Alkermes Commences Arbitration Related to License Agreements with Janssen Pharmaceutica

April 19, 2022

DUBLIN, April 19, 2022 /PRNewswire/ -- Alkermes plc (Nasdaq: ALKS) today announced that it commenced binding arbitration proceedings in respect of two license agreements with Janssen Pharmaceutica N.V. ("Janssen"), a subsidiary of Johnson & Johnson. Under these agreements, Janssen received access and rights to Alkermes' small particle pharmaceutical compound technology, known as NanoCrystal® Technology, which enabled a number of successful products, such as INVEGA SUSTENNA®, INVEGA TRINZA®, INVEGA HAFYERA® and CABENUVA®. Janssen partially terminated the agreements in the United States effective as of February 2022.

The purpose of the arbitration is to settle, among other things, whether, notwithstanding its partial termination of the agreements, Janssen has a continuing obligation to pay royalties on sales in the United States of products developed under the agreements. Janssen has refused to pay any royalties required by the agreements in the United States since the effective date of the partial terminations. Alkermes strongly disagrees with Janssen's position and contends that it continues to owe royalties. Alkermes remains committed to enforcing its contractual rights and addressing any unauthorized use of its intellectual property.

Following receipt of the notices of partial termination, Alkermes triggered dispute resolution provisions in the license agreements. The company has engaged with Janssen in an effort to come to a mutually agreeable settlement. No resolution has been achieved. Alkermes remains open to a mutually agreeable resolution.

Under the agreements, the arbitration will be conducted pursuant to the Institute for Conflict Prevention and Resolution (CPR) Rules for Non-Administered Arbitration before a panel of three arbitrators. The arbitration will be confidential, subject to the parties' disclosure obligations under applicable law. Other than pursuant to these obligations, Alkermes does not intend to comment or provide additional information regarding the arbitration until an order on the merits or other material order is issued in the arbitration or the arbitration is otherwise concluded.

About Alkermes plc

Alkermes plc is a fully-integrated, global biopharmaceutical company developing innovative medicines in the fields of neuroscience and oncology. The company has a portfolio of proprietary commercial products focused on alcohol dependence, opioid dependence, schizophrenia and bipolar I disorder, and a pipeline of product candidates in development for neurodegenerative disorders and cancer. Headquartered in Dublin, Ireland, Alkermes has an R&D center in Waltham, Massachusetts; a research and manufacturing facility in Athlone, Ireland; and a manufacturing facility in Wilmington, Ohio. For more information, please visit Alkermes' website at www.alkermes.com.

Note Regarding Forward-Looking Statements

Certain statements set forth in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, but not limited to, statements concerning the company's expectations regarding the commenced arbitration proceedings and the company's ability to enforce its contractual rights and address any unauthorized use of its intellectual property. The company cautions that forward-looking statements are inherently uncertain. The forward-looking statements are neither promises nor guarantees and they are necessarily subject to a high degree of uncertainty and risk. Actual performance and results may differ materially from those expressed or implied in the forward-looking statements due to various risks and uncertainties. These risks and uncertainties include, among others, that the duration and outcome of the commenced arbitration proceedings are inherently uncertain and the arbitration may not resolve in a manner that is favorable to the company, and those risks and uncertainties described under the heading "Risk Factors" in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2021 and in subsequent filings made by the company with the U.S. Securities and Exchange Commission (SEC), which are available on the SEC's website at www.sec.gov. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as required by law, the company disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this press release.

NanoCrystal® is a registered trademark of Alkermes Pharma Ireland Limited, used by Alkermes, Inc. under license; and INVEGA SUSTENNA®, INVEGA TRINZA®, and INVEGA HAFYERA® are registered trademarks of Johnson & Johnson Corporation. CABENUVA® is a registered trademark of ViiV Healthcare UK (No.3) Limited.

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