



# Fourth Quarter and Year-End 2023 Financial Results & Business Update

February 15, 2024

# Forward-Looking Statements

Certain statements set forth in this presentation 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: Alkermes plc’s (the “Company”) expectations with respect to its current and future financial and operating performance, business plans or prospects, including its expected cash generation, revenue and growth drivers, expectations of profitability, potential return of capital to shareholders and potential transactions; the potential therapeutic and commercial value of the Company’s marketed products and development candidates; the Company’s expectations regarding plans and timelines for further clinical development activities, including for ALKS 2680; and the Company’s plans to advance and expand its neuroscience pipeline. The Company cautions that forward-looking statements are inherently uncertain. Actual performance and results may differ materially from those expressed or implied in the forward-looking statements due to various risks, assumptions and uncertainties. These risks, assumptions and uncertainties include, among others: whether the Company is able to sustain profitability; the unfavorable outcome of arbitration or litigation, including so-called “Paragraph IV” litigation or other patent litigation which may lead to competition from generic drug manufacturers, or other disputes related to the Company’s products or products using the Company’s proprietary technologies; the Company’s commercial activities may not result in the benefits that the Company anticipates; clinical development activities may not be completed on time or at all; the results of the Company’s development activities, including those related to ALKS 2680, may not be positive, or predictive of final results from such activities, results of future development activities or real-world results; potential changes in the cost, scope, design or duration of the Company’s development activities, including the ALKS 2680 development program; the U.S. Food and Drug Administration (“FDA”) or other regulatory authorities may not agree with the Company’s regulatory approval strategies or components of the Company’s marketing applications and may make adverse decisions regarding the Company’s products; the Company and its licensees may not be able to continue to successfully commercialize their products or support growth of such products; there may be a reduction in payment rate or reimbursement for the Company’s products or an increase in the Company’s financial obligations to government payers; the Company’s products may prove difficult to manufacture, be precluded from commercialization by the proprietary rights of third parties, or have unintended side effects, adverse reactions or incidents of misuse; and those risks, assumptions and uncertainties described under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K 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](http://www.sec.gov), and on the Company’s website at [www.alkermes.com](http://www.alkermes.com) in the ‘Investors – SEC filings’ section. 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 presentation.

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# 2023 Accomplishments Enabled Repositioning of Alkermes and Established Strong Foundation for Growth

Prevailed in Janssen arbitration; Raised 2023 financial expectations

Successfully settled VIVITROL® patent litigation

Generated ALKS 2680 initial clinical proof-of-concept data in patients with narcolepsy type 1

Completed separation of the oncology business

Continued focus on operational efficiency, including recent agreement to divest Athlone, Ireland manufacturing facility

Grew proprietary commercial product portfolio net sales by 18%\* year-over-year

\*Based on twelve months ended Dec. 31, 2023 compared to the prior year

# Alkermes 2024: Profitable, Pure-play Neuroscience Company



**>\$1B commercial business driven primarily by 4 core products\***

**Proven development capabilities with advancing neuroscience pipeline**

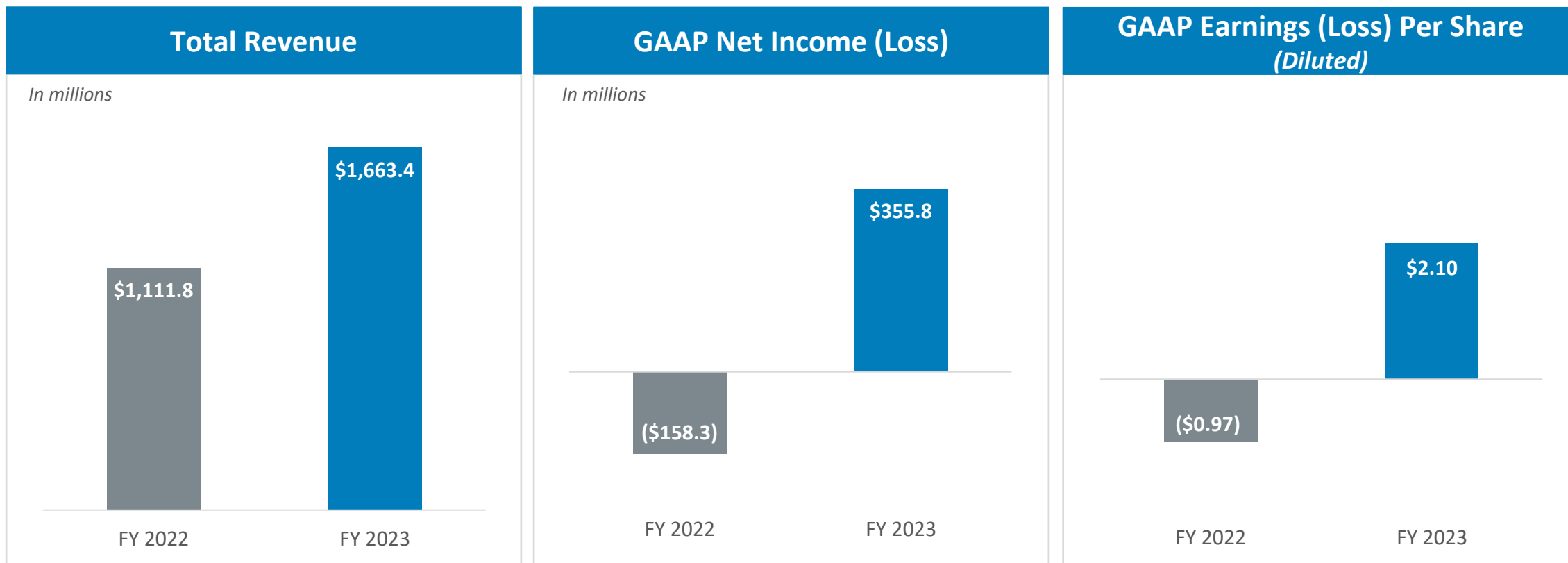
**Positioned for sustained profitability and significant cash generation**

\*Based on revenues from VIVITROL®, ARISTADA®, VUMERITY® and LYBALVI® for twelve months ended Dec. 31, 2023

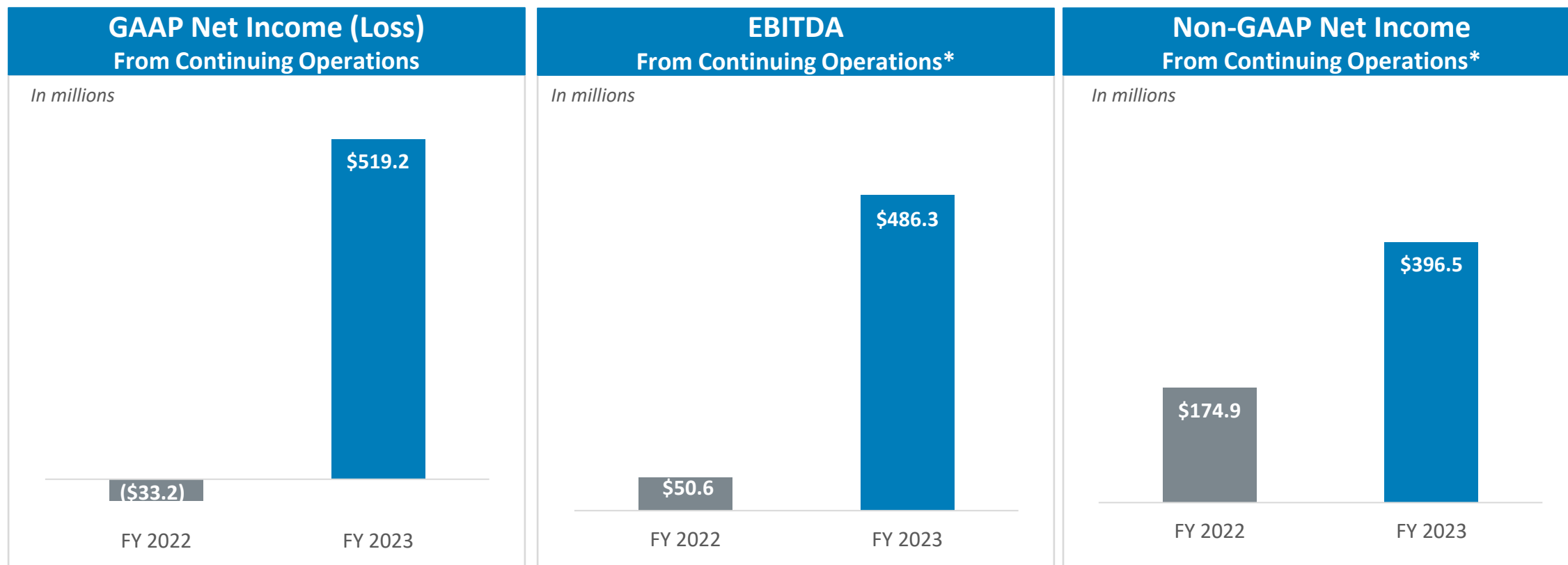


# Q4 & FY 2023 Financial and Operational Performance

# FY 2023 Financial Results Summary



# FY 2023 Profitability From Continuing Operations



\*Reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure can be found in the Appendix of this presentation.

# Q4 2023 Revenue Summary

In millions, except %	Q4'23	Q4'22	Δ Q4'23 vs. Q4'22
Total Proprietary Net Sales	\$242.0	\$216.1	12%
VIVITROL®	\$102.4	\$102.0	-
ARISTADA®*	\$83.4	\$79.2	5%
LYBALVI®	\$56.2	\$34.9	61%
Manufacturing & Royalty Revenue**	\$135.5	\$88.5	53%
Research & Development Revenue	\$0.0	\$0.0	-
Total Revenue**	\$377.5	\$304.7	24%

Amounts in the table above may not sum due to rounding.

\*Inclusive of ARISTADA INITIO®

\*\*Reflects reinstatement of certain U.S. royalties following the successful outcome of the Company's arbitration with Janssen announced in June 2023.



# FY 2023 Revenue Summary

In millions, except %	FY'23	FY'22	Δ FY'23 vs. FY'22
Total Proprietary Net Sales	\$920.0	\$777.6	18%
VIVITROL®	\$400.4	\$379.5	6%
ARISTADA®*	\$327.7	\$302.1	8%
LYBALVI®	\$191.9	\$96.0	100%
Manufacturing & Royalty Revenue**	\$743.4	\$332.0	124%
License Revenue	-	\$2.0	(100%)
Research & Development Revenue	\$0.0	\$0.3	-
Total Revenue**	\$1,663.4	\$1,111.8	50%

Amounts in the table above may not sum due to rounding.

\*Inclusive of ARISTADA INITIO®

\*\*Reflects reinstatement of certain U.S. royalties following the successful outcome of the Company's arbitration with Janssen announced in June 2023.

# Alkermes: 2024 Financial Expectations\*

(in millions)	Financial Expectations for Year Ending Dec. 31, 2024
<b>Total Revenues</b>	<b>\$1,500 – \$1,600</b>
COGS	\$230 – \$250
R&D Expense	\$225 – \$255
SG&A Expense	\$625 – \$655
<b>GAAP Net Income</b>	<b>\$350 – \$390</b>
<b>EBITDA<sup>‡</sup></b>	<b>\$445 – \$485</b>
<b>Non-GAAP Net Income<sup>‡</sup></b>	<b>\$465 – \$505</b>
<b>Effective Tax Rate</b>	<b>~17%</b>

## Expected net sales of proprietary products:

- VIVITROL® net sales of \$410M – \$430M
- ARISTADA® net sales of \$340M – \$360M
- LYBALVI® net sales of \$275M – \$295M

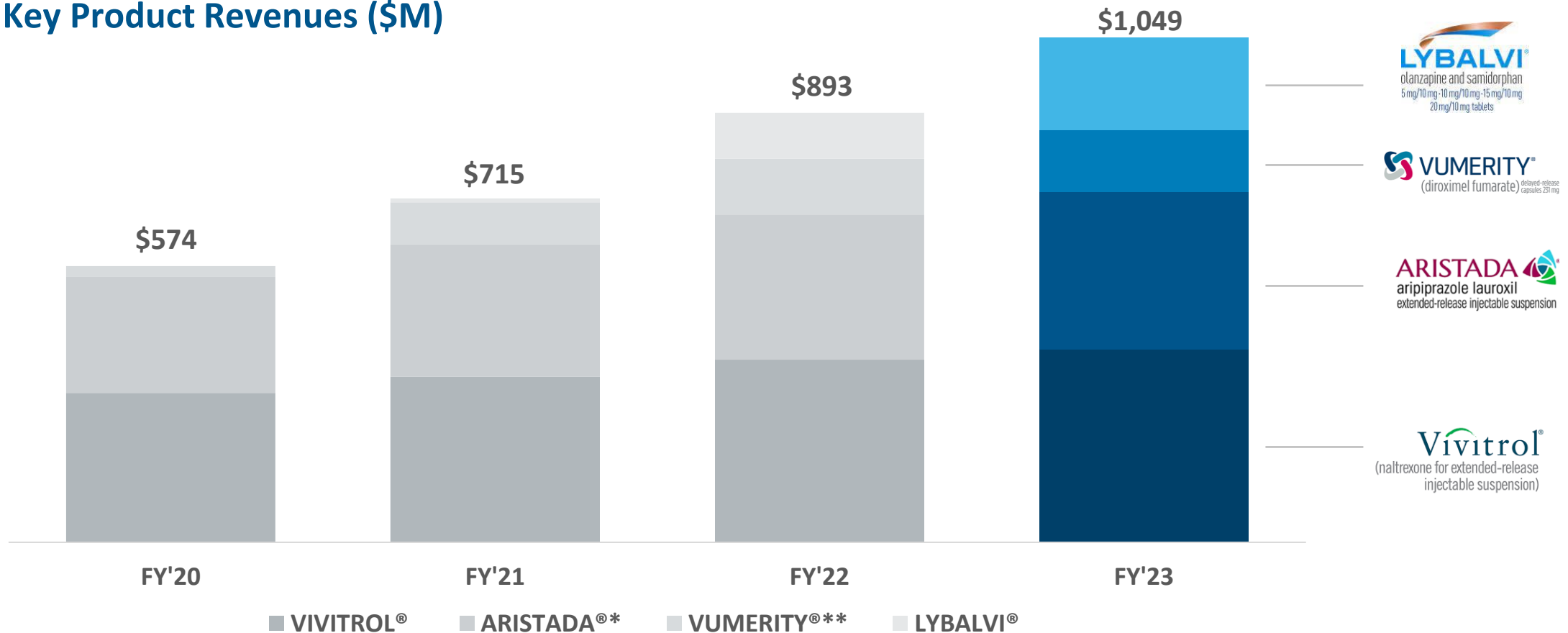
\*These expectations are provided by the Company on Feb. 15, 2024 and are effective only as of such date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

<sup>‡</sup>Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix of this presentation.

# 2023 Commercial Review

# Topline Growth and Diversification Reflect Evolving Business

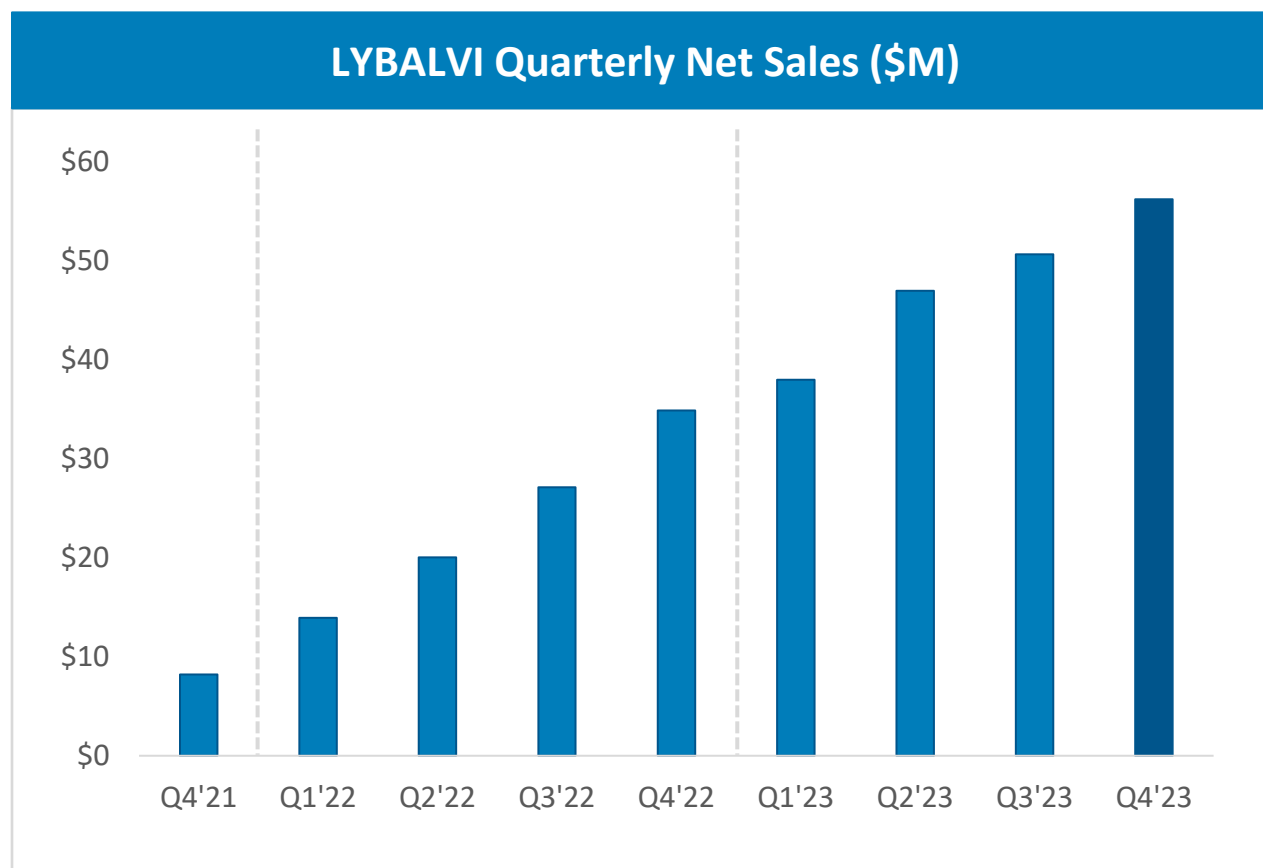
## Key Product Revenues (\$M)



\*Inclusive of ARISTADA INITIO®

\*\*Licensed product (royalty & manufacturing revenue)

# LYBALVI® Performance and Expectations



**Q4'23 net sales of \$56.2M reflect 11% sequential growth compared to Q3'23**

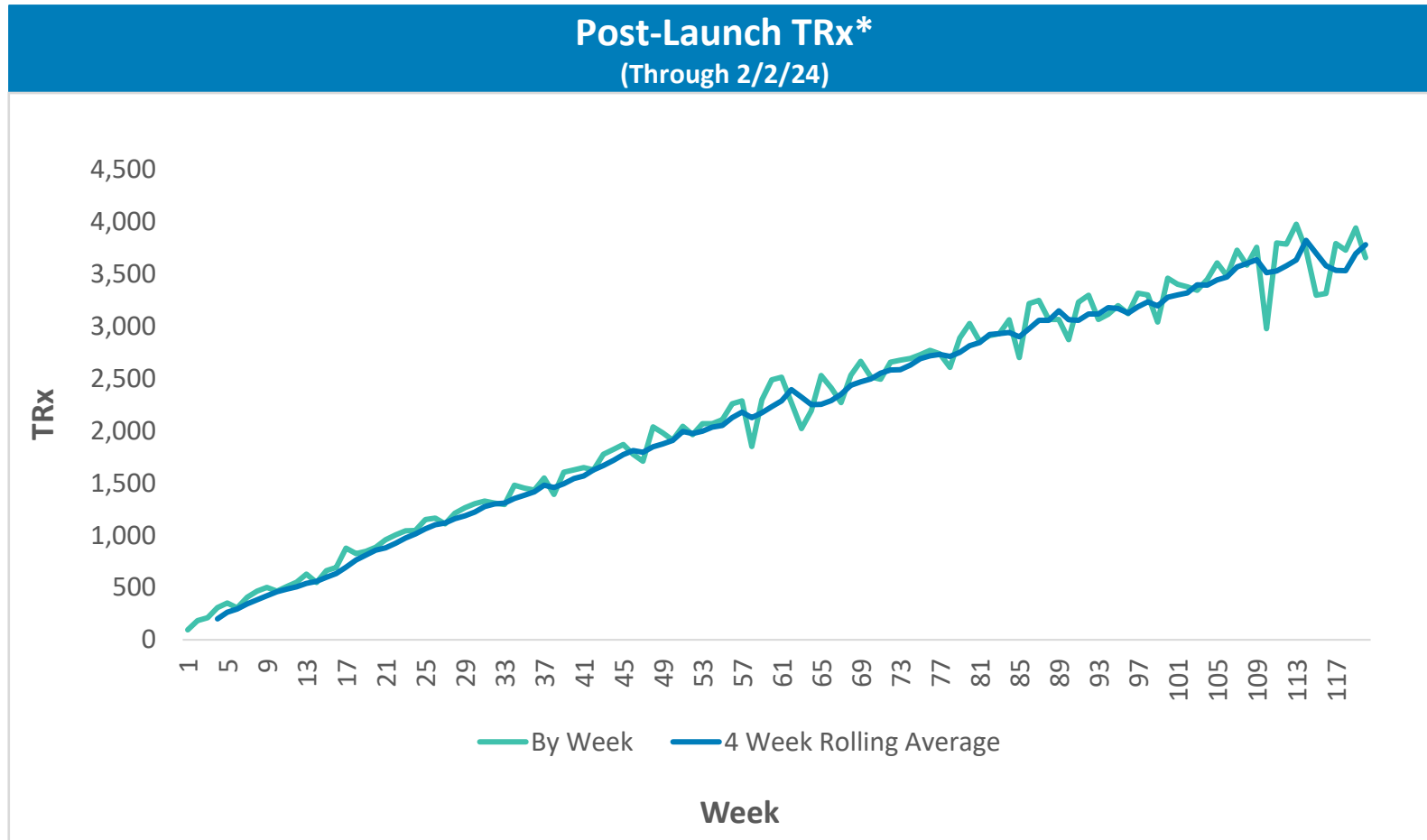
- Q4'23 gross-to-net deductions: ~29%

**Outlook:**

- FY'24 net sales expected to range from \$275M – \$295M\*

\*These expectations are provided by the Company on Feb. 15, 2024 and are effective only as of such date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

# LYBALVI® Prescription Growth Trends



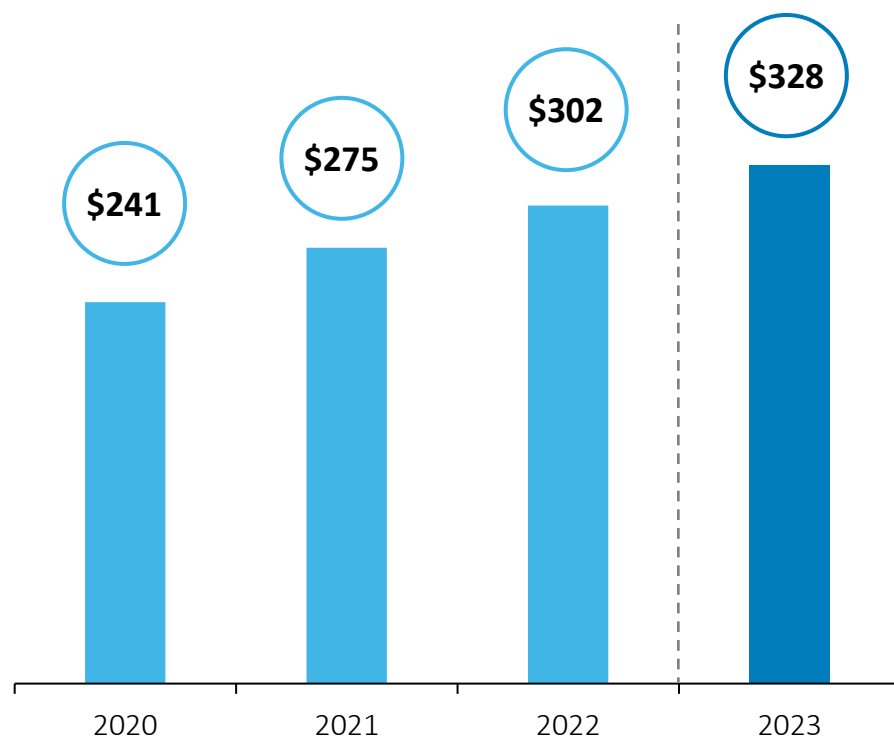
## Q4'23 total TRx:

- ~46,700 reflecting 11% sequential growth compared to Q3'23

\*Source: IQVIA NPA Weekly

# ARISTADA® Performance and Expectations

## ARISTADA Annual Net Sales\* (\$M)



**Q4'23 year-over-year net sales increased 5% to \$83.4M**

**FY'23 year-over-year net sales increased 8% to \$327.7M**

### Outlook:

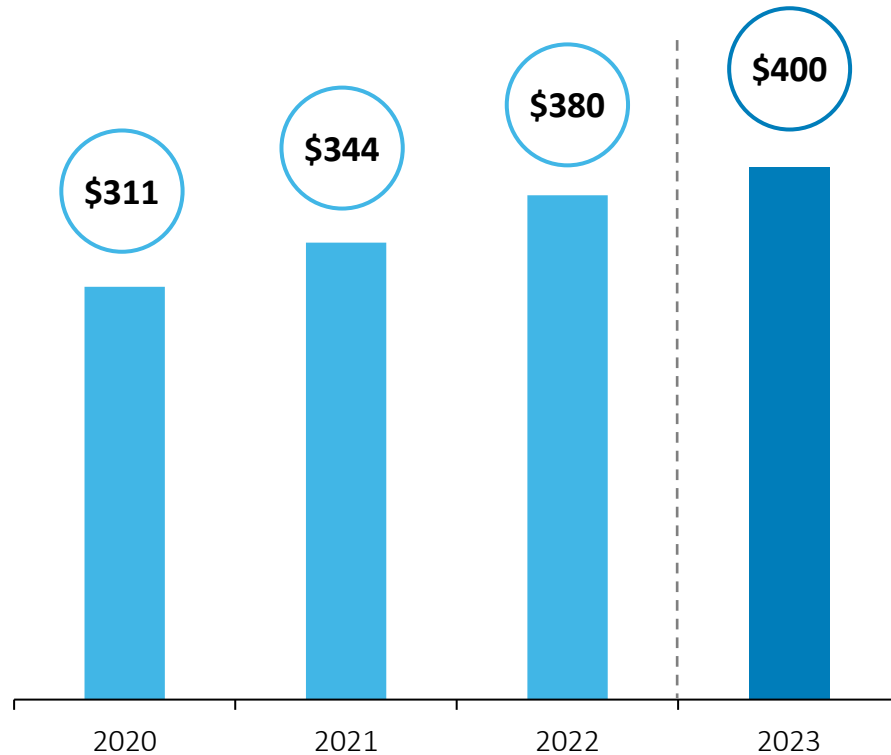
- FY'24 net sales expected to range from \$340M – \$360M<sup>†\*</sup>

\*Inclusive of ARISTADA INITIO®

<sup>†</sup> These expectations are provided by the Company on Feb. 15, 2024 and are effective only as of such date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

# VIVITROL® Performance and Expectations

VIVITROL Annual Net Sales (\$M)



**Q4'23 net sales of \$102.4M were flat year-over-year**

**FY'23 year-over-year net sales increased 6% to \$400.4M**

**Outlook:**

- FY'24 net sales expected to range from \$410M – \$430M\*

\*These expectations are provided by the Company on Feb. 15, 2024 and are effective only as of such date. The Company expressly disclaims any obligation to update or reaffirm these expectations.



# 2024 Outlook

# Capital Allocation Strategy

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Maximize the potential of proprietary commercial products with primary focus on LYBALVI®

Invest in internal development pipeline to advance new neuroscience candidates

Pursue external opportunities to expand portfolio with assets that are a strong strategic fit

Return excess cash to shareholders

# 2024 Strategic Priorities



**Deliver strong commercial growth and profitability**

Driven by 4 core products and streamlined operating structure



**Advance orexin 2 receptor agonist program**

Initiate phase 2 program



**Expand neuroscience pipeline**

Advance internal development candidates and explore external pipeline opportunities



**Plan for significant cash generation**

Continue focus on capital allocation, including potential opportunities to return capital to shareholders

# Appendix

# Appendix: Amounts Included in Discontinued Operations

<i>(In thousands)</i>	Three Months Ended March 31, 2023	Three Months Ended June 30, 2023	Three Months Ended September 30, 2023	Three Months Ended December 31, 2023	Year Ended December 31, 2023
Cost of goods manufactured and sold	\$ 11	\$ 11	\$ 11	\$ 6	\$ 39
Research and development	29,867	32,563	32,262	21,485	116,177
Selling, general and administrative	6,644	9,502	13,073	19,368	48,587
Income tax provision (benefit)	\$ (6,727)	\$ (40)	\$ (1,550)	\$ 6,914	\$ (1,403)
<b>Loss from discontinued operations, net of tax</b>	<b>\$ 29,795</b>	<b>\$ 42,036</b>	<b>\$ 43,796</b>	<b>\$ 47,773</b>	<b>\$ 163,400</b>

<i>(In thousands)</i>	Three Months Ended March 31, 2022	Three Months Ended June 30, 2022	Three Months Ended September 30, 2022	Three Months Ended December 31, 2022	Year Ended December 31, 2022
Cost of goods manufactured and sold	\$ 10	\$ 10	\$ 10	\$ 10	\$ 40
Research and development	29,161	27,475	32,929	31,575	121,140
Selling, general and administrative	3,201	3,488	3,618	4,689	14,996
Income tax provision (benefit)	\$ (22,883)	\$ 1,374	\$ 1,293	\$ 9,155	\$ (11,061)
<b>Loss from discontinued operations, net of tax</b>	<b>\$ 9,489</b>	<b>\$ 32,347</b>	<b>\$ 37,850</b>	<b>\$ 45,429</b>	<b>\$ 125,115</b>

# Appendix: Financial Results GAAP to Non-GAAP Adjustments

<i>(In millions)</i>	Year Ended December 31, 2023	Year Ended December 31, 2022
<b>Net Income (Loss) from Continuing Operations — GAAP</b>	<b>\$ 519.2</b>	<b>\$ (33.2)</b>
Adjustments:		
Share-based compensation expense	92.7	87.7
Depreciation expense	36.9	40.0
Amortization expense	35.7	36.4
Separation expense	38.4	1.4
Income tax effect related to reconciling items	25.3	2.3
Final award in the Janssen arbitration (2022 back royalties and interest)	(197.1)	--
Deferred tax valuation release	(161.0)	--
Restructuring	5.9	--
Non-cash net interest expense	0.5	0.5
Reduction in the fair value of contingent consideration and other related assets	--	24.0
Legal settlement	--	15.9
<b>Non-GAAP Net Income from Continuing Operations</b>	<b>\$ 396.5</b>	<b>\$ 174.9</b>
<b>Non-GAAP Net Loss from Discontinued Operations</b>	<b>\$ (152.9)</b>	<b>\$ (117.0)</b>
<b>Non-GAAP Net Income</b>	<b>\$ 243.7</b>	<b>\$ 57.9</b>

Amounts in the table above may not sum due to rounding.

# Appendix: Financial Results GAAP to EBITDA

<i>(In millions)</i>	Year Ended December 31, 2023	Year Ended December 31, 2022
<b>Net Income from Continuing Operations — GAAP</b>	<b>\$ 519.2</b>	<b>\$ (33.2)</b>
Adjustments:		
Depreciation expense	36.9	40.0
Amortization expense	35.7	36.4
Interest income	(30.9)	(7.6)
Interest expense	23.0	13.0
Income tax (benefit) provision	(97.6)	2.0
<b>EBITDA from Continuing Operations</b>	<b>\$ 486.3</b>	<b>\$ 50.6</b>
<b>EBITDA from Discontinued Operations</b>	<b>\$ (162.5)</b>	<b>\$ (134.6)</b>
<b>EBITDA</b>	<b>\$ 323.8</b>	<b>\$ (84.0)</b>

# Appendix: 2024 Guidance GAAP to Non-GAAP Adjustments

<i>(In millions, except per share data)</i>	Year Ending December 31, 2024	Shares <sup>+</sup>	Earnings Per Share
<b>Projected Net Income — GAAP</b>	\$ 370.0	173.0	\$ 2.14
Adjustments:			
Share-based compensation expense	86.0		
Depreciation expense	35.0		
Amortization expense	1.0		
Non-cash net interest expense	0.5		
Income tax effect related to reconciling items	(7.5)		
<b>Projected Net Income — Non-GAAP</b>	<b>\$ 485.0</b>	<b>173.0</b>	<b>\$ 2.80</b>

Projected GAAP and non-GAAP measures reflect the mid-points within the Company's financial expectations ranges.

<sup>+</sup>2024 per share expectations are calculated based on a weighted average diluted share count of approximately 173.0 million shares outstanding.



# Appendix: 2024 Guidance GAAP to EBITDA

	<b>Year Ending December 31, 2024</b>
<i>(In millions)</i>	
<b>Projected Net Income — GAAP</b>	<b>\$ 370.0</b>
Adjustments:	
Net interest income	(16.0)
Depreciation expense	35.0
Amortization expense	1.0
Provision for income taxes	75.0
<b>Projected EBITDA</b>	<b>\$ 465.0</b>

Projected GAAP and non-GAAP measures reflect the mid-points within the Company's financial expectations ranges.

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