

July 23, 2024

Dear Peter:

I acknowledge, based on your silence, that the concerns I've expressed about Assertio to date do not seem to have resonated with you. To help ensure that you are provided with every opportunity to engage, I am sharing the following letter with you in advance. I am always available to talk, but if you still are not open to a principal-to-principal discussion regarding the Board's composition, I may be forced to take these issues to shareholders directly. You are leaving us with no other choice, given the severity of the matters and your refusal to speak.

Very Truly Yours,



Alexander Parker

THE BUXTON HELMSLEY GROUP, INC.

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VIA U.S. REGISTERED MAIL & ELECTRONIC MAIL

July 23, 2024

Mr. Peter Staple
Chairman, Board of Directors
c/o Mr. Sam Schlessinger
Assertio Holdings, Inc.
100 South Saunders Road, Suite 300
Lake Forest, IL 60045
sschlessinger@assertiotx.com

Dear Peter:

The Buxton Helmsley Group, Inc. (“**BHG**” or “**we**”) is the beneficial owner of approximately 1% of the equity shares of Assertio Holdings, Inc. (“**Assertio**” or the “**Company**”). We have grave concerns that the current composition of the Assertio Board of Directors (“the **Board**”) is inadequate to meet either the specific requirements of Assertio’s circumstances or the standard responsibilities of a public company’s board, which include:

- Supporting the development and implementation of the strategic plan;
- Overseeing management’s execution of the Company’s strategy;
- Holding management accountable for meeting targets;
- Planning for succession; and
- Establishing management’s compensation with the right structures and incentives.

Your continuing refusal to discuss the state of affairs at Assertio, despite multiple requests, is unhelpful. The responses we have received from your surrogates (Ajay Patel, Assertio’s CFO, and Sam Schlessinger, Assertio’s General Counsel) were also unhelpful. Our preference, in general, is to work collaboratively with the boards of companies in our portfolio and avoid the expense and distraction of a proxy contest. It appears that you prefer to ignore your shareholders instead of talking with them to resolve concerns and spend scarce corporate resources rather than avoid a costly proxy contest. Additionally, BHG believes that this Board has an obligation to shareholders to explain the massive shareholder value destruction that has occurred on its watch. With that in mind, if you are willing to work with us towards a value-creating solution to these serious problems, and to work together with us to fix this Board, please let us know.

We must also mention, we were (and are still) appalled that this leadership (by way of Mr. Schlessinger’s correspondence to BHG) purported it had no knowledge of the corroborating whistleblower allegations (the same story, from multiple former Spectrum employee-whistleblowers, not to mention scattered across public sources, if you know where to look) we brought to your attention, then—days after BHG informed Mr. Schlessinger that we knew he was directly sent the information by whistleblowers long ago—he suddenly “woke up,” knew everything about the matters, and concluded they had “no merit.” Whether that was a false feigning of ignorance on the part of Mr. Schlessinger, or an investigation over such serious matters inappropriately having occurred virtually overnight (not believable), something—again—smells even more

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rotten here than before. We have been shown enough (from public sources, mind you, which is even more appalling) regarding these whistleblowers' corroborating allegations to see that these whistleblowers are not all just "making up" the same story. We were also amazed that Mr. Schlessinger asked *BHG* for evidence of the misconduct alleged by multiple internal whistleblowers, when the Company has had nearly a year (since closing on the Spectrum acquisition) to collect that information/evidence from whistleblowers. Mr. Schlessinger (and this Board) should have asked for information/evidence *long ago*, from the party that would be in a position to possess such knowledge/evidence (the whistleblowers—*not BHG*), and perhaps when whistleblowers were already directly raising the issues to him (again, *long ago*). The opportunity for this Board to responsibly conduct an investigation (in accordance with its fiduciary duties) has passed. Mind you, such glaring issues should have already been detected pre-Spectrum acquisition, if adequate due diligence had actually occurred, which it clearly did not. This Board cannot be trusted to investigate its own failures, especially since such gross failures are still apparent to be continuing, and even more so because this Board has already proven its inability to even basically conduct an investigation through the now-apparent Spectrum due diligence failures.

As we have said before, we are open to the possibility that there is an alternate explanation for the serious matters we have brought to the Board's attention in private correspondence. In the absence of a response from you, we can only conclude that the Board is unfit to serve, and that the reason for your silence is that you have no defense.

Assertio first came to our attention because of its perplexing and highly suspicious disclosures related to the acquisition of Spectrum Pharmaceuticals, Inc. ("**Spectrum**"). The Company's inability to explain these disclosures, even after attestation by a dual CPA-Certified Fraud Examiner as to the irregularities and a need for independent investigation, and this Board's unwillingness to allow an investigation by unconflicted parties, heightened our concerns. When fiduciaries refuse to explain themselves, there is usually a reason. *BHG* has an extensive track record of identifying public companies with suspicious disclosures/conduct. We have found that meaningful leadership changes at those companies successfully safeguarded and maximized shareholder value by intervening before the damage became irreparable. Refreshed leadership, without a conflict of interest, is able to investigate issues and pursue causes of action against culpable parties, thereby reversing shareholder harm to date and restoring value to those companies and their investors. *BHG*'s recent intervention with Fossil Group, Inc. (NASDAQ: FOSL), and eventual settlement agreement, led to the departure of its CEO and CFO and the addition of true shareholder advocacy to the Fossil board. Fossil equity shares rallied more than 80% within two months of the board's refreshment following constructive engagement with *BHG*.

The following is a non-exhaustive list of factors that lead us to believe the Board must be reconstituted:

- The write-down of 75% of the value of Spectrum within 3 months of the Board-recommended transaction's completion;
- The abject failure by the Board to pursue any recovery of the damages associated with the Spectrum acquisition;
- The decision to pursue a post-Spectrum strategy of diversifying Assertio's asset base, presumably by engaging in acquisitions, without adopting practices to prevent yet another massive due diligence debacle at the expense of this Company's investors;
- The absence from the Board of specific expertise that is relevant to Assertio's challenges (for example, expertise in biologic drugs, corporate governance, drug development, forensic accounting, fraud litigation, pharmaceutical regulation, quality control, or shareholder representation);
- The corresponding excess of former pharmaceutical executives with redundant experience on the Board;

- Failure by Nominating and Corporate Governance Committee Chair William McKee to proactively recruit directors as needed for the Board to comply with its mandatory retirement age policy;
- Disproportionately high annual director compensation (from \$220k to \$375k, or approximately twice the director compensation of comparable life science companies);
- Assertio's demonstrable culture of retaliation against internal whistleblowers (not viewing them as brave resources, but instead adversaries), which jeopardizes preservation of (and any effort to increase) the Company's long-term value;
- The Board has not adequately investigated multiple allegations regarding the integrity of Spectrum's assets from former, high-level Spectrum employees; an adequate investigation would include speaking with the whistleblowers and obtaining information/evidence from them to gain an understanding of the basis for their reports; without an adequate investigation, the Board cannot say it is certain that Assertio's business conduct is exclusively lawful; and
- Withholding material information from shareholders and refusing to even disclose the *reason* for withholding that material information (such topics include the Company's opioid-related liability, details related to its insurance coverage, and other matters).

The status quo is no longer tenable. Continuing waivers of the Board's retirement age are unacceptable. The three legacy members of the Board (Messrs. Mason, McKee, and Staple) have overseen shareholder value destruction in the hundreds of millions of dollars; the best thing that could be done to create/maximize value for shareholders is for them to leave. In consideration of the many failures identified above, this Board is in no position to select director replacements—we are concerned that any director selected by the current Board would be perceived as operating under a cloud of suspicion and, therefore, unable to assuredly fulfill their duties of maximizing shareholder value.

It is also clear to us that shareholders cannot rely on the leadership of Dr. Jeffrey Vacirca, given his previous roles as Spectrum's medical researcher, then a Spectrum board member, and an Assertio Board member upon closing of the Spectrum acquisition. Our research has unearthed details regarding Dr. Vacirca's prior work for Spectrum that confirms he is unqualified to serve on Assertio's Board.

In addition, Assertio, and particularly the Board, should treat this communication as a litigation hold notice (given the increasing likelihood that we will need to launch derivative litigation against the Board). Accordingly, the Company and Board must suspend all document destruction policies and not destroy, delete, transfer, or alter any documents, communications, data, correspondence, e-mails, text messages, reports, disclosures, contracts, affidavits, invoices, statements, receipts, worksheets, or other documents or information (including metadata) in your possession, custody and/or control, whether hard-copy or electronic, that contain information about or relating to, directly or indirectly, the concerns we have raised. **You must take every reasonable step to preserve this information until final resolution of this matter.**

That said, please consider this letter an advance notification that we will undertake a proxy contest if we cannot come to a constructive solution with you before. Therefore, subject to intervening developments, you should expect to receive a formal nomination notice from us, in accordance with the Company's bylaws and securities laws, in the coming months. We intend to hold the Board accountable through all means available to us in the meantime, including through derivative suits against the Board. For the avoidance of doubt, we expressly reserve all rights and remedies, at law and in equity.

* * *

BHG's investment philosophy is predicated on the idea that transparent, comprehensive disclosure is an intrinsic element of maximizing shareholder value. We believe that Assertio's value is artificially depressed by poor disclosure and the Board's demonstrated inability to represent shareholders' interests.

Mr. Peter Staple
July 23, 2024
Page 4 of 4

Given the massive value destruction suffered by Assertio shareholders and the Board's subsequent actions (including its responses to our further findings), it is clear to us that the Assertio Board is incapable of meeting the specific needs of the Company under its circumstances, not to mention the general obligations of any public company board. This Board, therefore, must be reconstituted.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'AEP' followed by a stylized flourish.

Alexander E. Parker
Senior Managing Director
The Buxton Helmsley Group, Inc.

Cc: Mr. William T. Mckee, Director
Ms. Heather L. Mason, Director
Dr. Jeffrey L. Vacirca, Director
Mr. Sravan K. Emany, Director
Mr. Sigurd C. Kirk, Director
Mr. Brendan P. O'Grady, Director and Chief Executive Officer
Mr. Ajay Patel, Chief Financial Officer
Mr. Matthew Kreps, Investor Relations Officer