



ALLERGAN PUBLIC LIMITED COMPANY

ALLERGAN PROFIT FORECAST

AND

MANAGEMENT INCENTIVISATION ARRANGEMENTS

September 16, 2019

Dear Allergan Shareholder

On June 25, 2019, AbbVie Inc. (“**AbbVie**”) and Allergan plc (“**Allergan**”) announced that they had entered into a definitive agreement pursuant to which Venice Subsidiary LLC, a limited liability company organized in Delaware and a wholly owned subsidiary of AbbVie (“**Acquirer Sub**”), will acquire Allergan in a cash and stock transaction (the “**Transaction**”). On 16 September 2019, Allergan filed with the U.S. Securities and Exchange Commission (the “**SEC**”) a definitive proxy statement to shareholders, including a scheme document, in connection with the Transaction (the “**Proxy Statement**”). The Proxy Statement is included along with this letter.

**Profit Forecasts**

As Allergan is an Irish incorporated company, the Transaction is subject to the Irish Takeover Panel Act, 1997, Takeover Rules 2013 (the “**Irish Takeover Rules**”). In accordance with the Irish Takeover Rules, where AbbVie or Allergan gives earnings guidance (known as a “profit forecast” under the Irish Takeover Rules) that profit forecast must be repeated in the Proxy Statement and certain attestations to that profit forecast must also be provided.

Allergan re-affirmed its guidance for the full-year 2019 performance net income per share, on a non-GAAP basis, in a public statement on August 6, 2019 within its second quarter earnings release for fiscal year 2019. This guidance is considered to be a “profit forecast” under the Irish Takeover Rules and accordingly a profit forecast from Allergan is repeated in the Proxy Statement on pages 213 through 215. The Allergan profit forecast is also repeated in this letter.

In addition, included with this letter are reports (as Appendix 1 and Appendix 2 respectively) required by the Irish Takeover Rules from Allergan’s reporting accountants, PricewaterhouseCoopers Ireland, confirming that the Allergan profit forecast has been properly compiled on the basis of the assumptions set forth in the Allergan profit forecast and the basis of accounting used is consistent with the accounting policies of Allergan, and Allergan’s financial advisor, J.P. Morgan Securities LLC (“**J.P. Morgan**”), confirming that the Allergan profit forecast has been made with due care and consideration.

**Management Incentivisation Arrangements**

Referenced in the Proxy Statement is a summary of the retention and/or transaction incentive bonuses which may be granted by Allergan to its employees (other than Mr. Brenton L. Saunders). This summary is contained at page 65 of the Proxy Statement under the heading “*Retention Bonuses*”. The Proxy Statement also summarises the employment agreement of Mr. Brenton L. Saunders, Chairman,

President and Chief Executive Officer of Allergan, which is scheduled to expire on December 31, 2019. Prior to the effective time, Allergan intends to renew Mr. Saunders' employment agreement through December 31, 2020 on the same terms and conditions as provided in his existing employment agreement. This summary is contained in the Proxy Statement on pages 63 to 64 under the heading "*Chief Executive Officer Employment Agreement*".

As required by, and solely for the purposes of, Rule 16.2 of the Irish Takeover Rules, J.P. Morgan has (in its capacity as independent advisor to Allergan for the purposes of Rule 3 of the Irish Takeover Rules) confirmed to the Irish Takeover Panel (the "**Panel**") that it has reviewed the terms of the management incentivisation arrangements referred to in the Proxy Statement together with other information deemed relevant and considers them in its opinion to be fair and reasonable so far as the Allergan shareholders are concerned. In making this confirmation, J.P. Morgan has taken into account the commercial assessments of the Allergan directors.

J.P. Morgan's confirmation to the Panel addressed only the matters required to be addressed by Rule 16.2 of the Irish Takeover Rules and addressed no other matter. J.P. Morgan's confirmation to the Panel did not address, among other things, the relative merits of the Transaction as compared to any other transaction or business strategy, the merits of the decision by Allergan to engage in the Transaction, the fairness to Allergan's shareholders of the consideration (including the share exchange ratio in calculating the equity component of the consideration) payable by AbbVie to Allergan's shareholder pursuant to the terms of the Transaction, or the price at which Allergan's shares or the shares of AbbVie would trade at any time.

Very truly yours,



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Matthew M. Walsh  
EVP & Chief Financial Officer  
**Allergan plc**

Unless otherwise defined in this communication, capitalized terms shall have the meaning given to them in the Proxy Statement.

### **Consent**

Each of PricewaterhouseCoopers Ireland and J.P. Morgan Securities LLC (“**J.P. Morgan**”) has given and has not withdrawn its consent to the issue of this document and to the inclusion in this document of its report concerning the Allergan profit forecast in the form and context in which it is included.

### **Rule 16.2 Confirmation**

J.P. Morgan’s confirmation to the Panel was provided solely to the Panel in connection with Rule 16.2 of the Irish Takeover Rules and for no other purpose, and neither Allergan nor any other person is permitted to rely on such confirmation for any purposes, including in recommending that Allergan’s shareholders vote to approve the Transaction. J.P. Morgan’s confirmation to the Panel is not intended to, and does not, constitute a recommendation to any shareholder as to how such shareholder should vote or act with respect to the Transaction or any other matter referred to herein.

In providing this confirmation, J.P. Morgan, which is a registered broker dealer with the SEC, is acting exclusively as financial advisor to Allergan and no one else in connection with the Transaction and will not be responsible to anyone other than Allergan for providing the protections afforded to its clients, and will not be responsible to anyone for providing advice in relation to the Transaction or the management incentivisation arrangements.

### **No Offer or Solicitation**

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. In particular, this communication is not an offer of securities for sale into the United States. No offer of securities shall be made in the United States absent registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from, or in a transaction not subject to, such registration requirements. Any securities issued in the Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act of 1933, as amended.

### **Important Additional Information Has Been and Will Be Filed with the SEC**

In connection with the proposed Transaction, Allergan has filed with the U.S. Securities and Exchange Commission (the “SEC”) a definitive Proxy Statement on September 16, 2019, which includes the Scheme Document. BEFORE MAKING ANY VOTING DECISION, ALLERGAN’S SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT, INCLUDING THE SCHEME DOCUMENT, AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Allergan’s shareholders and investors

are able to obtain, without charge, a copy of the Proxy Statement, including the Scheme Document, and other relevant documents filed with the SEC from the SEC's website at <http://www.sec.gov/edgar.shtml>. Allergan's shareholders and investors may also obtain, without charge, a copy of the Proxy Statement, including the Scheme Document, and other relevant documents by contacting MacKenzie Partners Inc., 1407 Broadway – 27<sup>th</sup> Floor, New York, New York 10018 or by calling MacKenzie Partners Inc. at (212) 929-5500 (Call Collect) or (800) 322-2885 (Call Toll-Free) or by emailing MacKenzie Partners at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com) or by requesting them in writing or by telephone from Allergan at the following address, email or telephone number: Allergan plc, 5 Giralda Farms, Madison, New Jersey 07940, Attn: Investor Relations; (862) 261-7000; or [investor.relations@allergan.com](mailto:investor.relations@allergan.com), or from Allergan's website, [www.allergan.com](http://www.allergan.com).

### **Participants in the Solicitation**

Allergan and certain of its directors and executive officers and employees may be considered participants in the solicitation of proxies from the shareholders of Allergan in respect of the transactions contemplated by the Proxy Statement. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of the shareholders of Allergan in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in the Proxy Statement filed with the SEC on September 16, 2019. Information regarding Allergan's directors and executive officers is contained in Allergan's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and its Proxy Statement on Schedule 14A, dated March 22, 2019, which are filed with the SEC, and certain of Allergan's Current Reports on Form 8-K, filed with the SEC on February 19, 2019, March 22, 2019 and May 1, 2019.

### **Statements Required by the Takeover Rules**

The directors of Allergan accept responsibility for the information contained in this communication (excluding the appendices hereto). To the best of the knowledge and belief of the directors of Allergan (who have taken all reasonable care to ensure that such is the case), the information contained in this communication (excluding the appendices hereto) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

J.P. Morgan, which is a registered broker dealer with the SEC, is acting as financial adviser to Allergan in connection with the Transaction. In connection with the Transaction, J.P. Morgan and its directors, officers, employees and agents will not regard any other person as its client, nor will it be responsible to anyone other than Allergan for providing the protections afforded to clients of J.P. Morgan or for giving advice in connection with the Transaction or any matter referred to herein.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION (DIRECTLY OR INDIRECTLY) IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE THIS WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

### **Dealing Disclosure Requirements**

Under the provisions of Rule 8.3 of the Irish Takeover Rules, if any person is, or becomes, 'interested' (directly or indirectly) in, 1% or more of any class of 'relevant securities' of Allergan or AbbVie, all 'dealings' in any 'relevant securities' of Allergan or AbbVie (including by means of an option in respect of, or a derivative referenced to, any such 'relevant securities') must be publicly disclosed by

not later than 3:30 pm (New York time) on the ‘business’ day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes effective or on which the ‘offer period’ otherwise ends. If two or more persons co-operate on the basis of any agreement, either express or tacit, either oral or written, to acquire an ‘interest’ in ‘relevant securities’ of Allergan or AbbVie, they will be deemed to be a single person for the purpose of Rule 8.3 of the Irish Takeover Rules.

Under the provisions of Rule 8.1 of the Irish Takeover Rules, all ‘dealings’ in ‘relevant securities’ of Allergan by AbbVie or ‘relevant securities’ of AbbVie by Allergan, or by any party acting in concert with either of them, must also be disclosed by no later than 12 noon (New York time) on the ‘business’ day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose ‘relevant securities’ ‘dealings’ should be disclosed, can be found on the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie).

‘Interests in securities’ arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an ‘interest’ by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Irish Takeover Rules, which can also be found on the Irish Takeover Panel’s website. If you are in any doubt as to whether or not you are required to disclose a dealing under Rule 8, please consult the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie) or contact the Irish Takeover Panel on telephone number +353 1 678 9020 or fax number +353 1 678 9289.

### **About AbbVie**

AbbVie is a global, research-driven biopharmaceutical company committed to developing innovative advanced therapies for some of the world’s most complex and critical conditions. AbbVie’s mission is to use its expertise, dedicated people and unique approach to innovation to markedly improve treatments across four primary therapeutic areas: immunology, oncology, virology and neuroscience. In more than 75 countries, AbbVie employees are working every day to advance health solutions for people around the world. For more information about AbbVie, please visit [www.abbvie.com](http://www.abbvie.com).

### **About Acquirer Sub**

Acquirer Sub, a wholly-owned subsidiary of AbbVie, is a limited liability company organized in Delaware solely for the purpose of effecting the Transaction. To date, Acquirer Sub has not conducted any activities other than those incidental to its formation and the execution of the Transaction agreement.

### **About Allergan**

Allergan is a global pharmaceutical leader. Allergan is focused on developing, manufacturing and commercializing branded pharmaceutical, device, biologic, surgical and regenerative medicine products for patients around the world. Allergan markets a portfolio of leading brands and best-in-class products primarily focused on four key therapeutic areas including medical aesthetics, eye care, central nervous system and gastroenterology. Allergan has operations in more than 100 countries. Allergan’s ordinary shares are currently traded on the New York Stock Exchange under the symbol “AGN.” For more information about Allergan, please visit [www.allergan.com](http://www.allergan.com).

## **Cautionary Statement Regarding Forward-Looking Statements**

This communication contains certain forward-looking statements with respect to a possible acquisition involving AbbVie and Allergan and AbbVie's, Allergan's and/or the combined group's estimated or anticipated future business, performance and results of operations and financial condition, including estimates, forecasts, targets and plans for AbbVie and, following the acquisition, if completed, the combined group.. The words "believe," "expect," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. These factors include, among others, the difficulty of predicting the timing or outcome of FDA approvals or actions, if any, the impact of competitive products and pricing, market acceptance of and continued demand for Allergan's products, the impact of uncertainty around timing of generic entry related to key products, including RESTASIS<sup>®</sup>, on our financial results, risks associated with divestitures, acquisitions, mergers and joint ventures, risks related to impairments, uncertainty associated with financial projections, projected debt reduction, projected cost reductions, projected synergies, restructurings, increased costs, and adverse tax consequences, difficulties or delays in manufacturing; risks related to the proposed transaction such as, but not limited to, the possibility that a possible acquisition will not be pursued, failure to obtain necessary regulatory approvals or required financing or to satisfy any of the other conditions to the possible acquisition, adverse effects on the market price of AbbVie's shares of common stock or Allergan's ordinary shares and on AbbVie's or Allergan's operating results because of a failure to complete the possible acquisition, failure to realize the expected benefits of the possible acquisition, failure to promptly and effectively integrate Allergan's businesses, negative effects relating to the announcement of the possible acquisition or any further announcements relating to the possible acquisition or the consummation of the possible acquisition on the market price of AbbVie's shares of common stock or Allergan's ordinary shares, significant transaction costs and/or unknown or inestimable liabilities, potential litigation associated with the possible acquisition, general economic and business conditions that affect the combined companies following the consummation of the possible acquisition, changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax laws, regulations, rates and policies, future business acquisitions or disposals and competitive developments. These forward-looking statements are based on numerous assumptions and assessments made in light of Allergan's experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this communication could cause AbbVie's plans with respect to Allergan or Allergan's actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this communication are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this communication. Additional information about economic, competitive, governmental, technological and other factors that may affect Allergan is set forth in Allergan's periodic public filings with the SEC, including but not limited to Allergan's Annual Report on Form 10-K for the year ended December 31, 2018, Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2019, Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019, and, from time to time, Allergan's other investor communications, in each case, the contents of which are not incorporated by reference into, nor do they form part of, this communication.

Any forward-looking statements in this communication are based upon information available to Allergan and/or its board of directors, as the case may be, as of the date of this communication and, while believed to be true when made, may ultimately prove to be incorrect. Subject to any obligations under applicable law, neither Allergan nor any member of its board of directors undertakes any obligation to update any forward-looking statement whether as a result of new information, future developments or otherwise, or to conform any forward-looking statement to actual results, future events, or to changes in expectations. All subsequent written and oral forward-looking statements attributable to Allergan or its board of directors or any person acting on behalf of any of them are expressly qualified in their entirety by this paragraph.



**Allergan Profit Forecast**  
**Profit Forecast including Bases and Assumptions**

**1. General**

Allergan plc re-affirmed its guidance for the full-year 2019 performance net income per share, on a non-GAAP basis (“non-GAAP performance net income per share”) in a public statement on August 6, 2019 within its second quarter earnings release for fiscal year 2019.

As set out in that public statement, non-GAAP performance net income per share is used by Allergan management as one of the primary metrics in evaluating Allergan’s performance.

Consistent with its prior practice, Allergan’s guidance for the full-year 2019 non-GAAP performance net income per share also included supporting estimates for selected sub-components making up its forecast non-GAAP performance net income per share, as well as comparable GAAP forecasts which are reconciled to the non-GAAP basis at year-end, as set out below.

	<b>Twelve Months Ending December 31, 2019</b>	
	<b>GAAP basis</b>	<b>NON-GAAP basis</b>
Total Net Revenues	~\$15.425 - \$15.625 billion	~\$15.400 - \$15.600 billion
Gross Margin (as a % of revenues)	~85.0% - 85.5%	~85.0% - 85.5%
SG&A Expense	~\$4.5 - \$4.6 billion	~\$4.4 - \$4.5 billion
R&D Expense	~\$1.8 - \$1.9 billion	~\$1.6 - \$1.7 billion
Net Interest Expense / Other Income (Expense)	~ \$775.0 million	~ \$800.0 million
Tax Rate	~(5.0)%	~13.0%
Net Income / (Loss) Per Share <sup>1</sup>	>(\$12.03)	>\$16.55
Average 2019 Share Count <sup>2</sup>	~ 329.0 million	~ 332.0 million
Cash Flow from Operations	\$5.0 - \$5.5 billion	n.a.

- (1) *GAAP represents EPS for ordinary shareholders. GAAP income per share includes the impact of amortization of approximately \$5.7 billion. Non-GAAP represents performance net income per share.*
- (2) *GAAP EPS shares do not include dilution of shares when earnings are a net loss. As such, the dilution impact of outstanding equity awards is not included in the forecasted shares.*



Allergan considers non-GAAP performance net income per share as an unambiguous measure of the company's performance for a financial period, with the interaction of each of those selected sub-components above a function of how it arrives at its overall non-GAAP performance net income per share in a given period.

	<b>Twelve Months Ending December 31, 2019</b>
	<b>NON-GAAP basis</b>
Non-GAAP performance net income per share	>\$16.55

The guidance above regarding non-GAAP performance net income per share for the year ending December 31, 2019 therefore constitutes a profit forecast (“**Allergan Profit Forecast**”) for the purposes of Rule 28 of the Irish Takeover Rules.

## 2. **Basis of preparation**

The Allergan Profit Forecast has been prepared on the basis of the assumptions stated below, consistent with the accounting policies expected to be adopted by Allergan for the year ending December 31, 2019 and as adjusted in accordance with Allergan's established basis of guidance to investors and which is published in its quarterly updates to investors.

The Allergan Profit Forecast does not take into account any effects of the proposed acquisition by AbbVie Inc. including any contingent fees payable on the completion of the transaction.

The Allergan Profit Forecast constitutes a non-GAAP financial performance measure, being an adjusted form of diluted earnings per share.

Allergan defines non-GAAP adjustments to the reported GAAP measures as GAAP results adjusted for the following net of tax: (i) amortization expenses, (ii) global supply chain and operational excellence initiatives or other restructurings of a similar nature, (iii) acquisition, divestiture, integration and licensing charges, (iv) accretion and fair market value adjustments on contingent liabilities, (v) impairment/asset sales and related costs, including the exclusion of discontinued operations, (vi) legal settlements and (vii) other unusual charges or expenses.

Allergan has consistently excluded amortization of all intangible assets, including the product rights that generate a significant portion of its ongoing revenue. Allergan's total accumulated amortization, including impairments of currently marketed products, related to its intangible assets as of June 30, 2019 and December 31, 2018 was \$36.2 billion and \$32.3 billion, respectively, and is expected to continue to be a material non-GAAP adjustment.

Non-GAAP performance net income per share should not be considered in isolation from, as a substitute for, or superior to financial measures prepared under U.S. GAAP. The guidance is provided on a non-GAAP basis as non-GAAP performance net income per share is used by Allergan management as one of the primary metrics in evaluating Allergan's performance. Allergan believes that non-GAAP performance net income per share enhances the comparability of its results between periods and provides additional information and transparency to investors on adjustments and other items that are not indicative of Allergan's current and future operating performance. These are the financial measures used by Allergan's management team to evaluate its operating performance and make day to day operating decisions.

### 3. Assumptions

The principal assumptions upon which the Allergan Profit Forecast is based are set out below:

#### **The assumptions that are within Allergan's influence or control are:**

- There will be no material future acquisitions, disposals, divestitures, partnerships, in-licence transactions or changes to Allergan's existing capital structure.
- There will be no material change in the debt structure of Allergan, other than any scheduled repayment of existing borrowings.
- There will be no material changes in Allergan's existing operational strategy.
- There will be no material restructurings.
- There will be no material change to the number of dilutive shares in issue.

#### **The assumptions that are not within Allergan's influence or control are:**

- There will be no material change in the ownership or control of Allergan.
- There will be no material change in existing prevailing general trading conditions, global economic or political conditions, competitive environment or levels of demand in the countries in which Allergan operates or trades which would materially affect Allergan's business.
- There will be no material adverse events that would have a significant unplanned impact on Allergan's financial performance.
- There will be no material adverse events that affect Allergan's key products, including adverse regulatory and clinical findings or publications, product recalls, product liability claims, or any unanticipated loss of patent protection.
- There will be no adverse outcome to any litigation or government investigation.
- There will be no business interruptions that materially affect Allergan, its key customers or key suppliers in any of its major markets.
- There will be no material change to Allergan customers' obligations or their ability or willingness to meet their obligations to Allergan from that currently anticipated by the Allergan Directors.
- There will be no changes in exchange rates, interest rates, bases of taxes, tax laws or interpretations, or legislative or regulatory requirements from those currently prevailing that would have a material impact on Allergan's operations or its accounting policies.

#### **Reports on Allergan Profit Forecast**

The reports on the Allergan Profit Forecast as required by Rule 28.3 of the Irish Takeover Rules have been prepared by (i) PricewaterhouseCoopers Ireland and (ii) J.P. Morgan Securities LLC.

The Allergan Profit Forecast included in this document has been prepared by Allergan's management. Such information is the sole responsibility of Allergan's management. PricewaterhouseCoopers US have not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to the Allergan Profit Forecast for the purpose of its inclusion herein, and, accordingly, PricewaterhouseCoopers US do not provide any form of assurance with respect thereto for the purpose of this proxy statement. The PricewaterhouseCoopers US audit report incorporated by reference in this proxy statement relates solely to Allergan's previously issued financial statements. It does not extend to the Allergan Profit Forecast and should not be read to do so.

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## APPENDIX 1

### REPORT OF PRICEWATERHOUSECOOPERS IRELAND ON ALLERGAN PROFIT FORECAST



The Directors  
Allergan plc  
Clonshaugh Business and Technology Park  
Coolock  
Dublin D17 E400

J.P. Morgan Securities LLC  
383 Madison Avenue  
New York, NY 10017  
United States

16 September 2019

Dear Ladies and Gentlemen

#### **Allergan plc**

We report on the profit forecast comprising the statement by Allergan plc (“**Allergan**”) and its subsidiaries (together the “**Allergan Group**”) in respect of non-GAAP Net Income per share for the year ending 31 December 2019 (the “**Profit Forecast**”). The Profit Forecast and the material assumptions upon which it is based, are set out in the Allergan Profit Forecast document to be issued by Allergan in which this letter is included (the “**Profit Forecast Document**”).

This report is required by Rule 28.1(a)(i) of the Irish Takeover Panel Act 1997, Takeover Rules, 2013 (the “**Irish Takeover Rules**”) and is given for the purpose of complying with that Rule and for no other purpose.

Accordingly, we assume no responsibility in respect of this report to AbbVie Inc. (the “**Offeror**”) or any other person connected to, or acting in concert with, the Offeror or to any other person who is seeking or may in future seek to acquire control of Allergan (an “**Alternative Offeror**”) or to any other person connected to or acting in concert with an Alternative Offeror.

#### **Responsibilities**

It is the responsibility of the directors of Allergan (the “**Allergan Directors**”) to prepare the Profit Forecast in accordance with the requirements of the Irish Takeover Rules.

It is our responsibility to form an opinion as required by Rule 28.3(a) of the Irish Takeover Rules as to the proper compilation of the Profit Forecast and to report that opinion to you.

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*PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137*

Located at Dublin, Cork, Galway, Kilkenny, Limerick, Waterford and Wexford

PricewaterhouseCoopers is authorised by Chartered Accountants Ireland to carry on investment business.



Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under Rule 28.3(a) of the Irish Takeover Rules to any person as and to the extent therein provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 28.4 of the Irish Takeover Rules, consenting to its inclusion in the Profit Forecast Document.

### **Basis of Preparation of the Profit Forecast**

The Profit Forecast has been prepared on the basis stated in Profit Forecast Document and is based on the unaudited financial results for the six months ended 30 June 2019 and a forecast to 31 December 2019. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Allergan Group.

### **Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Allergan Group. Whilst the assumptions upon which the Profit Forecast is based are solely the responsibility of the Allergan Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Allergan Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Allergan Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.



**Opinion**

In our opinion, the Profit Forecast has been properly compiled on the basis of the assumptions made by the Allergan Directors and the basis of accounting used is consistent with the accounting policies of the Allergan Group.

Yours faithfully  
PricewaterhouseCoopers  
Chartered Accountants



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## APPENDIX 2

### REPORT OF J.P. MORGAN SECURITIES LLC ON ALLERGAN PROFIT FORECAST

The Board of Directors  
Allergan plc  
Clonshaugh Business and Technology Park  
Coolock  
Dublin D17 E400  
Ireland

September 16, 2019

Dear Ladies and Gentlemen,

#### **Proposed sale of Allergan plc (“Allergan”) to AbbVie Inc. (“AbbVie”)**

We refer to the profit forecast comprising the statements made by Allergan in respect of the non-GAAP performance net income per share for the year ending 31 December 2019 (the “Profit Forecast”). The Profit Forecast, and the material assumptions upon which it is based, for which the directors of Allergan are solely responsible pursuant to the Irish Takeover Panel Act, 1997, Takeover Rules 2013 (the “Irish Takeover Rules”), are set out in the Allergan Profit Forecast document to be issued by Allergan in which this report is included.

We have discussed the Profit Forecast (including the bases and assumptions on which it is made) with the directors and officers of Allergan and with the Irish firm of PricewaterhouseCoopers, Spencer Dock, North Wall Quay, North Wall, Dublin 1, Ireland (“PwC Ireland”), reporting accountants to Allergan. We have assumed with your consent that the Profit Forecast reflects the best currently available estimates and judgments of the management of Allergan as to the future financial performance of Allergan for the period to which it relates. We have also discussed the accounting policies and bases of calculation for the Profit Forecast with the directors and officers of Allergan and with PwC Ireland. We have also considered PwC Ireland’s report of today’s date addressed to you and us on this matter. You have confirmed to us that all information material to the Profit Forecast has been disclosed to us.

For purposes of rendering this report, we have, with your consent, relied upon and assumed the accuracy and completeness of all the financial, legal, regulatory, tax, accounting and other information provided to us by or on behalf of Allergan, or otherwise discussed with or reviewed by us, in connection with the Profit Forecast, without assuming any responsibility for independent verification thereof.

On the basis of the foregoing, we consider that the Profit Forecast, for which you as directors of Allergan are solely responsible, has been made with due care and consideration.

This report is provided to you solely having regard to the requirements of, and in connection with, Rules 28.3 and 28.4 of the Irish Takeover Rules and for no other purpose. We accept no responsibility to Allergan, its shareholders or to any person other than the directors of Allergan in respect of the contents of this report. We are acting exclusively as financial advisor to Allergan and no one else in connection with the proposed sale, and it was solely for the purposes of complying with Rule 28.3 of the Irish Takeover Rules that the directors requested that J.P. Morgan Securities LLC prepare this report relating to the Profit Forecast. No person other than the directors of Allergan can rely on the contents of, or the work undertaken in connection with, this report and to the fullest extent permitted

by law, we exclude and disclaim all liability (whether in contract, tort or otherwise) to any other person in respect of this report, its content or the work undertaken by us in connection with this report, any of the results or conclusions that may be derived from this report or any written or oral information provided in connection with this report, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

This report is not an opinion regarding, and we express no view as to, the reasonableness or achievability of the Profit Forecast, whether on the basis identified by the directors in the Allergan Profit Forecast document, or otherwise. Instead, this report will address solely the matters required to be addressed by Rule 28 of the Irish Takeover Rules and does not address any other matter; it does not address, among other things, the relative merits of the proposed sale as compared to any other transaction or business strategy, the merits of the decision by Allergan to engage in the proposed sale, the fairness to Allergan shareholders of the consideration (including the share exchange ratio in calculating the equity component of the consideration), or the price at which Allergan's shares or the shares of AbbVie would trade at any time.

Furthermore, this report has been prepared independent of publication of the Profit Forecast and may not be relied on by you in recommending that Allergan's shareholders vote to approve the proposed sale. This report is not intended to and does not constitute a recommendation to any shareholder as to how such shareholder should vote or act with respect to the proposed sale or any matter related thereto.

Yours faithfully,

**J.P. Morgan Securities LLC**



