

## **KGI doubled the value of its investment in Mallinckrodt shares; Currently holding a position again**

Krupa Global Investments seized the moment when shares of the pharma company Mallinckrodt plunged. The plunge occurred after an announcement about hiring a consultancy firm for restructuring or potential bankruptcy of the company. Mallinckrodt is currently facing increasing legal actions related to the American opioid crisis. Such charges have already driven the Oxytocin producer, Purdue Pharma, out of business. Mallinckrodt may be facing fines worth several billion dollars in total. However, we see the spreading of information about possible bankruptcy as intentional, and the shares of Mallinckrodt as undervalued. The speculations were refuted even by Mark Trudeau, Mallinckrodt's CEO, who announced that using the services of restructuring consultants is a commonplace practice.

We had correctly understood the share price development and as a result we sold our position after a couple of days; making a return of over 100 %. However, we were monitoring the company's stock and following the further development, we decided to repurchase Mallinckrodt shares. We're currently holding the position, because our impression is that the price of the shares is undervalued.

Mallinckrodt is a pharma producer specialized in the production of special medication and generics; especially for neurological, rheumatological and ophthalmological uses. Annual revenues of the company are 3.2B USD.

We have great know-how in the pharma and healthcare industries. We are able to find and benefit from interesting investment options available in these fields; as is confirmed, for example, by the returns on our investment into Melinta Therapeutics shares.

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### **About Krupa Global Investments:**

Krupa Global Investments is a private firm with a focus on investment opportunistic growth. It is named after its founder and chairman, Pavol Krupa. The firm takes an activist approach with the aim of remedying and eliminating management actions that have a negative impact on companies, with the aim of achieving a significant positive change in strategy, financial structure or management. The company only selects investment opportunities with the potential to appreciate in the tens of percent annually due to their quality and dynamic growth. Krupa Global Investments focuses on the investments in shares in European and American stock markets and currently has approximately €1,7 billion in assets under management.

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