprises our consumer self-care business outside of the U.S. and Canada, primarily in Europe and Australia.

We previously had an Rx segment which comprised our generic prescription pharmaceuticals business in the U.S., and other pharmaceuticals and diagnostic businesses in Israel, which have been divested. Following the divestiture, there were no substantial assets or operations left in this segment. The Rx segment was reported as Discontinued Operations in 2021, and is presented as such for all periods in this report (refer to Item 8. Note 4). Financial information related to our business segments can be found in Item 8. Note 20.

CONSUMER SELF-CARE AMERICAS

The CSCA segment develops, manufactures and markets our leading self-care consumer products in the U.S. and Canada. We primarily provide our customers self-care products that are sold and marketed under the customer's own brands and/or exclusive brands ("store brands"). We additionally have a select lineup of branded self-care products. Customers include major global, national, and regional retail drug, supermarket, and mass merchandise chains, e-commerce stores, and major wholesalers.

Our store brand products are comparable in quality and effectiveness to national brands. Store brand products must meet the same stringent U.S. Food and Drug Administration ("FDA") requirements as national brands within the U.S. and the requirements of comparable regulatory bodies outside the U.S. In most instances, our product packaging is designed to invite and reinforce comparison to national brand products, while communicating store brand value to consumers. The cost of store brand products to retailers is significantly lower than that of comparable nationally advertised brand name products. The retailer, therefore, can price a store brand product below the competing national brand product and realize a greater percentage and dollar profit, while consumers benefit from receiving a high-quality product at a price below the comparable national brand product. Consumer awareness and knowledge of the quality, value and efficacy of our products are achieved from marketing efforts made by us, our retailers and wholesalers.

Certain branded products are developed, manufactured and distributed within the CSCA segment. Our primary branded products sold under brand names include *Burt's Bees®, Compeed®, Dr. Fresh®, Firefly®, Good Sense®, Mederma®, Nasonex®, Plackers®, Prevacid®24HR, REACH®, Rembrandt®, and Steripod®.*

CONSUMER SELF-CARE INTERNATIONAL

The CSCI segment comprises our consumer self-care product categories outside the U.S. and Canada, including our branded products in Europe and Australia and our store brand products in the United Kingdom and parts of Europe and Asia. These products are developed, manufactured, marketed and distributed by us, leveraging our broad regulatory, sales and distribution infrastructure to drive market share, innovate new products and brands, in-license and expand product lines, and sell and distribute third-party brands. The CSCI segment products are sold

primarily through an established pharmacy sales force to an extensive network of customers including pharmacies, wholesalers, drug and grocery store retailers, e-commerce stores, and para-pharmacies in more than 29 countries, predominantly in Europe. Products in the CSCI segment are marketed using broadcast and digital advertising as well as point-of-sale promotional spending to enhance brand equity.

While we have hundreds of brands, we primarily concentrate our resources on 'Focus Brands' and sub-brands, such as *Solpadeine®*, *Coldrex®*, *Physiomer®*, *NiQuitin®*, *ACO®*, *Compeed®*, and *ellaOne®*. Many of these Focus Brands have leading positions in the markets in which they compete. Additional resources, including R&D investments, are allocated to these Focus Brands to strengthen their market position in high opportunity profit categories while leveraging the same R&D efforts under smaller local brands. The new product pipeline is supported by internal R&D, new product development, acquisitions and partnerships, both in terms of brand extensions and product improvements.

PRODUCTS

We offer products in the following categories:

Product Category	Description
Upper Respiratory	Products that relieve upper respiratory symptoms, including cough suppressants, expectorants, sinus and allergy relief.
Nutrition[1]	Infant formulas and nutritional beverages.
Digestive Health	Products such as antacids, anti-diarrheal, and anti-heartburn that relieve symptoms associated with digestive issues.
Pain and Sleep-Aids	Products comprised of pain relievers, fever reducers and sleep-aids.
Oral Care	Products used for oral care, including toothbrushes, toothbrush replacement heads, floss, flossers, whitening products and toothbrush covers.
Healthy Lifestyle	Products that help consumers live a healthy lifestyle such as smoking cessation, and well-being products.
Skin Care	Products for the face and body such as dermatological care, scar management, lice treatment, and other products for various skin conditions.
Women's Health	Women's health products, including feminine hygiene and contraceptives.
Vitamins, Minerals, and Supplements ("VMS")	Vitamins, minerals, and supplements.
Other[2]	Rare diseases business and other miscellaneous self-care products.

(1) The Nutrition product category is exclusive to CSCA
(2) Rare Diseases business within the Other product category is exclusive to CSCI

In April 2022, we completed the acquisition of HRA Pharma for €1.8 billion, or approximately $1.9 billion based on exchange rates at the time of closing (refer to Item 8. Note 3 for transaction details). HRA Pharma operating results are reported within both our CSCA and CSCI segments. As a result of the acquisition, the Company made the following updates to its global reporting product categories described above:

- The creation of a new "Women's Health" reporting category, comprised of the women's health portfolio of HRA Pharma, including *ellaOne®* and *Hana®*, in addition to legacy Perrigo women's health products, including feminine hygiene and contraceptive products;
- The creation of a new "Skin Care" reporting category, comprised of *Compeed®*, *Mederma®*, and all of the products in the legacy Perrigo "Skincare and Personal Hygiene" category except for legacy Perrigo women's health products; and
- The "Other" category includes the Rare Diseases business acquired with HRA Pharma exclusive to the CSCI segment.

The updates were applied retroactively to impacted product categories. Such changes had no impact on the Company's historical consolidated financial position, results of operations or cash flows.

New Products

During the year ended December 31, 2022, new product sales were $122.8 million. We consider a product to be new if it (i) was reformulated into an additional unique product, (ii) was a product line extension due to changes in characteristics such as strength, flavor, or color, (iii) had a change in product status from "prescription only" ("Rx") to OTC, (iv) was a new store brand or branded launch, (v) was provided in a new dosage form or (vi) was sold to a new geographic area with different regulatory authorities, in all cases, within 12 months prior to the end of the period for which net sales are being measured. Notable new product launches in the year ended December 31, 2022 included the over-the-counter use of *Nasonex®24HR Allergy* and *Omeprazole Magnesium Delayed-Release Mini*

Capsules in CSCA, and the launch of the *Plackers*® brand and line extensions in the *ACO*® brand in CSCI. We also launched various CSCI line extensions in the *XLS*® weight management brand in the Healthy lifestyle category, and in VMS under the brands *Arterin*®, *Davitamon*® and *Abtei*®.

On July 11, 2022, HRA Pharma, a Perrigo company, announced that it submitted its application for an Rx-to-OTC switch for Opill®, a progestin-only daily birth control pill (also referred to as a mini pill or non-estrogen pill). If approved, this would be the first daily birth control pill available OTC without a prescription in the U.S. On October 26, 2022, Perrigo announced that it has received notification that the U.S. Food and Drug Administration (FDA) has postponed the joint meeting of the Nonprescription Drugs Advisory Committee and the Obstetrics, Reproductive and Urologic Drugs Advisory Committee, previously planned for November 18, 2022, to discuss the Company's application for Opill® once daily oral contraceptive for OTC use. The rescheduled date for the joint advisory committee meeting has not yet been determined. The FDA postponed the meeting in order to review additional information requested related to the Opill® Rx-to-OTC switch. In a notice received from the FDA, the Prescription Drug User Fee Act (PDUFA) date for Opill® has been extended by 90 days. The Company will continue to work collaboratively with the FDA to ensure a timely and thorough review.

Each of our product categories and 'Focus Brands' have a three to five-year innovation master plan. We rely on both internal R&D and strategic product development agreements with outside sources to develop new products.

SIGNIFICANT CUSTOMERS

Sales to Walmart Inc. represented 12.5% and 14.0% of our consolidated net sales in 2022 and 2021, respectively. While we have other important customers, no other individual customer represents more than 10% of net sales. Our top ten customers accounted for 47% and 45% of our total consolidated net sales in 2022 and 2021, respectively. We believe we generally have good relationships with our customers. Refer to Item 1A. Risk Factors - Operational Risks for risks associated with customers.

COMPETITION

The markets for our self-care products are highly competitive and differ for each product line and geographic region. Local companies often hold leading positions in individual product lines in particular countries. The competitive landscape of the European consumer products market in the categories in which we compete is more fragmented than the North American market. Our primary competitors include manufacturers, such as Dr. Reddy's Labs, LNK International, Inc., PL Developments, Aurobindo and Sun Pharmaceuticals, and brand-name pharmaceutical and consumer product companies, such as Haleon (the consumer health business spun-off by GSK plc in 2022), Kenvue (the consumer health business unit of Johnson & Johnson), Procter & Gamble, Reckitt Benckiser, Abbott Nutrition, Bayer AG, Sanofi, Philips, Teva, Viatris, Stada, and Novartis. Each product category of our business has certain key competitors, such that a competitor generally does not compete across all product lines or across all geographic markets. However, some competitors do have larger sales volumes in certain of our categories. Competition is based on a variety of factors, including price, quality, assortment of products, customer service, marketing support and approvals for new products. Refer to Item 1A. Risk Factors - Operational Risks for additional information and risks associated with competition.

TRADEMARKS, PATENTS AND LICENSING AGREEMENTS

While we own certain trademarks and patents, neither our business as a whole, nor any of our segments, is materially dependent upon our ownership of any one trademark, or patent, or group of trademarks or patents.

MATERIALS SOURCING

Affordable, high-quality raw materials and packaging components are essential to all of our business units. Raw materials and packaging components are generally available from multiple suppliers. Supplies of certain raw materials and packaging components, due to their technical specifications and product delivery systems, may be more limited, as they are available from one or only a few suppliers and may require extensive compatibility testing before we can use them.

Historically, we have been able to react effectively, yet not always immediately, to situations that require alternate sourcing. Should such alternate sourcing be necessary, FDA requirements placed on products approved through the Abbreviated New Drug Application ("ANDA") or New Drug Application ("NDA") process could substantially lengthen the approval of an alternate source and adversely affect financial results. We believe we have good, cooperative working relationships with our suppliers and have historically been able to capitalize on economies of

scale in the purchase of materials and supplies due to our volume of purchases. Refer to Item 1A. Risk Factors - Operational Risks for risks associated with materials sourcing. Refer to Item 7. Management's Discussion and Analysis - Executive Overview for a detailed discussion of the impact of inflation and supply chain disruption, the war in Ukraine, and the COVID-19 pandemic on our material sourcing.

MANUFACTURING AND DISTRIBUTION

Our primary manufacturing facilities are in the U.S. We also have manufacturing facilities in the U.K., Belgium, France, Germany, Austria, China, and Australia, along with a joint venture in China. We supplement our production capabilities with the purchase of products from outside sources. While our business is not generally seasonal, the capacity of some facilities may be fully utilized at certain times for various reasons, such as consumer and customer demand, the seasonality of certain product categories (for example, cough/cold/flu and allergy products) and new product launches. We may utilize available capacity by performing contract manufacturing for other companies. We have logistics facilities in the U.S., numerous locations throughout Europe, and Australia. We use contract freight and common carriers to deliver our products.

In 2022, we initiated a Supply Chain Reinvention Program to reduce structural costs, improve profitability and our service levels to our retail partners, and strengthen our resiliency by streamlining and simplifying our global supply chain. Through this initiative, we plan to reduce portfolio complexity, invest in advanced planning capabilities, diversify sourcing, and optimize our manufacturing assets and distribution models.

Refer to Item 7. Management's Discussion and Analysis - Executive Overview for a detailed discussion of the impact of inflation and supply chain disruption, the COVID-19 pandemic, and the Supply Chain Reinvention Program on our manufacturing and distribution, and refer to Item 1A. Risk Factors - Operational Risks for risks associated with our manufacturing facilities.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ("ESG")

We are committed to doing business in a socially, environmentally and fiscally responsible manner and being transparent with our reporting. Our Board recognizes that responsibly managing our environmental impact, respecting global human rights, creating an authentic work environment where our people can thrive and creating high quality affordable products that makes consumer's lives better are critical to the short and long-term success of the Company.

Progress against our Corporate Social Responsibility and Sustainability commitments and programs are reported each year via the Annual Sustainability and ESG report. Over the last few years, we have adopted multiple sustainability and ESG frameworks to guide our efforts, including:

- Sustainability Accounting Standards Board ("SASB") – Household and Personal Products Sector
- The Carbon Disclosure Project ("CDP") and the Task Force on Climate-Related Financial Disclosures ("TFCD")
- The United Nations Sustainable Development Goals

To view our latest ESG report, visit www.Perrigo.com - Our Commitment to the Environment. References to our Sustainability & ESG Report and website are for informational purposes only and neither the sustainability report nor the other information on our website is incorporated by reference into this Annual Report on Form 10-K.

Environmental

Our facilities and operations are subject to various environmental laws and regulations. We undergo periodic internal audits relating to environmental, health and safety requirements in order to maintain compliance with applicable laws and regulations in each of the jurisdictions in which we operate. We have made, and continue to make, expenditures necessary to comply with applicable environmental laws; however, we do not believe that the costs for complying with such laws and regulations have been or will be material to our business. We do not have any material remediation liabilities outstanding.

Our environmental sustainability strategy is focused on three key pillars: climate and operations, plastics and packaging, and our supply chain. These focus areas were refreshed in 2021 to better align with global standards like SASB, CDP and the increasing number of customer sustainability programs.

Climate change is included in Perrigo's enterprise risk management process, while water risk is benchmarked against the World Resource Institute ("WRI") water stress index. While we believe that climate change could present

risks to our business, including increased operating costs due to additional regulatory requirements, physical risks to our facilities and disruptions to our supply chain, we do not believe these risks are material to our business in the near term. Additionally, about 3% of our water consumed came from high to extremely high-water stress regions as defined by the WRI.

Human Capital Resources

At Perrigo, we believe that the continuous personal and professional development of our people is an important component of our ability to attract, retain, and motivate top talent, which are all important aspects of our self-care strategy. Our global workforce consists of more than 8,900 full time and part time employees spread across 33 countries, of which approximately 20% were covered by collective agreements as of December 31, 2022. We continuously endeavor to provide a diverse, inclusive and safe work environment so our colleagues can bring their best to work every day. Each of us is responsible for upholding Perrigo's four core values of Integrity, Respect, Responsibility and Curiosity and our Culture Framework.

Diversity, Equity and Inclusion ("DEI")

Consistent with our core values, we strive for our workforce to represent the diverse consumer base we wish to serve, enabling us to continue to deliver on our self-care promise. We believe that diverse representation, equitable practices, and inclusive behavior creates lasting benefits for Perrigo colleagues, our customers, consumers, and shareholders through enhanced individual well-being, retention, team performance, innovation, and leads to profitable growth. Our new 2023-2026 DEI strategy focuses on three key areas:

- Educating our workforce and building inclusive mindsets;
- Strengthening our talent management practices through a lens of equity and belonging; and
- Enabling leaders, embedding accountability and strengthening our DEI governance practices.

Perrigo is committed to the well-being of the communities we serve and the individuals that make up our team of talented colleagues. Accordingly, we continue to take action to help address inequality based on multiple aspects of diversity and will be strengthening our focus on 'belonging' in 2023 and beyond. Our goal is to nurture a culture where people can experience belonging, enabling them to be at their best at Perrigo.

Perrigo colleagues, including senior management, continually receive educational resources and information on how to best support themselves and others as allies in support of underrepresented groups and to learn how we can contribute to healing our society's divisions. Colleagues are encouraged to practice self-care and are provided support resources such as our global Employee Assistance Program that includes staff members who identify with various underrepresented communities and speak multiple languages.

Compensation, Benefits, Health, Safety, and Well-being

Perrigo's commitment to self-care starts with our own team. We are proactive in our approach to safety, working to eliminate hazards before any harm is incurred. As a multi-national company, we are subject to a broad range of foreign, federal, state and local laws and regulations relating to occupational safety and health, and our safety program is designed to meet all compliance requirements. We continuously evaluate opportunities to raise safety and health standards, visiting sites to identify and manage environmental health and safety risks; to evaluate and enhance workplace safety.

Our Total Rewards philosophy is to continuously attract, engage and inspire talent by designing compensation, benefits and other programs that support the total well-being of our people. Our total rewards package delivers competitive pay, cash-based incentives, broad-based stock grants, retirement benefits, leading healthcare, paid time off, and on-site services, among other benefits. Additionally, we are proud to continue our "HEALTHYyou" well-being program that supports our colleagues and their families in maintaining and improving their health as they navigate their own self-care and well-being journeys. This program is highly valued by our colleagues and it continues to be recognized externally by receiving the Best and Brightest in Wellness™ Award since 2017.

Growth, Development, and Engagement

The growth and development of our colleagues are essential to our ability to meet future challenges and are key components to attracting and retaining our talent. The primary means of development of our colleagues is through meaningful and challenging work. We have a robust process for identifying talent and matching them with opportunities to advance their skills and capabilities. We continue to cultivate our diverse internal talent to progress through the organization and have healthy rates of retention.

We also recognize that our colleagues need access to broad-based development tools to meet the new challenges they face in their roles. We start this process with our new colleagues who are all given a structured orientation and onboarding for faster integration. We also empower colleagues to take control of their own development by providing access to our 'GROWyou' personal development curriculum. This curriculum is supplemented by offering colleagues 24/7 access to on-demand self-study content. Personal development and learning are guided by ongoing conversations and feedback as part of our performance management philosophy.

We continue to invest in our leadership capability at all levels in the organization so they can provide the right environment within our culture to engage, grow and develop our colleagues.

Human Rights

Perrigo is committed to the fight against modern slavery, child labor, unsafe working conditions and any other form of Human Rights abuse. We maintain a robust set of ethical standards that apply to all of Perrigo globally, as well as any contractors, suppliers, and other third parties doing business on our behalf. We conduct regular risk assessments and audits of our supply chain to ensure compliance with our internal standards and those of our customers.

Community Engagement

Improving the healthcare, education and access to basic needs within our local communities continue to be the primary focus for the Perrigo Company Charitable Foundation. We encourage all employees to volunteer in their local communities, which we believe has additional benefits on morale, mental health and goodwill as well as professional skills and network development.

More details on these and other Perrigo Company initiatives are available on our website available at www.Perrigo.com - Building Healthier Communities.

GOVERNMENT REGULATION AND PRICING

The manufacturing, processing, formulation, packaging, labeling, testing, storing, distributing, advertising, and selling of our products are subject to regulation by a variety of agencies in the localities in which our products are sold. In addition, we manufacture and market certain of our products in accordance with standards set by various organizations. We believe that our policies, operations, and products comply in all material respects with existing regulations to which we are subject. Refer to Item 1A. Risk Factors - Operational Risks for related risks.

United States Regulation

U.S. Food and Drug Administration

The FDA has jurisdiction over OTC drug products, Active Pharmaceutical Ingredients ("API"), medical devices and infant formula products. The FDA's jurisdiction extends to the manufacturing, testing, labeling, packaging, storage, distribution, and promotion of these products. We are committed to consistently providing our customers with high quality products that adhere to "current Good Manufacturing Practices" ("cGMP") regulations promulgated by the FDA. If the FDA or comparable regulatory authority becomes aware of new safety information about any of our products, these authorities may require further inspection, enhancement to manufacturing controls, labeling changes, additional testing method requirements, restrictions on indicated uses or marketing, post-approval studies or post-market surveillance.

OTC

All of our drug products are manufactured, tested, packaged, stored, and distributed according to cGMP regulations. The FDA performs periodic audits to ensure that our facilities remain in compliance with all appropriate regulations. Specific regulations and laws that impact our business include, but are not limited to:

- Federal Food, Drug and Cosmetic Act, as amended ("FFDCA") (the Hatch-Waxman amendments) - This act gives authority to the FDA to oversee the safety of food, drugs, medical devices, and cosmetics.
- Food and Drug Administration Safety and Innovation Act ("FDASIA") - The law established, among other things, new user fee statutes for generic drugs and biosimilars, FDA authority concerning drug shortages, and changes to enhance the FDA's inspection authority of the drug supply chain.

- FDA Reauthorization Act of 2017 - This act created a pathway by which the FDA may, at the request of an applicant, designate a drug with "inadequate generic competition" as a Competitive Generic Therapy.

Active Pharmaceutical Ingredients ("API")

Third parties develop and manufacture APIs for use in certain of our pharmaceutical products that are sold in the U.S. and other global markets. API manufacturers typically submit a drug master file to the regulatory authority that provides the proprietary information related to the manufacturing process. The FDA inspects the manufacturing facilities to assess cGMP compliance, and the facilities and procedures must be cGMP compliant before API may be exported to the U.S.

Medical Devices

We are subject to the Medical Device Amendments of 1976 to the FFDCA and its subsequent amendments in the U.S. The regulations issued thereunder provide for regulation by the FDA of the design, manufacture and marketing of medical devices, including some of our products marketed under our oral care and OTC businesses. All of our current medical devices fall under Class I or Class II of the regulations. These devices are also subject to other general controls established by the FDA, such as registration, listing, labeling, and reporting obligations.

Infant Formula

The FDA's Center for Food Safety and Applied Nutrition is responsible for the regulation of infant formula. The Office of Nutrition, Labeling and Dietary Supplements ("ONLDS") has labeling responsibility for infant formula, while the Office of Food Additive Safety ("OFAS") has program responsibility for food ingredients and packaging. The ONLDS evaluates whether an infant formula manufacturer has met the requirements under the FFDCA and consults with the OFAS regarding the safety of ingredients in infant formula and of packaging materials for infant formula.

Before marketing a particular infant formula, the manufacturer must provide regulatory agencies assurance of the nutritional quality of that particular formulation consistent with the FDA's labeling, nutrient content, and manufacturer quality control requirements. A manufacturer must notify the FDA at least 90 days before the marketing of any infant formula that differs fundamentally in processing or in composition from any previous formulation produced by the manufacturer. We actively monitor this process and make the appropriate adjustments to remain in compliance with current FDA rules regarding cGMP, quality control procedures, quality factors, notification requirements, and reports and records for the production of infant formulas.

In addition, the FFDCA requires infant formula manufacturers to test product composition during production and shelf-life; to keep records on production, testing, and distribution of each batch of infant formula; to use cGMP and quality control procedures; and to maintain records of all complaints and adverse events, some of which may reveal the possible existence of a health hazard. The FDA conducts yearly inspections of all facilities that manufacture infant formula, inspects new facilities during early production runs, and collects and analyzes samples of infant formula. Our infant formula manufacturing facilities have been inspected by the FDA with no corrective actions required from the most recent inspections.

Our infant and toddler beverages are subject to the Food Safety Modernization Act ("FSMA"), which protects the safety of U.S. foods by mandating comprehensive, prevention-based controls within the food industry. Under FSMA, the FDA has mandatory recall authority for all food products and greater authority to inspect food producers and is taking steps toward product tracing to enable more efficient product source identification in the event of a safety issue.

U.S. Department of Agriculture

The Organic Foods Production Act enacted under Title 21 of the 1990 Farm Bill established uniform national standards for the production and handling of foods labeled as "organic." Our infant formula manufacturing sites in Vermont and Ohio adhere to the standards of the U.S. Department of Agriculture ("USDA") National Organic Program for production, handling, and processing to maintain the integrity of organic products and are USDA-certified, enabling them to produce and label organic products for U.S. and Canadian markets.

U.S. Environmental Protection Agency

The U.S. Environmental Protection Agency ("EPA") is the main regulatory body in the United States governing environmental regulation. Laws administered by the EPA, often in partnership with state agencies, include but are not limited to the Clean Air Act; the Clean Water Act; the Resource Conservation and Recovery Act; the Comprehensive Environmental Response, Compensation and Liability Act; and the Federal Insecticide, Fungicide, and Rodenticide Act.

U.S. Drug Enforcement Administration

The U.S. Drug Enforcement Administration ("DEA") regulates certain drug products containing controlled substances, and List I chemicals, such as pseudoephedrine, pursuant to the federal Controlled Substances Act ("CSA") and the Substance Use-Disorder Prevention that Promotes Opioid Recovery Treatment for Patients and Communities Act ("SUPPORT Act"). The CSA and DEA regulations impose registration, security, record keeping, suspicious order monitoring, reporting, storage, manufacturing, distribution, importation and other requirements upon legitimate handlers under the oversight of the DEA. The DEA categorizes controlled substances into Schedules I, II, III, IV, or V, with varying qualifications for listing in each schedule. We are subject to the requirements regarding List I chemicals. Our facilities that manufacture, distribute, import, or export any List 1 Chemicals must register annually with the DEA and are subject to inspection and enforcement action if found out of compliance.

Federal Healthcare Programs and Drug Pricing Regulation

In the U.S., government healthcare programs such as Medicaid are important third-party payers for patients treated with our products. While these programs may cover OTC products under some circumstances, utilization of our products under these programs is limited. When covering our products, these programs regulate the amount pharmacies and other healthcare providers are paid for our products. We participate in the following programs, and are subject to associated price reporting, payment, and other compliance obligations:

- Medicaid Drug Rebate Program ("MDRP") - We are required to report pricing data to the Centers for Medicare & Medicaid Services ("CMS") on a monthly and quarterly basis, and to pay rebates to state Medicaid programs on units of our drugs covered by such programs.

- 340B Drug Pricing Program - We are required to charge certain healthcare providers, known as 340B "covered entities," no more than the statutorily-defined 340B "ceiling price" for our covered outpatient drugs, and must report the 340B ceiling price to the government.

- Department of Veterans Affairs ("VA") Federal Supply Schedule ("FSS") - We anticipate participating in the FSS contracting program, which would require us to charge certain agencies (the VA, Department of Defense, Public Health Service and Coast Guard) no more than a statutory Federal Ceiling Price for certain drugs. FSS contracts include extensive disclosure and certification requirements and standard government terms and conditions with which we would have to comply. We would also expect to enter into an agreement to pay rebates on innovator drug prescriptions dispensed to TRICARE beneficiaries by TRICARE network retail pharmacies.

Refer to the risk factors under the heading "If we fail to comply with the reporting and payment obligations under the MDRP or other governmental purchasing and rebate programs, we could be subject to fines or penalties, which could be material" in Item 1A. Risk Factors - Operational Risks.

Medicare Part D "Coverage Gap" Rebates

If we market certain innovator products, we will have to provide rebates with respect to utilization by certain Medicare Part D beneficiaries while those patients are within the Part D benefit "coverage gap." The rebate amount is calculated by CMS based on Part D plans "negotiated prices" paid to pharmacies.

Other Price Regulation and State Regulation

Drug pricing has come under increasing public scrutiny. Congress is considering various amendments to federal drug pricing laws and new forms of pricing regulation which would increase the financial and compliance burdens associated with our participation in the federal programs. Several states have enacted laws that, among other things, require manufacturers to report information concerning drug pricing or marketing practices or to provide advance notice of price actions or applications for regulatory approvals. These laws provide for penalties in case of errors or failure to comply. Refer to the risk factors under the headings "Limitations on reimbursement, continuing healthcare reforms, and changes to reimbursement methods in the U.S. and other counties may have an adverse effect on our financial condition and results of operations" and "If we fail to comply with the reporting and payment obligations under the MDRP or other governmental purchasing and rebate programs, we could be subject to fines or penalties, which could be material" in Item 1A. Risk Factors - Operational Risks.

Other U.S. Regulations and Organizations

We are subject to various other federal, state, non-governmental, and local agency rules and regulations. Compliance with the laws and regulations regarding the manufacture and sale of our current products and the discovery, development, and introduction of new products requires substantial effort, expense and capital investment. Other regulatory agencies, organizations, legislation, regulations and laws that may impact our business include, but are not limited to:

- *Physician Payment Sunshine Act and Similar State Laws* - This act and similar state laws require certain pharmaceutical manufacturers to engage in extensive tracking of payments or transfers of value to physicians and teaching hospitals, maintenance of a payment database and public reporting of the payment data.

- *Foreign Corrupt Practices Act of 1977 ("FCPA")* - This act and other similar anti-bribery laws prohibit companies and their intermediaries from providing money or anything of value to officials of foreign governments, foreign political parties or designated public international organizations with the intent to obtain or retain business or seek a business advantage.

- *Federal Trade Commission ("FTC")* - This agency oversees the advertising and other promotional practices of consumer products marketers. The FTC considers whether a product's claims are substantiated, truthful and not misleading. The FTC also reviews mergers and acquisitions of companies exceeding specified thresholds and investigates certain business practices relevant to the healthcare industry.

- *International Organization for Standardization ("ISO")* - The ISO Standards specify requirements for a Quality Management System that demonstrates the ability to consistently provide products that meet customer and applicable regulatory standards and includes processes to ensure continuous improvement. Our infant formula manufacturing sites are ISO 9001-2008 Certified for Quality Management Systems. ISO inspections are conducted at least annually.

- *United States Pharmacopoeia Convention, Inc. ("USP")* - The USP is a non-governmental, standard-setting organization. The FFDCA incorporates by reference the USP quality and testing standards and monographs as the standard that must be met for the listed drugs, unless compliance with those standards is specifically disclaimed on the product's labeling. USP standards exist for most Rx and OTC pharmaceuticals and many nutritional supplements. The FDA typically requires USP compliance as part of cGMP compliance.

- *Health Insurance Portability and Accountability Act ("HIPAA")* - HIPAA is a set of regulations designed to protect personal information and data collected and stored in medical records. It established a national standard to be used in all doctors' offices, hospitals and other businesses where personal medical information is stored. In addition to protecting personal medical information, HIPAA also gives patients the right to view their medical records and request changes if the data is incorrect. We could be subject to criminal penalties if we knowingly obtain individually identifiable health information from a covered entity in a manner that is not authorized or permitted by HIPAA or for aiding and abetting the violation of HIPAA.

- *Consumer Product Safety Commission ("CPSC")* - The CPSC has published regulations requiring child resistant packaging on certain products including pharmaceuticals and dietary supplements. The manufacturer of any product that is subject to any CPSC rule, ban, standard or regulation must certify that, based on a reasonable testing program, the product complies with CPSC requirements.

- *California Safe Drinking Water and Toxic Enforcement Act ("Prop 65")* - Prop 65 is a right-to-know warnings law that allows the state attorney general and private enforcers to sue on behalf of the public claiming the products in question sold in California violate the law by exposing consumers to toxic chemicals in levels above those allowed by regulation without carrying warnings.

- California Consumer Privacy Act ("CCPA") - CCPA went into effective on January 1, 2020, which enhanced the data protection rights of residents in California. This law increases our responsibility and potential liability related to personal data of California residents that we process. On January 1, 2023 the California Privacy Rights Act went into effect and expands upon the CCPA and data privacy right protections.

- *Other State Agencies* - We are subject to regulation by numerous other state health departments, insurance departments, boards of pharmacy, state controlled substance agencies, state consumer health and safety regulations, and other comparable state agencies, each of which have license requirements and fees that vary by state.

Regulation Outside the U.S.

We develop and manufacture products and market third-party manufactured products in regions outside the U.S., primarily Europe, Canada, and Australia, each of which has its own regulatory environment. Other regulatory agencies, organizations and legislation that may impact our business include, but are not limited to:

- *Privacy Regulations* - We are subject to numerous global laws and regulations designed to protect personal data, such as the European General Data Protection Regulation ("GDPR"). The GDPR introduced more stringent data protection requirements in the European Union ("EU"), as well as substantial fines for breaches of the data protection rules. The GDPR increased our responsibility and potential liability in relation to personal data that we process, and we have put in place appropriate mechanisms to comply with the GDPR.

- *Transparency Laws* - In various jurisdictions in which we operate, we are subject to the laws and regulations aimed at increasing transparency of financial relationships between healthcare professionals and pharmaceutical/medical device manufacturers. These acts require certain pharmaceutical manufacturers to engage in extensive tracking of payments or transfers of value to healthcare professionals.

- *Anti-Bribery Laws* - Various jurisdictions in which we operate have laws and regulations, including the U.K. Bribery Act 2010 and the Irish Criminal Justice (Corruption Offenses) Act 2018, aimed at preventing and penalizing corrupt and anticompetitive behavior.

- *Rules and Regulations Infant Formula* - Outside of the U.S., country-specific regulations define the requirements that we must comply with regarding the manufacturing, testing, labeling, packaging, storage, distribution, and promotion of infant formula. We are subject to ongoing periodic inspection through these complex regulations, including by the Canadian Food Inspection Agency ("CFIA").

European Union

On July 14, 2021, the European Commission adopted a set of proposals to ensure polices are aligned with the goal of reducing net greenhouse gas emissions by at least 55% by 2030 – the EU Green Deal. There is a growing focus on environmental impact of self-care products, their ingredients, components, packaging, manufacturing, and disposal. This focus could lead to new requirements and restrictions in the coming years across all product categories described below.

OTC

In the EU, as well as many other locations around the world, the manufacture and sale of medicinal products are regulated in a manner substantially similar to that of the U.S. requirements, which generally prohibit the handling, manufacture, marketing, and importation of any medicinal product unless it is properly registered in accordance with applicable law. However, obtaining regulatory approval across various EU member states can present complex challenges. The registration file relating to any particular product must contain data related to product efficacy and

safety, including results of clinical testing and/or references to medical publications, as well as detailed information regarding production methods and quality control. Health ministries are authorized to cancel the registration of a product if it is found to be harmful or ineffective or if it is manufactured or marketed other than in accordance with registration conditions.

The legislation governing the European pharmaceutical industry is subject to an ongoing consultation and extensive review. Updates to the existing pharmaceutical law are anticipated to be implemented in 2023. These updates could bring opportunity in terms of increased flexibility in some areas but also risk as certain aspects of the law are made more restrictive.

The European Commission passed legislation requiring new product packaging 'safety features' to prevent falsification of medicinal products primarily within the prescription medicines sector. Manufacturers based out of Greece, Belgium and Italy have an extended timeline until February 9, 2025 to implement the serialization guidelines as they already feature similar requirements on their current drug packages.

Data exclusivity provisions exist in many countries, although the application is not uniform. In general, these exclusivity provisions prevent the approval and/or submission of generic drug applications to the health authorities for a fixed period of time following the first approval of the brand-name product in that country. As these exclusivity provisions operate independently of patent exclusivity, they may prevent the submission of generic drug applications for some products even after the patent protection has expired.

The advertising of pharmaceuticals in the EU is governed by national regulations and guidelines. Within certain member states this is overseen by a self-certification process whereas in others national governance bodies approve material prior to release.

The EU Commission has published guidelines on Good Distribution Practice of Medicinal Products for Human Use in 2013. The present guidelines are based on Articles 84 and 85b(3) of medicinal products for human use directive.

Medical Devices

The EU has enacted into law numerous directives and adopted many harmonizing standards pertaining to a wide range of industrial products, including medical devices. Medical devices that comply with the requirements of applicable directives are entitled to bear the CE marking of conformity, which indicates that the device conforms to the applicable requirements of the directives and, accordingly, can be commercially distributed throughout Europe. The method of assessing conformity varies depending on the class of the product, but normally involves a combination of self-assessment by the manufacturer and a third-party assessment by a Notified Body, an organization accredited by a member state under the EU's Medical Device Regulation ("MDR"). Assessment by a Notified Body includes an audit of the manufacturer's quality system and may also include specific testing of the product. This assessment is a prerequisite for a manufacturer to commercially distribute the product throughout the EU. All medical devices will need to be approved under the MDR with transition periods until 2027-28, and the possibility to sell off existing medical device products until end of shelf-life.

Dietary Supplements

Dietary supplements are subject to several regulations that inform the selection of ingredient levels and how products can be described on packaging and in advertising. These regulations include: Food Supplements Directive 2002/46/EC, Food Information to Consumers Regulation (EU) No 1169/2011, Permitted Vitamins and Minerals Regulation (EC) 1170/2009, Food Additives Regulation (EC) 1333/2008, Nutritional & Health Claims Regulation (EC) No 1924/2006, the Foods Intended for Particular Nutritional Uses Directive 2009/39/EC, Regulation (EU) 609/2013, and Regulation EC 1924/2006.

Cosmetics

Cosmetic products in the EU market must comply with Regulation EC No. 1223/2009. This regulation requires manufacturers to prepare a product safety report prior to placing a cosmetic product in the market. In addition, for each cosmetic product placed in the market, a "responsible person" must be designated to oversee compliance with the regulation's reporting requirements. Commission Regulation EU No. 655/2013 establishes the common criteria and justification for claims to be used in the packaging and advertising of cosmetics products.

Biocides

Biocides in the EU market must comply with Regulation EU No. 528/2012 ("EU BPR") overseen by the European Chemicals Agency. Contrary to medicines, biocides are not exempted from chemical legislation such as the Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals No. 1907/2006 and the Regulation on Classification, Labelling and Packaging Regulation of substances and mixtures EC No. 1272/2008.

General Product Safety Directive

The General Product Safety Directive (2001/95/EC) complements sector-specific legislation such as rules that apply to electrical and electronic goods, chemicals, and other specific product groups. Together, the General Product Safety Directive and sector specific legislation ensure the safety and traceability of products in the market (other than pharmaceuticals, medical devices, and food which are regulated under separate legislation). If our products fail to meet the General Product Safety Directive, we may incur fines.

Additional Global Regulations and Considerations

We must comply with a variety of U.S. laws related to doing business outside of the U.S., including but not limited to, Office of Foreign Asset Controls; United Nations and EU sanctions; the Iran Threat Reduction and Syria Human Rights Act of 2012; rules relating to the use of certain "conflict minerals" under Section 1502 of the Dodd- Frank Wall Street Reform and Consumer Protection Act; and regulations enforced by the U.S. Customs and Border Patrol. Changes in laws, regulations, and practices affecting the pharmaceutical industry and the healthcare system, including imports, exports, manufacturing, quality, cost, pricing, reimbursement, approval, inspection, and delivery of healthcare, may affect our business and operations. International sanctions and boycotts of our products could also impact our sales and ability to export our products.

Certain formulations of the branded pain medications we sell in certain non-U.S. jurisdictions contain codeine. In recent years, there has been growing concern about the use and misuse of opioids and related products in the United States and around the world. Natural and synthetic opioids have analgesic and sedative effects, and are commonly prescribed by medical professionals for the temporary management of pain. Clinically weaker opioid analgesics, such as products containing codeine, are available from pharmacists in certain jurisdictions without a doctor's prescription. However, a number of jurisdictions have implemented or are considering restrictions on OTC products containing codeine. For example, in 2018, Australia reclassified codeine to require a prescription. In Ireland, such products are currently subject to safety restrictions, including prohibition on advertising, restrictions on in-store visibility, and availability only with the recommendation of a qualified pharmacist. In November 2022, Irish regulators notified manufacturers that it would be initiating a formal classification review of non-prescription codeine products. A decision is anticipated by the end of the third quarter of 2023 followed by a brief transition period, should the products be re-classified. Restrictions or prohibitions on the sale of OTC products containing codeine could affect our CSCI segment in future periods.

Tax Regulations

Recent Changes to Tax Laws, Regulations and Related Interpretations

On August 16, 2022, the U.S. enacted the Inflation Reduction Act of 2022 ("IR Act"), which, among other changes, introduces a 15% minimum tax based on adjusted financial statement income of certain large corporations with a three-year average adjusted financial statement income in excess of $1 billion, an excise tax on corporate stock buybacks, and several tax incentives to promote clean energy. We evaluated the IR Act and concluded it does not result in any material changes to our income tax reporting for the year ended December 31, 2022. We will continue to evaluate the effects of the IR Act on future accounting periods.

The Organization for Economic Co-operation and Development ("OECD"), which represents a coalition of member countries, has recommended changes to numerous long-standing tax principles. Changes include imposing a global minimum corporation tax of 15% and introducing new filing obligations. These changes are being adopted and implemented by many of the countries in which we do business and may increase our tax expense. Specifically, in December 2022, the EU adopted a Directive issued by the European Commission requiring EU members to implement the OECD's global minimum tax rules effective January 1, 2024.

On December 28, 2021, the U.S. Treasury and the IRS released final foreign tax credit regulations addressing various aspects of the foreign tax credit regime. The regulations were, generally, effective on March 7, 2022. We

evaluated the regulations and concluded that they do not result in any material changes to our income tax reporting for the year ended December 31, 2022 or for any prior periods. We will continue to evaluate the effects of these final foreign tax credit regulations on future accounting periods.

AVAILABLE INFORMATION

Our principal executive offices are located at The Sharp Building, Hogan Place, Dublin 2, D02 TY74, and our North American base of operations is located at 430 Monroe Avenue NW, Grand Rapids, Michigan 49503. Our telephone number is +353 1 7094000. Our website address is www.perrigo.com, where we make available free of charge our reports on Forms 10-K, 10-Q and 8-K, including any amendments to these reports, as soon as reasonably practicable after they are electronically filed with or furnished to the U.S. Securities and Exchange Commission ("SEC"). These filings are also available to the public at www.sec.gov.

ITEM 1A. RISK FACTORS

SUMMARY OF RISK FACTORS

Operational Risks

- We face competition from other pharmaceutical and consumer packaged goods companies, which may threaten the demand for and pricing of our products.
- If we do not continue to develop, manufacture, and market innovative products, introduce new line extensions, and expand into adjacent categories that meet customer demands, our net sales may be negatively impacted and we may lose market share.
- We operate in highly regulated industries, and any inability to timely meet current or future regulatory requirements could have a material adverse effect on our business and operating results.
- Limitations on reimbursement, continuing healthcare reforms, and changes to reimbursement methods in the United States and other countries may have an adverse effect on our financial condition and operating results.
- If we fail to comply with the reporting and payment obligations under the Medicaid rebate program or other governmental purchasing and rebate programs, we could be subject to fines or penalties, which could be material.
- Unfavorable publicity or consumer perception of the safety, quality, and efficacy of our products could have a material adverse effect on our business.
- Lack of availability, or significant increases in the cost, of raw materials used in manufacturing our products could have a material adverse effect on our profit margins and operating results.
- The effects of public health outbreaks, including pandemics such as COVID-19 and epidemics, and related public and governmental actions could have a material adverse impact on our operations and our business and financial condition in the future.
- Disruption of our supply chain, including as a result of the COVID-19 pandemic or the war in Ukraine, could have a material adverse effect on our businesses, financial condition, results of operations and cash flows.
- A disruption at any of our main manufacturing facilities could have a material adverse effect on our business, financial position, and results of operations.
- Our business could be negatively affected by the performance of our collaboration partners and suppliers, and any such adverse impact could be material.
- Our business depends upon certain customers for a significant portion of our sales, therefore our business would be adversely affected by a disruption of our relationship with these customers or any material adverse change in these customers' businesses. The risk of such impacts would be increased by continued consolidation in the sector in which our customers operate.
- Our businesses could be adversely affected by deteriorating economic conditions in the countries in which we operate, and our results may be volatile due to these or other circumstances beyond our control.
- A cybersecurity breach, disruption or misuse of our information systems, or our external business partners' information systems could have a material adverse effect on our business.
- We are dependent on the services of certain key personnel.
- Management transition creates uncertainties, and any difficulties we experience in managing such transitions may negatively impact our business.

Strategic Risks

- We may not realize the benefits of business acquisitions, divestitures, and other strategic transactions, which could have a material adverse effect on our operating results.
- We have acquired significant assets that could become impaired or subject us to losses and may result in an adverse impact on our results of operations, which could be material.
- There can be no assurance that our strategic initiatives, including our Supply Chain Reinvention Program, will achieve their intended effects.
- The synergies and benefits expected from acquiring HRA Pharma and Gateway may not be realized in the amounts anticipated or at all and integrating HRA Pharma and Gateway's business may be more difficult, time consuming or costly than expected.
- Failure to effectively monitor and respond to ESG matters, including our ability to set and meet reasonable goals related to climate change and sustainability efforts, may negatively affect our business and operations.

Global Risks

- Our business, financial condition, and results of operations are subject to risks arising from the international scope of our operations.
- We operate in jurisdictions that could be affected by economic and geopolitical instability, which could have a material adverse effect on our business.
- The international scope of our business exposes us to risks associated with foreign exchange rates.

Litigation and Insurance Risks

- We are or may become involved in lawsuits and may experience unfavorable outcomes of such proceedings.
- Increased scrutiny on pricing practices and competition in the pharmaceutical industry, including antitrust enforcement activity by government agencies and class action litigation, may have an adverse impact on our business and operating results, which could be material.
- Third-party patents and other intellectual property rights may limit our ability to bring new products to market and may subject us to potential legal liability, which could have a material adverse effect on our business and operating results.
- The success of certain of our products depends on the effectiveness of measures we take to protect our intellectual property rights and patents.
- Our ability to achieve operating results in line with published guidance is inherently subject to numerous risks and other factors beyond our control. Publishing earnings guidance subjects us to risks, including increased stock volatility, that could lead to potential lawsuits by investors.
- Significant increases in the cost or decreases in the availability of the insurance we maintain could adversely impact our operating results and financial condition. Disputes with insurers on the scope of existing policies may limit the coverage available under such policies.

Tax Related Risks

- The resolution of uncertain tax positions, including the Notices of Proposed Adjustments and ongoing disputes with U.S. and foreign tax authorities, could be unfavorable, which could have a material adverse effect on our business.
- Changes to tax laws and regulations or the interpretation thereof could have a material adverse effect on our results of operations and the ability to utilize cash in a tax efficient manner.
- Our effective tax rate or cash tax payment requirements may change in the future, which could adversely impact our future results of operations.

Capital and Liquidity Risks

- Our indebtedness could adversely affect our ability to implement our strategic initiatives.
- We cannot guarantee that we will buy back our ordinary shares pursuant to our announced share repurchase plan or that our share repurchase plan will enhance long-term shareholder value.
- Any additional shares we may issue could dilute your ownership in the Company.
- We are incorporated in Ireland; Irish law differs from the laws in effect in the United States and may afford less protection to, or otherwise adversely affect, our shareholders.
- We may be limited in our ability to pay dividends in the future.

Operational Risks

We face competition from other pharmaceutical and consumer packaged goods companies, which may threaten the demand for and pricing of our products.

Our Perrigo-branded products compete against store brand, generic, and branded health and wellness products. In addition, our products sold under labels of others (store brand) compete against other store brands, generic, and branded health and wellness products. If we or our store brand customers are unable to compete successfully, our business may lose customers or face negative pricing pressures. In particular:

- Our CSCA and CSCI segments experience direct competition from other drug companies, including brand name companies, that may try to prevent, discourage or delay the use of our products through various measures, including introduction of new products, legislative initiatives, changing dosage forms or dosing regimens, regulatory processes, filing new patents or patent extensions, lawsuits, citizens' petitions, and attempts to generate negative publicity prior to our introduction of a new competitive product. Moreover, other companies may produce the same products as us, sometimes sold at dramatically lower margins in order to gain market share. Other companies may also introduce new drugs or drug delivery techniques that make our current products less desirable.
- Our competitors may be able to adapt more quickly to changes in customer requirements or develop products comparable or superior to those offered by us at more competitive prices.
- Competition in the pharmaceutical space may also be impacted by changes in regulations and government pricing programs that may give certain competitors an advantage.

If we do not continue to develop, manufacture, and market innovative products, introduce new line extensions, and expand into adjacent categories that meet customer demands, our net sales may be negatively impacted and we may lose market share.

The growth of our business is due in large part to our ability to develop, manufacture, and market products that meet customer requirements for quality, safety, efficacy, and cost-effectiveness. Margins for existing products tend to decline over time due to aging product life cycles, changes in consumer preferences, pricing pressure from customers, and increased competition. Accordingly, our business model relies heavily on the continuous introduction of innovative products and new product categories. If we do not continue to develop, manufacture, and market new products, or if we fail to stay current with the latest manufacturing information, and packaging technology, we could lose market share, and our net sales may be negatively affected.

The development and commercialization process, particularly with respect to innovative products, is both time consuming and costly, and subject to a high degree of business risk. Products currently under development may require re-design to meet evolving regulatory standards, may not perform as expected, may not pass required bioequivalence studies, or may be the subject of intellectual property challenges. Necessary regulatory approvals may not be obtained in a timely manner, if at all. Even if we are successful in developing a product, our customers' failure to launch one of our products successfully, or delays in manufacturing developed products, could adversely affect our operating results. In addition, regulatory agencies may impose higher standards or additional requirements, as a condition to clearing new products, such as requiring more supporting data and clinical data than previously required, which could negatively impact our net sales. In our CSCA segment, we must prove that the regulated generic drug products are bioequivalent to their branded counterparts, which may require bioequivalence studies, and, in the case of topical products, even more extensive clinical endpoint trials to demonstrate their efficacy, and the failure to do so could also negatively impact our sales.

We operate in highly regulated industries, and any inability to timely meet current or future regulatory requirements could have a material adverse effect on our business and operating results.

We operate in highly regulated industries in numerous countries and are subject to the regulations of a variety of U.S. and non-U.S. agencies related to the manufacturing, processing, formulation, packaging, labeling, testing, storing, distribution, import, export, advertising, and sale (including cost, pricing and reimbursement) of our products, as described in detail in Item 1. Business - Government Regulation and Pricing. Changes in laws, regulations, and practices in the countries in which we operate, which may be impacted by political pressure and other factors outside of our control, may be difficult or expensive for us to comply with, could restrict or delay our ability to manufacture, distribute, sell or market our products, and may adversely affect our revenue, operating

results, and financial condition or impose significant administrative burdens. Divergence in regulatory approach from country to country, and between the EU and individual member states, adds cost and complexity to the compliance framework; and differences in requirements and/or implementation dates in different jurisdictions may provide competitive advantages to manufacturers that operate in other locations. If our products fail to meet regulatory requirements, our sales may be adversely affected, we may incur fines and penalties, and our exposure to liability relating to product-based claims may increase. Below are some examples of ways in which regulatory risk may impact us:

- On July 14, 2021, the European Commission adopted a set of proposals to ensure polices are aligned with the goal of reducing net greenhouse gas emissions by at least 55% by 2030 (the "EU Green Deal"). There is a growing focus on environmental impact of self-care products, their ingredients, components, packaging, manufacturing, and disposal. This focus could lead to new requirements and restrictions in the coming years across all product categories.
- We must obtain approval from the appropriate regulatory agencies in order to manufacture and sell our products in the regions in which we operate. Obtaining this approval can be time consuming and costly. When we submit an application for market authorization, there can be no assurance that the regulator will approve that application on a timely basis or at all.
- U.S. law encourages generic competition by providing eligibility for first generic marketing exclusivity if certain conditions are met. If we are granted generic exclusivity, the exclusivity may be shared with other companies; or we may forfeit 180-day exclusivity if we fail to obtain regulatory approval and begin marketing within the statutory requirements. If we are not the first to file our ANDA, the FDA may grant 180-day exclusivity to another company, thereby effectively delaying the launch of our product and/or possibly reducing our market share.
- U.S. and global regulatory agencies regularly inspect our manufacturing facilities and the facilities of our third-party suppliers for GMP and other regulatory compliance. The failure of one of these facilities to comply with applicable laws and regulations may lead to a breach of representations made to our customers, or to regulatory or government action against us related to the products made in that facility, including suspension of or delay in regulatory approvals and product seizure, injunction, recall, suspension of production or distribution of our products, loss of licenses or other governmental penalties, or civil or criminal prosecution, which could result in increased cost, lost revenue, or reputational damage.
- In 2020, regulatory agencies globally, including the FDA and EMA, issued guidance on assessing and controlling nitrosamine impurities in medicine products. We are continuing to undertake a review of our product portfolio in accordance with regulatory guidance to assess the risk of the presence of nitrosamine impurities. Any finding of nitrosamine impurities exceeding levels set by regulatory authorities may require us to adopt modified product sourcing and/or manufacturing processes or to initiate product withdrawal.
- Rx-to-OTC switches are part of our future growth. If regulatory agencies fail to approve Rx-to-OTC switches in new product categories or reassess the terms of existing OTC classifications, our growth prospects and product mix would be impaired. Further, regulatory agencies may reassess the terms of OTC classification if they perceive a shift in the previously assessed benefit/risk profile. Any such reassessment could lead to OTC products reverting to prescription. For example, as described in Item 1. Business - Government Regulation and Pricing, Irish regulators are undertaking a formal review of non-prescription codeine products, which could result in the reclassification of codeine to prescription only after a brief transition period. A final opinion is expected by the end of the third quarter of 2023. Sales of products containing codeine in Ireland were approximately $8 million in 2022. Moreover, a reclassification by Ireland could lead to reviews in other jurisdictions as well.
- Our infant formula products may be subject to barriers or sanctions imposed by countries or international organizations limiting international trade and dictating the content of such products. If governments enhance regulations on the infant formula industry by, for example, requiring additional testing or compulsory batch-by-batch inspection, our sales and operating margins in this category could be adversely affected.
- The regulation of List I chemicals complicate our supply chain, and adverse regulatory actions may result in temporary or permanent interruption of distribution of our products, withdrawal of our products from the market, or other penalties. If we are unable to obtain necessary quotas for List I chemicals, we risk having delayed product launches or failing to meet commercial supply obligations.
- Very recently the European Parliament voted of a proposal to extend the MDR transition periods until 2027-28, together with an extended validity of existing medical device certificates and the possibility to sell

off existing medical device products until end of shelf-life. With this decision the European Parliament took into account that there is currently a shortage in the number of Notified Bodies authorized to carry out conformity assessments required under MDR.

- Increased scrutiny of product classifications by government agencies can result in investigations and prosecutions, which carry the risk of significant civil and criminal penalties, including but not limited to, debarment from government business and prohibition to continue the business.

Limitations on reimbursement, continuing healthcare reforms, and changes to reimbursement methods in the United States and other countries may have an adverse effect on our financial condition and operating results.

Increasing healthcare expenditures have received considerable public attention in many of the countries in which we operate. In the U.S., government programs such as Medicaid, as well as private insurers, have been focused on cost containment. In some markets in the EU and outside the U.S., the government provides healthcare at low direct cost to consumers and regulates pharmaceutical prices or patient reimbursement levels to control costs for the government-sponsored healthcare system. Both private and governmental entities are seeking ways to reduce or contain healthcare costs through legislative and regulatory efforts, as further described in Item 1. Business - Government Regulation and Pricing, which could place further pricing pressure on our products and could negatively impact our operating results.

Under the MDRP, a number of our products are considered non-innovator products and therefore subject to Medicaid federal upper limits ("FUL"), which restrict the amount state Medicaid programs reimburse for non-innovator covered outpatient drugs. While utilization of our products under the Medicaid program is limited, our products generally are subject to state Medicaid program payment methodologies, and may be subject to reimbursement pressures beyond our control.

If we fail to comply with the reporting and payment obligations under the Medicaid rebate program or other governmental purchasing and rebate programs, we could be subject to fines or penalties, which could be material.

As described in Item 1. Business - Government Regulation and Pricing, we participate in various U.S. government healthcare programs and are subject to associated price reporting, payment, and other compliance obligations. Calculations of the data we must submit under the foregoing programs are governed by statutory and regulatory requirements that are complex, vary among products and programs, can change over time, and are subject to interpretation by us, governmental or regulatory agencies, and the courts. Failure to comply with the program obligations may result in civil monetary penalties and other punitive measures and liability, such as exclusion from some programs. We cannot be certain that our submissions will not be found by the government to be incomplete or incorrect. Requirements under state drug price transparency programs, such as price reporting to state agencies, also present such inherent risks, including potential imposition of civil monetary penalties.

If we enter into an FSS contract or TRICARE agreement and inadvertently overcharge the government in connection with either, we would be required to refund the difference. Failure to make necessary disclosures and/or to identify contract overcharges can result in False Claims Act allegations or potential violations of other laws and regulations. Unexpected refunds to the government, and responses to a government investigation or enforcement action, are expensive and time-consuming, and could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

Unfavorable publicity or consumer perception of the safety, quality, and efficacy of our products could have a material adverse effect on our business.

We are dependent upon consumers' perception of the safety, quality, and efficacy of our products. Negative consumer perception may arise from media reports, social media posts, product liability claims, regulatory investigations, or recalls affecting our products or our industry, any of which may reduce demand.

- Our products involve risks such as product contamination, spoilage, mislabeling, and tampering that could require us to recall one or more of our products. Serious product quality concerns could also result in governmental actions against us that, among other things, could result in the suspension of production or distribution of our products, product seizures, loss of certain licenses, delays in the issuance of governmental approvals for new products, or other governmental penalties.

- We cannot guarantee that counterfeiting, imitation or other tampering with our products will not occur or that we will be able to detect and resolve it, which could lead to death or injury of consumers and negatively impact our reputation.
- Our nutritional product category is subject to certain consumer preferences and health and nutrition-related concerns, including the number of mothers who choose to use infant formula products rather than breastfeed their babies, which could change based on factors including increased promotion of the benefits of breastfeeding over the use of infant formula by private, public and government sources and changes in the number of families that are provided with infant formula by the U.S. federal government through the Women, Infants and Children program which we do not participate in.
- With respect to our powdered infant formula products, a risk of contamination or deterioration may exist at each stage of the production cycle, including the purchase and delivery of raw materials, the processing and packaging of food products, and the use and handling by consumers, hospital personnel, and healthcare professionals. If certain of our infant formula products are found or alleged to have suffered contamination or deterioration, whether or not under our control, our reputation and our infant formula product category sales could be materially adversely affected.
- Our CSCI segment's financial success is dependent on positive brand recognition, which results in part from large investments in marketing over a period of years. The success of our brands may suffer if we do not continue to invest in marketing, or if our marketing plans or product initiatives are unsuccessful. In addition, an issue with one of our products could negatively affect the reputation of other products, potentially hurting our financial results.
- Negative social media posts or comments about us, store brands or generic pharmaceuticals, or our products could damage our reputation and adversely affect our business. Negative posts or comments about our products could result in increased pharmacovigilance reporting requirements, which may give rise to liability if we fail to fully comply with such requirements.

Lack of availability, or significant increases in the cost, of raw materials used in manufacturing our products could have a material adverse effect on our profit margins and operating results.

We rely on third parties to source many of our raw materials and to manufacture certain dosage forms that we distribute, such as inhalers and sterile injectables. Refer to Item 1. Business - Materials Sourcing. Certain raw materials may experience rapid cost increases due to increased labor, relevant commodities, energy costs and other inflationary pressures, and this may have a material negative impact on our financial results, whether or not we are able to pass on such increases to our customers. We maintain several single-source supplier relationships, either because alternative sources are not available or because the relationship is advantageous due to regulatory, performance, quality, support, or price considerations. Unavailability or delivery delays of single-source components or products could adversely affect our ability to ship the related product in a timely manner, a particularly severe effect for higher volume or more profitable products. It can take substantial time and investment to qualify an alternative supplier or material sources and establish reliable supply.

We maintain a strict program of verification and product testing throughout the ingredient sourcing and manufacturing process to identify potential counterfeit ingredients, adulterants, and toxic substances. Nevertheless, discovery of previously unknown problems with raw materials, product manufacturing processes, or new data suggesting an unacceptable safety risk associated therewith, could result in a voluntary or mandatory withdrawal of the contaminated product from the marketplace, either temporarily or permanently. Any future recall or removal would result in additional costs and lost revenue, harm our reputation, and may give rise to product liability litigation.

Changes in regulation could impact the supply of the API and certain other raw materials used in our products. For example, the EU promulgated new standards requiring all API imported into the EU be certified as complying with Good Manufacturing Practices established by the EU. The regulations placed the certification requirement on the regulatory bodies of the exporting countries, which led to an API supply shortage in Europe as certain governments were not willing or able to comply with the regulation in a timely fashion, or at all. A shortage in API or other raw ingredients could cause us to have to cease manufacture of certain products, or to incur costs and delays to qualify other suppliers to substitute for those API manufacturers who are unable to export. This could have a material adverse effect on our business, results of operations, financial condition, and cash flow.

Moreover, our infant formula products require certain key raw ingredients that are derived from raw milk, which is influenced by factors beyond our control including seasonal and environmental factors, governmental agricultural and environmental policy, and global demand. Due to these factors, we cannot guarantee that there will be sufficient supplies of these key ingredients to produce infant formula.

The effects of public health outbreaks, including pandemics such as COVID-19 and epidemics, and related public and governmental actions could have a material adverse impact on our operations and our business and financial condition in the future.

As the COVID-19 pandemic has shown, the global economy and the self-care markets in which we compete are susceptible to impacts from public health crises. During the initial year of the COVID-19 pandemic, we experienced a dramatic reduction in cough, cold, and flu illnesses as actions were taken and restrictions were imposed at the outset of the COVID-19 pandemic. Consumer takeaway of self-care products also experienced erratic responses during the pandemic. The pandemic also drove supply chain disruptions, including the lack of truck drivers in the U.S., record delays at global shipping ports, and reductions and changes in available labor, which negatively impacted our sales because of the inability to ship products.

As described in Item 7. Management's Discussion and Analysis - Executive Overview, going forward, variants of the COVID-19 disease or other public health incidents and the actions taken to slow their spread could have an adverse impact on our financial condition, our supply chains and other operations, our results of operations, consumer demand for our products and our ability to access capital. The magnitude of any such adverse impacts are not determinable, but could be material, depending on: the duration, intensity, and continued spread of the disease, including the emergence of new strains or variants of the virus, some of which may be more contagious or more severe; the imposition or reimposition of business or movement restrictions in various jurisdictions; the timing of widespread availability and acceptance of vaccines and the efficacy of current vaccines against evolving strains or variants of the virus; the severity and duration of any economic downturn resulting from the pandemic or other public health incidents; the effect of global supply chain and shipping challenges on the Company; the effectiveness of the Company's efforts at mitigation; and other factors, both known and unknown, many of which are likely to be outside our control. It is also possible that a change in the course of the pandemic or other public health incidents may affect consumer demand for products or impact our operations in future periods in ways we do not currently anticipate.

Disruption of our supply chain, including as a result of the COVID-19 pandemic or the war in Ukraine, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our ability to manufacture, deliver and sell our products is critical to our success. Damage or disruption to our collective supply or distribution capabilities resulting from pandemics (including the COVID-19 pandemic and government responsive actions), labor shortages, armed hostilities, border closures, weather conditions, freight carrier availability, any potential effects of climate change, natural disasters, strikes or other labor unrest or other reasons could impair our ability to source inputs or ship, sell or timely deliver our products. Competitors can be affected differently by any of these events depending on a number of factors, including the location of their suppliers and operations. Failure to take adequate steps to reduce the likelihood or mitigate the potential impact of any of these events, or to effectively manage such events if they occur, particularly when a commodity or raw material is sourced from or a product is manufactured at a single location, could adversely affect our business, financial condition, results of operations and cash flows and require additional resources to restore our supply chain.

During 2022, we experienced supply chain disruptions, including constraints in availability of freight containers and truck drivers, record delays at global shipping ports, and volatility in both cost and availability of agricultural, oil and paper based commodities driven by the war in Ukraine, which led to higher unfilled customer orders and higher input costs compared to the prior year. We have taken and continue to implement a series of actions to improve the current situation, including reconfiguring our distribution system for short term shipments, outsourcing highly complex product lines to a third party logistic provider, adding regional carriers for challenged shipping lanes, hiring additional distribution center personnel, and increasing the purchase cycle as it relates to the manufacturing process. While we believe these actions will continue to improve our ability to ship, however, there can be no assurances that we will be able to meet demand due to supply chain constraints. Moreover, if these supply chain disruptions worsen, our results of operations could be further impacted.

A disruption at any of our main manufacturing facilities could have a material adverse effect on our business, financial position, and results of operations.

Our manufacturing operations are concentrated in a few locations. Refer to Item 1. Business - Manufacturing and Distribution for more information. A significant disruption at one or more of these facilities, whether due to fire, natural disaster, power loss, intentional acts of vandalism, climate change, war, terrorism, insufficient quality, or pandemic could materially and adversely affect our business.

Our business could be negatively affected by the performance of our collaboration partners and suppliers, and any such adverse impact could be material.

We have entered into strategic alliances with partners and suppliers to develop, manufacture, market and/or distribute certain products, or components of our products in various markets. We commit substantial effort, funds and other resources to these various collaborations. There is a risk that our investments in these collaborative arrangements will not generate financial returns. While we believe our relationships with our partners and suppliers generally are successful, disputes, conflicting priorities or regulatory or legal intervention could be a source of delay or uncertainty as to the expected benefit of the collaboration. Refer to Item 8. Note 1. A failure or inability of our partners or suppliers to fulfill their collaboration obligations, or the occurrence of any of the risks above, could have an adverse effect on our business, financial condition, and results of operations.

Our business depends upon certain customers for a significant portion of our sales, therefore our business would be adversely affected by a disruption of our relationship with these customers or any material adverse change in these customers' businesses. The risk of such impacts would be increased by continued consolidation in the sector in which our customers operate.

We have one significant customer that represented 12.5% of our consolidated net sales for the year ended December 31, 2022. While we have other important customers, no other individual customer represents more than 10% of net sales. However, the loss of one or more of our customers could be material. We believe we have good relationships with all our customers. If our relationship with any of our significant customers, including the terms of doing business with the customers, changes significantly, or if one or more such customers were to experience difficulty in paying us on a timely basis, it could have a material adverse impact on us. Refer to Item 1. Business - Significant Customers.

Additionally, if we are unable to maintain adequately high levels of customer service over time, customers may choose to assess penalties (where such penalties are contractually permitted), obtain alternate sources for products, and/or end their relationships with us.

Our businesses could be adversely affected by deteriorating economic conditions in the countries in which we operate, and our results may be volatile due to these or other circumstances beyond our control.

Our customers could be adversely impacted if economic conditions worsen in the U.S. or other countries in which we operate. In the U.S., our consumer self-care business does not advertise our store brand products like national brand companies and thus is largely dependent on retailer promotional activities to drive sales volume and increase market share. If our customers do not have the ability to invest in store brand promotional activities, our sales may suffer. Additionally, while we actively review the credit worthiness of our customers and suppliers, we cannot fully predict to what extent they may be negatively impacted by slowing economic growth. Our stock price may decline due to any earnings release or guidance that does not meet market expectations or other circumstances beyond our control, such as the severity, length and timing of the cough/cold/flu and allergy seasons, the timing of new product approvals and introductions by us and our competitors, and the timing of retailer promotional programs.

A cybersecurity breach, disruption or misuse of our information systems, or our external business partners' information systems could have a material adverse effect on our business.

Our business operations are increasingly dependent upon information technology systems that are highly complex, interrelated with our external business partners, and may contain confidential information (including personal data, trade secrets or other intellectual property, or proprietary business information). The nature of digital systems, both internally and externally, makes them potentially vulnerable to disruption or damage from human error and/or security breaches, which include, but are not limited to, ransomware, data theft, denial of service attacks, sabotage, industrial espionage, interruptions or other system issues, unauthorized access and computer viruses. Such events may be difficult to detect, and once detected, their impact may be difficult to assess and address.

Cyber-attacks have become increasingly common. We have experienced immaterial business disruption, monetary loss and data loss as a result of phishing, business email compromise and other types of attacks. While we continue to employ resources to monitor our systems and protect our infrastructure, these measures may prove insufficient, and that could subject us to significant risks, including, without limitation:

- Ransomware attacks, other cyber breaches or disruptions that impair our ability to develop products, meet regulatory approval requirements or deadlines, produce or ship products, take or fulfill orders, and/or collect or make payments on a timely basis;
- System issues, whether as a result of an intentional breach, a natural disaster or human error that damage our reputation and cause us to lose customers, experience lower sales volume, and/or incur significant liabilities;
- Significant expense to remediate the results of any attack or breach and to ensure compliance with any required disclosures mandated by the numerous global privacy and security laws and regulations; and
- Interruptions, security breaches, or loss, misappropriation, or unauthorized access, use or disclosure of confidential information,

which, individually or collectively, could result in financial, legal, business or reputational harm to us and could have a material adverse effect on our business, financial condition and results of operations.

We are also subject to numerous laws and regulations designed to protect personal data, such as the California Consumer Privacy Act in the U.S. and the European General Data Protection Regulation ("GDPR"). These data protection laws introduced more stringent data protection requirements and significant potential fines, as well as increased our responsibility and potential liability in relation to personal data that we process and possess. We have put mechanisms in place to ensure compliance with applicable data protection laws but there can be no guarantee of their effectiveness.

We are dependent on the services of certain key personnel.

We are dependent on the services of certain key personnel, and our future success will depend in large part upon our ability to attract and retain highly skilled employees. Key functions for us include executive managers, operational managers, R&D scientists, information technology specialists, financial and legal specialists, regulatory professionals, quality compliance specialists, and sales/marketing personnel. If we are unable to attract or retain key qualified employees, our future operating results may be adversely impacted.

Management transition creates uncertainties, and any difficulties we experience in managing such transitions may negatively impact our business.

During 2022, Eduardo Bezerra was named Executive Vice President and Chief Financial Officer. Additionally, Kyle Hanson joined the Company as Executive Vice President, General Counsel and Corporate Secretary and Alison Ives was promoted to Executive Vice President and Chief Scientific Officer. Changes in executive management create uncertainty. Moreover, changes in our company as a result of management transition could have a disruptive impact on our ability to implement, or result in changes to, our strategy and could negatively impact our business, financial condition and results of operations.

Strategic Risks

We may not realize the benefits of business acquisitions, divestitures, and other strategic transactions, which could have a material adverse effect on our operating results.

In the normal course of business, we engage in discussions relating to possible acquisitions, divestitures, and other strategic transactions, some of which may be significant in size or impact. Transactions of this nature create substantial demands on management, operational resources, technology, and financial and internal control systems, and can be subject to government approvals or other closing conditions beyond the parties' control. In the case of acquisitions, including the acquisition of HRA Pharma, we may face difficulties with integrating these businesses, managing expanded operations, achieving operating or financial synergies in expected timeframes or in new products or geographic markets. In the case of divestitures, including the separation of the Rx business, we may face difficulty in effectively transferring contracts, obligations, facilities, and personnel to the purchaser, while minimizing continued exposure to risks and liabilities of the divested business.

There are inherent uncertainties involved in identifying and assessing the value, strengths, and profit potential, as well as the weaknesses, risks, and contingent and other liabilities of acquisition targets, which can be affected by risks and uncertainties relating to government regulations and oversight as well as changes in business, industry, market or general economic conditions. Moreover, the financing of any acquisition can have a material impact on our liquidity, credit ratings and financial position. Alternatively, issuing equity to pay all or a portion of acquisition purchase price would dilute our existing shareholders.

Acquisitions and divestitures also involve costs, including fees and expenses of financial advisors, lawyers, accountants, and other professionals, and can involve retention bonuses and other additional compensation of employees or increase turnover in personnel. Any of these risks or expenses could have a negative effect on our financial condition or results of operations.

We have acquired significant assets that could become impaired or subject us to losses and may result in an adverse impact on our results of operations, which could be material.

We have recorded significant goodwill and intangible assets on our balance sheet as a result of previous acquisitions, which could become impaired and lead to material charges in the future.

We perform an impairment analysis on intangible assets subject to amortization when there is an indication that the carrying amount of any individual asset may not be recoverable. Any significant change in market conditions, estimates or judgments used to determine expected future cash flows that indicates a reduction in carrying value may give rise to impairment in the period that the change becomes known. Goodwill, indefinite-lived intangible asset, and definite-lived intangible asset impairments are recorded in Impairment charges on the Consolidated Statement of Operations. As of December 31, 2022, the net book value of our goodwill and intangible assets were $3.5 billion and $3.3 billion, respectively. In the past three years, we have recognized a total of $173.1 million in asset impairments, across all segments and asset categories. Refer to Item 8. Note 9 for additional information related to our goodwill and intangible assets.

There can be no assurance that our strategic initiatives, including our Supply Chain Reinvention Program, will achieve their intended effects.

We are in the process of implementing certain initiatives, including our Supply Chain Reinvention Program, designed to increase operational efficiency and improve our return on invested capital by, among other goals, reducing portfolio complexity, investing in advanced planning capabilities, diversifying sourcing, and optimizing our manufacturing assets and distribution models. We believe these initiatives will enhance our net sales, operating margins, and earnings; however, certain of these initiatives require substantial upfront costs, and there can be no assurance any of these initiatives will produce the anticipated benefits. Any delay or failure to achieve the anticipated benefits could have a material adverse effect on our projected results.

As described in Item 7. Executive Overview under the heading "Acquisitions, Disposals and Restructuring", we estimate the total costs associated with our Supply Chain Reinvention Program, including capital investments, restructuring expenses, and implementation costs, to be approximately $350 million to $570 million by the end of 2028 and project that the program [could/should] generate up to $200 million to $300 million in annual savings by 2028, in each case if fully implemented. However, if the program is not implemented successfully, or if circumstances outside of our control affect our costs over this time period, this program may not produce the anticipated benefits and/or may cost more to achieve. In addition, implementing these changes will require a significant amount of management time and effort, which may disrupt our business or otherwise divert management's attention from other aspects of our business, including our other strategic initiatives, possible organic or inorganic growth opportunities, and customer and vendor relationships. Any of the foregoing risks could materially adversely affect our business, results of operations, liquidity, and financial condition.

Furthermore, while we have completed our transformation into a consumer-focused, self-care company, there can be no assurance that such transformation will receive the level of market support that we expect or that we will be able to achieve the anticipated operational, strategic and other benefits. Moreover, our business is now less diversified with a narrower focus, which could make us more susceptible to changing market conditions.

The synergies and benefits expected from acquiring HRA Pharma and Gateway may not be realized in the amounts anticipated or at all and integrating HRA Pharma and Gateway's business may be more difficult, time consuming or costly than expected.

We may experience challenges integrating the HRA Pharma and Gateway businesses and managing our expanded operations. Our ability to realize the benefits expected from the HRA Pharma and Gateway acquisitions will depend, in part, on our ability to successfully integrate the business, control costs and maintain growth. Integrations can be complex and time consuming, and the integration may result in temporarily depressed sales while integration of supply chain and distribution channels take place. Any delays, additional unexpected costs, or other difficulties encountered in the integration process could have a material adverse effect on the Company's revenues, expenses, operating results and/or financial condition.

Even if integration occurs successfully, we may not achieve projected synergies or level of anticipated sales growth in new products, brands, or geographic markets within the anticipated timeframe, or at all. There are inherent uncertainties involved in identifying and assessing the profit potential, value, strengths, weaknesses, risks, and contingent and other liabilities of acquisitions, such as HRA Pharma and Gateway, some of which can be affected by risks and uncertainties relating to government regulations and oversight as well as changes in the business, the industry, competition, consumer trends or general economic conditions.

Failure to effectively monitor and respond to ESG matters, including our ability to set and meet reasonable goals related to climate change and sustainability efforts, may negatively affect our business and operations.

Regulatory developments and stakeholder expectations relating to ESG matters are rapidly changing. Concern over climate change has increased focus on the sustainability of practices and products in the markets we serve, and changes to laws and regulations regarding climate change mitigation may result in increased costs and disruption to operations. Moreover, the standards by which ESG matters are measured are developing and evolving, and certain areas are subject to assumptions that could change over time. If we are unable to recognize and respond to such developments, or if our existing practices and procedures are not adequate to meet new regulatory requirements, we may miss corporate opportunities, become subject to regulatory scrutiny or third-party claims, or incur costs to revise operations to meet new standards.

As a global organization, we have set goals to address the impact of our operations on climate change and related environmental issues. These targets include reducing carbon emissions and water usage as well as becoming fully reliant on renewable energy sources. Refer to Item 1. Business - Corporate Social Responsibility. We believe these goals are obtainable, however, any failure or perceived failure to achieve our sustainability goals or to act responsibly with respect to such matters may negatively impact our operations and/or financial condition. While we monitor a broad range of ESG issues, there can be no assurance that we will manage such issues successfully, or that we will successfully meet the expectations of our stakeholders, consumers and employees.

Global Risks

Our business, financial condition, and results of operations are subject to risks arising from the international scope of our operations.

We manufacture, source raw materials, and sell our products in a number of countries. The percentage of our business outside the U.S. has been increasing. We are subject to risks associated with international manufacturing and sales, including: changes in regulatory requirements. Refer to Item 1. Business - Government Regulations and Pricing, for changes to tax and import/export laws and trade and customs policies (including the enactment of tariffs on goods imported into the U.S., including but not limited to, goods imported from China), problems related to markets with different cultural biases or political systems, possible difficulties in enforcing agreements, longer payment cycles and shipping lead-times, difficulties obtaining export or import licenses, and imposition of withholding or other taxes.

Additionally, we are subject to periodic reviews and audits by governmental authorities responsible for administering import and export regulations. To the extent that we are unable to successfully defend against an audit or review, we may be required to pay assessments, penalties, and increased duties.

Certain of our facilities operate in a special purpose sub-zone established by the U.S. Department of Commerce Foreign Trade Zone Board, which allows us certain tax advantages on products and raw materials shipped through these facilities. If the Foreign Trade Zone Board were to revoke the sub-zone designation or limit our use, we could be subject to increased duties.

Although we believe that we conduct our business in compliance with applicable anti-corruption, anti-bribery and economic sanctions laws, if we are found to not be in compliance with such laws or other anti-corruption laws, we could be subject to governmental investigations, legal or regulatory proceedings, substantial fines, and/or other legal or equitable penalties. This risk increases in locations outside of the U.S., particularly in locations that have not previously had to comply with the FCPA, U.K. Bribery Act 2010, Irish Criminal Justice (Corruption Offenses) Act 2018, and similar laws.

We operate in jurisdictions that could be affected by economic and geopolitical instability, which could have a material adverse effect on our business.

Our operations and supply partners could be affected by economic or political instability, embargoes, military hostilities, unstable governments and legal systems, inter-governmental disputes, travel restrictions, terrorist acts, and other armed conflicts. The global nature of our business involves the following risks, among others:

- The U.S. Department of State and other governments have at times issued advisories regarding travel to certain countries in which we do business, causing regulatory agencies to curtail or prohibit their inspectors from traveling to inspect facilities. If these inspectors are unable to inspect our facilities, the regulatory agencies could withhold approval for new products intended to be produced at those facilities.
- On June 23, 2016, the UK electorate voted in a referendum to voluntarily depart from the EU, known as "Brexit". The UK Government subsequently approved a withdrawal agreement and left the EU on January 31, 2020.

  The Trade and Cooperation Agreement ("TCA") was signed on December 30, 2020. The TCA provides for free trade in goods and limited mutual market access in services, as well as for cooperation mechanisms in a range of policy areas and UK participation in some EU programs. It is for indefinite duration but is subject to review every 5 years and may be terminated on 12 months' notice. Uncertainty relating to the Ireland/Northern Ireland protocol remains.

  Although the TCA is in place, the full extent of any disruption on imports and exports, for example relating to increased regulatory complexities, is unknown.

  The UK now has an ability to diverge from EU regulation (the UK Government's stated aim), which could enable the UK to seek competitive regulatory advantage. However, the EU could respond by withdrawing benefits under the TCA. These complexities may impair the ability of our operations in the EU to transact business in the UK in the future, and similarly the ability of our UK operations to transact business in the future in the EU. In addition, Brexit could lead to legal uncertainty and potentially different national laws and regulations as the UK determines which EU laws to replace or replicate. Any of the above mentioned effects of Brexit, and others we cannot anticipate, could adversely affect our business, business opportunities, operations, and financial results.

Moreover, financial volatility and geopolitical instability outside the U.S. may impact our operations or affect global markets. For example, the war in Ukraine and the resulting sanctions by U.S. and European governments, together with any additional future sanctions by them, could have a larger impact that expands into other markets where we do business, including our supply chain, business partners and customers in the broader region, which could result in lost sales, supply shortages, increase manufacturing costs and lost efficiencies. Further, the conflict may adversely impact macroeconomic conditions and increase volatility in and affect our ability to access capital markets and external financing sources on acceptable terms or at all. Given the international scope of our operations, such effects of ongoing wars and armed conflicts, and others we cannot anticipate, could adversely affect our business, business opportunities, operations, and financial results.

The international scope of our business exposes us to risks associated with foreign exchange rates.

We report our financial results in U.S. dollars. However, a significant portion of our revenues, expenses, assets, indebtedness and other liabilities are denominated in foreign currencies. These currencies include, among others, the Euro, British pound, Canadian dollar, Swedish Krona, Chinese Yuan, Danish Krone, and Polish Zloty. Fluctuations in currency exchange rates, including as a result of inflation, central bank monetary policies, currency controls or other currency exchange restrictions have had, and could continue to have, an adverse impact on our financial performance. We may seek to mitigate the risk of such impacts through hedging, but such hedging activities may be costly and may not be effective.

In addition, emerging market economies in which we operate may be particularly vulnerable to the impact of rising interest rates, inflationary pressures, weaker oil and other commodity prices, and large external deficits. Risks in one country can limit our opportunities for portfolio growth and negatively affect our operations in another country or countries. Such conditions or developments could have an adverse impact on our operations. In addition, we may be exposed to credit risks in some of those markets.

Litigation and Insurance Risks

We are or may become involved in lawsuits and may experience unfavorable outcomes of such proceedings.

We may become involved in lawsuits arising from a wide variety of commercial, manufacturing, development, marketing, sales and other business-related matters, including, but not limited to, competitive issues, pricing, contract issues, intellectual property matters, false advertising, antitrust or unfair competition, taxation matters, workers' compensation, product quality/recall, environmental remediation, securities law, disclosure, product liability and regulatory issues. Litigation is unpredictable and could result in potentially significant monetary damages, and we could incur substantial legal expenses, even if a claim against us is unsuccessful. We intend to vigorously defend against any lawsuits, however, we cannot predict how the cases will be resolved. Adverse results in, or settlements of, such cases could result in substantial monetary judgments. No assurance can be made that litigation will not have a material adverse effect on our reputation, financial position or results of operations in the future. Refer to Item 8. Note 19.

The actual or alleged presence of certain hazardous substances or petroleum products on, under or in our currently or formerly owned property, or from a third-party disposal facility that we may have used, or the failure to remediate them, could have adverse effects, including, for example, substantial investigative or remedial obligations and limitations on our ability to sell or rent affected property or to borrow funds using affected property as collateral. There can be no assurance that environmental liabilities and costs will not have a material adverse effect on us. Refer to Item 1. Business - Environmental for more information related to environmental remediation matters.

Increased scrutiny on pricing practices and competition in the pharmaceutical industry, including antitrust enforcement activity by government agencies and class action litigation, may have an adverse impact on our business and operating results, which could be material.

There has been increased scrutiny regarding sales, marketing, and pricing practices in the pharmaceutical industry, including criminal antitrust investigations regarding drug pricing, civil False Claims Act investigations relating to drug pricing and marketing, multiple civil antitrust litigation initiated by governmental and private plaintiffs against pharmaceutical manufacturers and individuals, and related media reports.

On May 2, 2017, we disclosed that search warrants were executed at several Perrigo facilities and other locations in connection with the Antitrust Division's ongoing investigation related to drug pricing in the pharmaceutical industry. Perrigo has also been served with and responded to a civil investigative demand in connection with a related civil False Claims Act investigation by the Civil Division of the Department of Justice. Although no charges or other related civil claims have been brought to date against Perrigo or any of our current employees (or, to the best of our knowledge, former employees), by the Department of Justice, we take the investigation very seriously.

If criminal antitrust charges are filed involving Perrigo, we would incur substantial litigation and other costs, and could face substantial monetary penalties, injunctive relief, negative publicity and damage to our reputation. Regardless of the ultimate outcome, responding to those charges would divert management's time and attention and could impair our operations. While we intend to defend Perrigo's conduct at issue in these investigations vigorously, any adverse decision could have a material adverse impact on our business, results of operations and reputation.

In addition, we have been named as a co-defendant with certain other generic pharmaceutical manufacturers in a number of class action, individual plaintiff direct action, State Attorney General, and county lawsuits alleging that we engaged in anti-competitive behavior to fix or raise the prices of certain drugs starting, in some instances, as early as calendar year 2010. Refer to Item 8. Note 19. While we intend to defend these lawsuits vigorously, any adverse decision could have a material adverse impact on our business, results of operations and reputation.

Third-party patents and other intellectual property rights may limit our ability to bring new products to market and may subject us to potential legal liability, which could have a material adverse effect on our business and operating results.

The manufacture, use and sale of new products that are the subject of conflicting patent rights have been the subject of substantial litigation in the pharmaceutical industry.

- As a manufacturer of generic pharmaceutical products, the ability of our CSCA and CSCI segments to bring new products to market is often limited by third-party patents or proprietary rights and regulatory exclusivity periods awarded on products. Launching new products prior to resolution of intellectual property issues may result in us incurring legal liability if the related litigation is later resolved against us. The cost and time for us to develop Rx-to-OTC switch products is significantly greater than the rest of the new products that we introduce. Any failure to bring new products to market in a timely manner could cause us to lose market share, and our operating results could suffer.
- We could have to defend against charges that we infringed patents or violated proprietary rights of third parties. This could require us to incur substantial expense and could divert significant effort of our technical and management personnel. If we are found to have infringed rights of others, we could lose our right to develop or manufacture some products or could be required to pay monetary damages or royalties to license proprietary rights from third parties. Additionally, if we choose to settle a dispute through licensing or similar arrangements, the costs associated with these arrangements may be substantial and could include ongoing royalties. An adverse determination in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing and selling a number of our products.
- At times, our CSCA segment may seek approval to market drug products before the expiration of a third party's patents for therapeutically-equivalent products, based upon our belief that such patents are invalid, unenforceable or would not be infringed by our products. In these cases, we may face significant patent litigation. Depending upon a complex analysis of a variety of legal and commercial factors, we may, in certain circumstances, elect to market a store brand or generic pharmaceutical product while litigation is pending, before any court decision, or while an appeal of a lower court decision is pending, known as an "at risk" launch. The risk involved in an "at risk" launch can be substantial because, if a patent holder ultimately prevails, the remedies available to the patent holder may include, among other things, damages measured by the profits lost by the holder, which are often significantly higher than the profits we make from selling the generic version of the product. By electing to proceed in this manner, we could face substantial damages if we receive an adverse final court decision. In the case where a patent holder is able to prove that our infringement was "willful" or "exceptional," under applicable law, the patent holder may be awarded up to three times the amount of its actual damages or we may be required to pay attorneys' fees.

The success of certain of our products depends on the effectiveness of measures we take to protect our intellectual property rights and patents.

If we fail to adequately protect our intellectual property, competitors may manufacture and market similar products.

- We have been issued patents covering certain of our products, and we have filed, and expect to continue to file, patent applications seeking to protect newly developed technologies and products in various countries. Any existing or future patents issued to or licensed by us may not provide us with any significant competitive advantages for our products or may even be challenged, invalidated, or circumvented by competitors. In addition, patent rights may not prevent our competitors from developing, using, or commercializing non-infringing products that are similar or functionally equivalent to our products.
- We also rely on trade secrets, unpatented proprietary know-how, and continuing technological innovation that we seek to protect, in part by confidentiality agreements with licensees, suppliers, employees, and consultants. If these agreements are breached, we may not have adequate remedies for any such breach. Disputes may arise concerning the ownership of intellectual property or the applicability of confidentiality agreements. Furthermore, trade secrets and proprietary technology may otherwise become known or be independently developed by competitors or, if patents are not issued with respect to products arising from research, we may not be able to maintain the value of such intellectual property rights.

Our ability to achieve operating results in line with published guidance is inherently subject to numerous risks and other factors beyond our control. Publishing earnings guidance subjects us to risks, including increased stock volatility, that could lead to potential lawsuits by investors.

Because we publish earnings guidance, we are subject to several risks. Earnings guidance is inherently uncertain and subject to factors beyond our control. Actual results may vary from the guidance we provide investors from time to time, such that our stock price may decline following, among other things, any earnings release or guidance that does not meet market expectations.

It has become increasingly commonplace for investors to file lawsuits against companies following a rapid decrease in market capitalization. We have been in the past, are currently, and may be in the future, named in these types of lawsuits. These types of lawsuits can be costly and divert management attention and other resources away from our business, regardless of their merits, and could result in adverse settlements or judgments. The inherent uncertainty of earnings guidance and related lawsuits could have a material impact on us.

Significant increases in the cost or decreases in the availability of the insurance we maintain could adversely impact our operating results and financial condition. Disputes with insurers on the scope of existing policies may limit the coverage available under such policies.

To protect us against various potential liabilities, we maintain a variety of insurance programs, including property, general, product, and directors' and officers' liability. We may reevaluate and change the types and levels of insurance coverage that we purchase. Insurance costs, including deductible or retention amounts, may increase, or our coverage could be reduced, which could lead to an adverse effect on our financial results depending on the nature of a loss and the level of insurance coverage we maintained. Moreover, we are self-insured when insurance is not available, not offered at economically reasonable premiums or does not adequately cover claims brought against us. Our business inherently exposes us to claims, and an unanticipated payment of a large claim may have a material adverse effect on our business.

Disputes with insurers on the scope of existing policies may reduce the coverage available under such policies. In May 2021, insurers on multiple policies of D&O insurance filed an action in the High Court in Dublin against us and our current and former directors and officers seeking declaratory judgments on certain coverage issues. If successful, such claims would limit the policies available to Perrigo for certain pending securities claims, as well as claims for legal expenses relating to certain matters that were previously resolved, and could reduce substantially Perrigo's total insurance coverage for such claims.

Tax Related Risks

The resolution of uncertain tax positions, including the Notices of Proposed Adjustments and ongoing disputes with U.S. and foreign tax authorities, could be unfavorable, which could have a material adverse effect on our business.

Although we believe our tax estimates are reasonable and our tax filings are prepared in accordance with applicable tax laws, the final determination with respect to any tax audit or any related litigation could be materially different from our estimates or from our historical income tax provisions and accruals. The results of an audit or litigation could have a material effect on operating results or cash flows in the periods for which that determination is made and in future periods after the determination. In addition, future period earnings may be adversely impacted by litigation costs, settlements, penalties or interest assessments.

We are currently involved in several audits and adjustment-related disputes and related litigation, including the NOPAs, as described more fully in Item 8. Note 18. Based on a review of the relevant facts and circumstances, we believe that these matters will not result in a material impact on our consolidated financial position, results of operations or cash flows. However, while we believe that our position in these matters is correct, there can be no assurance of ultimate favorable outcomes, and if one or more matters are ultimately resolved unfavorably it would have a material adverse impact on us, including a material adverse impact on our financial position, liquidity, capital resources, and strategy. In addition, an adverse result with respect to any of such matters could ultimately require the use of corporate assets to pay assessments and related interest, penalties, or other amounts, and any such use of corporate assets would limit the assets available for other corporate purposes. We will consider the financial statement impact of any additional facts as they become available.

Changes to tax laws and regulations or the interpretation thereof could have a material adverse effect on our results of operations and the ability to utilize cash in a tax efficient manner.

Although we are incorporated in Ireland, the IRS may assert that we should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal tax purposes pursuant to section 7874 of the U.S. Internal Revenue Code of 1986, as amended ("Code"). For U.S. federal tax purposes, a corporation generally is considered a tax resident in the jurisdiction of its organization or incorporation. Because we are an Irish incorporated entity, we would generally be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) under these rules. Section 7874 of the Code provides an exception under which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal tax purposes. Refer to Item 1. Business - Government Regulation and Pricing.

We believe that under current law, we should be treated as a foreign corporation for U.S. federal tax purposes. However, there is limited guidance regarding the section 7874 provisions. An unfavorable determination on Perrigo Company plc's treatment as a foreign corporation under section 7874 of the Code or changes to the inversion rules in section 7874 of the Code, the IRS Treasury regulations promulgated thereunder, or other IRS guidance and legislative proposals aimed at expanding the scope of U.S. corporate tax residence could adversely affect our status as a foreign corporation for U.S. federal tax purposes, which could have a material impact on our Consolidated Financial Statements in future periods.

Additionally, we are subject to tax laws in various jurisdictions globally. Refer to Item 1. Business - Government Regulation and Pricing for a discussion of recent changes to U.S. and EU tax laws. Any of these changes could have a prospective or retroactive application to us, our shareholders, and affiliates, and could adversely affect us by changing our effective tax rate and limiting our ability to utilize cash in a tax efficient manner.

Our effective tax rate or cash tax payment requirements may change in the future, which could adversely impact our future results of operations.

A number of factors may adversely impact our future effective tax rate or cash tax payment requirements, which may impact our future results and cash flows from operations. Refer to Item 8. Note 18. These factors include, but are not limited to: changes to income tax rates, to tax laws or the interpretation of such tax laws (including additional proposals for fundamental international tax reform globally); the jurisdictions in which our profits are determined to be earned and taxed; changes in the valuation of our deferred tax assets and liabilities; adjustments to estimated taxes upon finalization of various tax returns; adjustments to our interpretation of transfer pricing standards, treatment or characterization of intercompany transactions, changes in available tax credits, grants and other incentives; changes in stock-based compensation expense; changes in U.S. generally accepted accounting principles; expiration or the inability to renew tax rulings or tax holiday incentives; and divestitures of current operations.

Capital and Liquidity Risks

Our indebtedness could adversely affect our ability to implement our strategic initiatives.

Our business requires continuous capital investments, and there can be no assurance that financial capital will always be available on favorable terms or at all. Additionally, our leverage and debt service obligations could adversely affect the business. At December 31, 2022, our total indebtedness outstanding was $4.1 billion.

The agreements governing our New Senior Secured Credit Facilities (as defined below) impose material operating and financial restrictions that limit our operating flexibility, including the following:

- The Credit Agreement (as defined below) governing our New Senior Secured Credit Facilities contain, and agreements governing our other indebtedness may contain, a number of restrictions and covenants that, among other things, limit our ability and/or our restricted subsidiaries' ability to:
  - incur or assume liens or additional debt or provide guarantees in respect of obligations of other persons;
  - pay dividends or distributions or redeem or repurchase capital stock;
  - prepay, redeem or repurchase certain debt;

  - make loans, investments, acquisitions (including certain acquisitions of exclusive licenses) and capital expenditures;
  - enter into agreements that restrict distributions from our subsidiaries;
  - enter into transactions with affiliates;
  - enter into sale and lease-back transactions;
  - sell, transfer or exclusively license certain assets, including material intellectual property, and capital stock of our subsidiaries; and
  - consolidate or merge with or into, or sell substantially all of our assets to, another person.
- The Credit Agreement governing our New Senior Secured Credit Facilities also includes certain financial covenants that require us to maintain a maximum first lien secured leverage ratio and a minimum interest coverage ratio.
- As a result of these restrictions, we may be limited in how we conduct our business; unable to raise additional debt or equity financing to operate during general economic or business downturns; or unable to compete effectively, take advantage of new business opportunities or grow in accordance with our plans.
- Our failure to comply with any of the covenants could result in a default under the Credit Agreement and certain other indebtedness, which, if not cured or waived, could result in us having to repay our borrowings before their due dates. Such default may allow the lenders or other note holders to accelerate the related debt and may result in the acceleration of any other debt to which cross-acceleration or cross-default provision applies. If we are forced to refinance these borrowings on less favorable terms or if we were to experience difficulty in refinancing the debt prior to maturity, our results of operations or financial condition could be materially affected. In addition, an event of default under the Credit Agreement may permit the lenders to refuse to permit additional borrowings under the 2022 Revolver (as defined below) or to terminate all commitments to extend further credit under the 2022 Revolver. Furthermore, if we are unable to repay the amounts due and payable under the Credit Agreement or other debt instruments, the lenders and note holders may be able to proceed against the collateral granted to them to secure that indebtedness. If our indebtedness is accelerated, there can be no assurance that we would be able to repay or refinance our debt or obtain sufficient new financing.
- Future downgrades to our credit ratings may limit our access to capital and materially increase borrowing costs on current or future financing, including via trade payables with vendors. Customers' inclination to purchase goods from us may also be affected by the publicity associated with deterioration of our credit ratings.
- There are various maturity dates associated with our New Senior Secured Credit Facilities, senior notes, and other debt facilities. There is no assurance that cash, future borrowings or equity financing will be available for the payment or refinancing of our indebtedness. Further, there is no assurance that any future refinancing or renegotiation of our New Senior Secured Credit Facilities, senior notes or other debt facilities, or additional agreements will not have materially different or more stringent terms. Refer to Item 7. Management's Discussion and Analysis - Capital Resources.

We cannot guarantee that we will buy back our ordinary shares pursuant to our announced share repurchase plan or that our share repurchase plan will enhance long-term shareholder value.

In October 2018 our Board of Directors authorized up to $1.0 billion of share repurchases with no expiration date, subject to the Board of Directors' approval of the pricing parameters and amount that may be repurchased under each specific share repurchase program. During the year ended December 31, 2022 and December 31, 2021, we did not repurchase any shares under such authorization, and there can be no assurances that we will do so in the future. The specific timing and amount of additional buybacks under the authorization, if any, will depend upon several factors, including market and business conditions, the trading price of our ordinary shares, the nature of other investment opportunities, the availability of our distributable reserves and the tax consequences of any buybacks. In addition, our ability to repurchase shares may be limited in the future under Irish law, if at any time we do not have sufficient distributable reserves. No share repurchases are currently anticipated in the near term.

Buybacks of our ordinary shares could affect the market price of our ordinary shares, increase their volatility or diminish our cash reserves, which may impact our ability to finance future growth and to pursue possible future strategic opportunities and acquisitions. Although our share repurchase plan is intended to enhance long-term shareholder value, there is no assurance that it will do so, and short-term share price fluctuations could reduce the plan's effectiveness.

Any additional shares we may issue could dilute your ownership in the Company.

Under Irish law, our authorized share capital can be increased by an ordinary resolution of our shareholders, and the directors may issue new ordinary or preferred shares up to a maximum amount equal to the authorized but unissued share capital, without shareholder approval, once authorized to do so by the articles of association or by an ordinary resolution of our shareholders.

Subject to specified exceptions, Irish law grants statutory preemption rights to existing shareholders to subscribe for new issuances of shares for cash, but allows shareholders to authorize the waiver of the statutory preemption rights either in our articles of association or by way of a special resolution. Such disapplication of these preemption rights can either be generally applicable or be in respect of a particular allotment of shares.

At our annual general meeting of shareholders in May 2022, our shareholders authorized our Board of Directors to issue up to a maximum of 33% of our issued ordinary capital on that date for a period of 18 months from the passing of the resolution. At the annual general meeting, our shareholders also authorized our Board of Directors to issue ordinary shares on a nonpreemptive basis in the following circumstances: (i) an issuance of shares in connection with any rights issuance and (ii) an issuance of shares for cash, if the issuance is limited to up to 5% of the Company's issued ordinary share capital (with the possibility of issuing an additional 5% of the Company's issued ordinary share capital provided the Company uses it only in connection with an acquisition or a specified capital investment that is announced contemporaneously with the issuance, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issuance), bringing the total acceptable limit for nonpreemptive share issuances for cash to 10% of the Company's issued ordinary share capital.

We are incorporated in Ireland; Irish law differs from the laws in effect in the United States and may afford less protection to, or otherwise adversely affect, our shareholders.

As an Irish company, we are governed by the Irish Companies Act 2014 (the "Act"). The Act differs in some material respects from laws generally applicable to U.S. corporations and shareholders, including the provisions relating to interested directors, mergers, amalgamations and acquisitions, takeovers, shareholder lawsuits, and indemnification of directors.

- Under Irish law, the duties of directors and officers of a company are generally owed to the company only. As a result, shareholders of Irish companies do not have the right to bring an action against the directors or officers of a company for the breach of such duties, except in limited circumstances.
- Shareholders may be subject to different or additional tax consequences under Irish law as a result of the acquisition, ownership and/or disposition of ordinary shares, including, but not limited to, Irish stamp duty, dividend withholding tax, Irish income tax, and capital acquisitions tax.
- There is no treaty between Ireland and the U.S. providing for the reciprocal enforcement of foreign judgments. Before a foreign judgment would be deemed enforceable in Ireland, the judgment must be (i) for a definite sum, (ii) provided by a court of competent jurisdiction and (iii) final and conclusive. An Irish High Court may exercise its right to refuse to recognize and enforce a foreign judgment if the foreign judgment was obtained by fraud, if it violated Irish public policy, if it is in breach of natural justice, or if it is irreconcilable with an earlier judgment.
- An Irish High Court may stay proceedings if concurrent proceedings are being brought elsewhere. Judgments of U.S. courts of liabilities predicated upon U.S. federal securities laws may not be enforced by Irish High Courts if deemed to be contrary to public policy in Ireland.
- It could be more difficult for us to obtain shareholder approval for a merger or negotiated transaction than if we were a U.S. company because the shareholder approval requirements for certain types of transactions differ, and in some cases are greater, under Irish law.
- Additionally, under the Irish Takeover Panel Act, 1997, Takeover Rules, 2022, the Board of Directors is not permitted to take any action that might frustrate an offer for our ordinary shares, including issuing additional ordinary shares or convertible equity, making material acquisitions or dispositions, or entering into contracts outside the ordinary course of business, once the Board of Directors has received an approach that may lead to an offer or has reason to believe that such an offer is or may be imminent, subject to certain exceptions. These provisions may give the Board of Directors less ability to control negotiations with hostile offerors and protect the interests of holders of ordinary shares than would be the case for a corporation incorporated in a jurisdiction of the United States.

We may be limited in our ability to pay dividends in the future.

A number of factors may limit our ability to pay dividends, including, among other things:

- Our ability to receive cash dividends and distributions from our subsidiaries;
- Compliance with applicable laws and debt covenants;
- Our financial condition, results of operations, capital requirements, general business conditions, and other factors that our Board of Directors may deem relevant; and
- The availability of our distributable reserves, being profits of the company available for distribution to shareholders.

Under Irish law, distributable reserves are the accumulated realized profits so far as not previously utilized by distribution or capitalization, less accumulated realized losses so far as not previously written off in a reduction or a reorganization of capital duly made. In addition, no distribution or dividend may be made if, at the time of the distribution or dividend, our net assets are not, or would not be, after giving effect to such distribution or dividend, be equal to, or in excess of, the aggregate of our called-up share capital plus undistributable reserves.

While we currently expect to continue paying dividends, significant changes in our business or financial condition such as asset impairments, sustained operating losses and the selling of assets, could impact the amount of distributable reserves available to us. We could seek to create additional distributable reserves through a reduction in our share premium, which would require 75% shareholder approval and the approval of the Irish High Court. The Irish High Court's approval is a matter for the discretion of the court, and there can be no assurances that such approval would be obtained. In the event that additional distributable reserves are not created in this way, dividends, share repurchases or other distributions would generally not be permitted under Irish law until such time as we have created sufficient distributable reserves in our audited statutory financial statements as a result of our business activities.

Additionally, we are subject to financial covenants in our New Senior Secured Credit Facilities. Refer to Item 7. Management's Discussion and Analysis - Capital Resources for more information.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our world headquarters is located in Dublin, Ireland, and our North American base of operations is located in Grand Rapids, Michigan. We manufacture products at 17 worldwide locations and have R&D, logistics, and office support facilities in many of the regions in which we operate. We own approximately 80% of our facilities and lease the remainder. Our primary facilities by geographic area were as follows at December 31, 2022:

Country	Number of Facilities	Segment(s) Supported
Ireland	1	CSCA, CSCI
United States	44	CSCA, CSCI
France	7	CSCI
Belgium	5	CSCI
China	5	CSCA, CSCI
United Kingdom	5	CSCI
Germany	4	CSCI
Switzerland	4	CSCI
Austria	3	CSCI
Italy	3	CSCI
Australia	2	CSCI
Greece	2	CSCI
Spain	2	CSCI

We believe that our production facilities are adequate to support the business, and our property and equipment are well maintained. Our manufacturing plants are suitable for their intended purposes and have capacities for current and near term projected needs of our existing products.

ITEM 3. LEGAL PROCEEDINGS

Information regarding our current legal proceedings is presented in Item 8. Note 19.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ADDITIONAL ITEM. INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Our executive officers and their ages and positions as of February 24, 2023 were:

	Title and Business Experience	Age
Svend Andersen	Mr. Andersen was named Executive Vice President and President, Consumer Self-Care International in February 2017. Prior to joining Perrigo in May 2016, Mr. Andersen served as Executive Vice President - Europe for LEO-Pharma from December 2015 to May 2016.	61
Eduardo Bezerra	Eduardo Bezerra joined Perrigo in May 2022 as Executive Vice President and Chief Financial Officer. Mr. Bezerra previously served as Senior Vice President and Chief Financial Officer for Del Monte Fresh Produce, Inc., from 2019 to 2022. Before that, Mr. Bezerra held a number of positions of increasing responsibility at Monsanto company from 1998 to 2019.	48
James E. Dillard III	James E. Dillard III was named Executive Vice President and President, Consumer Self-Care Americas in October 2021 and previously served as Executive Vice President, Chief Scientific Officer from January 2019 until October 2021. Prior to joining Perrigo, he served as Senior Vice President, Research, Development and Sciences and Chief Innovation Officer at Altria Group, Inc. from January 2009 to May 2018.	59
Thomas M. Farrington	Mr. Farrington was named Executive Vice President and Chief Information Officer in November 2015. He formerly served as Senior Vice President and Chief Information Officer from October 2006 to November 2015.	65
Kyle L. Hanson	Kyle L. Hanson joined Perrigo in June 2022 as Executive Vice President, General Counsel and Corporate Secretary. Ms. Hanson previously served as Senior Vice President, General Counsel and Secretary for Wolverine Worldwide, Inc., from 2018 to 2022.	58
Alison Ives	Alison Ives was appointed Executive Vice President and Chief Scientific Officer in June 2022. Ms. Ives previously served as Vice President Regulatory Affairs, Consumer Self-Care International from December 2017 to September 2020 and Vice President, Consumer Self-Care Americas, from September 2020 until May 2022.	42
Ronald C. Janish	Mr. Janish was named Chief Transformation Officer in January 2019 and Executive Vice President of Global Operations and Supply Chain in October 2015. He served as Senior Vice President of International and Rx Operations from 2012 until 2015.	57
Murray S. Kessler	Mr. Kessler was appointed President, Chief Executive Officer and Board Member of Perrigo Company plc, effective October 8, 2018. Before joining Perrigo, Mr. Kessler served as the Chairman of the Board of Directors, President and Chief Executive Officer of Lorillard, Inc. from 2010 to 2015.	63
Grainne Quinn	Dr. Quinn was named Executive Vice President in July 2016 and has served as Chief Medical Officer since November 2015. Prior to that she served as Vice President and Head of Global Patient Safety from January 2014 until November 2015.	53
Robert Willis	Mr. Willis was named Executive Vice President and Chief Human Resources Officer in March 2019 after serving as Vice President of Human Resources Global Businesses for nearly six years. Prior to joining Perrigo, Mr. Willis gained more than 20 years of experience in Human Resources leadership through roles with Fawaz Alhokair Group, GE Capital, DoubleClick, and Norkom Technologies.	54

PART II.

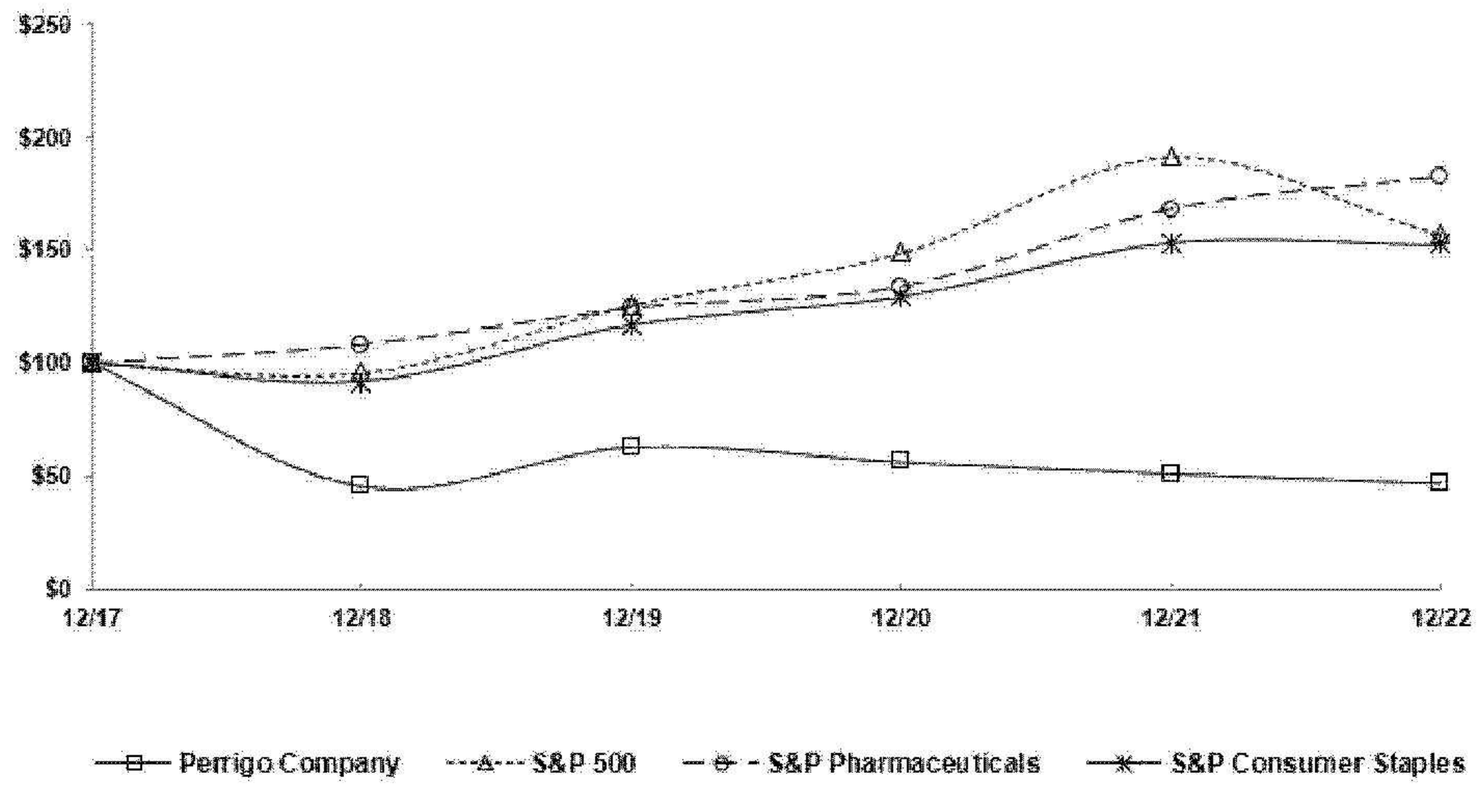
ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common equity has traded on the New York Stock Exchange under the symbol PRGO since June 6, 2013. Prior to that, our common equity traded on the Nasdaq Global Select Market under the same symbol. Our common equity was also traded on the Tel Aviv Stock Exchange ("TASE") under the same symbol between March 16, 2005 and February 23, 2022, which we voluntarily delisted from trading as a result of the Rx business divestiture.

As of February 24, 2023, there were 4,154 record holders of our ordinary shares.

The graph below shows a comparison of our cumulative total return with the cumulative total returns for the S&P 500 Index, the S&P Pharmaceuticals Index, and the S&P Consumer Staples Index, which we added as a result of the Rx business divestiture. The graph assumes an investment of $100 at the beginning of the period and the reinvestment of any dividends. Information in the graph is presented for the years ended December 31, 2017 through December 31, 2022.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Perrigo Company, the S&P 500 Index,
the S&P Pharmaceuticals Index and the S&P Consumer Staples Index



* $100 invested on December 31, 2017 - in stock or index - including reinvestment of dividends. Indexes calculated on month-end basis.

Our Board of Directors authorized up to $1.0 billion of share repurchases with no expiration date in October 2018, subject to the Board of Directors' approval of the pricing parameters and amount that may be repurchased under each specific share repurchase program (the "2018 Authorization"). We did not repurchase any shares during the year ended December 31, 2022 or December 31, 2021. During the year ended December 31, 2020, we repurchased 3.4 million ordinary shares at an average purchase price of $48.28 per share for a total of $164.2 million under the 2018 Authorization. As of December 31, 2022 the approximate value of shares available for purchase under the 2018 Authorization was $835.8 million.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Perrigo Company plc was incorporated under the laws of Ireland on June 28, 2013 and became the successor registrant of Perrigo Company, a Michigan corporation, on December 18, 2013 in connection with the acquisition of Elan Corporation, plc ("Elan"). Unless the context requires otherwise, the terms "Perrigo," the "Company," "we," "our," "us," and similar pronouns used herein refer to Perrigo Company plc, its subsidiaries, and all predecessors of Perrigo Company plc and its subsidiaries.

The following Management's Discussion and Analysis ("MD&A") is intended to provide readers with an understanding of our financial condition, results of operations, and cash flows by focusing on changes in certain key measures from year to year. This MD&A is provided as a supplement to, and should be read in conjunction with, our Consolidated Financial Statements and accompanying Notes found in Item 8 of this report. See also "Cautionary Note Regarding Forward-Looking Statements." This discussion and analysis compares 2022 results to 2021. For discussion and analysis that compares 2021 results to 2020, see Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7. of our Annual Report on Form 10-K for the year ended December 31, 2021.

EXECUTIVE OVERVIEW

We are a leading provider of over-the-counter ("OTC") health and wellness solutions that are designed to enhance individual well-being and empower consumers to proactively prevent or treat conditions that can be self-managed. Our vision is *to make lives better by bringing Quality, Affordable Self-Care Products that consumers trust everywhere they are sold*. We are headquartered in Ireland and sell our products primarily in North America and Europe as well as in other markets around the world.

Our core competencies are geared to fully take advantage of the massive global trend towards self-care. We define self-care as not just treating disease or helping individuals feel better after taking a product, but also maintaining and enhancing their overall health and wellness. Consistent with our vision, we recently completed our three-year strategy to transform the Company into a consumer self-care leader by reconfiguring our portfolio through the divestiture of our Rx business in 2021 and acquiring Héra SAS ("HRA Pharma") in 2022. Additionally, we removed significant uncertainty in 2021 through final settlement of the Irish Revenue Notice of Amended Assessment. Upon completion of our transformation, we have transitioned our strategy to *'Optimizing'* its business and *'Accelerating'* profitable growth. Several initiatives are anticipated to propel this strategy, including plans to achieve significant synergies from our acquisitions and implementation of our Supply Chain Reinvention Program. In addition, we continue to invest in other initiatives, including innovation, information systems and tools, and our people to drive consistent and sustainable results in line with consumer-packaged goods peers.

Our fiscal year begins on January 1 and ends on December 31. We end our quarterly accounting periods on the Saturday closest to the end of the calendar quarter, with the fourth quarter ending on December 31 of each year.

Our Segments

Our reporting and operating segments reflect the way our chief operating decision maker, who is our CEO, makes operating decisions, allocates resources and manages the growth and profitability of the Company. Our reporting and operating segments are:

- **Consumer Self-Care Americas ("CSCA")** comprises our consumer self-care business in the U.S. and Canada. CSCA previously included our Latin American businesses until they were disposed on March 9, 2022.
- **Consumer Self-Care International ("CSCI")** comprises our consumer self-care business outside of the U.S. and Canada, primarily in Europe and Australia.

For information on each segment, our business environment, and competitive landscape, refer to Item 1. Business. For results by segment and geographic locations see below Segment Results and Item 8. Note 2 and Note 20.

Recent Highlights

Market Factors

Economic Uncertainty

While many consumer self-care market factors from the COVID-19 pandemic are trending towards a *"new normal"* , current macroeconomic conditions remain very dynamic, including impacts from rising inflation and interest rates, volatile changes in foreign currency exchange rates, political unrest, and legislative and regulatory changes. Any causes of market size contraction could reduce our sales or erode our operating margin and consequently reduce our net earnings and cash flows.

Inflationary Costs and Supply Chain

Supply chain disruptions, including constraints in availability of freight containers and truck drivers, record delays at global shipping ports, and volatility in both cost and availability of agricultural, oil and paper based commodities driven by the war in Ukraine has led to higher unfulfilled customer orders and higher input costs. Additionally, we experienced employment vacancies and attrition as the labor market negatively impacted productivity and drove the need for wage rate increases and other retention benefits. We implemented a series of actions to substantially mitigate these and other inflationary cost pressures such as strategic pricing and our Supply Chain Reinvention Program. Benefits from our actions are anticipated to substantially offset inflationary pressures, however, the duration and extent of inflation pressure, including impacts from the war in Ukraine, changes in labor market availability and wage rates, as well as the acceptance of any further pricing actions we may take in the markets we operate, is uncertain.

Impact of COVID-19 Pandemic

The COVID-19 global pandemic, and actions to slow such outbreaks and the emergence of any new variants, have impacted, and continue to impact, our business and the global self-care markets in which we sell our products. This evolution may contribute to economic recessions or a slowdown of economic growth in certain countries or globally, which may impact demand for our products, some of which may be more than temporary. COVID-19 has and could lead to future volatility in consumer preferences and access to our products (due to government actions or key material, transportation and labor shortages impacting our ability to produce and ship products), or impact consumers' movements and access to our products.

War in Ukraine

The invasion of Ukraine by Russia and resulting economic and political sanctions imposed by the United States, United Kingdom, European Union, and other countries on Russia, Belarus, and occupied regions in Ukraine have negatively impacted our results from operations in the region. We currently have 90 employees working in our Ukraine subsidiary. We do not have a subsidiary or employees in Russia. We have no manufacturing facilities in either Russia or Ukraine and we previously sold products into Russia entirely through distributors. In March 2022, we halted all sales to distributors in Russia and sales in Ukraine were severely depressed. For the year ended December 31, 2022, Ukraine operations accounted for approximately $9 million of net sales, $6 million of gross profit, and $2 million of operating income, and there were no sales in Russia. During 2021, these countries accounted for approximately $27 million of net sales, $15 million of gross profit, and $8 million of operating income combined. Future impacts are difficult to predict due to the high level of uncertainty related to the war's duration, evolution and resolution. If the conflict spreads or materially escalates, or economic conditions deteriorate, the impact on our business and results of operations could be material.

Foreign Exchange

We have both translation and transaction exposure to the fluctuation of exchange rates. Translation exposures relate to exchange rate impacts of measuring income statements of foreign subsidiaries that do not use the U.S. dollar as their functional currency. Transaction exposures relate to 1) the impact from input costs that are denominated in a currency other than the local reporting currency and 2) the revaluation of transaction-related working capital balances denominated in currencies other than the functional currency. In 2022, significant exchange rate fluctuations, especially weakening of the Euro and the British Pound Sterling compared to the U.S. dollar had a significant foreign exchange impacts leading to lower net sales, net earnings and cash flows. Significant

exchange rate fluctuations, especially in the Euro or the British Pound Sterling, have had, and could continue to have, a significant impact on our net sales, net earnings and cash flows, and have significantly impacted our historical net sales, costs and net earnings and could do so in the future.

Acquisitions, Disposals and Restructuring

In March 2022 we completed the sale of our Latin American businesses to Advent International. This transaction was part of Perrigo's margin improvement and Project Momentum cost savings initiatives.

In April 2022 we completed the previously announced acquisition of HRA Pharma for €1.8 billion, or approximately $1.9 billion based on exchange rates at the time of closing. Upon completion of the acquisition, we updated our global reporting product categories. Refer to Item 8. Note 2 for further details.

In 2022, we initiated a Supply Chain Reinvention Program to reduce structural costs, improve profitability and our service levels to our retail partners, and strengthen our resiliency by streamlining and simplifying our global supply chain. Through this initiative, we plan to reduce portfolio complexity, invest in advanced planning capabilities, diversify sourcing, and optimize our manufacturing assets and distribution models. We have identified a total annual run-rate potential savings opportunity by the end of fiscal year 2028 of between an estimated $200 million to $300 million (not including related depreciation expense on capital investments) if all facets of the Program are successfully implemented and executed. To obtain these potential benefits, we anticipate incurring costs of between $350 million to $570 million by the end of fiscal year 2028 to complete the program implementation, including capital investments, restructuring expenses, and implementation costs. A significant portion of the annual run-rate potential savings of the Program, between $150 million to $200 million (not including related depreciation expense on capital investments), are anticipated by the end of fiscal year 2025, along with associated potential spend of between $300 million and $450 million. During the year ended December 31, 2022, we recorded total Supply Chain Reinvention Program restructuring and implementation charges of approximately $25 million, comprised primarily of consulting and severance expenses.

We initiated the first phase of our Supply Chain Reinvention Program by announcing on November 1, 2022, a $170 million strategic investment to expand and strengthen our U.S. infant formula manufacturing. This strategic investment included the $110 million purchase of Nestlé's Gateway infant formula plant in Eau Claire, Wisconsin, along with the U.S. and Canadian rights to the *GoodStart*® infant formula brand and other related formula brands ("Gateway"), and an additional $60 million investment into the plant to expand its capacity. Refer to Item 8. Note 3 for further details of these transactions.

Indebtedness and Capital

In April 2022, we entered into new senior secured credit facilities as further explained in Item 8. Note 12. We used a portion of the proceeds to finance the acquisition of HRA Pharma and to repay our outstanding term loan facility. We also entered into several financing hedge activities to economically hedge the purchase price for HRA Pharma, fix the interest rate on a substantial portion of the 2022 financing agreements, and to reduce the Euro exposure of our net investment in European operations.

Tax Updates

On December 28, 2022, we reached an agreement with IRS Appeals providing for settlement of a Notice of Proposed Adjustment ("NOPA") issued on December 11, 2019. The NOPA proposed to disallow reductions to gross sales income on the sale of prescription products to wholesalers for accrued wholesale customer pipeline chargebacks where the prescription products were not re-sold by such wholesalers to covered retailers by the end of the tax year. The settlement agreement resolved this issue for all tax years through 2021, the last tax year with chargebacks due to the sale of the Rx business in July 2021. The required settlement payment of $8.3 million was fully covered by reserves for this issue. Refer to Item 8. Note 18 for additional information and Item 1A. Risk Factors - Tax Related Risks for risks associated with tax disputes.

RESULTS OF OPERATIONS

Currency Translation

Currency translation effects described below represent estimates of the net differences between translation of foreign currency transactions into U.S. dollars for the year ended December 31, 2022 at the average exchange rates for the reporting period and average exchange rates for the year ended December 31, 2021.

CONSOLIDATED

Consolidated Financial Results

	Year Ended	
(in millions, except percentages)	**December 31, 2022**	**December 31, 2021**
Net sales	$ 4,451.6	$ 4,138.7
Gross profit	$ 1,455.4	$ 1,416.2
Gross profit %	32.7 %	34.2 %
Operating income	$ 78.9	$ 410.4
Operating income %	1.8 %	9.9 %

Net sales increased $312.9 million, or 7.6%, due to:

- $354.8 million increase, or 8.8%, due primarily to $155.9 million in strategic pricing actions and $140.5 million stemming from global category growth and U.S. store brand market share gains resulting in higher net sales across several Perrigo global product categories. These include increases in Upper Respiratory due to a strong global cough, cold and flu season and the U.S. launch of *Nasonex®24HR*, Nutrition due primarily to benefits from the recall of a national brand infant formula manufacturer and Skin Care due primarily to new products and anti-parasite offerings. An incremental six months of contract manufacturing sales to the divested Rx business, which closed on July 6, 2021, also contributed $62.0 million of net sales; and
- $236.3 million increase from our acquisitions of HRA Pharma and Gateway, inclusive of a $23.9 million unfavorable effect of currency translation; partially offset by
- $193.2 million decrease from unfavorable foreign currency translation excluding acquisitions; and
- $85.6 million decrease from the divestitures of the Latin American businesses and *ScarAway®* brand asset.

Operating income decreased $331.5 million, or 80.8%, due to:

- $39.2 million increase in gross profit driven by higher gross profit flow-through resulting from higher net sales, $104.2 million from the addition of HRA Pharma and Gateway, partially offset by $122.0 million of cost of goods sold inflation and freight, and lower productivity, and $94.0 million of unfavorable foreign currency translation excluding acquisitions, as well as divestitures of the Latin American businesses and *ScarAway®* brand asset. Gross profit as a percentage of net sales decreased 150 basis points compared to the prior year due to acquisition related inventory values stepped up to fair value, partially offset by the same factors that drove gross profit.

- $370.7 million increase in operating expenses due primarily to:
  - The absence of the $417.6 million Omega arbitration award received in the prior year;
  - $151.9 million increase from the addition of HRA Pharma and Gateway; and
  - $56.0 million increase due primarily to increased distribution, higher employee expenses; and
  - $25.6 million of higher restructuring expenses in the current year; partially offset by
  - $63.0 million decrease from foreign currency translation excluding acquisitions; and
  - $173.1 million of prior year impairment charges primarily related to the divested Latin American businesses, and $14.2 million decrease from the divestitures of the Latin American businesses and *ScarAway®* brand asset, and approximately $44.3 million of lower litigation expense.

Impairments

During the year ended December 31, 2022, we recorded a loss from disposal of a fixed asset of $4.6 million in our Unallocated segment. During the year ended December 31, 2021, we recorded an impairment associated with our CSCA Latin American divestiture announcement totaling $162.2 million, of which $6.1 million related to goodwill and the remainder related to assets held-for-sale. Also during the year ended December 31, 2021, we recorded an impairment within our annual impairment testing on our CSCI Oral Care International reporting unit totaling $10.0 million of goodwill and $0.9 million of IPR&D.

CONSUMER SELF-CARE AMERICAS

Segment Financial Results

	Year Ended	
(in millions, except percentages)	**December 31, 2022**	**December 31, 2021**
Net sales	$ 2,925.9	$ 2,693.1
Gross profit	$ 787.2	$ 765.1
Gross profit %	26.9 %	28.4 %
Operating income	$ 366.1	$ 206.5
Operating income %	12.5 %	7.7 %

Net sales increased $232.8 million, or 8.6% due to:

- $247.4 million increase, or 9.5%, due primarily to strategic pricing actions, total category growth, and store brand market share gains versus national brands and store brand competitors. Growth was achieved across several product categories, including Upper Respiratory due to a strong cough, cold and flu season and the launch of *Nasonex®24HR*, and Nutrition due primarily to benefits from the recall of a national brand infant formula manufacturer. An incremental six months of contract manufacturing sales to the divested Rx business, which closed on July 6, 2021, also contributed $62.0 million of net sales. These drivers also benefited from e-commerce growth and other new products; and
- $71.5 million increase from the additions of HRA Pharma and Gateway; partially offset by
- $85.5 million decrease from the divestitures of the Latin American businesses and the *ScarAway®* brand asset; and
- $0.7 million decrease from foreign currency translation excluding acquisitions.

CSCA net sales by product category were as follows:

Sales	Year Ended			
(in millions, except percentages)	**December 31, 2022**	**December 31, 2021[1]**	**$ Change**	**% Change**
Upper Respiratory	$ 564.6	$ 483.1	$ 81.5	16.9 %
Nutrition	520.4	401.9	118.5	29.5 %
Digestive Health	495.5	475.1	20.4	4.3 %
Pain and Sleep-Aids	412.2	405.4	6.8	1.7 %
Oral Care	312.9	311.9	1.0	0.3 %
Healthy Lifestyle	288.9	295.0	(6.1)	(2.1)%
Skin Care	187.8	183.7	4.1	2.2 %
Women's Health	45.2	38.2	7.0	18.3 %
Vitamins, Minerals, and Supplements ("VMS")	27.9	31.7	(3.8)	(12.0)%
Other CSCA	70.5	67.1	3.4	5.1 %
Total CSCA	$ 2,925.9	$ 2,693.1	$ 232.8	8.6%

(1) The Company updated its global reporting product categories during 2022. These product category updates have been adjusted retroactively to reflect the changes. Refer to Item 8. Note 2

Sales in each category were driven primarily by:

- *Upper Respiratory:* Net sales of $564.6 million increased 16.9% due primarily to higher demand for cough/cold products stemming from elevated and sustained incidences of RSV, flu and COVID throughout most of the year, demand for allergy products and the successful launch of *Nasonex®24HR*; partially offset by the divestiture of the Latin American businesses;

- *Nutrition:* Net sales of $520.4 million increased 29.5% driven by strong growth in contract and store brand infant formula, both of which benefited in part from a national brand recall and the acquisition of the *GoodStart*® infant formula brand;
- *Digestive Health:* Net sales of $495.5 million increased 4.3% due primarily to increased manufacturing capacity and demand for *Polyethylene Glycol 3350 as well as* new products, including *Omeprazole Cool Mint* and *orange flavored Polyethylene Glycol 3350*; partially offset by the divestiture of the Latin American businesses;
- *Pain and Sleep-Aids:* Net sales of $412.2 million increased 1.7% due primarily to higher demand for children's analgesics products stemming from elevated and sustained incidences of RSV, flu and COVID; partially offset by the divestiture of the Latin American businesses;
- *Oral Care:* Net sales of $312.9 million increased 0.3% due primarily to higher net sales in the store brand business that were offset by supply chain disruptions, including delayed receipt of products manufactured outside the U.S. that led to unfulfilled customer orders in the first half of 2022, and the purposeful loss of distribution of relatively lower margin products at a specific customer;
- *Healthy Lifestyle:* Net sales of $288.9 million decreased 2.1% due primarily to the discontinuation of diabetes products;
- *Skin Care:* Net sales of $187.8 million increased 2.2% due primarily to the addition of HRA Pharma brands; partially offset by the divested *ScarAway*® brand asset and discontinued products;
- *Women's Health:* Net sales of $45.2 million increased 18.3% due primarily to the addition of HRA Pharma brands, including *ellaOne*®;
- *VMS and Other:* Net sales of $98.4 million decreased 0.4% due primarily to the divestiture of Latin American businesses.

Operating income increased $159.6 million, or 77.3%, due primarily to:

- $22.1 million increase in gross profit, driven by higher gross profit flow-through resulting from net sales growth, $34.0 million from the addition of HRA Pharma and Gateway inclusive of unfavorable foreign currency translation, partially offset by $75.1 million of inflation, including higher freight & distribution expenses, and lower productivity, and $23.7 million from the divestitures of the Latin American businesses and *ScarAway*® brand asset. Gross profit as a percentage of net sales decreased 210 basis points compared to the prior year due to inflation, lower productivity, and the addition of third party sales to the divested Rx business, which have a lower margin profile.
- $137.5 million decrease in operating expenses due primarily to the absence of $162.2 million of prior year impairment charges and operating expenses related to the divested Latin American businesses; partially offset by $25.0 million from the additions of HRA Pharma and Gateway and increased distribution and selling expenses.

CONSUMER SELF-CARE INTERNATIONAL

Segment Financial Results

	Year Ended	
(in millions, except percentages)	**December 31, 2022**	**December 31, 2021**
Net sales	$ 1,525.7	$ 1,445.6
Gross profit	$ 668.2	$ 651.1
Gross profit %	43.8 %	45.0 %
Operating (loss) income	$ (30.0)	$ 36.1
Operating (loss) income %	(2.0)%	2.5 %

Net sales increased $80.1 million, or 5.5% due to:

- $107.9 million, or 7.5%, net increase driven primarily by strategic pricing actions, holding market share in growing categories resulting in higher net sales across several CSCI product categories, including Upper Respiratory due to a strong global cough, cold and flu season and Skin Care due primarily to new products and anti-parasite offerings. These drivers also benefited from e-commerce growth and new product sales, and;
- the addition of $164.8 million from HRA Pharma, inclusive of a $23.8 million unfavorable effect of currency translation; partially offset by
- $192.6 million decrease from unfavorable foreign currency translation excluding acquisitions.

CSCI net sales by product category were as follows:

Sales	Year Ended			
(in millions, except percentages)	December 31, 2022	December 31, 2021[1]	$ Change	% Change
Skin Care	$ 432.2	$ 378.3	$ 53.9	14.2 %
Upper Respiratory	258.8	219.4	39.4	18.0 %
VMS	191.8	225.8	(34.0)	(15.1)%
Pain and Sleep-Aids	183.0	184.8	(1.8)	(1.0)%
Healthy Lifestyle	136.4	173.3	(36.9)	(21.3)%
Women's Health	99.0	54.5	44.5	81.7 %
Oral Care	88.6	94.0	(5.4)	(5.7)%
Digestive Health	21.5	25.6	(4.1)	(16.0)%
Other CSCI	114.4	89.9	24.5	27.3 %
Total CSCI	$ 1,525.7	$ 1,445.6	$ 80.1	5.5 %

(1) The Company updated its global reporting product categories during 2022. These product category updates have been adjusted retroactively to reflect the changes. Refer to Item 8. Note 2

Sales in each category were driven primarily by:

- *Skin Care:* Net sales of $432.2 million increased 14.2%, inclusive of a 18.0% unfavorable effect of currency translation, driven primarily by increased market share in the *ACO* skin care franchise and new product launches in the *Sebamed* skin care portfolio and increased net sales of anti-parasite products;
- *Upper Respiratory:* Net sales of $258.8 million increased 18.0%, inclusive of a 15.2% unfavorable effect of currency translation, due primarily to increased demand for both traditional and natural cough/cold products stemming from a strong cough/cold and flu season;
- *VMS:* Net sales of $191.8 million decreased 15.1%, inclusive of a 10.8% unfavorable effect of currency translation, due primarily to stronger performance of VMS products in the prior year and lower overall category consumption and net sales of *Davitamon* in the Netherlands; partially offset by solid performance of *Abtei* in Germany;
- *Pain & Sleep-Aids:* Net sales of $183.0 million decreased 1.0%, inclusive of a 11.4% unfavorable effect of currency translation, partially offset by higher demand for *Solpadeine*, an analgesics product, U.K. store brand products and *Tiger Balm* stemming from a strong cough/cold and flu season;
- *Healthy Lifestyle:* Net sales of $136.4 million decreased 21.3%, inclusive of a 9.2% unfavorable effect of currency translation, driven primarily by lower category consumption in weight management and smoking cessation;
- *Women's Health:* Net sales of $99.0 million increased 81.7%, inclusive of a 23.4% unfavorable effect of currency translation, due primarily to the acquisition of HRA Pharma;
- *Oral Care:* Net sales of $88.6 million decreased 5.7% inclusive of a 11.3% unfavorable effect of currency translation, due primarily to strong growth of store brand oral care products and *Plackers*®;
- *Digestive Health and Other:* Net sales of $135.9 million increased 17.7%, inclusive of a 20.3% unfavorable effect of currency translation, due primarily to the addition of the HRA Pharma Rare Diseases portfolio in the *Other* category.

Operating income decreased $66.1 million, or 183.1%, due to:

- $17.1 million increase in gross profit due primarily to strategic price increases, higher gross profit flow-through resulting from net sales growth, and $70.0 million from the addition of HRA Pharma, partially offset by unfavorable foreign currency translation excluding acquisitions and the impact of inflation. Gross profit as a percentage of net sales decreased 120 basis points due to lost market share on higher margin products offset by the addition of HRA Pharma; which was more than offset by

- $83.2 million increase in operating expenses due primarily to $113.6 from the addition of HRA Pharma and higher employee expenses, partially offset by $62.1 million from foreign currency translation excluding acquisitions.

Unallocated Expenses

Unallocated expenses are comprised of certain corporate services not allocated to our reporting segments and are recorded above Operating income on the Consolidated Statements of Operations. Unallocated expenses were as follows (in millions):

Year Ended	
December 31, 2022	December 31, 2021
$ 257.2	$ (167.8)

The increase of $425.0 million in unallocated expenses during the year ended December 31, 2022 compared to the prior year period was due primarily to the absence of the $417.6 million Omega Pharma Invest N.V. ("Omega") arbitration awarded in the prior year, partially offset by the absence of transaction fees associated with the sale of the Rx business and litigation expense incurred in the prior year. Additionally, the current year included higher acquisition expenses of $49.3 million associated with the HRA Pharma and Gateway acquisitions and initial expenses of $24.3 million associated with our Supply Chain Reinvention Program.

Interest expense, net, Other (income) expense, net and Loss on extinguishment of debt (Consolidated)

	Year Ended	
(in millions)	December 31, 2022	December 31, 2021
Interest expense, net	$ 156.0	$ 125.0
Other (income) expense, net	$ 53.1	$ 26.7
Loss on extinguishment of debt	$ 8.9	$ —

Interest Expense, net

The $31.0 million increase during the year ended December 31, 2022 compared to the prior year was due primarily to an increase in interest expense associated with an increase in outstanding borrowings under our New Senior Secured Credit Facilities and less interest income associated with lower cash balances.

Other (Income) Expense, Net

The $26.4 million increase in expense during the year ended December 31, 2022 compared to the prior year was due primarily to unfavorable changes in revaluation of foreign currency expense associated with the acquisition of HRA Pharma and termination expense of the forward currency options related to the acquisition of HRA Pharma.

Loss on extinguishment of debt

The $8.9 million loss on extinguishment of debt during the year ended December 31, 2022 is related to the write-off of certain new and previously deferred financing fees and make whole payments due in connection with repaying outstanding borrowings prior to maturity (refer to Item 8. Note 12).

Income Taxes (Consolidated)

The effective tax rates were as follows:

Year Ended	
December 31, 2022	December 31, 2021
5.9 %	150.6 %

The effective tax rate on the pre-tax loss for the year ended December 31, 2022, decreased when compared to the effective tax rate on the pre-tax income for the year ended December 31, 2021, primarily due to the income tax expense on the settlement of the Irish Notice of Assessment recorded in 2021 as well as settlement in 2022 of a NOPA with the IRS resulting in a reduction of our liability for uncertain tax positions, offset in part by the Omega arbitration pre-tax income received in 2021, which was largely non-taxable.

FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

Overview

We finance our operations with internally generated funds, supplemented by credit arrangements with third parties and capital market financing. We routinely monitor current and expected operational requirements and financial market conditions to evaluate other available financing sources including term and revolving bank credit and securities offerings. In determining our future capital requirements, we regularly consider, among other factors, known trends and uncertainties, such as the Notices of Proposed Adjustment ("NOPAs") from the IRS, the COVID-19 pandemic, the war in Ukraine, inflation and interest rates and other contingencies. We note that no payment of the additional amounts proposed by the IRS in the NOPAs is currently required, and no such payment is expected to be required, unless and until a settlement or other final determination of the matter is reached that is adverse to us. Refer to Item 8. Note 18 for additional information on the NOPAs. Based on the foregoing, management believes that our operations and borrowing resources are sufficient to provide for our short-term and long-term capital requirements, as described below. However, an adverse result with respect to our appeal of any material outstanding tax assessments or litigation, including securities or drug pricing matters and product liability cases, damages resulting from third-party claims, and related interest and/or penalties, could ultimately require the use of corporate assets to pay such assessments and any such use of corporate assets would limit the assets available for other corporate purposes. As such, we continue to evaluate the impact of the above factors on liquidity and may determine that modifications to our capital structure are appropriate if market conditions deteriorate, favorable capital market opportunities become available, or any change in conditions relating to the NOPAs, the COVID-19 pandemic, the war in Ukraine, inflation and interest rates or other contingencies have a material impact on our capital requirements.

We previously had an Rx segment which was comprised of our generic prescription pharmaceuticals business in the U.S. and other pharmaceuticals and diagnostic businesses in Israel, which have been divested. The Rx segment was reported as Discontinued Operations in 2021, and is presented as such for all periods in this report. Cash flows from discontinued operations are reported within the consolidated statement of cash flows, and select cash flow information related to discontinued operations are presented in Item 8. Note 4. We received $1.55 billion in cash upon the completion of the Rx business sale on July 6, 2021.

We also received $417.6 million in September 2021 relating to the claim arising from the 2015 Omega Acquisition. A portion of these proceeds were used for the settlement of the NoA dispute with Irish Revenue.

Cash and Cash Equivalents

	Year Ended	
(in millions)	December 31, 2022	December 31, 2021
Cash and cash equivalents	$ 600.7	$ 1,864.9
Working capital[1]	$ 1,041.8	$ 1,027.7

(1) Working capital represents current assets less current liabilities, excluding cash and cash equivalents, assets and liabilities held for sale, and excluding current indebtedness.

Cash, cash equivalents, cash flows from operations, and borrowings available under our credit facilities are expected to be sufficient to finance our liquidity and capital expenditures in both the short and long term. Although our lenders have made commitments to make funds available to us in a timely fashion under our revolving credit agreements and overdraft facilities, if economic conditions worsen or new information becomes publicly available impacting the institutions' credit rating or capital ratios, these lenders may be unable or unwilling to lend money pursuant to our existing credit facilities. Should our outlook on liquidity requirements change substantially from current projections, we may seek additional sources of liquidity in the future.

Cash Flows

The following table includes summarized cash flow activities:

	Year Ended		
(in millions)	**December 31, 2022**	**December 31, 2021**	**$ Change**
Net cash from operating activities	$ 307.3	$ 156.3	$ 151.0
Net cash from (for) investing activities	(1,958.6)	1,275.8	(3,234.4)
Net cash from (for) financing activities	421.6	(178.7)	600.3
Effect of exchange rate changes on cash and cash equivalents	(48.9)	(15.6)	(33.3)
Net increase (decrease) in cash and cash equivalents	$ (1,278.6)	$ 1,237.8	$ (2,516.4)

Net cash from (for) Operating Activities

The $151.0 million increase in operating cash inflow was primarily driven by a reduction in accounts receivable in 2022 compared to a significant increase in 2021, primarily related to timing of sales and receipt of payments. This was partially offset by higher inventory level as we invest to improve customer service, combined with lower demand for certain products and decrease in customer inventories and a decrease in cash flow from the change in net earnings after adjustments for non-cash operating items. Operating cash flows also benefited from a refund on the majority of the $45 million cash escrow deposit to the Israel Tax Authority in the prior year.

Net cash from (for) Investing Activities

The $3.2 billion decrease in cash from investing cash flow was due primarily to the $1.9 billion cash paid for the acquisitions of HRA Pharma in the current year and $1.4 billion of net differential cash received from the sale of our Rx business, partially offset by related hedging activities and other acquisitions, divestitures (refer to Item 8. Note 3) and asset transactions.

Capital expenditures totaled approximately $96 million in 2022. We anticipate 2023 capital expenditures to be between $125 million and $140 million, depending on the progression of Gateway infant formula plant investments, our Supply Chain Reinvention Program, and project timelines related to manufacturing productivity and efficiency upgrades, software and technology initiatives, and general plant maintenance. We expect to fund these estimated capital expenditures with funds from operating cash flows.

Net cash from (for) Financing Activities

The $600 million increase in financing cash flow was due primarily to a $1.6 billion increase from the entry into our New Senior Secured Credit Facilities and related financing fees. We used a portion of the proceeds from the New Senior Secured Credit Facilities to finance the acquisition of HRA Pharma and to repay outstanding borrowings totaling $959 million (refer to Item 8. Note 12). Additionally we increased our dividend payment by $12.8 million compared to the prior year.

Share Repurchases

In October 2018, our Board of Directors authorized up to $1.0 billion of share repurchases with no expiration date, subject to the Board of Directors' approval of the pricing parameters and amount that may be repurchased under each specific share repurchase program. We did not repurchase any shares during the year ended December 31, 2022 or December 31, 2021. The future repurchase of shares, if any, is subject to the discretion of our Board of Directors and is currently not anticipated in the near term.

Dividends

In January 2003, the Board of Directors adopted a policy of paying quarterly dividends. We paid dividends as follows:

	Year Ended	
	December 31, 2022	December 31, 2021
Dividends paid (in millions)	$ 142.4	$ 129.6
Dividends paid per share	$ 1.04	$ 0.96

The declaration and payment of dividends, if any, is subject to the discretion of our Board of Directors and will depend on our earnings, financial condition, availability of distributable reserves, capital and surplus requirements, and other factors our Board of Directors may consider relevant.

Borrowings and Capital Resources

On April 20, 2022, we and our indirect wholly-owned subsidiary, Perrigo Investments, LLC (the "Borrower"), entered into the New Senior Secured Credit Facilities, which consist of (i) a $1.0 billion five-year revolving credit facility (the "2022 Revolver"), (ii) a $500 million five-year Term Loan A facility (the "2022 Term Loan A Facility"), and (iii) a $1.1 billion seven-year Term B facility (the "2022 Term Loan B Facility") and, together with the 2022 Revolver and 2022 Term Loan A Facility, the "New Senior Secured Credit Facilities", all pursuant to a new Term Loan and Revolving Credit Agreement (the "Credit Agreement"). The New Senior Secured Credit Facilities are guaranteed, along with any hedging or cash management obligations entered into with a lender and a limited amount of hedging or cash management obligations entered into with entities that are not lenders, by us and certain of our wholly-owned subsidiaries organized in the U.S., Ireland, Belgium, England and Wales (subject to certain exceptions) (the "Guarantor Subsidiaries" and together with the Company, the "Guarantors"). We refer to the Borrower and the Guarantors collectively as the "Loan Parties". Refer to Item 8. Note 12. We also entered into several financing hedge activities to economically hedge the purchase price for HRA Pharma, fix the interest rate on a substantial portion of the 2022 financing agreements, and to reduce the Euro exposure of our net investment in European operations.

Our short term debt as of December 31, 2022 of $36.2 million is comprised of (i) principal payments of the 2022 Term Loan A Facility and the 2022 Term Loan B Facility and (ii) leases.

Term Loans and Notes

As of December 31, 2022, we had $1,588.3 million outstanding under our 2022 Term Loan A Facility and Term Loan B Facility. We had $600.0 million outstanding under our 2019 Term Loan as of December 31, 2021. We repaid the $600.0 million 2019 Term Loan with the proceeds of the New Senior Secured Credit Facilities during 2022. The remaining $500.0 million of proceeds were used to (i) redeem the 4.00% Senior Notes due 2023 and the 5.1045% Guaranteed Senior Notes due 2023, on May 19, 2022 (collectively, the "Redeemed Notes"), (ii) to fund a portion of the cash consideration payable in connection with the acquisition of HRA Pharma (Refer to Item 8. Note 3), and (iii) to pay related fees and expenses. Upon the repayment in full of loans under the 2019 Term Loan and termination of the 2018 Revolver, such facilities were terminated and all guarantees thereunder were released. Upon the redemption of the Redeemed Notes, the guarantees related thereto were released.

Loans under the New Senior Secured Credit Facilities bear interest at a rate equal to, at the Borrower's option and depending on the currency borrowed, either the adjusted Term SOFR Rate, EURIBOR Rate, the prime lending rate or the daily simple RFR rate (each as defined in the Credit Agreement), in each case, plus an applicable margin. Applicable margins and fees are outlined below;

	Applicable Margins		
	Term SOFR and EURIBOR Rates	Prime Lending and Daily Simple RFR Rates	Per Annum Commitment Fee[2]
2022 Term Loan A[1]	2.000% - 1.750%	1.000% - 0.750%	—
2022 Term Loan B[1]	2.500% - 2.250%	1.500% - 1.250%	—
2022 Revolver[1]	2.000% - 1.375%	1.000% - 0.375%	0.250% - 0.175%

(1) Applicable margins are dependent upon our total net leverage ration
(2) Payable on the undrawn amount

The Loan Parties' obligations under the Credit Agreement are secured, subject to customary permitted liens and other exceptions, by a security interest in all tangible and intangible assets of the Loan Parties, except for certain excluded assets. We may make voluntary prepayments at any time without payment of a premium or penalty, subject to certain exceptions, and are required to make certain mandatory prepayments of outstanding indebtedness under the Credit Agreement in certain circumstances. Principal repayments of the 2022 Term Loan B Facility, which are due quarterly, began in September 2022 and are equal to 1.0% per annum of the original principal amount of the 2022 Term Loan B Facility incurred with any remaining balance payable on the maturity date. Principal repayments of the 2022 Term Loan A Facility, which are due quarterly, began in September 2022 and are equal to (i) for the first year anniversary of the Closing Date (as defined in the Credit Agreement), 2.5% per annum of the original principal amount of the 2022 Term Loan A Facility incurred and (ii) after the first year anniversary of the Closing Date, 5.0% per annum of the original principal amount of the 2022 Term Loan A Facility incurred, with any remaining balance payable on the maturity date. The Credit Agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to the Borrower and its restricted subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of junior indebtedness and dividends and other distributions. The Credit Agreement contains financial covenants that require the Borrower and its restricted subsidiaries to (a) not exceed a maximum first lien secured net leverage ratio of 3.00 to 1.00 at the end of each fiscal quarter and (b) not fall below a minimum interest coverage ratio of 3.00 to 1.00 at the end of each fiscal quarter, provided that such covenants apply only to the 2022 Revolver and the 2022 Term Loan A Facility. The Credit Agreement also contains customary events of default relating to, among other things, failure to make payments, breach of covenants and breach of representations. If we consummate certain qualifying acquisitions during the term of the loan, the maximum first lien secured net leverage ratio covenant would increase to 3.25 to 1.00 for such quarter and the three following fiscal quarters thereafter.

Leases

We had $238.6 million and $199.1 million of lease liabilities and $239.1 million and $194.8 million of lease assets as of December 31, 2022 and December 31, 2021, respectively.

Available Resources

We have overdraft facilities available that we use to support our cash management operations. We report any balances outstanding in "Other Financing" in Item 8. Note 12. There were no borrowings outstanding under the overdraft facilities as of December 31, 2022 and December 31, 2021.

During 2022 we terminated the 2018 Revolver and entered into the 2022 Revolver. There were no borrowings outstanding under the 2022 Revolver as of December 31, 2022 or December 31, 2021. We are subject to certain financial covenants in the 2022 Revolver and 2019 Term Loan. As of December 31, 2022, we were in compliance with all such covenants under our debt agreements.

Other Financing

On June 17, 2020, we incurred debt of $34.3 million related to our equity method investment in Kazmira pursuant to two promissory notes, with $3.7 million, $5.8 million and $24.8 million to be settled in November 2020, May 2021 and November 2021, respectively. On December 8, 2020, we repaid the $3.7 million balance due on the November 2020 portion of the Promissory Notes. During the year ended December 31, 2021, we repaid the $5.8 million balance due on the May 2021 portion of the Promissory Notes and the $24.8 million balance due on the November 2021 portion, settling the debt in full.

Credit Ratings

The interest of the 3.150% Senior Notes due 2030 stepped up from 3.900% to 4.400% on payments made after June 15, 2022 due to a credit ratings downgrade by S&P Global Ratings and Moody's Investor Services in the first quarter of 2022. On December 31, 2022, our credit rating was Ba1 (negative), BB (stable), and BB+ (stable), by Moody's Investor Services, S&P Global Ratings, and Fitch Ratings Inc., respectively. Credit rating agencies review their ratings periodically and, therefore, the credit rating assigned to us by each agency may be subject to revision at any time. Accordingly, we are not able to predict whether current credit ratings will remain as disclosed above. Factors that can affect our credit ratings include changes in operating performance, the economic environment, our financial position, and changes in business strategy. If changes in our credit ratings were to occur, they could

impact, among other things, future borrowing costs, access to capital markets, and vendor financing terms. A credit rating is not a recommendation to buy, sell or hold securities.

Guarantor Financial Information

The Guarantor Subsidiaries and the Borrower provide full and unconditional guarantees, jointly and severally, on a senior unsecured basis, of the 5.300% Notes due 2043 issued by the Company, and the Loan Parties provide full and unconditional guarantees, jointly and severally, on a senior unsecured basis, of the 3.900% Notes due 2024, the 4.375% Notes due 2026, the 4.400% Notes due 2030 and the 4.900% Notes due 2044 issued by Perrigo Investments, LLC.

The guarantees of the Guarantor Subsidiaries, the Company and the Borrower are subject to release in limited circumstances only upon the occurrence of certain customary conditions. The guarantees of the Guarantor Subsidiaries, the Company and the Borrower rank senior in right of payment to any future subordinated indebtedness of the Company, equal in right of payment with all of the Company's existing and future senior indebtedness and effectively subordinated to any of the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing such indebtedness.
Basis of Presentation

The following tables include summarized financial information of the obligor groups of debt issued by Perrigo Investments, LLC and Perrigo Company plc. The summarized financial information of each obligor group is presented on a combined basis with balances and transactions within the obligor group eliminated. Investments in and the equity in earnings of non-guarantor subsidiaries, which would otherwise be consolidated in accordance with U.S. GAAP, are excluded from the below summarized financial information pursuant to SEC Regulation S-X Rule 13-01.

The summarized balance sheet information for the consolidated obligor group of debt issued by Perrigo Investments, LLC and Perrigo Company plc is presented in the table below:

	Year Ended	
(in millions)	**December 31, 2022**	**December 31, 2021**
Current Assets	$ 1,975.7	$ 3,921.6
Non-current Assets	$ 4,819.1	$ 5,016.5
Current liabilities	$ 734.9	$ 1,307.4
Non-current liabilities	$ 11,036.2	$ 9,672.1
Due to non-guarantors	$ 6,346.4	$ 6,195.5

The summarized results of operations information for the consolidated obligor group of debt issued by Perrigo Investments, LLC and Perrigo Company plc is presented in the table below:

	Year Ended	
(in millions)	**December 31, 2022**	**December 31, 2021**
Total Revenues	$ 3,273.0	$ 3,046.2
Gross Profit	$ 858.6	$ 818.0
Operating Income (loss)	$ (36.9)	$ 342.2
Net Income (loss)	$ (316.3)	$ 985.1
Revenue from non-guarantors	$ 274.7	$ 241.7
Operating Expenses to non-guarantors	$ (0.7)	$ 2.3
Other (income) expense to non-guarantors	$ 105.8	$ (30.7)

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have a material current effect or that are reasonably likely to have a material future effect on our financial condition, changes in financial condition, net sales or expenses, results of operations, liquidity, capital expenditures, or capital resources.

Contractual Obligations

Our enforceable and legally binding obligations as of December 31, 2022 are set forth in the following table. Some of the amounts included in this table are based on management's estimates and assumptions about these obligations, including the duration, the possibility of renewal, anticipated actions by third parties and other factors. Because these estimates and assumptions are necessarily subjective, the enforceable and legally binding obligations actually paid in future periods may vary from the amounts reflected in the table (in millions):

	Payment Due				
	2023	2024-2025	2026-2027	After 2027	Total
Short and long-term debt [1]	$ 193.4	$ 1,065.8	$ 1,345.3	$ 2,640.8	$ 5,245.3
Finance lease obligations	3.8	4.6	4.1	11.6	24.1
Purchase obligations [2]	407.9	—	—	—	407.9
Operating leases [3]	33.0	55.9	43.4	117.5	249.8
Other contractual liabilities reflected on the consolidated balance sheets:					
Deferred compensation and benefits [4]	—	—	—	64.1	64.1
Other [5]	14.0	8.0	—	—	22.0
Total	$ 652.1	$ 1,134.3	$ 1,392.8	$ 2,834.0	$ 6,013.2

(1) Short-term and long-term debt includes interest payments, which were calculated using the effective interest rate at December 31, 2022.
(2) Consists of commitments for both materials and services.
(3) Used in normal course of business, principally for warehouse facilities and computer equipment.
(4) Includes amounts associated with non-qualified plans related to deferred compensation, executive retention and post-employment benefits. Of this amount, we have funded $35.4 million, which is recorded in Other non-current assets on the balance sheet. These amounts are assumed payable after five years, although certain circumstances, such as termination, would require earlier payment.
(5) Primarily includes consulting fees, legal settlements, restructuring accruals, insurance obligations, and electrical and gas purchase contracts, which were accrued in Other current liabilities and Other non-current liabilities at December 31, 2022 for all years.

We fund our U.S. qualified profit-sharing and investment plan in accordance with the Employee Retirement Income Security Act of 1974 regulations for the minimum annual required contribution and Internal Revenue Service regulations for the maximum annual allowable tax deduction. We are committed to making the required minimum contributions, which we expect to be approximately $37.9 million over the next 12 months. Future contributions are dependent upon various factors, including employees' eligible compensation, plan participation and changes, if any, to current funding requirements. Therefore, no amounts were included in the Contractual Obligations table above. We generally expect to fund all future contributions with cash flows from operating activities.

As of December 31, 2022, we had approximately $417.4 million of liabilities for uncertain tax positions, including interest and penalties. These liabilities have been excluded from the Contractual Obligations table above, and the related tax benefits have not been recognized, due to uncertainty as to the amounts and timing of settlement with taxing authorities.

Critical Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, which affect the reported earnings, financial position and various disclosures. Critical accounting estimates involve a significant level of uncertainty and could have a material impact on results. These estimates are based on judgment and available information. Actual results could differ materially from the estimates.

Revenue Recognition

Net product sales include estimates of variable consideration for which accruals and allowances are established. Variable consideration for product sales consists primarily of rebates and other incentive programs recorded on the Consolidated Balance Sheets as Accrued customer programs. Where appropriate, these estimates take into consideration a range of possible outcomes in which relevant factors, such as historical experience, current contractual and statutory requirements, specific known market events and trends, industry data and forecasted customer buying and payment patterns, are either probability-weighted to derive an estimate of expected value or the estimate reflects the single most likely outcome. Overall, these reserves reflect our best estimate of the amount of consideration to which we are entitled based on the terms of the contract. If actual results in the future vary from

the estimates, these estimates are adjusted, which would affect revenue and earnings in the period such variances become known.

Income Taxes

Our tax rate is subject to adjustment over the balance of the year due to, among other things, income tax rate changes by governments; the jurisdictions in which our profits are determined to be earned and taxed; changes in the valuation of our deferred tax assets and liabilities; adjustments to estimated taxes upon finalization of various tax returns; adjustments to our interpretation of transfer pricing standards; changes in available tax credits, grants and other incentives; changes in stock-based compensation expense; changes in tax laws or the interpretation of such tax laws; changes in U.S. GAAP; expiration of or the inability to renew tax rulings or tax holiday incentives; and the repatriation of earnings with respect to which we have not previously provided taxes. For the year ended December 31, 2022, we recorded a net decrease in valuation allowances of $56.2 million, comprised primarily of a decrease in valuation allowance on deferred tax assets of our Latin American businesses which were sold in 2022.

Additionally, the final determination with respect to any tax audit, and any related litigation, could be materially different from our estimates or from our historical income tax provisions and accruals. Future period earnings may also be adversely impacted by litigation costs, settlements, penalties, and/or interest assessments (refer to Item 8. Note 18).

Legal Contingencies

We are involved in product liability, patent, commercial, regulatory and other legal proceedings that arise in the normal course of business. We record a liability when a loss is considered probable and the amount can be reasonably estimated. If the reasonable estimate of a probable loss is a range and no amount within that range is a better estimate, the minimum amount in the range is accrued. If a loss is not probable or a probable loss cannot be reasonably estimated, no liability is recorded. We have established reserves for certain of our legal matters (refer to Item 8. Note 19). We do not incorporate insurance recoveries into our reserves for legal contingencies. We separately record receivables for amounts due under insurance policies when we consider the realization of recoveries for claims to be probable, which may be different than the timing in which we establish the loss reserves.

Acquisition Accounting

We account for acquired businesses using the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recorded at fair value, with limited exceptions. Any excess of the purchase price over the fair value of the specifically identified assets is recorded as goodwill. If the acquired net assets do not constitute a business, or substantially all of the fair value is in a single asset or group of similar assets, the transaction is accounted for as an asset acquisition and no goodwill is recognized. In an asset acquisition, acquired IPR&D with no alternative future use is charged to expense at the acquisition date.

Significant judgment is required in estimating the fair value of intangible assets and in assigning their respective useful lives. The acquired intangible assets can include customer relationships, trademarks, trade names, brands, developed product technology and IPR&D assets. For acquisitions accounted for as business combinations, IPR&D is considered to be an indefinite-lived intangible asset until the research is completed, at which point it then becomes a definite-lived intangible asset, or is determined to have no future use and is then impaired and charged to expense. There are several methods that can be used to determine the fair value of our intangible assets. We typically use an income approach to value the specifically identifiable intangible assets which is based on forecasts of the expected future cash flows. We have historically used a relief from royalty or multi-period excess earnings methodology. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management. We typically consult with an independent advisor to assist in the valuation of these intangible assets. Significant estimates and assumptions inherent in the valuations include discount rates, revenue growth assumptions and expected profit margins. We consider marketplace participant assumptions in determining the amount and timing of future cash flows along with the length of our customer relationships, attrition, product or technology life cycles, barriers to entry and the risk associated with the cash flows in concluding upon our discount rate. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, we may record adjustments to the purchase accounting. In addition, unanticipated market or macroeconomic events and circumstances may occur that could affect the accuracy or validity of the estimates and assumptions.

Our assessment as to the useful lives of intangible assets is based on a number of factors including competitive environment, market share, trademark, brand history, underlying product life cycles, operating plans and the macroeconomic environment of the countries in which the trademarked or branded products are sold. Determining the useful life of an intangible asset requires judgement, as different assets will have different useful lives or may even have an indefinite life. Definite-lived intangible assets are amortized to expense over their estimated useful life.

Goodwill

Goodwill represents amounts paid for an acquisition of a business in excess of the fair value of net assets received. We perform annual goodwill impairment testing on the first day of the fourth quarter. Following the acquisition of HRA Pharma, we have an additional reporting unit representing the Rare Diseases pharmaceutical business. In addition, the respective HRA Pharma OTC consumer Americas and International businesses have been included with the existing CSCA and CSCI reporting units. As of December 31, 2022, we have three reporting units. Our CSCA operating segment is equivalent to our CSCA reporting unit. Our CSCI operating segment includes two reporting units, CSCI and Rare Diseases.

The test for impairment requires us to make several significant assumptions that impact our estimate of the fair value of a reporting unit, including the perpetual growth rate and discount rate. These assumptions are considered critical due to the sensitivity of changes in these assumptions to the related estimate of fair value. The discount rates used in testing each of our reporting units' goodwill for impairment during our testing were based on the weighted average cost of capital determined for each of our reporting units. In our annual impairment test as of October 2, 2022, discount rates ranged from 10.25% to 11.00%, and perpetual growth rates were 2.50%. In our annual impairment test as of October 3, 2021, discount rates ranged from 7.75% to 9.75%, and perpetual growth rates were 2.50%.

The cash flow forecasts used for our reporting units include assumptions about future activity levels in the near term and longer-term. If growth in our reporting units is lower than expected, we may experience deterioration in our cash flow forecasts that may indicate goodwill in one or more reporting units is impaired in future impairment tests. An increase in the discount rate could negatively impact the estimated fair value of the reporting units and lead to future impairment. Certain macroeconomic factors which are not controlled by the reporting units, such as rising inflation or interest rates, could cause an increase in the discount rate to occur. Deterioration in performance of our reporting units, such as lower than expected revenue or profitability that has a sustained impact on future periods, could also represent potential indicators of impairment requiring further analysis.

We performed sensitivity analyses on the discounted cash flow valuations that were prepared to estimate the fair value of each reporting unit. Discount rates and perpetual revenue growth rates were increased and decreased by increments of 25 or 50 basis points. For the CSCI reporting unit, the fair value exceeds our carrying amount by less than 10%. Therefore, a 50 basis point increase in the discount rate, or a 25 basis point increase in the discount rate combined with a 25 basis point decrease in the perpetual growth rate, would indicate potential impairment for this reporting unit. The CSCI reporting unit's fair value includes material benefits from the Supply Chain Reinvention program and synergies from integrating HRA Pharma. Therefore, the reporting unit is sensitive to changes in estimates related to the Supply Chain Reinvention Program and the forecasted HRA synergies. Reductions in the net projected benefits could represent a potential indicator of impairment requiring further impairment analysis. For the recently acquired Rare Diseases reporting unit, the fair value exceeds our carrying amount by less than 10% as a result of establishing the carrying value at predominately fair value through purchase accounting. Therefore, a 50 basis point increase in the discount rate, or a 25 basis point increase in the discount rate combined with a 25 basis point decrease in the perpetual growth rate, would indicate potential impairment for this reporting unit. Our sensitivities assume a corresponding decrease in market valuation multiples. Based on the sensitivity of the discount rate assumptions on these analyses, an increase in the discount rate over the next twelve months could negatively impact the estimated fair value of the reporting units and lead to a future impairment. Certain macroeconomic factors which are not controlled by the reporting units, such as rising inflation or interest rates, could cause an increase in the discount rate to occur. Deterioration in performance of our reporting units over the next twelve months, such as lower than expected revenue or profitability that has a sustained impact on future periods, could also represent potential indicators of impairment requiring further impairment analysis.

We continue to monitor the progress of our reporting units and assess them for potential impairment should impairment indicators arise, as applicable, and at least annually during our fourth quarter impairment testing.

See Item 8. Note 9 and Note 10 for further information.

Recently Issued Accounting Standards Pronouncements

See Item 8. Note 1 for information regarding recently issued accounting standards.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Exchange Risk

We are a global company with operations primarily throughout North America, Europe, China, and Australia. We transact business in each location's local currency and in foreign currencies, thereby creating exposures to changes in exchange rates. Our largest exposure is the movement of the U.S. dollar relative to the euro.

Due to different sales and cost structures, certain segments experience a negative impact and certain segments a positive impact as a result of changes in exchange rates. We estimate the translation effect of a ten percent devaluation of the U.S. dollar relative to the other foreign currencies in which we transact business would not materially affect operating income of our non U.S. operating units for the year ended December 31, 2022. This sensitivity analysis has inherent limitations. The analysis disregards the possibility that rates of multiple foreign currencies will not always move in the same direction relative to the value of the U.S. dollar over time and does not account for foreign exchange derivatives that we utilize to mitigate fluctuations in exchange rates.

In addition, we enter into certain purchase commitments for materials that, although denominated in U.S. dollars, are linked to foreign currency valuations. These commitments generally contain a range for which the price of materials may fluctuate over time given the value of a foreign currency.

The translation of the assets and liabilities of our non-U.S. dollar denominated operations is made using local currency exchange rates as of the end of the year. Translation adjustments are not included in determining net income but are disclosed in Accumulated Other Comprehensive Income ("AOCI") within shareholders' equity on the Consolidated Balance Sheets until a sale or substantially complete liquidation of the net investment in the subsidiary takes place. In certain markets, we could recognize a significant gain or loss related to unrealized cumulative translation adjustments if we were to exit the market and liquidate our net investment. As of December 31, 2022, cumulative net currency translation adjustments increased shareholders' equity by $58.6 million.

We monitor and strive to manage risk related to foreign currency exchange rates. Exposures that cannot be naturally offset within a local entity to an immaterial amount are often hedged with foreign exchange derivatives or netted with offsetting exposures at other entities. We cannot predict future changes in foreign currency movements and fluctuations that could materially impact earnings.

Interest Rate Risk

We are exposed to interest rate changes primarily as a result of interest income earned on our investment of cash on hand and interest expense on borrowings. We have in the past, and may in the future, enter into certain derivative financial instruments related to the management of interest rate risk, when available on a cost-effective basis. These instruments are managed on a consolidated basis to efficiently net exposures and thus take advantage of any natural offsets. Gains and losses on hedging transactions are offset by gains and losses on the underlying exposures being hedged. We do not use derivative financial instruments for speculative purposes. A 1% increase in interest rates would result in approximately $3.9 million of additional annual interest expense in 2023.

Inflation Risk

Inflationary factors such as increases in the cost of our products and overhead costs may adversely affect our operating results. A high rate of inflation in the future may have an adverse effect on our ability to maintain current levels of gross margin and selling and administration expenses if the selling prices of our products do not increase with these increased costs. We manage the impact of inflation through pricing and supply chain cost reduction and optimization initiatives. Refer to Item 8. Note 1 and Note 11 for further information regarding our derivative instruments and hedging activities.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Perrigo Company plc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Perrigo Company plc (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 28, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Goodwill for the CSCI Reporting Unit

Description of the Matter

At December 31, 2022, goodwill related to the Company's Consumer Self-Care International segment, including the CSCI reporting unit, was $1,446.0 million. As discussed in Note 1 of the consolidated financial statements, goodwill is not amortized but rather is tested for impairment at least annually at the reporting unit level. The Company's goodwill is initially assigned to its reporting units as of the acquisition date.

Auditing management's goodwill impairment test for the CSCI reporting unit was complex due to the significant measurement uncertainty in determining the fair value of the reporting unit. In particular, the fair value estimate was sensitive to significant assumptions such as revenue growth rates, projected margins, and discount rate, which are affected by expected future market or economic conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment assessment process. For example, we tested controls over the Company's forecast process as well as controls over management's review of the significant assumptions discussed above.

To test the fair value of the Company's CSCI reporting unit, our audit procedures included, among others, assessing methodologies used and testing the significant assumptions discussed above as well as the completeness and accuracy of the underlying data used by the Company. For example, we compared the significant assumptions used by management to current industry and economic trends, changes in the Company's business model, customer base or product mix and other relevant factors. We performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value of the reporting unit resulting from changes in the assumptions. We also reviewed the reconciliation of the fair value of the reporting units to the market capitalization of the Company and evaluated the implied control premium. We also assessed the historical accuracy of the significant assumptions used by management to determine the fair value of its reporting units. The evaluation of the Company's methodology and significant assumptions was performed with the assistance of our valuation specialists.

Uncertain Tax Positions

Description of the Matter

As described in Note 18 to the consolidated financial statements, the Company operates in multiple jurisdictions with complex tax policy and regulatory environments and establishes reserves for uncertain tax positions in accordance with the accounting guidance governing uncertainty in income taxes. Uncertainty in a tax position may arise because tax laws are subject to interpretation. The Company uses significant judgment to (1) determine whether, based on the technical merits, a tax position is more likely than not to be sustained and (2) measure the amount of tax benefit that qualifies for recognition. At December 31, 2022, the Company had liabilities of $331.6 million, excluding interest and penalties, relating to uncertain tax positions.

Auditing the measurement of the Company's uncertain tax positions was challenging because the evaluation of whether a tax position is more likely than not to be sustained and the measurement of the benefit of various tax positions can be complex, involves significant judgment, and is based on interpretations of tax laws and legal rulings.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accounting process for uncertain tax positions. For example, we tested controls over management's identification of uncertain tax positions and its application of the recognition and measurement principles for uncertain tax positions.

Our audit procedures included, among others, assessing the Company's correspondence with the relevant tax authorities and evaluating income tax opinions or other third-party advice obtained by the Company. To test the Company's assessment and measurement of uncertain tax positions, we involved our tax professionals to assess whether the uncertain tax positions identified by the Company are more-likely-than-not to be sustained upon audit and, if so, to assist in testing the assumptions made by the Company in measuring the amount of tax benefit that qualifies for recognition. We also used our knowledge of, and experience with, the application of domestic and international income tax laws by the relevant income tax authorities to evaluate the Company's assessments of whether the uncertain tax position is more-likely-than-not to be sustained and, if so, the potential outcomes that could occur upon an audit by a taxing authority. We tested the completeness and accuracy of the data and calculations used to determine the amount of tax benefit to recognize. We also evaluated the adequacy of the Company's disclosures to the consolidated financial statements in relation to these matters.

Acquisition of HRA Pharma

Description of the Matter

As disclosed in Note 3 to the consolidated financial statements, the Company completed its acquisition of Héra SAS ("HRA Pharma") in 2022. The transaction was accounted for as a business combination and the assets acquired and liabilities assumed have been recorded based on preliminary estimates of fair value.

Auditing the Company's accounting for the preliminary allocation of the purchase price for this acquisition was considered especially challenging due to the estimation uncertainty in determining the fair value of certain identifiable intangible assets, which primarily consisted of trademarks and tradenames. The fair value determination for acquired intangible assets required management to make estimates and significant assumptions, including discount rates, revenue growth rates, and projected margins, which could be affected by future market and economic conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls addressing the risks of material misstatement relating to the valuation of certain acquired intangible assets. For example, we tested controls over management's review of the significant assumptions described above that were used in the valuation models.

To test the estimated fair value of the acquired intangible assets, we performed audit procedures that included, among others, assessing the fair value methodology used by the Company and testing the significant assumptions and the underlying data used by the Company in its analysis. We involved our valuation specialists to assist with the evaluation of the methodologies used by the Company and the significant assumptions included in the fair value estimates. We also evaluated the adequacy of the Company's disclosures to the consolidated financial statements in relation to these matters.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2008.

Grand Rapids, Michigan
February 28, 2023

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Perrigo Company plc is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

All systems of internal control, no matter how well designed, have inherent limitations. Therefore, even those systems deemed to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of inherent limitations, our internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2022. The framework used in carrying out our evaluation was the 2013 *Internal Control - Integrated Framework* published by the Committee of Sponsoring Organizations ("COSO") of the Treadway Commission. In evaluating our information technology controls, we also used components of the framework contained in the *Control Objectives for Information and Related Technology*, which was developed by the Information Systems Audit and Control Association's IT Governance Institute, as a complement to the COSO internal control framework. Management has concluded that our internal control over financial reporting was effective as of December 31, 2022. The results of management's assessment have been reviewed with our Audit Committee.

We acquired Héra SAS ("HRA Pharma") during the second quarter of 2022 and Nestlé's Gateway Infant Formula Plant and *GoodStart*® infant formula brand ("Gateway") during the fourth quarter of 2022 (refer to Item 8. Note 3). As permitted by Securities and Exchange Commission Staff interpretive guidance for newly acquired businesses, management excluded HRA Pharma and Gateway from its evaluation of internal control over financial reporting as of December 31, 2022. We are in the process of documenting and testing HRA Pharma's and Gateway's internal controls over financial reporting. We will incorporate HRA Pharma and Gateway into our annual report on internal control over financial reporting for our year ending December 31, 2023. As of December 31, 2022, HRA Pharma and Gateway net assets totaled $2.1 billion. HRA Pharma and Gateway contributed $236.3 million of net sales and $47.9 million of operating loss, inclusive of $99.3 million of cost of goods sold related to the acquisition step up to fair value on inventories sold and amortization related to intangible assets recognized on acquisition, in our Consolidated Statements of Operations for the year ended December 31, 2022.

Ernst & Young LLP, the independent registered public accounting firm that audited our financial statements included in this Annual Report on Form 10-K, also audited the effectiveness of our internal control over financial reporting, as stated in their report that is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Perrigo Company plc

Opinion on Internal Control Over Financial Reporting

We have audited Perrigo Company plc's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Perrigo Company plc (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on the COSO criteria.

As indicated in the accompanying Management's Annual Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Héra SAS ("HRA Pharma") and Nestlé's Gateway, which were included in the 2022 consolidated financial statements of the Company and constituted $2.1 billion of net assets as of December 31, 2022, and $236.3 million of net sales, and $47.9 million of operating loss for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of HRA Pharma and Nestlé's Gateway.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2022, and the related notes and our report dated February 28, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 28, 2023

PERRIGO COMPANY PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Net sales	$ 4,451.6	$ 4,138.7	$ 4,088.2
Cost of sales	2,996.2	2,722.5	2,593.3
Gross profit	1,455.4	1,416.2	1,494.9
Operating expenses			
Distribution	113.0	93.0	85.1
Research and development	123.1	122.0	121.7
Selling	584.8	536.4	545.5
Administration	512.3	482.0	478.5
Impairment charges	—	173.1	—
Restructuring	42.5	16.9	3.2
Other operating expense (income), net	0.8	(417.6)	(4.3)
Total operating expenses	1,376.5	1,005.8	1,229.7
Operating income	78.9	410.4	265.2
Change in financial assets	—	—	95.3
Interest expense, net	156.0	125.0	127.7
Other (income) expense, net	53.1	26.7	16.3
Loss on extinguishment of debt	8.9	—	20.0
Income (loss) from continuing operations before income taxes	(139.1)	258.7	5.9
Income tax expense (benefit)	(8.2)	389.6	(38.3)
Income (loss) from continuing operations	(130.9)	(130.9)	44.2
Income (loss) from discontinued operations, net of tax	(9.7)	62.0	(206.8)
Net income (loss)	$ (140.6)	$ (68.9)	$ (162.6)
Earnings (loss) per share			
Basic			
Continuing operations	$ (0.97)	$ (0.98)	$ 0.32
Discontinued operations	$ (0.07)	$ 0.46	$ (1.52)
Basic earnings per share	$ (1.04)	$ (0.52)	$ (1.20)
Diluted			
Continuing operations	$ (0.97)	$ (0.98)	$ 0.32
Discontinued operations	$ (0.07)	$ 0.46	$ (1.51)
Diluted earnings per share	$ (1.04)	$ (0.52)	$ (1.19)
Weighted-average shares outstanding			
Basic	134.5	133.6	136.1
Diluted	134.5	133.6	137.2

See accompanying Notes to Consolidated Financial Statements.

PERRIGO COMPANY PLC
CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)

	December 31, 2022	December 31, 2021
Assets		
Cash and cash equivalents	$ 600.7	$ 1,864.9
Accounts receivable, net of allowance for credit losses of $6.8 and $7.2, respectively	697.1	652.9
Inventories	1,150.3	1,020.2
Prepaid expenses and other current assets	271.8	305.8
Current assets held for sale	—	16.1
Total current assets	2,719.9	3,859.9
Property, plant and equipment, net	926.3	864.1
Operating lease assets	217.1	166.9
Goodwill and indefinite-lived intangible assets	3,549.0	3,004.7
Definite-lived intangible assets, net	3,230.2	2,146.1
Deferred income taxes	7.1	6.5
Other non-current assets	367.7	377.5
Total non-current assets	8,297.4	6,565.8
Total assets	$ 11,017.3	$ 10,425.7
Liabilities and Shareholders' Equity		
Accounts payable	$ 537.3	$ 411.2
Payroll and related taxes	136.4	118.5
Accrued customer programs	139.1	125.6
Other accrued liabilities	250.2	279.4
Accrued income taxes	14.4	16.5
Current indebtedness	36.2	603.8
Current liabilities held for sale	—	32.9
Total current liabilities	1,113.6	1,587.9
Long-term debt, less current portion	4,070.4	2,916.7
Deferred income taxes	368.2	239.3
Other non-current liabilities	623.0	530.1
Total non-current liabilities	5,061.6	3,686.1
Total liabilities	6,175.2	5,274.0
Contingencies - Refer to Note 19		
Shareholders' equity		
Controlling interests:		
Preferred shares, $0.0001 par value per share, 10 shares authorized	—	—
Ordinary shares, €0.001 par value per share, 10,000 shares authorized	6,936.7	7,043.2
Accumulated other comprehensive income	(27.0)	35.5
Retained earnings (accumulated deficit)	(2,067.6)	(1,927.0)
Total shareholders' equity	4,842.1	5,151.7
Total liabilities and shareholders' equity	$ 11,017.3	$ 10,425.7

Supplemental Disclosures of Balance Sheet Information

Preferred shares, issued and outstanding	—	—
Ordinary shares, issued and outstanding	134.7	133.8

See accompanying Notes to Consolidated Financial Statements.

PERRIGO COMPANY PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in millions)

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Net income (loss)	$ (140.6)	$ (68.9)	$ (162.6)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(126.0)	(339.9)	274.4
Change in fair value of derivative financial instruments[1]	46.5	(21.3)	(13.4)
Change in post-retirement and pension liability	17.0	1.7	(5.4)
Other comprehensive loss, net of tax	(62.5)	(359.5)	255.6
Comprehensive loss	$ (203.1)	$ (428.4)	$ 93.0

(1) Net of tax of $13.1 million, ($0.7) million and $1.1 million, respectively.

See accompanying Notes to Consolidated Financial Statements.

PERRIGO COMPANY PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Cash Flows From (For) Operating Activities			
Net income (loss)	$ (140.6)	$ (68.9)	$ (162.6)
Adjustments to derive cash flows:			
Depreciation and amortization	338.6	312.2	384.8
Gain on sale of business	—	(47.5)	20.9
Share-based compensation	54.9	60.1	58.5
Impairment charges	—	173.1	346.8
Change in financial assets	—	—	96.4
Foreign currency remeasurement loss	39.4	—	—
Restructuring charges	42.5	16.9	3.5
Deferred income taxes	(50.5)	9.4	(54.5)
Amortization of debt premium	(0.7)	(3.8)	(2.4)
Other non-cash adjustments, net	3.7	0.2	14.0
Subtotal	287.3	451.7	705.4
Increase (decrease) in cash due to:			
Accounts receivable	0.1	(159.7)	168.9
Inventories	(76.7)	(2.4)	(170.6)
Prepaid expenses	25.9	—	(12.3)
Accounts payable	100.3	(7.9)	(2.7)
Payroll and related taxes	(38.2)	(53.0)	10.8
Accrued customer programs	11.2	1.4	(43.3)
Accrued liabilities	10.1	(21.4)	(23.1)
Accrued income taxes	(47.9)	(47.7)	(7.0)
Other, net	35.2	(4.7)	10.1
Subtotal	20.0	(295.4)	(69.2)
Net cash from operating activities	307.3	156.3	636.2
Cash Flows From (For) Investing Activities			
Proceeds from royalty rights	3.3	3.8	4.1
Acquisitions of businesses, net of cash acquired	(2,011.4)	—	(168.5)
Purchase of equity method investment	—	—	(15.0)
Asset (acquisitions) sales, net	25.5	(70.6)	(35.2)
Settlement of acquisition and designated foreign currency derivatives	61.7	—	—
Additions to property, plant and equipment	(96.4)	(152.1)	(170.4)
Net proceeds from sale of businesses	58.7	1,491.9	187.8
Other investing, net	—	2.8	9.4
Net cash from (for) investing activities	(1,958.6)	1,275.8	(187.8)
Cash Flows From (For) Financing Activities			
Borrowings (repayments) of revolving credit agreements and other financing, net	(11.7)	(30.6)	(3.9)
Issuances of long-term debt	1,587.3	—	743.8
Payments on long-term debt	(958.9)	—	(590.0)
Deferred financing fees	(20.9)	—	(6.7)
Premiums on early debt retirement	—	—	(19.0)
Payments for debt issuance costs	(12.2)	—	—
Repurchase of ordinary shares	—	—	(164.2)
Cash dividends	(142.4)	(129.6)	(123.9)
Other financing, net	(19.6)	(18.5)	(17.2)
Net cash from (for) financing activities	421.6	(178.7)	(181.1)
Effect of exchange rate changes on cash and cash equivalents	(48.9)	(15.6)	19.9
Net increase (decrease) in cash and cash equivalents	(1,278.6)	1,237.8	287.2
Cash and cash equivalents of continuing operations, beginning of period	1,864.9	631.5	344.5
Cash and cash equivalents held for sale, beginning of period	14.4	10.0	9.8
Less cash and cash equivalents held for sale, end of period	—	(14.4)	(10.0)
Cash and cash equivalents of continuing operations, end of period	$ 600.7	$ 1,864.9	$ 631.5

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Supplemental Disclosures of Cash Flow Information			
Cash paid/received during the year for:			
Interest paid	$ 217.0	$ 133.0	$ 145.8
Interest received	$ 58.2	$ 8.0	$ 12.1
Income taxes paid	$ 100.2	$ 448.0	$ 81.2
Income taxes refunded	$ 3.4	$ 17.1	$ 38.3

See accompanying Notes to Consolidated Financial Statements.

PERRIGO COMPANY PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions, except per share amounts)

	Ordinary Shares Issued		Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total
	Shares	Amount			
Balance at December 31, 2019	136.1	$ 7,359.9	$ 139.4	$ (1,695.5)	$ 5,803.8
Net loss	—	—	—	(162.6)	(162.6)
Other comprehensive income (loss)	—	—	255.6	—	255.6
Issuance of ordinary shares under:					
Restricted stock plan	0.6	—	—	—	—
Compensation for stock options	—	2.0	—	—	2.0
Compensation for restricted stock	—	56.5	—	—	56.5
Cash dividends, $0.90 per share	—	(123.9)	—	—	(123.9)
Shares withheld for payment of employees' withholding tax liability	(0.2)	(10.7)	—	—	(10.7)
Repurchases of ordinary shares	(3.4)	(164.2)	—	—	(164.2)
Purchase of subsidiary's minority interest	—	(1.4)	—	—	(1.4)
Balance at December 31, 2020	133.1	7,118.2	395.0	(1,858.1)	5,655.1
Net loss	—	—	—	(68.9)	(68.9)
Other comprehensive income (loss)	—	—	(359.5)	—	(359.5)
Issuance of ordinary shares under:					
Restricted stock plan	1.0	—	—	—	—
Compensation for stock options	—	0.9	—	—	0.9
Compensation for restricted stock	—	66.9	—	—	66.9
Cash dividends, $0.96 per share	—	(129.6)	—	—	(129.6)
Shares withheld for payment of employees' withholding tax liability	(0.3)	(13.2)	—	—	(13.2)
Balance at December 31, 2021	133.8	7,043.2	35.5	(1,927.0)	5,151.7
Net loss	—	—	—	(140.6)	(140.6)
Other comprehensive income (loss)	—	—	(62.5)	—	(62.5)
Issuance of ordinary shares under:					
Restricted stock plan	1.4	—	—	—	—
Compensation for restricted stock	—	54.9	—	—	54.9
Cash dividends, $1.04 per share	—	(142.4)	—	—	(142.4)
Shares withheld for payment of employees' withholding tax liability	(0.5)	(19.0)	—	—	(19.0)
Balance at December 31, 2022	134.7	$ 6,936.7	$ (27.0)	$ (2,067.6)	$ 4,842.1

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

Perrigo Company plc was incorporated under the laws of Ireland on June 28, 2013 and became the successor registrant of Perrigo Company, a Michigan corporation, on December 18, 2013 in connection with the acquisition of Elan Corporation, plc ("Elan"). Unless the context requires otherwise, the terms "Perrigo," the "Company," "we," "our," "us," and similar pronouns used herein refer to Perrigo Company plc, its subsidiaries, and all predecessors of Perrigo Company plc and its subsidiaries.

We are a leading provider of over-the-counter ("OTC") health and wellness solutions that are designed to enhance individual well-being and empower consumers to proactively prevent or treat conditions that can be self-managed. Our vision is to *make lives better by bringing Quality, Affordable Self-Care Products that consumers trust everywhere they are sold*. We are headquartered in Ireland and sell our products primarily in North America and Europe as well as in other markets around the world.

Basis of Presentation

Our Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include our accounts and accounts of all majority-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform to the current period presentation. Our fiscal year begins on January 1 and ends on December 31. We end our quarterly accounting periods on the Saturday closest to the end of the calendar quarter, with the fourth quarter ending on December 31 of each year.

We have arrangements with certain companies that we determined to be variable interest entities ("VIEs"). We did not consolidate the VIEs in our financial statements as we lack the power to direct activities that most significantly impact their economic performance and thus are not considered the primary beneficiaries of these entities.

Segment Reporting

Our reporting and operating segments are as follows:

- **Consumer Self-Care Americas ("CSCA")** comprises our consumer self-care business in the U.S. and Canada. CSCA previously included our Latin American businesses until they were disposed on March 9, 2022.
- **Consumer Self-Care International ("CSCI")** comprises our consumer self-care business outside of the U.S. and Canada, primarily in Europe and Australia.

We previously had an Rx segment which was comprised of our generic prescription pharmaceuticals business in the U.S., and other pharmaceuticals and diagnostic business in Israel, which have been divested. Following the divestiture, there were no substantial assets or operations left in this segment. The Rx segment was reported as Discontinued Operations in 2021, and is presented as such for all periods in this report (refer to Note 4).

Our segments reflect the way in which our chief operating decision maker, who is our CEO, makes operating decisions, allocates resources and manages the growth and profitability of the Company. Financial information related to our business segments and geographic locations can be found in Note 2 and Note 20.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, which affect the reported earnings, financial position and various disclosures. These estimates are based on judgment and available information. Actual results could differ materially from the estimates.

Foreign Currency Translation and Transactions

We translate our non-U.S. dollar-denominated operations' assets and liabilities into U.S. dollars at current rates of exchange as of the balance sheet date and income and expense items at the average exchange rate for the reporting period. Translation adjustments resulting from exchange rate fluctuations are recorded in the cumulative translation account, a component of Accumulated other comprehensive income (loss) ("AOCI"). Gains or losses from foreign currency transactions are included in Other (income) expense, net.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of demand deposits and other short-term investments with maturities of three months or less at the date of purchase.

Allowance for Credit Losses

Expected credit losses on trade receivables and contract assets are measured collectively by geographic location. Historical credit loss experience provides the primary basis for estimation of expected credit losses and is adjusted for current conditions and for reasonable and supportable forecasts. Receivables that do not share risk characteristics are evaluated on an individual basis and are not included in the collective evaluation. The following table presents the allowance for credit losses activity (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Balance at beginning of period	$ 7.2	$ 6.5	$ 6.0
Provision for credit losses, net	3.2	4.0	2.3
Receivables written-off	(4.0)	(0.7)	(2.2)
Transfer to held for sale	—	(1.4)	—
Currency translation adjustment	0.4	(1.2)	0.4
Balance at end of period	$ 6.8	$ 7.2	$ 6.5

Trade receivables and contract assets are charged off against the allowance when the balance is no longer deemed collectible.

Inventories

Inventories are stated at the lower of cost or net realizable value using the first-in first-out method. Inventory related to research and development ("R&D") is expensed when it is determined the materials have no alternative future use. We maintain reserves for estimated obsolete or unmarketable inventory based on the difference between the cost of the inventory and its estimated net realizable value. Factors utilized in the determination of net realizable value include excess or slow-moving inventories, product expiration dating, products on quality hold, customer demand and market conditions.

Investments

Equity Method Investments

The equity method of accounting is used for unconsolidated entities over which we have significant influence; generally, this represents ownership interests of at least 20% and not more than 50%. Under the equity method of accounting, we record the investments at carrying value and adjust for a proportionate share of the profits and losses of these entities each period. We evaluate our equity method investments for recoverability. If we determine that a loss in the value of an investment is other than temporary, the investment is written down to its estimated fair value. Evaluations of recoverability are based primarily on projected cash flows.

Fair Value Method Investments

Equity investments in which we own less than a 20% interest and cannot exert significant influence are recorded at fair value with unrealized gains and losses included in net income. For equity investments without readily determinable fair values, we may use the Net Asset Value ("NAV") per share as a practical expedient to measure the fair value, if eligible. If the NAV practical expedient cannot be applied, we may elect to use a measurement

alternative until the investment's fair value becomes readily determinable. Under the alternative method, the equity investments are accounted for at cost, less any impairment, plus or minus changes resulting from observable price changes in an orderly transaction for an identical or similar investment of the same issuer.

Derivative Instruments

We recognize the entire change in the fair value of the derivatives designated as:

- Cash flow hedges in Other Comprehensive Income ("OCI"). The amounts recorded in OCI are reclassified to earnings in the same line item on the Consolidated Statements of Operations as impacted by the hedged item when the hedged item affects earnings;
- Fair value hedges in the same line item on the Consolidated Statements of Operations that is used to present the earnings effect of the hedged item; and
- Net investment hedges in OCI classified as a currency translation adjustment. The amounts recorded in OCI are reclassified to earnings when the net investment in foreign operations is sold or substantially liquidated.

We exclude option premiums, forward points, and cross-currency basis spread from our assessment of hedge effectiveness, as allowable excluded components from certain of our cash flow and net investment hedges. We have elected to recognize the initial value of the excluded component on a straight-line basis over the life of the derivative instrument, within the same line item on the Consolidated Statements of Operations that is used to present the earnings effect of the hedged item.

We record derivative instruments on the balance sheet on a gross basis as either an asset or liability measured at fair value (refer to Note 10). Changes in a derivative's fair value are measured at the end of each period and are recognized in earnings unless a derivative can be designated in a qualifying hedging relationship. All realized and unrealized gains and losses are included within operating activities in the Consolidated Statements of Cash Flows.

Designated derivatives meet hedge accounting criteria, which means the fair value of the hedge is recorded in shareholders' equity as a component of OCI, net of tax. The deferred gains and losses are recognized in income in the period in which the hedged item affects earnings. All of our designated derivatives are assessed for hedge effectiveness quarterly.

We also have economic non-designated derivatives that we have not elected hedge accounting. These derivative instruments are adjusted to current market value at the end of each period through earnings. Gains or losses on these instruments are offset substantially by the remeasurement adjustment on the related hedged item.

We are exposed to credit loss in the event of nonperformance by the counterparties on derivative contracts. We manage our credit risk on these transactions by dealing only with financial institutions that have short-term credit ratings of at least A-2/P-2 and long-term credit ratings of at least A-/A3, and by distributing the contracts among several financial institutions to diversify credit concentration risk. Should a counterparty default, our maximum exposure to loss is the asset balance of the instrument. The maximum term of our forward currency exchange contracts is 60 months.

We enter into certain derivative financial instruments, when available on a cost-effective basis, to mitigate our risk associated with changes in interest rates and foreign currency exchange rates as follows:

Interest rate risk management - We are exposed to the impact of interest rate changes through our cash investments and borrowings. We utilize a variety of strategies to manage the impact of changes in interest rates including using a mix of debt maturities along with both fixed-rate and variable-rate debt. In addition, we may enter into treasury-lock agreements and interest rate swap agreements on certain investing and borrowing transactions to manage our exposure to interest rate changes and our overall cost of borrowing.

Interest rate swap agreements are contracts to exchange floating rate for fixed rate payments (or vice versa) over the life of the agreement without the exchange of the underlying notional amounts. The notional amounts of the interest rate swap agreements are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The differential paid or received on the interest rate swap agreements is recognized as an adjustment to interest expense.

Foreign currency exchange risk management - We conduct business in several major currencies other than the U.S. dollar and are subject to risks associated with changing foreign exchange rates. Our objective is to reduce cash flow volatility associated with foreign exchange rate changes on a consolidated basis to allow management to focus its attention on business operations. Accordingly, we enter into various contracts that change in value as foreign exchange rates change to protect the value of existing foreign currency assets and liabilities, commitments, anticipated foreign currency sales and expenses, and net investments in foreign operations.

All derivative instruments are managed on a consolidated basis to efficiently net exposures and thus take advantage of any natural offsets. Gains and losses related to the derivative instruments are expected to be offset largely by gains and losses on the original underlying asset or liability. We do not use derivative financial instruments for speculative purposes.

The impact of gains and losses on foreign exchange contracts not designated as hedging instruments related to changes in the fair value of assets and liabilities denominated in foreign currencies are generally offset by net foreign exchange gains and losses, which are also included on the Consolidated Statements of Operations in Other (income) expense, net for all periods presented. When we enter into foreign exchange contracts not designated as hedging instruments to mitigate the impact of exchange rate volatility in the translation of foreign earnings, gains and losses will generally be offset by fluctuations in the U.S. dollar-translated amounts of each Income Statement account in current and/or future periods.

For more information on our derivatives, refer to Note 11.

Property, Plant and Equipment, net

Property, plant and equipment, net is recorded at cost and is depreciated using the straight-line method. We capitalize certain computer software and development costs, included in machinery and equipment, when incurred in connection with developing or obtaining computer software for internal use. Maintenance and repair costs are charged to earnings, while expenditures that increase asset lives are capitalized.

Leases

Lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. We evaluate arrangements at inception to determine if lease components are included. For new leases beginning January 1, 2019 or later, we have elected not to separate lease components from the non-lease components included in an arrangement when measuring the leased asset and leased liability for all asset classes.

Lease assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the balance sheet. We recognize lease expense for leases on a straight-line basis over the lease term. We apply the portfolio approach to certain groups of computer equipment and vehicle leases when the term, classification, and asset type are identical. The discount rate selected is the incremental borrowing rate we would obtain for a secured financing of the lease asset over a similar term.

Many of our leases include one or more options to extend the lease term. Certain leases also include options to terminate early or purchase the leased property, all of which are executed at our sole discretion. Optional periods may be included in the lease term and measured as part of the lease asset and lease liability if we are reasonably certain to exercise our right to use the leased asset during the optional periods. We generally consider renewal options to be reasonably certain of execution and included in the lease term when significant leasehold improvements have been made by us to the leased assets. The depreciable lives of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.

Certain of our lease agreements include contingent rental payments based on per unit usage over contractual levels (e.g., miles driven or machine hours used) and others include rental payments adjusted periodically for market reviews or inflationary indexes. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. For more information on our leases, refer to Note 8.

Goodwill and Intangible Assets

Goodwill represents amounts paid for an acquisition in excess of the fair value of net assets acquired. Goodwill is tested for impairment annually on the first day of our fourth quarter, or more frequently if changes in circumstances or the occurrence of events suggest an impairment exists. The test for impairment requires us to make several estimates about fair value, most of which are based on projected future cash flows and market valuation multiples. The estimates associated with the goodwill impairment tests include projected discounted future cash flows. We have three reporting units that are evaluated for impairment as of December 31, 2022.

Intangible assets are typically valued initially using the relief from royalty method or the multi-period excess earnings method ("MPEEM"). We test indefinite-lived trademarks, trade names, and brands for impairment annually, or more frequently if changes in circumstances or the occurrence of events suggest impairment exists, by comparing the carrying value of the assets to their estimated fair values. An impairment loss is recognized if the carrying amount of the asset exceeds its fair value. Definite-lived intangible assets are amortized on either a straight-line basis or proportionately to the benefits derived from those relationships or agreements. Useful lives vary by asset type and are determined based on the period over which the intangible asset is expected to contribute directly or indirectly to our future cash flows. We also review all other long-lived assets that have finite lives and that are not held for sale for impairment when indicators of impairment are evident by comparing the carrying value of the assets to their estimated future undiscounted cash flows.

In-process research and development ("IPR&D") assets are recognized at fair value and are classified as indefinite-lived assets until the successful completion or abandonment of the associated R&D efforts. If the associated R&D is completed, the IPR&D asset becomes a definite-lived intangible asset and is amortized over the asset's assigned useful life. If it is abandoned, an impairment loss is recorded.

Goodwill, indefinite-lived intangible asset, and definite-lived intangible asset impairments are recorded in Impairment charges on the Consolidated Statement of Operations. See Note 9 for further information on our goodwill and intangible assets.

Defined Benefit Plans

We operate a number of defined benefit plans for employees globally. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated periodically by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of either high quality corporate bonds or long term government bonds depending on the depth and liquidity of the high quality corporate bond market in the different geographies where we have pension liabilities. The bonds are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the related pension liability. As a result, annual updates related to discount rate and the expected rate of return on plan assets are among the most important elements of expense and liability measurement.

Actuarial gains and losses are recognized on the Consolidated Statement of Operations using the corridor method. Under the corridor method, to the extent that any cumulative unrecognized net actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognized over the expected average remaining working lives of the plan participants. Otherwise, the net actuarial gain or loss is recorded in OCI. We recognize the funded status of benefit plans on the Consolidated Balance Sheets. In addition, we recognize the gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net periodic pension cost of the period as a component of OCI (refer to Note 13).

Legal Contingencies

We are involved in product liability, patent, commercial, regulatory and other legal proceedings that arise in the normal course of business. We record a liability when a loss is considered probable and the amount can be reasonably estimated. If the reasonable estimate of a probable loss is a range and no amount within that range is a better estimate, the minimum amount in the range is accrued. If a loss is not probable or a probable loss cannot be reasonably estimated, no liability is recorded. We have established reserves for certain legal matters (refer to Note 19). We do not incorporate insurance recoveries into our reserves for legal contingencies. We separately record receivables for amounts due under insurance policies when we consider the realization of recoveries for claims to be probable, which may be different than the timing in which we establish the loss reserves.

Revenue

Product Revenue

Revenue is recognized when or as a customer obtains control of promised products. The amount of revenue recognized reflects the consideration we expect to be entitled to receive in exchange for these products. We generally recognize product revenue for our contract performance obligations at a point in time, typically upon shipment or delivery of products to customers. For point in time customers for which control transfers on delivery to the customer due to free on board destination terms ("FOB"), an adjustment is recorded to defer revenue recognition over an estimate of days until control transfers at the point of delivery. Where we recognize revenue at a point in time, the transfer of title is the primary indicator that control has transferred. In other limited instances, primarily relating to those contracts that relate to contract manufacturing performed for our customers and certain store branded products, control transfers as the product is manufactured. Control is deemed to transfer over time for these contracts as the product does not have an alternative use and we have a contractual right to payment for performance completed to date. Revenue for contract manufacturing contracts is recognized over the transfer period using an input method that measures progress towards completion of the performance obligation as costs are incurred. For store branded product revenue recognized over time, an output method is used to recognize revenue when production of a unit is completed because product customization occurs when the product is packaged as a finished good under the store brand label of the customer.

Net product sales include estimates of variable consideration for which accruals and allowances are established. Variable consideration for product sales consists primarily of rebates and other incentive programs recorded on the Consolidated Balance Sheets as Accrued customer programs. Where appropriate, these estimates take into consideration a range of possible outcomes in which relevant factors, such as historical experience, current contractual and statutory requirements, specific known market events and trends, industry data and forecasted customer buying and payment patterns, are either probability weighted to derive an estimate of expected value or the estimate reflects the single most likely outcome. Overall, these reserves reflect the estimates of the amount of consideration to which we are entitled based on the terms of the contract. Actual amounts of consideration ultimately received may differ from our estimates. If actual results in the future vary from the estimates, these estimates are adjusted, which would affect revenue and earnings in the period such variances become known.

Other Revenue Policies

We receive payments from our customers based on billing schedules established in each contract. Amounts are recorded as accounts receivable when our right to consideration is unconditional. In most cases, the timing of the unconditional right to payment aligns with shipment or delivery of the product and the recognition of revenue; however, for those customers where revenue is recognized at a time prior to shipment or delivery due to over time revenue recognition, a contract asset is recorded and is reclassified to accounts receivable when it becomes unconditional under the contract upon shipment or delivery to the customer.

Our performance obligations are generally expected to be fulfilled in less than one year. Therefore, we do not provide quantitative information about remaining performance obligations.

We do not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised products to the customer will be one year or less, which is the case with substantially all customers.

Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenue.

Shipping and handling costs billed to customers are included in Net sales. Conversely, shipping and handling expenses we incur are included in Cost of sales.

Share-Based Awards

We measure and record compensation expense for all share-based awards based on estimated grant date fair values. For awards with only service conditions that are based on graded vesting schedules, we recognize the compensation expense on a straight-line basis over the entire award. Forfeitures on share-based awards are recognized in compensation expense in the period in which they occur.

We estimate the fair value of stock option awards granted based on the Black-Scholes option pricing model, which requires the use of subjective and complex assumptions. These assumptions include estimating the expected term that awards granted are expected to be outstanding, the expected volatility of our stock price for a period commensurate with the expected term of the related options, and the risk-free rate with a maturity closest to the expected term of the related awards. Restricted stock and restricted stock units, both service based and performance based restricted share units, are valued based on our stock price on the day the awards are granted. The estimated fair value of outstanding Relative Total Shareholder Return performance units ("RTSR") is based on the grant date fair value of RTSR awards using a Monte Carlo simulation, which includes estimating the movement of stock prices and the effects of volatility, interest rates, and dividends (refer to Note 15).

Research and Development

All R&D costs, including payments related to products under development and research consulting agreements, are expensed as incurred. We incur costs throughout the development cycle, including costs for research, clinical trials, manufacturing validation, and other pre-commercialization approval costs that are included in R&D. We may continue to make non-refundable payments to third parties for new technologies and for R&D work that has been completed. These payments may be expensed at the time of payment depending on the nature of the payment made.

Advertising Costs

Advertising costs are included in Selling Operating expenses and shipping and handling costs billed to customers are included in Net sales. Costs relate primarily to print advertising, direct mail, online advertising, social media communications, and television advertising and are expensed as incurred. For the year ended December 31, 2022, 84% of advertising expense was attributable to our CSCI segment. Advertising costs were as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
	$ 119.3	$ 130.9	$ 130.5

Income Taxes

We record deferred income tax assets and liabilities on the balance sheet as noncurrent based upon the difference between the financial reporting and the tax reporting basis of assets and liabilities using the enacted tax rates. To the extent that available evidence raises doubt about the realization of a deferred income tax asset, a valuation allowance is established.

We have provided for income taxes for undistributed earnings of certain foreign subsidiaries which have not been deemed to be permanently reinvested. For those foreign subsidiaries we have deemed to be permanently reinvested, we have provided no further tax provision.

We record reserves for uncertain tax positions to the extent it is more likely than not the tax return position will be sustained on audit, based on the technical merits of the position. Periodic changes in reserves for uncertain tax positions are reflected in the provision for income taxes. We include interest and penalties attributable to uncertain tax positions and income taxes as a component of our income tax provision (refer to Note 18).

Earnings per Share ("EPS")

Basic EPS is calculated using the weighted-average number of ordinary shares outstanding during each period. It excludes both the dilutive effects of additional common shares that would have been outstanding if the shares issued under stock incentive plans had been exercised and the dilutive effect of restricted share units, to the extent those shares and units have not vested. Diluted EPS is calculated including the effects of shares and potential shares issued under stock incentive plans, following the treasury stock method.

Recent Accounting Standard Pronouncements

Below are recent Accounting Standard Updates ("ASU") that we are assessing to determine the effect on our Consolidated Financial Statements.

Standard	Description	Effective Date	Effect on the Financial Statements or Other Significant Matters
ASU 2021-08: Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers	This guidance amends ASC 805 to add contract assets and contract liabilities to the list of exceptions to the recognition and measurement principles that apply to business combinations and to require acquiring entities to apply Topic 606 to recognize and measure contract assets and contract liabilities in a business combination. Under current GAAP, an acquirer generally recognizes such items at fair value at acquisition date.	January 1, 2023	As of January 1, 2023 we adopted ASU 2021-8. We do not anticipate a material impact from applying the recognition and measurement principles of Topic 606 to contract assets or liabilities acquired as part of a business combination.

We do not believe that any other recently issued accounting standards could have a material effect on our Consolidated Financial Statements.

NOTE 2 - REVENUE RECOGNITION

We generated net sales in the following geographic locations[1] (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
U.S.	$ 2,870.0	$ 2,565.9	$ 2,579.0
Europe[2]	1,474.3	1,393.0	1,350.6
All other countries[3]	107.3	179.8	158.6
Total net sales	$ 4,451.6	$ 4,138.7	$ 4,088.2

(1) The net sales by geography is derived from the location of the entity that sells to a third party.
(2) Includes Ireland net sales of $29.3 million, $23.7 million, and $29.8 million for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively.
(3) Includes revenue generated primarily in Australia, Canada, and Mexico.

Product Category

As a result of the completed acquisition of *Héra SAS ("HRA Pharma")*, the Company updated its global reporting product categories. These product category updates have been adjusted retroactively to reflect the changes. Such changes have no impact on the Company's historical consolidated financial position, results of operations, or cash flows. The creation of a new "Women's Health" reporting category, comprised of the women's health portfolio of HRA Pharma, in addition to legacy Perrigo women's health products; the creation of a new "Skin Care" reporting category, comprised of all of the products in the legacy Perrigo "Skincare and Personal Hygiene" category, except for legacy Perrigo women's health products, and the skin care products of HRA Pharma; and the "Other" category in the CSCI segment includes the Rare Diseases business acquired with HRA Pharma.

The following is a summary of our net sales by category (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
CSCA[1]			
Upper Respiratory	$ 564.6	$ 483.1	$ 505.8
Nutrition	520.4	401.9	388.3
Digestive Health	495.5	475.1	471.3
Pain and Sleep-Aids	412.2	405.4	434.5
Oral Care	312.9	311.9	288.2
Healthy Lifestyle	288.9	295.0	350.3
Skin Care	187.8	183.7	167.4
Women's Health	45.2	38.2	35.3
Vitamins, Minerals, and Supplements ("VMS")	27.9	31.7	27.0
Other CSCA[2]	70.5	67.1	24.9
Total CSCA	2,925.9	2,693.1	2,693.0
CSCI			
Skin Care	432.2	378.3	302.1
Upper Respiratory	258.8	219.4	255.1
VMS	191.8	225.8	201.0
Pain and Sleep-Aids	183.0	184.8	190.4
Healthy Lifestyle	136.4	173.3	160.2
Women's Health	99.0	54.5	54.9
Oral Care	88.6	94.0	97.8
Digestive Health	21.5	25.6	26.5
Other CSCI[3]	114.4	89.9	107.2
Total CSCI	1,525.7	1,445.6	1,395.2
Total net sales	$ 4,451.6	$ 4,138.7	$ 4,088.2

(1) Includes net sales from OTC contract manufacturing products.
(2) Consists primarily of product sales and royalty income related to supply and distribution agreements and other miscellaneous or otherwise uncategorized product lines and markets, none of which is greater than 10% of the segment net sales.
(3) Consists primarily of our rare diseases business and other miscellaneous or otherwise uncategorized product lines, none of which is greater than 10% of the segment net sales. Our liquid licensed products business in the United Kingdom was included in this product category until it was divested on June 19, 2020.

While the majority of revenue is recognized at a point in time, certain of our product revenue is recognized on an over time basis. Predominately, over time customer contracts exist in contract manufacturing arrangements, which occur in both the CSCA and CSCI segments. Contract manufacturing revenue was $350.1 million, $299.7 million, and $261.4 million for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively.

We also recognize a portion of the store brand OTC product revenues in the CSCA segment on an over time basis; however, the timing difference between over time and point in time revenue recognition for store brand contracts is not significant due to the short time period between the customization of the product and shipment or delivery.

The following table provides information about contract assets from contracts with customers (in millions):

	Balance Sheet Location	December 31, 2022	December 31, 2021
Short-term contract assets	Prepaid expenses and other current assets	$ 41.5	$ 40.2

NOTE 3 - ACQUISITIONS AND DIVESTITURES

Acquisitions During the Year Ended December 31, 2022

HRA Pharma

On April 29, 2022, we completed the previously announced acquisition of 100% of the outstanding equity interest in HRA Pharma for total consideration of €1.8 billion, or approximately $1.9 billion. We funded the transaction with cash on hand and borrowings under our New Senior Secured Credit Facilities (as defined in Note 12).

HRA Pharma is a self-care based company with consumer brands such as *Compeed*®, *ellaOne*® and *Mederma*®, as well as a trusted rare disease portfolio. The acquisition completed our transformation to a consumer self-care company. HRA Pharma's operations are reported in both our CSCA and CSCI segments.

The acquisition of HRA Pharma was accounted for as a business combination and has been reported in our Consolidated Statements of Operations as of the acquisition date. From April 29, 2022 through December 31, 2022, HRA Pharma generated net sales of $193.6 million and a net operating loss of $59.4 million, inclusive of $23.8 million of cost of goods sold related to the acquisition step up to fair value on inventories sold and $67.6 million of amortization related to intangible assets recognized on acquisition.

During the twelve months ended December 31, 2022, we incurred $46.9 million of transaction costs related to the acquisition (legal, banking and other professional fees). The amounts were recorded in Administration expense and were not allocated to an operating segment.

We are in the process of finalizing the valuation for the assets. As a result, the initial accounting for the acquisition is incomplete. The provisional acquisition amounts recognized for assets acquired will be finalized as soon as possible but no later than one year from the acquisition date. The final determination may result in asset fair values and tax bases that differ from the preliminary estimates and require changes to the preliminary amounts recognized.

The following table summarizes the consideration paid for HRA Pharma and the provisional amounts of the assets acquired and liabilities assumed (in millions):

		HRA Pharma
Purchase Price	$	1,945.6
Assets Acquired		
Cash and cash equivalents	$	44.2
Accounts receivable		78.1
Inventories		48.3
Prepaid expenses and other current assets		16.6
Property, plant and equipment		4.6
Operating lease assets		9.7
Goodwill		559.5
Definite-lived intangible assets		
Trademarks and trade names		1,124.0
Developed product technology		185.1
Distribution networks		84.4
Indefinite lived intangibles		
In-process research and development		52.7
Total intangible assets		1,446.2
Deferred income taxes		12.4
Other non-current assets		0.8
Total assets		2,220.4
Liabilities assumed		
Accounts payable		43.4
Payroll and related taxes		16.1
Accrued customer programs		9.0
Other accrued liabilities		8.9
Accrued income taxes		0.5
Deferred income taxes		186.2
Other non-current liabilities		10.6
Total liabilities		274.7
Non-Controlling Interest		0.1
Net Assets Acquired	$	1,945.6

We recorded the preliminary purchase price allocation in the second quarter of 2022. During the third quarter of 2022, we recorded measurement period adjustments resulting in an increase to goodwill of $1.9 million, which consisted of a $1.2 million decrease in inventory, $1.1 million increase in net deferred income tax liabilities, and a net increase of $0.7 million to other liabilities, partially offset by a $1.1 million decrease in accounts payable.

During the fourth quarter of 2022, we made measurement period adjustments, which consisted of a $68.7 million increase to definite-lived intangibles, a $10.6 million decrease to indefinite-lived intangibles, a $11.0 million increase to Inventories, a $4.6 million decrease to Accrued income tax and a $15.1 million increase to net Deferred tax liabilities offset by a decrease to Goodwill of $58.6 million. Additionally, reclassifications between Accrued income taxes, Other accrued liabilities, Prepaid expense and other current assets, and Deferred income tax assets were made to reflect the proper gross jurisdictional tax presentation. Current period earnings adjustments of $10.2 million to Cost of sales and $1.4 million to Selling were recorded within the fourth quarter that would have been recognized as of the third quarter if the measurement period adjustments to the provisional opening balance sheet were reflected as of the acquisition date.

Goodwill of $559.5 million arising from the acquisition consists largely of the anticipated growth from new product sales, sales to new customers, HRA Pharma's assembled workforce, and the synergies expected from combining the operations of Perrigo and HRA Pharma. Goodwill of $141.7 million and $417.8 million was allocated to our CSCA and CSCI segments, respectively, none of which is deductible for income tax purposes. The definite-lived intangible assets acquired consist of trademarks and trade names, developed product technologies, and distribution networks. Trademarks and trade names were assigned useful lives of 20 years. Developed product technologies were assigned 8 to 18-year useful lives. Distribution networks were assigned useful lives ranging from 2 to 21-years reflecting the intent to integrate certain external distributors and sales forces within the CSCI segment. Trademarks and trade names, developed product technology, and IPR&D were valued using the multi-period excess earnings method. Significant judgment was applied in estimating the fair value of the intangible assets acquired, which involved the use of significant estimates and assumptions with respect to the timing and amounts of cash flow projections, including revenue growth rates, projected profit margins, and discount rates.

Nestlé's Gateway Infant Formula Plant and GoodStart® infant formula brand Acquisition

On November 1, 2022, we purchased Nestlé's Gateway infant formula plant in Eau Claire, Wisconsin, along with the U.S. and Canadian rights to the *GoodStart®* infant formula brand ("Gateway"), for $110.0 million in cash, subject to customary post-closing adjustments. The acquisition was accounted for as a business combination and operating results attributable to the products are included in our CSCA segment in the Nutrition product category. This purchase was the first major initiative in our recently announced Supply Chain Reinvention Program and is expected to strengthen and expand our U.S. infant formula manufacturing capabilities.

During the year ended December 31, 2022, we incurred $4.9 million of general transaction costs (legal, banking and other professional fees). The amounts were recorded in Administration expense within the CSCA segment.

From November 1, 2022 through December 31, 2022 the acquisition generated net sales of $42.7 million and operating income of $11.5 million, which included $7.9 million of inventory costs stepped up to acquisition date fair value.

We are in the process of finalizing the valuation for the assets. As a result, the initial accounting for the acquisition is incomplete. The provisional acquisition amounts recognized for assets acquired will be finalized as soon as possible but no later than one year from the acquisition date. The final determination may result in asset fair values and tax bases that differ from the preliminary estimates and require changes to the preliminary amounts recognized.

The following table summarizes the consideration paid and provisional amounts of the assets acquired (in millions):

		Gateway
Purchase price paid	$	110.0
Assets acquired:		
Inventories	$	29.8
Property, plant and equipment		61.5
Distribution and license agreements and supply agreements		14.0
Customer relationships and distribution networks		4.7
Total intangible assets	$	18.7
Net assets acquired	$	110.0

The definite-lived intangible assets acquired consisted of license agreements, and customer relationships which are being amortized over a weighted average useful life of 13.3 years. Customer relationships were valued using the multi-period excess earnings method and the licensing agreement was valued using the Relief from Royalty Method. Significant judgment was applied in estimating the fair value of the intangible assets acquired, which involved the use of significant estimates and assumptions with respect to the timing and amounts of cash flow projections, including revenue growth rates, projected profit margins, and discount rates.

Acquisitions During the Year Ended December 31, 2020

Eastern European OTC Dermatological Brands Acquisition

On October 30, 2020, we acquired three Eastern European OTC dermatological brands ("Eastern European Brands"), skin care brands *Emolium*®, *Iwostin*®, and hair loss treatment brand *Loxon*® from Sanofi. The transaction closed for €53.3 million ($62.3 million). We capitalized $52.5 million as brand-named intangible assets and allocated the remainder of the purchase price to goodwill, inventory, customer relationships and deferred tax assets.

The addition of these market-leading OTC brands complements our already robust Skin Care product portfolio and adds scale to our Eastern European business. The acquisition also serves as another step for our CSCI growth plan and provides new opportunities for self-care revenue synergy in the European markets. The operating results of the brands are reported within our CSCI segment. The acquisition of the Eastern European Brands was accounted for as a business combination and has been reported in our Consolidated Statements of Operations as of the acquisition date.

The goodwill arising from the acquisition consists largely of the assembled workforce, and the cost and revenue synergies expected from integrating the business into the CSCI segment. The goodwill was allocated to our CSCI segment, none of which is deductible for income tax purposes. The definite-lived intangible assets acquired consisted of brands and customer relationships which are being amortized over a weighted average useful life of approximately 18.8 years. Both the brands and customer relationships were valued using the multi-period excess earnings method. Significant judgment was applied in estimating the fair value of the intangible assets acquired, which involved the use of significant estimates and assumptions with respect to the timing and amounts of cash flow projections, including revenue growth rates, projected profit margins, and discount rates.

Oral Care Assets of High Ridge Brands

On April 1, 2020, we acquired the oral care assets of High Ridge Brands ("Dr. Fresh") for total purchase consideration of $113.0 million, subject to customary post-closing adjustments, including a working capital settlement. After post-closing adjustments as of December 31, 2020, total cash consideration paid was $106.2 million, net of $2.0 million that we allocated as prepayment of contract consideration for transitional services received related to the transaction.

This acquisition includes the children's oral care value brand, *Firefly*®, in addition to the *REACH*® and *Dr. Fresh*® brands, and a licensing portfolio. The U.S. operations, which represent a significant portion of the business, are reported in our CSCA segment and the remaining non-U.S. operations are reported in our CSCI segment.

During the year ended December 31, 2020, we incurred $4.4 million of general transaction costs (legal, banking and other professional fees). The amounts were recorded in Administration expenses within the CSCA segment.

The acquisition of Dr. Fresh was accounted for as a business combination and has been reported in our Consolidated Statements of Operations as of the acquisition date. From April 1, 2020 through December 31, 2020, the acquisition generated Net sales of $72.3 million and pre-tax income of $2.1 million, which included $2.0 million related to inventory costs stepped up to acquisition date fair value.

The following table summarizes the consideration paid for Dr. Fresh and the amounts of the assets acquired and liabilities assumed (in millions):

	Oral Care Assets of High Ridge Brands (Dr. Fresh)
Purchase price paid	$ 106.2
Assets acquired:	
Accounts receivable	$ 13.1
Inventories	22.2
Prepaid expenses and other current assets	0.4
Property, plant and equipment, net	0.7
Operating lease assets	2.6
Goodwill	17.2
Distribution and license agreements and supply agreements	2.2
Developed product technology, formulations, and product rights	0.1
Customer relationships and distribution networks	20.6
Trademarks, trade names, and brands	43.2
Total intangible assets	$ 66.1
Total assets	$ 122.3
Liabilities assumed:	
Accounts payable	$ 6.1
Other accrued liabilities	3.8
Payroll and related taxes	0.7
Accrued customer programs	3.0
Other non-current liabilities	2.5
Total liabilities	$ 16.1
Net assets acquired	$ 106.2

The goodwill of $17.2 million arising from the acquisition consists largely of the anticipated growth from new product sales, sales to new customers, the assembled workforce, and the synergies expected from combining the operations of Dr. Fresh into Perrigo. The goodwill is attributable to our CSCA segment and is tax deductible for income tax purposes. The definite-lived intangible assets acquired consisted of trademarks and trade names, license agreements, and customer relationships which are being amortized over a weighted average useful life of approximately 17.8 years. Customer relationships were valued using the multi-period excess earnings method. Trademarks and trade names and developed technology were valued using the relief from royalty method. Significant judgment was applied in estimating the fair value of the intangible assets acquired, which involved the use of significant estimates and assumptions with respect to the timing and amounts of cash flow projections, including revenue growth rates, projected profit margins, and discount rates.

Dexsil®

On February 13, 2020, we acquired *Dexsil®*, a silicon supplement brand, from RXW Group NV, for total cash consideration paid of approximately $8.0 million. The transaction was accounted for as an asset acquisition, in which we capitalized the consideration paid as a brand-named intangible asset. We began amortizing the brand intangible over a 25-year useful life. Operating results attributable to the product are included within our CSCI segment.

Steripod®

On January 3, 2020, we acquired *Steripod®*, a leading toothbrush accessory brand and innovator in the toothbrush protector market, from Bonfit America Inc. Total consideration paid was $26.0 million. The transaction was accounted for as an asset acquisition, in which we capitalized $25.1 million as a brand-named intangible asset. The remainder of the purchase price was allocated to working capital. We began amortizing the brand intangible over a 25-year useful life. Operating results attributable to the product are included within our CSCA segment in the Oral Care product category.

Pro Forma Impact of Business Combinations

Pro forma information has been prepared as if the HRA Pharma and Gateway acquisitions had occurred on January 1, 2022 and the acquisition of Dr. Fresh and the Eastern European brands occurred on January 1, 2020. The following table presents the unaudited pro forma information as if the acquisitions had been combined with the results reported in our Consolidated Statements of Operations for all periods presented (in millions):

	Year Ended		
(Unaudited)	December 31, 2022	December 31, 2021	December 31, 2020
Net sales	$ 4,745.9	$ 4,592.3	$ 4,136.5
Income from continuing operations	$ (13.0)	$ (262.4)	$ 58.2

The unaudited pro forma information is presented for information purposes only and is not indicative of the results that would have been achieved if the acquisition had taken place at such time. The unaudited pro forma information presented above includes adjustments primarily for amortization charges for acquired intangible assets, incremental financing costs, certain acquisition-related charges, and related tax effects.

Divestitures During the Year Ended December 31, 2022

Latin American businesses

On March 9, 2022, we completed the sale of our Mexico and Brazil-based OTC businesses ("Latin American businesses"), both within our CSCA segment, to Advent International for total consideration of $23.9 million, consisting of $5.4 million in cash, installment receivables due 12 and 18 months from completion totaling $11.3 million based on the Mexican peso exchange rate at the time of sale, and contingent consideration of $7.2 million based on the Brazilian real exchange rate at the time of sale. The sale resulted in a pre-tax loss of $1.4 million, net of professional fees, recorded in Other operating expense, net on the Condensed Statements of Operations.

The assets and liabilities held for sale related to the Latin American businesses were reported within our CSCA segment as Current assets held for sale and Current liabilities held for sale on the Consolidated Balance Sheets at December 31, 2021. Net of impairment charges, the assets and liabilities of the Latin American businesses reported as held for sale as of December 31, 2021 totaled $16.1 million and $32.9 million, respectively.

At July 3, 2021, we determined the carrying value of the net assets held for sale of this business exceeded their fair value less cost to sell, resulting in an impairment charge of $152.5 million. At December 31, 2021 and October 2, 2021 we recorded additional impairment charge of $1.0 million and $2.6 million, respectively resulting in a total impairment charge of $156.1 million. We also recorded a goodwill impairment charge of $6.1 million within our CSCA segment, resulting in a total impairment charge of $162.2 million.

ScarAway®

On March 24, 2022, we completed the sale of *ScarAway®*, a leading U.S. OTC scar management brand, to Alliance Pharmaceuticals Ltd. for cash consideration of $20.7 million. The sale resulted in a pre-tax gain of $3.6 million recorded in our CSCA segment in Other operating expense, net on the Condensed Statements of Operations.

Divestitures During the Year Ended December 31, 2021

Rx business

Refer to Note 4 - Discontinued Operations for details on the sale of the Rx business.

Divestitures During the Year Ended December 31, 2020

Rosemont Pharmaceuticals Business

On June 19, 2020, we completed the sale of our U.K.-based Rosemont Pharmaceuticals business, a generic prescription pharmaceuticals manufacturer focused on liquid medicines, to a U.K.-headquartered private equity firm for cash consideration of £155.6 million (approximately $195.0 million). The sale resulted in a pre-tax loss of $21.1 million recorded in our CSCI segment in Other (income) expense, net on the Consolidated Statements of Operations. The charge included professional fees and a $46.4 million write-off of foreign currency translation adjustment from Accumulated other comprehensive income.

NOTE 4 - DISCONTINUED OPERATIONS

Our discontinued operations primarily consist of our former Rx segment, which held our prescription pharmaceuticals business in the U.S. and our pharmaceuticals and diagnostic businesses in Israel (collectively, the "Rx business"). The Rx business met the criteria to be classified as a discontinued operation in 2021 and, as a result, its historical financial results are reflected in our consolidated financial statements as such. There were no balance sheet amounts related to discontinued operations at either balance sheet date presented.

On July 6, 2021, we completed the sale of the Rx business to Altaris Capital Partners, LLC ("Altaris") for aggregate consideration of $1.55 billion. The consideration included a $53.3 million reimbursement related to an Abbreviated New Drug Applications ("ANDAs") for a generic topical lotion which was received in 2022. The sale resulted in a pre-tax gain, net of professional fees, of $47.5 million recorded in Other (income) expense, net on the Statement of Operations for discontinued operations. The gain included a $159.3 million increase from the write-off of foreign currency translation adjustment from Accumulated other comprehensive income. The transaction gain was subject to final settlements under the Agreement, which were finalized in the first quarter of 2022 with no change to the gain reported.

During the year ended December 31, 2021, we incurred $40.8 million of separation costs related to the sale of the Rx business. We incurred no such costs in 2022. The costs incurred included selling costs, which were reported in gain on discontinued operations before tax as part of the gain on sale of the Rx business. Separation costs incurred in prior periods were included in administration expenses.

Under the terms of the agreement, we provided transition services which were substantially completed as of the end of the third quarter of 2022. We also entered into reciprocal supply agreements pursuant to which Perrigo will supply certain products to the Rx business and the Rx business will supply certain products to Perrigo. The supply agreements have a term of four years, extendable up to seven years by the party who is the purchaser of the products under such agreement. We also extended distribution rights to the Rx business for certain OTC products owned and manufactured by Perrigo that may be fulfilled through pharmacy channels, in return for a share of the net profits. The following table summarizes the results of the transition service agreement ("TSA") and supply agreements:

		Year Ended	
	Financial Statement Location	**December 31, 2022**	**December 31, 2021**
TSA income recognized	Administration expense	$ 10.3	$ 7.2
TSA income collected	Administration expense	$ 8.9	$ 3.6
Product & Royalty sales recognized	Net sales	$ 124.2	$ 60.6
Product & Royalty sales collected	Net sales	$ 105.7	$ 28.7
Purchases	Inventory	$ 55.9	$ 18.4
Inventory payments	Inventory	$ 51.4	$ 12.0

In the transaction, Perrigo retained certain pre-closing liabilities arising out of antitrust (refer to Note 19 - Contingencies under the header "Price-Fixing Lawsuits") and opioid matters and the Company's Albuterol recall, subject to, in each case, the buyer's obligation to indemnify the Company for fifty percent of these liabilities up to an aggregate cap on the buyer's obligation of $50.0 million. We have not requested payments from the buyer related to the indemnity of these liabilities as of December 31, 2022.

Income (loss) from discontinued operations, net of tax was as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Net sales	$ —	$ 405.1	$ 975.0
Cost of sales	—	258.4	645.1
Gross profit	—	146.7	329.9
Operating expenses			
Distribution	—	6.1	15.2
Research and development	—	30.8	54.8
Selling	—	16.3	30.1
Administration	4.6	36.4	31.8
Impairment charges	—	—	346.8
Restructuring	—	—	0.3
Other operating expense (income)	—	(0.4)	0.7
Total operating expenses	4.6	89.2	479.7
Operating income (loss)	(4.6)	57.5	(149.8)
Interest expense, net	—	0.8	3.5
Other (income) expense, net	—	(1.6)	2.0
Income (loss) from discontinued operations before tax	(4.6)	58.3	(155.3)
Gain on disposal of discontinued operations before tax	—	(47.5)	—
Income (loss) before income taxes	(4.6)	105.8	(155.3)
Income tax expense	5.1	43.8	51.5
Income (loss), net of tax	$ (9.7)	$ 62.0	$ (206.8)

Select cash flow information related to discontinued operations was as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Cash flows from discontinued operations operating activities:			
Depreciation and amortization	$ —	$ 15.4	$ 97.0
Restructuring charges	—	—	0.3
Impairment charges	—	—	346.8
Share-based compensation	—	10.8	5.2
Gain on sale of business	—	(47.5)	—
Cash flows from discontinued operations investing activities:			
Asset acquisitions	$ —	$ (69.7)	$ 0.9
Additions to property, plant and equipment	—	(16.1)	10.2
Net proceeds from sale of business	53.3	1,491.9	—

Asset acquisitions related to discontinued operations consisted of two Abbreviated ANDAs purchased under a contractual arrangement. On December 31, 2020, we purchased an ANDA for a generic topical gel for $16.4 million, which was subsequently paid during the three months ended April 3, 2021 and on March 8, 2021, we purchased an ANDA for a generic topical lotion for $53.3 million which was subsequently paid during the three months ended April 2, 2022. These ANDAs were acquired by Altaris as part of the Rx business sale.

NOTE 5 - INVENTORIES

Major components of inventory were as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Finished goods	$ 620.3	$ 549.2
Work in process	262.2	251.9
Raw materials	267.8	219.1
Total inventories	$ 1,150.3	$ 1,020.2

NOTE 6 - INVESTMENTS

The following table summarizes the measurement category, balance sheet location, and balances of our equity securities (in millions):

		Year Ended	
Measurement Category	Balance Sheet Location	December 31, 2022	December 31, 2021
Fair value method	Prepaid expenses and other current assets	$ 0.1	$ 0.4
Fair value method[1]	Other non-current assets	$ 1.7	$ 1.8
Equity method	Other non-current assets	$ 63.4	$ 66.4

(1) Measured at fair value using the Net Asset Value practical expedient.

The following table summarizes the expense (income) recognized in earnings of our equity securities (in millions):

		Year Ended		
Measurement Category	Income Statement Location	December 31, 2022	December 31, 2021	December 31, 2020
Fair value method	Other (income) expense, net	$ 0.4	$ 2.0	$ 3.0
Equity method	Other (income) expense, net	$ 1.5	$ 1.1	$ (3.0)

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT, NET

We held the following property, plant and equipment, net (in millions):

	Useful life range	December 31, 2022	December 31, 2021
Land	—	$ 51.6	$ 51.3
Buildings	10 to 45 years	593.0	537.6
Machinery, equipment and software	3 to 10 years	1,271.7	1,186.8
Gross property, plant and equipment		1,916.3	1,775.7
Less: accumulated depreciation		(990.0)	(911.6)
Property, plant and equipment, net		$ 926.3	$ 864.1

We recorded a $4.6 million charge on disposed assets during the year ended December 31, 2022. Depreciation expense includes amortization of assets recorded under finance leases and totaled $86.2 million, $86.8 million, and $75.6 million for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively.

NOTE 8 - LEASES

We lease certain assets, principally warehouse facilities and computer equipment, under agreements that expire at various dates through the year ended December 31, 2040. Certain leases contain provisions for renewal and purchase options and require us to pay various related expenses. Rent expense under all leases was $49.6 million, $44.5 million, and $41.7 million for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively.

The balance sheet locations of our lease assets and liabilities were as follows (in millions):

Assets	Balance Sheet Location	December 31, 2022	December 31, 2021
Operating	Operating lease assets	$ 217.1	$ 166.9
Finance	Other non-current assets	22.0	27.9
Total		$ 239.1	$ 194.8

Liabilities	Balance Sheet Location	December 31, 2022	December 31, 2021
Current			
Operating	Other accrued liabilities	$ 28.4	$ 26.0
Finance	Current indebtedness	3.3	4.9
Non-Current			
Operating	Other non-current liabilities	189.5	147.3
Finance	Long-term debt, less current portion	17.4	20.9
Total		$ 238.6	$ 199.1

The below tables show our lease assets and liabilities by reporting segment (in millions):

	Assets			
	Operating		Financing	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
CSCA	$ 100.5	$ 98.2	$ 13.8	$ 15.3
CSCI	49.5	30.7	6.6	7.9
Unallocated	67.1	38.0	1.6	4.7
Total	$ 217.1	$ 166.9	$ 22.0	$ 27.9

	Liabilities			
	Operating		Financing	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
CSCA	$ 102.2	$ 99.7	$ 14.9	$ 16.0
CSCI	51.7	31.8	4.1	5.0
Unallocated	64.0	41.8	1.7	4.8
Total	$ 217.9	$ 173.3	$ 20.7	$ 25.8

Lease expense was as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Operating leases[1]	$ 44.2	$ 38.6	$ 37.3
Finance leases			
Amortization	$ 5.4	$ 5.9	$ 4.4
Interest	0.7	0.8	0.8
Total finance leases	$ 6.1	$ 6.7	$ 5.2

(1) Includes short-term leases and variable lease costs, which are immaterial.

The annual future maturities of our leases as of December 31, 2022 are as follows (in millions):

	Operating Leases	Finance Leases	Total
2023	$ 33.0	$ 3.8	$ 36.8
2024	28.9	2.4	31.3
2025	27.0	2.2	29.2
2026	22.0	2.0	24.0
2027	21.4	2.1	23.5
After 2027	117.5	11.6	129.1
Total lease payments	249.8	24.1	273.9
Less: Interest	31.9	3.4	35.3
Present value of lease liabilities	$ 217.9	$ 20.7	$ 238.6

Our weighted average lease terms and discount rates are as follows:

	December 31, 2022	December 31, 2021
Weighted-average remaining lease term (in years)		
Operating leases	10.97	11.43
Finance leases	9.47	9.23
Weighted-average discount rate		
Operating leases	2.48 %	2.63 %
Finance leases	2.92 %	2.79 %

Our lease cash flow classifications are as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	$ 39.3	$ 33.5
Operating cash flows for finance leases	$ 0.7	$ 0.8
Financing cash flows for finance leases	$ 4.9	$ 5.3
Leased assets obtained in exchange for new finance lease liabilities	$ —	$ 4.6
Leased assets obtained in exchange for new operating lease liabilities	$ 73.9	$ 48.8

NOTE 9 - GOODWILL AND INTANGIBLE ASSETS

Changes in the carrying amount of goodwill, by reportable segment, were as follows (in millions):

	CSCA[1]	CSCI[2]	Total
Balance at December 31, 2020	$ 1,905.0	$ 1,190.7	$ 3,095.7
Impairments	(6.1)	(10.0)	(16.1)
Currency translation adjustments	1.1	(81.3)	(80.2)
Purchase accounting adjustments	2.4	(2.4)	—
Balance at December 31, 2021	1,902.4	1,097.0	2,999.4
Business acquisitions	141.7	417.8	559.5
Currency translation adjustments	0.3	(68.8)	(68.5)
Balance at December 31, 2022	$ 2,044.4	$ 1,446.0	$ 3,490.4

(1) We had accumulated goodwill impairments of $6.1 million as of December 31, 2022.
(2) We had accumulated goodwill impairments of $878.4 million as of December 31, 2022 and December 31, 2021.

As of December 31, 2022, we have three reporting units. Our CSCA operating segment is equivalent to our CSCA reporting unit. Our CSCI operating segment includes two reporting units, CSCI and Rare Diseases.

During the three months ended December 31, 2021, we reorganized the reporting structure within our CSCI segment following the integration of our reporting units into a new operating structure. The goodwill previously included in the Oral Care International, CSC UK and Australia, and BCS reporting units were combined into a then single CSCI reporting unit. Impairment tests were performed for the legacy reporting units prior to the reorganization and for the CSCI reporting unit immediately after the reorganization.

In conjunction with our 2021 annual impairment test, during the three months ended December 31, 2021, we recorded an impairment charge in our Oral Care International reporting unit within our CSCI segment of $10.0 million. The change in fair value from previous estimates was driven by reduced projections of future cash flows resulting from increased costs throughout the global supply chain (refer to Note 10).

Intangible Assets

Intangible assets and the related accumulated amortization consisted of the following (in millions):

	Year Ended			
	December 31, 2022		December 31, 2021	
	Gross	Accumulated Amortization	Gross	Accumulated Amortization
Indefinite-lived intangibles: [1]				
Trademarks, trade names, and brands	$ 3.2	$ —	$ 3.5	$ —
In-process research and development	55.4	—	1.8	—
Total indefinite-lived intangibles	$ 58.6	$ —	$ 5.3	$ —
Definite-lived intangibles:				
Distribution and license agreements and supply agreements	$ 94.9	$ 58.1	$ 73.2	$ 56.9
Developed product technology, formulations, and product rights	484.8	211.8	300.2	191.4
Customer relationships and distribution networks	1,825.1	965.9	1,820.7	887.8
Trademarks, trade names, and brands	2,542.2	481.0	1,482.3	394.2
Non-compete agreements	2.0	2.0	2.1	2.1
Total definite-lived intangibles	$ 4,949.0	$ 1,718.8	$ 3,678.5	$ 1,532.4
Total intangible assets	$ 5,007.6	$ 1,718.8	$ 3,683.8	$ 1,532.4

(1) Certain intangible assets are denominated in currencies other than U.S. dollar; therefore, their gross and net carrying values are subject to foreign currency movements.

On March 17, 2022, we announced that we received final approval from the U.S. Food and Drug Administration for the over-the-counter use of *Nasonex®24HR* Allergy (mometasone furoate monohydrate 50mcg). The approval triggered a $10.0 million milestone payment to the licensor, which was made in the second quarter of 2022 and capitalized as a definite-lived intangible asset.

We recorded an impairment charge of $0.9 million on certain IPR&D assets during the year ended December 31, 2021 due to changes in the projected development and regulatory timelines for various projects. We did not record any impairment charges in 2022 or 2020.

The remaining weighted-average useful life for our amortizable intangible assets by asset class at December 31, 2022 was as follows:

Amortizable Intangible Asset Category	Remaining Weighted-Average Useful Life (Years)
Distribution and license agreements and supply agreements	14
Developed product technology, formulations, and product rights	14
Customer relationships and distribution networks	14
Trademarks, trade names, and brands	17

We recorded amortization expense of $252.4 million, $210.0 million, and $212.2 million during the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively.

Our estimated future amortization expense is as follows (in millions):

Year	Amount
2023	$ 275.8
2024	238.0
2025	231.4
2026	223.8
2027	218.3
Thereafter	2,042.9

NOTE 10 - FAIR VALUE MEASUREMENTS

Fair value is the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following fair value hierarchy is used in selecting inputs, with the highest priority given to Level 1, as these are the most transparent or reliable.

- Level 1: Quoted prices for identical instruments in active markets.
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets.
- Level 3: Valuations derived from techniques in which one or more significant inputs are not observable.

The table below summarizes the valuation of our financial instruments carried at fair value by the above pricing categories (in millions):

	Year Ended					
	December 31, 2022			December 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis:						
Assets:						
Investment securities	$ 0.1	$ —	$ —	$ 0.4	$ —	$ —
Foreign currency forward contracts	—	4.2	—	—	5.7	—
Foreign currency option contracts	—	—	—	—	5.0	—
Interest Rate Swap Agreements	—	3.0	—	—	—	—
Total assets	$ 0.1	$ 7.2	$ —	$ 0.4	$ 10.7	$ —
Liabilities:						
Foreign currency forward contracts	$ —	$ 5.2	$ —	$ —	$ 2.4	$ —
Cross-currency swap	—	96.1	—	—	13.8	—
Total liabilities	$ —	$ 101.3	$ —	$ —	$ 16.2	$ —
Measured at fair value on a non-recurring basis:						
Assets:						
Goodwill[1]	$ —	$ —	$ —	$ —	$ —	$ 71.7
Total assets	$ —	$ —	$ —	$ —	$ —	$ 71.7
Liabilities						
Liabilities held for sale, net[2]	$ —	$ —	$ —	$ —	$ —	$ 16.8
Total liabilities	$ —	$ —	$ —	$ —	$ —	$ 16.8

(1) During the year ended December 31, 2021, goodwill with a carrying value of $81.7 million was written down to a fair value of $71.7 million.
(2) We measured the net assets held for sale for impairment purposes and recorded a total impairment of $162.2 million, resulting in a net liability held for sale balance (refer to Note 3).

There were no transfers within Level 3 fair value measurements during the years ended December 31, 2022 or December 31, 2021 (refer to Note 6 for information on our investment securities and Note 11 for a discussion of derivatives).

Foreign Currency Forward Contracts

We value the foreign currency forward contracts based on notional amounts, contractual rates, and observable market inputs, such as currency exchange rates and credit risk.

Cross-currency Swaps

We value the cross-currency swaps using a method which discounts the expected cash flows resulting from the derivative. We estimate the cash flows using the contractual term of the derivative, including the period to maturity and we use observable market-based inputs, including interest rate curves, and foreign exchange rate.

Foreign Currency Option Contracts

We valued the foreign currency option contract derivatives using an extension of the Black-Scholes Option Pricing Model ("BSOPM") which uses the strike price and expiry as inputs obtained from the contractual agreement. Additionally, the model uses risk-free interest rates, forward currency quotes, and option volatility assumptions obtained from the observable market.

Interest Rate Swap Agreements

We value the interest rate swaps using a method which discounts the expected cash flows resulting from the derivative. We estimate the cash flows using the contractual term of the derivative, including the period to maturity and we use observable market-based inputs, including interest rate curves, and swap pricing.

Non-recurring Fair Value Measurements

The non-recurring fair values represent only those assets whose carrying values were adjusted to fair value during the reporting period.

Goodwill, Intangible Assets, and Assets (liabilities) held for sale, net

Oral Care Reporting Unit Goodwill

During the year ended December 31, 2021, we prepared a goodwill impairment test utilizing a combination of comparable company and discounted cash flow techniques. In our comparable company market approach, we considered observable market information (Level 2 inputs). Our cash flow projections included revenue assumptions, gross margin and operating expenses based on the reporting unit's growth plans (Level 3 inputs). In our discounted cash flow analysis, we used a long-term growth rate of 2.0%. We used a discount rate of 9.75% in the analysis, which correlates with the required investment return and risk that we believe market participants would apply to the projected growth rate. In addition, we burdened projected free cash flows with the capital spending deemed necessary to support the cash flows and applied blended jurisdictional tax rates ranging from 16.5% to 29.1%. We weighted indications of fair value resulting from the market approach and present value techniques, considering the reasonableness of the range of measurements and the point within the range that we determined was most representative of fair market conditions (refer to Note 9).

Latin American businesses

During the year ended December 31, 2021, as a result of our definitive agreement to sell our Latin American businesses, we prepared impairment tests on the net assets held for sale and goodwill related to this business. We determined the carrying value of this business exceeded the fair value and recorded impairments in the CSCA segment (refer to Note 9).

Fixed Rate Long-term Debt

Our fixed rate long-term debt consisted of the following (in millions):

	Year Ended			
	December 31, 2022		December 31, 2021	
	Level 1	Level 2	Level 1	Level 2
Public bonds				
Carrying value (excluding discount)	$ 2,544.4	$ —	$ 2,760.0	$ —
Fair value	$ 2,225.4	$ —	$ 2,847.2	$ —
Private placement note				
Carrying value (excluding premium)	$ —	$ —	$ —	$ 153.5
Fair value	$ —	$ —	$ —	$ 162.6

The fair values of our public bonds for all periods were based on quoted market prices. The fair values of our private placement note for all periods were based on interest rates offered for borrowings of a similar nature and remaining maturities.

The carrying amounts of our other financial instruments, consisting of cash and cash equivalents, accounts receivable, accounts payable, short-term debt, revolving credit agreements, promissory notes related to our equity method investments, and variable rate long-term debt, approximate their fair value.

NOTE 11 - DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Foreign Currency Option Contracts

We enter into foreign currency option contracts, both designated and non-designated, in order to manage the impact of fluctuations of foreign exchange on expected future purchases and related payables denominated in a foreign currency and to hedge the impact of fluctuations of foreign exchange on expected future sales and related receivables denominated in a foreign currency.

In September 2021, to economically hedge the foreign currency exposure associated with the planned payment of the euro-denominated purchase price for HRA Pharma, we entered into two non-designated currency option contracts with a total notional amount of $1.1 billion that were scheduled to mature in September 2022. In April 2022, due to market conditions, we unwound the two options and entered into two new undesignated options to economically hedge the purchase price for HRA Pharma for a total notional amount of $2.0 billion. All premiums associated with the HRA Pharma related currency options were settled in April 2022 for $37.1 million, and within Other (income) expense we recorded a $16.2 million and $20.9 million loss for the year ended December 31, 2022 and December 31, 2021, respectively.

Cross Currency Swaps

In a cross-currency swap, interest payments and principal in one currency are exchanged for principal and interest payments in a different currency. Interest payments are exchanged at fixed intervals during the life of the agreement. Changes in the fair value of cross-currency swaps designated as net investment hedges are recognized as a component of OCI as a foreign currency translation adjustment and are recognized in earnings only upon the sale or substantial liquidation of the hedged net investment. In assessing the effectiveness of these hedges, we use a method based on changes in spot rates to measure the impact of the foreign currency exchange rate fluctuations on both our foreign subsidiary net investment and the related swap. Under this method, changes in the fair value of the hedging instrument, other than those due to changes in the spot rate, are initially recorded in OCI as a translation adjustment. The excluded component is recognized on a systematic and rational basis by accruing the swap payments and receipts within Interest expense, net.

In April 2022, we entered into three fixed-for-fixed cross currency interest rate swaps designated as net investment hedges to hedge the EUR currency exposure of our investment in European operations.

On October 25, 2022, we cash settled the swaps for $98.8 million in proceeds. On the same day, we replaced the terminated instruments with three new fixed-for-fixed cross currency interest rate swaps at market rates and designated the instruments as net investment hedges on our investment in European operations. The following are the terms and notional amounts outstanding:

- $700 million notional amount outstanding from October 25, 2022 through December 15, 2024;
- $700 million notional amount outstanding from October 25, 2022 through March 15, 2026; and
- $100 million notional amount outstanding from October 25, 2022 through June 15, 2030.

In August 2019, we entered into a cross-currency swap designated as a net investment hedge to hedge the Euro currency exposure of our net investment in European operations. This agreement is a contract to exchange floating-rate Euro payments for floating-rate U.S. dollar payments through August 15, 2022. We terminated this cross-currency swap on January 28, 2022.

Interest Rate Swaps

Interest rate swap agreements are contracts to exchange floating rate for fixed rate payments (or vice versa) over the life of the agreement without the exchange of the underlying notional amounts. The notional amounts of the interest rate swap agreements are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The differential paid or received on the interest rate swap agreements is recognized as an adjustment to interest expense.

In April 2022, to economically hedge the interest rate risk of the New Senior Secured Credit Facilities (as defined in Note 12), we entered into five variable-to-fixed interest rate swap agreements. Three of the interest rate swaps were designated as cash flow hedges to fix the interest rate on a substantial portion of the 2022 Term Loan B Facility (as defined in Note 12). The interest rate swaps cover an interest period ranging from June 1, 2022, through April 1, 2029, on notional balances that decline from $1.0 billion to $812.5 million over the term. The other two interest rate swaps were designated as cash flow hedges to fix the interest rate on a substantial portion of the 2022 Term Loan A Facility (as defined in Note 12). The interest rate swaps cover an interest period ranging from June 1, 2022, through April 1, 2027, on notional balances that decline from $487.5 million to $387.5 million over the term.

As a designated cash flow hedge, gains and losses will be deferred in AOCI and recognized within Interest expense, net when interest is paid on the New Senior Secured Credit Facilities. There were no active designated or non-designated interest rate swaps as of December 31, 2021.

Foreign Currency Forwards

In a foreign currency forward, a contract is written to exchange currencies at a fixed exchange rate at a future settlement date. We designate foreign currency forwards primarily as cash flow hedges to protect against foreign currency fluctuations of probable forecasted purchases and sales. The settlement dates of foreign currency forwards range from 1 to 60 months.

Notional amounts of foreign currency forward contracts were as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
British Pound (GBP)	$ 224.9	$ 135.8
European Euro (EUR)	61.7	232.6
Swedish Krona (SEK)	56.9	47.8
Danish Krone (DKK)	51.7	37.5
United States Dollar (USD)	51.7	22.9
Chinese Yuan (CNH)	34.4	37.7
Polish Zloty (PLZ)	25.2	21.0
Canadian Dollar (CAD)	24.9	29.0
Mexican Peso (MXN)	13.3	1.0
Norwegian Krone (NOK)	12.4	11.0
Hungarian Forint (HUF)	10.6	—
Other[1]	25.9	11.8
Total	$ 593.6	$ 588.1

(1) Number consists of various currencies notional amounts, none of which individually exceed $10.0 million in either year presented.

Effects of Derivatives on the Financial Statements

The below tables indicate the effects of all derivative instruments on the Consolidated Financial Statements. All amounts exclude income tax effects. The balance sheet location and gross fair value of our outstanding derivative instruments were as follows (in millions):

		Year Ended	
Derivatives	Balance Sheet Location	December 31, 2022	December 31, 2021
Designated derivative assets			
Foreign currency forward contracts	Prepaid expenses and other current assets	$ 1.1	$ 3.5
Interest rate swap agreements	Prepaid expenses and other current assets	3.0	—
Interest rate swap agreements	Other non-current assets	47.5	—
Foreign currency forward contracts	Other non-current assets	0.7	1.3
Total designated derivatives		$ 52.3	$ 4.8
Non-designated derivatives			
Foreign currency forward contracts	Prepaid expenses and other current assets	$ 2.4	$ 0.9
Foreign currency options	Prepaid expenses and other current assets	—	5.0
Total non-designated derivatives		$ 2.4	$ 5.9
Designated derivative liabilities			
Foreign currency forward contracts	Other accrued liabilities	$ 4.2	$ 1.2
Cross-currency swap	Other accrued liabilities	96.1	13.8
Total designated derivatives		$ 100.3	$ 15.0
Non-designated derivatives			
Foreign currency forward contracts	Other accrued liabilities	$ 1.0	$ 1.2

The amounts of (income)/expense recognized in earnings related to our non-designated derivatives on the Consolidated Statements of Operations were as follows (in millions):

		Year Ended		
Non-Designated Derivatives	Income Statement Location	December 31, 2022	December 31, 2021	December 31, 2020
Foreign currency forward contracts	Other (income) expense, net	$ 8.2	$ (5.1)	$ (1.1)
	Interest expense, net	(2.0)	1.3	3.5
		$ 6.2	(3.8)	$ 2.4
Foreign currency options	Other (income) expense, net	$ 16.2	$ 20.9	$ —

The following tables summarize the effect of derivative instruments designated as hedging instruments in Accumulated Other Comprehensive Income ("AOCI") (in millions):

	Gain/(Loss)				
		Reclassified from AOCI into Earnings		Related to Amounts Excluded from Effectiveness Testing	
	Amount Recorded in OCI[1]	Classification	Amount	Classification	Amount Recognized in Earnings on Derivatives
Year Ended December 31, 2022					
Cash flow hedges					
Treasury locks	$ —	Interest expense, net	$ (0.1)	Interest expense, net	$ —
Interest rate swap agreements	50.5	Interest expense, net	4.6	Interest expense, net	—
Foreign currency forward contracts	4.1	Net sales	1.6	Net sales	(0.5)
		Cost of sales	(4.8)	Cost of sales	(0.2)
				Other (income) expense, net	(1.4)
Total Cash flow hedges	$ 54.6		$ 1.3		$ (2.1)
Net investment hedges					
Cross-currency swap	$ 5.3			Interest expense, net	$ (17.2)
Year Ended December 31, 2021					
Cash flow hedges					
Treasury locks	$ —	Interest expense, net	$ (0.1)	Interest expense, net	$ —
Interest rate swap agreements	—	Interest expense, net	(1.8)	Interest expense, net	—
Foreign currency forward contracts	5.7	Net sales	(2.5)	Net sales	—
		Cost of sales	0.8	Cost of sales	0.5
				Other Income/Expense	0.7
Total Cash flow hedges	$ 5.7		$ (3.6)		$ 1.2
Net investment hedges					
Cross-currency swap	$ (20.1)			Interest expense, net	$ (3.9)
Year Ended December 31, 2020					
Cash flow hedges					
Treasury locks	$ —	Interest expense, net	$ (0.1)	Interest expense, net	$ —
Interest rate swap agreements	—	Interest expense, net	(1.8)	Interest expense, net	—
Foreign currency forward contracts	5.0	Net sales	0.2	Net sales	0.1
		Cost of sales	2.0	Cost of sales	0.9
				Other Income/Expense	0.5
Total Cash flow hedges	$ 5.0		$ 0.3		$ 1.5
Net investment hedges					
Cross-currency swap	$ (20.0)			Interest expense, net	$ 6.6
Foreign currency forward contract	$ (11.2)			Interest expense, net	$ (0.1)
Total Net investment hedges	$ (31.2)				$ 6.5

(1) Net gain of $8.5 million is expected to be reclassified out of AOCI into earnings during 2023.

The classification and amount of gain/(loss) recognized in earnings on fair value and hedging relationships were as follows (in millions):

	Net Sales	Cost of Sales	Interest Expense, net	Other (Income) Expense, net
Year Ended December 31, 2022				
Total amounts of income and expense line items presented on the Consolidated Statements of Operations in which the effects of fair value or cash flow hedges are recorded	$ 4,451.6	$ 2,996.2	$ 156.0	$ 53.1
Gain (loss) on cash flow hedging relationships				
Foreign currency forward contracts				
Amount of gain or (loss) reclassified from AOCI into earnings	$ 1.6	$ (4.8)	$ —	$ —
Amount excluded from effectiveness testing recognized using a systematic and rational amortization approach	$ (0.5)	$ (0.2)	$ —	$ (1.4)
Treasury locks				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ (0.1)	$ —
Interest rate swap agreements				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ 4.6	$ —
Year Ended December 31, 2021				
Total amounts of income and expense line items presented on the Consolidated Statements of Operations in which the effects of fair value or cash flow hedges are recorded	$ 4,138.7	$ 2,722.5	$ 125.0	$ 26.7
Gain (loss) on cash flow hedging relationships				
Foreign currency forward contracts				
Amount of gain or (loss) reclassified from AOCI into earnings	$ (2.5)	$ 0.8	$ —	$ —
Amount excluded from effectiveness testing recognized using a systematic and rational amortization approach	$ —	$ 0.5	$ —	$ 0.7
Treasury locks				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ (0.1)	$ —
Interest rate swap agreements				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ (1.8)	$ —
Year Ended December 31, 2020				
Total amounts of income and expense line items presented on the Consolidated Statements of Operations in which the effects of fair value or cash flow hedges are recorded	$ 4,088.2	$ 2,593.3	$ 127.7	$ 16.3
The effects of cash flow hedging:				
Gain (loss) on cash flow hedging relationships				
Foreign currency forward contracts				
Amount of gain or (loss) reclassified from AOCI into earnings	$ 0.2	$ 2.0	$ —	$ —
Amount excluded from effectiveness testing recognized using a systematic and rational amortization approach	$ 0.1	$ 0.9	$ —	$ 0.5
Treasury locks				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ (0.1)	$ —
Interest rate swap agreements				
Amount of gain or (loss) reclassified from AOCI into earnings	$ —	$ —	$ (1.8)	$ —

Net foreign exchange losses totaled $59.9 million, $26.8 million, and $0.3 million for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, respectively. Therein, 2022 and 2021 included $16.2 million and $20.9 million of loss, respectively, for the change in fair value of the option contracts to hedge the foreign currency exposure of the euro-denominated purchase price for HRA Pharma.

NOTE 12 - INDEBTEDNESS

On April 20, 2022, we and our wholly owned subsidiary, Perrigo Investments, LLC, entered into new senior secured credit facilities consisting of (i) a $1.0 billion five-year revolving credit facility (the "2022 Revolver"), (ii) a $500 million five-year Term Loan A facility (the "2022 Term Loan A Facility"), and (iii) a $1.1 billion seven-year Term Loan B facility (the "2022 Term Loan B Facility" and, together with the 2022 Revolver and 2022 Term Loan A Facility, the "New Senior Secured Credit Facilities"), pursuant to a new Term Loan and Revolving Credit Agreement. The New Senior Secured Credit Facilities are guaranteed, along with any hedging or cash management obligations entered into with a lender, by us and certain of our direct and indirect wholly-owned subsidiaries organized in the United States, Ireland, Belgium and England and Wales (subject to certain exceptions) (the "Guarantor Subsidiaries"). The Guarantor Subsidiaries and Perrigo Investments, LLC provide full and unconditional guarantees, jointly and severally, on a senior unsecured basis, of the 5.300% Notes due 2043 issued by the Company, and the Guarantor Subsidiaries, Perrigo Investments, LLC and the Company provide full and unconditional guarantees, jointly and severally, on a senior unsecured basis, of the 3.900% Notes due 2024, the 4.375% Notes due 2026, the 4.400% Notes due 2030 and the 4.900% Notes due 2044 issued by Perrigo Investments, LLC.

Total borrowings outstanding are summarized as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Term loan		
2019 Term loan due August 15, 2022 (1)	$ —	$ 600.0
2022 Term loan A due April 1, 2027 (3)	493.8	—
2022 Term loan B due April 1, 2029 (3)	1,094.5	—
	$ 1,588.3	$ 600.0
Notes and bonds		
Coupon / Due		
5.105% July 28, 2023 (1,2)	—	153.5
4.000% November 15, 2023 (1,6)	—	215.6
3.900% December 15, 2024 (4)	700.0	700.0
4.375% March 15, 2026 (7)	700.0	700.0
4.400% June 15, 2030 (5)	750.0	750.0
5.300% November 15, 2043 (6)	90.5	90.5
4.900% December 15, 2044 (4)	303.9	303.9
Total notes and bonds	2,544.4	2,913.5
Other financing	20.6	25.8
Unamortized premium (discount), net	(15.9)	(4.8)
Deferred financing fees	(30.8)	(14.0)
Total borrowings outstanding	4,106.6	3,520.5
Current indebtedness	(36.2)	(603.8)
Total long-term debt less current portion	$ 4,070.4	$ 2,916.7

(1) Redeemed in connection with the New Senior Secured Credit-Facilities entered into during the second quarter of 2022
(2) Debt assumed from Omega Pharma Invest N.V., ("Omega") denominated in euros subject to fluctuations in the euro-to-U.S. dollar exchange rate.
(3) Discussed below collectively as the "New Senior Secured Credit Facilities"
(4) Discussed below collectively as the "2014 Notes"
(5) Discussed below as the "2020 Notes". The coupon rate noted above is that as of December 31, 2022 following a step up in rate from 3.900% to 4.400% starting after June 15, 2022.
(6) Discussed below collectively as the "2013 Notes
(7) Discussed below as part of the "2016 Notes"

Revolving Credit Agreements

On April 20, 2022 we terminated the revolving credit agreement maturing in March 2023 (the "2018 Revolver") and entered into a $1.0 billion revolving credit agreement (the "2022 Revolver"), maturing on April 20, 2027. There were no borrowings outstanding under the 2022 Revolver or the 2018 Revolver as of December 31, 2022 or December 31, 2021.

Term Loans

New Senior Secured Credit Facilities (2022 Term Loan A Facility and 2022 Term Loan B Facility)

On April 20, 2022, Perrigo Investments, LLC entered into new senior secured credit facilities that consist of a $500 million five-year Term Loan A facility (the "2022 Term Loan A Facility"), and a $1.1 billion seven-year Term Loan B facility (the "2022 Term Loan B Facility"). We repaid the prior $600.0 million term loan, maturing on August 15, 2022 (the "2019 Term Loan") with the proceeds of the New Senior Secured Credit Facilities. The remaining $500.0 million of proceeds were used to redeem the 4.00% Senior Notes due 2023 (the "4.000% 2023 Notes") and the 5.1045% Guaranteed Senior Notes due 2023 (the '2023 Notes') on May 19, 2022 ("the 2023 Notes"). In relation to the New Senior Secured Credit Facilities, we deferred $31.3 million of financing fees, which will be amortized to interest expense over the term of the facilities. We recorded $8.9 million in Loss on extinguishment of debt on the Condensed Statement of Operations, consisting of the write-off of certain new and previously deferred financing fees and make whole payments due in connection with the redemption of the 4.00% Senior Notes due 2023. The proceeds from the New Senior Secured Credit Facilities were also used, in part, along with cash on hand, to fund the acquisition of HRA Pharma (Refer to Note 3).

We had $1.094 billion and $493.8 million outstanding under our 2022 Term Loan B Facility and 2022 Term Loan A Facility as of December 31, 2022, respectively. During the six months ended December 31, 2022, principal repayments of $5.5 million and $6.2 million were made on the Term Loan B Facility and 2022 Term Loan A Facility, respectively.

2019 Term Loan

In August 2019, we refinanced a prior term loan with the $600.0 million proceeds from the 2019 Term Loan, which was due to mature August 15, 2022. The 2019 Term Loan was repaid in full in April 2022 as part of the New Senior Secured Credit Facilities.

Debt Covenants

We are subject to financial covenants in the New Senior Secured Credit Facilities. The new agreements contain financial covenants that require the Borrower and its restricted subsidiaries to (a) not exceed a maximum first lien secured net leverage ratio of 3.00 to 1.00 at the end of each fiscal quarter and (b) not fall below a minimum interest coverage ratio of 3.00 to 1.00 at the end of each fiscal quarter, provided that such covenants apply only to the 2022 Revolver and the 2022 Term Loan A Facility. If we consummate certain qualifying acquisitions during the term of the loan, the maximum first lien secured net leverage ratio covenant would increase to 3.25 to 1.00 for such quarter and the three following fiscal quarters thereafter.

Notes and Bonds

2020 Notes and 2021 Notes Redemption

On June 19, 2020, Perrigo Finance Unlimited Company issued $750.0 million in aggregate principal amount of 3.150% Senior Notes due 2030 and received net proceeds of $737.1 million after the underwriting discount and offering expenses. Interest on the 2020 Notes is payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2020. Due to credit ratings downgrades by S&P and Moody's in the third quarter of 2021 and the first quarter of 2022 respectively, the interest of the 2020 Notes stepped up from 3.150% to 3.900%, starting after December 15, 2021 and from 3.900% to 4.400% starting after June 15, 2022. The 2020 Notes will mature on June 15, 2030 and are governed by a base indenture and a third supplemental indenture (collectively, the "2020 Indenture"). The 2020 Notes are fully and unconditionally guaranteed on a senior unsecured basis by Perrigo. Perrigo Finance may redeem the 2020 Notes in whole or in part at any time for cash at the make-whole redemption prices described in the 2020 Indenture.

On July 6, 2020, the proceeds of the 2020 Notes were used to fund the redemption of Perrigo Finance's $280.4 million of 3.500% Senior Notes due March 15, 2021 and $309.6 million of 3.500% Senior Notes due December 15, 2021. The balance was used for general corporate purposes. As a result of the early redemption of the $280.4 million of 3.500% Senior Notes due 2021 and $309.6 million of 3.500% Senior Notes due 2021, during the year ended December 31, 2020, we recorded a loss of $20 million in Loss on extinguishment of debt on the Consolidated Statements of Operations.

2016 Notes

On March 7, 2016, Perrigo Finance issued $500.0 million in aggregate principal amount of 3.500% senior notes due 2021 and $700.0 million in aggregate principal amount of 4.375% senior notes due 2026 (together, the "2016 Notes") and received net proceeds of $1.2 billion after fees and market discount. Interest on the 2016 Notes is payable semi-annually in arrears in March and September of each year, beginning in September 2016. The 2016 Notes are governed by a base indenture and a second supplemental indenture (collectively, the "2016 Indenture"). The 2016 Notes are fully and unconditionally guaranteed on a senior basis by Perrigo, and no other subsidiary of Perrigo guarantees the 2016 Notes. The proceeds were used to repay our revolving credit agreement entered into in December 2014 and amounts borrowed under a $750.0 million revolving credit agreement Perrigo Finance had entered into in December 2015. There are no restrictions under the 2016 Notes on our ability to obtain funds from our subsidiaries. Perrigo Finance may redeem the 2016 Notes in whole or in part at any time for cash at the make-whole redemption prices described in the 2016 Indenture. During the year ended December 31, 2017, we repaid $219.6 million of the 3.500% senior notes due 2021. On July 6, 2020, we repaid the remaining $280.4 million of 3.500% senior notes due 2021, as discussed above under the heading 2020 Notes and 2021 Notes Redemption.

2023 Notes

In connection with the Omega acquisition, on March 30, 2015, the assumed debt included €135.0 million ($147.0 million) in aggregate principal amount of 5.105% senior notes due 2023 (the "2023 Notes"). The 2023 Notes were redeemed in full in May 2022 as discussed above under the heading New Senior Secured Credit Facilities.

2014 Notes

On December 2, 2014, Perrigo Finance issued $500.0 million in aggregate principal amount of 3.500% senior notes due 2021 (the "2021 Notes"), $700.0 million in aggregate principal amount of 3.900% senior notes due 2024 (the "2024 Notes"), and $400.0 million in aggregate principal amount of 4.900% senior notes due 2044 (the "2044 Notes" and, together with the 2021 Notes and the 2024 Notes, the "2014 Notes") and received net proceeds of $1.6 billion after fees and market discount. Interest on the 2014 Notes is payable semi-annually in arrears in June and December of each year, beginning in June 2015. The 2014 Notes are governed by a base indenture and a first supplemental indenture (collectively, the "2014 Indenture"). The 2014 Notes are fully and unconditionally guaranteed on a senior unsecured basis by Perrigo, and no other subsidiary of Perrigo guarantees the 2014 Notes. There are no restrictions under the 2014 Notes on our ability to obtain funds from our subsidiaries. Perrigo Finance may redeem the 2014 Notes in whole or in part at any time for cash at the make-whole redemption prices described in the 2014 Indenture. During the year ended December 31, 2017, we repaid $96.1 million of the 4.900% senior notes due 2044 and $190.4 million of the 3.500% senior notes due 2021. On July 6, 2020, we repaid the remaining $309.6 million of the 3.500% notes due 2021, as discussed above under the heading 2020 Notes and Notes Redemption.

2013 Notes

On November 8, 2013, Perrigo Company issued $500.0 million aggregate principal amount of its 1.300% senior notes due 2016 (the "1.300% 2016 Notes"), $600.0 million aggregate principal amount of its 2.300% senior notes due 2018 (the "2018 Notes"), $800.0 million aggregate principal amount of its 4.000% senior notes due 2023 (the "4.000% 2023 Notes") and $400.0 million aggregate principal amount of its 5.300% senior notes due 2043 (the "2043 Notes" and, together with the 1.300% 2016 Notes, the 2018 Notes and the 4.000% 2023 Notes, the "2013 Notes") in a private placement with registration rights. We received net proceeds of $2.3 billion from the issuance of the 2013 Notes after fees and market discount. On September 29, 2016, we repaid all $500.0 million of the 1.300% 2016 Notes outstanding. During the year ended December 31, 2017, we made the following debt repayments: all $600.0 million of the 2018 Notes, $584.4 million of the 4.000% 2023 Notes, and $309.5 million of the 2043 Notes. The balance $215.6 million of the 4.000% 2023 Notes was repaid in full in May 2022 as discussed above under the heading New Senior Secured Credit Facilities.

Interest on the 2013 Notes is payable semi-annually in arrears in May and November of each year, beginning in May 2014. The 2013 Notes are governed by a base indenture and a first supplemental indenture (collectively, the "2013 Indenture"). The 2013 Notes are our unsecured and unsubordinated obligations, ranking equally in right of payment to all of our existing and future unsecured and unsubordinated indebtedness. The 2013 Notes are not entitled to mandatory redemption or sinking fund payments. We may redeem the 2013 Notes in whole or in part at any time for cash at the make-whole redemption prices described in the 2013 Indenture. The 2013 Notes were guaranteed on an unsubordinated, unsecured basis by the same entities that guaranteed our then-outstanding credit agreement until November 21, 2014, at which time the 2013 Indenture was amended to remove all guarantors.

On September 2, 2014, we offered to exchange our private placement senior notes for public bonds (the "Exchange Offer"). The Exchange Offer expired on October 1, 2014, at which time substantially all of the private placement notes had been exchanged for bonds registered with the Securities and Exchange Commission. As a result of the changes in the guarantor structure noted above, we are no longer required to present guarantor financial statements.

Other Financing

We have overdraft facilities available that we use to support our cash management operations. We report any balances outstanding in the above table under "Other financing". There were no borrowings outstanding under the facilities as of December 31, 2022 and December 31, 2021.

We have financing leases that are reported in the above table under "Other financing" (refer to Note 8).

Future Maturities

The annual future maturities of our short-term and long-term debt, including capitalized leases and excluding deferred financing fees, are as follows (in millions):

Payment Due	Amount
2023	$ 36.2
2024	739.5
2025	39.5
2026	739.5
2027	411.3
Thereafter	2,187.3

NOTE 13 - POST-EMPLOYMENT PLANS

Defined Contribution Plans

We have a qualified profit-sharing and investment plan under Section 401(k) of the IRS, which covers substantially all U.S. employees. Our contributions to the plan include an annual nondiscretionary contribution of 3% of an employee's eligible compensation and a discretionary contribution at the option of the Board of Directors. Additionally, we match a portion of employees' contributions.

We also have a defined contribution plan that covers our Ireland employees. We contribute up to 18% of each participating employee's annual eligible salary on a monthly basis.

We assumed a number of defined contribution plans associated with the Omega acquisition and we pay contributions to the pension insurance plans.

Our contributions to all of the plans were as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 29.8	$ 28.0	$ 27.3

Pension and Post-Retirement Healthcare Benefit Plans

We have a number of defined benefit plans for employees based in Europe. These plans are managed externally and the related pension costs and liabilities are assessed at least annually in accordance with the advice of a qualified professional actuary. We used a December 31, 2022 measurement date and all plan assets and liabilities are reported as of that date.

We provide certain healthcare benefits to eligible U.S. employees and their dependents who meet certain age and service requirements when they retire. Generally, benefits are provided to eligible retirees after age 65 and to their dependents. Increases in our contribution for benefits are limited to increases in the Consumer Price Index. Additional healthcare cost increases are paid through participant contributions. We accrue the expected costs of such benefits during a portion of the employees' years of service. The plan is not funded. Under current plan provisions, the plan is not eligible for any U.S. federal subsidy related to the Medicare Modernization Act of 2003 Part D Subsidy.

The change in the projected benefit obligation and plan assets consisted of the following (in millions):

	Pension Benefits		Other Benefits	
	Year Ended		Year Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Projected benefit obligation at beginning of period	$ 202.6	$ 214.3	$ 3.0	$ 3.5
Net acquisitions/(disposals)	(1.3)	—	—	—
Service costs	3.3	3.9	—	—
Interest cost	2.7	2.6	0.1	0.1
Actuarial loss (gain)	(64.7)	6.1	(1.0)	(0.5)
Contributions paid	0.3	0.3	—	—
Benefits paid	(1.5)	(2.0)	(0.1)	(0.1)
Settlements	(1.7)	(7.9)	—	—
Foreign currency translation	(12.2)	(14.7)	—	—
Projected benefit obligation at end of period	$ 127.5	$ 202.6	$ 2.0	$ 3.0
Fair value of plan assets at beginning of period	181.7	189.1	—	—
Disposals	(1.1)	—	—	—
Actual return on plan assets	(34.2)	12.6	—	—
Benefits paid	(1.5)	(2.0)	(0.1)	(0.1)
Settlements	(1.7)	(7.9)	—	—
Employer contributions	2.3	2.7	0.1	0.1
Contributions paid	0.3	0.3	—	—
Foreign currency translation	(11.2)	(13.1)	—	—
Fair value of plan assets at end of period	$ 134.6	$ 181.7	$ —	$ —
Funded/ (unfunded) status	$ 7.1	$ (20.9)	$ (2.0)	$ (3.0)
Presented as:				
Other non-current assets	$ 32.4	$ 21.2	$ —	$ —
Current assets held for sale	$ —	$ 0.4	$ —	$ —
Other non-current liabilities	$ (25.3)	$ (39.1)	$ (2.0)	$ (3.0)
Current liabilities held for sale	$ —	$ (3.4)	$ —	$ —

The total accumulated benefit obligation for the defined benefit pension plans was $121.7 million and $194.9 million at December 31, 2022 and December 31, 2021 respectively.

The following information relates to pension plans with an accumulated benefit obligation in excess of plan assets (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Accumulated benefit obligation	$ 62.4	$ 104.7
Fair value of plan assets	$ 42.9	$ 70.0

The following information relates to pension plans with a projected benefit obligation in excess of plan assets (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Projected benefit obligation	$ 68.2	$ 112.5
Fair value of plan assets	$ 42.9	$ 70.0

The following unrecognized actual gain for the other benefits liability was included in OCI, net of tax (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 0.9	$ 0.6	$ 0.2

The unamortized net actuarial loss (gain) in AOCI net of tax for defined benefit pension and other benefits was as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ (7.1)	$ 9.9	$ 11.6

The estimated amount to be recognized from AOCI into net periodic cost during the next year is $0.5 million.

At December 31, 2022, the total estimated future benefit payments to be paid by the plans for the next five years is approximately $14.6 million for pension benefits and $0.9 million for other benefits as follows (in millions):

Payment Due	Pension Benefits	Other Benefits
2023	$ 2.2	$ 0.1
2024	2.6	0.2
2025	2.8	0.2
2026	3.4	0.2
2027	3.6	0.2
Thereafter	27.4	0.8

The expected benefits to be paid are based on the same assumptions used to measure our benefit obligation at December 31, 2022, including the expected future employee service. We expect to contribute $1.9 million to the defined benefit plans within the next year.

Net periodic pension cost consisted of the following (in millions):

	Pension Benefits			Other Benefits		
	Year Ended			Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2022	December 31, 2021	December 31, 2020
Service cost	$ 3.3	$ 3.9	$ 2.7	$ —	$ —	$ —
Interest cost	2.7	2.6	2.8	0.1	0.1	0.1
Expected return on assets	(4.9)	(5.5)	(4.9)	—	—	—
Settlement	0.1	1.1	—	—	—	—
Curtailment	—	—	—	—	—	—
Net actuarial loss/(gain)	0.1	0.1	0.9	(0.6)	(1.4)	(3.2)
Net periodic pension cost/(gain)	$ 1.3	$ 2.2	$ 1.5	$ (0.5)	$ (1.3)	$ (3.1)

The components of the net periodic pension cost, other than the service cost component, are included in the line item Other (income) expense, net in the Consolidated Statement of Operations.

The increase in the discount rate from 1.18% to 3.92% has decreased the liability. This increase of 2.74% versus the discount rate used at December 31, 2021 is primarily attributable to the increase in bond yields across the Euro zone.

The weighted-average assumptions used to determine net periodic pension cost and benefit obligation were:

	Pension Benefits			Other Benefits		
	Year Ended			Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2022	December 31, 2021	December 31, 2020
Discount rate	3.92 %	1.18 %	0.95 %	5.19 %	2.14 %	3.14 %
Inflation	2.31 %	2.10 %	1.33 %			
Expected return on assets	2.84 %	1.55 %	1.76 %			
Interest crediting rates	0.74 %	0.34 %	0.59 %			

The discount rate is based on market yields at the valuation date and chosen with reference to the yields available on high quality corporate bonds, with regards to the duration of the plan's liabilities.

As of December 31, 2022, the expected weighted-average long-term rate of return on assets of 2.8% was calculated based on the assumptions of the following returns for each asset class:

Equities	6.4 %
Bonds	3.3 %
Absolute return fund	4.1 %
Insurance contracts	1.6 %
Other	4.0 %

The investment mix of the pension plans' assets is a blended asset allocation, with a diversified portfolio of shares listed and traded on recognized exchanges.

Certain of our plans have target asset allocation ranges. As of December 31, 2022, these ranges were as follows:

Equities	20%-30%
Bonds	40%-50%
Absolute return	10%-20%

Other plans do not have target asset allocation ranges, for such plans, the strategy is to invest mainly in Insurance Contracts.

The purpose of the pension funds is to provide a flow of income for members in retirement. A flow of income delivered through fixed interest bonds provides a costly but close match to this objective. Equities are held within the portfolio as a means of reducing this cost, but holding equities creates a strategic risk because they give a very different pattern of return. Property investments are held to help diversify the portfolio. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and investment portfolio reviews.

The following table sets forth the fair value of the pension plan assets (in millions):

	Year Ended							
	December 31, 2022				December 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equities	$ —	$ 35.6	$ —	$ 35.6	$ 0.1	$ 41.2	$ —	$ 41.3
Bonds	—	22.7	—	22.7	1.0	42.5	—	43.5
Insurance contracts	—	—	46.2	46.2	—	—	63.3	63.3
Absolute return fund	—	23.3	—	23.3	—	23.7	—	23.7
Other	—	6.8	—	6.8	—	9.9	—	9.9
Total	$ —	$ 88.4	$ 46.2	$ 134.6	$ 1.1	$ 117.3	$ 63.3	$ 181.7

The following table sets forth a summary of the changes in the fair value of the Level 3 pension plan assets, which were measured at fair value on a recurring basis (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Assets at beginning of year	$ 63.3	$ 64.2
Actual return on plan assets	(15.8)	1.9
Purchases, sales and settlements, net	1.5	1.1
Foreign exchange	(2.8)	(3.9)
Assets at end of year	$ 46.2	$ 63.3

The fair value of the insurance contracts is an estimate of the amount that would be received in an orderly sale to a market participant at the measurement date. The amount the plan would receive from the contract holder if the contracts were terminated is the primary input and is unobservable. The insurance contracts are therefore classified as Level 3 investments.

Deferred Compensation Plans

We have non-qualified plans related to deferred compensation and executive retention that allow certain employees and directors to defer compensation subject to specific requirements. Although the plans are not formally funded, we own insurance policies that had a cash surrender value of $35.4 million and $38.4 million at December 31, 2022 and December 31, 2021, respectively, that are intended as a long-term funding source for these plans. The assets, which are recorded in Other non-current assets, are not a committed funding source and may, under certain circumstances, be subject to claims from creditors. The deferred compensation liability of $29.2 million and $31.6 million at December 31, 2022 and December 31, 2021, respectively, was recorded in Other non-current liabilities.

NOTE 14 - EARNINGS PER SHARE AND SHAREHOLDERS' EQUITY

Earnings per Share

A reconciliation of the numerators and denominators used in our basic and diluted earnings per share ("EPS") calculation is as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Numerator:			
Income (loss) from continuing operations	(130.9)	(130.9)	44.2
Income (loss) from discontinued operations, net of tax	(9.7)	62.0	(206.8)
Net income (loss)	$ (140.6)	$ (68.9)	$ (162.6)
Denominator:			
Weighted average shares outstanding for basic EPS	134.5	133.6	136.1
Dilutive effect of share-based awards*	—	—	1.1
Weighted average shares outstanding for diluted EPS	134.5	133.6	137.2

*In the period of a loss from continuing operations, diluted shares equal basic shares

Shareholders' Equity

Our common stock consists of ordinary shares of Perrigo Company plc, a public limited company incorporated under the laws of Ireland.

Our common equity has traded on the New York Stock Exchange under the symbol PRGO since June 6, 2013. Prior to that, our common equity traded on the Nasdaq Global Select Market under the same symbol. Our common equity was also traded on the Tel Aviv Stock Exchange ("TASE") under the same symbol between March 16, 2005 and February 23, 2022, when we voluntarily delisted from trading in connection with the Rx business divestiture.

Dividends

We paid dividends as follows:

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Dividends paid (in millions)	$ 142.4	$ 129.6	$ 123.9
Dividends paid (per share)	$ 1.04	$ 0.96	$ 0.90

The declaration and payment of dividends and the amount paid, if any, are subject to the discretion of the Board of Directors and depend on our earnings, financial condition, availability of distributable reserves, capital and surplus requirements and other factors the Board of Directors may consider relevant.

Share Repurchases

In October 2018, our Board of Directors authorized up to $1.0 billion of share repurchases with no expiration date, subject to the Board of Directors' approval of the pricing parameters and amount that may be repurchased under each specific share repurchase program (the "2018 Authorization"). We did not purchase any shares during the years ended December 31, 2022 and December 31, 2021. During the year ended December 31, 2020, we repurchased 3.4 million ordinary shares at an average purchase price of $48.28 per share for a total of $164.2 million under the 2018 Authorization. As of December 31, 2022 the approximate value of shares available for purchase under the 2018 Authorization was $835.8 million.

NOTE 15 - SHARE-BASED COMPENSATION PLANS

All share-based compensation for employees and directors is granted under the 2019 Long-Term Incentive Plan, as amended (the "Plan"), which has been approved by our shareholders. The purpose of the Plan is to attract and retain individuals of exceptional talent and encourage these individuals to acquire a vested interest in our success and prosperity. The awards that may be granted under this program include non-qualified stock options, stock appreciation rights, restricted stock and restricted share units. Restricted shares are generally service-based, requiring a certain length of service before vesting occurs, while restricted share units can be either service-based or performance-based. Performance-based restricted share units also require a certain length of service until vesting, but contain an additional performance feature, which can vary the amount of shares ultimately paid out based on certain performance criteria specified in the Plan or award Performance share units that are based on relative total shareholder return are subject to a market condition. Awards granted under the Plan vest and may be exercised and/or sold from one year to ten years after the date of grant based on a vesting schedule. As of December 31, 2022, there were 6.2 million shares available to be granted.

Share-based compensation expense was as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 54.9	$ 57.0	$ 53.3

As of December 31, 2022, unrecognized share-based compensation expense was $50.9 million, and the weighted-average period over which the expense is expected to be recognized was approximately 1.4 years. Proceeds from the exercise of stock options are credited to ordinary shares.

Stock Options

A summary of activity related to stock options is presented below (options in thousands):

	Number of Options	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Term in Years	Aggregate Intrinsic Value
Options outstanding at December 31, 2020	1,344	$ 93.61	5.2	$ —
Forfeited or expired	(96)	$ 91.10		
Options outstanding at December 31, 2021	1,248	$ 93.80	4.4	$ —
Forfeited or expired	(117)	$ 102.86		
Options outstanding December 31, 2022	1,131	$ 92.87	3.7	$ —
Options exercisable	1,131	$ 92.87	3.7	$ —
Options expected to vest	—	$ —	0.0	$ —

The aggregate intrinsic value for options exercised and the weighted-average fair value per share at the grant date for options granted was zero for the years ended December 31, 2022, December 31, 2021, and December 31, 2020.

Non-Vested Service-Based Restricted Share Units

A summary of activity related to non-vested service-based restricted share units is presented below (units in thousands):

	Number of Non-vested Service-Based Share Units	Weighted-Average Grant Date Fair Value Per Share	Weighted-Average Remaining Term in Years	Aggregate Intrinsic Value
Non-vested service-based share units outstanding at December 31, 2020	1,620	$ 55.82	1.0	$ 72.5
Granted	1,197	$ 41.36		
Vested	(782)	$ 60.43		
Forfeited	(101)	$ 46.32		
Non-vested service-based share units outstanding at December 31, 2021	1,934	$ 45.52	0.8	$ 75.2
Granted	1,305	$ 36.53		
Vested	(1,070)	$ 46.19		
Forfeited	(128)	$ 41.12		
Non-vested service-based share units outstanding at December 31, 2022	2,041	$ 39.69	0.9	$ 69.6

The weighted-average fair value per share at the date of grant for service-based restricted share units granted was as follows:

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 36.53	$ 41.36	$ 54.68

The total fair value of service-based restricted share units that vested was as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 49.4	$ 47.2	$ 25.9

Non-Vested Performance-Based Restricted Share Units

A summary of activity related to non-vested performance-based restricted share units is presented below (units in thousands):

	Number of Non-vested Performance-Based Share Units	Weighted-Average Grant Date Fair Value Per Share	Weighted-Average Remaining Term in Years	Aggregate Intrinsic Value
Non-vested performance-based share units outstanding at December 31, 2020	751	$ 57.13	1.4	$ 33.6
Granted	381	$ 41.04		
Vested	(188)	$ 75.58		
Forfeited	(26)	$ 47.74		
Non-vested performance-based share units outstanding at December 31, 2021	918	$ 47.10	1.2	$ 35.7
Granted	473	$ 36.48		
Vested	(300)	$ 47.59		
Forfeited	(22)	$ 43.93		
Non-vested performance-based share units outstanding at December 31, 2022	1,069	$ 42.28	1.4	$ 36.4

The weighted-average fair value of performance-based restricted share units can fluctuate depending upon the success or failure of the achievement of performance criteria as set forth in the Plan. The weighted-average fair value per share at the date of grant for performance-based restricted share units granted was as follows:

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 36.48	$ 41.04	$ 55.08

The total fair value of performance-based restricted share units that vested was as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 14.3	$ 14.2	$ 12.7

Non-vested Relative Total Shareholder Return Performance Share Units

The fair value of the RTSR performance share units is determined using the Monte Carlo pricing model as the number of shares to be awarded is subject to a market condition. The valuation model considers a range of possible outcomes, and compensation cost is recognized regardless of whether the market condition is actually satisfied.

The assumptions used in estimating the fair value of the RTSR performance share units granted during each year were as follows:

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Dividend yield	2.9 %	2.3 %	1.6 %
Volatility, as a percent	37.3 %	44.0 %	40.4 %
Risk-free interest rate	1.7 %	0.3 %	0.6 %
Expected life in years	2.8	2.8	2.8

A summary of activity related to non-vested RTSR performance share units is presented below (units in thousands):

	Number of Non-vested RTSR Performance Share Units	Weighted-Average Grant Date Fair Value Per Share	Weighted-Average Remaining Term in Years*	Aggregate Intrinsic Value
Non-vested RTSR performance share units outstanding at December 31, 2020	176	$ 65.04	1.5	$ 7.9
Granted	69	$ 41.20		
Vested	(9)	$ 52.52		
Non-vested RTSR performance share units outstanding at December 31, 2021	236	$ 53.85	1.2	$ 9.2
Granted	54	$ 40.80		
Vested	—	$ —		
Non-vested RTSR performance share units outstanding at December 31, 2022	290	$ 47.36	1.4	$ 9.9

* Midpoint used in calculation.

The weighted-average fair value per share at the date of grant for RTSR performance share units granted was as follows:

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ 40.80	$ 41.20	$ 67.72

The total fair value of RTSR performance share units that vested was as follows (in millions):

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
$ —	$ 0.5	$ 1.5

NOTE 16 - ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in our AOCI balances, net of tax, were as follows (in millions):

	Fair Value of Derivative Financial Instruments, net of tax	Foreign Currency Translation Adjustments[1]	Post-Employment Plan Adjustments, net of tax[1]	Total AOCI
Balance at December 31, 2020	$ (0.7)	$ 407.3	$ (11.6)	$ 395.0
OCI before reclassifications	(24.9)	(339.9)	7.4	(357.4)
Amounts reclassified from AOCI	3.6	—	(5.7)	(2.1)
Other comprehensive income (loss)	(21.3)	(339.9)	1.7	(359.5)
Balance at December 31, 2021	(22.0)	67.4	(9.9)	35.5
OCI before reclassifications	47.8	(82.4)	22.3	(12.3)
Amounts reclassified from AOCI	(1.3)	(43.6)	(5.3)	(50.2)
Other comprehensive income (loss)	46.5	(126.0)	17.0	(62.5)
Balance at December 31, 2022	$ 24.5	$ (58.6)	$ 7.1	$ (27.0)

(1) Amounts reclassified from AOCI relate to the divestiture of the Latin American businesses and Rosemont Pharmaceuticals. Refer to Note 3 for more information.

NOTE 17 - RESTRUCTURING CHARGES

We periodically take action to reduce redundant expenses and improve operating efficiencies. Restructuring activity includes severance, lease exit costs, and related consulting fees. The following reflects our restructuring activity (in millions):

	Year Ended				
	December 31, 2022			December 31, 2021	December 31, 2020
	Supply Chain Reinvention[1]	Other Initiatives[1]	Total	Total	Total
Beginning balance	$ —	$ 6.9	$ 6.9	$ 9.1	$ 19.5
Additional charges	24.3	18.2	42.5	16.9	3.2
Payments	(22.1)	(7.7)	(29.8)	(19.0)	(14.2)
Non-cash adjustments	—	0.2	0.2	(0.1)	0.6
Ending balance	$ 2.2	$ 17.6	$ 19.8	$ 6.9	$ 9.1

(1) Supply Chain Reinvention was announced in 2022 and as a result separately disclosed from Other Initiatives.

The charges incurred during the year ended December 31, 2022 were primarily associated with actions taken on supply chain restructuring and HRA integration activities. The charges incurred during the year ended December 31, 2021, were primarily associated with actions taken to streamline the organization. The charges incurred during the year ended December 31, 2020 were also primarily associated with actions takes to streamline the organization.

Of the amount recorded during the year ended December 31, 2022, $29.4 million was related to our CSCI segment, due primarily to supply chain restructuring and HRA Pharma integration initiatives and $2.5 million was related to our CSCA segment, due primarily to actions taken to streamline the organization. Of the amount recorded during the year ended December 31, 2021, $6.1 million was related to our CSCI segment, also due primarily to various integration initiatives, and $7.9 million was allocated to our CSCA segment, due primarily to actions taken to streamline the organization. For year ended December 31, 2020, $1.4 million related to our CSCI segment also due primarily to various integration initiatives. The remaining charges for all years were reported in our Unallocated segment. There were no other material restructuring programs in any of the periods presented.

All charges are recorded in Restructuring expense on the Consolidated Financial Statements. The remaining $19.8 million liability for employee severance benefits and accrued consulting fees is expected to be paid within the next year.

NOTE 18 - INCOME TAXES

Pre-tax income (loss) and the (benefit) provision for income taxes from continuing operations are summarized as follows (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Pre-tax income (loss):			
Ireland	$ (212.8)	$ 341.9	$ (179.9)
United States	(38.2)	(35.3)	91.5
Other foreign	111.9	(47.9)	94.3
Total pre-tax income (loss)	(139.1)	258.7	5.9
Current provision (benefit) for income taxes:			
Ireland	2.8	303.6	0.1
United States	(7.8)	14.9	4.5
Other foreign	30.8	81.3	34.9
Subtotal	25.8	399.8	39.5
Deferred provision (benefit) for income taxes:			
Ireland	0.7	0.4	(0.1)
United States	(8.6)	3.3	(64.2)
Other foreign	(26.1)	(13.9)	(13.5)
Subtotal	(34.0)	(10.2)	(77.8)
Total provision for income taxes	$ (8.2)	$ 389.6	$ (38.3)

A reconciliation of the provision based on the Irish statutory income tax rate to our effective income tax rate is as follows:

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Provision at statutory rate	12.5 %	12.5 %	12.5 %
Foreign rate differential	25.9	1.5	(952.9)
State income taxes, net of federal benefit	(0.3)	0.2	139.7
Provision to return	(0.5)	0.4	144.3
Tax credits	18.6	(19.6)	(229.3)
Change in tax law	0.7	1.5	46.5
Change in valuation allowance	(7.6)	17.1	(1,331.7)
Change in unrecognized taxes	4.4	116.5	437.3
Permanent differences	(42.3)	1.6	1,624.8
Legal entity restructuring	(4.6)	18.6	(561.9)
Taxes on unremitted earnings	(0.8)	0.2	(0.1)
Other	(0.1)	0.1	15.0
Effective income tax rate	5.9 %	150.6 %	(655.8)%

Deferred income taxes arise from temporary differences between the financial reporting and the tax reporting basis of assets and liabilities and operating loss and tax credit carryforwards for tax purposes. The components of our net deferred income tax asset (liability) are presented on a total company basis as follows (in millions):

	Year Ended	
Deferred income tax asset (liability):	December 31, 2022	December 31, 2021
Depreciation and amortization	$ (511.5)	$ (320.5)
Right of use assets	(52.6)	(42.5)
Unremitted earnings	(3.8)	19.6
Inventory basis differences	28.7	29.4
Accrued liabilities	26.5	38.3
Lease obligations	52.3	43.2
Share-based compensation	21.4	27.5
Federal benefit of unrecognized tax positions	18.7	21.7
Loss and credit carryforwards	360.8	341.7
R&D credit carryforwards	32.2	39.4
Capitalized R&D costs	17.5	—
Interest carryforwards	13.5	6.9
Other, net	29.7	13.2
Subtotal	$ 33.4	$ 217.9
Valuation allowance [1]	(394.5)	(450.7)
Net deferred income tax liability	$ (361.1)	$ (232.8)

(1) The movement in the valuation allowance balance differs from the amount in the effective tax rate reconciliation due to adjustments affecting balance sheet only items and foreign currency.

The above amounts are classified on the Consolidated Balance Sheets as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Assets	$ 7.1	6.5
Liabilities	(368.2)	(239.3)
Net deferred income tax liability	$ (361.1)	(232.8)

The change in valuation allowance reducing deferred taxes was (in millions):

	Year Ended		
	December 31, 2022	December 31, 2021	December 31, 2020
Balance at beginning of period	$ 450.7	$ 414.8	$ 501.3
Change in assessment [1]	(14.8)	39.1	(50.3)
Current year operations, foreign currency and other	(41.4)	(3.2)	(36.2)
Balance at end of period	$ 394.5	$ 450.7	$ 414.8

(1) Includes reductions of $16.0 million in 2022 related primarily to projected utilization of capital losses, additions of $40.0 million related primarily to our Latin American businesses in 2021, and release of $51.5 million of valuation allowance against U.S. deferred tax assets in 2020.

We have U.S. state credit carryforwards and U.S. R&D credit carryforwards of $35.7 million as well as U.S. federal and state net operating loss carryforwards and non-U.S. net operating loss carryforwards of $334.9 million, which will expire at various times through 2042. The remaining U.S. and non-US credit carryforwards of $9.0 million, U.S. federal and non-US loss carryforwards of $1.3 billion, and U.S. interest carryforwards of $58.4 million have no expiration.

For the year ended December 31, 2022 we recorded a net decrease in valuation allowances of $56.2 million, comprised primarily of a decrease in valuation allowance on deferred tax assets related to our Latin American businesses which were sold in 2022. For the year ended December 31, 2021 we recorded a net increase in valuation allowances of $35.9 million, comprised primarily of an increase of valuation allowance for deferred tax assets related to our Latin American businesses include as held for sale. Valuation allowances are determined based on management's assessment of its deferred tax assets that are more likely than not to be realized.

We recorded a valuation allowance against all U.S. deferred tax assets as of December 31, 2016 and continued to maintain this valuation allowance through December 31, 2019. For the year ended December 31, 2020, based on current and anticipated future earnings, we released a portion of the valuation allowance against our U.S. deferred tax assets. The release resulted in the recognition of $51.5 million of U.S. deferred tax assets. The ending deferred tax liability with respect to undistributed earnings of certain foreign subsidiaries is $3.8 million as of December 31, 2022.

As of December 31, 2022, the Company considered approximately $3.3 million of unremitted earnings of our foreign subsidiaries as indefinitely reinvested. The unrecognized deferred tax liability related to these earnings is estimated at approximately $0.4 million. However, this estimate could change based on the manner in which the outside basis differences associated with these earnings reverse.

The Company operates in multiple jurisdictions with complex tax policy and regulatory environments and establishes reserves for uncertain tax positions in accordance with the accounting guidance governing uncertainty in income taxes. Uncertainty in a tax position may arise because tax laws are subject to interpretation. The following table is presented on a total company basis and summarizes the activity related to the liability recorded for uncertain tax positions, excluding interest and penalties (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
Balance at beginning of period	$ 347.2	$ 396.0
Additions:		
Positions related to the current year	9.2	11.4
Positions related to prior years	13.4	339.0
Reductions:		
Settlements with taxing authorities	(20.2)	(344.1)
Lapse of statutes of limitation	—	(11.9)
Decrease in prior year positions	(17.1)	(41.9)
Cumulative translation adjustment	(0.9)	(1.3)
Balance at end of period	$ 331.6	$ 347.2

We recognize interest and penalties related to uncertain tax positions as a component of income tax expense. The total amount accrued for interest and penalties in the liability for uncertain tax positions was $85.8 million, $105.1 million, and $108.9 million as of December 31, 2022, December 31, 2021, and December 31, 2020, respectively.

If recognized, of the total liability for uncertain tax positions, $217.0 million, $240.1 million, and $250.2 million as of December 31, 2022, December 31, 2021, and December 31, 2020, respectively, would impact the effective tax rate in future periods.

Our major income tax jurisdictions are Ireland, the U.S., Belgium, France, Germany and the United Kingdom. We are routinely audited by the tax authorities in our major jurisdictions. We have substantially concluded all Ireland income tax matters through the year ended December 31, 2017 and all U.S. federal income tax matters through the year ended June 28, 2008. All significant matters in our remaining major tax jurisdictions have been concluded for tax years through 2016.

Based on the final resolution of tax examinations, judicial or administrative proceedings, changes in facts or law, expirations of statute of limitations in specific jurisdictions or other resolutions of, or changes in, tax positions - one or more of which may occur within the next twelve months - it is reasonably possible that unrecognized tax benefits for certain tax positions taken on previously filed tax returns may change materially from those recorded as of December 31, 2022. However, we are not able to estimate a reasonably possible range of how these events
may impact our unrecognized tax benefits in the next twelve months.

Internal Revenue Service Audits of Perrigo Company, a U.S. Subsidiary

Perrigo Company, our U.S. subsidiary ("Perrigo U.S."), is engaged in a series of tax disputes in the U.S. relating primarily to transfer pricing adjustments including income in connection with the purchase, distribution, and sale of store-brand OTC pharmaceutical products in the United States, including the heartburn medication omeprazole. On August 27, 2014, we received a statutory notice of deficiency from the IRS relating to our fiscal tax years ended

June 27, 2009, and June 26, 2010 (the "2009 tax year" and "2010 tax year", respectively). On April 20, 2017, we received a statutory notice of deficiency from the IRS for the years ended June 25, 2011 and June 30, 2012 (the "2011 tax year" and "2012 tax year", respectively). Specifically, both statutory notices proposed adjustments related to the offshore reporting of profits on sales of omeprazole in the United States resulting from the assignment of an omeprazole distribution contract to an Israeli affiliate. In addition to the transfer pricing adjustments, which applied to all four tax years, the statutory notice of deficiency for the 2011 and 2012 tax years included adjustments requiring the capitalization and amortization of certain legal expenses that were deducted when paid or incurred in defending against certain patent infringement lawsuits related to Abbreviated New Drug Applications ("ANDAs") filed with a Paragraph IV Certification.

We do not agree with the audit adjustments proposed by the IRS in either of the notices of deficiency. We paid the assessed amounts of tax, interest, and penalties set forth in the statutory notices and timely filed claims for refund on June 11, 2015 for the 2009 and 2010 tax years, and on June 7, 2017, for the 2011 and 2012 tax years. On August 15, 2017, following disallowance of such refund claims, we timely filed a complaint in the United States District Court for the Western District of Michigan seeking refunds of tax, interest, and penalties of $27.5 million for the 2009 tax year, $41.8 million for the 2010 tax year, $40.1 million for the 2011 tax year, and $24.7 million for the 2012 tax year, for a total of $134.1 million, plus statutory overpayment interest thereon from the dates of payment. The amounts sought in the complaint for the 2009 and 2010 tax years were recorded as deferred charges in Other non-current assets on our balance sheet during the three months ended March 28, 2015, and the amounts sought in the complaint for the 2011 and 2012 tax years were recorded as deferred charges in Other non-current assets on our balance sheet during the three months ended July 1, 2017.

A bench trial was held during the period May 25, 2021 to June 7, 2021 for the refund case in the United States District Court for the Western District of Michigan. The total amount of cumulative deferred charge that we are seeking to receive in this litigation is approximately $111.6 million, which reflects the impact of conceding that Perrigo U.S. should have received a 5.24% royalty on all omeprazole sales. That concession was previously paid and is the subject of the above refund claims. The issues outlined in the statutory notices of deficiency described above are continuing in nature, and the IRS will likely carry forward the adjustments set forth therein as long as the drug is sold, in the case of the omeprazole issue, and for all post-2012 Paragraph IV filings that trigger patent infringement suits, in the case of the ANDA issue. Post-trial briefings were completed on September 24, 2021 and the case is now fully submitted for the court's decision. On April 30, 2021, we filed a Notice of New Authority in our refund case in the Western District of Michigan alerting the court to a United States Tax Court decision in *Mylan v. Comm'r* that ruled in favor of the taxpayer on nearly identical ANDA issues as we have before the court. On January 28, 2022, the IRS filed a Notice of Appeal with the United States Court of Appeals of the Third Circuit to appeal the United States Tax Court's decision in *Mylan v. Comm'r.* On August 22, 2022, the parties filed a Notice of New Authority in the refund case alerting the court to a United States Court of Federal Claims decision in *Actavis Laboratories v. United States* that also ruled in favor of the taxpayer on the ANDA issues. The government appealed the Actavis Laboratories decision in December of 2022.

On January 13, 2021, the IRS issued a 30-day letter and Revenue Agent's Report ("RAR") with respect to its audit of our fiscal tax years ended June 29, 2013, June 28, 2014, and June 27, 2015. The IRS letter proposed, among other modifications, transfer pricing adjustments regarding our profits from the distribution of omeprazole in the aggregate amount of $141.6 million and ANDA adjustments in the aggregate amount of $21.9 million. The 30-day letter also set forth adjustments described in the next two paragraphs. We timely filed a protest to the 30-day letter for those additional adjustments but noting that due to the pending litigation described above, IRS Appeals would not consider the merits of the omeprazole or ANDA matters. We believe that we should prevail on the merits on both carryforward issues and have reserved for taxes and interest payable on the 5.24% deemed royalty on omeprazole through the tax year ended December 31, 2018. Beginning with the tax year ended December 31, 2019, we began reporting income commensurate with the 5.24% deemed royalty. We have not reserved for the ANDA-related issue described above. While we believe we should prevail on the merits of this case, the outcome remains uncertain. If our litigation position on the omeprazole issue is not sustained, the outcome for the 2009–2012 tax years could range from a reduction in the refund amount to denial of any refund. In addition, we expect that the outcome of the refund litigation could effectively bind future tax years. In that event, an adverse ruling on the omeprazole issue could have a material impact on subsequent periods, with additional tax liability in the range of $24.0 million to $112.0 million, not including interest and any applicable penalties.

The 30-day letter for the 2013-2015 tax years also proposed to reduce Perrigo U.S.'s deductible interest expense for the 2014 tax year and the 2015 tax year on $7.5 billion in certain intercompany debts owed by it to Perrigo Company plc. The debts were incurred in connection with the Elan merger transaction in 2013. On May 7, 2020, the IRS issued a NOPA capping the interest rate on the debts for U.S. federal tax purposes at 130.0% of the Applicable

Federal Rate ("AFR") (a blended rate reduction of approximately 4.0% per annum) on the stated ground that the loans were not negotiated on an arms-length basis. The NOPA proposes a reduction in gross interest expense of approximately $414.7 million for tax years 2014 and 2015. On January 13, 2021, we received a RAR, together with the 30-day letter, requiring our filing of a written protest to request IRS Appeals consideration. The protest was timely filed with the IRS on February 26, 2021. On January 20, 2022, the IRS responded to our protest with its rebuttal in which it revised its position on this interest rate issue by reasserting that implicit parental support considerations are necessary to determine the arm's length interest rates and proposed revised interest rates that are higher than the interest rates proposed under its 130.0% of AFR assertion. The blended interest rate proposed by the IRS Rebuttal is 4.36%, an increase from the blended interest rate in the RAR of 2.57% but lower than the stated blended interest rate of the loans of 6.8%. We will pursue all available administrative and judicial remedies necessary to defend the deductibility of the interest expense on this indebtedness. If the IRS were to prevail in its revised proposed adjustment, we estimate an increase in tax expense of approximately $72.9 million, excluding interest and penalties, for fiscal years ended June 28, 2014 through June 27, 2015. In addition, we expect the IRS to seek similar adjustments for the fiscal years ended December 31, 2015 through December 31, 2018 with potential section 163(j) carryover impacts beyond December 2018. If those further adjustments were sustained, based on preliminary calculations and subject to further analysis, our current best estimate is that the additional tax expense would not exceed $58.5 million, excluding interest and penalties. No further adjustments beyond this period are expected. We strongly disagree with the IRS position and we will pursue all available administrative and judicial remedies necessary. We met with IRS Appeals in November of 2022 regarding the interest rate issue. An IRS Appeals conference is scheduled for the interest rate issue in March 2023 with both Appeals and the IRS exam team. At this stage we are unable to estimate additional liability, if any, associated with this matter.

In addition, the 30-day letter for the 2013-2015 tax years expanded on a NOPA issued on December 11, 2019 and proposed to disallow reductions to gross sales income on the sale of prescription products to wholesalers for accrued wholesale customer pipeline chargebacks where the prescription products were not re-sold by such wholesalers to covered retailers by the end of the tax year. The NOPA asserted that the reduction of gross sales income of such chargebacks is an impermissible method of accounting and proposed a change in accounting method that would defer the reduction in gross sales income until the year the prescription products were re-sold to covered retailers. The NOPA proposed an increase in sales revenue of approximately $99.5 million for the 2013-2015 tax years. We filed a protest on February 26, 2021 to request IRS Appeals consideration. On January 20, 2022, the IRS responded to our protest with its rebuttal and reiterated the NOPA's position that the accrued chargebacks are not currently deductible in the tax year accrued because all events have not occurred to establish the fact of the liability in the year deducted. On December 28, 2022, we finalized an agreement with IRS Appeals providing for settlement of the NOPA not only for the 2013-2015 tax years but all of the remaining tax years through 2021, the last tax year with chargebacks due to the sale of the RX business in July 2021. We made a settlement payment of $8.3 million which was fully covered by reserves for this issue.

On December 2, 2021, the IRS commenced an audit of our federal income tax returns for the tax years ended December 31, 2015, through December 31, 2019.

Internal Revenue Service Audit of Athena Neurosciences, LLC, a U.S. Subsidiary

On April 26, 2019, we received a revised NOPA from the IRS regarding transfer pricing positions related to the IRS audit of Athena Neurosciences, LLC ("Athena") for the years ended December 31, 2011, December 31, 2012, and December 31, 2013. The NOPA carries forward the IRS's theory from its 2017 draft NOPA that when Elan took over the future funding of Athena's in-process research and development after acquiring Athena in 1996, Elan should have paid a substantially higher royalty rate for the right to exploit Athena's intellectual property in various developmental products, including the Multiple Sclerosis drug Tysabri, rather than rates based on transfer pricing documentation prepared by Elan's external tax advisors. The NOPA proposes a payment of $843.0 million, which represents additional tax based on imputing royalty income to Athena using a 24.7% royalty rate derived by the IRS and a 40.0% accuracy-related penalty. This amount excludes consideration of offsetting tax attributes and any potential interest that may be imposed. We strongly disagree with the IRS' position. On December 22, 2016, we also received a NOPA for these years denying the deductibility of settlement costs incurred in 2011 by Athena's parent company Elan Pharmaceuticals, Inc. ("EPI") related to illegal marketing of Zonegran by EPI's employees in the United States raised in a Qui Tam action under the U.S. False Claims Act. We strongly disagree with the IRS' position on this issue as well. Because we believe that any concession on these issues in Appeals would be contrary to our evaluation of the issues and to avoid double taxation of the same income in the United States and Ireland, we pursued our remedies under the Mutual Agreement Procedure ("MAP") of the U.S. - Ireland Income Tax Treaty to alleviate double taxation. On April 21 and 23, 2020, we filed requests for Competent Authority Assistance with the IRS and Irish Revenue on the Tysabri royalty issue, and those MAP applications were accepted. On October 20, 2020, we amended our requests for Competent Authority Assistance to include the Zonegran issue and these supplemental requests were also accepted. On May 6, 2021, we had our opening conference with the IRS. A

follow-up conference was held with the IRS on December 13, 2021 and we discussed our submission, which continues to be reviewed by the IRS. Our opening conference with Irish Revenue was held on July 23, 2021 and we discussed our submission, which continues to be reviewed by Irish Revenue. The U.S. and Irish Competent Authorities will seek to achieve a resolution that avoids double taxation on both the Tysabri royalty and Zonegran issues.

No payment of the additional amounts is required until these two matters are resolved with finality under the treaty, or any additional administrative or judicial process if treaty negotiations are unsuccessful.

Irish Revenue Audit of Fiscal Years Ended December 31, 2012 and December 31, 2013

On November 29, 2018, Irish Revenue issued a Notice of Amended Assessment ("NoA") for the tax year ended December 31, 2013, related to the tax treatment of 2013 sale of the *Tysabri*® intellectual property and related assets to Biogen Idec by Elan Pharma. On September 29, 2021, Elan reached an agreement with Irish Revenue providing for full and final settlement of the NoA on the following terms: (i) on a 'without prejudice basis' and, for purposes of the settlement, an alternative basis of taxation was applied, (ii) Irish Revenue to take no further action in relation to the NoA or any *Tysabri*® related income or transactions, (iii) no interest or penalties applied, (iv) a total tax of €297.0 million charged as full and final settlement of all liabilities arising from the sale of the *Tysabri*® patents for the fiscal years 2013 to 2021, and (v) after Irish Revenue credited taxes already paid and certain unused research and development ("R&D") credits against the €297.0 million charged settlement amount, the total cash payment of €266.1 million, $307.5 million as of the date of payment, was made on October 5, 2021. We recorded the payment as a component of income tax expense on the Consolidated Statements of Operations in the third quarter of 2021.

Israel Tax Authority Audit of Fiscal Year Ended June 27, 2015 and Calendar Years Ended December 31, 2015 through December 31, 2019

On December 29, 2020, we received a Stage A assessment from the Israeli Tax Authority ("ITA") for the tax years ended December 31, 2015 through December 31, 2017 relating to attribution of intangible income to Israel, income qualifying for a lower preferential rate of tax, exemption from capital gains tax, and deduction of certain settlement payments. Through negotiations with the ITA, we resolved the audit in 2021 by agreeing to add tax years ended December 31, 2018 and December 31, 2019 to the audit. Further, the agreement with the ITA required us to pay $19.0 million, after offset of refunds of $17.2 million, for the five taxable years. In addition, we paid $12.5 million to resolve a tax liability indemnity for the tax year ended December 31, 2017 relating to Perrigo API Ltd, which we disposed of in December 2017. As a result of the settlement with the ITA, we reduced our liability recorded for uncertain tax positions by $38.3 million including interest in 2021.

Recent Tax Law Changes

On March 27, 2020, the U.S. enacted the CARES Act. The CARES Act allowed for an increased interest expense limitation and depreciation deductions resulting in a reduction of income tax expense of approximately $36.6 million for tax years 2019 and 2020. Additionally, Treasury and the IRS issued Proposed and Final Regulations in 2020 regarding interest expense limitations under Section 163(j). These regulations adjusted the definition of interest expense and items allowable in adjusted taxable income to calculate the annual interest deduction limitation. We applied the updated regulations resulting in a reduction of income tax expense of approximately $8.9 million during 2020.

On December 28, 2021, the U.S. Treasury and the IRS released final foreign tax credit regulations addressing various aspects of the foreign tax credit regime. The regulations were, generally, effective on March 7, 2022. We evaluated the regulations and concluded that they do not result in any material changes to our income tax reporting for the year ended December 31, 2022 or for any prior periods. We will continue to evaluate the effects of these final foreign tax credit regulations on future accounting periods.

On August 16, 2022, the U.S. enacted the Inflation Reduction Act of 2022 ("IR Act"), which, among other changes, introduces a 15% minimum tax based on adjusted financial statement income of certain large corporations with a three-year average adjusted financial statement income in excess of $1 billion, an excise tax on certain corporate stock buybacks, and several tax incentives to promote clean energy. We evaluated the IR Act and concluded it does not result in any material changes to our income tax reporting for the year ended December 31, 2022. We will continue to evaluate the effects of the IR Act on future accounting periods.

The Organization for Economic Co-operation and Development ("OECD"), which represents a coalition of member countries, has recommended changes to numerous long-standing tax principles. Changes include imposing a global minimum corporation tax of 15% and introducing new filing obligations. These changes are being adopted and implemented by many of the countries in which we do business and may increase our tax expense. Specifically, in December 2022, the EU adopted a Directive issued by the European Commission requiring EU members to implement the OECD's global minimum tax rules effective January 1, 2024.

NOTE 19 - COMMITMENTS AND CONTINGENCIES

At December 31, 2022, we had non-cancelable purchase obligations totaling $407.9 million consisting of contractual commitments to purchase materials and services to support operations. The majority of the obligations are expected to be paid within one year.

In view of the inherent difficulties of predicting the outcome of various types of legal proceedings, we cannot determine the ultimate resolution of the matters described below. We establish reserves for litigation and regulatory matters when losses associated with the claims become probable and the amounts can be reasonably estimated. The actual costs of resolving legal matters may be substantially higher or lower than the amounts reserved for those matters. For matters where the likelihood or extent of a loss is not probable or cannot be reasonably estimated as of December 31, 2022, we have not recorded a loss reserve. If certain of these matters are determined against us, there could be a material adverse effect on our financial condition, results of operations, or cash flows. We currently believe we have valid defenses to the claims in these lawsuits and intend to defend these lawsuits vigorously regardless of whether or not we have a loss reserve. Other than what is disclosed below, we do not expect the outcome of the litigation matters to which we are currently subject to, individually or in the aggregate, have a material adverse effect on our financial condition, results of operations, or cash flows.

Price-Fixing Lawsuits

Beginning in 2013, the Company, along with other manufacturers, has been named as a defendant in lawsuits in the United States and Canada generally alleging anticompetitive conduct with respect to the sale generic drugs by the Company's former Rx business. The complaints – which have been filed by putative classes of direct purchasers, end payors, and indirect resellers, as well as individual direct and indirect purchasers and certain cities and counties - allege a conspiracy to fix, maintain, stabilize, and/or raise prices, rig bids, and allocate markets or customers for various generic drugs in violation of federal and state antitrust and consumer protection laws. While most of the complaints involve alleged single-drug conspiracy, the three putative classes have each filed an over-arching conspiracy complaint alleging that Perrigo and other manufacturers (and some individuals) entered into an "overarching conspiracy" that involved allocating customers, rigging bids and raising, maintaining, and fixing prices for various products. The vast majority of the lawsuits described in this paragraph have been consolidated in the generic pricing multidistrict litigation ("MDL") MDL No. 2724 (United States District Court for Eastern District of Pennsylvania).

The Court has ordered that the following cases involving Perrigo will proceed on a more expedited basis (as a bellwether) than the other cases in MDL No. 2724: (i) class actions alleging "single drug" conspiracies involving Clobetasol; and (ii) the State Attorney General Complaint (described below). The bellwether cases are proceeding in discovery, which must be completed by June 1, 2023 under the schedule set by the Court, and motions for summary judgment will be due on March 13, 2024. No trial dates have been set for any of the bellwether cases, or any of the other cases in the MDL.

State Attorney General Complaint

On June 10, 2020, the Connecticut Attorney General's office filed a lawsuit on behalf of Connecticut and 50 other states and territories against Perrigo, 35 other generic pharmaceutical manufacturers, and certain individuals (including two former Perrigo employees), alleging an overarching conspiracy to allocate customers and/or fix, raise or stabilize prices of eighty products. This case is included among the "bellwether cases" designated to move the expedited schedule described above. Like the other cases in the MDL, no trial date has been set for this case.

Canadian Class Action Complaint

In June 2020, an end payor filed a class action in Ontario, Canada against Perrigo and 29 other manufacturers alleging an overarching conspiracy to allocate customers and/or fix, raise or stabilize prices of dozens of products, most of which Perrigo neither makes nor sells. The product conspiracies allegedly involving Perrigo focus on several of the same products as those involved in other MDL complaints naming Perrigo: Clobetasol, Desonide, Econazole, and Nystatin. In December 2020, Plaintiffs amended their complaint to add additional claims based on the State AG complaint of June 2020.

At this stage, we cannot reasonably estimate the outcome of the liability if any, associated with the claims listed above.

Securities Litigation

In the United States (cases related to events in 2015-2017)

Beginning in May 2016, purported class action complaints were filed against the Company and our former CEO, Joseph Papa, in the U.S. District Court for the District of New Jersey (*Roofers' Pension Fund v. Papa, et al.*) purporting to represent a class of shareholders for the period from April 21, 2015 through May 11, 2016, inclusive. The original complaint alleged violations federal securities laws in connection with the actions taken by us and the former executive to defend against the unsolicited takeover bid by Mylan in the period from April 21, 2015 through November 13, 2015. The plaintiff also alleged that the defendants provided inadequate disclosure concerning alleged business developments during the alleged class period including integration problems related to the Omega acquisition.

The operative complaint is the first amended complaint filed on June 21, 2017, and named as defendants us and 11 current or former directors and officers of Perrigo (Mses. Judy Brown, Laurie Brlas, Jacqualyn Fouse, Ellen Hoffing, and Messrs. Joe Papa, Marc Coucke, Gary Cohen, Michael Jandernoa, Gerald Kunkle, Herman Morris, and Donal O'Connor). The amended complaint alleges violations of federal securities laws arising out of the actions taken by us and the former directors and executives to defend against the unsolicited takeover bid by Mylan in the period from April 21, 2015 through November 13, 2015 and the allegedly inadequate disclosure throughout the entire class period related to the business developments during that period including purported integration problems related to the Omega acquisition, alleges incorrect reporting of organic growth at the Company and at Omega, alleges price fixing activities with respect to six generic prescription pharmaceuticals, and alleges improper accounting for the *Tysabri*® royalty stream. During 2017, the defendants filed motions to dismiss, which the plaintiffs opposed. On July 27, 2018, the court issued an opinion and order granting the defendants' motions to dismiss in part and denying the motions to dismiss in part. The court dismissed without prejudice defendants Laurie Brlas, Jacqualyn Fouse, Ellen Hoffing, Gary Cohen, Michael Jandernoa, Gerald Kunkle, Herman Morris, Donal O'Connor, and Marc Coucke. The court also dismissed without prejudice claims arising from the *Tysabri*® accounting issue described above and claims alleging incorrect disclosure of organic growth described above. The defendants who were not dismissed are the Company, Joe Papa, and Judy Brown. The claims (described above) that were not dismissed relate to the integration issue regarding the Omega acquisition, the defense against the Mylan tender offer, and the alleged price fixing activities with respect to six generic prescription pharmaceuticals. The defendants who remain in the case (us, Mr. Papa, and Ms. Brown) have filed answers denying liability.

On November 14, 2019, the court granted the lead plaintiffs' motion and certified three classes for the case: (i) all those who purchased shares between April 21, 2015 through May 2, 2017 inclusive on a U.S. exchange and were damaged thereby; (ii) all those who purchased shares between April 21, 2015 through May 2, 2017 inclusive on the Tel Aviv exchange and were damaged thereby; and (iii) all those who owned shares as of November 12, 2015 and held such stock through at least 8:00 a.m. on November 13, 2015 (whether or not a person tendered shares in response to the Mylan tender offer) (the "tender offer class"). Plaintiffs' counsels have sent notices to the alleged class.

The parties took discovery from 2018 through 2020. After discovery ended, defendants filed motions for summary judgement and to exclude plaintiffs' experts, which were fully briefed. The case was then re-assigned to a new federal judge, who heard oral argument on the motions in April 2022. The motions are pending.

In addition to the class action, the following opt-out cases have been filed against us, and in some cases, Mr. Papa and Ms. Brown, and contain factual allegations and claims that are similar to some or all of the factual allegations and claims in the class actions:

Case	Date Filed
Carmignac Gestion, S.A. v. Perrigo Company plc, et al.	11/1/2017
First Manhattan Co. v. Perrigo Company plc, et al.	2/16/2018; amended 4/20/2018
Nationwide Mutual Funds, et al. v. Perrigo Company plc, et al.	10/29/2018
Schwab Capital Trust, et al. v. Perrigo Company plc, et al.	1/31/2019
Aberdeen Canada Funds -- Global Equity Fund, et al. v. Perrigo Company plc, et al.	2/22/2019
Principal Funds, Inc., et al. v. Perrigo Company plc, et al.	3/5/2020
Kuwait Investment Authority, et al. v. Perrigo Company plc, et al.	3/31/2020
Mason Capital L.P., et al. v. Perrigo Company plc, et al.	1/26/2018
Pentwater Equity Opportunities Master Fund Ltd., et al. v. Perrigo Company plc, et al.	1/26/2018
WCM Alternatives: Event-Drive Fund, et al. v. Perrigo Co., plc, et al.	11/15/2018
Hudson Bay Master Fund Ltd., et al. v. Perrigo Co., plc, et al.	11/15/2018
Discovery Global Citizens Master Fund, Ltd., et al. v. Perrigo Co. plc, et al.	12/18/2019
York Capital Management, L.P., et al. v. Perrigo Co. plc, et al.	12/20/2019
Burlington Loan Management DAC v. Perrigo Co. plc, et al.	2/12/2020
Universities Superannuation Scheme Limited v. Perrigo Co. plc, et al.	3/2/2020
Harel Insurance Company, Ltd., et al. v. Perrigo Company plc, et al.	2/13/2018
TIAA-CREF Investment Management, LLC., et al. v. Perrigo Company plc, et al.	4/20/2018
Sculptor Master Fund (f/k/a OZ Master Fund, Ltd.), et al. v. Perrigo Company plc, et al.	2/6/2019
BlackRock Global Allocation Fund, Inc., et al. v. Perrigo Co. plc, et al.	4/21/2020
Starboard Value and Opportunity C LP, et al. v. Perrigo Company plc, et al.	2/25/2021

In June 2020, three *Highfields Capital entities* filed a lawsuit in Massachusetts State Court with factual allegations that generally were similar to the factual allegations in the Amended Complaint in the *Roofers' Pension Fund* case described above, except that the Highfields plaintiffs did not include allegations about alleged collusive pricing of generic prescription drugs, and alleged Massachusetts state law claims under the Massachusetts Unfair Business Methods Law (chapter 93A) and Massachusetts common law claims of tortious interference with prospective economic advantage, common law fraud, negligent misrepresentation, and unjust enrichment. In December 2021, the Massachusetts State Court granted Defendants' motion to dismiss in part and denied it in part. Defendants' filed their answers in January 2022 denying liability. The discovery phase in this case has begun (including discovery related to some factual allegations that were not part of the discovery in the actions in New Jersey federal court). The Court held a discovery conference and approved fact discovery deadlines into May 2023 and later deadlines to complete expert discovery.

In Israel (cases related to events in 2015-2017)

On June 28, 2017, a plaintiff filed a complaint in Tel Aviv District Court styled *Israel Elec. Corp. Employees' Educ. Fund v. Perrigo Company plc, et al.* The lead plaintiff seeks to represent a class of shareholders who purchased Perrigo stock on the Tel Aviv exchange during the period from April 24, 2015 through May 3, 2017 and also a claim for those that owned shares on the final day of the Mylan tender offer (November 13, 2015). The amended complaint names as defendants the Company, Ernst & Young LLP (the Company's auditor), and 11 current or former directors and officers of Perrigo (Mses. Judy Brown, Laurie Brlas, Jacqualyn Fouse, Ellen Hoffing, and Messrs. Joe Papa, Marc Coucke, Gary Cohen, Michael Jandernoa, Gerald Kunkle, Herman Morris, and Donal O'Connor). The complaint alleges violations under Israeli securities laws that are similar to U.S. Securities Exchange Act sections 10(b) (and Rule 10b-5) and 14(e) against all defendants and 20(a) control person liability against the 11 individuals or, in the alternative, under other Israeli securities laws. In general, the allegations are similar to the factual allegations in the *Roofers' Pension Fund* case in the U.S. as described above. The plaintiff indicates an initial, preliminary class damages estimate of 2.7 billion NIS (approximately $760.0 million at 1 NIS = 0.28 cents). After the other two cases filed in Israel were voluntarily dismissed, the plaintiff in this case agreed to stay this case pending the outcome of the *Roofers' Pension Fund* case in the U.S. (described above). The Israeli court approved the stay, and this case is now stayed. We intend to defend the lawsuit vigorously.

In Israel (case related to Irish Tax events)

On December 31, 2018, a shareholder filed an action against the Company, our CEO Murray Kessler, and our former CFO Ronald Winowiecki in Tel Aviv District Court (*Baton v. Perrigo Company plc, et. al.*). The case is a securities class action brought in Israel making similar factual allegations for the same period as those asserted in a securities class action case (for those who purchased on a U.S. exchange) in New York federal court in which the settlement received final approval in February 2022. The Baron case alleges that persons who purchased securities through the Tel Aviv stock exchange and suffered damages can assert claims under Israeli securities law that will follow the liability principles of Sections 10(b) and 20(a) of the U.S. Securities Exchange Act. The plaintiff does not provide an estimate of class damages. Since 2019, the court granted several requests by Perrigo to stay the proceedings pending the resolution of proceedings in the New York federal court. During 2022, the case was reassigned to a newly-appointed judge. After the settlement of the U.S. case in New York federal court, Perrigo's counsel informed the Israeli Court of the final approval of the settlement of the U.S. case. The parties then sought further stays of the case while they attempted mediation, which the Court granted. The Court has ordered that the parties provide a further update on March 30, 2023. We intend to defend the lawsuit vigorously.

Other Matters

Talcum Powder

The Company has been named, together with other manufacturers, in product liability lawsuits in state courts in California, Florida, Missouri, New Jersey, Louisiana, Oklahoma, Texas, Oregon and Illinois alleging that the use of body powder products containing talcum powder causes mesothelioma and lung cancer due to the presence of asbestos. All but one of these cases involve legacy talcum powder products that have not been manufactured by the Company since 1999. One of the pending actions involves a current prescription product that contains talc as an excipient. As of December 31, 2022, the Company is currently named in 86 individual lawsuits seeking compensatory and punitive damages and has accepted a tender for a portion of the defense costs and liability from a retailer for one additional matter. The Company has several defenses and intends to aggressively defend these lawsuits. Trials for these lawsuits are currently scheduled throughout 2023, 2024 and 2025 with the earliest potential trial date in March 2023.

Ranitidine

After regulatory bodies announced worldwide that ranitidine may potentially contain N-nitrosodimethylamine ("NDMA"), a known environmental contaminant, the Company promptly began testing its externally-sourced ranitidine API and ranitidine-based products. On October 8, 2019, the Company halted shipments of the product based upon preliminary results and on October 23, 2019, the Company made the decision to conduct a voluntary retail market withdrawal.

In February 2020, the resulting actions involving *Zantac*® and other ranitidine products were transferred for coordinated pretrial proceedings to a Multi-District Litigation (In re *Zantac*®/Ranitidine Products Liability Litigation MDL No. 2924) in the U.S. District Court for the Southern District of Florida. After the Company successfully moved to dismiss the first set of Master Complaints in the MDL, it now includes three: 1) an Amended Master Personal Injury Complaint; 2) a Consolidated Amended Consumer Economic Loss Class Action Complaint; and 3) a Consolidated Medical Monitoring Class Action Complaint. All three name the Company. Plaintiffs appealed one of the original Master Complaints, the Third-Party Payor Complaint, and two individual plaintiffs appealed their individual personal injury claims on limited grounds. The Company is not named in the appeals.

On June 30, 2021, the Court dismissed all claims against the retail and distributor defendants with prejudice, thereby reducing the Company's potential for exposure and liability related to possible indemnification. On July 8, 2021, the Court dismissed all claims against the Company with prejudice. Appeals of these dismissal orders to the U.S. Court of Appeals for the 11th Circuit have been filed, as well several state level claims related to the theories advanced in the MDL. The Company will continue to vigorously defend each of these lawsuits.

As of December 31, 2022, the Company has been named in 352 personal injury lawsuits, most of which are in the MDL tied to various federal courts alleging that plaintiffs developed various types of cancers or are placed at higher risk of developing cancer as a result of ingesting products containing ranitidine. The Company has also been named in a handful of similar lawsuits in the state courts of California, Illinois, Ohio, New Jersey, New York and Pennsylvania. The Company is named in these lawsuits with manufacturers of the national brand *Zantac*® and other manufacturers of ranitidine products, as well as distributors, repackagers, and/or retailers. Plaintiffs seek

compensatory and punitive damages, and in some instances seek applicable remedies under state consumer protection laws. The Company believes that it has strong defenses to such claims based on a significant body of scientific evidence, and pursuant to the doctrine of federal preemption. As noted above, the Company has won multiple motions to dismiss in the MDL, as well as additional state court actions in California and Maryland.

The Company has also been named in a Complaint brought by the New Mexico Attorney General based on the following theories: violation of a New Mexico public nuisance statute, NMSA 30-8-1 to -14; common law nuisance; and negligence and gross negligence. The Company is named in this lawsuit with manufacturers of the national brand *Zantac®* and other manufacturers of ranitidine products and/or retailers. Brand name manufactures named in the lawsuit also face claims under the state's Unfair Practices & False Advertising acts. Likewise, the Company has also been named in a Complaint brought by the Mayor and City Council of Baltimore, along with manufacturers of the national brand *Zantac®* and other manufacturers of ranitidine products and/or retailers. This action brings claims under the Maryland Consumer Protection Act against the brand name defendants only, as well as public nuisance and negligence for the remaining defendants. The Company was originally able to consolidate the New Mexico and Baltimore Actions to the MDL, however both actions were recently remanded to state court. The Company filed motions to dismiss in both actions. The New Mexico District Court denied the Company's Motion to Dismiss and litigation continues. The Maryland Circuit Court has not issued a ruling on the Company's Motion. The Company will continue to vigorously defend each of these lawsuits. On January 28, 2022 the Baltimore Circuit Court dismissed all of Plaintiffs' claims in full against Perrigo. Plaintiffs have not sought certification to appeal the Circuit Court's ruling.

Some of the Company's retailer customers are seeking indemnity from the Company for a portion of their defense costs and liability relating to these cases.

Acetaminophen

In October 2022 the Judicial Panel on Multidistrict Litigation ("MDL") consolidated a number of pending actions filed in various federal courts alleging that prenatal exposure to acetaminophen is purportedly associated with the development of autism spectrum disorder ("ASD") and attention-deficit/hyperactivity disorder ("ADHD"). The MDL is styled *In re: Acetaminophen – ASD/ADHD Products Liability Litigation* (MDL No. 3043) and is pending before the U.S. District Court for the Southern District of New York. Plaintiffs in the MDL have asserted claims against Johnson & Johnson Consumer, Inc. ("JJCI") and various retailer chains alleging that plaintiff-mothers took acetaminophen products while pregnant and that plaintiff-children developed ASD and/or ADHD as a result of prenatal exposure to these acetaminophen products. At this time, the MDL proceedings are in the early stages. Currently, it is not possible to assess reliably the outcome of these cases or any potential future financial impact on the Company. As of December 31, 2022 the Company has not been named as a defendant in any Complaints filed in the MDL. It is anticipated that some of the Company's retailer customers may seek indemnity from the Company for a portion of their defense costs and potential liability relating to these cases.

Contingencies Accruals

As a result of the matters discussed in this Note, the Company has established a loss accrual for litigation contingencies where we believe a loss to be probable and for which an amount of loss can be reasonably estimated. However, we cannot determine a reasonable estimate of the maximum possible loss or range of loss for these matters given that they are at various stages of the litigation process and each case is subject to inherent uncertainties of litigation. At December 31, 2022, the loss accrual for litigation contingencies reflected on the balance sheet in Other accrued liabilities was approximately $67.4 million. The Company also recorded an insurance recovery receivable reflected on the balance sheet in Prepaid expenses and other current assets of approximately $38.4 million related to these litigation contingencies because it believes such amount is recoverable based on communications with its insurers to date; however, the Company may erode this insurance receivable as it incurs defense costs associated with defending the matters. The Company's management believes these accruals for contingencies are reasonable and sufficient based upon information currently available to management; however, there can be no assurance that final costs related to these contingencies will not exceed current estimates or that all of the final costs related to these contingencies will be covered by insurance. (See **"*Insurance Coverage Litigation*,"** below.) In addition, we have other litigation matters pending for which we have not recorded any accruals because our potential liability for those matters is not probable or cannot be reasonably estimated based on currently available information. For those matters where we have not recorded an accrual but a loss is reasonably possible, we cannot determine a reasonable estimate of the maximum possible loss or range of loss for these matters given that they are at various stages of the litigation process and each case is subject to the inherent uncertainties of litigation.

Insurance Coverage Litigation

In May 2021 insurers on multiple policies of D&O insurance filed an action in the High Court in Dublin against the Company and multiple current and former directors and officers of the Company seeking declaratory judgments on certain coverage issues. Those coverage issues include claims that policies for periods beginning in December 2015 and December 2016, respectively, do not have to provide coverage for the securities actions described above pending in the District of New Jersey or in Massachusetts state court concerning the events of 2015-2017. The policy for the period beginning December 2014 is currently providing coverage for those matters, and the litigation would not affect that existing coverage. However, if the plaintiffs are successful, the total amount of insurance coverage available to defend such lawsuits and to satisfy any judgment or settlement costs thereunder would be limited to one policy period. The insurers' lawsuit also challenges coverage for *Krueger derivatively on behalf of nominal defendant Perrigo Company plc v. Alford et al.*, a prior derivative action filed in the District of New Jersey that was dismissed in August 2020, and for the counterclaims brought in the Omega arbitration proceedings. Perrigo responded on November 1, 2021; Perrigo's response includes its position that the policies for the periods beginning December 2015 and December 2016 provide coverage for the underlying litigation matters and seeks a ruling to that effect. Discovery activity commenced in February 2022. We intend to defend the lawsuit vigorously.

NOTE 20 - SEGMENT AND GEOGRAPHIC INFORMATION

Below is a summary of our results by reporting segment (in millions):

	CSCA	CSCI	Held for Sale[1]	Unallocated	Total
Year Ended December 31, 2022					
Net sales	$ 2,925.9	$ 1,525.7	$ —	$ —	$ 4,451.6
Operating income (loss)	$ 366.1	$ (30.0)	$ —	$ (257.2)	$ 78.9
Operating income %	12.5 %	(2.0)%	— %	— %	1.8 %
Total assets	$ 5,134.1	$ 5,883.2	$ —	$ —	$ 11,017.3
Capital expenditures	$ 68.1	$ 26.2	$ —	$ —	$ 94.3
Property, plant and equipment, net	$ 772.0	$ 154.3	$ —	$ —	$ 926.3
Depreciation/amortization	$ 123.3	$ 215.3	$ —	$ —	$ 338.6
Year Ended December 31, 2021					
Net sales	$ 2,693.1	$ 1,445.6	$ —	$ —	$ 4,138.7
Operating income (loss)	$ 206.5	$ 36.1	$ —	$ 167.8	$ 410.4
Operating income %	7.7 %	2.5 %	— %	— %	9.9 %
Total assets	$ 5,983.8	$ 4,425.8	$ 16.1	$ —	$ 10,425.7
Capital expenditures	$ 112.0	$ 24.0	$ —	$ —	$ 136.0
Property, plant and equipment, net	$ 706.9	$ 157.2	$ —	$ —	$ 864.1
Depreciation/amortization	$ 117.0	$ 179.8	$ —	$ —	$ 296.8
Year Ended December 31, 2020					
Net sales	$ 2,693.0	$ 1,395.2	$ —	$ —	$ 4,088.2
Operating income (loss)	$ 465.0	$ 32.3	$ —	$ (232.1)	$ 265.2
Operating income %	17.3 %	2.3 %	— %	— %	6.5 %
Total assets	$ 4,585.1	$ 4,872.4	$ 2,030.9	$ —	$ 11,488.4
Capital expenditures	$ 131.4	$ 28.8	$ —	$ —	$ 160.2
Property, plant and equipment, net	$ 701.1	$ 163.5	$ —	$ —	$ 864.6
Depreciation/amortization	$ 109.9	$ 177.8	$ —	$ —	$ 287.7
Change in financial assets	$ —	$ —	$ —	$ 95.3	$ 95.3

(1) Held for sale represented Latin American businesses as of December 31, 2021, and the Rx business as of December 31, 2020.

The net book value of Property, plant and equipment, net by location was as follows (in millions):

	Year Ended	
	December 31, 2022	December 31, 2021
U.S.	$ 725.2	$ 674.9
Europe[1]	188.4	174.4
All other countries	12.7	14.8
	$ 926.3	$ 864.1

(1) Includes Ireland Property, plant and equipment, net of zero and $0.1 million, for the years ended December 31, 2022 and December 31, 2021, respectively.

Sales to Walmart as a percentage of Consolidated Net sales (reported primarily in CSCA) were as follows:

Year Ended		
December 31, 2022	December 31, 2021	December 31, 2020
12.5%	14.0%	15.2%

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) or 15d-15(e) of the Exchange Act) as of December 31, 2022. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of December 31, 2022. Management concluded that the consolidated financial statements included in this Annual Report present fairly, in all material respects, the financial position of the Company at December 31, 2022 in conformity with GAAP and our external auditors have issued an unqualified opinion on our consolidated financial statements as of and for the year ended December 31, 2022.

(b) Management's Annual Report on Internal Control Over Financial Reporting

The Company's management's report on internal control over financial reporting is set forth in Item 8 of this Annual Report and is incorporated by reference herein. The Company's independent registered public accounting firm has issued an audit report on the effectiveness of the Company's internal control over financial reporting, which is set forth in Item 8 of this Annual Report.

(c) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the Company's fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

See Part I, Additional Item of this Form 10-K under the heading "Information About our Executive Officers."

Other information required by this item is incorporated by reference to the Proxy Statement for the 2022 Annual Meeting of Stockholders (the "2022 Proxy Statement"), which will be filed no later than 120 days after December 31, 2022, under the headings: "Election of Directors"; "Audit Committee"; "Delinquent Section 16(a) Reports"; and "Corporate Governance".

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item is incorporated by reference to the 2022 Proxy Statement, which will be filed no later than 120 days after December 31, 2022, under the headings: "Executive Compensation", "Talent & Compensation Committee Report", "Potential Payments Upon Termination or Change in Control" and "Director Compensation".

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this item is incorporated by reference to the 2022 Proxy Statement, which will be filed no later than 120 days after December 31, 2022, under the headings: "Ownership of Perrigo Ordinary Shares". Information concerning equity compensation plans is incorporated by reference to the 2022 Proxy Statement, which will be filed no later than 120 days after December 31, 2022, under the heading "Equity Compensation Plan Information".

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item is incorporated by reference to our 2022 Proxy Statement, which will be filed no later than 120 days after December 31, 2022, under the headings: "Certain Relationships and Related-Party Transactions" and "Corporate Governance".

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by this item is incorporated by reference to the 2022 Proxy Statement, which will be filed no later than 120 days after December 31, 2022, under the heading: "Ratification, in a Non-Binding Advisory Vote, of the Appointment of Ernst & Young LLP as Independent Auditor of the Company and Authorization, in a Binding Vote, of the Board of Directors, Acting Through the Audit Committee, to Fix the Remuneration of the Auditor".

PART IV.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed or incorporated by reference as part of this Form 10-K:

1. All financial statements. See Index to Consolidated Financial Statements.
2. Financial Schedules.

   Schedules are omitted because the required information is included in the footnotes, immaterial or not applicable.

3. Exhibits:

2.1	Transaction Agreement, dated as of July 28, 2013, among Perrigo Company, Elan Corporation, plc, Perrigo Company plc, Habsont Limited and Leopard Company (incorporated by reference from Annex A to the joint proxy statement/prospectus included in the Company's Registration Statement on Form S-4/A filed on October 8, 2013) (File No. 333-190859).
2.2	Put Option Agreement, dated as of September 8, 2021, by and among Perrigo Company plc, Habsont Unlimited Company and certain other parties set forth therein (incorporated by reference from Exhibit 2.1 to the Company's Current Report on Form 8-K filed on September 9, 2021) (File No. 001-36353).
2.3**	Securities Sale Agreement, dated as of October 20, 2021, by and among Perrigo Company plc, Habsont Unlimited Company and certain other parties set forth therein (incorporated by reference from Exhibit 2.1 to the Company's Current Report on Form 8-K filed on October 21, 2021 (File No. 001-36353).
2.4	Part A of Appendix I to Rule 2.5 Announcement (Conditions to the Implementation of the Scheme and the Acquisition) (incorporated by reference from Annex B to the joint proxy statement/prospectus included in the Company's Registration Statement on Form S-4/A filed on October 8, 2013) (File No. 333-190859).
2.5+	Asset Purchase Agreement, dated as of February 5, 2013, by and among Elan Pharma International Limited, Elan Pharmaceuticals, Inc. and Biogen Idec International Holding Ltd (incorporated by reference from Exhibit 4(c) (31) of Elan Corporation, plc's Annual Report on Form 20-F for the year ended December 31, 2012) (File No. 001-13896).
2.6	Agreement for the Sale and Purchase of 685,348,257 Shares Of Omega Pharma Invest N.V., dated as of November 6, 2014, by and among the Company, Alychlo N.V. and Holdco I BE N.V. (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 12, 2014) (File No. 001-36353).
2.7	Amendment Agreement dated March 27, 2015 to the Agreement for the Sale and Purchase of 685,348,257 Shares Of Omega Pharma Invest N.V., dated as of November 6, 2014, by and among the Company, Alychlo N.V. and Holdco I BE N.V. (incorporated by reference from Exhibit 2.3 to the Company's Quarterly Report on Form 10-Q filed on April 29, 2015) (File No. 001-36353).
2.8	Assignment Letter dated March 17, 2015 regarding the Agreement for the Sale and Purchase of 685,348,257 Shares Of Omega Pharma Invest N.V., dated as of November 6, 2014, by and among the Company, Alychlo N.V. and Holdco I BE N.V. (incorporated by reference from Exhibit 2.1 to the Company's Quarterly Report on Form 10-Q filed on April 29, 2015) (File No. 001-36353).
2.9	Closing Letter dated March 17, 2015 regarding the Agreement for the Sale and Purchase of 685,348,257 Shares Of Omega Pharma Invest N.V., dated as of November 6, 2014, by and among the Company, Alychlo N.V. and Holdco I BE N.V. (incorporated by reference from Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q filed on April 29, 2015) (File No. 001-36353).
3.1	Certificate of Incorporation of Perrigo Company plc (formerly known as Perrigo Company Limited) (incorporated by reference from Exhibit 4.1 to the Company's Registration Statement on Form S-8 filed December 19, 2013) (File No. 333-192946).
3.2	Memorandum and Articles of Association of Perrigo Company plc, as amended and restated (incorporated by reference from Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q filed on August 10, 2017) (File No. 001-36353).
4.1	Indenture dated as of November 8, 2013, among the Company, the guarantors named therein and Wells Fargo Bank, N.A., as Trustee (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 12, 2013) (File No. 333-190859).

4.2	First Supplemental Indenture, dated December 18, 2013 to the Indenture dated as of November 8, 2013, among the Company, the guarantors named therein and Wells Fargo Bank, N.A., as Trustee (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 19, 2013) (File No. 333-190859).
4.3	Third Supplemental Indenture by and among Perrigo Company plc, the Guarantor Subsidiaries named therein, and Wells Fargo Bank, National Association, as Trustee, dated as of May 25, 2022 (incorporated by reference from Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2022) (File No. 001-36353).
4.4	Base Indenture dated as of December 2, 2014, between Perrigo Finance Unlimited Company, formerly known as Perrigo Finance plc, the Company and Wells Fargo Bank, National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 2, 2014) (File No. 001-36353).
4.5	First Supplemental Indenture dated as of December 2, 2014, between Perrigo Finance Unlimited Company, formerly known as Perrigo Finance plc, the Company and Wells Fargo Bank, National Association, as trustee (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K filed on December 2, 2014) (File No. 001-36353).
4.6	Supplemental Indenture No. 2, dated as of March 10, 2016, among Perrigo Finance Unlimited Company, the Company and Wells Fargo Bank, National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 10, 2016) (File No. 001-36353).
4.7	Third Supplemental Indenture, dated as of June 19, 2020, among Perrigo Finance Unlimited Company, Perrigo Company plc, and Wells Fargo Bank, National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 19, 2020) (File No. 001-36353).
4.8	Fourth Supplemental Indenture by and among Perrigo Company plc, Perrigo Finance Unlimited Company, the Guarantor Subsidiaries named therein, and Wells Fargo Bank, National Association, as Trustee, dated as of May 25, 2022 (incorporated by reference from Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2022) (File No. 001-36353).
4.9	Fifth Supplemental Indenture by and among Perrigo Company plc, Perrigo Finance Unlimited Company, the Guarantor Subsidiaries named therein, and Wells Fargo Bank, National Association, as Trustee, dated as of September 8, 2022 (incorporated by reference from Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q filed on November 8, 2022) (File No. 001-36353).
4.10	Form of 3.900% Senior Notes due 2024 (included as Exhibit A-2 to the First Supplemental Indenture dated as of December 2, 2014, between Perrigo Finance Unlimited Company, formerly known as Perrigo Finance plc, the Company and Wells Fargo Bank, National Association, as trustee) (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K filed on December 2, 2014) (File No. 001-36353).
4.11	Form of 4.900% Senior Notes due 2044 (included as Exhibit A-3 to the First Supplemental Indenture dated as of December 2, 2014, between Perrigo Finance Unlimited Company, formerly known as Perrigo Finance plc, the Company and Wells Fargo Bank, National Association, as trustee) (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K filed on December 2, 2014) (File No. 001-36353).
4.12	Form of 3.150% Note due 2030 (included in the Third Supplemental Indenture dated as of June 19, 2020) (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K filed on June 19, 2020) (File No. 001-36353).
4.13	Form of Global Note representing the 2026 Notes (included in Exhibit 4.5).
4.14	Description of the Company's Securities (incorporated by reference to Exhibit 4.12 to the Company's Annual Report on Form 10-K filed on February 27, 2020) (File No. 001-36353).
10.1†	Term Loan and Revolving Credit Agreement by and among Perrigo Company plc, as parent, Perrigo Investments, LLC, as a borrower, the Designated Borrowers, the Lenders, the Issuing Banks, and the Swing Line Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, and as Collateral Agent, dated as of April 20, 2022 (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed April 20, 2022).
10.2	Purchase and Sale Agreement by and among Perrigo Pharma International Designated Activity Company, Perrigo Company plc and RPI Finance Trust, dated February 27, 2017 (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 28, 2017) (File No. 001-36353).

10.3	Stock Purchase Agreement and Agreement and Plan of Merger by and among Perrigo Oral Health Care Holdings, Inc., Perrigo Ireland 6 DAC, Big Mouth Merger Sub, LLC, Ranir Global Holdings, LLC, Camden Partners III SPV, L.P., RGH SELLER REP, LLC and Perrigo Company plc, effective as of May 8, 2019 (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on August 8, 2019) (File No. 001-36353).
10.4*	Perrigo Annual Incentive Plan, as amended and restated effective February 13, 2019 (incorporated by reference from Exhibit 10.5 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.5*	2008 Long-Term Incentive Plan, adopted November 4, 2008 (incorporated by reference from Exhibit 10(b) to Perrigo Company's Quarterly Report on Form 10-Q filed on February 3, 2009) (File No. 000-19725).
10.6*	2013 Long-Term Incentive Plan (incorporated by reference from Annex J to the Company's Registration Statement on Form S-4/A filed on October 8, 2013) (File No. 333-190859).
10.7*	Amendment No. 1 to the 2013 Long-Term Incentive Plan, dated as of January 29, 2014 (incorporated by reference from Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q filed on February 6, 2014) (File No. 333-190859).
10.8*	Amendment No. 2 to the 2013 Long-Term Incentive Plan, effective as of July 9, 2015 (incorporated by reference from Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed on August 13, 2015) (File No. 001-36353).
10.9*	Amendment No. 3 to the 2013 Long-Term Incentive Plan, effective as of November 3, 2017 (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on November 9, 2017) (File No. 001-36353).
10.10*	Amendment No. 4 to the 2013 Long-Term Incentive Plan, effective as of February 13, 2019 (incorporated by reference from Exhibit 10.11 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.11*	Perrigo Company plc 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 30, 2019) (File No. 001-36353).
10.12*	Amendment No. 1 to Perrigo Company plc 2019 Long Term Incentive Plan (incorporated by reference from Annex A to the Company's Definitive Proxy Statement filed on March 24, 2022.).
10.13*	Nonqualified Deferred Compensation Plan, as amended and restated effective January 1, 2021 (filed herewithin)
10.14*	Perrigo Company plc Change in Control Severance Policy for U.S. Employees, as amended and restated effective February 13, 2019 (incorporated by reference from Exhibit 10.21 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.15*	Perrigo Company plc U.S. Severance Policy, as amended and restated effective February 13, 2019 (incorporated by reference from Exhibit 10.22 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.16*	Perrigo Company Employee Severance Programme - Ireland, as amended and restated effective November 1, 2022 (filed herewith)
10.17*	Forms of Grant Agreement under the Company's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q filed on February 6, 2014) (File No. 333-190859).
10.18*	Forms of Amendment to Nonqualified Stock Option Agreements under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q filed on August 10, 2017) (File No. 001-36353).
10.19*	Forms of Service-Based Restricted Stock Unit Award Agreements under the Company's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on November 9, 2017) (File No. 001-36353).
10.20*	Forms of Nonqualified Stock Option Agreements under the Company's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on November 9, 2017) (File No. 001-36353).
10.21*	Forms of Service-Based Restricted Stock Unit Award Agreements under the Company's Long-Term Incentive Plan (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 8, 2018) (File No. 001-36353).

10.22*	Forms of Service-Based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from exhibit 10.61 to the Company's Annual Report on Form 10-K filed on March 1, 2018) (File No. 001-36353).
10.23*	Form of Nonqualified Stock Option Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from exhibit 10.63 to the Company's Annual Report on Form 10-K filed on March 1, 2018) (File No. 001-36353).
10.24*	Form of Nonqualified Stock Option Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.49 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.25*	Form of Service-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.50 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.26*	Forms of Performance-based Restricted Stock Unit Award Agreements under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.51 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.27*	Form of Perrigo Company plc Director Indemnity Agreement (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 19, 2013) (File No. 333-190859).
10.28*	Form of Perrigo Company plc Officer Indemnity Agreement (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 19, 2013) (File No. 333-190859).
10.29*	Form of Perrigo Company Indemnity Agreement (incorporated by reference from Exhibit 10.3 to the Company's Current Report on Form 8-K filed on December 19, 2013) (File No. 333-190859).
10.30*	Form of Nonqualified Stock Option Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed on April 30, 2019) (File No. 001-36353).
10.31*	Form of Service-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.3 to the Company's Current Report on Form 8-K filed on April 30, 2019) (File No. 001-36353).
10.32*	Forms of Performance-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.4 to the Company's Current Report on Form 8-K filed on April 30, 2019) (File No. 001-36353).
10.33*	Form of Nonqualified Stock Option Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.61 to the Company's Annual Report on Form 10-K filed on February 27, 2020) (File No. 001-36353).
10.34*	Forms of Performance-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.62 to the Company's Annual Report on Form 10-K filed on February 27, 2020) (File No. 001-36353).
10.35*	Form of Service-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2019 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.63 to the Company's Annual Report on Form 10-K filed on February 27, 2020) (File No. 001-36353).
10.36*	Form of Nonqualified Stock Option Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.64 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.37*	Form of Service-based Restricted Stock Unit Award Agreement under Perrigo Company plc's 2013 Long-Term Incentive Plan (incorporated by reference from Exhibit 10.65 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.38*	Forms of Performance-based Restricted Stock Unit Award Agreements under Perrigo Company plc's 2013 Long-Term Incentive Plan incorporated by reference from Exhibit 10.66 to the Company's Annual Report on Form 10-K filed on February 27, 2019) (File No. 001-36353).
10.39*	Amended and Restated Employment Agreement, effective as of March 1, 2021, by and between Perrigo Management Company and Murray S. Kessler (incorporated by reference from Exhibit 10.57 to the Company's Annual Report on Form 10-K filed on March 1, 2021) (File No. 001-36353).
10.40*	Management Agreement, effective as of January 1, 2020 by and between Perrigo Holding NV and Svend Andersen (incorporated by reference from Exhibit 10.80 to the Company's Annual Report on Form 10-K filed on February 27, 2020) (File No. 001-36353).

10.41*	Letter Agreement between the Company and Eduardo Bezerra, dated May 6, 2022 (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2022) (File No. 001-36353).
10.42	Stock and Asset Purchase Agreement, by and between the Company and Vestas Pharma LLC, dated as of March 1, 2021 (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 2, 2021) (File No. 001-36353).
10.43	Amendment to Stock and Asset Purchase Agreement, by and between Perrigo Company plc and Padagis LLC, dated as of July 6, 2021 (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 12, 2021).
21	Subsidiaries of the Registrant (filed herewith).
22	List of Guarantor Subsidiaries (filed herewith).
23	Consent of Ernst & Young LLP (filed herewith).
24	Power of Attorney (see signature page).
31	Rule 13a-14(a) Certifications (filed herewith).
32	Section 1350 Certifications (filed herewith).
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File, formatted in Inline XBRL (contained in Exhibit 101.INS).

+ Confidential treatment has been requested for portions of this agreement. A completed copy of the agreement, including the redacted portions, has been filed separately with the SEC.
* Denotes management contract or compensatory plan or arrangement.
** The Company has omitted schedules and other similar attachments to such agreement pursuant to Item 601(b) of Regulation S-K. The Company will furnish a copy of such omitted document to the SEC upon request.
† Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company will furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

(b) Exhibits.
The response to this portion of Item 15 is submitted as a separate section of this Report. See Item 15(a)(3) above.

(c) Financial Statement Schedules.
The response to this portion of Item 15 is submitted as a separate section of this Report. See Item 15(a)(2) above.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Annual Report on Form 10-K for the year ended December 31, 2022 to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Dublin, Ireland on February 28, 2023.

PERRIGO COMPANY PLC

By: /s/ Murray S. Kessler
Murray S. Kessler
Chief Executive Officer and President
(Principal Executive Officer)

POWER OF ATTORNEY

Each person whose signature appears below hereby appoints Murray S. Kessler, Eduardo Bezerra, and Kyle L. Hanson and each of them severally, acting alone and without the other, his true and lawful attorney-in-fact with authority to execute in the name of each such person, and to file with the Securities and Exchange Commission, together with any exhibits thereto and other documents therewith, any and all amendments to this Annual Report on Form 10-K for the year ended December 31, 2022 necessary or advisable to enable Perrigo Company plc to comply with the Securities Exchange Act of 1934, or any rules, regulations and requirements of the Securities and Exchange Commission in respect thereof, which amendments may make such other changes in the report as the aforesaid attorney-in-fact executing the same deems appropriate.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K for the year ended December 31, 2022 has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on February 28, 2023.

Signature	Title
/s/ Murray S. Kessler Murray S. Kessler	President and Chief Executive Officer and Director (Principal Executive Officer)
/s/ Eduardo Bezerra Eduardo Bezerra	Chief Financial Officer (Principal Accounting and Financial Officer)
/s/ Orlando D. Ashford Orlando D. Ashford	Chairman of the Board
/s/ Bradley A. Alford Bradley A. Alford	Director
/s/ Katherine Doyle Katherine Doyle	Director
/s/ Adriana Karaboutis Adriana Karaboutis	Director
/s/ Jeffrey B. Kindler Jeffrey B. Kindler	Director
/s/ Erica L. Mann Erica L. Mann	Director
/s/ Albert A. Manzone Albert A. Manzone	Director
/s/ Donal O'Connor Donal O'Connor	Director
/s/ Geoffrey M. Parker Geoffrey M. Parker	Director
/s/ Theodore R. Samuels Theodore R. Samuels	Director

Perrigo Company

Nonqualified Deferred Compensation Plan

As Amended and Restated Effective January 1, 2021

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PERRIGO COMPANY
2005 NONQUALIFIED DEFERRED COMPENSATION PLAN
As Amended and Restated Effective January 1, 2021

Purpose

The purpose of this Plan is to provide specified benefits to a select group of management or highly compensated Employees who contribute materially to the continued growth, development and future business success of Perrigo Company, a Michigan corporation, and its related entities, if any, that sponsor this Plan. This Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA.

This Plan was established effective January 1, 2005 to be a replacement for the L. Perrigo Company Deferred Compensation Plan, effective July 1, 2001, which was frozen to new deferrals effective December 31, 2004 due to the enactment of the American Jobs Creation Act of 2004, and is intended to satisfy the requirements of Code Section 409A, and applicable guidance issued thereunder. The Plan was previously amended and restated effective as of January 1, 2007. The following provisions constitute an amendment and restatement of the Plan effective January 1, 2021.

ARTICLE 1
Definitions

For the purposes of this Plan, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

1.1 "Account Balance" shall mean, with respect to a Participant, a credit on the records of the Employer equal to the sum of (i) the Deferral Account balance, (ii) the Company Contribution Account balance, (iii) the Company Matching Account balance, and (iv) the Company Profit Sharing Account balance. The Account Balance, and each other specified account balance, shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

1.2 "Affiliate" means any entity that is treated as being under common control with the Company under Code Sections 414(b) and (c).

1.3 "Annual Bonus" shall mean any compensation, in addition to Base Annual Salary, payable to a Participant as an Employee during any applicable Plan Year under any Employer's annual bonus and cash incentive plans, excluding stock options and amounts includible in income upon the vesting of restricted stock and service and performance-based restricted stock units.

1.4 "Annual Company Contribution Amount" shall mean, for any one Plan Year, the amount determined in accordance with Section 3.4.

1.5 "Annual Company Matching Amount" shall mean, for any one Plan Year, the amount determined in accordance with Section 3.5.

1.6 "Annual Deferral Amount" shall mean that portion of a Participant's Base Annual Salary, Annual Bonus and Directors Fees that a Participant elects to have and is deferred in accordance with Article 3, for any one Plan Year.

1.7 "Annual Installment Method" shall be an annual installment payment over the number of years selected by the Participant in accordance with this Plan, calculated as follows: the vested Account Balance of the Participant shall be calculated as of the close of business on the last business day of the year. The annual installment shall be calculated by multiplying this balance by a fraction, the numerator of which is one and the denominator of which is the remaining number of annual payments due the Participant. By way of example, if the Participant elects a ten (10) year Annual Installment Method, the first payment shall be 1/10 of the vested Account Balance, calculated as described in this definition. The following year, the payment shall be 1/9 of the vested Account Balance, calculated as described in this definition. Except as otherwise provided in Section 5.2, each annual installment shall be paid no later than sixty (60) days after the last business day of the applicable year.

1.8 "Annual Profit Sharing Amount" shall mean, for any one Plan Year, the amount determined in accordance with Section 3.6.

1.9 "Base Annual Salary" shall mean the annual cash compensation paid to a Participant during any calendar year relating to services performed for any Employer, excluding bonuses, commissions, fringe benefits, stock options, restricted stock, service and performance-based restricted stock units, relocation expenses, incentive payments, non-monetary awards, directors fees and other fees, and automobile and other allowances paid to a Participant for employment services rendered (whether or not such allowances are included in the Employee's gross income). Base Annual Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or non qualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

1.10 "Beneficiary" shall mean one or more persons, trusts, estates or other entities, designated in accordance with Article 8, that are entitled to receive benefits under this Plan upon the death of a Participant.

1.11 "Beneficiary Designation Form" shall mean the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.

1.12 "Board" shall mean the board of directors of the Company.

1.13 "Change in Control" shall mean the date on which (i) any Person (as that term is defined in Section 2(2) of the Securities Act of 1933 and Section 13(d) of the Securities Exchange Act of 1934, as amended from time to time) acquires or otherwise becomes the owner of voting stock of the Company which, together with all other voting stock of the Company, as applicable, then owned or controlled by such Person, represents more than fifty percent (50%) of the then issued and outstanding voting stock of the Company, or (ii) a majority of the Company's Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the Company's directors prior to the date of the appointment or election. The foregoing definition of Change in Control shall be construed and interpreted consistent with Section 409A of the Code.

1.14 "Claimant" shall have the meaning set forth in Section 13.1.

1.15 "Code" shall mean the Internal Revenue Code of 1986, as it may be amended from time to time, and any applicable IRS regulations promulgated thereunder and any successor thereto. References to any section of the Code include reference to any comparable or succeeding provisions or regulations that amend, supplement, or replace the section.

1.16 "Committee" shall mean the committee described in Article 11. To the extent that the Committee delegates any of its duties or responsibilities in accordance with Article 11, references in the Plan to the "Committee" shall be deemed to refer to such delegate.

1.17 "Company" shall mean Perrigo Company, a Michigan corporation, and any successor to all or substantially all of the Company's assets or business.

1.18 "Company Contribution Account" shall mean (i) the sum of the Participant's Annual Company Contribution Amounts, plus (ii) amounts credited or debited in accordance with all the applicable crediting and debiting provisions of this Plan that relate to the Participant's Company Contribution Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Participant's Company Contribution Account.

1.19 "Company Matching Account" shall mean (i) the sum of all of a Participant's Annual Company Matching Amounts, plus (ii) amounts credited in accordance with all the applicable crediting and debiting provisions of this Plan that relate to the Participant's Company Matching Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Participant's Company Matching Account.

1.20 "Company Profit Sharing Account" shall mean (i) the sum of all of a Participant's Annual Profit Sharing Amounts, plus (ii) amounts credited in accordance with all the applicable crediting and debiting provisions of this Plan that relate to the Participant's Company Profit Sharing Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Participant's Company Profit Sharing Account.

1.21 "Deduction Limitation" shall mean the following described limitation on a benefit that may otherwise be distributable pursuant to the provisions of this Plan. Except as otherwise provided, this limitation shall be applied to any portion of a distribution from the Plan that is a "grandfathered amount" (as defined in Proposed Treasury Regulation § 1.162-33(g) or in subsequent IRS guidance describing what constitutes a grandfathered amount for purposes of Code Section 162(m)) at the time it would be paid. If an Employer determines that any distribution of a grandfathered amount to be paid to a Participant would not be deductible by the Employer solely by reason of the limitations under Code Section 162(m), then, to the extent permitted under Code Section 409A, the Employer shall defer all or the portion of such distribution that is not deductible. Any amounts deferred pursuant to this limitation shall continue to be credited/debited with additional amounts in accordance with Section 3.9 below, even if such amount is being paid out in installments. The amounts so deferred and amounts credited thereon shall be distributed to the Participant in the Company's first taxable year in which the Company reasonably anticipates such amount shall be not be subject to the Deduction Limit or on the earliest of (i) the effective date of a Change in Control, or (ii) during the period

beginning on the Participant's Termination of Employment and ending on the later of the last day of the Company's taxable year in which the Participant's Termination of Employment occurs or the date which is 2-1/2 months after the Participant's Termination of Employment. Notwithstanding anything to the contrary in this Plan, the Deduction Limitation shall not apply to any distributions made after a Change in Control or to the distribution of non-grandfathered amounts.

1.22 "Deferral Account" shall mean (i) the sum of all of a Participant's Annual Deferral Amounts, plus (ii) amounts credited in accordance with all the applicable crediting and debiting provisions of this Plan that relate to the Participant's Deferral Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to his or her Deferral Account.

1.23 "Director" shall mean any member of the board of directors of any Employer.

1.24 "Directors Fees" shall mean the annual fees paid by any Employer, including retainer fees and meetings fees, as compensation for serving on the board of directors.

1.25 "Disability" shall mean, for claims involving disability determinations filed after April 1, 2018, (i) the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving disability benefits under the Participant's Employer's long-term disability plan for a period of not less than three months and evidence thereof has been furnished to the Committee, or (ii) the Participant is determined to be totally disabled by the Social Security Administration and evidence of such determination has been furnished to the Committee.

1.26 "Disability Benefit" shall mean the benefit set forth in Article 7.

1.27 "Election Form" shall mean the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to make an election under the Plan.

1.28 "Employee" shall mean a person who is an employee of any Employer.

1.29 "Employer(s)" shall mean the Company and its Affiliates (now in existence or hereafter formed or acquired), that have been selected by the Board to participate in the Plan and have adopted the Plan as a sponsor.

1.30 "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.

1.31 "401(k) Plan" shall mean the Perrigo Company Profit-Sharing and Investment Plan, as amended from time to time.

1.32 "Participant" shall mean any Employee who is paid through a United States payroll (i) who is selected to participate in the Plan, (ii) who commences participation in the Plan, and (iii) whose participation in the Plan has not been terminated. In addition, where appropriate, Participant shall also mean a former Employee or Director with an Account Balance under the Plan. A spouse or former spouse of a Participant shall not be treated as a Participant in the Plan or have an Account Balance under the Plan, even if he or she has

an interest in the Participant's benefits under the Plan as a result of applicable law or property settlements resulting from legal separation or divorce.

1.33 "Plan" shall mean the Perrigo Company Nonqualified Deferred Compensation Plan, which shall be evidenced by this instrument and by each Plan Agreement, as they may be amended from time to time.

1.34 "Plan Agreement" shall mean a written agreement, as may be amended from time to time, which is entered into by and between an Employer and a Participant. Each Plan Agreement executed by a Participant and the Participant's Employer shall provide for the entire benefit to which such Participant is entitled under the Plan; should there be more than one Plan Agreement, the Plan Agreement bearing the latest date of acceptance by the Employer shall supersede all previous Plan Agreements in their entirety and shall govern such entitlement. The terms of any Plan Agreement may be different for any Participant, and any Plan Agreement may provide additional benefits not set forth in the Plan or limit the benefits otherwise provided under the Plan; provided, however, that any such additional benefits or benefit limitations must be agreed to by both the Employer and the Participant.

1.35 "Plan Year" shall mean a period beginning on January 1 of each calendar year and continuing through December 31 of such calendar year.

1.36 "Short-Term Payout" shall mean the payout set forth in Section 4.1.

1.37 "Survivor Benefit" shall mean the benefit set forth in Article 6.

1.38 "Termination Account" shall mean the bookkeeping account(s) maintained by the Employer for the benefit of a Participant to record the Participant's Termination Benefit. A Participant's Termination Account is made up of some or all of the following accounts that are maintained in the name of the Participant, as applicable:

(a) "Termination Account No. 1" that will reflect the Participant's Account Balance, excluding (i) the portion of the Deferral Account balance that the Participant elects to receive as a Short-Term Payout in accordance with Section 4.1 and (ii) the portion of the Account Balance attributable to contributions credited on or after January 1, 2019 that the Participant elects on an Election Form to allocate to Termination Account No. 2. A Participant's election to allocate contributions to Termination Account No. 1 shall apply to all subsequent Plan Years until revoked or altered in accordance with the terms of the Plan (an "evergreen election"); provided, however, that if the allocation of an Annual Deferral Amount would not be permitted by the terms of the Plan (for example, if the Participant elected to receive a portion of the Annual Deferral Amount as a Short-Term Payout but the Plan Year designated by the Participant for this purpose was less than three (3) Plan Years after the Plan Year in which the Annual Deferral Amount would be deferred), then 100% of the Participant's Annual Deferral Amount shall be allocated to Termination Account No. 1.

(b) "Termination Account No. 2" that will reflect the portion of the Participant's Account Balance attributable to contributions credited on or after January 1, 2019 that the Participant elects on an Election Form to allocate to Termination Account No. 2. A Participant's election to allocate contributions to Termination Account

No. 2 shall apply to all subsequent Plan Years until revoked or altered in accordance with the terms of the Plan (an "evergreen election"); provided, however, that if the allocation of an Annual Deferral Amount would not be permitted by the terms of the Plan (for example, if the Participant elected to receive a portion of the Annual Deferral Amount as a Short-Term Payout but the Plan Year designated by the Participant for this purpose was less than three (3) Plan Years after the Plan Year in which the Annual Deferral Amount would be deferred), then 100% of the Participant's Annual Deferral Amount shall be allocated to Termination Account No. 1.

1.39 "Termination Benefit" shall mean the benefit set forth in Article 5.

1.40 "Termination of Employment" shall mean the severing of employment with all Employers and Affiliates (whether or not the Affiliate has adopted the Plan), or service as a director of all Employers and Affiliates (whether or not the Affiliate has adopted the Plan), voluntarily or involuntarily, for any reason. A Participant on a bona fide authorized leave of absence shall not be deemed to have a Termination of Employment provided that such leave does not exceed six months or, if longer, so long as the Participant's right to reemployment with the Employer is provided either by statute or by contract. If the period of leave exceeds six months, and the Participant's right to reemployment is not provided either by statute or by contract, the Participant shall be deemed to have a Termination of Employment on the first date immediately following such six month period; provided, however, that if the leave of absence is due to a medically determinable physical or mental impairment that can be expected to result in death or last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, the period of leave may be extended by the Employer for up to 29 months without causing a Termination of Employment. Whether a Participant has incurred a Termination of Employment shall be determined consistent with Code Section 409A and applicable regulations and other guidance issued thereunder.

1.41 "Trust" shall mean one or more trusts, if any, established by the Employer to assist the Employer in meeting it obligations under the Plan in accordance with Section 14.1.

1.42 "Unforeseeable Financial Emergency" shall mean a severe financial hardship of the Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary or such person's spouse or dependent (as defined in section 152(a) of the Code), loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, not as a result of a natural disaster), or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary, all as determined in the sole discretion of the Committee. Events constituting an Unforeseeable Financial Emergency may include the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence, the need to pay for medical expenses, and the need to pay for funeral expenses of a spouse or a dependent. The payment of college tuition and the purchase of a home are not Unforeseeable Financial Emergencies.

ARTICLE 2
Selection, Enrollment, Eligibility

2.1 **Selection by Committee**. Participation in the Plan shall be limited to a select group of management and highly compensated Employees of the Employers, as determined by the Committee in its sole discretion. From that group, the Committee shall select, in its sole discretion, the Employees or classes of Employees to participate in the Plan. The Committee may, in its sole discretion, provide that an Employee or class of Employees may not make voluntary deferrals under the Plan, in which case, such Employee or class of Employees shall only be eligible for the Annual Profit Sharing Amount and Annual Company Contribution Amount, if applicable.

2.2 **Enrollment Requirements**. As a condition to participation in the Annual Deferral Amount and Annual Company Matching Amount portions of the Plan, each selected Employee shall complete, execute and return to the Committee a Plan Agreement and an Election Form within thirty (30) days after he or she becomes eligible to participate in the Plan. In addition, the Committee shall establish from time to time such other enrollment requirements as it determines in its sole discretion are necessary, which may include a requirement that each newly eligible Employee enroll in the Plan within a shorter timeframe than the thirty (30) day period specified in the preceding sentence. Plan Agreements and Election Forms may be completed and/or signed using such online systems and other electronic means as the Committee from time to time may designate for such purpose. Participation in the Annual Profit Sharing Amount and Annual Company Contribution Amount portions of the Plan is automatic and does not require a Participant's election to participate.

2.3 **Eligibility; Commencement of Participation**. Provided an Employee selected to participate in the Plan has met all enrollment requirements set forth in this Plan and required by the Committee, including returning all required documents to the Committee within the specified time period set forth in Section 2.2, that Employee shall commence participation in the Plan on the first day of the month following the month in which the Employee completes all enrollment requirements. If an Employee fails to meet all such requirements within the period required, in accordance with Section 2.2, that Employee shall not be eligible to participate in the Plan until the first day of the Plan Year following the delivery to and acceptance by the Committee of the required documents.

2.4 **Termination of Participation and/or Deferrals**. If the Committee determines in good faith that a Participant no longer qualifies as a member of a select group of management or highly compensated employees, as membership in such group is determined in accordance with Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, the Committee shall have the right, in its sole discretion, to prevent the Participant from making future deferral elections and to take such other action as it deems necessary or appropriate, which may include segregation of the Participant's Account from the Plan or termination of participation in the Plan.

ARTICLE 3
Deferral Commitments/ Company Contribution/Company Matching/Profit Sharing/Vesting/Crediting/Taxes

3.1 **Deferral Amount.** For each Plan Year, a Participant may elect to defer, as his or her Annual Deferral Amount, Base Annual Salary and/or Annual Bonus up to the following maximum percentages for each deferral elected:

Deferral	Maximum Amount
Base Annual Salary	80%
Annual Bonus	100%

Notwithstanding the foregoing, if a Participant first becomes a Participant after the first day of a Plan Year, the maximum Annual Deferral Amount, with respect to Base Annual Salary and Annual Bonus shall be limited to the amount of compensation not yet earned by the Participant as of the date the Participant submits a Plan Agreement and Election Form to the Committee for acceptance.

3.2 **Election to Defer; Effect of Election Form**.

(a) **First Plan Year**. In connection with a Participant's commencement of participation in the Plan, the Participant shall make an irrevocable deferral election for the Plan Year in which the Participant commences participation in the Plan, along with such other elections as the Committee deems necessary or desirable under the Plan. If the Participant first becomes eligible for the Plan on other than the first day of a Plan Year, the Participant may make a deferral election for the Plan Year within the 30 day period after the date the Participant becomes eligible for the Plan. For these elections to be valid, the Election Form must be completed and signed by the Participant, timely delivered to the Committee (in accordance with Section 2.2 above) and accepted by the Committee.

(b) **Subsequent Plan Years**. A Participant's deferral election shall apply to all subsequent Plan Years until revoked or altered in accordance with the terms of the Plan (an "evergreen election"); provided, however, that the Participant's election shall become irrevocable as of each December 31 for Base Annual Salary or Annual Bonus payable for services to be rendered in the Plan Year immediately following such December 31.

(c) **Special Election for Section 409A Performance Based Bonuses**. Notwithstanding subsection (b) above, if the Committee determines that an Annual Bonus eligible for deferral satisfies the requirements of "performance based compensation" within the meaning of Code Section 409A, any election to defer such Annual Bonus must be made no later than the date which is six months prior to the end of the performance period, and a Participant's evergreen election to defer such Annual Bonus shall become irrevocable on the date which is six months prior to the end of the performance period (i.e., the election shall become irrevocable on June 30 of the calendar year performance period in which such June 30 occurs). Any deferral of an Annual Bonus shall be made in accordance with the rules and procedures established by the Committee.

3.3 **Withholding of Annual Deferral Amounts**. For each Plan Year, the Base Annual Salary portion of the Annual Deferral Amount shall be withheld from each regularly scheduled Base Annual Salary payroll in equal amounts, as adjusted from time to time for increases and decreases in Base Annual Salary. The Annual Bonus portion of the Annual Deferral Amount shall be withheld at the time the Annual Bonus is or otherwise would be paid to the Participant.

3.4 **Annual Company Contribution Amount**. For each Plan Year, an Employer, in its sole discretion, may, but is not required to, credit any amount it desires to any Participant's Company Contribution Account under this Plan, which amount shall be for that Participant the Annual Company Contribution Amount for that Plan Year. The amount so credited to a Participant may be smaller or larger than the amount credited to any other Participant, and the amount credited to any Participant for a Plan Year may be zero, even though one or more other Participants receive an Annual Company Contribution Amount for that Plan Year. The Annual Company Contribution Amount, if any, shall be credited at such time or times as the Employer may determine in its sole discretion.

3.5 **Annual Company Matching Amount**. For each Plan Year during which the Company maintains the 401(k) Plan, an Employer shall credit a Participant's Company Matching Account with an amount equal to the following:

(a) the difference between (i) the matching contribution the Employer contributed on behalf of such Employee Participant under the 401(k) Plan during such Plan Year and (ii) the matching contribution amount that would have been contributed by the Employer under the 401(k) Plan if the Participant had not deferred any amounts under this Plan during such Plan Year, but rather had deferred his or her Annual Deferral Amount for such Plan Year into the 401(k) Plan, to the extent allowable under the limitations applicable to the 401(k) Plan; and

(b) an additional amount equal to the amount of matching contributions that would have been contributed by the Employer to the 401(k) Plan if the Participant's Annual Deferral Amount with respect to compensation (within the meaning of the 401(k) Plan) that exceeds the Code Section 401(a)(17) limit for the Plan Year had instead been contributed to the 401(k) Plan.

3.6 **Annual Profit Sharing Amount**. For each Plan Year during which the Company maintains the 401(k) Plan, the Employer shall credit each eligible Participant's Company Profit Sharing Account with an amount equal to the difference between (i) the discretionary profit sharing contribution the Participant would have been eligible to receive under the 401(k) Plan for a Plan Year, determined without regard to the limitations of Sections 401(a)(17) or 415 of the Code or deferrals under this Plan, and (ii) the actual profit sharing contribution credited to such Participant's account under the 401(k) Plan for the Plan Year. The Annual Profit Sharing Amount, if any, shall be credited at such time or times as the Employer may determine in its sole discretion.

3.7 **Investment of Trust Assets**. The trustee of the Trust shall be authorized, upon written instructions received from the Committee or investment manager appointed by the Committee, to invest and reinvest the assets of the Trust in accordance with the applicable Trust Agreement, including the disposition of stock and reinvestment of the proceeds in one or more investment vehicles designated by the Committee.

3.8 **Vesting**.

(a) A Participant shall at all times be 100% vested in his or her Deferral Account.

(b) A Participant shall at all times be 100% vested in his or her Company Profit Sharing Account.

(c) The Committee, in its sole discretion, will determine the vesting schedule, if any, applicable to a Participant's Company Contribution Account.

(d) The Committee, in its sole discretion, shall determine the vesting schedule, if any, applicable to a Participant's Company Matching Account.

(e) Notwithstanding anything to the contrary contained in this Section 3.8, except as otherwise provided in subsection (f) below, in the event of a Change in Control, a Participant's Company Contribution Account and Company Matching Account shall immediately become 100% vested (if it is not already vested in accordance with subsections (a) and (b) above).

(f) Notwithstanding subsection (e), the vesting schedule, if any, for a Participant's Company Contribution Account and Company Matching Account shall not be accelerated to the extent that the Committee determines that such acceleration would cause the deduction limitations of Section 280G of the Code to become effective. In the event that any portion of a Participant's Company Contribution Account and/or Company Matching Account is not vested pursuant to such a determination, the Participant may request independent verification of the Committee's calculations with respect to the application of Section 280G. In such case, the Committee must provide to the Participant within 15 business days of such a request an opinion from a nationally recognized accounting firm selected by the Participant (the "Accounting Firm"). The opinion shall state the Accounting Firm's opinion that any limitation in the vested percentage hereunder is necessary to avoid the limits of Section 280G and contain supporting calculations. The cost of such opinion shall be paid for by the Company.

3.9 **Crediting/Debiting of Account Balances**. In accordance with, and subject to, the rules and procedures that are established from time to time by the Committee, in its sole discretion, amounts shall be credited or debited to a Participant's Account Balance in accordance with the following rules:

(a) **Election of Measurement Funds**. A Participant, in connection with his or her initial deferral election in accordance with Section 3.2(a) above, shall elect, on the Election Form, one or more Measurement Fund(s) (as described in Section 3.9(c) below) to be used to determine the amounts to be credited or debited to his or her Account Balance. The Participant may (but is not required to) elect, by submitting an Election Form to the Committee that is accepted by the Committee, to add or delete one or more Measurement Fund(s) to be used to determine the amounts to be credited or debited to his or her Account Balance, or to change the portion of his or her Account Balance allocated to each previously or newly elected Measurement Fund. If an election is made in accordance with the previous sentence, it shall apply as of the first business day deemed reasonably practicable by the Committee, in its sole discretion, and continue thereafter for each subsequent day in which the Participant participates in the Plan, unless changed in accordance with the previous sentence.

(b) **Proportionate Allocation**. In making any election described in Section 3.9(a) above, the Participant shall specify on the Election Form, in increments of one percentage point (1%), the percentage of his or her Account Balance to be

allocated to a Measurement Fund (as if the Participant was making an investment in that Measurement Fund with that portion of his or her Account Balance).

(c) **Measurement Funds**. The Participant may elect one or more of the Measurement Funds selected by the Committee, in its sole discretion, which are based on certain mutual funds or similar investments, for the purpose of crediting or debiting amounts to his or her Account Balance. As necessary, the Committee may, in its sole discretion, discontinue, substitute or add a Measurement Fund at any time. Each such action of the Committee will take effect as of the date determined by the Committee, in its sole discretion.

(d) **Crediting or Debiting Method**. The performance of each elected Measurement Fund (either positive or negative) will be determined by the Committee, in its reasonable discretion, based on the performance of the Measurement Funds themselves. A Participant's Account Balance shall be credited or debited on a daily basis to the extent values are available, based on the performance of each Measurement Fund selected by the Participant, such performance being determined by the Committee in its sole discretion.

(e) **No Actual Investment**. Notwithstanding any other provision of this Plan that may be interpreted to the contrary, the Measurement Funds are to be used for measurement purposes only, and a Participant's election of any such Measurement Fund, the allocation to his or her Account Balance thereto, the calculation of additional amounts and the crediting or debiting of such amounts to a Participant's Account Balance shall not be considered or construed in any manner as an actual investment of his or her Account Balance in any such Measurement Fund. In the event that the Company or the trustee of the Trust, in its own discretion, decides to invest funds in any or all of the Measurement Funds, no Participant shall have any rights in or to such investments themselves. Without limiting the foregoing, a Participant's Account Balance shall at all times be a bookkeeping entry only and shall not represent any investment made on his or her behalf by the Company or the Trust; the Participant shall at all times remain an unsecured creditor of the Company.

3.10 **FICA and Other Taxes**.

(a) **Annual Deferral Amounts**. For each Plan Year in which an Annual Deferral Amount is being withheld from a Participant, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Annual Salary and Bonus that is not being deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such Annual Deferral Amount. If necessary, the Committee may reduce the Annual Deferral Amount in order to comply with this Section 3.10.

(b) **Company Matching and Company Contributions**. When a participant becomes vested in a portion of his or her Company Matching Account and/or Company Contribution Account, the Participant's Employer(s) shall withhold from the Participant's Base Annual Salary and/or Bonus that is not deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes. If necessary, the Committee may reduce the vested portion of

the Participant's Company Matching Account and/or Company Contribution Account in order to comply with this Section 3.10.

(c) **Annual Profit Sharing Amounts**. For each Plan Year in which an Annual Profit Sharing Amount is credited to a Participant, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Annual Salary and Bonus that is not being deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such Annual Profit Sharing Amount. If necessary, the Committee may reduce the Annual Profit Sharing Amount in order to comply with this Section 3.10.

(d) **Distributions**. The Participant's Employer(s), or the trustee of the Trust, shall withhold from any payments made to a Participant under this Plan all federal, state and local income, employment and other taxes required to be withheld by the Employer(s), or the trustee of the Trust, in connection with such payments, in amounts and in a manner to be determined in the sole discretion of the Employer(s) and the trustee of the Trust.

ARTICLE 4
Short-Term Payout; Unforeseeable Financial Emergencies; Withdrawal Election

4.1 **Short-Term Payout**. In connection with each election to defer an Annual Deferral Amount, a Participant may irrevocably elect to receive a future "Short-Term Payout" from the Plan with respect to such Annual Deferral Amount. A Participant's election to receive a future Short-Term Payout with respect to an Annual Deferral Amount shall apply to all subsequent Plan Years until revoked or altered in accordance with the terms of the Plan (an "evergreen election"); provided, however, that if the Participant's election would not be permitted by the terms of the Plan (for example, if the Participant elected to receive a portion of the Annual Deferral Amount as a Short-Term Payout but the Plan Year designated by the Participant for this purpose was less than three (3) Plan Years after the Plan Year in which the Annual Deferral Amount would be deferred), then 100% of the Participant's Annual Deferral Amount shall be allocated to Termination Account No. 1. The Short-Term Payout shall be in an amount that is equal to the Annual Deferral Amount plus amounts credited or debited in the manner provided in Section 3.9 above on that amount, determined at the time that the Short-Term Payout becomes payable (rather than the date of a termination of Employment). Subject to the Deduction Limitation (if applicable) and except as otherwise elected with respect to Annual Deferral Amounts on or after January 1, 2013, the Short-Term Payout shall be made in a lump sum payment. Beginning with the election to defer the Annual Deferral Amount for Plan Year 2013, a Participant may elect to receive a Short-Term Payout in a lump sum or pursuant to an Annual Installment Method of up to five (5) years. In the event that a Participant does not make a valid election of a form of payment for a Short-Term Payout, and unless modified as provided below, such Short-Term Payout shall be paid in a single lump sum. Subject to the Deduction Limitation (if applicable) and the other terms and conditions of this Plan, each Short-Term Payout elected shall be paid out, or with respect to a payment subject to an Annual Installment Method shall begin to be paid out, during a sixty (60) day period commencing immediately after the last day of any Plan Year designated by the Participant that is at least three (3) Plan Years after the Plan Year in which the Annual Deferral Amount is actually deferred.

The Participant may subsequently modify his or her election of a Short-Term Payout: (a) with respect to the Plan Year designated for payment, or the beginning of payment, or (b) with respect to the form of payment (e.g. lump sum or Annual Installment Method) to an alternative form of payment allowable under the plan, or both. Such modifications shall be requested by submitting a new Election Form to the Committee; provided, however, that any such new Election Form requesting a modification to an existing Short-Term Payout: (1) shall be submitted at least twelve (12) months in advance of the payment date currently in effect for the Short-Term Payout being modified; (ii) may not become effective for at least twelve (12) months following the date the Committee accepts it; and (iii) shall provide for an additional deferral period that is not less than five (5) years from the payment date applicable to the Short-Term Payout immediately prior to the modification. For purposes of elections to modify Short-Term Payouts, the entitlement to a series of installment payments under an Annual Installment Method is treated as the entitlement to a single payment pursuant to Treasury Regulation 1.409A-2(b)(2)(iii).

4.2 **Other Benefits Take Precedence Over Short-Term**. Should an event occur that triggers a benefit under Article 5, 6 or 7, any Annual Deferral Amount, plus amounts credited or debited thereon, that is subject to a Short-Term Payout election under Section 4.1 shall not be paid in accordance with Section 4.1 but shall be paid in accordance with the other applicable Article; provided, however, that (i) any Short-Term Payout elections relating to periods on or after January 1, 2019 will designate whether the Annual Deferral Amount (plus amounts credited or debited in the manner provided in Section 3.9 above) will be paid in the form of payment designated for Termination Account No. 1 or Termination Account No. 2 should an event occur that triggers a benefit under Article 5 or Article 7, and (ii) any Annual Deferral Amounts (plus amounts credited or debited in the manner provided in Section 3.9 above) relating to periods prior to January 1, 2019 will be paid in the form of payment designated for Termination Account No. 1 should an event occur that triggers a benefit under Article 5 or Article 7.

4.3 **Withdrawal Payout/Suspensions for Unforeseeable Financial Emergencies**. If the Participant experiences an Unforeseeable Financial Emergency, the Participant may petition the Committee to (i) suspend any deferrals required to be made by a Participant (to the extent the Committee determines such suspension is permissible under Code Section 409A) and/or (ii) receive a partial or full payout from the Plan. The payout shall not exceed the lesser of the Participant's vested Account Balance, calculated as if such Participant were receiving a Termination Benefit, or the amount reasonably needed to satisfy the Unforeseeable Financial Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). If, subject to the sole discretion of the Committee, the petition for a suspension and/or payout is approved, suspension shall take effect upon the date of approval and any payout shall be made within sixty (60) days of the date of approval. The payment of any amount under this Section 4.3 shall not be subject to the Deduction Limitation. The Committee may from time to time adopt additional policies or rules consistent with the requirements of Code Section 409A to govern the manner in which such distributions may be made.

ARTICLE 5
Termination Benefit

5.1 **Termination Benefit**. Subject to the Deduction Limitation (if applicable), following a Participant's Termination of Employment for any reason other than death, the Participant shall be entitled to receive a Termination Benefit equal to the Participant's vested Account Balance.

5.2 **Payment of Termination Benefit**. A Participant, in connection with his or her commencement of participation in the Plan (or, with respect to Termination Account No. 2 for a Participant who commenced participation in the Plan prior to January 1, 2019, in connection with his or her enrollment in the Plan for the 2019 Plan Year), shall elect on an Election Form to receive the Termination Benefit in a lump sum or pursuant to an Annual Installment Method of up to 15 years, with such election to be reflected in a Termination Account for the benefit of the Participant. The Participant may subsequently change his or her election to an allowable alternative payout period by submitting a new Election Form to the Committee, provided that any such new Election Form (i) shall be made at least 12 months in advance of the originally-scheduled distribution date and may not take effect for at least 12 months after the date the new election is made, (ii) shall not accelerate the time or schedule of any payment, except as permitted under Treasury regulations, and (iii) except with respect to distributions on account of death, Disability or Unforeseeable Financial Emergency, shall provide for an additional deferral period that is not less than 5 years from the date distribution would have otherwise been made. For purposes of applying the rules in the preceding sentence, installment payments shall be treated as a single payment to be made on the date the first installment is to commence. The Election Form which satisfies the foregoing requirements most recently filed with the Committee shall govern the payout of the Termination Benefit. If a Participant does not make any election with respect to the payment of the Termination Benefit, then the Participant shall be deemed to have elected to have such benefit paid in a lump sum. Despite the foregoing, if the Participant's vested Account Balance at the time of his or her Termination of Employment is less than the limit then in effect under Code Section 402(g)(1)(B), payment of the Termination Benefit will be made in a lump sum. The lump sum payment shall be made, or installment payments shall commence, as of the first day of the seventh month following the date of such Termination of Employment. This Section 5.2 shall be construed and interpreted consistent with Code Section 409A, and regulations promulgated and other applicable guidance issued thereunder.

5.3 **Death Prior to Completion of Termination Benefit**. If a Participant dies after commencing his or her Termination Benefit but before the Termination Benefit is paid in full, the Participant's unpaid payments shall continue and shall be paid to the Participant's Beneficiary over the remaining number of years and in the same amounts as that benefit would have been paid to the Participant had the Participant survived.

ARTICLE 6
Survivor Benefits

6.1 **Survivor Benefits**. If the Participant dies before he or she commences payment under the Plan, the Participant's Beneficiary shall receive a Survivor Benefit equal to the Participant's vested Account Balance.

6.2 **Payment of Survivor Benefit**. The Survivor Benefit shall be paid to the Participant's Beneficiary in a lump sum payment as soon as administratively practicable, but in no event later than the last day of the Plan Year in which the Participant's death occurs or, if later, by the 15th day of the third month following the Participant's death.

ARTICLE 7
Disability Benefits

7.1 **Disability Benefit**. A Participant suffering a Disability shall be entitled to receive a Disability Benefit equal to the Participant's vested Account Balance. The Disability Benefit shall be paid in the same form as elected by the Participant for his or her Termination Benefit. Such payment shall be made or commence within sixty (60) days following the date of such Disability. Any payment made shall be subject to the Deduction Limitation (if applicable). This Section 7.1 shall be construed and interpreted consistent with Code Section 409A and applicable Treasury guidance.

ARTICLE 8
Beneficiary Designation

8.1 **Beneficiary**. Each Participant shall have the right, at any time, to designate his or her Beneficiary(ies) (both primary as well as contingent) to receive any benefits payable under the Plan to a beneficiary upon the death of a Participant. The Beneficiary designated under this Plan may be the same as or different from the Beneficiary designation under any other plan of an Employer in which the Participant participates.

8.2 **Beneficiary Designation; Change**. A Participant shall designate his or her Beneficiary by completing and signing the Beneficiary Designation Form, and returning it to the Committee or its designated agent. A Participant shall have the right to change a Beneficiary by completing, signing and otherwise complying with the terms of the Beneficiary Designation Form and the Committee's rules and procedures, as in effect from time to time. Upon the acceptance by the Committee of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Committee shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant and accepted by the Committee prior to his or her death.

8.3 **Acknowledgment**. No designation or change in designation of a Beneficiary shall be effective until received and acknowledged in writing by the Committee or its designated agent.

8.4 **No Beneficiary Designation**. If a Participant fails to designate a Beneficiary as provided in Sections 8.1, 8.2 and 8.3 above or, if all designated Beneficiaries predecease the Participant or die prior to complete distribution of the Participant's benefits, then the Participant's designated Beneficiary shall be deemed to be his or her surviving spouse. If the Participant has no surviving spouse, the benefits remaining under the Plan to be paid to a Beneficiary shall be payable to the executor or personal representative of the Participant's estate.

8.5 **Doubt as to Beneficiary**. If the Committee has any doubt as to the proper Beneficiary to receive payments pursuant to this Plan, the Committee shall have the right, exercisable in its discretion, to cause the Participant's Employer to withhold such payments until this matter is resolved to the Committee's satisfaction.

8.6 **Discharge of Obligations**. The payment of benefits under the Plan to a Beneficiary shall fully and completely discharge all Employers and the Committee from all further

obligations under this Plan with respect to the Participant, and that Participant's Plan Agreement shall terminate upon such full payment of benefits.

ARTICLE 9
Leave of Absence

9.1 **Paid Leave of Absence**. If a Participant is authorized by the Participant's Employer for any reason to take a paid leave of absence from the employment of the Employer then, subject to the provisions of Section 1.40 (relating to leaves of absence which extend beyond six months), the Participant shall continue to be considered employed by the Employer and the Annual Deferral Amount shall continue to be withheld during such paid leave of absence in accordance with Section 3.2.

9.2 **Unpaid Leave of Absence**. If a Participant is authorized by the Participant's Employer for any reason to take an unpaid leave of absence from the employment of the Employer, the Participant shall continue to be considered employed by the Employer, subject to the provisions of Section 1.40 (relating to leaves of absence which extend beyond six months), provided that no deferrals shall be made during the period the Participant is on unpaid leave. Upon return from the leave, deferrals shall resume for the remaining portion of the Plan Year in which the return occurs, based on the deferral election, if any, made for that Plan Year. If no election was made for that Plan Year, no deferral shall be withheld.

ARTICLE 10
Termination, Amendment or Modification

10.1 **Termination**. Each Employer reserves the right to discontinue its sponsorship of the Plan and/or to terminate the Plan at any time with respect to any or all of its participating Employees and Directors, by action of its board of directors. Upon the termination of the Plan with respect to any Employer, Participant Account Balances shall remain in the Plan until the Participant becomes eligible for the benefits provided in Articles 4, 5, 6, or 7, as applicable, in accordance with the provisions of those Articles. Notwithstanding the foregoing, the Committee, in its discretion, may elect to distribute Participants' Account Balances following termination of the Plan, in which case the entire vested Account Balances of all Participants shall be distributed during the period beginning 12 months after such termination date and ending 24 months after such termination date, notwithstanding any installment payment elections made by Participants; provided, however, if the Plan is terminated within the 30 days preceding or the 12 months following a Change in Control, then the Employer shall pay all benefits in a lump sum within 12 months of such Change in Control, notwithstanding any installment payment elections made by Participants.

10.2 **Amendment**. The Company may, at any time, amend or modify the Plan in whole or in part by the action of its board of directors. In addition, the Company's Retirement Plan Committee may amend or modify the Plan for (i) administrative and legally required changes and (ii) other changes that do not materially increase the benefits or anticipated costs associated with the Plan by more than $500,000 per year. Further, the President and Chief Executive Officer of Perrigo Company plc may amend or modify the Plan to reflect changes that have an annual additional cost to the Company of $1,000,000 or less and that do not materially change the terms and conditions of the Plan. Notwithstanding the foregoing, no amendment or modification shall be effective to decrease the value of a

Participant's vested Account Balance in existence at the time the amendment or modification is made, calculated as if the Participant had experienced a Termination of Employment as of the effective date of the amendment or modification. Subject to Section 10.1 (relating to payments made in a lump sum following termination of the Plan), the amendment or modification of the Plan shall not affect any Participant or Beneficiary who has become entitled to the payment of benefits under the Plan as of the date of the amendment or modification.

10.3 **Plan Agreement**. Despite the provisions of Sections 10.1 and 10.2 above, if a Participant's Plan Agreement contains benefits or limitations that are not in this Plan document, the Employer may only amend or terminate such provisions with the consent of the Participant.

10.4 **Effect of Payment**. The full payment of the applicable benefit under Articles 4, 5, 6 or 7 of the Plan shall completely discharge all obligations to a Participant and his or her designated Beneficiaries under this Plan and the Participant's Plan Agreement shall terminate.

10.5 **Plan Partial Termination – Sergeant's Pet Care Products, Inc.**

(a) The Plan was irrevocably terminated, effective as of and contingent on the closing of the transactions described in the Purchase and Sale Agreement dated as of May 8, 2019 by and among PetIQ, LLC, L. Perrigo Company, Perrigo Company plc, and PetIQ, Inc., solely with respect to Participants in the Plan who are employees of Sergeant's Pet Care Products, Inc. on the date of the closing of such transactions ("SPC Participants").

(b) No amounts shall be credited to the Deferral Accounts, Company Contribution Accounts, Company Matching Accounts, or Company Profit Sharing Accounts of SPC Participants with respect to pay dates on or after the date of the closing of the transactions described in subsection (a) above (the "SPC Termination Date"), provided that an SPC Participant's Account Balance shall continue to be adjusted in accordance with Section 3.9 (Crediting/Debiting of Account Balances) until such Account Balance has been distributed.

(c) Effective as of the SPC Termination Date, any unvested Account Balances of SPC Participants which were not previously forfeited became fully vested.

(d) Each SPC Participant's remaining Account Balance shall be paid to such participant in a single lump sum payment as soon as practicable after the SPC Termination Date, provided that such payment date shall in all events occur within twelve months of the SPC Termination Date as required by Treasury Regulation Section 1.409A-3(j)(4)(ix)(B).

ARTICLE 11
Administration

11.1 **Committee Duties**. Except as otherwise provided in this Article 11, this Plan shall be administered by a Committee which shall consist of the Board, or such committee as the Board shall appoint. Members of the Committee may be Participants under this Plan. The Committee shall also have the discretion and authority to (i) make, amend, interpret,

and enforce all appropriate rules and regulations for the administration of this Plan and (ii) decide or resolve any and all questions including interpretations of this Plan, as may arise in connection with the Plan. Any individual serving on the Committee who is a Participant shall not vote or act on any matter relating solely to himself or herself. When making a determination or calculation, the Committee shall be entitled to rely on information furnished by a Participant or the Company.

11.2 **Administration Upon Change In Control**. For purposes of this Plan, the Company shall be the "Administrator" at all times prior to the occurrence of a Change in Control. Upon and after the occurrence of a Change in Control, the "Administrator" shall be an independent third party selected by the trustee of the Trust and approved by the individual who, immediately prior to such event, was the Company's Chief Executive Officer or, if not so identified, the Company's highest ranking officer (the "Ex-CEO"). The Administrator shall have the discretionary power to determine all questions arising in connection with the administration of the Plan and the interpretation of the Plan and Trust including, but not limited to benefit entitlement determinations; provided, however, upon and after the occurrence of a Change in Control, the Administrator shall have no power to direct the investment of Plan or Trust assets or select any investment manager or custodial firm for the Plan or Trust. Upon and after the occurrence of a Change in Control, the Company must: (1) pay all reasonable administrative expenses and fees of the Administrator; (2) indemnify the Administrator against any costs, expenses and liabilities including, without limitation, attorney's fees and expenses arising in connection with the performance of the Administrator hereunder, except with respect to matters resulting from the gross negligence or willful misconduct of the Administrator or its employees or agents; and (3) supply full and timely information to the Administrator or all matters relating to the Plan, the Trust, the Participants and their Beneficiaries, the Account Balances of the Participants, the date of circumstances of the Disability, death or Termination of Employment of the Participants, and such other pertinent information as the Administrator may reasonably require. Upon and after a Change in Control, the Administrator may be terminated (and a replacement appointed) by the trustee of the Trust only with the approval of the Ex-CEO. Upon and after a Change in Control, the Administrator may not be terminated by the Company.

11.3 **Agents**. In the administration of this Plan, the Committee and the Administrator may, from time to time, employ agents and delegate to them such of their respective administrative duties as they see fit (including acting through a duly appointed representative) and may from time to time consult with counsel who may be counsel to any Employer.

11.4 **Binding Effect of Decisions**. The decision or action of the Committee, the Administrator and/or their respective delegates with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

11.5 **Indemnity of Committee**. All Employers shall indemnify and hold harmless the members of the Committee, any Employee to whom the duties of the Committee may be delegated, and the Administrator against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan, except in the case of willful misconduct by the Committee, any of its members, any such Employee or the Administrator.

11.6 **Employer Information**. To enable the Committee and/or Administrator to perform their respective functions, the Company and each Employer shall supply full and timely information to the Committee and/or Administrator, as the case may be, on all matters relating to the compensation of its Participants, the date and circumstances of the Disability, death or Termination of Employment of its Participants, and such other pertinent information as the Committee or Administrator may reasonably require.

ARTICLE 12
Other Benefits and Agreements

12.1 **Coordination with Other Benefits**. The benefits provided for a Participant and Participant's Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for employees of the Participant's Employer. The Plan shall supplement and shall not supersede, modify or amend any other such plan or program except as may otherwise be expressly provided.

ARTICLE 13
Claims Procedures

13.1 **Presentation of Claim**. Any Participant or Beneficiary of a deceased Participant (such Participant or Beneficiary being referred to below as a "Claimant") may deliver to the Committee a written claim for a determination with respect to the amounts distributable to such Claimant from the Plan. If such a claim relates to the contents of a notice received by the Claimant, the claim must be made within sixty (60) days after such notice was received by the Claimant. All other claims must be made within 180 days of the date on which the event that caused the claim to arise occurred. The claim must state with particularity the determination desired by the Claimant.

13.2 **Notification of Decision**. The Committee shall consider a Claimant's claim and shall notify the Claimant in writing. Such notice shall be given to the Claimant within 90 days after the Committee receives the claim, unless special circumstances require an extension of time for processing the claim. In no event shall such an extension exceed a period of 90 days from the end of the initial 90 day period. If such an extension is required, written notice thereof shall be furnished to the Claimant before the end of the initial 90 day period. Such notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render a decision. The notice to the Claimant shall state:

(a) that the Claimant's requested determination has been made, and that the claim has been allowed in full; or

(a) that the Committee has reached a conclusion contrary, in whole or in part, to the Claimant's requested determination, and such notice must set forth in a manner calculated to be understood by the Claimant:

(i) the specific reason(s) for the denial of the claim, or any part of it;

(ii) specific reference(s) to pertinent provisions of the Plan upon which such denial was based;

(iii) a description of any additional material or information necessary for the Claimant to perfect the claim, and an explanation of why such material or information is necessary; and

(iv) an explanation of the claim review procedure set forth in Section 13.3 below, including the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review.

13.3 **Review of a Denied Claim**. Within sixty (60) days after receiving a notice from the Committee that a claim has been denied, in whole or in part, a Claimant (or the Claimant's duly authorized representative) may file with the Committee a written request for a review of the denial of the claim. Thereafter, but not later than thirty (30) days after the review procedure began, the Claimant (or the Claimant's duly authorized representative):

(a) may, upon request and free of charge, have reasonable access to, and copies of, all documents, records and other information relevant to the claim;

(b) may submit written comments or other documents; and/or

(c) may request a hearing, which the Committee, in its sole discretion, may grant.

13.4 **Decision on Review**. The Committee shall render its decision on review promptly, and not later than sixty (60) days after the filing of a written request for review of the denial, unless a hearing is held or other special circumstances require additional time, in which case the Committee's decision must be rendered within 120 days after such date. Such decision must be written in a manner calculated to be understood by the Claimant, and it must contain:

(a) specific reasons for the decision;

(b) specific reference(s) to the pertinent Plan provisions upon which the decision was based;

(c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim;

(d) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA; and

(e) such other matters as the Committee deems relevant.

13.5 **Legal Action**. A Claimant's compliance with the foregoing provisions of this Article 13 is a mandatory prerequisite to a Claimant's right to commence any legal action with respect to any claim for benefits under this Plan. If the Claimant has complied with and exhausted the appropriate claims procedures and intends to exercise his or her right to bring civil action under ERISA Section 502(a), the Claimant must bring such action within six months following the Committee's final determination and must bring such action in Michigan. If the Claimant does not bring such action within such six month

period, the Claimant shall be barred from bringing an action under ERISA related to his or her claim.

ARTICLE 14
Trust

14.1 **Establishment of the Trust**. In order to provide assets from which to fulfill the obligations of the Participants and their beneficiaries under the Plan, the Company may establish a Trust by a trust agreement with a third party, the trustee, to which each Employer may, in its discretion, contribute cash or other property, including securities issued by the Company, to provide for the benefit payments under the Plan.

14.2 **Interrelationship of the Plan and the Trust**. The provisions of the Plan and the Plan Agreement shall govern the rights of a Participant to receive distributions pursuant to the Plan. The provisions of the Trust shall govern the rights of the Employers, Participants and the creditors of the Employers to the assets transferred to the Trust. Each Employer shall at all times remain liable to carry out its obligations under the Plan.

14.3 **Distributions From the Trust**. Each Employer's obligations under the Plan may be satisfied with Trust assets distributed pursuant to the terms of the Trust, and any such distribution shall reduce the Employer's obligations under this Plan.

ARTICLE 15
Miscellaneous

15.1 **Status of Plan**. The Plan is intended to be a plan that is not qualified within the meaning of Code Section 401(a) and that "is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employee" within the meaning of ERISA Sections 201(2), 301(a)(3) and 401(a)(1). The Plan shall be administered and interpreted to the extent possible in a manner consistent with that intent.

15.2 **Unsecured General Creditor**. Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests or claims in any property or assets of an Employer. For purposes of the payment of benefits under this Plan, any and all of an Employer's assets shall be, and remain, the general, unpledged unrestricted assets of the Employer. An Employer's obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.

15.3 **Employer's Liability**. An Employer's liability for the payment of benefits shall be defined only by the Plan and the Plan Agreement, as entered into between the Employer and a Participant. An Employer shall have no obligation to a Participant under the Plan except as expressly provided in the Plan and his or her Plan Agreement.

15.4 **Nonassignability**. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. Except as provided in Section 15.15 with respect to domestic relations orders, no part of the amounts payable shall, prior to actual payment, be subject to seizure, attachment, garnishment or sequestration for the

payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise.

15.5 **Not a Contract of Employment**. The terms and conditions of this Plan shall not be deemed to constitute a contract of employment between any Employer and the Participant. Such employment is hereby acknowledged to be an "at will" employment relationship that can be terminated at any time for any reason, or no reason, with or without cause, and with or without notice, unless expressly provided in a written employment agreement, if any. Nothing in this Plan shall be deemed to give a Participant the right to be retained in the service of any Employer, either as an Employee or a director, or to interfere with the right of any Employer to discipline or discharge the Participant at any time.

15.6 **Furnishing Information**. A Participant or his or her Beneficiary will cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder, including but not limited to taking such physical examinations as the Committee may deem necessary.

15.7 **Terms**. Whenever any words are used herein in the masculine, they shall be construed as though they were in the feminine in all cases where they would so apply; and whenever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

15.8 **Captions**. The captions of the articles, sections and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

15.9 **Governing Law**. Subject to ERISA and the Code, the provisions of this Plan shall be construed and interpreted according to the internal laws of the State of Michigan without regard to its conflicts of laws principles.

15.10 **Notice**. Any notice or filing required or permitted to be given to the Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

Perrigo Company
515 Eastern Avenue
Allegan, MI 49010
Attn: Treasurer

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if it is sent to the Participant (1) electronically, or (2) in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

15.11 **Successors**. The provisions of this Plan shall bind and inure to the benefit of the Participant's Employer and its successors and assigns and the Participant and the Participant's designated Beneficiaries.

15.12 **Spouse's Interest**. The interest in the benefits hereunder of a spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such spouse in any manner, including but not limited to such spouse's will, nor shall such interest pass under the laws of intestate succession.

15.13 **Validity**. In case any provision of this Plan shall be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.

15.14 **Incompetent**. If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

15.15 **Court Order**. The Committee is authorized to make any payments under a domestic relations order (within the meaning of Code Section 414(p)(1)(B)) to a spouse or former spouse of a Participant in connection with a property settlement or otherwise. The Committee, in its sole discretion, shall have the right and notwithstanding any election made by a Participant, to immediately distribute the spouse's or former spouse's interest in the Participant's vested benefits under the Plan to that spouse or former spouse.

15.16 **Insurance**. The Employers, on their own behalf or on behalf of the trustee of the Trust, and, in their sole discretion, may apply for and procure insurance on the life of the Participant, in such amounts and in such forms as the Trust may choose. The Employers or the trustee of the Trust, as the case may be, shall be the sole owner and beneficiary of any such insurance. The Participant shall have no interest whatsoever in any such policy or policies, and at the request of the Employers shall submit to medical examinations and supply such information and execute such documents as may be required by the insurance company or companies to whom the Employers have applied for insurance.

15.17 **Legal Fees To Enforce Rights After Change in Control**. The Company and each Employer is aware that upon the occurrence of a Change in Control, the Board or the board of directors of a Participant's Employer (which might then be composed of new members) or a shareholder of the Company or the Participant's Employer, or of any successor corporation might then cause or attempt to cause the Company, the Participant's Employer or such successor to refuse to comply with its obligations under the Plan and might cause or attempt to cause the Company or the Participant's Employer to institute, or may institute, litigation seeking to deny Participants the benefits intended under the Plan. In these circumstances, the purpose of the Plan could be frustrated. Accordingly, if, following a Change in Control, it should appear to any Participant that the Company, the Participant's Employer or any successor corporation has failed to

comply with any of its obligations under the Plan or any agreement thereunder or, if the Company, such Employer or any other person takes any action to declare the Plan void or unenforceable or institutes any litigation or other legal action designed to deny, diminish or to recover from any Participant the benefits intended to be provided, then the Company and the Participant's Employer irrevocably authorize such Participant to retain counsel of his or her choice at the expense of the Company and the Participant's Employer (who shall be jointly and severally liable) to represent such Participant in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company, the Participant's Employer or any director, officer, shareholder or other person affiliated with the Company, the Participant's Employer or any successor thereto in any jurisdiction. The Company or the Participant's Employer will pay all expenses described in this Section 15.17 no later than the last day of the Participant's taxable year immediately following the taxable year in which the expenses are incurred, and the amount of expenses incurred in one taxable year shall not affect the eligible expenses in any other taxable year. Notwithstanding anything in this Section or the Plan to the contrary, the Company and/or the Participant's Employer shall have no obligation for any unpaid expenses under this Section, and the Participant shall reimburse the Company and/or the Participant's Employer for expenses already paid, to the extent there is a judicial determination that the litigation or other legal action brought by the Participant is frivolous.

IN WITNESS WHEREOF, the Company has signed this Plan document as of 12/23, 2020.

Perrigo Company, a Michigan corporation

By: Sonia Hollies
Sonia Hollies
Title: SVP & Treasurer

By: Sommar Boese
Sommar Boese
Title: Assistant Treasurer

THE PERRIGO EMPLOYEE SEVERANCE PROGRAMME

IRELAND

Perrigo

SECTION 1	INTRODUCTION
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IMPORTANT NOTICES

1. The information in this Booklet, and indeed any individual advice that you may receive from the Company (or the advisors it retained at a later stage), is based on the Company's understanding of current legislation, particularly in the tax, pension and social welfare areas. It will, of course, be up to the relevant authorities to determine your exact tax position and your Social Welfare entitlements. Pension benefits will be determined in accordance with and subject to the relevant pension deeds and rules as well as Revenue limits. You should take appropriate advice on the information contained in the Booklet.

2. This Severance Programme contains the entire terms of severance for employees of Perrigo and all previous programmes, plans, agreements, understandings, assurances, statements, promises, warranties, representations (whether written or oral) provided by Elan or Perrigo are superseded by this Severance Programme.

Perrigo

1. INTRODUCTION

The Severance Programme commenced on 18 December 2013 for a period of three years to 18 December 2016. On 8 November 2016 the Severance Programme was approved for a further period of three years and terminated on 18 December 2019. On 10 November 2019 the Severance Programme was amended and approved for a further period of three years and terminated on 1 November 2022. On 1 November 2022 the Severance Programme was amended and approved for a further period of three years and will terminate on 1 November 2025.

The Severance Programme will apply where you are

1. made redundant; or
2. terminated without cause; or
3. relocated from your existing place of work; or
4. subject to a material diminution of your authority, duties or responsibilities; or
5. subject to a material diminution in your base salary, or incentive compensation opportunities.

The Severance Programme outlines:

- the financial terms and conditions of the Programme;
- details of how it will operate in practice, and
- the support services made available to you.

The Company will engage the services of specialist advisors who will be able to provide additional guidance in the areas of:

- Your estimated tax position;
- Your pension entitlements; and
- Outplacement service for career planning and guidance.

Throughout this process, all information will be treated in confidence. The Company encourages you to make full use of the services provided to help you effectively prepare for your future.

2. TERMS OF SEVERANCE PROGRAMME

2.1 Statutory Redundancy

Terms	Employees with 104 weeks or more weeks' continuous service with the Company are eligible for a statutory redundancy payment. Statutory Redundancy is calculated on the basis of: - a. Two weeks pay for each year of service plus b. One week's additional pay.
Eligible Pay	Statutory Redundancy is calculated by reference to your continuous years of service and is based on your actual gross weekly wage at the date of your notification of redundancy. There is a statutory ceiling of €600 per week; any excess of this limit is not included in the calculation of your statutory redundancy payment – e.g. if an employee's basic pay is €650 per week the €600 amount is used.
Service	Statutory Payment is based on years of reckonable service. If the total amount of reckonable service is not an exact number of years, the "excess" days are credited as a proportion of a year. Reckonable service includes the following: ❖ All or part of a week an employee is at work ❖ Period of up to 52 consecutive weeks absence due to occupational injury ❖ Period of up to 26 weeks due to illness or non occupational injury ❖ Any authorised absences by the employer which includes holidays, compassionate leave, career break or short-time ❖ Any periods whilst an employee is on protected leave – including maternity, additional maternity leave, parental leave, carer's leave and adoptive leave.

2.2 Discretionary Ex-Gratia Payment

Perrigo provides an enhanced severance payment over & above the statutory entitlement as set out below for all employees through Band B:

Terms	Each affected employee with 2 or more year's continuous reckonable service will receive 6 WEEKS PAY PER EACH YEAR OF SERVICE (exclusive of Statutory) plus 1 additional week. Employees with 1.5 years of continuous reckonable service but less than 2 years of continuous reckonable service the ex-gratia payment will receive 12 weeks pay plus 1 additional week. Employees with less than 1.5 years of continuous reckonable service will receive 8 weeks pay plus 1 additional week. The maximum ex-gratia payment will be 79 weeks of pay i.e. 78 weeks plus 1 additional week.
Eligible Pay	The Discretionary Ex-Gratia lump sum will be based on your actual gross weekly wage at the date of your notification of redundancy. Calculation of ex-gratia payments does not include potential amounts available under any discretionary Company bonus programme ('bonuses'), fixed allowances or amounts 'in lieu of benefits' such as Company cars. The cap of €600 per week does not apply in respect of the Company's additional Ex-Gratia payment.
Service	The Discretionary Ex-Gratia Payment is based on years of reckonable service. If the total amount of reckonable service is not an exact number of years, part-years of 6 months or more will count as an additional year (e.g. 5 years & 7 months service will be rounded to 6 years) ·

The Discretionary Ex-Gratia Terms for Employees at Band A (Vice President) level and above, which are not in addition to the Band B and below Ex-Gratia payment, are as follows:

Employment Classification	Discretionary Ex-Gratia Terms for Bands A or higher
Band A (VP)	Seventy-eight (78) Weeks of Pay plus an amount equal to the Eligible Employee's target annual bonus for the year in which the Severance date occurs.
Band A (SVP)	Two times (2x) the sum of (a) fifty-two weeks (52) Weeks of Pay (prior to any reduction due to a Significant reduction in Scope or Base Compensation, is applicable) and (b) the Eligible Employee's target annual bonus for the year in which the Severance Date occurs. Furthermore, the Eligible Employee will be entitled to the benefits of the Excise Tax Gross-Up Payment, if applicable.
EVP	Two and one half times (2.5x) the sum of (a) fifty-two weeks (52) Weeks of Pay (prior to any reduction due to a Significant reduction in Scope or Base Compensation, if applicable) and (b) the Eligible Employee's target annual bonus for the year in which the Severance Date occurs.

Eligible Pay

The Discretionary Ex-Gratia lump sum will be based on your actual gross weekly wage at the date of your notification of redundancy.

Calculation of ex-gratia payments does not include fixed allowances or amounts 'in lieu of benefits' such as Company cars.

The cap of €600 per week does not apply in respect of the Company's additional Ex-Gratia payment.

Service

The Discretionary Ex-Gratia Payment is based on years of reckonable service. If the total amount of reckonable service is not an exact number of years, part-years of 6 months or more will count as an additional year (e.g. 5 years & 7 months service will be rounded to 6 years

Conditions of Receipt of the Discretionary Ex-Gratia Payment. The Discretionary Ex-Gratia amount is subject to the employee's co-operation being provided during their transition period and remaining with the Company until the termination date, agreed with the Company.

This payment is discretionary on behalf of the Company and will be subject to and will only be paid on receipt of a Voluntary Settlement Agreement/ Termination Letter signed by the employee. The terms of this benefit are at all times at the sole discretion of the Company and may be subject to review and amendment at any time. If an employee elects not to sign the Voluntary Settlement Agreement/ Termination Letter the employee will receive their statutory entitlements only.

2.3 Notice Periods

Your notice period is as stated in your individual contract of employment (e.g., a month for employee's in Bands 1 to 3 or 3 months notice for employee's at Associate Director or above). The Minimum Notice & Terms of Employment Act lays down statutory minimum periods of notice which are dependent on an employee's length of service as follows:

Length of Service	Notice Period
13 weeks but less than 2 years	1 weeks notice
2 years but less than 5 years	2 weeks notice
5 years but less than 10 years	4 weeks notice
10 years but less than 15 years	6 weeks notice
15 years or more	8 weeks notice

You will be entitled to receive the higher of the two notice periods. For example, if you have 2 month's notice under your contract of employment but have 5 years service with the Company you will be entitled to the 2 month's notice.

Employees are expected to be available for and to work at a minimum 2 weeks of their notice period; however, the Company ultimately reserves the right to make payment in lieu of notice periods in full or part. Where an employee on their own request seeks an earlier release date and the Company agrees to facilitate this, no payments shall be made in lieu of notice period.

When monies are paid in lieu of notice the date of termination for Statutory Redundancy purposes is the date in which the minimum notice (identified in the above table), had it been given, would have expired. Notice required under the Redundancy Acts may run concurrently with other notice requirements.

3. WHAT HAPPENS TO ALL BENEFITS

The following list will advise eligible employees on how each Perrigo benefit will be treated. Please review the following details to ensure you fully understand the status of each benefit that may apply to you.

Please Note: Where these benefits continue for a period of time after you have left Perrigo payroll due to being paid in lieu of notice – existing benefits will remain in place until your termination of employment.

Pension (including AVCs)

Employer contributions to your pension fund will be paid up until the termination of your employment. In addition, employee contributions will also continue to be deducted from your payroll up until your termination date. Upon termination Mercer will send you out a withdrawal statement to your home address within a couple of weeks. This statement will outline all pension options available to you.

As your pension entitlement can impact your overall tax liability, with regard to any severance lump sum payment that you may receive, the Company will make arrangements for a representative of Mercer to be on site to provide you with information and advice on the options available to you. Prior to this meeting with Mercer, individual details will be submitted to Mercer to determine pension augmentation options and tax implications.

Life Assurance

You will continue to have Death in Service Benefit up until your termination date (inclusive of notice period). In addition, Perrigo has arranged to provide you with a special Death in Service Benefit for a period of 6 months from your termination date at the end which the extended cover will automatically lapse. This special Death in Service benefit cover will be based on your salary at the date of leaving and the level of cover will be four times your salary. Please note that where underwriting is in place and terms of cover are less than four times salary these terms will automatically be carried forward into this extended cover.

Once the six-month extended cover has been reached you have the option to continue part or all of your death benefit under the scheme however a Statement of Health form and/or medical examination will be required. This option remains available to you for one month after your leaving date. If you wish to continue part or all of your cover after this date, please discuss this with Mercer directly and they can arrange to prepare a quotation for you.

We strongly encourage you to ensure that alternative life cover is put in place before the extended period finishes.

Disability Benefit/ Permanent Health Insurance

You will have Disability Benefit cover up until your termination date (inclusive of notice period). After this period, your cover under the Perrigo plan will cease.

Health Insurance

Your current health insurance cover will remain in place up until your date of termination. If you are paying for your health insurance cover via payroll deduction, the cost of this cover up until your termination date will be deducted from your final payroll. In addition, any health insurance allowance being paid to you via payroll will cease as of your termination date. If you currently are not paying for health insurance cover via payroll deduction and instead are paying the health insurer directly please ensure that you submit a health insurance allowance claim form along with proof of payment immediately to HR or Payroll in order to claim for any health insurance allowance that may be due to you. This allowance would be processed in your final payroll (subject to applicable withholdings).

Upon termination of employment it will be your responsibility to pay your Health Insurance provider directly in order to maintain cover. If you are currently a member of the Perrigo Group Scheme with VHI and would like to transfer your healthcare cover to an individual membership from the date of leaving Perrigo please contact the following:

- VHI Healthcare – Margaret Whelan adm.margaret.whelan@vhi.

TaxSaverCommuter

Where applicable, the total amount owing on the cost of your tax saver commuter ticket will be fully deducted from your final payroll cheque as the ticket cannot be cancelled. Please note that Annual Tickets are non transferable. Only the person named on the ticket may use it for travel. It cannot be resold or used by anyone else.

Employee Assistance Program

You will continue to have access to the Employee Assistance Program (Magellan) through the last day of the month of your termination date.

Annual Leave

You will be paid in lieu for any holidays that you have accrued or accrue during your employment up to the date of termination. These will be paid in your final payroll and taxed as normal. If you have taken more than your accrued entitlement, the excess will be deducted from your final payroll.

Employee Education Assistance

There will be no claw backs on money already advanced and paid out by the Company in association with education courses.

Sports & Social Club Benefits

Membership of the Sports & Social Club will cease upon termination of employment.

Company Property

All Company property without exception must be returned on or before your last day of employment. This includes, but is not limited to:

- Laptop Computers
- Blackberry/IPhone/other cell phone
- Computer & printer hardware
- ID Badges
- Company Credit Cards
- Phone Cards

4. REDUNDANCY TAXATION

The following is a general description of the Irish tax consequences of severance payments and is based on Irish tax law in effect at December 2019 This should not be construed as tax advice. The actual tax **consequences of a severance payment will depend on an individual's specific facts and circumstances and** you should contact your own tax adviser in this regard.

Statutory redundancy and certain ex-gratia lump sums may be subject to favourable tax exemptions and reliefs on termination.

Severance packages generally form two parts – Statutory Redundancy and an additional ex-gratia payment that may be made available by an employer. Statutory redundancy payments are exempt from income tax, if due. The current tax rules relating to severance in excess of statutory redundancy are somewhat complex.

A brief summary of the main tax exemptions and reliefs available on the additional ex-gratia payment that an employer may provide are outlined below.

Employees may also be entitled to claim the highest of the following three tax exemptions, on the additional ex- gratia amount:

a) Basic Exemption, or

b) Increased Exemption, or

c) Standard Capital Superannuation Benefit

The tax exemptions relevant to an individual are based on personal circumstances, for example years' service in the employment, remuneration, pension entitlements. These tax exemptions are calculated using complete years' service only. The date of termination for tax exemption purposes is the date that the employment actually ceases and the individual leaves the employment.

It should be noted that the total exemptions an employee can claim over their lifetime is capped at €200,000. The Increased Exemption is also restricted if the employee claimed any tax exemption other than the Basic Exemption in the last 10 years.

a) Basic Exemption:

The basic exemption is €10,160 plus €765 for each complete year of service with the Company.

If we take the example of a person who joined the Company in December 2001 and leaves the Company in 2013, they would have 11 full years of service, so their basic exemption would be €10,160 plus €765 x 11 = €18,575.

b) Increased Exemption:

The basic exemption of €10,160, plus €765 for each full year of service can be increased by a further €10,000. The increased exemption is only available to individuals who have not made any claims in respect of a lump sum received in the previous ten tax years.

If you are a member of the Company pension scheme, the increased exemption of €10,000 is reduced by the amount of:

- Any tax-free lump sum from the pension scheme to which you may be immediately entitled or
- The present day value at the date of leaving employment of any tax-free lump sum which may be receivable from the pension scheme in the future.

Employees will have the option of waiving their entitlements to their tax-free lump sum from the Company pension scheme in order to avail of the full €10,000 increased exemption. A waiver form must be signed in this regard. If the lump sum from the pension scheme is more than €10,000 and you do not waive your entitlement to same, you are not due the increased exemption.

Revenue approval is required for the Increased Exemption.

c) SCSB (Standard Capital Superannuation Benefit):

This relief generally applies to those employees who have high earnings and/or long service with the Company.

The formula for calculating the SCSB is:

A X B / 15 - C

Where:

A is the average annual remuneration for the last 36 months service to the date of termination

B is the number of complete years of service

C is the value of any tax-free lump sum received/receivable under the Company approved pension scheme.

Because of the interaction of taxation and your pension it is important that you receive independent advice on this. The Company will engage the services of Mercer to provide you with guidance in this area.

5. SOCIAL WELFARE ENTITLEMENTS

Social Welfare considerations post Termination of Employment

Jobseeker's Benefit is a weekly payment from the Department of Social Protection (DSP) to people who are out of work and are covered by social insurance (PRSI). Jobseeker's Benefit used to be called Unemployment Benefit. If you don't qualify for Jobseeker's Benefit you may qualify for Jobseeker's Allowance.

Further information on these benefits can be found on the following website:

http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/unemployed_people/jobseekers_benefit.html

See Table below for contact details of some local Department of Social Protection offices in Dublin.

Postal Districts	Office	Phone Number	Opening Hours
Dublin 1	North Cumberland Street	01 889 9500	Mon – Fri 9.15 – 12.00 2.00 – 4.00
Dublin 2	Pearse Street	01 636 9300	Mon – Fri 9.15 – 12.00 2.00 – 4.00
Other Regional Offices			
Dublin 1	Amiens Street	01 704 3000	
Dublin 5	Greendale Road	01 806 3800	
Dublin 7	Navan Road	01 882 3100	
Dublin 8	Ballyfermott	01 616 0300	
Dublin 11	Ballymun	01 816 5100	
Dublin 11	Finglas	01 864 0480	
Dublin 14	Nutgrove	01 493 5266	
Dublin 15	Blanchardstown	01 824 6300	
Dublin 22	Clondalkin	01 403 0000	
Dublin 24	Tallaght	01 452 7019	
Co. Dublin	Balbriggan	01 802 0050	
Co. Dublin	Dun Laoghaire	01 280 0288	
Co. Dublin	Malahide	01 806 1040	

Perrigo

6. OTHER INFORMATION/ADVICE

6.1 Individual Value of Severance Terms

If you are made redundant you will receive a Preliminary Personal Statement at your initial consultation meeting. This form sets out:

- The terms of the agreement as they relate to you (i.e. your Eligible Pay for the purpose of the lump sum calculation)

These figures will give you a near approximation of your gross entitlements. Part of your severance package may be subject to tax as per revenue guidelines.

Note: Your final figures will be calculated based on actual data at termination date and therefore may differ to preliminary estimates.

6.2 Individual Advice Sessions

Advice sessions will be available on a one-to-one basis with consultants from Mercer. They will be able to provide you with more detailed information on pension options particularly as they relate to the tax reliefs available. Further details to follow.

6.3 Outplacement Advice

Outplacement support is a range of services that will be provided with the aim of assisting employees leaving the Company. This will include workshops and guidance: preparation of CVs, jobsearch, preparing for interviews, etc.

Details will be made available over the next couple of weeks.

6.4 References

HR will provide a standard, factual reference for all employees stating when the employee commenced employment with Perrigo, how much they earned, date of last promotion (if applicable) on request from a new employer.

More detailed references may be available in response to a direct request from a potential employer.

Perrigo

7. **PRACTICAL "TO DO LIST" UPON LEAVING** PERRIGO

√ To claim Jobseeker's Benefit you should call to your local Social Welfare Office. Also bring with you your redundancy documentation.

√ Ensure your tax returns are up to date.

√ Consider your pension options (they do not need to be entered immediately). You may wish to delay this decision until you find alternate employment.

√ Review your need to replace Risk Benefits (e.g. life assurance, etc.) which will cease when you leave Perrigo.

√ Consider whether your health insurance cover needs to be maintained.

√ Should you change address please ensure to contact the various benefit providers in addition to payroll.

Perrigo

8. USEFUL FUTURE CONTACT DETAILS

PERRIGO CONTACT LIST

Payroll

Valerie Healy	01 709 4623	valerie.healy@perrigo.com

Compensation & Benefits

Kieron Loughman	01 709 4625	Kieron.loughman@perrigo.com

HR

Louise Milner	01 709 4427	Louise.milner@perrigo.com

BENEFIT CONTACTS

Pension & Risk Benefits

Mercer - 1 4118483	james.w.brennan@mercer.com

Health Insurance

Margaret Whelan	adm.margaret.whelan@vhi.ie

Employee Assistance Program

Magellan	1800 490 390	https://magellanhealth.com/global

Exhibit 21

PERRIGO SUBSIDIARIES

Name of Subsidiary	State/Country of Incorporation
Chefaro Ireland Designated Activity Company	Ireland
Habsont Unlimited Company	Ireland
Omega Teknika Designated Activity Company	Ireland
Perrigo Company plc	Ireland
Perrigo Corporation Designated Activity Company	Ireland
Perrigo Finance Unlimited Company	Ireland
Perrigo Holdings Unlimited Company	Ireland
Perrigo International Finance Designated Activity Company	Ireland
Perrigo Ireland 1 Designated Activity Company	Ireland
Perrigo Ireland 10 Unlimited Company	Ireland
Perrigo Ireland 11 DAC	Ireland
Perrigo Ireland 12 Designated Activity Company	Ireland
Perrigo Ireland 13 Designated Activity Company	Ireland
Perrigo Ireland 2 Designated Activity Company	Ireland
Perrigo Ireland 3 Designated Activity Company	Ireland
Perrigo Ireland 4 Unlimited Company	Ireland
Perrigo Ireland 5 Unlimited Company	Ireland
Perrigo Ireland 6 Unlimited Company	Ireland
Perrigo Ireland 8 Designated Activity Company	Ireland
Perrigo Ireland 9 Unlimited Company	Ireland
Perrigo Ireland Management Designated Activity Company	Ireland
Perrigo Pharma International Designated Activity Company	Ireland
Perrigo Science Eight Unlimited Company	Ireland
Perrigo Science One Designated Activity Company	Ireland
Elan International Services Limited	Ireland
Gr8ness, LLC	Michigan
L. Perrigo Company	Michigan
P2C, Inc.	Michigan
Perrigo Americas Holdings, Inc.	Michigan
Perrigo Company	Michigan
Perrigo Company Charitable Foundation	Michigan
Perrigo Finance (US) LLC	Michigan
Perrigo Global Holdings, Inc.	Michigan
Perrigo International Holdings, LLC	Michigan
Perrigo International, Inc.	Michigan
Perrigo Management Company	Michigan
Perrigo Research & Development Company	Michigan
Perrigo Sales Corporation	Michigan
PMI Branded Pharmaceuticals, Inc.	Michigan
Athena Neurosciences, LLC	Delaware
Clearwater Acquisition Holdco, LLC	Delaware
Elan Pharmaceuticals, LLC	Delaware
HRA Pharma America, Inc.	Delaware
HRA Rare Disease Americas, LLC	Delaware
PBM Canada Holdings, LLC	Delaware

PBM Holdings, LLC	Delaware
PBM International Holdings, LLC	Delaware
PBM Mexico Holdings, LLC	Delaware
PBM Mexico Management, LLC	Delaware
PBM Nutritionals, LLC	Delaware
PBM Products, LLC	Delaware
Perrigo China Business Trustee, LLC	Delaware
Perrigo Diabetes Care, LLC	Delaware
Perrigo International Holdings II, Inc.	Delaware
Perrigo Investments, LLC	Delaware
Perrigo LLC	Delaware
Perrigo Mexico Investment Holdings, LLC	Delaware
Perrigo New York, Inc.	Delaware
Ranir Global Holdings, LLC	Delaware
Ranir, LLC	Delaware
SelfCare Holdings, LLC	Delaware
Perrigo Company of Tennessee	Tennessee
Perrigo Florida, Inc.	Florida
Perrigo Direct, Inc.	Georgia
Kazmira LLC	Colorado
Arginet Investments and Property (2003) Ltd.	Israel
Perrigo Israel Enterprises & Investments Ltd.	Israel
Perrigo Israel Opportunities II Ltd.	Israel
Perrigo Israel Trading Limited Partnership	Israel
Galpharm Healthcare Limited	United Kingdom
Galpharm International Limited	United Kingdom
HRA Pharma UK & Ireland Ltd.	United Kingdom
Kiteacre Limited	United Kingdom
Omega Pharma Limited	United Kingdom
Perrigo Pharma Limited	United Kingdom
Perrigo UK Acquisition Limited	United Kingdom
Perrigo Ventures Limited Partnership	United Kingdom
Ranir (Holdings) Limited	United Kingdom
Ranir Limited	United Kingdom
Solent Oral Care Limited	United Kingdom
The Learning Pharmacy Limited	United Kingdom
Wrafton Laboratories Limited	United Kingdom
PBM Products Mexico S de R.L. de C.V.	Mexico
Perrigo Australian Holding Company II PTY Limited	Australia
Orion Laboratories PTY Limited	Australia
Aurora Pharmaceuticals Pty Ltd	Australia
Omega Pharma Australia Pty Ltd	Australia
Rubicon Healthcare Holdings Pty Ltd	Australia
Orion Laboratories (NZ) Ltd.	New Zealand
Perrigo Laboratories India Private Limited	India
Omega Pharma Austria Healthcare GmbH	Austria
Omega Pharma GmbH	Austria
Richard Bittner AG	Austria
Perrigo International Insurance Limited	Bermuda
Perrigo Danmark A/S	Denmark

Elan Europa Finance S.á r.l.	Luxembourg
HRA NewCo	Luxembourg
Omega Pharma Luxembourg SarL	Luxembourg
Luxembourg Investment Company 289 Sàrl	Luxembourg
P-Direct NL B.V.	Netherlands
Monksland Holdings B.V.	Netherlands
Oce-Bio Nederland B.V.	Netherlands
Omega Pharma Nederland B.V.	Netherlands
Perrigo Ireland Holding Company B.V.	Netherlands
Perrigo Israel Holdings II B.V.	Netherlands
Perrigo Netherlands B.V.	Netherlands
Perrigo Netherlands Finco 1 Coöperatief U.A.	Netherlands
Perrigo Netherlands Finco 2 B.V.	Netherlands
Perrigo Netherlands International Partnership C.V.	Netherlands
Perrigo Pharma Holding Nederland BV	Netherlands
Samenwerkende Apothekers Nederland B.V.	Netherlands
HRA Pharma Switzerland SARL	Switzerland
Perrigo Schweiz AG fka Interdelta S.A.	Switzerland
JLR Pharma S.A.	Switzerland
Perrigo China Business Trust	China
HRA Pharma China	China
Perrigo Trading (Shanghai) Co., Ltd.	China
Zibo Xinhua - Perrigo Pharmaceutical Company Ltd.	China
Ranir Changshu Oral Care CO., Ltd.	China
HRA Pharma APAC Ltd	Hong Kong
HRA Pharma Hong Kong Ltd	Hong Kong
Solent Dental Company Limited	Hong Kong
Perrigo Asia Holding Company Ltd.	Mauritius
Perrigo Ukraine LLC	Ukraine
Biover NV	Belgium
HRA Pharma Benelux SPRL	Belgium
Jaico R.D.P. NV	Belgium
Medgenix Benelux NV	Belgium
Oce Bio BV	Belgium
Omega Pharma Belgium NV	Belgium
Omega Pharma Capital NV	Belgium
Omega Pharma Innovation & Development NV	Belgium
Omega Pharma International NV	Belgium
Perrigo Europe Invest NV	Belgium
Perrigo Holding NV	Belgium
Omega Pharma Trading NV	Belgium
Totalcare International Corp	British Virgin Islands
Perrigo Bulgaria OOD	Bulgaria
Omega Alpharm Cyprus Ltd.	Cyprus
Omega Pharma AS	Czech Republic
Perrigo Suomi Oy	Finland
Cosmediet - Biotechnie SAS	France
HERA SAS	France
HRA Pharma France SAS	France
HRA Pharma Rare Diseases SAS	France

Laboratoire de la Mer SAS	France
Laboratoire HRA Pharma SAS	France
Laboratoires Perrigo France SAS	France
Perrigo France Deux	France
Perrigo France SAS	France
Naturwohl Pharma GmbH	Germany
HRA Pharma Deutschland GmbH	Germany
Abtei Omega Pharma GmbH	Germany
Omega Pharma Deutschland GmbH	Germany
Omega Pharma Manufacturing GmbH & Co. KG	Germany
Omega Pharma Manufacturing Verwaltungs GmbH	Germany
Omega Pharma Hellas SA Health and Beauty Products	Greece
Despharma Kft.	Hungary
Omega Pharma Hungary Kft.	Hungary
HRA Pharma Italia SRL	Italy
Perrigo Italia S.r.l	Italy
Perrigo IoM Holdings Limited	Isle of Man
Omega Pharma Baltics SIA	Latvia
Perrigo Norge AS	Norway
Perrigo Poland Sp.z.o.o	Poland
Perrigo Portugal LDA	Portugal
Perrigo România S.R.L.	Romania
Adriatic Distribution doo Beograd	Serbia
Omega Pharma s.r.o.	Slovakia
Adriatic BST Trgovina in Storitve D.o.o.	Slovenia
HRA Pharma Iberia SL	Spain
Perrigo España SA	Spain
Aco Hud Nordic AB	Sweden
Perrigo Sverige AB	Sweden
Perrigo Kişisel Bakım Ür✔nleri Sanayi ve Ticaret Limited Şirketi	Turkey

Exhibit 22

Subsidiary Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize Securities of the Registrant

As of December 31, 2022, the obligors under (i) the 5.300% Notes due 2043 issued by the Company (the "Company Notes") consisted of the subsidiaries listed in the following table and (ii) the 3.900% Notes due 2024, the 4.375% Notes due 2026, the 4.400% Notes due 2030 and the 4.900% Notes due 2044 issued by Perrigo Finance Unlimited Company (collectively, the "Perrigo Finance Notes") consisted of the Company, as a guarantor, and its subsidiaries listed in the following table.

Name of Entity	Obligor Type (Company Notes)	Obligor Type (Perrigo Finance Notes)
Athena Neurosciences, LLC	Guarantor	Guarantor
Biover NV	Guarantor	Guarantor
Chefaro Ireland DAC	Guarantor	Guarantor
Elan Pharmaceuticals, LLC	Guarantor	Guarantor
Galpharm Healthcare Ltd.	Guarantor	Guarantor
Galpharm International Ltd.	Guarantor	Guarantor
Gr8ness, LLC	Guarantor	Guarantor
Habsont Unlimited Company	Guarantor	Guarantor
Jaico R.D.P. NV	Guarantor	Guarantor
L. Perrigo Company	Guarantor	Guarantor
Medgenix Benelux NV	Guarantor	Guarantor
OCE-BIO BV	Guarantor	Guarantor
Omega Pharma Belgium NV	Guarantor	Guarantor
Omega Pharma Capital NV	Guarantor	Guarantor
Omega Pharma Innovation & Development NV	Guarantor	Guarantor
Omega Pharma International NV	Guarantor	Guarantor
Omega Pharma Ltd.	Guarantor	Guarantor
Omega Pharma Trading NV	Guarantor	Guarantor
Omega Teknika DAC	Guarantor	Guarantor
PBM Canada Holdings, LLC	Guarantor	Guarantor
PBM Foods, LLC	Guarantor	Guarantor
PBM Nutritionals, LLC	Guarantor	Guarantor
PBM Products, LLC	Guarantor	Guarantor
Perrigo America Holdings, Inc	Guarantor	Guarantor
Perrigo Company (USA)	Guarantor	Guarantor
Perrigo Company plc	Issuer	Issuer
Perrigo Corporation DAC	Guarantor	Guarantor
Perrigo Diabetes Care, LLC	Guarantor	Guarantor
Perrigo Direct, Inc.	Guarantor	Guarantor
Perrigo Europe Invest NV	Guarantor	Guarantor
Perrigo Finance (US) LLC	Guarantor	Guarantor
Perrigo Finance Unlimited Company	Guarantor	Guarantor
Perrigo Florida, Inc.	Guarantor	Guarantor
Perrigo Holding NV	Guarantor	Guarantor
Perrigo Holdings Unlimited Company	Guarantor	Guarantor
Perrigo International Finance DAC	Guarantor	Guarantor

Perrigo International Holdings II, Inc.	Guarantor	Guarantor
Perrigo International Holdings, LLC	Guarantor	Guarantor
Perrigo International, Inc.	Guarantor	Guarantor
Perrigo Investments LLC	Guarantor	Guarantor
Perrigo Ireland 1 DAC	Guarantor	Guarantor
Perrigo Ireland 10 Unlimited Company	Guarantor	Guarantor
Perrigo Ireland 11 DAC	Guarantor	Guarantor
Perrigo Ireland 12 DAC	Guarantor	Guarantor
Perrigo Ireland 13 DAC	Guarantor	Guarantor
Perrigo Ireland 2 DAC	Guarantor	Guarantor
Perrigo Ireland 3 DAC	Guarantor	Guarantor
Perrigo Ireland 4 Unlimited Company	Guarantor	Guarantor
Perrigo Ireland 5 Unlimited Company	Guarantor	Guarantor
Perrigo Ireland 6 UC	Guarantor	Guarantor
Perrigo Ireland 8 DAC	Guarantor	Guarantor
Perrigo Ireland 9 Unlimited Company	Guarantor	Guarantor
Perrigo Ireland Management DAC	Guarantor	Guarantor
Perrigo Management Company	Guarantor	Guarantor
Perrigo Mexico Investment Holdings LLC	Guarantor	Guarantor
Perrigo New York, Inc.	Guarantor	Guarantor
Perrigo Pharma International DAC	Guarantor	Guarantor
Perrigo Pharma Limited	Guarantor	Guarantor
Perrigo Research & Development Company	Guarantor	Guarantor
Perrigo Sales Corporation	Guarantor	Guarantor
Perrigo Science Eight Unlimited Company	Guarantor	Guarantor
Perrigo Science One DAC	Guarantor	Guarantor
Perrigo UK Acquisition Limited	Guarantor	Guarantor
PMI Branded Pharmaceuticals, Inc.	Guarantor	Guarantor
Ranir Global Holdings, LLC	Guarantor	Guarantor
Ranir Holdings Limited (UK)	Guarantor	Guarantor
Ranir Ltd. (UK)	Guarantor	Guarantor
Ranir, LLC	Guarantor	Guarantor
Solent Oral Care Limited	Guarantor	Guarantor
The Learning Pharmacy Ltd.	Guarantor	Guarantor
Wrafton Laboratories Limited	Guarantor	Guarantor

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 333-192946) pertaining to the Perrigo Company 2013 Long-Term Incentive Plan, the Perrigo Company 2008 Long-Term Incentive Plan, the Perrigo Company 2003 Long-Term Incentive Plan and the Perrigo Company Profit-Sharing and Investment Plan,

2. Registration Statement (Form S-8 No. 333-261074) pertaining to the Perrigo Company plc 2019 Long-Term Incentive Plan and the Perrigo Company Profit-Sharing and Investment Plan, and

3. Registration Statement (Form S-3 No. 333-239115) of Perrigo Company plc, pertaining to the debt securities, guarantees of debt securities, ordinary shares and preferred shares of Perrigo Company plc and Perrigo Finance Unlimited Company, as applicable;

of our reports dated February 28, 2023, with respect to the consolidated financial statements of Perrigo Company plc and the effectiveness of internal control over financial reporting of Perrigo Company plc included in this Annual Report (Form 10-K) of Perrigo Company plc for the year ended December 31, 2022.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 28, 2023

CERTIFICATION

I, Murray S. Kessler, certify that:

1. I have reviewed this annual report on Form 10-K of Perrigo Company 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 fourth fiscal quarter 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:
    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: February 28, 2023

/s/ Murray S. Kessler
Murray S. Kessler
Chief Executive Officer and President

Exhibit 31

CERTIFICATION

I, Eduardo Bezerra, certify that:

1. I have reviewed this annual report on Form 10-K of Perrigo Company 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 fourth fiscal quarter 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:
    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: February 28, 2023

/s/ Eduardo Bezerra
Eduardo Bezerra
Chief Financial Officer

The following statement is being made to the Securities and Exchange Commission solely for the purposes of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), which carries with it certain criminal penalties in the event of a knowing or willful misrepresentation.

Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

Re: Perrigo Company plc

Ladies and Gentlemen:

In accordance with the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), each of the undersigned hereby certifies that:

(i) this Annual Report on Form 10-K (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(ii) the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of Perrigo Company plc.

Date: February 28, 2023

/s/ Murray S. Kessler
Murray S. Kessler
Chief Executive Officer and President

Date: February 28, 2023

/s/ Eduardo Bezerra
Eduardo Bezerra
Chief Financial Officer