

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

JOHN UTESCH, Individually and on Behalf of All Others  
Similarly Situated,

Plaintiff(s),

v.

LANNETT COMPANY, INC., ARTHUR P. BEDROSIAN,  
and MARTIN P. GALVAN,

Defendants.

Civil Action No. 2:16-cv-05932-WB

Judge Wendy Beetlestone

**CLASS ACTION**

NOTICE OF (I) PENDENCY OF CLASS ACTION  
AND PROPOSED SETTLEMENT; (II)  
SETTLEMENT HEARING; AND (III) MOTION  
FOR ATTORNEYS' FEES AND LITIGATION  
EXPENSES

If you purchased or acquired the publicly traded common stock of Lannett Company, Inc. ("Lannett" or the "Company") during the period from July 15, 2014 and October 31, 2017, inclusive, and were damaged thereby, you could receive a payment from a proposed class action settlement (the "Settlement").

***A United States District Court authorized this Notice. This is not attorney advertising.***

- The Settlement, subject to judicial approval, will resolve a putative securities class action captioned *Utesch v. Lannett Company, Inc., et al.*, No. 16-5932-WB (E.D. Pa.) (the "Action"), pending in the United States District Court for the Eastern District of Pennsylvania (the "Court"). The Action concerns whether Defendants (defined below) violated the federal securities laws by misrepresenting and/or omitting material facts concerning whether Lannett's generic drugs were being sold in a competitive market, and the potential impact of investigations into industry price-fixing agreements, which allegedly had the effect of artificially inflating the price of Lannett common stock during the Class Period (defined below).
- Defendants deny all allegations of wrongdoing, fault, liability, or damage asserted by Plaintiffs. Defendants also deny that Plaintiffs or any other members of the Settlement Class (defined below) (each, a "Settlement Class Member") have suffered damages or were harmed by the conduct alleged in the Action. The Parties (Plaintiffs and Defendants) therefore disagree on whether investors are entitled to any recovery at all, and on the monetary amount of any potential award of damages if investors prevailed at trial.
- "Defendants" refers to Arthur P. Bedrosian and Martin P. Galvan and, at times herein, will include Lannett when referring to a period during which Lannett was still a Defendant in this Action.
- "Plaintiffs" refers to University of Puerto Rico Retirement System and Ironworkers Locals 40, 361 & 417 Union Security Funds, on behalf of themselves and the Settlement Class.
- The Court will hold a Settlement Hearing on April 16, 2026, at 12:30 p.m. to decide whether to approve the Settlement. The Settlement provides for Defendants to pay or cause to be paid \$5,750,000 (the "Settlement Amount"). The Net Settlement Fund – consisting of the Settlement Amount plus interest (net of taxes) earned thereon, *minus* Notice and Administration Expenses, Court-approved attorneys' fees and expenses, and any Court-approved service awards to Plaintiffs – shall be used to pay the claims of investors who purchased or acquired Lannett common stock during the Class Period and were damaged thereby, and who submit timely and acceptable Proof of Claim forms.
- Your recovery will depend on the number of shares of Lannett common stock you, and other Settlement Class Members who file claims, purchased and sold, and the prices at which you, and the other Settlement Class Members who file claims, purchased and sold those shares. If claims are submitted for 100% of the eligible shares of Lannett common stock, the estimated average recovery per share of common stock will be approximately \$0.16 per share before deduction of Court-approved fees, expenses, any awards to Plaintiffs, and costs of notice and claims administration. This estimate reflects only the average recovery per outstanding share of common stock. It is not an estimate of the actual recovery you should expect. Your actual recovery will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased, acquired, and sold shares of common stock, the purchase, acquisition, and sales prices, and the total number of claims filed. *See* Plan of Allocation on page 8 below for more detail.
- To claim your share of the Settlement, you must submit a valid Proof of Claim and Release form ("Proof of Claim" or "Claim Form") by April 2, 2026.

- Plaintiffs' Counsel will submit a Fee and Expense Application – covering all attorneys' fees and expenses – asking the Court for an award of attorneys' fees of up to one-third of the Settlement Fund, after the deduction of Court-awarded litigation expenses, and payment of up to \$1,375,000 in litigation expenses. Plaintiffs' Counsel have expended considerable time and effort litigating the claims at issue on a fully contingent-fee basis, and have advanced all litigation expenses, in the expectation that if they succeeded in obtaining a recovery for the Settlement Class they would be paid from such recovery. The attorneys' fees and request for payment of litigation expenses are estimated to average approximately \$0.079 per share. If approved by the Court, these amounts will be paid from the Settlement Fund. The Fee and Expense Application may also include a request for up to an aggregate total of \$30,000 in awards to Plaintiffs for their service to the Settlement Class.
- The Court has not yet approved the Settlement. Payments on valid claims will be made only if the Court approves the Settlement and after any appeals are resolved. Please be patient.
- Your legal rights are affected whether or not you act. Please read this Notice carefully.

#### **YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>SUBMIT A CLAIM FORM</b>	The only way to be eligible to get a payment is to submit a Proof of Claim. Proofs of Claim must be postmarked or submitted online by April 2, 2026. <i>See</i> response to question 11 below.
<b>EXCLUDE YOURSELF</b>	You will receive no payment if you exclude yourself from the Settlement. However, this is the only option that allows you to ever be part of any other lawsuit against the Defendants or Released Defendants' Parties regarding the legal claims in this case. Requests for exclusion must be postmarked by March 13, 2026. <i>See</i> response to question 14 below.
<b>OBJECT</b>	You may write to the Court to object to the Settlement, the Plan of Allocation, the request for attorneys' fees, costs, and expenses, and/or any request for awards to Plaintiffs. In doing so, you may express your reasons for objecting. You will still be a member of the Settlement Class even if you file an objection. Objections must be filed by March 13, 2026. <i>See</i> response to question 19 below.
<b>GO TO THE HEARING</b>	You may ask to speak in Court during the Settlement Hearing. Requests to speak must be filed by March 13, 2026. <i>See</i> responses to questions 21-23 below.
<b>DO NOTHING</b>	If you do nothing, you will not receive any payment and you will not be able to ever be part of any other lawsuit regarding the legal claims in this case.

#### **INQUIRIES**

***Please do not contact the Court about this Notice.*** All inquiries about this Notice, the Proof of Claim, or other questions by Settlement Class Members should be directed to the Court-appointed Claims Administrator – A.B. Data, Ltd. – or to one of the below-listed Plaintiffs' Counsel:

*Utesch v. Lannett Company, Inc., et al.*  
A.B. Data, Ltd.  
P.O. Box 173112  
Milwaukee, WI 53217  
Tel: 1-877-316-0186

Mitchell M.Z. Twersky, Esq.  
Lawrence D. Levit, Esq.  
ABRAHAM, FRUCHTER & TWERSKY, LLP  
450 Seventh Avenue  
38th Floor  
New York, NY 10123  
Tel: (212) 279-5050  
mtwersky@aftlaw.com  
llevit@aftlaw.com

#### **BASIC INFORMATION**

##### **1. Why did I get this Notice?**

You or someone in your family may have purchased or otherwise acquired shares of Lannett common stock during the Class Period. Receipt of this Notice does not mean that you are a member of the Settlement Class or that you will be entitled to receive a

payment. The Parties do not have access to your individual investment information. If you wish to be able to be eligible for a payment, you are required to submit the Claim Form that is being distributed with this Notice.

## **2. What is this Action about?**

The proposed Settlement will resolve all claims asserted in the Action, which was brought on behalf of a class of investors in the shares of Lannett during the Class Period. In general, the Action alleges that Defendants violated the federal securities laws because they allegedly made material misrepresentations and/or omissions about the generic drug market, whether Lannett was aware that drug prices were not being set in a competitive market, and the potential impact on Lannett of investigations into purported industry price-fixing agreements. Defendants have denied and continue to deny to the fullest extent possible each, any, and all allegations of wrongdoing, fault, liability, or damage whatsoever asserted in the Action. Defendants believe all of the statements identified in the lawsuit were materially accurate when made and that they genuinely believed, and had a reasonable basis to believe, that they were accurate.

## **3. What has happened so far in the Action?**

After filing the first case on November 16, 2016 on behalf of persons other than Defendants who purchased Lannett common stock between September 12, 2013 and November 3, 2016, amended complaints were filed, including the Second Amended Consolidated Complaint filed on December 14, 2017, which Defendants moved to dismiss. On July 31, 2018, the Court granted that motion to dismiss but granted Plaintiffs leave to amend. On September 21, 2018, Plaintiffs filed a Third Amended Consolidated Complaint (the “Complaint”). Defendants moved to dismiss that Complaint on November 21, 2018. On May 15, 2019, the Court denied Defendants’ motion to dismiss.

The Parties then commenced formal discovery and Defendants produced tens of thousands of pages of documents to Plaintiffs. The Parties had a number of disputes concerning discovery and on October 20, 2020, the Court appointed a Special Master to address discovery and other pretrial matters. On October 1, 2020, Plaintiffs filed a motion for class certification. Defendants opposed that motion, and after a Court hearing, the Court granted the motion for class certification on August 12, 2021.

Defendants appealed the Court’s class certification order to the United States Court of Appeals for the Third Circuit (the “Third Circuit”), and on November 22, 2021 filed a motion to stay the Court’s proceedings pending a decision by the Third Circuit on their appeal of the Court’s class certification order. The motion to stay was denied but Defendants separately moved for a stay in the Third Circuit, which granted Defendants’ motion to stay on January 11, 2022.

On April 18, 2023, the Third Circuit affirmed the Court’s class certification order. On or about May 2, 2023, Lannett and certain of its affiliates each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). On or about June 8, 2023, the Bankruptcy Court entered an order confirming the Joint Prepackaged Chapter 11 Plan that Lannett and the other debtors had submitted. On October 11, 2023, the Parties entered into an agreement and filed a Joint Stipulation and Order dismissing Lannett from the Action, which the Court signed on that date.

On January 22, 2024, the Court entered a Scheduling Order providing for, among other things, a fact discovery deadline of April 3, 2024, and an expert discovery deadline of July 24, 2024, which expert discovery deadline was subsequently extended until August 9, 2024. On September 18, 2024, Defendants filed a motion for summary judgment and a motion to exclude the opinions of Chad Coffman, Plaintiffs’ damages expert. Plaintiffs opposed those motions. During this time period, the Parties began discussing efforts to resolve the Action. The Parties agreed to participate in a mediation session and selected David M. Murphy, Esq., an experienced mediator with Phillips ADR Enterprises, as mediator. A mediation session was held on December 17, 2024, and the Parties subsequently reached an agreement to settle this Action.

## **4. Why is this a class action?**

In a class action, one or more persons called “plaintiffs” sue on behalf of all persons who have similar claims. All of the persons with similar claims are referred to as a “class.” One court resolves the issues for all class members, except for those who exclude themselves from the class.

## **5. Why is there a settlement?**

The Court has not decided the claims at issue in favor of Plaintiffs or Defendants. Instead, after negotiations conducted with the assistance of a neutral and experienced mediator, the Plaintiffs and the Defendants agreed to a negotiated settlement based on the mediator’s proposed terms. The \$5,750,000 Settlement allows both sides to avoid the risks and cost of further lengthy and complex litigation, while allowing recovery for the Settlement Class now in exchange for a release of all “Released Claims” against any of the “Released Defendants’ Parties” (defined in the response to question 13 below).

After taking into account the uncertainties, risks, and likely costs and expenses of further litigation, Plaintiffs and their counsel believe that the Settlement is fair, reasonable, and in the best interests of the Settlement Class Members. The Defendants have denied and continue to deny all the claims asserted in the Action, but recognize that further litigation could prove lengthy and expensive, and therefore also agreed to settle and finally resolve this Action on the terms set forth in the Amended Stipulation of Settlement (the “Stipulation”).

## WHO IS INCLUDED IN THE SETTLEMENT?

### 6. How do I know if I am included in or affected by the Settlement?

The “Settlement Class” includes all persons or entities, except those who are excluded as described below, who purchased or acquired the publicly traded common stock of Lannett during the period from July 15, 2014 and October 31, 2017, inclusive, and who were damaged thereby (collectively, “Settlement Class Members”).

### 7. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are the Individual Defendants, each of the Individual Defendants’ Immediate Family Members, Lannett, the officers and directors of the Company, at all relevant times, their Immediate Family Members and their legal representatives, heirs, successors or assigns and any entity in which the Individual Defendants or Lannett have or had a controlling interest. Also excluded from the Settlement Class are those Persons who would otherwise be Settlement Class Members but who timely and validly exclude themselves therefrom in accordance with the requirements set by the Court.

### 8. What if I am still not sure if I am included?

If you are still not sure if you are included, you can ask for free help. You can contact the Claims Administrator by calling 1-877-316-0186, or by writing to it at the address listed on page 2 above.

## WHAT ARE THE SETTLEMENT’S BENEFITS?

### 9. What does the Settlement provide?

Defendants have agreed to pay or cause to be paid U.S. \$5,750,000 in cash (the “Settlement Amount”) into a settlement fund (the “Settlement Fund”) for the benefit of the Settlement Class. If the Settlement is approved by the Court and becomes effective, the Net Settlement Fund – consisting of: (a) the Settlement Amount plus interest (net of taxes) earned thereon, *minus* (b) Notice and Administration Expenses, Court-approved plaintiffs’ attorneys’ fees and expenses, and any Court-approved awards to Plaintiffs – will be allocated among all “Authorized Claimants” (*i.e.*, those eligible Settlement Class Members who timely submit valid Claim Forms). Notice and Administration Expenses include the costs of printing and mailing this Notice and the costs of claims administration and processing. Distribution to Authorized Claimants will be made according to a plan of allocation (*see* “Proposed Plan of Allocation of Net Settlement Fund Among Settlement Class Members” at pages 8-12 below) to be approved by the Court.

In return, if the Settlement is approved and becomes effective, the Action will be dismissed, and all Settlement Class Members who have not excluded themselves from the Settlement Class will be deemed to have waived, released, relinquished and forever discharged with prejudice all Released Claims against all Defendants and the other “Released Defendants’ Parties,” whether or not such Settlement Class Members submit a Claim Form. *See also* response to question 13 below.

### 10. How much will my payment be?

If you are entitled to a payment, your share of the Net Settlement Fund will depend on the total number of shares of common stock purchased or acquired by Authorized Claimants, the prices paid for those shares, and whether any of those shares were sold and the price of any sales. Payments will be calculated on a *pro rata* basis, meaning that the Net Settlement Fund will be divided among all Authorized Claimants and distributed accordingly. You will not receive a payment, however, if your proportionate share of the Net Settlement Fund is less than \$10.00. Distributions will not be made until after (a) the deadline for submitting Claim Forms has passed, and (b) the Claims Administrator has finished processing, reviewing, and verifying the validity of all Claim Forms received.

If there is any balance remaining in the Net Settlement Fund after at least six months from the date of the initial distribution of the Net Settlement Fund, if economically feasible, that balance (after payment of any outstanding administrative fees or expenses) shall be re-distributed among Authorized Claimants who cashed their initial payments in an equitable and economic fashion. Thereafter, any remaining balance will be donated to the Legal Aid Society of Southeastern Pennsylvania, Temple University Legal Aid Office, or to such other §501(c)(3) non-profit organization as may be deemed appropriate by the Court.

You can calculate your Recognized Claim under the formula contained in the proposed Plan of Allocation. *See* “Proposed Plan of Allocation” below. The payment you receive will reflect your Recognized Claim in relation to the Recognized Claims of all persons submitting valid Claim Forms. Because the total of all Recognized Claims is expected to exceed the amount of the Net Settlement Fund, your Recognized Claim is *not* the amount of the payment that you will receive, but will (together with all other Settlement Class Members’ Recognized Claim amounts) be used to calculate your (and other Authorized Claimants’) *pro rata* share of the Net Settlement Fund.

### 11. How can I get a payment?

To qualify for a payment, you must be an eligible Settlement Class Member and submit a timely and valid Claim Form.

A Claim Form is enclosed with this Notice, and may also be downloaded from the Settlement website, [www.LannettSecuritiesSettlement.com](http://www.LannettSecuritiesSettlement.com). Read the instructions carefully, fill out the form, include *copies* of all requested documents, sign the form, and either (a) submit it online no later than April 2, 2026, or (b) mail it so that it is postmarked no later than April 2, 2026 to the following address:

QUESTIONS? Please call 1-877-316-0186 or go to [www.LannettSecuritiesSettlement.com](http://www.LannettSecuritiesSettlement.com)

## **12. When would I get my payment?**

The Court will hold a Settlement Hearing on April 16, 2026, at 12:30 p.m. to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals afterwards. It also takes time for all the Proofs of Claim to be processed. Please be patient.

## **13. What am I giving up to get a payment or to stay in the Settlement Class?**

Unless you timely and validly exclude yourself from the Settlement Class by the March 13, 2026 deadline, if you fit within the definition of the Settlement Class, then you will continue to be a Settlement Class Member, which means that you cannot sue, continue to sue, or be part of any other lawsuit that brings any of the Released Claims (including the claims asserted in the Action) against any of the Defendants or other Released Defendants' Parties (as defined below). It also means that you will be bound by all of the Court's orders in the Action. If you remain a Settlement Class Member, and if the Settlement is approved, you and your "Released Plaintiffs' Parties" (as defined in the Stipulation) will give up all "Released Claims" (as defined below), including "Unknown Claims" (as defined below), that you may have against the Released Defendants' Parties.

- "Released Claims" means any and all claims (including "Unknown Claims" as defined below), controversies, allegations, arguments, demands, losses, costs, interest, penalties, fees, attorneys' fees, expenses, rights, causes of action, actions, duties, obligations, judgments, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of every nature and description whatsoever, whether known or unknown, direct or indirect, liquidated or unliquidated, representative, class, individual, asserted or unasserted, matured or unmatured, accrued or unaccrued, foreseen or unforeseen, disclosed or undisclosed, contingent or fixed or vested, whether in law or in equity, whether arising under federal, state, local, foreign, statutory, common, or administrative, or any other law, statute, rule or regulation, that were asserted or could have been asserted in the Action by Settlement Class Members and that arise out of, are based upon, or relate in any way to any of the allegations, acts, transactions, facts, events, matters, occurrences, statements, representations, misrepresentations, or omissions involved, set forth, alleged or referred to, in the Action, or which could have been alleged in, referred to, or made part of the Action. "Released Claims" also includes any and all claims arising out of, relating to, or in connection with the defense, Settlement, or resolution of the Action (including Unknown Claims), except claims to enforce any of the terms of the Stipulation.
- "Released Defendants' Parties" means the Individual Defendants and each and all of their Immediate Family Members, and their contractors, consultants, auditors, accountants, financial advisors, professional advisors, investment bankers, representatives, insurers, trustees, trustors, agents, attorneys (including Defendants' Counsel and all other counsel who have represented any current or former Defendant in the Action), professionals, predecessors, successors, assigns, heirs, executors, administrators, and any controlling person thereof, in their capacities as such.
- "Unknown Claims" means any and all Released Claims against the Released Defendants' Parties that any Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her, or its favor as of the time of their release, and any and all Released Defendants' Claims against the Released Plaintiffs' Parties that any Defendant does not know or suspect to exist in his, her, or its favor at the time of their release, including, without limitation, those that, if known by such Plaintiff, Settlement Class Member, or Defendant, might have affected his, her or its decision(s) with respect to the Settlement, including but not limited to whether or not to object to the Settlement or to the release of the Released Defendants' Parties or to the release of the Released Plaintiffs' Parties. With respect to any and all Released Claims and Released Defendants' Claims, the Parties stipulate and agree that by operation of the Final Judgment, upon the Effective Date, each Plaintiff and each Defendant shall have expressly waived, and each Settlement Class Member shall be deemed to have waived, and by operation of the Final Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by Cal. Civ. Code §1542, which provides:

**"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."**

Plaintiffs, the Settlement Class Members, and Defendants shall expressly waive, shall be deemed to have waived, and by operation of the Final Judgment, upon the Effective Date, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542. Plaintiffs, the Settlement Class Members, and Defendants each acknowledge that they may hereafter discover facts in addition to or different from those which they or their counsel now know or believe to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but Plaintiffs, the Settlement Class Members, and Defendants shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released, respectively, any and all Released Claims or Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed

or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and Defendants acknowledge, and Settlement Class Members shall be deemed to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement and you want to keep any right you may have to sue or continue to sue the Defendants or the other Released Defendants' Parties on your own about the claims being released in this Settlement, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself, or "opting out," from the Settlement Class. **Please Note:** If you decide to exclude yourself from the Settlement Class, there is a risk that any lawsuit you may file to pursue claims alleged in the Action may be dismissed, including because the suit is not filed within the applicable periods for filing suit. Defendants have the option to terminate the Settlement if requests for exclusion exceed an agreed-upon threshold.

#### **14. How do I get out of the proposed Settlement?**

To exclude yourself from the Settlement Class, you must mail a letter stating that you "request exclusion from the Settlement Class in *Utesch v. Lannett Company, Inc., et al.*, No. 16-5932-WB." To be valid, the letter must state (a) your name, address, telephone number, and email address (if any); (b) the date, price, and number of publicly traded shares of Lannett common stock purchased or acquired, by you or someone acting on your behalf, during the period from July 15, 2014 and October 31, 2017, inclusive, and any sale transactions; and (c) the number of shares of Lannett common stock held by you at the opening of trading on July 15, 2014 and at the close of trading on January 30, 2018. In order to be valid, such request for exclusion must be submitted with appropriate documentary proof (i) of each purchase and, if applicable, sale transaction of Lannett common stock, and (ii) demonstrating your status as a beneficial owner of the Lannett common stock. The documentary proof can be in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator or Class Counsel. Any request for exclusion must be signed and submitted by you, as the beneficial owner, under penalty of perjury. You must submit your exclusion request by mail or other carrier so that it is **postmarked no later than March 13, 2026 to:**

*Utesch v. Lannett Company, Inc., et al.*  
EXCLUSIONS  
c/o A.B. Data, Ltd.  
P.O. Box 173112  
Milwaukee, WI 53217

You cannot exclude yourself from the Settlement Class by telephone, fax or email. If you properly exclude yourself, you will not receive a payment from the Net Settlement Fund, you cannot object to the Settlement, and you will not be legally bound by the judgment in this case.

#### **15. If I do not exclude myself, can I sue the Defendants or the other Released Defendants' Parties for the same thing later?**

No. Unless you exclude yourself by following the instructions above, you give up any rights to sue any of the Defendants or Released Defendants' Parties for the claims being released in this Settlement. If you have a pending lawsuit against any Defendant or other Released Defendants' Party, speak to your lawyer in that case immediately to determine if you have to exclude yourself from the Settlement Class in *this* matter to continue your own lawsuit. Remember, the exclusion deadline is **March 13, 2026**.

#### **16. If I exclude myself, can I get money from the proposed Settlement?**

No. If you exclude yourself, you may not send in a Proof of Claim to ask for any money.

#### **THE LAWYERS REPRESENTING YOU**

#### **17. Do I have a lawyer in this case?**

The Court has appointed Abraham, Fruchter & Twersky, LLP, a firm experienced in litigating securities class actions, as Lead Counsel to represent you and the other Settlement Class Members. If you want to be represented by your own lawyer, you may hire one at your own expense.

#### **18. How will the lawyers be paid?**

Plaintiffs' Counsel will ask the Court to award them attorneys' fees from the Settlement Amount in an amount not to exceed one-third (33⅓%) of the Settlement Amount, after the deduction of Court-awarded litigation expenses, and for payment of their expenses in an amount not to exceed \$1,375,000, plus interest on such fees and expenses at the same rate as may be earned by the Settlement Fund.

The attorneys' fees and expenses requested – which will cover all Plaintiffs' attorneys' fees and expenses in the Action – will be the only payment that Plaintiffs' Counsel will receive for their work in achieving the Settlement and for the risks they took in

representing the Settlement Class in this matter on a wholly contingent basis. To date, they have not been paid anything for their work, nor have they received any payment for the expenses they have advanced. The fees and expenses requested will compensate Plaintiffs' Counsel for their work in obtaining the Settlement Fund for the Settlement Class. In addition, the Plaintiffs may apply for awards for their service in representing the Settlement Class, which awards in the aggregate will not exceed \$30,000. Settlement Class Members are not personally responsible for any such fees, expenses or awards. The Court determines what Plaintiffs' Counsel should receive from the Settlement Fund for fees and expenses and the size of any awards made to Plaintiffs.

## OBJECTING TO THE SETTLEMENT

### 19. How do I tell the Court that I object to the proposed Settlement?

If you are a Settlement Class Member, you can object to the Settlement, Plan of Allocation, Plaintiffs' Counsel's application for attorneys' fees and expenses, and any proposed awards to Plaintiffs.

To object, you must file a written objection (together with any papers or briefs in support of the objection) with the Clerk of the Court, United States District Court for the Eastern District of Pennsylvania, at the address listed below **on or before March 13, 2026**. Your objections must state that you object to the proposed Settlement in *Utesch v. Lannett Company, Inc., et al.*, No. 16-5932-WB. Your written objection must (a) include your name, address, email address, daytime telephone number, and your signature, (b) be accompanied by *copies* of documents showing the date(s), price(s), and amount(s) of all shares of Lannett common stock that you purchased or acquired during the period from July 15, 2014 and October 31, 2017, inclusive, and/or later sold (in order to show your membership in the Settlement Class), and (c) include the name, address, email address, and telephone number of your counsel, if any. Your objection must also state all grounds for your objection, and attach copies of any evidentiary materials you wish the Court to consider. The objection must be signed by the objector, even if it is filed by your counsel. Attendance at the Settlement Hearing is not necessary to object, but if you wish to speak in support of your objection at the Settlement Hearing (*see* response to question 23 below) you must also state in your objection that you intend to do so.

**Importantly**, you must also mail or deliver copies of any objections and supporting materials to **each** of the following at the addresses listed below so they are **postmarked no later than March 13, 2026**:

The Court	Plaintiffs' Counsel	Defendants' Counsel
Clerk of the Court United States District Court Eastern District of Pennsylvania 601 Market Street Philadelphia, PA 19106	Lawrence D. Levit, Esq. ABRAHAM, FRUCHTER & TVERSKY, LLP 450 Seventh Avenue 38 <sup>th</sup> Floor New York, NY 10123	Nathan Huddell, Esq. FOX ROTHCHILD LLP Two Commerce Square 2001 Market Street Suite 1700 Philadelphia, PA 19103

### 20. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court you do not like something about the Settlement or some portion thereof. You can object only if you stay in the Settlement Class. You may submit a Claim Form even if you object. Requesting exclusion is telling the Court you do not want to be part of the Settlement Class or the Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer concerns you. Nor can you submit a Claim Form. If you stay in the Settlement Class and object, but your objection is overruled, you will not be allowed a second opportunity to exclude yourself.

## THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend, and you may ask to speak, but you do not have to.

### 21. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing on April 16, 2026, at 12:30 p.m. at the United States District Court, James A. Byrne United States Courthouse, 601 Market Street, Courtroom 10-A, Philadelphia, PA 19106. At this hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate and should be approved; whether an Order and Final Judgment as provided in the Amended Stipulation of Settlement should be entered; and whether the proposed Plan of Allocation should be approved. If there are objections, the Court will consider them and will listen to people who have asked to speak at the hearing. The Court may also decide how much should be awarded to Plaintiffs' Counsel for attorneys' fees and expenses, and whether to approve any requested awards to Plaintiffs for their service to the Settlement Class.

***The Court may change the date and time of the Settlement Hearing without further notice being sent to Settlement Class Members, or it may provide that the hearing be held by telephone or video connection.*** If you want to attend the hearing, you should

check the Settlement website ([www.LannettSecuritiesSettlement.com](http://www.LannettSecuritiesSettlement.com)) or with Plaintiffs' Counsel beforehand to be sure that the date, time, and/or manner of the hearing have not changed.

## **22. Do I have to come to the hearing?**

No. Plaintiffs' Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submit your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Settlement Class Members do not need to appear at the hearing or take any other action to indicate their approval.

## **23. May I speak at the hearing?**

If you object to the Settlement, Plan of Allocation, or any aspect of the Fee and Expense Application, you may also ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 19 above) a statement that you "intend to appear" at the Settlement Hearing, and you must also identify in your statement any witnesses you may call to testify, and attach copies of any exhibits you intend to introduce into evidence at the Settlement Hearing. You cannot speak at the hearing if you exclude yourself.

### **IF YOU DO NOTHING**

## **24. What happens if I do nothing at all?**

If you do nothing, you will get no money from the Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of another lawsuit against Defendants or the Released Defendants' Parties that asserts any of the claims being released in the Settlement. Settlement Class Members who do not submit valid and timely Claim Forms shall be barred from receiving any payments from the Settlement, but they will in all other respects be subject to and bound by the terms of the Stipulation and any Judgment entered, including the releases set forth therein.

### **GETTING MORE INFORMATION**

## **25. Are there more details about the proposed Settlement?**

This Notice summarizes the proposed Settlement. More details are in the Stipulation. You may review and download a copy of the Stipulation (and other documents relating to the Action) at the Settlement website, [www.LannettSecuritiesSettlement.com](http://www.LannettSecuritiesSettlement.com). You may also request a copy of the Stipulation and additional Claim Forms from the Claims Administrator by phone, email, or mail using the contact information provided on page 2 above. A complete set of the pleadings and other court filings in the Action are also available for inspection during regular business hours at the Office of the Clerk of the Court, United States District Court for the Eastern District of Pennsylvania, 601 Market Street, Philadelphia, PA 19106, or at the Court's website.

***\*\*PLEASE DO NOT TELEPHONE THE COURT, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE\*\****

### **PROPOSED PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG SETTLEMENT CLASS MEMBERS**

The Plan of Allocation seeks to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the Recognized Loss formulas described below. A Recognized Loss will be calculated for each eligible share of Lannett common stock you purchased or otherwise acquired. Any orders modifying the Plan of Allocation will be posted at [www.LannettSecuritiesSettlement.com](http://www.LannettSecuritiesSettlement.com).

For purposes of determining the amount an Authorized Claimant may recover from the Net Settlement Fund, Lead Counsel has consulted with a damages expert to assist in preparing the following Plan of Allocation, which reflects an equitable method to distribute the Net Settlement Fund based on an assessment of the damages that Settlement Class Members are estimated to have suffered as a result of the conduct alleged in the Complaint and is subject to Court approval or modification without further notice:

The Settlement Class means all persons or entities who purchased or otherwise acquired the publicly traded common stock of Lannett during the period from July 15, 2014 and October 31, 2017, inclusive, and who were damaged thereby.

The recovery for each eligible Lannett common share purchased or acquired by a Settlement Class Member who timely submits a valid Proof of Claim (an "Authorized Claimant") will be based on the Recognized Loss for that security as calculated in accordance with the criteria set forth below. A person or entity who would otherwise be a Settlement Class Member but who submits a Request for Exclusion will **not** be deemed an Authorized Claimant and will **not** receive any distribution from the Net Settlement Fund. The Recognized Loss calculated for each Authorized Claimant in accordance with the criteria set forth below will be used for calculating that Authorized Claimant's *pro rata* interest in the Net Settlement Fund and any distributions made to Authorized Claimants therefrom. An Authorized Claimant's *pro rata* interest in the Net Settlement Fund will be equal to its calculated Recognized Loss as a percentage of the aggregate Recognized Loss of all Authorized Claimants.



It is estimated that the gross recovery of \$5.75 million will result in an average recovery of \$0.16 per eligible Lannett common share (over a total of approximately 35.8 million shares) if valid and timely Proof of Claims are submitted for all eligible Lannett common shares.

#### A. Calculation of Recognized Losses on Eligible Lannett Common Shares

For each eligible Lannett common share purchased or otherwise acquired during the period from July 15, 2014 and October 31, 2017, inclusive, the Recognized Loss shall be based on the Inflation per Share amounts as set forth in Table A-1 below and/or otherwise determined in accordance with the loss limitation rules set forth in sections A.1–4 below. For each eligible Lannett common share, the Purchase Price shall be the amount paid (excluding fees and expenses) and the Sale Price shall be the amount received (before paying fees and expenses). If a Recognized Loss amount calculates to a negative number or zero under the criteria below, that Recognized Loss amount will be deemed to be zero.

**Table A-1: Calculation of Recognized Inflation per Share per Eligible Lannett Common Share Based on Relevant Dates of Purchase and Sale**

Period	Begin Date	End Date	Inflation per Share
1	7/15/14	11/5/14	\$ 13.29
2	11/6/14	12/8/14	\$ 11.00
3	12/9/14	11/2/16	\$ 6.43
4	11/3/16	11/3/16	\$ 1.30
5	11/4/16	10/30/17	\$ 1.69
6	10/31/17	10/31/17	\$ (1.44)
7	11/1/17	Thereafter	\$ 0.00

**Table A-2: Look-Back Average Price Table**

Date	Average Look-Back Price
10/31/2017	\$ 19.90
11/1/2017	\$ 20.73
11/2/2017	\$ 20.83
11/3/2017	\$ 20.80
11/6/2017	\$ 20.88
11/7/2017	\$ 21.48
11/8/2017	\$ 22.01
11/9/2017	\$ 22.34
11/10/2017	\$ 22.48
11/13/2017	\$ 22.65

11/14/2017	\$ 22.77
11/15/2017	\$ 22.87
11/16/2017	\$ 22.95
11/17/2017	\$ 23.02
11/20/2017	\$ 23.07
11/21/2017	\$ 23.16
11/22/2017	\$ 23.30
11/24/2017	\$ 23.53
11/27/2017	\$ 23.65
11/28/2017	\$ 23.80
11/29/2017	\$ 23.90
11/30/2017	\$ 24.02

12/1/2017	\$ 24.22
12/4/2017	\$ 24.40
12/5/2017	\$ 24.60
12/6/2017	\$ 24.77
12/7/2017	\$ 24.89
12/8/2017	\$ 25.01
12/11/2017	\$ 25.13
12/12/2017	\$ 25.25
12/13/2017	\$ 25.37
12/14/2017	\$ 25.45
12/15/2017	\$ 25.52
12/18/2017	\$ 25.58
12/19/2017	\$ 25.61
12/20/2017	\$ 25.63
12/21/2017	\$ 25.61
12/22/2017	\$ 25.57
12/26/2017	\$ 25.54
12/27/2017	\$ 25.51
12/28/2017	\$ 25.47

12/29/2017	\$ 25.41
1/2/2018	\$ 25.37
1/3/2018	\$ 25.35
1/4/2018	\$ 25.33
1/5/2018	\$ 25.30
1/8/2018	\$ 25.26
1/9/2018	\$ 25.25
1/10/2018	\$ 25.25
1/11/2018	\$ 25.24
1/12/2018	\$ 25.23
1/16/2018	\$ 25.21
1/17/2018	\$ 25.20
1/18/2018	\$ 25.18
1/19/2018	\$ 25.14
1/22/2018	\$ 25.10
1/23/2018	\$ 25.06
1/24/2018	\$ 25.03
1/25/2018	\$ 24.99
1/26/2018	\$ 24.96

1. If sold on or after July 15, 2014, but on or before November 5, 2014, the Recognized Loss for each eligible Lannett common share shall be zero.

2. If sold on or after November 6, 2014, but on or before October 31, 2017, the Recognized Loss will be the lesser of: (a) the difference between the Inflation per Share on the Date of Purchase minus the Inflation per Share on the Date of Sale set forth in Table A-1; or (b) the Purchase Price minus the Sales Price.

3. If sold on or after November 1, 2017, but on or before January 26, 2018, the Recognized Loss will be the lesser of: (a) Inflation per Share on the Date of Purchase set forth in Table A-1; (b) the Purchase Price minus the Sales Price; or (c) the Purchase Price minus the Look-Back Price on the date sold, as set forth in Table A-2.

4. If sold on or after January 27, 2018 or if not sold, the Recognized Loss will be the lesser of: (a) the Inflation per Share on the Date of Purchase set forth in Table A-1; (b) the Purchase Price minus the Sales Price; or (c) the Purchase Price per Lannett common share minus \$24.96 [the 90-Day Look-Back Average Price].

#### **B. Additional Provisions Relating to the Calculation of Recognized Losses**

For Settlement Class Members who made multiple purchases, acquisitions, or sales, the first-in, first-out (“FIFO”) method will be applied to those purchases, acquisitions, and sales for purposes of calculating Recognized Losses. Under the FIFO method, all purchases of eligible Lannett common shares will be respectively matched, in chronological order, starting with common shares purchased or acquired prior to July 15, 2014.

The Date of Purchase or Date of Sale is the “contract” or “trade” date as distinguished from the “settlement” date. All purchase, acquisition, and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise or operation of law of eligible Lannett common shares shall not be deemed a purchase or sale of such securities for the calculation of an Authorized Claimant’s Recognized Losses, nor shall it be deemed an assignment of any claim relating to the purchase of such eligible common shares unless specifically provided in the instrument of gift or assignment.

Short sales and purchases to cover short sales are included when calculating Recognized Losses or market loss (or gain).

Option contracts are not securities eligible to participate in the Settlement. With respect to eligible Lannett common shares purchased or sold through the exercise of an option, the purchase/sale date of the eligible Lannett common share is the exercise date of the option and the purchase/sale price of the eligible Lannett common share is the exercise price of the option.

### **C. Allocation of Net Settlement Proceeds Based on Recognized Losses**

An Authorized Claimant’s Recognized Claim under the Plan of Allocation shall be the sum of his, her, or its Recognized Loss amounts for their eligible Lannett common shares, as determined in accordance with §§ A and B above.

To the extent an Authorized Claimant had a market gain with respect to his, her, or its overall transactions in eligible Lannett common shares, the value of the Authorized Claimant’s Recognized Loss shall be deemed to be zero, but such Authorized Claimant shall in any event be bound by the Settlement. To the extent that an Authorized Claimant suffered an overall market loss with respect to his, her, or its overall transactions in Lannett common shares, but that market loss was less than the total Recognized Loss calculated above, then the Authorized Claimant’s Recognized Loss shall be limited to the amount of the actual market loss.

### **Market Gains and Losses**

The Claims Administrator will determine if the Claimant had a “Market Gain” or a “Market Loss” with respect to his, her, or its overall transactions in Lannett common stock during the Class Period. For purposes of making this calculation, the Claims Administrator will determine the difference between (i) the Claimant’s Total Purchase Amount [1] and (ii) the sum of the Claimant’s Total Sales Proceeds [2] and the Claimant’s Holding Value [3]. If the Claimant’s Total Purchase Amount minus the sum of the Claimant’s Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant’s Market Loss; if the number is a negative number or zero, that number will be the Claimant’s Market Gain.

If a Claimant had a Market Gain with respect to his, her, or its overall transactions in Lannett common stock during the Class Period, the value of the Claimant’s Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in Lannett common stock during the Class Period but that Market Loss was less than the Claimant’s Recognized Claim, then the Claimant’s Recognized Claim will be limited to the amount of the Market Loss.

[1] The “Total Purchase Amount” is the total amount the Claimant paid (excluding any fees, commissions, and taxes) for all shares of Lannett common stock purchased/acquired during the Class Period.

[2] The Claims Administrator will match any sales of Lannett common stock during the Class Period first against the Claimant’s opening position in Lannett common stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (not deducting any fees, commissions, and taxes) for sales of the remaining shares of Lannett common stock sold during the Class Period is the “Total Sales Proceeds.”

[3] The Claims Administrator will ascribe a “Holding Value” of \$19.90 to each share of Lannett common stock purchased/acquired during the Class Period that was still held as of the close of trading on October 31, 2017.

### **Short Sales**

The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the Lannett common stock. The date of a “short sale” is deemed to be the date of sale of the Lannett common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” and the purchases covering “short sales” is zero.

In the event that a Claimant has an opening short position in Lannett common stock, the earliest purchases or acquisitions of Lannett common stock during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s Recognized Claim divided by the aggregate Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund to be distributed. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to such Authorized Claimant.

The Net Settlement Fund will not be distributed to Authorized Claimants unless and until the Court has (a) approved the Settlement and either this Plan of Allocation or a modified plan; and (b) the time for any petition for rehearing, appeal, or review thereof, whether by certiorari or otherwise, has expired. Approval of the Settlement is separate from approval of a Plan of Allocation. Any determination with respect to a Plan of Allocation will not affect the Settlement, if approved.

Each Authorized Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Proof of Claim (or “Claim Form”). Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants.

You should contact the Claims Administrator or Lead Counsel if you disagree with any determinations that may be made by the Claims Administrator regarding your Claim Form. If you are unsatisfied with the determinations, you may ask Lead Counsel for the Court, which retains jurisdiction over all Settlement Class Members and the claims administration process, to decide the issue by submitting a written request. Distributions will not be made to Authorized Claimants until all claims have been processed and until after the Court has finally approved the Settlement and the Plan of Allocation.

#### **SPECIAL NOTICE TO CUSTODIANS AND OTHER NOMINEES**

If you purchased or otherwise acquired shares of Lannett common stock during the period from July 15, 2014 and October 31, 2017, inclusive, as a nominee for a beneficial owner, the Court has directed that, WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE (the “Long Notice”) and Proof of Claim or the Postcard Notice, you either: (i) request copies of the Postcard Notice sufficient to mail the Postcard Notice to all beneficial owners for whom you are a nominee or custodian, and within ten (10) calendar days after receipt thereof send copies to each such beneficial owner; (ii) provide the Claims Administrator (at the address listed on page 2 above) with lists of the names, last known addresses, and email addresses (to the extent known) of such beneficial owners, in which event the Claims Administrator shall promptly deliver the Postcard Notice or the Long Notice and Proof of Claim to such beneficial owners; or (iii) request an electronic copy of the Summary Notice or a link to the Long Notice and Proof of Claim and email the Summary Notice or the link to the Long Notice and Proof of Claim in electronic format to each such beneficial owner. If you choose to mail the Postcard Notice yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies as you will need to complete the mailing. If you choose to email the Summary Notice or the Long Notice and Proof of Claim or send the Postcard Notice to the beneficial owners, you shall send a written certification to the Claims Administrator confirming that the emailing and/or mailing has been made as directed. Nominees shall also provide email addresses for all such beneficial owners to the Claims Administrator, to the extent they are available. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including up to \$0.03 plus postage at the pre-sort postage rate used by the Claims Administrator per Postcard Notice actually mailed; \$0.03 per Summary Notice or Long Notice and Proof of Claim link emailed; or \$0.03 per name, address, and email address provided to the Claims Administrator. Those expenses will be paid from the Settlement Fund upon request and submission of appropriate supporting documentation and timely compliance with the above directions.

DATED: January 2, 2026

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BY ORDER OF THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA