# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# Form 10-K

**(Mark One)**

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**for the fiscal year ended December 31, 2023**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**

**Commission file number: 001-35299**


# ALKERMES PUBLIC LIMITED COMPANY
**(Exact name of registrant as specified in its charter)**

| **Ireland** | **98-1007018** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **Connaught House**<br>**1 Burlington Road**<br>**Dublin 4, Ireland** | **D04 C5Y6** |
| **(Address of principal executive offices)** | **(Zip code)** |

**+353-1-772-8000**
**(Registrant's telephone number, including area code)**

**Securities registered pursuant to Section 12(b) of the Act:**

| **Title of each class** | **Trading Symbol(s)** | **Name of each exchange on which registered** |
|---|---|---|
| Ordinary shares, $0.01 par value | ALKS | Nasdaq Global Select Market |

**Securities registered pursuant to Section 12(g) of the Act: None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | |
|---|---|
| Large Accelerated Filer ☒ | Accelerated Filer ☐ |
| Non-Accelerated Filer ☐ | Smaller Reporting Company ☐ |
| | Emerging Growth Company ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's ordinary shares held by non-affiliates of the registrant (without admitting that any person whose shares are not included in such calculation is an affiliate) computed by reference to the price at which the ordinary shares were last sold as of the last business day of the registrant's most recently completed second fiscal quarter was $4,792,273,571.

As of February 9, 2024, 167,076,133 ordinary shares were outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the definitive proxy statement for our 2024 Annual General Meeting of Shareholders are incorporated by reference into Part III of this report.

**ALKERMES PLC AND SUBSIDIARIES**
**ANNUAL REPORT ON FORM 10-K**
**FOR THE YEAR ENDED DECEMBER 31, 2023**
**INDEX**

## CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This document contains and incorporates by reference "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In some cases, these statements can be identified by the use of forward-looking terminology such as "may," "will," "could," "should," "would," "expect," "anticipate," "continue," "believe," "plan," "estimate," "intend," or other similar words. These statements discuss future expectations and contain projections of results of operations or of financial condition, or state trends and known uncertainties or other forward-looking information. Forward-looking statements in this Annual Report on Form 10-K (this "Annual Report") may include, without limitation, statements regarding:

- our expectations regarding our financial performance, including revenues, expenses, liquidity, capital expenditures, income taxes and potential profitability;
- our expectations regarding our products, including expectations related to product development, regulatory filings, approvals and timelines; therapeutic and commercial value, scope and potential; and the costs and expenses related to such activities and expectations;
- our expectations regarding the initiation, timing and results of clinical trials of our products;
- our expectations regarding the competitive, payer, legislative, regulatory and policy landscape, and changes therein, related to our products, including competition from generic forms of our products or competitive products and development programs; barriers to access or coverage of our products and potential changes in reimbursement of our products; and legislation, regulations, executive orders, guidance or other measures that may impact pricing and reimbursement of, and access to, our products;
- our expectations regarding the financial impact of currency exchange rate fluctuations and valuations;
- our expectations regarding acquisitions, collaborations, licensing arrangements and other significant agreements with third parties, including those related to our products and our development programs;
- our expectations regarding the impacts of new legislation, rules and regulations, the adoption of new accounting pronouncements, potential government shutdowns, or other global, political or economic instability or disruptions;
- our expectations regarding near-term changes in the nature of our market risk exposures or in our management's objectives and strategies with respect to managing such exposures;
- our expectations regarding our ability to comply with restrictive covenants of our indebtedness and our ability to fund our debt service obligations;
- our expectations regarding future capital requirements and expenditures for our operations and our ability to finance such capital requirements and expenditures;
- our expectations regarding the timing, outcome and impact of administrative, regulatory, legal and other proceedings related to our products and intellectual property ("IP"), including our patents, and related rights or obligations;
- our expectations regarding the tax treatment and other anticipated benefits of the separation of our oncology business; and
- other expectations discussed elsewhere in this Annual Report.

Actual results might differ materially from those expressed or implied by these forward-looking statements because these forward-looking statements are subject to risks, assumptions and uncertainties. In light of these risks, assumptions and uncertainties, the forward-looking expectations discussed in this Annual Report might not occur. You are cautioned not to place undue reliance on the forward-looking statements in this Annual Report, which speak only as of the date of this Annual Report. All subsequent written and oral forward-looking statements concerning the matters addressed in this Annual Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except as required by applicable law or regulation, we do not undertake any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For information about the risks, assumptions and uncertainties of our business, see "Item 1A—Risk Factors" in this Annual Report.

This Annual Report may include data that we obtained from industry publications and third-party research, surveys and studies. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that any industry publications and third-party research, surveys and studies from which data is included in this Annual Report are reliable, we have not independently verified any such data. This Annual Report may also include data based on our own internal estimates and research. Our internal estimates and research have not been verified by any independent source and are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Item 1A—Risk Factors" in this Annual Report. These and other factors could cause our results to differ materially from those expressed or implied in this Annual Report.

## SUMMARY OF MATERIAL RISKS ASSOCIATED WITH OUR BUSINESS

Our business is subject to numerous material and other risks and uncertainties that you should be aware of. These risks and uncertainties are described more fully in "Item 1A—Risk Factors" in this Annual Report, and include, but are not limited to, the following:

- we receive substantial revenue from our key proprietary products, and our success depends on our ability to successfully manufacture and commercialize such products;
- we rely heavily on our licensees in the commercialization and continued development of products from which we receive revenue and, if our licensees are not effective, or if disputes arise in respect of our contractual arrangements, our revenues could be materially adversely affected;
- we face competition in the biopharmaceutical industry;
- our revenues from sales of our products may decrease or grow at a slower than expected rate due to many factors;
- revenues generated by sales of our products depend, in part, on the availability from third-party payers of reimbursement for our products and the extent of cost-sharing arrangements for patients (e.g., patient co-payment, co-insurance, deductible obligations) and cost-control measures imposed, and any reductions in payment rate or reimbursement or increases in our or in patients' financial obligation to payers could result in decreased sales of our products and/or decreased revenues;
- clinical trials for our product candidates are expensive, may take several years to complete, and their outcomes are uncertain;
- preliminary, topline or interim data from our clinical trials that we may announce, publish or report from time to time may change as more patient data become available or based on subsequent audit and verification procedures, and may not be indicative of final data from such trials, data from future trials or real-world results;
- the United States Food and Drug Administration (the "FDA") or other regulatory agencies may not agree with our regulatory approval strategies or components of our filings for our products, including our clinical trial designs, conduct and methodologies and the adequacy of the data and other information included in our submissions, and may not approve, or may delay approval of, our products;
- the FDA or other regulatory agencies may impose limitations or post-approval requirements on approvals for our products;
- we are subject to risks related to the manufacture of our products;
- we rely on third parties to provide goods and services in connection with the manufacture and distribution of the products we manufacture;
- our success largely depends upon our ability to attract, recognize and retain key personnel, and the loss of key personnel may materially impact our business;
- patent and other IP protection for our products is key to our business and our competitive position but is uncertain;
- uncertainty over IP in the biopharmaceutical industry has been the source of litigation and other legal proceedings, which are inherently costly and unpredictable, could significantly delay or prevent approval or negatively impact commercialization of our products, and could adversely affect our business;
- we or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers;
- litigation or arbitration filed against us, including securities litigation, or actions (such as citizens petitions) filed against regulatory agencies in respect of our products, may result in financial losses, harm our reputation, divert management resources, negatively impact the approval of our products, or otherwise negatively impact our business;
- if there are changes in, or we fail to comply with, the extensive legal and regulatory requirements affecting the healthcare industry, we could face costs, penalties and business losses;
- we may not be able to maintain profitability on a sustained basis;
- our level of indebtedness, and the interest-rate transition to Secured Overnight Financing Rate ("SOFR"), could adversely affect our business and limit our ability to plan for or respond to changes in our business;
- the business combination of Alkermes, Inc. and the drug technology business of Elan Corporation, plc may limit our ability to use our tax attributes to offset taxable income, if any, generated from such business combination;

- if the separation of our oncology business completed in November 2023 does not ultimately qualify as a transaction that is generally tax-free for U.S. federal and Irish tax purposes as we anticipate, we and/or our shareholders could be subject to significant tax liabilities;
- the market price of our ordinary shares has been volatile and may continue to be volatile in the future, and could decline significantly;
- our business could be negatively affected as a result of the actions of activist shareholders; and
- information security breaches and other disruptions could compromise our information and expose us to liability, which could cause our business and reputation to suffer.

The material and other risks and uncertainties summarized above should be read together with the text of the full risk factors in "Item 1A—Risk Factors" in this Annual Report and the other information set forth in this Annual Report, including our consolidated financial statements and the related notes, and in other documents that we file with the United States ("U.S.") Securities and Exchange Commission ("SEC"). If any such material and other risks and uncertainties actually occur, our business, financial condition, cash flows or results of operations could be materially and adversely affected. The risks and uncertainties summarized above or described below are not the only risks and uncertainties that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, cash flows or results of operations.

## NOTE REGARDING COMPANY AND PRODUCT REFERENCES

Use of terms such as "us," "we," "our," "Alkermes" or the "Company" in this Annual Report is meant to refer to Alkermes plc and its consolidated subsidiaries. Except as otherwise suggested by the context, (a) references to "products" or "our products" in this Annual Report include our marketed products, marketed products using our proprietary technologies, our licensed products, our product candidates and product candidates using our proprietary technologies (b) references to the "biopharmaceutical industry" in this Annual Report are intended to include reference to the "biotechnology industry" and/or the "pharmaceutical industry" and (c) references to "licensees" in this Annual Report are used interchangeably with references to "partners."

## NOTE REGARDING TRADEMARKS

We are the owner of various U.S. federal trademark registrations ("®") and other trademarks ("™"), including ALKERMES®, ARISTADA®, ARISTADA INITIO®, LinkeRx®, LYBALVI®, NanoCrystal®, and VIVITROL®.

The following are trademarks of the respective companies listed: ABILIFY®, ABILIFY ASIMTUFII® and ABILIFY MAINTENA®—Otsuka Pharmaceutical Co., Ltd. ("Otsuka Pharm. Co."); AMPYRA® and FAMPYRA®—Acorda Therapeutics, Inc. ("Acorda"); ANJESO®—Baudax Bio, Inc.; ANTABUSE®—Teva Women's Health, Inc.; AUBAGIO® and LEMTRADA®—Sanofi Societe Anonyme France; AVONEX®, PLEGRIDY®, TECFIDERA®, TYSABRI® and VUMERITY®—Biogen MA Inc. (together with its affiliates, "Biogen"); BETASERON®—Bayer Pharma AG; BRIXADI®—Braeburn Inc.; BRIUMVI®—TG Therapeutics, Inc.; BUNAVAIL™—BioDelivery Sciences; CAMPRAL®—Merck Sante; CAPLYTA®—Intra-Cellular Therapies, Inc.; COPAXONE® and UZEDY®—Teva Pharmaceutical Industries Ltd.; EXTAVIA®, GILENYA®, and MAYZENT®—Novartis AG; BYANNLI®, CABENUVA®, INVEGA®, INVEGA HAFYERA®, INVEGA SUSTENNA®, INVEGA TRINZA®, PONVORY®, RISPERDAL CONSTA®, TREVICTA® and XEPLION®—Johnson & Johnson or its affiliated companies; KEYTRUDA®—Merck Sharp & Dohme Corp.; LATUDA®—Sumitomo Dainippon Pharma Co., Ltd.; MAVENCLAD®—Merck KGaA, REBIF®—Ares Trading S.A.; OCREVUS®—Genentech, Inc. ("Genentech"); REXULTI®—H. Lundbeck A/S plc; PERSERIS®, SUBOXONE®, SUBUTEX® and SUBLOCADE®—Indivior plc (or its affiliates); RYKINDO®—Luye Pharma Group; VRAYLAR®— Forest Laboratories, LLC; ZEPOSIA®—Bristol-Myers Squibb Company; ZUBSOLV®—Orexo US, Inc.; and ZYPREXA® and ZYPREXA RELPREVV®—Eli Lilly and Company ("Lilly"). Other trademarks, trade names and service marks appearing in this Annual Report are the property of their respective owners. Solely for convenience, the trademarks and trade names in this Annual Report are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

## PART I

### Item 1. *Business*

The following discussion contains forward-looking statements. Actual results may differ significantly from those expressed or implied in the forward-looking statements. See "Cautionary Note Concerning Forward-Looking Statements" on page 3 of this Annual Report. Factors that might cause future results to differ materially from those expressed or implied in the forward-looking statements include, but are not limited to, those discussed in "Item 1A—Risk Factors" and elsewhere in this Annual Report.

### Overview

Alkermes plc is a global biopharmaceutical company that seeks to develop innovative medicines in the field of neuroscience. We have a portfolio of proprietary commercial products for the treatment of alcohol dependence, opioid dependence, schizophrenia and bipolar I disorder and a pipeline of clinical and preclinical candidates in development for neurological disorders. Headquartered in Dublin, Ireland, Alkermes has a research and development center in Waltham, Massachusetts; a research and manufacturing facility in Athlone, Ireland; and a manufacturing facility in Wilmington, Ohio.

### Marketed Products

The key marketed products discussed below have generated, or are expected to generate, significant revenues for us. See "Patents and Proprietary Rights" in "Item 1—Business" in this Annual Report for information with respect to the IP protection for these marketed products.

The following provides summary information regarding our proprietary products that we commercialize:

***Proprietary Products***

| Product | Indication(s) | Territory |
|---|---|---|
|  | Initiation or re-initiation of ARISTADA for the treatment of Schizophrenia | U.S. |
| | Schizophrenia | U.S. |

| | | |
|---|---|---|
|  | Schizophrenia;<br>Bipolar I disorder | U.S. |
|  | Alcohol dependence;<br>Opioid dependence | U.S. |

The following provides summary information regarding our key licensed product, and certain key third-party products using our proprietary technologies under license, that are commercialized by our licensees:

***Key Third-Party Products Using Our Proprietary Technologies***

| Product | Indication(s) | Licensee | Licensed Territory |
|---|---|---|---|
| *RISPERDAL CONSTA* | Schizophrenia;<br>Bipolar I disorder | Janssen Pharmaceuticals, Inc. and Janssen Pharmaceutica International, a division of Cilag International AG ("Janssen International") | Worldwide |
| *INVEGA SUSTENNA / XEPLION* | *INVEGA SUSTENNA*:<br>Schizophrenia;<br>Schizoaffective disorder<br><br>*XEPLION*:<br>Schizophrenia | Janssen Pharmaceutica N.V. (together with Janssen Pharmaceuticals, Inc., Janssen International and their affiliates "Janssen") | Worldwide |
| *INVEGA TRINZA / TREVICTA* | Schizophrenia | Janssen | Worldwide |
| *INVEGA HAFYERA / BYANNLI* | Schizophrenia | Janssen | Worldwide |

***Our Key Licensed Product***

| Product | Indication(s) | Licensee | Licensed Territory |
|---|---|---|---|
| *VUMERITY* | Multiple sclerosis | Biogen | Worldwide |

## Proprietary Products

We have developed and now commercialize products designed to help address the unmet needs of people living with opioid dependence, alcohol dependence, schizophrenia and bipolar I disorder. See the "Patents and Proprietary Rights" section in "Item 1—Business" in this Annual Report for information with respect to the IP protection for our proprietary products.

### *ARISTADA*

ARISTADA (aripiprazole lauroxil) is an extended-release intramuscular injectable suspension approved in the U.S. for the treatment of schizophrenia. ARISTADA utilizes our proprietary LinkeRx technology. ARISTADA is a prodrug; once in the body, ARISTADA is likely converted by enzyme-mediated hydrolysis to N-hydroxymethyl aripiprazole, which is then hydrolyzed to aripiprazole. ARISTADA is available in four dose strengths with once-monthly dosing options (441 mg, 662 mg and 882 mg), a six-week dosing option (882 mg) and a two-month dosing option (1064 mg). ARISTADA is packaged in a ready-to-use, pre-filled syringe product format. We exclusively manufacture and commercialize ARISTADA in the U.S.

In January 2024, U.S. Patent No. 11,883,394 relating to ARISTADA was granted. The patent has claims to the crystallization process of aripiprazole lauroxil and expires in 2035.

### *ARISTADA INITIO*

ARISTADA INITIO (aripiprazole lauroxil) leverages our proprietary LinkeRx and NanoCrystal technologies and provides an extended-release formulation of aripiprazole lauroxil in a smaller particle size compared to ARISTADA, thereby enabling faster dissolution and more rapid achievement of relevant levels of aripiprazole in the body. ARISTADA INITIO, combined with a single 30 mg dose of oral aripiprazole, is indicated for the initiation of ARISTADA when used for the treatment of schizophrenia in adults. The first ARISTADA dose may be administered on the same day as the ARISTADA INITIO regimen or up to 10 days thereafter. We exclusively manufacture and commercialize ARISTADA INITIO in the U.S.

*What is schizophrenia?*

Schizophrenia is a serious brain disorder marked by positive symptoms (hallucinations and delusions, disorganized speech and thoughts, and agitated or repeated movements) and negative symptoms (depression, blunted emotions and social withdrawal). Schizophrenia affects approximately 1.1% of the U.S. population.

### *LYBALVI*

LYBALVI (olanzapine and samidorphan) is a once-daily, oral atypical antipsychotic drug approved in the U.S. for the treatment of adults with schizophrenia and for the treatment of adults with bipolar I disorder, as a maintenance monotherapy or for the acute treatment of manic or mixed episodes, as monotherapy or an adjunct to lithium or valproate. LYBALVI is a combination of olanzapine, an atypical antipsychotic, and samidorphan, an opioid antagonist, in a single bilayer tablet. LYBALVI is available in fixed dosage strengths composed of 10 mg of samidorphan and 5 mg, 10 mg, 15 mg or 20 mg of olanzapine. We exclusively manufacture and commercialize LYBALVI in the U.S.

*What is schizophrenia?*

See the disease state description under “ARISTADA” in “Item 1—Business” in this Annual Report.

*What is bipolar I disorder?*

Bipolar disorder is a brain disorder that is marked by extreme changes in a person’s mood, energy and ability to function. Individuals with this brain disorder may experience debilitating mood states, including extreme highs (mania) and extreme lows (depression). Bipolar I disorder is characterized by the occurrence of at least one manic episode, with or without the occurrence of a major depressive episode, and affects approximately 1% of the adult population in the U.S. in any given year.

### *VIVITROL*

VIVITROL (naltrexone for extended-release injectable suspension) is a once-monthly, non-narcotic, injectable medication approved in the U.S. for the treatment of alcohol dependence in patients able to abstain from alcohol in an outpatient setting prior to initiation of treatment with VIVITROL and for the prevention of relapse to opioid dependence, following opioid detoxification. VIVITROL uses our polymer-based microsphere injectable extended-release technology to deliver and maintain therapeutic medication levels in the body through one intramuscular injection every four weeks. We exclusively manufacture and commercialize VIVITROL in the U.S.

*What are opioid dependence and alcohol dependence?*

Opioid dependence is a serious and chronic brain disease characterized by compulsive, prolonged self-administration of opioid substances that are not used for a medical purpose. According to the 2022 U.S. National Survey on Drug Use and Health, an estimated 5.9 million people aged 18 or older in the U.S. had an opioid use disorder* in the prior year. Alcohol dependence is a serious and chronic brain disease characterized by cravings for alcohol, loss of control over drinking, withdrawal symptoms and an increased tolerance for alcohol. According to the 2022 U.S. National Survey on Drug Use and Health, an estimated 28.8 million people aged 18 or older in the U.S. had an alcohol use disorder* in the prior year. Adherence to medication is particularly challenging with these patient populations.

* In 2013, with the publication of the Diagnostic Statistical Manual (“DSM”) 5, the DSM IV diagnoses of substance use disorders as either dependence or abuse (i.e., opioid dependence or alcohol dependence), which reflects the approved indications of VIVITROL, were subsumed under a new diagnostic category of “substance use disorders” (i.e., opioid use disorder or alcohol use disorder) with three categories of disorder severity—mild, moderate or severe. In determining the applicability of treatments for DSM-IV conditions to persons diagnosed according to DSM-5, one study found agreement between the DSM-IV diagnoses of alcohol dependence and opioid dependence and moderate to severe alcohol use disorder and opioid use disorder, respectively, under DSM-5.

## Licensed Products and Products Using Our Proprietary Technologies

We have licensed products to third parties for commercialization and have licensed our proprietary technologies to third parties to enable them to develop, commercialize and/or manufacture products. See the "Proprietary Technology Platforms" and "Patents and Proprietary Rights" sections in "Item 1—Business" in this Annual Report for information with respect to our proprietary technologies and the IP protection for these products. We receive royalties and/or manufacturing and other revenues from the commercialization of these products under our collaborative arrangements with these third parties. Such arrangements include, among others, the following:

### *Products Using Our Proprietary Technologies*

#### *INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA and INVEGA HAFYERA/BYANNLI*

INVEGA SUSTENNA/XEPLION (paliperidone palmitate), INVEGA TRINZA/TREVICTA (paliperidone palmitate) and INVEGA HAFYERA/BYANNLI (paliperidone palmitate) (collectively, the "long-acting INVEGA products") are long-acting atypical antipsychotics owned and commercialized worldwide by Janssen. We believe that these products incorporate our technologies.

INVEGA SUSTENNA is approved in the U.S. for the treatment of schizophrenia and for the treatment of schizoaffective disorder as either a monotherapy or adjunctive therapy. Paliperidone palmitate extended-release injectable suspension is approved in the European Union ("EU") and other countries outside of the U.S. for the treatment of schizophrenia and is marketed and sold under the trade name XEPLION. INVEGA SUSTENNA/XEPLION is manufactured by Janssen.

INVEGA TRINZA is approved in the U.S. for the treatment of schizophrenia in patients who have been adequately treated with INVEGA SUSTENNA for at least four months. TREVICTA is approved in the EU for the maintenance treatment of schizophrenia in adult patients who are clinically stable on XEPLION. INVEGA TRINZA/TREVICTA is manufactured by Janssen.

INVEGA HAFYERA is approved in the U.S. for the treatment of schizophrenia in patients who have been adequately treated with INVEGA SUSTENNA for at least four months or INVEGA TRINZA for at least three months. BYANNLI is approved in the EU for the maintenance treatment of schizophrenia in adult patients who are clinically stable on XEPLION or TREVICTA. INVEGA HAFYERA/BYANNLI is manufactured by Janssen.

For a discussion of legal proceedings related to certain of the patents covering INVEGA SUSTENNA and INVEGA TRINZA, see Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report and for information about risks relating to such legal proceedings, see "Item 1A—Risk Factors" in this Annual Report and specifically the section entitled "We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

*What is schizophrenia?*

See the disease state description under "ARISTADA" in "Item 1—Business" in this Annual Report.

*What is schizoaffective disorder?*

Schizoaffective disorder is a condition in which a person experiences a combination of schizophrenia symptoms, such as delusions, hallucinations or other symptoms characteristic of schizophrenia, and mood disorder symptoms, such as mania or depression. Schizoaffective disorder is a serious mental illness that affects about one in 300 people.

#### *RISPERDAL CONSTA*

RISPERDAL CONSTA (risperidone long-acting injection) is a long-acting atypical antipsychotic owned and commercialized worldwide by Janssen that incorporates our proprietary technologies. RISPERDAL CONSTA is approved in the U.S. for the treatment of schizophrenia and as both monotherapy and adjunctive therapy to lithium or valproate in the maintenance treatment of bipolar I disorder. RISPERDAL CONSTA is approved in numerous countries outside of the U.S. for the treatment of schizophrenia and the maintenance treatment of bipolar I disorder. RISPERDAL CONSTA uses our polymer-based microsphere injectable extended-release technology to deliver and maintain therapeutic medication levels in the body through just one intramuscular injection every two weeks. RISPERDAL CONSTA microspheres are exclusively manufactured by us.

*What is schizophrenia?*

See the disease state description under "ARISTADA" in "Item 1—Business" in this Annual Report.

### *Licensed Product*

#### *VUMERITY*

VUMERITY (diroximel fumarate) is a novel, oral fumarate with a distinct chemical structure that is approved in the U.S., the EU and several other countries for the treatment of relapsing forms of multiple sclerosis in adults, including clinically isolated syndrome, relapsing-remitting disease and active secondary progressive disease.

Under our license and collaboration agreement with Biogen, Biogen holds the exclusive, worldwide license to develop and commercialize VUMERITY. For more information about the license and collaboration agreement with Biogen, see "Collaborative Arrangements—Biogen" in "Item 1—Business" in this Annual Report. For a discussion of legal proceedings related to certain of the patents covering VUMERITY, see Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report and for information about risks relating to such legal proceedings, see "Item 1A—Risk Factors" in this Annual Report and specifically the section entitled "We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

*What is multiple sclerosis?*

Multiple sclerosis, or MS, is an unpredictable, often disabling disease of the central nervous system ("CNS"), which interrupts the flow of information within the brain, and between the brain and body. MS symptoms can vary over time and from person to person. Symptoms may include extreme fatigue, impaired vision, problems with balance and walking, numbness or pain and other sensory changes, bladder and bowel symptoms, tremors, problems with memory and concentration and mood changes, among others. Approximately 2.5 million people worldwide have MS, and most are diagnosed between the ages of 15 and 50.

### Key Development Program

Our R&D is focused on the development of innovative medicines in the field of neuroscience that are designed to address unmet patient needs. As part of our ongoing R&D efforts, we have devoted, and will continue to devote, significant resources to conducting preclinical work and clinical studies to advance the development of new pharmaceutical products. The discussion below highlights our current key development program. Drug development involves a high degree of risk and investment, and the status, timing and scope of our development programs are subject to change. Important factors that could adversely affect our drug development efforts are discussed in "Item 1A—Risk Factors" in this Annual Report. See the "Patents and Proprietary Rights" section in "Item 1—Business" in this Annual Report for information with respect to the IP protection for our key development program.

#### *ALKS 2680*

ALKS 2680 is a novel, investigational, oral, selective orexin 2 receptor ("OX2R") agonist in development for the treatment of narcolepsy. Orexin neuropeptides are important regulators of the sleep/wake cycle through OX2R activation, and loss of orexinergic neurons in the brain is associated with excessive daytime sleepiness and cataplexy in narcolepsy. ALKS 2680 was designed to address the underlying pathology of narcolepsy with the goals of improving duration of wakefulness and providing cataplexy control. Once-daily oral administration of ALKS 2680 is currently being evaluated in a phase 1 study in healthy volunteers and people living with narcolepsy type 1, narcolepsy type 2 and idiopathic hypersomnia.

### Collaborative Arrangements

We have entered into several collaborative arrangements to develop and commercialize products and, in connection with such arrangements, to access technological, financial, marketing, manufacturing and other resources, including the arrangements described below.

#### *Janssen*

INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA and INVEGA HAFYERA/BYANNLI

Under an exclusive license agreement with Janssen, we provided Janssen with rights to, and know-how, training and technical assistance in respect of, our small particle pharmaceutical compound technology, known as NanoCrystal technology, which was used to develop the long-acting INVEGA products, and we received milestone payments from Janssen upon the achievement of certain development goals. There are no further milestones to be earned under this agreement. The agreement also provides for royalty payments, which consist of a patent royalty and a know-how royalty, both of which are determined on a country-by-country basis. The patent royalty, which equals 1.5% of net sales, is payable in each country until the expiration of the last of the patents with valid claims applicable to the product in such country. The know-how royalty is a tiered royalty of 3.5% on calendar year net sales up to $250 million; 5.5% on calendar year net sales of between $250 million and $500 million; and 7.5% on calendar year net sales exceeding $500 million. The know-how royalty rate resets to 3.5% at the beginning of each calendar year and is payable until 15 years

from the first commercial sale of a product in each individual country, subject to expiry of the agreement. These royalty payments may be reduced in any country based on patent litigation or on competing products achieving certain minimum sales thresholds. The license agreement, unless earlier terminated, terminates upon the expiration of the last of the patents subject to the agreement. After expiration, Janssen retains a non-exclusive, royalty free license to develop, manufacture and commercialize the products subject to certain surviving obligations.

Janssen may terminate the license agreement in whole or in part upon three months' notice to us. We and Janssen have the right to terminate the agreement upon a material breach of the other party, which is not cured within a certain time period, or upon the other party's bankruptcy or insolvency. In November 2021, we received notice from Janssen of partial termination of the license agreement, following which Janssen ceased paying us royalties related to U.S. sales of INVEGA SUSTENNA, INVEGA TRINZA and INVEGA HAFYERA. In April 2022, we commenced binding arbitration proceedings related to, among other things, Janssen's partial termination of this license agreement and Janssen's royalty and other obligations under the agreement. In May 2023, the arbitral tribunal (the "Tribunal") in the arbitration proceedings issued a final award (the "Final Award") that served to reinstate the Janssen royalties and required payment by Janssen of back royalties and interest for amounts owed but not yet paid since the effective date of the partial termination. The Final Award also provided, among other things, that we were entitled to royalty revenues from Janssen related to net sales of INVEGA SUSTENNA through August 20, 2024, INVEGA TRINZA through the second quarter of 2030 (but no later than May 2030 when the license agreement expires) and INVEGA HAFYERA through May 2030 (when the license agreement expires).

RISPERDAL CONSTA

Under a product development agreement, we collaborated with Janssen on the development of RISPERDAL CONSTA. Under the development agreement, Janssen provided funding to us for the development of RISPERDAL CONSTA, and Janssen is responsible for securing all necessary regulatory approvals for the product.

Under two license agreements, we granted Janssen and an affiliate of Janssen exclusive worldwide licenses to use and sell RISPERDAL CONSTA. Under our license agreements with Janssen, we receive royalty payments equal to 2.5% of Janssen's end-market net sales of RISPERDAL CONSTA in each country where the license is in effect based on the quarter when the product is sold by Janssen. This royalty may be reduced in any country based on lack of patent coverage and significant competition from generic versions of the product. Janssen can terminate the license agreements upon 30 days' prior written notice to us. Either party may terminate the license agreements by written notice following a breach which continues for 90 days after the delivery of written notice thereof or upon the other party's insolvency. The licenses granted to Janssen expire on a country-by-country basis upon the later of (i) the expiration of the last patent claiming the product in such country or (ii) 15 years after the date of the first commercial sale of the product in such country, provided that in no event will the license granted to Janssen expire later than the twentieth anniversary of the first commercial sale of the product in each such country, with the exception of Canada, France, Germany, Italy, Japan, Spain and the United Kingdom, in each case, where the fifteen-year minimum shall pertain regardless. After expiration, Janssen retains a non-exclusive, royalty-free license to manufacture, use and sell RISPERDAL CONSTA.

We exclusively manufacture RISPERDAL CONSTA at our Wilmington, Ohio facility for commercial sale. Under our manufacturing and supply agreement with Janssen, we receive manufacturing revenue based on a percentage of Janssen's net unit sales price for RISPERDAL CONSTA for the applicable calendar year. This percentage is determined based on Janssen's unit demand for such calendar year and varies based on the volume of units shipped, with a minimum manufacturing fee of 7.5%. Either party may terminate the manufacturing and supply agreement upon a material breach by the other party, which is not resolved within 60 days after receipt of a written notice specifying the material breach or upon written notice in the event of the other party's insolvency or bankruptcy. Janssen may terminate the agreement upon six months' written notice to us. In the event that Janssen terminates the manufacturing and supply agreement without terminating the license agreements, the royalty rate payable to us on Janssen's net sales of RISPERDAL CONSTA would increase from 2.5% to 5.0%.

Revenues from our collaborative arrangements with Janssen accounted for approximately 31%, 15% and 30% of our consolidated revenues for the years ended December 31, 2023, 2022 and 2021, respectively.

***Biogen***

Under a license and collaboration agreement with Biogen, we granted Biogen a worldwide, exclusive, sublicensable license to develop, manufacture and commercialize VUMERITY and other products covered by patents licensed to Biogen under that agreement.

Under this license and collaboration agreement, we received an upfront cash payment and milestone payments related to the achievement of certain milestones, including FDA approval of the NDA for VUMERITY and amendment of the license and collaboration agreement. We are also eligible to receive additional payments upon achievement of certain milestones, including milestones relating to the first two products other than VUMERITY covered by patents licensed to Biogen under the license and collaboration agreement.

In addition, we receive a 15% royalty on worldwide net sales of VUMERITY, subject to increases for VUMERITY manufactured and/or packaged by Biogen or its designees, and, under certain circumstances, minimum annual payments for the first five years following FDA approval of VUMERITY. We are also entitled to receive royalties on net sales of products other than VUMERITY covered by patents licensed to Biogen under the license and collaboration agreement, at tiered royalty rates calculated as percentages of net sales ranging from high-single digits to sub-teen double digits. All royalties are payable on a product-by-product and country-by-country basis until the later of (i) the last-to-expire patent right covering the applicable product in the applicable country and (ii) a specified period of time from the first commercial sale of the applicable product in the applicable country. Royalties for all products and the minimum annual payments for VUMERITY are subject to customary reductions, as set forth in the license and collaboration agreement.

Except in limited circumstances, we were responsible for the development of VUMERITY until it was approved by the FDA. Following FDA approval of VUMERITY and except for the manufacturing responsibilities discussed below, Biogen is now responsible for all development and commercialization activities for VUMERITY and all other products covered by the patents that we licensed to Biogen.

Under the license and collaboration agreement, Biogen appointed us as the toll manufacturer of clinical and commercial supplies of VUMERITY, subject to Biogen's right to manufacture or have manufactured commercial supplies as a back-up manufacturer and subject to good faith agreement by the parties on the terms of such manufacturing arrangements. In October 2019, we entered into a commercial supply agreement with Biogen for the commercial supply of VUMERITY, an amendment to such commercial supply agreement and an amendment to the license and collaboration agreement with Biogen, pursuant to which Biogen has elected to conduct a technology transfer and, subject to an agreed manufacturing transition period, assume responsibility for the manufacture (itself or through a designee) of clinical supplies of VUMERITY and up to 100% of commercial supplies of VUMERITY in exchange for an increase in the royalty rate to be paid by Biogen to us on net sales of that portion of product that is manufactured by Biogen or its designee. In December 2023, we announced entry into a definitive agreement to sell our research and development and manufacturing facility in Athlone, Ireland (the "Athlone Facility") where VUMERITY is manufactured, which transaction is expected to close in mid-2024. In connection with the sale of the Athlone Facility, we have agreed to enter into a subcontracting arrangement with the purchaser of the Athlone Facility for the manufacture of VUMERITY through the manufacturing transition period.

Unless earlier terminated, the license and collaboration agreement will remain in effect until the expiry of all royalty obligations. Biogen has the right to terminate the license and collaboration agreement at will, on a product-by-product basis or in its entirety upon 180 days' prior notice to us. Either party has the right to terminate the license and collaboration agreement following any governmental prohibition of the transactions effected by the agreement, or in connection with an insolvency event involving the other party. Upon termination of the license and collaboration agreement by either party, then, at our request, the VUMERITY program will revert to us.

Revenues from Biogen related to this license and collaboration agreement accounted for approximately 8%, 10% and 7% of our consolidated revenues for the years ended December 31, 2023, 2022 and 2021, respectively.

## Proprietary Technology Platforms

We have used our proprietary technology platforms, which include technologies owned and exclusively licensed to us, to establish drug development, clinical development and regulatory expertise and in the development of our products.

### *Injectable Extended-Release Microsphere Technology*

Our injectable extended-release microsphere technology allows us to encapsulate small-molecule pharmaceuticals, peptides and proteins in microspheres made of common medical polymers. The technology is designed to enable novel formulations of pharmaceuticals by providing controlled, extended release of drugs over time. Drug release from the microsphere is controlled by diffusion of the drug through the microsphere and by biodegradation of the polymer. These processes can be modulated through a number of formulation and fabrication variables, including drug substance and microsphere particle sizing and choice of polymers and excipients.

### *LinkeRx Technology*

Our long-acting LinkeRx technology platform is designed to enable the creation of extended-release injectable versions of antipsychotic therapies and may also be useful in other disease areas in which extended duration of action may provide therapeutic benefits. The technology uses proprietary linker-tail chemistry to create new molecular entities derived from known agents.

### *NanoCrystal Technology*

Our NanoCrystal technology is applicable to poorly water-soluble compounds and involves formulating and stabilizing drugs into particles that are nanometers in size. A drug in NanoCrystal form can be incorporated into a range of common dosage forms, including tablets, capsules, inhalation devices and sterile forms for injection, with the potential for enhanced oral bioavailability, increased therapeutic effectiveness, reduced/eliminated fed/fasted variability and sustained duration of intravenous/intramuscular release.

### *Oral Controlled Release Technology*

Our oral controlled release ("OCR") technologies are used to formulate, develop and manufacture oral dosage forms of pharmaceutical products with varied drug release profiles.

## Manufacturing and Product Supply

We own and occupy the Athlone Facility and a manufacturing facility in Wilmington, Ohio. We either purchase active pharmaceutical ingredient ("API") from third parties or receive it from our third-party licensees to manufacture products using our technologies. The manufacture of our products for clinical trials and commercial use is subject to Current Good Manufacturing Practices ("cGMP") regulations and other regulations. Our manufacturing and development capabilities include formulation through process development, scale-up and full-scale commercial manufacturing and specialized capabilities for the development and manufacturing of controlled substances.

Although some materials and related services for our products are currently only available from a single source or a limited number of qualified sources, we attempt to acquire an adequate inventory of such materials, establish alternative sources for such materials and related services and/or negotiate long-term supply arrangements. However, we cannot be certain that we will continue to be able to obtain long-term supplies of our manufacturing materials or long-term provision of related services.

Our supply chain includes an external network of third-party service providers involved in the manufacture of our products who are subject to inspection by the FDA or comparable agencies in other jurisdictions. Any delay, interruption or other issues that arise in the acquisition of API, raw materials, or components, or in the manufacture, fill-finish, packaging, or storage of our marketed or development products, including as a result of a failure of our facilities or the facilities or operations of third parties to pass any regulatory agency inspection, could significantly impair our ability to sell our products or advance our development efforts, as the case may be.

In December 2023, we announced that we entered into a definitive agreement to sell the Athlone Facility to Novo Nordisk ("Novo") and that we plan to enter into subcontracting arrangements to continue certain development and manufacturing activities currently performed at the Athlone Facility for a period of time after the closing of the transaction, which may continue through the end of 2025. Such transaction is subject to various uncertainties and risks, including, without limitation, satisfaction of the conditions to closing of the transaction on the anticipated timeline, potential negative impacts on our relationships with current suppliers or licensees, diversion of management and employee attention from daily business operations, and risks inherent in the transition to subcontracting arrangements. For information about risks relating to the manufacture of our marketed products and product candidates, see "Item 1A—Risk Factors" in this Annual Report and specifically those sections entitled "We rely on third parties to provide services in connection with the manufacture and distribution of the products we manufacture" and "We are subject to risks related to the manufacture of our products."

### *Marketed Products*

We manufacture ARISTADA, ARISTADA INITIO, LYBALVI, VIVITROL and microspheres for RISPERDAL CONSTA at our Wilmington, Ohio facility. We outsource our packaging operations for ARISTADA, ARISTADA INITIO, LYBALVI and VIVITROL to third-party contractors. Janssen is responsible for packaging operations for RISPERDAL CONSTA. Our Wilmington, Ohio facility has been inspected by U.S., European (including the UK Medicines and Healthcare products Regulatory Agency), Chinese, Japanese, Brazilian, Turkish, Russian and Saudi Arabian regulatory authorities for compliance with required cGMP standards for continued commercial manufacturing.

We manufacture several products in the Athlone Facility that are marketed by third parties, including FAMPYRA and VUMERITY. This facility has been inspected by U.S., Irish, Brazilian, Turkish, Libyan, Saudi Arabian, Korean, Belarusian, Russian and Chinese regulatory authorities for compliance with required cGMP standards for continued commercial manufacturing.

For more information about our manufacturing facilities, see "Item 2—Properties" in this Annual Report.

### *Clinical Products*

We have established, and are operating, facilities with the capability to manufacture clinical supplies of injectable extended-release products and solid dosage form products at our Wilmington, Ohio facility and solid dosage form products at the Athlone Facility. We have also contracted with third-party manufacturers to formulate certain products for clinical use. We require that our contract manufacturers adhere to cGMP in the manufacture of our products or components of our products for clinical use.

### *Research & Development*

We devote significant resources to R&D programs. We focus our R&D efforts on developing novel therapeutics in areas of high unmet medical need. Our R&D efforts include, but are not limited to, areas such as pharmaceutical formulation, analytical chemistry, process development, engineering, scale-up and drug optimization/delivery. Please see "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report for additional information relating to our R&D expenditures.

## Permits and Regulatory Approvals

We hold various permits, registrations, approvals and/or licenses in respect of our manufacturing and related activities. The primary licenses held in this regard are FDA Registrations of Drug Establishment, and licenses from the Drug Enforcement Administration of the U.S. Department of Justice ("DEA"). We also hold various authorizations, licenses and certificates from the Health Products Regulatory Authority in Ireland ("HPRA"), including an Investigational Medicinal Products Manufacturers Authorization (No. IMP074/00002) in respect of our offices located in Dublin, Ireland; and a Manufacturers Authorization (No. M1067), an Investigational Medicinal Products Manufacturers Authorization (No. IMP074/00001) and Certificates of Good Manufacturing Practice Compliance of a Manufacturer (Ref. 2014/7828/IMP074 and 2014/7828/M1067) in respect of the Athlone Facility. Due to certain U.S. state law requirements, we also hold state licenses to cover distribution activities conducted in certain states where required.

We do not generally act as the marketing authorization holder for products incorporating our drug delivery technologies that have been developed on behalf of a licensee of such technologies. In such cases, our licensee usually holds the relevant marketing authorization from the FDA or other relevant regulatory authority, and we support this authorization as needed, including by furnishing a copy of the product's Drug Master File, or chemistry, manufacturing and controls data, to the relevant regulator. We generally update this information annually with the relevant regulator. In other cases where we have developed proprietary products, such as VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI, we hold the marketing authorization and related regulatory documentation ourselves.

## Marketing, Sales and Distribution

We are responsible for the marketing of VIVITROL, ARISTADA, ARISTADA INITIO, and LYBALVI in the U.S. We focus our sales and marketing efforts on physicians in private practice and in public treatment systems. We believe that we use customary pharmaceutical company practices to market our products, including through advertisements, professional symposia, selling initiatives and other methods, and to educate individual physicians, nurses, social workers, counselors and other stakeholders involved in the treatment of opioid dependence, alcohol dependence, schizophrenia and bipolar I disorder. We provide, and contract with third-party vendors to provide, customer services and other related programs for our products, such as product-specific websites, insurance research services and order, delivery and fulfillment services.

Our sales force for VIVITROL in the U.S. consists of approximately 115 individuals. VIVITROL is primarily sold to pharmaceutical wholesalers, pharmacies, specialty distributors and treatment providers. Product sales of VIVITROL during the year ended December 31, 2023 to Cardinal Health, McKesson Corporation and AmerisourceBergen Corporation ("AmerisourceBergen") represented approximately 27%, 23% and 16%, respectively, of total VIVITROL gross sales.

Our sales force for ARISTADA, ARISTADA INITIO and LYBALVI in the U.S. consists of approximately 360 individuals. ARISTADA, ARISTADA INITIO and LYBALVI are primarily sold to pharmaceutical wholesalers. Product sales of ARISTADA and ARISTADA INITIO during the year ended December 31, 2023 to Cardinal Health, AmerisourceBergen and McKesson Corporation represented approximately 46%, 24% and 23%, respectively, of total ARISTADA and ARISTADA INITIO gross sales. Product sales of LYBALVI during the year ended December 31, 2023 to Cardinal Health, McKesson Corporation and AmerisourceBergen represented approximately 36%, 31% and 29%, respectively, of total LYBALVI gross sales.

ICS, a division of AmerisourceBergen, provides warehousing, shipping and administrative services for VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI.

Under our license agreements with Janssen, Biogen and other licensees and sublicensees, the licensees and sublicensees are typically responsible for the commercialization of any products developed under their respective agreements if and when regulatory approval is obtained.

## Competition

We face intense competition in the development, manufacture, marketing and commercialization of our products from many and varied sources, such as research institutions and biopharmaceutical companies, including other companies with similar technologies. Some of these competitors are also our licensees, who control the commercialization of products from which we receive manufacturing and/or royalty revenues. In some cases, these competitors may be working to develop and market other products, systems, and other methods of preventing or reducing disease, and new small-molecule and other classes of drugs.

The biopharmaceutical industry is characterized by intensive research, development and commercialization efforts and rapid and significant technological change. In many cases, there are already products on the market that may be in direct competition with our commercial products or products in development. In addition, there are many companies developing products for use in similar indications or with similar technologies to ours with whom we and our licensees compete, many of whom are larger and have significantly greater financial and other resources than we do. Other smaller or earlier stage companies may also prove to be significant competitors, particularly through focused development programs and collaborative arrangements with large, established companies. Some of the products being developed by our competitors are being designed to work differently than our products and may turn out to be safer or more effective than our products, which may render our products or technology platforms obsolete or noncompetitive. With respect to our products, we believe that our ability to successfully compete will depend on, among other things, the existence of competing or alternative products in the marketplace, including generic competition, and the relative price of those products; the efficacy, safety and reliability of our products compared to competing or alternative products; product acceptance by, and preferences of, physicians, other healthcare providers and patients; our ability to comply with applicable laws, regulations and regulatory requirements with respect to the manufacture and/or commercialization of our products, including any changes or increases to regulatory restrictions; protection of our proprietary rights relating to our products; our ability to obtain reimbursement for our products; our ability to complete clinical development and obtain regulatory approvals for our products, and the timing and scope of any such regulatory approvals; our ability to successfully manufacture and provide a reliable supply of commercial quantities of a product to the market; and our ability to recruit, retain and develop skilled employees.

With respect to our proprietary injectable product platform, we are aware that there are other companies developing extended-release delivery systems for pharmaceutical products, including but not limited to technology from Pharmathen S.A., which underpins aripiprazole formulations in development, and technology underpinning Teva Pharmaceuticals Industries Ltd.'s (together with its affiliates, "Teva") once every two weeks injectable microsphere formulation, each for the treatment of schizophrenia. In the treatment of schizophrenia, ARISTADA, the long-acting INVEGA products and RISPERDAL CONSTA compete with each other and a number of other injectable products, including ZYPREXA RELPREVV ((olanzapine) For Extended Release Injectable Suspension), which is marketed and sold by Lilly; ABILIFY MAINTENA (aripiprazole for extended release injectable suspension), a once-monthly injectable formulation of ABILIFY (aripiprazole) developed by Otsuka Pharm. Co.; ABILIFY ASIMTUFII (aripiprazole), a once-every-two months injectable formulation of ABILIFY (aripiprazole) developed by Otsuka Pharm. Co.; PERSERIS (risperidone for extended release injectable suspension), a once-monthly formulation of risperidone marketed by Indivior plc; RYKINDO (risperidone), a once-every-two-weeks injectable formulation of risperidone developed by Luye Pharma Group; UZEDY (risperidone) extended-release injectable suspension, for subcutaneous use, developed and marketed by MedinCell S.A. and Teva; and generic versions of branded injectable products.

In the treatment of schizophrenia, LYBALVI competes with other oral antipsychotic products, including CAPLYTA (lumateperone) developed and marketed by Intra-Cellular Therapies, Inc.; LATUDA, which is marketed and sold by Sunovion Pharmaceuticals Inc.; REXULTI, which is co-marketed by Otsuka Pharm Co. and H. Lundbeck A/S plc; VRAYLAR, which is marketed and sold by Abbvie Inc.; other oral compounds currently on the market; and generic versions of branded oral products. Other pharmaceutical companies are developing products for the treatment of schizophrenia that, if approved by the FDA, would compete with LYBALVI.

In the treatment of bipolar disorder, LYBALVI and RISPERDAL CONSTA compete with antipsychotics such as oral aripiprazole; REXULTI; LATUDA; VRAYLAR; ABILIFY MAINTENA; ABILIFY ASIMTUFII; CAPLYTA; RYKINDO; risperidone; quetiapine; olanzapine; ziprasidone and clozapine. Other pharmaceutical companies are developing products for the treatment of bipolar disorder that, if approved by the FDA, would compete with LYBALVI.

In the treatment of alcohol dependence, VIVITROL competes with generic acamprosate calcium (also known as CAMPRAL) and generic disulfiram (also known as ANTABUSE) as well as currently marketed drugs, including generic drugs, also formulated from naltrexone. Other pharmaceutical companies are developing products that have shown some promise in treating alcohol dependence that, if approved by the FDA, would compete with VIVITROL.

In the treatment of opioid dependence, VIVITROL competes with SUBOXONE (buprenorphine HCl/naloxone HCl dehydrate sublingual tablets), SUBOXONE (buprenorphine/naloxone) Sublingual Film, SUBUTEX (buprenorphine HCl sublingual tablets) and SUBLOCADE (once-monthly buprenorphine extended-release injection), each of which is marketed and sold by Indivior plc; BUNAVAIL buccal film (buprenorphine and naloxone) marketed by BioDelivery Sciences; ZUBSOLV (buprenorphine and naloxone) marketed by Orexo US, Inc.; and BRIXADI (buprenorphine) extended-release injection for subcutaneous use (CIII), marketed by Braeburn Inc. VIVITROL also competes with methadone, oral naltrexone and generic versions of SUBUTEX and SUBOXONE sublingual tablets. Other pharmaceutical companies are developing products that have shown promise in treating opioid dependence that, if approved by the FDA, would compete with VIVITROL.

In the treatment of MS, VUMERITY competes with AVONEX, TYSABRI, TECFIDERA, and PLEGRIDY from Biogen; OCREVUS from Genentech; BETASERON from Bayer HealthCare Pharmaceuticals; COPAXONE from Teva; REBIF and MAVENCLAD from EMD Serono, Inc.; GILENYA, EXTAVIA and MAYZENT from Novartis AG; AUBAGIO and LEMTRADA from Sanofi-Aventis; ZEPOSIA from Bristol-Myers Squibb Company; PONVORY from Janssen; and BRIUMVI (ublituximab-xiiy) from TG Therapeutics, Inc.

With respect to our NanoCrystal technology, we are aware that other technology approaches similarly address poorly water-soluble drugs. These approaches include nanoparticles, cyclodextrins, lipid-based self-emulsifying drug delivery systems, dendrimers and micelles, among others, any of which could limit the potential success and growth prospects of products incorporating our NanoCrystal technology. In addition, there are many competing technologies to our OCR technology, some of which are owned by large pharmaceutical companies with drug delivery divisions and other, smaller drug-delivery-specific companies.

### Patents and Proprietary Rights

Our success depends, in part, on our ability to obtain and maintain patent protection for our products, including those marketed and sold by our licensees, to maintain trade secret protection and to operate without infringing upon the proprietary rights of others. We have a proprietary portfolio of patent rights and exclusive licenses to patents and patent applications, which includes numerous patents in the U.S. and in other countries directed to compositions of matter, methods of treatment and formulations, and processes of preparation. In the future, we plan to file additional patent applications in the U.S. and in other countries directed to new or improved products and processes, and we intend to continue to vigorously defend our patent positions. In addition, our licensees may own additional patents that cover those products from which we receive royalties.

### *ARISTADA and ARISTADA INITIO*

We have several U.S. patents and patent applications, and a number of corresponding non-U.S. counterparts, that cover ARISTADA and/or ARISTADA INITIO. Our principal U.S. patents for ARISTADA and/or ARISTADA INITIO and their expiration dates are as follows:

| U.S. Patent No. | Product(s) Covered | Expiration Date |
|---|---|---|
| 8,431,576 | ARISTADA; ARISTADA INITIO | 2030 |
| 8,796,276 | ARISTADA; ARISTADA INITIO | 2030 |
| 10,112,903 | ARISTADA; ARISTADA INITIO | 2030 |
| 10,023,537 | ARISTADA | 2030 |
| 10,351,529 | ARISTADA; ARISTADA INITIO | 2030 |
| 11,518,745 | ARISTADA; ARISTADA INITIO | 2030 |
| 11,273,158 | ARISTADA; ARISTADA INITIO | 2039 |
| 9,034,867 | ARISTADA | 2032 |
| 10,226,458 | ARISTADA | 2032 |
| 9,193,685 | ARISTADA | 2033 |
| 9,861,699 | ARISTADA | 2033 |
| 10,342,877 | ARISTADA | 2033 |
| 10,639,376 | ARISTADA | 2033 |
| 11,097,006 | ARISTADA | 2033 |
| 9,452,131 | ARISTADA | 2035 |
| 9,526,726 | ARISTADA | 2035 |
| 10,064,859 | ARISTADA | 2035 |
| 10,238,651 | ARISTADA | 2035 |
| 10,478,434 | ARISTADA | 2035 |
| 10,813,928 | ARISTADA | 2035 |
| 10,973,816 | ARISTADA | 2035 |
| 11,406,632 | ARISTADA | 2035 |
| 11,883,394 | ARISTADA | 2035 |
| 10,016,415 | ARISTADA INITIO | 2035 |
| 10,688,091 | ARISTADA INITIO | 2035 |
| 10,849,894 | ARISTADA INITIO | 2035 |
| 11,115,552 | ARISTADA INITIO | 2035 |

### *VIVITROL*

We have a number of patents and pending patent applications covering our microsphere technology throughout the world, which, to some extent, cover VIVITROL.

We own one unexpired Orange-Book listed U.S. patent covering VIVITROL, which expires in the U.S. in 2029. Pursuant to the terms of a confidential settlement and license agreement entered into in August 2023 with Teva, we granted Teva a non-exclusive, royalty-free, non-transferable, non-sublicensable limited license under the remaining patent covering VIVITROL to market and sell a generic version of VIVITROL in the U.S. beginning on January 15, 2027 (the “First Entry Date”), or earlier under certain circumstances. Under the terms of a settlement and license agreement entered into in July 2019 with Amneal Pharmaceuticals LLC (“Amneal”), we granted Amneal a non-exclusive license under certain patents covering VIVITROL, including the remaining patent covering VIVITROL in the U.S., to market and sell a generic formulation of VIVITROL in the U.S. beginning on the earlier of the First Entry Date, sometime in 2028 or earlier under certain circumstances.

### *INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA and INVEGA HAFYERA/BYANNLI*

Our NanoCrystal technology patent portfolio, licensed to Janssen, contains a number of granted patents and pending patent applications throughout the world, including in the U.S. and in countries outside of the U.S. The latest to expire of the patents subject to our license agreement expires in 2030 in the U.S., the EU and certain other countries. In addition, Janssen has other patents not subject to our license agreement, including one that covers INVEGA SUSTENNA in the U.S. and expires in 2031, one that covers INVEGA TRINZA in the U.S. and expires in 2036 and two that cover INVEGA HAFYERA in the U.S. and expire in 2041. For a discussion of legal proceedings related to patents covering INVEGA SUSTENNA and INVEGA TRINZA, see Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report.

### *VUMERITY*

We have U.S. patents and patent applications, and a number of corresponding non-U.S. counterparts, that cover VUMERITY. U.S. Patent Nos. 8,669,281, 9,090,558 and 10,080,733, each expiring in 2033, cover compositions of, or methods of treatment for, VUMERITY. For a discussion of legal proceedings related to patents covering VUMERITY, see Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report.

### *LYBALVI*

We own or have a license to U.S. and worldwide patents and patent applications that cover a class of compounds that includes the opioid modulators in LYBALVI. In addition, we own U.S. and worldwide patents and patent applications that claim formulations and methods of treatment that cover LYBALVI. The principal owned or licensed U.S. patents for LYBALVI and their expiration dates are as follows:

| U.S. Patent No. | Product Covered | Expiration Date |
|---|---|---|
| 7,262,298 | LYBALVI | 2025 |
| 8,680,112 | LYBALVI | 2030 |
| 9,119,848 | LYBALVI | 2031 |
| 10,005,790 | LYBALVI | 2031 |
| 8,778,960 | LYBALVI | 2032 |
| 9,126,977 | LYBALVI | 2031 |
| 9,517,235 | LYBALVI | 2031 |
| 9,943,514 | LYBALVI | 2031 |
| 10,300,054 | LYBALVI | 2031 |
| 10,716,785 | LYBALVI | 2031 |
| 11,185,541 | LYBALVI | 2031 |
| 11,241,425 | LYBALVI | 2031 |
| 11,351,166 | LYBALVI | 2031 |
| 11,793,805 | LYBALVI | 2031 |
| 11,707,466 | LYBALVI | 2041 |

### *ALKS 2680*

We have U.S. patent protection that extends to 2041, several U.S. patent applications, and a number of corresponding non-U.S. counterparts, that cover ALKS 2680.

### *Protection of Proprietary Rights and Competitive Position*

We have exclusive rights through licensing agreements with third parties to issued U.S. patents, pending patent applications and corresponding patents or patent applications in countries outside the U.S, subject in certain instances to the rights of the U.S. government to use the technology covered by such patents and patent applications. Under certain licensing agreements, we are responsible for patent expenses, and we pay annual license fees and/or minimum annual royalties. In addition, under these licensing agreements, we are typically obligated to pay royalties on future sales of products, if any, covered by the licensed patents.

There may be patents issued to third parties that relate to our products or technologies. The manufacture, use, offer for sale, sale or import of some of our products might be found to infringe on the claims of these patents. A third party might file an infringement action against us. The cost of defending such an action is likely to be high, and we might not receive a favorable ruling. There may also be patent applications filed by third parties that relate to some of our products if issued in their present form. The patent laws of the U.S. and other countries are distinct, and decisions as to patenting, validity of patents and infringement of patents may be resolved differently in different countries.

If patents exist or are issued that cover our products or technologies, we or our licensees may not be able to manufacture, use, offer for sale, sell or import some of our products without first getting a license from the patent holder. The patent holder may not grant us a license on reasonable terms, or it may refuse to grant us a license at all. This could delay or prevent us from developing, manufacturing, selling or importing those of our products that would require the license.

We try to protect our proprietary position by filing patent applications in the U.S. and in other countries related to our proprietary technologies, inventions and improvements that are important to the development of our business. Because the patent position of biopharmaceutical companies involves complex legal and factual questions, enforceability of patents cannot be predicted with certainty. The ultimate degree of patent protection that will be afforded to products and processes, including ours, in the U.S. and in other important markets, remains uncertain and is dependent upon the scope of protection decided upon by the patent offices, courts and lawmakers in these countries. Patents, if issued, may be challenged, invalidated or circumvented. Thus, any patents that we own or license from others may not provide any protection against competitors. Our pending patent applications, those we may file in the future, or those we may license from third parties, may not result in patents being issued. If issued, they may not provide us with proprietary protection or competitive advantages against competitors with similar technology. Furthermore, others may independently develop similar technologies or duplicate any technology that we have developed outside the scope of our patents. The laws of certain countries do not protect our IP rights to the same extent as the laws of the U.S.

We also rely on trade secrets, know-how and inventions, which are not protected by patents, to maintain our competitive position. We try to protect this information by entering into confidentiality agreements with parties that have access to it, such as our corporate partners, collaborators, licensees, employees and consultants. However, any of these parties may breach such agreements and may disclose our confidential information or our competitors might learn of the information in some other way. If any trade secret, know-how or other invention not protected by a patent were to be disclosed to, or independently developed by, a competitor, such event could materially adversely affect our business, financial condition, cash flows and results of operations. For more information, see “Item 1A—Risk Factors” in this Annual Report.

Our trademarks, including VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI, are important to us and are generally covered by trademark applications or registrations with the U.S. Patent and Trademark Office and the patent or trademark offices of other countries. Our licensed products and products using our proprietary technologies also use trademarks that are owned by our licensees, such as the trademarks for INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA, INVEGA HAFYERA/BYANNLI and RISPERDAL CONSTA, which are registered trademarks of Johnson & Johnson or its affiliated companies, VUMERITY, which is a registered trademark of Biogen (and used by us under license) and FAMPYRA, which is a registered trademark of Acorda. Trademark protection varies in accordance with local law and continues in some countries as long as the trademark is used and in other countries as long as the trademark is registered. Trademark registrations generally are for fixed but renewable terms.

## Regulatory

### *Regulation of Pharmaceutical Products*

#### *United States*

Our current and contemplated activities, and the products and processes that result from such activities, are subject to substantial government regulation. Before new pharmaceutical products may be sold in the U.S., preclinical studies and clinical trials of the products must be conducted and the results submitted to the FDA for approval. Clinical trial programs must determine an appropriate dose and regimen, establish substantial evidence of effectiveness and define the conditions for safe use. This is a high-risk process that requires stepwise clinical studies in which the product must successfully meet pre-specified endpoints.

*Preclinical Testing*: Before beginning testing of any compounds with potential therapeutic value in human subjects in the U.S., stringent government requirements for preclinical data must be satisfied. Preclinical testing includes both in vitro, or in an artificial environment outside of a living organism, and in vivo, or within a living organism, laboratory evaluation and characterization of the safety and efficacy of a drug and its formulation.

*Investigational New Drug Application*: All available data from animal pharmacology and toxicology studies are included in an Investigational New Drug application (“IND”) submitted to the FDA and are reviewed by the FDA prior to commencement of first-in-human clinical trials. The preclinical data must provide an adequate basis for evaluating both the safety and the scientific rationale for the initial clinical studies in human subjects. In certain cases where human clinical data from ex-U.S. studies are available prior to submitting the IND, these data would also be included in the IND for review by the FDA prior to commencing clinical trials in the U.S. In addition, information pertaining to the composition, manufacturer, stability, and controls used for manufacturing the drug substance and the drug product are included in the IND to support identification, quality, purity, and strength of the investigational drug product.

*Clinical Trials*: Clinical trials involve the administration of a drug to healthy human volunteers or to patients under the supervision of a qualified investigator pursuant to an FDA-reviewed protocol. Human clinical trials are typically conducted in three sequential phases, although the phases may overlap with one another and, depending upon the nature of the clinical program, a specific phase or phases may be skipped altogether. Clinical trials must be conducted under protocols that detail the objectives of the study, the parameters to be used to monitor safety, and the efficacy criteria, if any, to be evaluated. Each protocol must be submitted to the FDA as part of the applicable IND.

- Phase 1 clinical trials—test for safety, tolerability, absorption, bio-distribution, metabolism, excretion and clinical pharmacology and, if possible, to gain early evidence regarding efficacy.
- Phase 2 clinical trials—involve a relatively small sample of the intended patient population and seek to assess the efficacy of the drug for targeted indications, to determine dose-response and the optimal dose range and to gather additional information relating to the safety profile.
- Phase 3 clinical trials—consist of expanded, large-scale studies of patients with the target disease or disorder to obtain definitive statistical evidence of the efficacy and safety of the proposed product and dosing regimen.

In the U.S., the results of the preclinical and clinical testing of a product are then submitted to the FDA in the form of an NDA or a Biologics License Application ("BLA"). The NDA or BLA also include information pertaining to the chemistry, manufacturing and controls ("CMC") of the product as well as the proposed product packaging and labeling. The submission of an application is not a guarantee that the FDA will find the application complete and accept it for filing. The FDA may refuse to file the application if it is not considered sufficiently complete to permit a review and will inform the applicant of the reason for the refusal. The applicant may then resubmit the application and include supplemental information.

Once an NDA or BLA is accepted for filing, the FDA has 10 months, under its standard review process, within which to review the application (for some applications, the review process is longer than 10 months). For drugs that, if approved, would represent a significant improvement in the safety or effectiveness of the treatment, diagnosis, or prevention of serious conditions when compared to standard applications, the FDA may assign "priority review" designation and review the application within six months. The FDA has additional review pathways to expedite development and review of new drugs that are intended to treat serious or life-threatening conditions and demonstrate the potential to address unmet medical needs, including: "Fast Track," "Breakthrough Therapy," and "Accelerated Approval." However, none of these expedited pathways ensure that a product will receive FDA approval in a timely manner or at all.

As part of its review, the FDA may refer the application to an advisory committee for independent advice on questions related to the development of the drug, recommendation as to whether the application should be approved or other guidance that the FDA may seek. The FDA is not bound by the recommendation of an advisory committee; however, historically, it has often followed such recommendations. The FDA may determine that a Risk Evaluation and Mitigation Strategy ("REMS") is necessary to ensure that the benefits of a new product outweigh its risks. If required, a REMS may include various elements, such as publication of a medication guide, a patient package insert, a communication plan to educate health care providers of the drug's risks, limitations on who may prescribe or dispense the drug, or other measures that the FDA deems necessary to support the safe use of the drug.

In reviewing an NDA or BLA, the FDA may grant marketing approval, or issue a complete response letter to communicate to the applicant the reasons the application cannot be approved in its then-current form and provide input on the additional information that the FDA requires and/or changes that must be made before an application can be approved. Even if such additional information is submitted to the FDA or such changes made, the FDA may ultimately decide that the NDA or BLA still does not satisfy the FDA's criteria for approval. The receipt of regulatory approval often takes a number of years, involves the expenditure of substantial resources and depends on a number of factors, including the severity of the disease in question, the availability of alternative treatments, efficacy and potential safety signals observed in preclinical tests or clinical trials, and the risks and benefits demonstrated in clinical trials. It is impossible to predict with any certainty whether and when the FDA will grant marketing approval for a given product. Even if a product is approved, the approval may be subject to limitations based on the FDA's interpretation of the data. For example, the FDA may require, as a condition of approval, restricted distribution and use, enhanced labeling, special packaging or labeling, expedited reporting of certain adverse events, pre-approval of promotional materials or restrictions on direct-to-consumer advertising, any of which could negatively impact the commercial success of a drug. The FDA may also require a sponsor to conduct additional post-marketing studies as a condition of approval to provide data on safety and effectiveness. In addition, prior to commercialization, products that may be deemed controlled substances are subject to review and scheduling by the DEA.

The FDA tracks information on side effects and adverse events reported during clinical studies and after marketing approval. Non-compliance with safety reporting requirements may result in civil or criminal penalties. Side effects or adverse events that are identified during clinical trials can delay, impede or prevent marketing approval. Based on new safety information that emerges after approval, the FDA can mandate product labeling changes, impose a REMS or the addition of elements to an existing REMS, require new post-marketing studies (including additional clinical trials), or suspend or withdraw approval of the product.

If we seek to make certain types of changes to an approved product, such as adding a new indication, making certain manufacturing changes, or changing manufacturers or suppliers of certain ingredients or components, the FDA will need to review and approve such changes in advance. In the case of adding a new indication, we would be required to demonstrate with additional clinical data that the product is safe and effective for the new intended use. Such regulatory reviews can result in denial or modification of the planned changes, or requirements to conduct additional tests or evaluations that can substantially delay or increase the cost of the planned changes.

In addition, the FDA regulates all advertising and promotional activities for products under its jurisdiction. A company can make only those claims relating to safety and efficacy that are consistent with FDA regulation and guidance. However, physicians may prescribe legally available drugs for uses that are not described in the drug's labeling. Such off-label uses are common across certain medical specialties and often reflect a physician's belief that the off-label use is the best treatment for a particular patient. The FDA does not regulate the behavior of physicians in their choice of treatments, but the FDA regulations do impose stringent restrictions on manufacturers' communications regarding off-label uses. Failure to comply with applicable FDA requirements may subject a company to adverse publicity, enforcement action by the FDA and the U.S. Department of Justice, corrective advertising and the full range of civil and criminal penalties available to the FDA and the U.S. Department of Justice.

*Controlled Substances Act*: The DEA regulates pharmaceutical products that are controlled substances. Controlled substances are those drugs that appear on one of the five schedules promulgated and administered by the DEA under the Controlled Substances Act (the "CSA"). The CSA governs, among other things, the inventory, distribution, recordkeeping, handling, security and disposal of controlled substances. For example, pharmaceutical products that act on the CNS are often evaluated for abuse potential; if a product is then classified as a controlled substance, it must undergo scheduling by the DEA, which is a separate process that may delay the commercial launch of such product even after FDA approval of the NDA for such product. Further, companies with a scheduled pharmaceutical product are subject to periodic and ongoing inspections by the DEA and similar state drug enforcement authorities to assess ongoing compliance with the DEA's regulations. Any failure to comply with these regulations could lead to a variety of sanctions, including the revocation, or a denial of renewal, of any DEA registration and injunctions, or civil or criminal penalties.

### *Outside the United States*

Certain of our products are commercialized by our licensees in numerous jurisdictions outside the U.S. Most of these jurisdictions have product approval and post-approval regulatory processes that are similar in principle to those in the U.S. In Europe, there are several mechanisms for marketing approval, depending on the type of product for which approval is sought. Under the centralized procedure, a company submits a single application to the European Medicines Agency ("EMA"). The marketing application is evaluated by the Committee for Medicinal Products for Human Use ("CHMP"), the expert scientific committee of the EMA. If the CHMP determines that the marketing application fulfills the requirements for quality, safety, and efficacy, it will submit a favorable opinion to the European Commission ("EC"). The CHMP opinion is not binding, but is typically adopted by the EC. A marketing application approved by the EC is valid in all EU member states.

In addition to the centralized procedure, Europe also has: (i) a nationalized procedure, which requires a separate application to, and approval determination by, each country; (ii) a decentralized procedure, whereby applicants submit identical applications to several countries and receive simultaneous approval; and (iii) a mutual recognition procedure, where applicants submit an application to one country for review and other countries may accept or reject the initial decision. Regardless of the approval process employed, various parties share responsibilities for the monitoring, detection and evaluation of adverse events post-approval, including national authorities, the EMA, the EC, other relevant regulatory authorities and the marketing authorization holder.

### *Good Manufacturing Practices*

The FDA, the EMA, the competent authorities of the EU member states and other regulatory agencies regulate and inspect equipment, facilities and processes used in the manufacturing of pharmaceutical and biologic products prior to approving a product. Once approval from a regulatory agency is obtained, if a company makes a material change in manufacturing equipment, location or process, additional regulatory review and approval may be required. Companies also must adhere to cGMP and product-specific regulations enforced by the FDA and other regulatory agencies both in the manufacture of clinical product and following product approval. The FDA, the EMA and other regulatory agencies also conduct regular, periodic visits to re-inspect equipment, facilities and processes following the initial approval of a product and may also request that certain information or records be provided in writing for review in lieu of an on-site visit. If, as a result of these inspections or records reviews, it is determined that our equipment, facilities or processes do not comply with applicable regulations and conditions of product approval, regulatory agencies may seek civil, criminal or administrative sanctions and/or remedies against us, including the suspension of our manufacturing operations.

### *Good Clinical Practices*

The FDA, the EMA and other regulatory agencies promulgate regulations and standards, commonly referred to as Good Clinical Practices ("GCP"), for designing, conducting, monitoring, auditing and reporting the results of clinical trials to ensure that the data and results are accurate and that the trial participants are adequately protected. The FDA, the EMA and other regulatory agencies enforce GCP through periodic inspections of trial sponsors, principal investigators, trial sites, contract research organizations ("CROs") and institutional review boards. If our studies fail to comply with applicable GCP, patient safety and well-being could be impacted, the clinical data generated in our clinical trials may be deemed unreliable, and relevant regulatory agencies may require us to perform additional clinical trials before approving our marketing applications. Noncompliance can also result in civil or criminal sanctions. We rely on third parties, including CROs, to carry out many of our clinical trial-related activities. Failure of such third parties to comply with GCP can likewise result in rejection of our clinical trial data or other sanctions.

### *Hatch-Waxman Act*

Under the U.S. Drug Price Competition and Patent Term Restoration Act of 1984 (the "Hatch-Waxman Act"), Congress created an abbreviated FDA review process for generic versions of pioneer, or brand-name, drug products. The law also provides incentives by awarding, in certain circumstances, non-patent related marketing exclusivities to pioneer drug manufacturers. Newly approved drug products and changes to the conditions of use of approved products may benefit from periods of non-patent-related marketing exclusivity in addition to any patent protection the drug product may have. The Hatch-Waxman Act provides five years of new chemical entity ("NCE") marketing exclusivity to the first applicant to gain approval of an NDA for a product that contains an active ingredient, known as the active drug moiety, not found in any other approved product. The FDA is prohibited from accepting any abbreviated new drug application ("ANDA") for a generic drug or 505(b)(2) application referencing the NCE for five years from the date of approval of the NCE, or four years in the case of an ANDA or 505(b)(2) application containing a patent challenge, and in both cases may not approve such generic drug or 505(b)(2) application until expiration of NCE marketing exclusivity. A 505(b)(2) application is an NDA in which the applicant relies, in part, on data and the FDA's findings of safety and efficacy from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference. Hatch-Waxman Act exclusivities will not prevent the submission or approval of a full NDA (e.g., under 505(b)(1)), as opposed to an ANDA or 505(b)(2) application, for any drug, including, for example, a drug with the same active ingredient, dosage form, route of administration, strength and conditions of use.

The Hatch-Waxman Act also provides three years of exclusivity for applications containing the results of new clinical investigations, other than bioavailability studies, essential to the FDA's approval of new uses of approved products, such as new indications, dosage forms, strengths, or conditions of use. However, this exclusivity only protects against the approval of ANDAs and 505(b)(2) applications for the protected use and will not prohibit the FDA from accepting or approving ANDAs or 505(b)(2) applications for other products containing the same active ingredient.

The Hatch-Waxman Act requires NDA applicants and NDA holders to provide certain information about patents related to the drug for listing in the FDA's Approved Drugs Product List, commonly referred to as the Orange Book. ANDA and 505(b)(2) applicants must then certify regarding each of the patents listed with the FDA for the reference product. A certification that a listed patent is invalid or will not be infringed by the marketing of the applicant's product is called a "Paragraph IV certification." If the ANDA or 505(b)(2) applicant provides such a notification of patent invalidity or noninfringement, then the FDA may accept the ANDA or 505(b)(2) application four years after approval of the NDA for an NCE. If a Paragraph IV certification is filed and the ANDA or 505(b)(2) application has been accepted as a reviewable filing by the FDA, the ANDA or 505(b)(2) applicant must then, within 20 days, provide notice to the NDA holder and patent owner stating that the application has been submitted and providing the factual and legal basis for the applicant's opinion that the patent is invalid or not infringed. The NDA holder or patent owner may file suit against the ANDA or 505(b)(2) applicant for patent infringement. If this is done within 45 days of receiving notice of the Paragraph IV certification, a one-time, 30-month stay of the FDA's ability to approve the ANDA or 505(b)(2) application is triggered. The 30-month stay begins at the end of the NDA holder's data exclusivity period, or, if data exclusivity has expired, on the date that the patent holder is notified. The FDA may approve the proposed product before the expiration of the 30-month stay if a court finds the patent invalid or not infringed, or if the court shortens the period because the parties have failed to cooperate in expediting the litigation.

### *Orphan Drug Act*

Under the Orphan Drug Act, the FDA may designate drugs or biologics for relatively small patient populations as orphan drugs. FDA grants orphan drug designation to drugs or biologics intended to treat a rare disease or condition, which is one that affects fewer than 200,000 individuals in the U.S., or more than 200,000 individuals, but for which there is no reasonable expectation that the cost of developing the product and making it available in the U.S. for the disease or condition will be recovered from U.S. sales of the product. Orphan drug designation does not shorten the duration of the regulatory review process or lower the approval standards, but can provide important benefits, including consultation with FDA. If a product is approved for its orphan designated use, it may be

entitled to Orphan Drug Exclusivity ("ODE"), which blocks FDA from approving for seven years any other application for a product that is the same drug for the same indication. ODE does not prevent approval of another sponsor's application for different indications or uses of the same drug, or for different drugs for the same indication.

### *Sales and Marketing*

We are subject to various U.S. federal and state laws pertaining to healthcare fraud and abuse, including anti-kickback laws and false claims laws. Anti-kickback laws make it illegal for a prescription drug manufacturer to solicit, offer, receive, or pay any remuneration in exchange for, or to induce, the referral of business, including the purchase or prescription of a particular drug. Due to the broad scope of the U.S. statutory provisions, the general absence of guidance in the form of regulations, and few court decisions addressing industry practices, it is possible that our practices might be challenged under anti-kickback or similar laws. False claims laws prohibit anyone from knowingly and willingly presenting, or causing to be presented, for payment to third-party payers (including Medicare and Medicaid) claims for reimbursed drugs or services that are false or fraudulent, claims for items or services not provided as claimed or claims for medically unnecessary items or services. Activities relating to the sale and marketing of our products may be subject to scrutiny under these laws. Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including fines and civil monetary penalties, as well as the possibility of exclusion from federal healthcare programs (including Medicare and Medicaid). In addition, federal and state authorities are paying increased attention to enforcement of these laws within the pharmaceutical industry and private individuals have been active in alleging violations of the laws and bringing suits on behalf of the U.S. government under the False Claims Act. If we were subject to allegations concerning, or were convicted of violating, these laws, our business could be harmed. See "Item 1A—Risk Factors" in this Annual Report and specifically those sections entitled "If there are changes in, or we fail to comply with, the extensive legal and regulatory requirements affecting the healthcare industry, we could face costs, penalties and business losses," "Revenues generated by sales of our products depend on the availability from third-party payers of reimbursement for our products and the extent of cost-sharing arrangements for patients (e.g., patient co-payment, co-insurance, deductible obligations) and cost-control measures imposed, and any reductions in payment rate or reimbursement or increases in our or in patients' financial obligation to payers could result in decreased sales of our products and/or decreased revenues" and "The clinical study or commercial use of our products may cause unintended side effects or adverse reactions, or incidents of misuse may occur, which could adversely affect our products, business and share price."

Laws and regulations have been enacted by the U.S. federal government and various states to regulate the sales and marketing practices of pharmaceutical manufacturers. The laws and regulations generally limit financial interactions between manufacturers and healthcare providers and require disclosure to the government and public of such interactions. The laws include federal "sunshine", or open payments, provisions enacted in 2010 as part of the comprehensive federal healthcare reform legislation and supplemented as part of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act. Such provisions apply to pharmaceutical manufacturers with products reimbursed under certain government programs and require those manufacturers to disclose annually to the federal government (for re-disclosure to the public) certain payments made to, or at the request of, or on behalf of, physicians or to teaching hospitals and certain payments made to physicians assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists and certified nurse-midwives. Certain state laws also require disclosure of pharmaceutical pricing information and marketing expenditures. Given the ambiguity found in many of these laws and their implementation, our reporting actions could be subject to the penalty provisions of the pertinent U.S. federal and state laws and regulations.

### *Pricing and Reimbursement*

#### *United States*

In the U.S., sales of our products, including those sold by our licensees, and our ability to generate revenues on such sales are dependent, in significant part, on the availability and level of reimbursement from third-party payers such as state and federal governments, including Medicare and Medicaid, managed care providers and private insurance plans. Third-party payers are increasingly challenging the prices charged for medical products and examining the medical necessity and cost-effectiveness of medical products, in addition to their safety and efficacy.

Medicaid is a joint federal and state program that is administered by the states for low-income and disabled beneficiaries. Under the Medicaid rebate program, we are required to pay a rebate for each unit of product reimbursed by the state Medicaid programs. The amount of the rebate for each product is set by law as the greater of 23.1% of average manufacturer price ("AMP") or the difference between AMP and the best price available from us to any commercial or non-federal governmental customer. The rebate amount must be adjusted upward where the AMP for a product's first full quarter of sales, when adjusted for increases in the Consumer Price Index—Urban, is less than the AMP for the current quarter, with this difference being the amount by which the rebate is adjusted upwards. The rebate amount is required to be recomputed each quarter based on our report of current AMP and best price for each of our products to the Centers for Medicare & Medicaid Services ("CMS"). The terms of our participation in the rebate program impose

a requirement on us to report revisions to AMP or best price within a period not to exceed 12 quarters from the quarter in which the data was originally due. Any such revisions could have the impact of increasing or decreasing our rebate liability for prior quarters, depending on the direction of the revision. In addition, if we were found to have knowingly submitted false information to the government, the statute provides for civil monetary penalties per item of false information in addition to other penalties available to the government.

Medicare is a federal program that is administered by the federal government that covers individuals age 65 and over as well as those with certain disabilities. Medicare Part B pays physicians who administer our products under a payment methodology using average sales price ("ASP") information. Manufacturers, including us, are required to provide ASP information to the CMS on a quarterly basis. This information is used to compute Medicare payment rates, with rates for Medicare Part B drugs outside the hospital outpatient setting and in the hospital outpatient setting consisting of ASP plus a specified percentage. These rates are adjusted periodically. If a manufacturer is found to have made a misrepresentation in the reporting of ASP, the statute provides for civil monetary penalties for each misrepresentation and for each day in which the misrepresentation was applied.

Medicare Part D provides coverage to enrolled Medicare patients for self-administered drugs (i.e. drugs that do not need to be injected or otherwise administered by a physician) and certain physician-administered drugs reimbursed under a pharmacy benefit. Medicare Part D also covers the prescription drug benefit for dual eligible beneficiaries. Medicare Part D is administered by private prescription drug plans approved by the U.S. government and each drug plan establishes its own Medicare Part D formulary for prescription drug coverage and pricing, which the drug plan may modify from time-to-time. The prescription drug plans negotiate pricing with manufacturers and may condition formulary placement on the availability of manufacturer discounts. Except for dual eligible Medicare Part D beneficiaries who qualify for low-income subsidies, manufacturers, including us, are required to provide a seventy percent (70%) discount on our brand name prescription drugs utilized by Medicare Part D beneficiaries when those beneficiaries reach the coverage gap in their drug benefits.

Federal law also requires that any company that participates in the Medicaid Drug Rebate Program also participate in the Public Health Services' (including the Indian Health Services, "PHS") pharmaceutical pricing program (the "340B program"), in order for federal funds to be available for the manufacturer's drugs under Medicaid and Medicare Part B. The 340B program, which is administered by the Health Resources and Services Administration ("HRSA") requires participating manufacturers to agree to charge statutorily defined covered entities no more than the 340B "ceiling price" for the manufacturer's covered drugs used in an outpatient setting. These 340B covered entities include certain qualifying community health clinics, a variety of entities that receive health services grants from the Public Health Service, and multiple categories of hospitals, including children's hospitals, critical access hospitals, free standing cancer hospitals and hospitals that serve a disproportionate share of low-income patients. The 340B ceiling price is calculated using a statutory formula, which is based on the average manufacturer price and rebate amount for the covered outpatient drug as calculated under the Medicaid Drug Rebate Program. A regulation regarding the calculation of the 340B ceiling price and the imposition of civil monetary penalties on manufacturers that knowingly and intentionally overcharge covered entities became effective on January 1, 2019. The scope and implementation of the 340B program continue to be the subject of legislative and regulatory interest and ongoing litigation, the outcomes of which are difficult to predict.

We also make our products available for purchase by authorized users of the Federal Supply Schedule ("FSS") of the General Services Administration pursuant to our FSS contract with the Department of Veterans Affairs. Under the Veterans Health Care Act of 1992 (the "VHC Act"), we are required to offer deeply discounted FSS contract pricing to four federal agencies: the Department of Veterans Affairs; the Department of Defense; the Coast Guard; and the PHS, in order for federal funding to be made available for reimbursement of any of our products by such federal agencies and certain federal grantees. Coverage under Medicaid, the Medicare Part B program and the PHS pharmaceutical pricing program is also conditioned upon FSS participation. FSS pricing is negotiated periodically with the Department of Veterans Affairs. FSS pricing is intended not to exceed the price that we charge our most-favored, non-federal customer for a product. In addition, prices for drugs purchased by the Department of Veterans Affairs, Department of Defense (including drugs purchased by military personnel and dependents through the Tricare Retail Pharmacy ("Tricare") program), Coast Guard and PHS are subject to a cap on pricing equal to 76% of the non-federal average manufacturer price ("non-FAMP"). An additional discount applies if non-FAMP increases more than inflation (measured by the Consumer Price Index—Urban). In addition, if we are found to have knowingly submitted false information to the government, the VHC Act provides for civil monetary penalties per false item of information in addition to other penalties available to the government.

In addition, in January 2016, CMS released the final Medicaid covered outpatient drug regulation, which became effective in April 2016. This regulation implements those changes made by the Patient Protection and Affordable Care Act (the "PPACA") to the Medicaid drug rebate statute in 2010 and addresses a number of other issues with respect to the Medicaid program, including, but not limited to, the eligibility and calculation methodologies for AMP and best price, and the expansion of Medicaid rebate liability to include Medicaid managed care organizations. The final Medicaid covered outpatient drug regulation established two calculation methodologies for AMP: one for drugs generally dispensed through retail community pharmacies ("RCP") and one for so-called "5i drugs" (inhaled, infused, instilled, implanted or injectable drugs) "not generally dispensed" through RCPs. The regulation further made clear that 5i drugs would qualify as "not generally dispensed" and, therefore, able to use the alternative AMP calculation, if not more than thirty percent (30%) of their sales were to RCPs or to wholesalers for RCPs. The primary difference between the two AMP

calculations is the requirement to exclude from AMP, for those qualifying 5i drugs not generally dispensed through RCPs, certain payments, rebates and discounts related to sales to non-RCPs; such exclusion often leads to a lower AMP. The decision of which AMP calculation a product is eligible to use must be made and applied on a monthly basis based on the percentage of sales of such product to RCPs or to wholesalers for RCPs.

U.S. federal and state governments regularly consider reforming healthcare coverage and lessening healthcare costs. Such reforms may include price controls, value-based pricing and changes to the coverage and reimbursement of our products, which may have a significant impact on our business. In August 2022, the Inflation Reduction Act of 2022 (the "Inflation Reduction Act") was signed into law. The Inflation Reduction Act includes several provisions that will impact our business to varying degrees, including those that impose new manufacturer financial liability on all drugs in Medicare Part D beginning in 2025, allow the U.S. government to negotiate prices for some drugs covered under Medicare Part D beginning in 2026 and Medicare Part B beginning in 2028, and require companies to pay rebates to Medicare for drug prices that increase faster than inflation. In addition, emphasis on managed care in the U.S. has increased and we expect will continue to increase the pressure on drug pricing. Private insurers regularly seek to manage drug cost and utilization by implementing coverage and reimbursement limitations through means including, but not limited to, formularies, increased out of pocket obligations and various prior authorization requirements. Even if favorable coverage and reimbursement status is attained for one or more products for which we have received regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

*Outside the United States*

Within the EU, products are paid for by a variety of payers, with governments being the primary source of payment. Governments may determine or influence reimbursement of products. Governments may also set prices or otherwise regulate pricing. Negotiating prices with governmental authorities can delay commercialization of products. Governments may use a variety of cost-containment measures to control the cost of products, including price cuts, mandatory rebates, value-based pricing and reference pricing (i.e., referencing prices in other countries and using those reference prices to set a price). Recent budgetary pressures in many EU countries are causing governments to consider or implement various cost-containment measures, such as price freezes, increased price cuts and rebates, and expanded generic substitution and patient cost-sharing. If budget pressures continue, governments may implement additional cost-containment measures.

***Other Regulations***

*Foreign Corrupt Practices Act*: We are subject to the U.S. Foreign Corrupt Practices Act (the "FCPA") and its Irish equivalent, which prohibits corporations and their representatives from paying, offering to pay, promising, authorizing, or making payments of anything of value to any foreign government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. In many countries, the healthcare professionals with whom we regularly interact may meet the FCPA's definition of a foreign government official. The FCPA also requires public companies to make and keep books and records that accurately and fairly reflect their transactions and to devise and maintain an adequate system of internal accounting controls.

*Environmental, Health and Safety Laws*: Our operations are subject to complex and increasingly stringent environmental, health and safety laws and regulations in the countries where we operate and, in particular, where we have manufacturing facilities, namely the U.S. and Ireland. Environmental and health and safety authorities in the relevant jurisdictions, including the Environmental Protection Agency and the Occupational Safety and Health Administration in the U.S. and the Environmental Protection Agency and the Health and Safety Authority in Ireland, administer laws which regulate, among other matters, the emission of pollutants into the air (including the workplace), the discharge of pollutants into bodies of water, the storage, use, handling and disposal of hazardous substances, the exposure of persons to hazardous substances, and the general health, safety and welfare of employees and members of the public. In certain cases, these laws and regulations may impose strict liability for pollution of the environment and contamination resulting from spills, disposals or other releases of hazardous substances or waste and/or any migration of such hazardous substances or waste. Costs, damages and/or fines may result from the presence, investigation and remediation of contamination at properties currently or formerly owned, leased or operated by us and/or off-site locations, including where we have arranged for the disposal of hazardous substances or waste. In addition, we may be subject to third-party claims, including for natural resource damages, personal injury and property damage, in connection with such contamination.

*The General Data Protection Regulation ("GDPR")*: The GDPR became effective in May 2018 and replaced the previous EU Data Protection Directive (95/46). The GDPR, which governs the processing of personal data (including personal health data), applies to the Company and any of its subsidiaries that are established in the EU to the extent that they process personal data as well as any of its subsidiaries that are established outside the EU to the extent that they process personal data relating to EU residents for certain purposes, including any such data relating to clinical trial participants in the EU. The GDPR imposes significant obligations on controllers and processors of personal data, including high standards for obtaining consent from individuals to process their personal data, robust notification requirements to individuals about the processing of their personal data, a strong individual data rights regime,

mandatory data breach notifications, limitations on the retention of personal data, stringent requirements pertaining to health data, and strict rules and restrictions on the transfer of personal data outside of the EU, including to the U.S. The GDPR also imposes additional obligations on, and required contractual provisions to be included in, contracts between companies subject to the GDPR and their third-party processors that relate to the processing of personal data. The GDPR allows EU member states to make additional laws and regulations in order to introduce further conditions, including limitations, with regard to the processing of genetic, biometric or health data.

*Other Laws*: We are subject to a variety of financial disclosures, securities trading regulations and U.S. and Irish or EU governmental regulations as an Irish-incorporated company publicly-listed in the U.S., including laws relating to the oversight activities of the SEC, the Irish Companies Act 2014, and the regulations of the Nasdaq Stock Market ("Nasdaq"), on which our shares are traded. We are also subject to various laws, regulations and recommendations relating to safe working conditions, laboratory practices, the experimental use of animals, and the purchase, storage, movement, import and export and use and environmental matters, including disposal of hazardous or potentially hazardous substances used in connection with our research work.

## Human Capital Resources

As a global biopharmaceutical company focused on developing innovative medicines in the field of neuroscience, we have built, and continue to devote significant resources to further develop and enhance, a comprehensive cross-functional infrastructure designed to support product development from discovery through commercialization and lifecycle management. We seek to attract, hire, develop, recognize and retain qualified and highly skilled employees with experience in areas such as R&D, including early discovery, translational medicine, formulation development, and clinical trials and operations; IP prosecution, enforcement and defense; medical affairs; manufacturing operations; U.S. federal and state government affairs; sales and marketing; and market access. Competition for such personnel in our industry and the geographic regions in which we operate is intense, with numerous companies also developing, launching or marketing products, including products against which our products directly compete. We are committed to supporting our employees' well-being in a transparent, diverse, inclusive, and collaborative culture and to providing them with access to training, support and resources intended to help them succeed professionally, while balancing their professional and personal lives.

As of February 9, 2024, we had approximately 2,100 full time employees, of which approximately 1,700 were based in the U.S. and 400 were based in Ireland. Our 2023 global voluntary attrition rate of 9.5% was below industry benchmarks. None of our employees are covered by a collective bargaining agreement, and we consider our relations with our employees to be good.

We are an equal opportunity employer and we are fundamentally committed to creating and maintaining a work environment in which employees are treated with respect and dignity. All human resources policies, practices and actions related to hiring, promotion, compensation, benefits and termination are administered in accordance with the principles of equal employment opportunity and other legitimate criteria without regard to race, color, religion, sex, sexual orientation, gender expression or identity, ethnicity, national origin, ancestry, age, mental or physical disability, genetic information, any veteran status, any military status or application for military service, or membership in any other category protected under applicable laws.

In recognition of the value of our employees and their important contributions to the achievement of our business objectives, we offer market-competitive comprehensive total rewards packages, including bonus opportunities at all levels tied to individual and company performance, and for employees at certain levels, company equity opportunities. We are committed to designing and managing our pay programs and decisions to support equitable pay for all employees. We have established our compensation programs based on market and benchmark data and strive to pay all employees equitably, taking into consideration factors such as their role, skills, abilities and relevant experience. We routinely monitor our pay programs in order to respond to market trends and maintain equity within our workforce. We offer healthcare and retirement savings plan benefits, paid time off, tuition reimbursement and other benefits designed to support healthy lifestyle choices, financial well-being and work-life balance.

Across our sites, we seek to cultivate a work environment that reflects our values of collaboration at our core, respect for each voice and unwavering commitment. Over the past several years, we have continued to focus on fostering an environment that respects and celebrates Diversity, Inclusion & Belonging ("DIB") in our workplaces and our communities and have actively evolved our DIB strategy and programs to reflect the needs of our employees and our business. We have a robust DIB governance structure, consisting of our DIB Steering Committee, Employee Resource Groups ("ERGs"), and a DIB Executive Committee. Our global cross-functional DIB Steering Committee, comprised of representatives from all of our locations (including field-based employees) is focused on creating connections, fostering conversations, helping ensure our efforts are aligned with the diverse range of perspectives within our organization and developing and advancing practices, tools and resources that can be used to strengthen the sense of belonging among our employees. Our five ERGs include: Limitless, a network to support people impacted by disability or illness; Mosaic, a multicultural network; Operation Salute, a veterans' network; Pride@Work, an LGBTQ+ and allies network; and Women Inspired Network (WIN), a women's network. These ERGs share a common purpose of supporting and enhancing the inclusiveness of our company culture and providing opportunities for professional development, networking, learning and building deeper connections

within Alkermes. Our DIB Executive Committee, which includes our Chief Executive Officer and other senior leaders, is tasked with continuing to refine our DIB strategy and championing its implementation and impact across the business. These groups work together to set goals, establish and execute strategic initiatives, measure our progress and promote a culture of understanding and inclusion throughout our organization. Beginning in 2022, through the collaboration of these groups, we introduced an annual performance goal focused on DIB for all senior leaders (Vice President level and above) at Alkermes with an emphasis on talent management, development and engagement. Additionally, as part of our continued focus on social and racial justice, diversity and inclusion, we have held company-wide town hall conversations, sponsored social, educational and recognition events, supported mentoring and internship opportunities and have enhanced our Company's diversity education and awareness training.

We remain committed to cultivating and supporting the advancement of a diverse workforce. We have established a women's mentoring program to provide internal resources for the continued development of our female talent pool, focused on early-stage leaders. Additionally, we have continued to focus on increasing the representation of people of color ("POC") across our workforce and have partnered with outside organizations such as The Partnership and Conexión to support continued leadership development of POC within our organization.

We encourage active employee engagement to help ensure that employees feel part of our mission and that they have a voice in the Alkermes community. Since 2017, we have conducted periodic employee engagement surveys to understand employee sentiment regarding, and satisfaction with, their work and experience at Alkermes, and have used the data collected to help inform and evolve our human capital management strategy and initiatives. We survey employees twice per year, which allows our employees to share their insights on a more regular basis and provides us with opportunities to regularly assess and address employee feedback. In 2023, we continued function- and site-specific mentoring programs, conducted open forums with leaders, created employee focused information resources connected to major initiatives occurring at the Company and hosted various Company events to foster connections and visibility between leadership and employees and build strong peer-to-peer connections.

We are committed to the professional growth and development of our employees. We conduct a comprehensive on-boarding experience that connects newly hired employees to our business, values, culture, and people. We encourage and support our employees in their adoption of Individual Development Plans designed to identify professional development and growth opportunities to help support their career aspirations. We frequently offer company-hosted trainings that cover topics including performance management, problem-solving, leadership development, diversity, communication and mentorship, and as appropriate, more specialized skills-based programs. We also provide all employees access to our LinkedIn Learning platform, which provides on-demand learning opportunities.

Our culture is one of collaboration and trust. We ask our employees to help us promote and sustain workplace environments that are safe and protective of the health and well-being of our people and in compliance with applicable laws, rules and regulations. We maintain extensive environmental, health, safety and security policies, adhere to all health and safety standards set by regulators in the locations in which we operate and routinely assess workplace risks, conduct employee trainings and monitor our sites to reduce the risk of workplace accidents. In 2023, employee health, safety and wellness continued to be of particular focus and importance for the Company. As many of our office-based employees have adapted to a hybrid work model, we have continued to implement our expanded employee communications strategies to keep employees connected and informed, including frequent leadership communications, forums for reflection on current events, in-person social events, and enhanced employee resources.

### Available Information and Website Disclosure

Our principal executive offices are located at Connaught House, 1 Burlington Road, Dublin 4, Ireland D04 C5Y6. Our telephone number is +353-1-772-8000 and our website address is www.alkermes.com. Information found on, or accessible through, our website is not incorporated into, and does not form a part of, this Annual Report. We make available free of charge through the Investors section of our website our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. We also make available on the Corporate Governance page of the Investors section of our website at www.alkermes.com (i) the charters for the standing committees of our board of directors, including the audit and risk committee, compensation committee, and nominating and corporate governance committee, and (ii) our Code of Business Conduct and Ethics governing our directors, officers and employees. We intend to disclose on our website any amendments to, or waivers from, our Code of Business Conduct and Ethics that are required to be disclosed pursuant to the rules of the SEC.

From time to time, we may use our website to distribute material information. Our financial and other material information is routinely posted to and accessible on the Investors section of our website, available at www.alkermes.com. Investors are encouraged to review the Investors section of our website because we may post material information on that site that is not otherwise disseminated by us. Information that is contained in and can be accessed through our website is not incorporated into, and does not form a part of, this Annual Report.

## Item 1A. Risk Factors

*You should consider carefully the risks described below in addition to the financial and other information contained in this Annual Report, including our financial statements and related notes hereto and the matters addressed under the caption "Cautionary Note Concerning Forward-Looking Statements," and in our other public filings with the SEC. If any events described by the following risks actually occur, they could materially adversely affect our business, financial condition, cash flows or results of operations. This could cause the market price of our ordinary shares to decline.*

### Risks Related to Our Business and Our Industry

***We receive substantial revenue from our key proprietary products and our success depends on our ability to successfully manufacture and commercialize such products.***

Sales of our proprietary products comprise an increasingly significant portion of our revenues. We developed and exclusively manufacture VIVITROL for the treatment of adults with alcohol dependence and opioid dependence, ARISTADA for the treatment of adults with schizophrenia, ARISTADA INITIO for initiation onto ARISTADA for the treatment of adults with schizophrenia, and LYBALVI for the treatment of adults with schizophrenia and for the treatment of adults with bipolar I disorder, and we exclusively commercialize these products in the U.S. Our success depends in large part on our ability to continue to successfully manufacture and commercialize such products in the complex markets into which they are sold. Any significant negative developments relating to these products could have a material adverse effect on our revenues from these products and, in turn, on our business, financial condition, cash flows and results of operations and the market price of our ordinary shares.

***We rely heavily on our licensees in the commercialization and continued development of products from which we receive revenue and, if our licensees are not effective, or if disputes arise in respect of our contractual arrangements, our revenues could be materially adversely affected.***

Our arrangements with licensees are critical to bringing to market and/or successfully commercializing products using our proprietary technologies and from which we receive manufacturing and/or royalty revenue. We rely on these licensees in various respects, including commercializing such products, conducting development activities with respect to new formulations or new indications for such products, and/or managing the regulatory approval process for such products.

We earn significant royalty revenue from sales by our licensees of our licensed products and third-party products incorporating our proprietary technologies. We also earn manufacturing revenues for products that we currently manufacture on behalf of other parties. The revenues we receive from such products depend primarily upon the success of our licensees in commercializing such products. For example, we receive substantial revenue from Janssen's sales of the long-acting INVEGA products and RISPERDAL CONSTA and from Biogen's sales of VUMERITY. We have no involvement in the commercialization efforts for these and other products sold by third parties from which we receive revenue and cannot control the extent or effectiveness of such commercialization efforts.

Disputes may also arise between us and a licensee involving the ownership of technology developed under a license, the use of our technology, including know-how, in third-party products, the terms and amounts of royalty payments to be paid under a license, or other issues arising out of any licenses or other collaborative agreements. Such disputes may delay related development programs, impact commercialization or manufacturing activities for the related products, impact the timing or amount of revenue that we receive in respect of such products, or result in expensive arbitration, litigation or other dispute resolution, which may not be resolved in our favor and may adversely impact our financial condition.

Further, certain of our license agreements may be terminated, with or without cause, or assigned in connection with a change in control or other event, and we cannot guarantee that any of these relationships will continue or that our licensees will be able or willing to continue to perform their obligations, including development, commercialization or payment obligations, under such agreements. Any significant negative developments relating to our relationships with our licensees or our collaborative arrangements could have a material adverse effect on our business, financial condition, cash flows and results of operations and on the market price of our ordinary shares.

For example, in November 2021 we received notice of partial termination of an exclusive license agreement with Janssen. Under this license agreement, we provided Janssen with rights to, and know-how, training and technical assistance in respect of, our small particle pharmaceutical compound technology, known as NanoCrystal technology, which was used to develop INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA, INVEGA HAFYERA/BYANNLI, and CABENUVA. While we ultimately prevailed in arbitration proceedings related to, among other things, this partial termination and Janssen's royalty and other obligations under the license agreement, the announcement of the partial termination, expectations regarding the loss of royalty revenues, actual delays in receipt of royalty revenues that resulted from such termination, and the ultimate announcement of the resumption of payment of such royalty revenues, caused the market price of our ordinary shares to fluctuate significantly.

For these and other reasons that may be outside of our control, our revenues from products sold by our licensees, and related commercial milestone payments, may fall below our expectations, the expectations of our licensees or those of our shareholders, which could have a material adverse effect on our results of operations and the market price of our ordinary shares.

***We face competition in the biopharmaceutical industry.***

We face intense competition in the development, manufacture, marketing and commercialization of our products from many and varied sources, such as research institutions and other biopharmaceutical companies, including companies with similar technologies or medicines, and manufacturers of generic drugs. Some of these competitors are also our licensees, who control the commercialization of products from which we receive manufacturing and/or royalty revenues. For example, our proprietary products ARISTADA and LYBALVI compete with the long-acting INVEGA products and RISPERDAL CONSTA, products from which we receive manufacturing and/or royalty revenues.

The biopharmaceutical industry is characterized by intensive research, development and commercialization efforts and rapid and significant technological change. In many cases, there are already products on the market that may be in direct competition with our commercial products or products in development. In addition, there are many companies developing generic versions of our products, or products with similar technologies to ours or for use in similar indications with whom we and our licensees compete, many of whom are larger and have significantly greater financial and other resources than we do. Other smaller or earlier stage companies may also prove to be significant competitors, particularly through focused development programs and collaborative arrangements with large, established companies. Some of the products being developed by our competitors are being designed to work differently than our products and may turn out to be safer or more effective than our products, which may render our products or technologies obsolete or noncompetitive. For a detailed discussion of the competition that we face with respect to our current marketed products, technologies and product indications, please see the section entitled "*Competition*" in "Item 1—Business" in this Annual Report. If we are unable to compete successfully in this highly competitive biopharmaceutical industry, our business, financial condition, cash flows and results of operations could be materially adversely affected.

***Our revenues from sales of our products may decrease or grow at a slower than expected rate due to many factors.***

We cannot be assured that our products will be, or will continue to be, accepted in the U.S. or markets outside the U.S. or that we will be able to maintain or increase sales of our products. Factors that may cause revenues from our products to grow at a slower than expected rate, decrease or cease all together, include, among others:

- the perception of physicians and other members of the healthcare community as to our products' safety and efficacy relative to that of competing products and the willingness or ability of physicians and other members of the healthcare community to prescribe, dispense and/or administer, and patients to use, our products;
- unfavorable publicity concerning us, our licensees, our products, similar classes of drugs or the industry generally;
- the cost-effectiveness of our products and reimbursement policies of government and third-party payers that may impact use of our products;
- the cost and availability of raw materials necessary for the manufacture of our products;
- the successful manufacture of our products on a timely and cost-effective basis;
- the size of the markets for our products, and patient and physician satisfaction with our products;
- significant changes in the competitive landscape for our products, including any approvals of generic versions of our products or other branded products that may compete with our products;
- adverse event information relating to our products or to similar classes of drugs;
- changes to the product labels of our products, or of products within the same drug classes, to add new significant warnings or restrictions on use;
- our continued ability to engage third parties to manufacture, package and/or distribute our products on acceptable terms;
- the unfavorable outcome of investigations, arbitrations, litigation or other legal proceedings, including government requests for information regarding VIVITROL, securities litigation, IP litigation, including so-called "Paragraph IV" litigation relating to products from which we receive revenue, litigation or other proceedings before the U.S. Patent and Trademark Office's (the "USPTO") Patent Trial and Appeal Board (the "PTAB") or its equivalent in other jurisdictions outside of the U.S., including opposition proceedings in the EU and any other litigation or arbitration related to any of our products;

- regulatory developments and actions related to the manufacture, commercialization or continued use of our products, including FDA actions such as the issuance of a REMS or warning letter, or conduct of an audit by the FDA or another regulatory authority in which a manufacturing or quality deficiency is identified;
- the extent and effectiveness of the sales, marketing and distribution support for our products, including our and our licensees' decisions as to the timing and volume of product orders and shipments, the timing of product launches, and product pricing and discounting;
- disputes with our licensees relating to the use of our technology in, and marketing and sale of, products from which we received, or currently receive, manufacturing and/or royalty revenue and the amounts to be paid with respect to such products;
- exchange rate valuations and fluctuations;
- U.S. and global political changes, conflicts and/or instability, public health matters, economic conditions and/or any related changes in applicable laws and regulations, that may impact resources and markets for our products; and
- any other material adverse developments with respect to the commercialization of our products.

***Revenues generated by sales of our products depend, in part, on the availability from third-party payers of reimbursement for our products and the extent of cost-sharing arrangements for patients (e.g., patient co-payment, co-insurance, deductible obligations) and cost-control measures imposed, and any reductions in payment rate or reimbursement or increases in our or in patients' financial obligation to payers could result in decreased sales of our products and/or decreased revenues.***

In both U.S. and non-U.S. markets, sales of our products depend, in part, on adequate coverage, pricing and reimbursement from third-party payers such as state and federal governments, including Medicare and Medicaid in the U.S. and similar programs in other countries, managed care providers and private insurance plans. Deterioration in the timeliness, certainty and amount of reimbursement for our products, the existence of barriers to coverage of our products (such as prior authorization, criteria for use or other requirements), increases in our financial obligation to payers, including government payers, limitations by healthcare providers on how much, or under what circumstances, they will prescribe or administer our products or unwillingness by patients to pay any required co-payments, or deductible amounts, could reduce the use of, and revenues generated from, our products and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The availability of government and private reimbursement for our products and coverage restrictions that may be imposed for our products are uncertain, as is the amount for which our products will be reimbursed. Pricing and reimbursement for our products may be adversely affected by a number of factors, including: changes in, and implementation of, federal or state government regulations or private third-party payors' reimbursement policies; pressure by employers on private health insurance plans to reduce costs; and consolidation and increasing assertiveness of payors seeking price discounts or rebates in connection with the placement of our products on their formularies and, in some cases, the imposition of restrictions on access or coverage of particular drugs or pricing determined based on perceived value. We cannot predict the availability, amount, or consistency of reimbursement for, or the prevalence and extent of other access barriers to, our products.

In the U.S., federal and state legislatures, health agencies and third-party payers continue to focus on containing the cost of healthcare. In August 2022, the Inflation Reduction Act was signed into law. The Inflation Reduction Act includes several provisions that will impact our business to varying degrees, including the Drug Price Negotiation Program applicable to Medicare Parts D and B and those provisions that impose new manufacturer financial liability on all drugs in Medicare Part D beginning in 2025, and require companies to pay rebates to Medicare for drug prices that increase faster than inflation. The Drug Price Negotiation Program is subject to ongoing litigation, the outcome of which is difficult to predict.

In addition, economic pressure on state budgets may result in states increasingly seeking to achieve budget savings through mechanisms that limit coverage or payment for drugs, including but not limited to price control initiatives, discounts and other pricing-related actions. State Medicaid programs are increasingly requesting that manufacturers pay supplemental rebates and are requiring prior authorization by the state program for use of any drug. Managed care organizations continue to seek price discounts and, in some cases, to impose restrictions on the coverage of particular drugs. U.S. government efforts to reduce Medicaid expenses may lead to increased use of managed care organizations by Medicaid programs. This may result in managed care organizations influencing prescription decisions for a larger segment of the population and a corresponding constraint on prices and reimbursement for our products.

Furthermore, we may face uncertainties as a result of efforts to repeal, substantially modify or invalidate some or all of the provisions of the PPACA, whether by legislative means or through litigation, and further potential reforms to government negotiation or regulation of drug pricing. The PPACA significantly expanded coverage of mental health and substance use disorders and provided federal parity protections to such coverage benefits. If successful, such efforts and proposed legislation or other future federal or state legislative or administrative changes relating to healthcare reform and drug pricing could adversely affect our business and financial

results. Additional discounts, rebates, coverage or plan changes, restrictions or exclusions as described above could have a material adverse effect on sales of our affected products. Our failure to obtain or maintain adequate coverage, pricing or reimbursement for our products could have an adverse effect on our business, reputation, revenue and results of operations.

Many payors continue to adopt benefit plan changes that shift a greater portion of prescription costs to patients, including more limited benefit plan designs, higher patient co-pay or co-insurance obligations and limitations on patients' use of commercial manufacturer co-pay payment assistance programs (including through co-pay accumulator adjustment or maximization programs). Significant consolidation in the health insurance industry has resulted in a few large insurers and pharmacy benefit managers exerting greater pressure in pricing and usage negotiations with drug manufacturers, significantly increasing discounts and rebates required of manufacturers and limiting patient access and usage. In addition, pharmacy benefit managers have combined with specialty and mail order pharmacies and provider groups. Further consolidation among insurers, pharmacy benefit managers, other entities in the pharmaceutical supply chain and other payors would increase the negotiating leverage such entities have over us and other drug manufacturers.

In the U.S., to help patients afford our approved products, we may utilize programs to assist them, including patient assistance programs and co-pay programs for eligible patients. Government enforcement agencies have shown increased interest in pharmaceutical companies' product and patient assistance programs, including reimbursement support services, and a number of investigations into these programs have resulted in significant civil and criminal settlements. Our payment support programs could become the target of similar actions. In addition, in November 2013, CMS issued guidance to the issuers of qualified health plans sold through the PPACA's marketplaces encouraging such plans to reject patient cost-sharing support from third parties and indicating that CMS intends to monitor the provision of such support and may take regulatory action to limit it in the future. CMS subsequently issued a rule requiring individual market qualified health plans to accept third-party premium and cost-sharing payments from certain government-related entities. In September 2014, the Office of Inspector General of the U.S. Department of Health and Human Services issued a Special Advisory Bulletin warning manufacturers that they may be subject to sanctions under the federal anti-kickback statute and/or civil monetary penalty laws if they do not take appropriate steps to exclude Part D beneficiaries from using co-pay programs. It is possible that changes in insurer policies regarding co-pay programs and/or the introduction and enactment of new legislation or regulatory action could restrict or otherwise negatively affect these patient support programs, which could result in fewer patients using affected products, and therefore could have a material adverse effect on our sales, business, and financial condition.

***Clinical trials for our products are expensive, may take several years to complete, and their outcomes are uncertain.***

In order to obtain regulatory approvals for the commercial sale of any product, we or our licensees must demonstrate, through preclinical testing and clinical trials, that such product is safe and effective for use in humans. Designing, conducting and completing a clinical development program is often a lengthy, time-consuming and expensive process. We have incurred, and we will continue to incur, substantial expenses for preclinical testing, clinical trials and other activities related to our clinical development programs.

Our preclinical and clinical development efforts may take several years or more, varying substantially with the type, complexity, novelty and intended use of the product and the clinical study designs and methodologies employed, and may not be successfully completed in a timely manner or at all. Timelines for the initiation, conduct and completion of clinical trials may be delayed by many factors, including:

- issues with the opening, operation or inspection of a new or ongoing clinical trial site, including those located in or near areas of conflict or areas impacted by political, environmental, public health or economic events;
- delays or failures of third-party CROs and other third-party service providers and clinical investigators to manage and conduct the trials, perform oversight of the trials, including data audit and verification procedures, or to meet expected timelines;
- an inability to recruit and enroll clinical trial participants at the expected rate or at all, or to adequately follow participants following treatment;
- safety or tolerability issues;
- an inability to manufacture or obtain sufficient quantities of materials used for clinical trials; and
- unforeseen governmental or regulatory issues or concerns, including those of the FDA and other regulatory agencies, that may impact the strategies for, and design, timelines or feasibility of, our clinical development programs.

In addition, we are currently conducting and enrolling patients in clinical studies in a number of countries where our experience is more limited. In these instances, we must depend on third parties, including independent clinical investigators, CROs and other third-party service providers, to successfully conduct our clinical trials and to audit, verify and accurately report results from such trials. Though we do not have much control over many aspects of such third-party activities, we are responsible for ensuring that each

of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Third parties may not complete planned activities on schedule or conduct our trials in accordance with regulatory requirements or our stated protocols.

The outcome of our clinical trials is uncertain. The results from preclinical testing and early clinical trials often have not predicted results of later clinical trials. A number of products have shown promising results in early clinical trials but subsequently failed to establish sufficient safety and efficacy data in later clinical trials to obtain necessary regulatory approvals.

If a product fails to demonstrate safety and efficacy in clinical trials, or if we and/or third parties fail to manage or conduct clinical trials in a timely manner or in accordance with study protocols or obligations, the development, approval and commercialization of our products may be delayed or prevented, and such events could materially adversely affect our business, financial condition, cash flows and results of operations.

***Preliminary, topline or interim data from our clinical trials that we may announce, publish or report from time to time may change as more patient data become available or based on subsequent audit and verification procedures, and may not be indicative of final data from such trials, data from future trials or real-world results.***

From time to time, we may announce, publish or report preliminary, topline or interim data from our clinical trials. Such data are subject to the risk that one or more of the clinical outcomes may materially change as patients continue progressing through the study, as patient enrollment continues and/or as more patient data become available, and such data may not be indicative of final data from such trials, data from future trials or real-world results. In addition, such data may remain subject to audit confirmation and verification procedures that may result in the final data being materially different from the preliminary, topline or interim data disclosed. As a result, all preliminary, topline and interim data should be viewed with caution until the final data are available. Material adverse differences between preliminary, topline or interim data and final data could significantly harm our business, financial condition, cash flows and results of operations.

***The FDA or other regulatory agencies may not agree with our regulatory approval strategies or components of our filings for our products and may not approve, or may delay approval of, our products.***

We must obtain government approvals before marketing or selling our products. The FDA in the U.S., and comparable regulatory agencies in other jurisdictions, impose substantial and rigorous requirements for the development, manufacture and commercialization of medicines, the satisfaction of which can take a significant number of years and can vary substantially based upon the type, complexity and novelty of the product.

In addition, regulation is not static, and regulatory agencies, including the FDA, evolve in their staff, interpretations and practices and may impose more stringent requirements than currently in effect, which may adversely affect our plans for product development, manufacture and/or commercialization. The approval procedure and the time required to obtain approval also varies among countries. Regulatory agencies may have varying interpretations of the same data, and approval by one regulatory agency does not ensure approval by regulatory agencies in other jurisdictions. In addition, the FDA or other regulatory agencies may choose not to communicate with or update us during clinical testing and regulatory review periods and the ultimate decision by the FDA or other regulatory agencies regarding drug approval may not be consistent with prior communications.

The product approval process can last many years, be very costly and still be unsuccessful. Regulatory approval by the FDA or other regulatory agencies can be delayed, limited or not granted at all for many reasons, including:

- a product may not demonstrate sufficient safety and efficacy or a sufficiently favorable benefit/risk profile for each target indication in accordance with applicable regulatory agencies' standards;
- data from preclinical testing and clinical trials may be interpreted by applicable regulatory agencies in different ways than we or our licensees interpret it;
- regulatory agencies may not agree with our or our licensees' regulatory approval strategies, plans for accelerated development timelines, components of our or our licensees' filings such as clinical trial designs, conduct and methodologies, or the sufficiency of our or our licensees' submitted data to meet their requirements for product approval;
- regulatory agencies might not approve our or our licensees' manufacturing processes or facilities, or those of the CROs and contract manufacturing organizations who conduct research or manufacturing work on our or our licensees' behalf;
- failure by our clinical investigational sites and the records kept at such sites, including any clinical trial data, to be in compliance with the FDA's GCP, or EU legislation governing GCP, or to pass FDA, EMA or EU member state inspections of clinical trials;
- regulatory agencies may change their requirements for approval or post-approval marketing; and

- adverse medical events during our clinical trials or during clinical trials of other product candidates in the same class could lead to requirements that trials be repeated or extended, or that a development program be terminated or placed on clinical hold, even if other studies or trials relating to the program are successful.

In addition, disruptions at the FDA and other regulatory agencies that are unrelated to our company or our products, including those relating to a prolonged U.S. government shutdown, or other global, political or economic conditions, could cause delays to the regulatory approval process for our products.

Any failure to obtain, or delay in obtaining, regulatory approval for our products will prevent or delay their commercialization and could have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, any failure to obtain, or delay in obtaining, approval for our products could have a material impact on our shareholders' confidence in the strength of our development capabilities and/or our ability to generate significant revenue from our development programs and could result in a significant decline in our share price.

***Disruptions at the FDA, the SEC and other government agencies caused by funding shortages or other events could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner, or otherwise prevent those agencies from performing normal business functions, which could negatively impact our business.***

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely is subject to the impacts of political events, which are inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may increase the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which could adversely affect our business. For example, over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA and the SEC, have had to furlough critical FDA, SEC and other government employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA and the SEC to timely review and process our submissions, which could have a material adverse effect on our business.

***The FDA or other regulatory agencies may impose limitations or post-approval requirements on approvals for our products.***

Even if regulatory approval to market a product is granted by the FDA or other regulatory agencies, the approved label for the product may not be consistent with our initial expectations or commercial plans. For example, the FDA or other regulatory agencies may impose limitations on the clinical data that may be included in the label for the product or the indicated uses for which, or the manner in which, the product may be marketed, or may impose additional post-approval requirements, such as a REMS, with which we would need to comply in order to maintain the approval of such product. Our business could be seriously harmed if we do not complete these post-approval requirements and, as a result, the FDA or other regulatory agencies require us to change the label for such product, or if such post-approval requirements significantly restrict the marketing, sale or use of such product.

In addition, legislation and regulatory policies relating to post-approval requirements and restrictions on promotional activities for pharmaceutical products, or FDA or other regulatory agency regulations, guidance or interpretations with respect to such legislation or regulatory policy may change, which may impact the development and commercialization of our products.

***We are subject to risks related to the manufacture of our products.***

The manufacture of pharmaceutical products is a highly complex process in which a variety of difficulties may arise from time to time. We have in the past, and may in the future, face unanticipated interruptions or delays in manufacturing through our internal or external supply chain and resources. Such disruptions can occur for many reasons, including, but not limited to, the supply and quality of API, drug product and other product components and any potential shortages of such materials; regulatory actions; failures relating to materials, manufacturing equipment or processes, quality deviations or safety issues, vendor error, operator error, labor shortages or disputes, utility or transportation disruptions, or physical or electronic security breaches; site-specific incidents (such as fires), environmental incidents, natural disasters and other severe weather events, including those that may occur as a result of climate change; global disruptions such as the COVID-19 pandemic and ongoing conflicts in various regions of the world; and many other factors.

Any such problems with manufacturing processes, whether at our facilities or those of our licensees or other third parties that manufacture or package products or components of products on our behalf, could result in product defects or shortages, manufacturing failures or products not being manufactured to their applicable specifications, which could require us to delay shipment of products or recall products previously shipped, or could impair our or our licensees' ability to receive regulatory approval for a product, commercially launch a product, expand into new markets or supply products in existing markets. We may not be able to resolve any such issues in a timely manner, or at all, which could result in declines in sales and reputational damage as well as significant remediation costs to address any issues that arise.

We rely solely on our manufacturing facility in Wilmington, Ohio for the manufacture of RISPERDAL CONSTA, VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI and currently rely on the Athlone Facility for the manufacture of FAMPYRA, VUMERITY, other products using our NanoCrystal or OCR technologies and certain of our other products in development. Due to regulatory and technical requirements, we have limited ability to shift production among our facilities or to outsource any portions of our manufacturing to third parties in the event of an interruption in manufacturing or demand for manufacturing that exceeds our capacity at the applicable facility. Any need to shift production among our facilities or transition our manufacturing processes, or portions thereof, to a third party, whether due to an interruption in our manufacturing or to demand for a product that exceeds our manufacturing capacity or otherwise, could take a significant amount of time and money, may not be successful, and could cause significant interruption or delay in our ability to supply product.

In addition, in December 2023 we announced entry into a definitive agreement to sell the Athlone Facility to Novo and plans to enter into subcontracting arrangements to continue certain development and manufacturing activities currently performed at the Athlone Facility for a period of time after the closing of the transaction, which may continue through the end of 2025. Such transaction is subject to various uncertainties and risk, including, without limitation, satisfaction of the conditions to closing of the transaction on the anticipated timeline, potential negative impacts on our relationships with current suppliers or licensees or diversion of management and employee attention from daily business operations, and risks inherent in the transition to subcontracting arrangements. Any interruption or delay in supply, whether resulting from issues with equipment, materials, personnel, manufacturing processes, or internal or external quality audits or reviews, or issues related to the sale of the Athlone Facility and related subcontracting arrangements, could result in delays in meeting our contractual obligations and could damage our reputation and relationships with our licensees, and result in potential loss of revenues.

Our manufacturing facilities also require specialized personnel and are expensive to operate and maintain. Any interruption in manufacturing, delay in a regulatory approval or commercial launch, or recall or suspension of sales of products manufactured in our facilities, may cause operating losses as we continue to operate these facilities and retain the required specialized personnel. In addition, any significant personnel shortages at our manufacturing facilities, whether temporary or prolonged, including shortages related to the labor market, may cause significant interruptions to our manufacturing facilities and to our supply of products.

We are also dependent in certain cases on third parties who manufacture or distribute certain products from which we receive revenue. Supply or manufacturing issues related to such products could materially and adversely affect sales of such products, and in turn our revenue from such products.

***We rely on third parties to provide goods and services in connection with the manufacture and distribution of the products we manufacture.***

We rely on third parties for the timely supply of goods and services that play a role in our manufacturing activities, including, among others, specified raw materials, equipment, contract manufacturing, formulation and packaging services, storage and product distribution services, customer service activities and product returns processing, and some of these goods and services for our products are currently only available from a single source or a limited number of qualified sources. Although we actively manage these third-party relationships to support continuity, quality and compliance with applicable regulations, events beyond our control, including natural disasters and other severe weather events, including those that may occur as a result of climate change, or global disruptions such as the COVID-19 pandemic and ongoing conflicts in various regions in the world, could negatively impact the continuity of supply of such materials and/or services, their quality and their compliance with applicable standards. Any such failure could materially adversely affect our business, financial condition, cash flows and results of operations.

The manufacture of products and product components, including the procurement of bulk drug product and other materials used in the manufacture, packaging, storage and distribution of our products, requires successful coordination among us and multiple third-party providers. Lack of capacity available at such third-party providers or any other issues with the quality or operations of these third-party providers, including any issues related to regulatory permits, audits or requirements, could require us to delay shipment of saleable products, recall products previously shipped or impair our ability to supply products at all.

We endeavor to qualify and register new vendors and to develop contingency plans so that production is not materially impacted by third-party provider issues. Nonetheless, any such third-party provider issues could increase our costs, cause us to lose revenue or market share and damage our reputation, and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

In addition, we rely heavily on the three largest pharmaceutical wholesalers in the U.S. market—Cardinal Health Inc., AmerisourceBergen Corp. and McKesson Corp—in the distribution of the products that we market and sell in the U.S. If we are unable to maintain our business relationships with these wholesalers on commercially acceptable terms, if these wholesalers experience prolonged business disruptions, if the buying patterns of these wholesalers fluctuate due to seasonality or any other reason or if wholesaler buying decisions or other factors outside of our control change, our business, financial condition, cash flows and results of operations could be materially adversely affected.

***If we or our third-party providers fail to meet the stringent requirements of governmental regulation in the manufacture of our products, we could incur substantial remedial costs and a reduction in sales and/or revenues.***

We and the third-party providers that play a role in our manufacturing activities are generally required to comply with cGMP regulations and other applicable non-U.S. standards in the manufacture of our products or components of our products. If any of our products or components of our products in the U.S. are scheduled by the DEA as controlled substances, we would also be subject to DEA regulations. We and our third-party providers are subject to unannounced inspections by the FDA and other agencies to confirm compliance with all applicable laws. Any changes to our suppliers or modifications of methods of manufacturing require submission of amendments to our marketing applications to the FDA or other applicable regulatory agencies, and ultimate acceptance by such agencies of such amendments, prior to release of product to the applicable marketplace. Our inability or the inability of our third-party providers to demonstrate ongoing compliance with cGMP or other regulatory requirements could require us to withdraw or recall products and interrupt clinical and commercial supply of our products. Any delay, interruption or other issues that may arise in the manufacture, formulation, packaging or storage of our products as a result of a failure of our facilities or operations or the facilities or operations of third-party providers to pass any regulatory agency inspection could significantly impair our ability to develop, obtain and maintain regulatory approval of, and commercialize or supply, products. This could increase our costs, cause us to lose revenue or market share and damage our reputation with our collaboration partners or in the market generally.

In March 2020, in response to the COVID-19 pandemic, the Coronavirus Aid, Relief, and Economic Security Act ( the "CARES Act") was signed into law in the U.S., and served to increase the FDA's existing authority with respect to drug shortage measures. Under the CARES Act, for each facility where marketed products for certain serious diseases or conditions are manufactured, or where components of such products are manufactured, we are required to have a risk management plan in place that identifies and evaluates risks to the supply of such products or product components, which plans may be subject to review during any FDA inspection. Each of our facilities operates in accordance with a comprehensive quality management system, which includes risk assessment, preventive actions and regular review of inventory levels for each of the marketed products that we manufacture; however, there is no guarantee that the FDA will consider our risk management program to be sufficient upon inspection or that we will not experience shortages in the supply of marketed products that we manufacture, which could materially adversely affect the patients who rely on such marketed products and our business, financial condition, cash flows and results of operations. The FDA and various regulatory agencies outside the U.S. have inspected and approved our commercial manufacturing facilities. However, we cannot guarantee that the FDA or any other regulatory agencies will approve any other facility that we or our third-party providers may operate or, once approved, that any of these facilities will remain in compliance with cGMP and other regulations. Any third party we use to manufacture bulk drug product for use in the U.S. must be licensed by the FDA. Failure by us or our third-party providers to gain or maintain regulatory compliance with and approvals from the FDA or other regulatory agencies could materially adversely affect our business, financial condition, cash flows and results of operations.

***Adverse market conditions may exacerbate certain risks inherent to our business, including risk of non-payment from licensees and customers and reimbursement for our products.***

Adverse market conditions or other business developments may cause disruptions, delays or significant financial impact to our business or to the businesses of third parties from which we receive revenues, or reductions in the availability or extent of reimbursement available to us. For example, we depend on our licensees and customers for substantial portions of our revenue, and the contracts with our licensees and customers pursuant to which we supply product, or under which we are eligible for certain development or sales milestones or royalties related to licensed products or products that incorporate our proprietary technologies, may not be secured by collateral or other security. Accordingly, we bear the risk that our licensees may not be able to pay amounts due to us under such contracts.

In addition, as a result of adverse market conditions, organizations that provide reimbursement for use of our products, such as government health administration authorities and private health insurers, may be unable to satisfy such reimbursement obligations or may delay payment. In addition, U.S. federal and state health authorities may reduce the extent of their reimbursements (including Medicare and Medicaid reimbursements in the U.S.) or payments, and private insurers may increase their scrutiny of claims. If our licensees or other third parties are unable or unwilling to pay amounts owed to us or satisfy their commitments to us, or if there are reductions to such payments or commitments, our business, financial condition, cash flows and results of operations may be materially adversely affected.

***Our success largely depends upon our ability to attract, recognize and retain key personnel.***

Our ability to compete and succeed in the highly competitive biopharmaceutical industry and in the disease states in which we market and sell products depends largely upon our ability to attract, recognize and retain highly skilled technical, scientific, manufacturing, management, regulatory, compliance and selling and marketing personnel. Each of our executive officers and all of our employees are employed "at will," meaning we or each officer or employee may terminate the employment relationship at any time. We face intense competition for employees, due, among many factors, to the geographic locations in which we operate and the competitive benefits and compensation practices in our industry, and in recent years, new competition as employees are increasingly able to work remotely. The loss of key personnel due to any of these factors or our inability to hire and retain personnel who have technical, scientific, manufacturing, management, regulatory, compliance or commercial backgrounds could materially adversely impact our business, including the achievement of our manufacturing, research and development, commercial, financial and other operational and strategic business objectives.

**Risks Related to Intellectual Property**

***Patent and other IP protection for our products is key to our business and our competitive position but is uncertain.***

Receiving and maintaining patent and/or trademark protection for our products and technologies, including those that are subject to our licensing arrangements, maintaining our trade secrets, not infringing the proprietary rights of others, and preventing others from infringing our proprietary rights are each key to our success and our competitive position.

Patent protection provides rights of exclusivity for the term of the patent. We are able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary rights are covered by valid and enforceable patents or are effectively maintained as trade secrets. In this regard, we try to protect our proprietary position by filing patent applications in the U.S. and elsewhere related to our proprietary product inventions and improvements that are important to our business and products. Our pending patent applications, together with those we may file in the future, or those we may license to or from third parties, may not result in patents being issued. Even if issued, such patents may not provide us with sufficient proprietary protection or competitive advantages against competitors with similar products or technology. Because the patent positions of biopharmaceutical companies involve complex legal and factual questions, enforceability of patents cannot be predicted with certainty. The ultimate degree of patent protection that will be afforded to products and processes, including ours, and those of our licensees, in the U.S. and in other important markets, remains uncertain and is dependent upon the scope of protection decided upon by the patent offices, courts and lawmakers in these countries. The development of new technologies or products may take a number of years, and there can be no assurance that any patents which may be granted in respect of such technologies or products will not have expired or be due to expire by the time such products are commercialized, or that such patents will successfully withstand any challenges during their respective terms.

Although we make reasonable efforts to protect our IP rights and to ensure that our proprietary technology does not infringe the rights of third parties, we cannot ascertain the existence of all potentially conflicting IP claims. Therefore, there is a risk that third parties may make claims of infringement against our products or technologies. If patents exist or are issued that cover our products or technologies, we may not be able to manufacture, use, offer for sale, sell or import such products without first getting a license from the patent holder. The patent holder may not grant us a license on reasonable terms, or it may refuse to grant us a license at all. This could delay or prevent us from developing, manufacturing, selling or importing those of our products that would require the license. Claims of IP infringement may also require that we redesign affected products, enter into costly settlement or license agreements, pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling certain of our products. Even if we have an agreement that may serve to indemnify us against such costs, the indemnifying party may be unable to uphold its contractual obligations. If we cannot, or do not, license the infringed technology on reasonable terms or at all, or substitute similar technology from another source, our business, financial condition, cash flows and results of operations could be materially adversely affected.

Patents, if issued, may be challenged, invalidated or circumvented. As our products achieve greater commercial sales, potential competitors are more likely to seek to challenge our patents. The laws of certain countries may not protect our IP rights to the same extent as the laws of the U.S., and any patents that we own or license from others may not provide any protection against competitors. In addition, in the case of certain of our licensed products or products incorporating our licensed technology, our licensees are responsible for prosecuting, maintaining, enforcing and defending the IP related to the product(s) from which we derive revenue. Their failure to secure, maintain, enforce and defend this IP could materially and adversely affect our business, financial condition, cash flows, and results of operations.

We also rely on trade secrets, know-how and inventions, which are not protected by patents, to maintain our competitive position. We try to protect this information by entering into confidentiality agreements with parties that have access to it, such as our licensees, licensors, contract manufacturers, potential business partners, employees and consultants. However, any of these parties may breach such agreements and may disclose our confidential information, or our competitors might learn of the information in some other way. To the extent that our employees, consultants or contractors use IP owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. If any trade secret, know-how or other invention not protected by a patent were to be disclosed to, or independently developed by, a competitor, such event could materially and adversely affect our business, financial condition, cash flows and results of operations.

***Uncertainty over IP in the biopharmaceutical industry has been the source of litigation and other legal proceedings, which are inherently costly and unpredictable, could significantly delay or prevent approval or negatively impact commercialization of our products, and could adversely affect our business.***

There is considerable uncertainty within the biopharmaceutical industry about the validity, scope and enforceability of many issued patents in the U.S. and elsewhere in the world. We cannot currently determine the ultimate scope, validity and enforceability of patents which may be granted to third parties in the future or which patents third parties may assert are infringed by the manufacture, use or sale of our products.

Stemming in part from this uncertainty, there has been, and we expect that there may continue to be, significant litigation and an increasing number of *inter partes* reviews ("IPRs") and administrative proceedings in the pharmaceutical industry regarding patents and other IP rights. A patent holder might file an IPR, interference and/or infringement action against us, including in response to patent certifications required under the Hatch-Waxman Act, claiming that certain claims of one or more of our issued patents are invalid or that the manufacture, use, offer for sale, sale or import of our products infringed one or more of such party's patents. We may have to expend considerable time, effort and resources to defend such actions, and litigation may be necessary in some instances to determine the validity and scope of certain of our proprietary rights.

In addition, we may need to enforce our IP rights against third parties who infringe on our patents and other IP or challenge our patents, patent applications or trademark applications. Litigation and trial proceedings, such as so-called Paragraph IV litigation and IPRs, concerning patents and other IP rights may be expensive, protracted and distracting to management, with no certainty of success. As a result, we may at times give up certain rights with respect to our IP in order to avoid or resolve timely and costly IP litigation or IPR proceedings. For example, in July 2019, in order to resolve an IPR instituted by Amneal with the PTAB, we granted Amneal a non-exclusive license under certain patents covering VIVITROL, including the latest to expire patent covering VIVITROL in the U.S., to market and sell a generic formulation of VIVITROL in the U.S. beginning sometime in 2028 or earlier under certain circumstances. In addition, in August 2023, we settled Paragraph IV litigation proceedings with Teva (described in more detail below) by granting Teva a license to market and sell a generic version of VIVITROL in the U.S. beginning on January 15, 2027, or earlier under certain circumstances. Ultimately, the outcome of such litigation and other proceedings, or any settlement arrangements with respect thereto, could adversely affect our business and the validity and scope of our patents or other proprietary rights or delay or prevent us from manufacturing and marketing our products.

***We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers.***

In the U.S., generic manufacturers of innovator drug products may file ANDAs and, in connection with such filings, certify that their products do not infringe the innovator's patents or that the innovator's patents are invalid. This often results in litigation between the innovator and the ANDA applicant. This type of litigation is commonly known in the U.S. as "Paragraph IV" litigation.

For example, Teva entities filed an ANDA seeking approval to engage in the commercial manufacture, use or sale of a generic version of VIVITROL and alleging that one of our Orange-Book patents related to VIVITROL is invalid, unenforceable and/or will not be infringed by Teva's proposed product. In September 2020, we initiated a Paragraph IV lawsuit against Teva to dispute such claims. A trial was held in February 2023. In August 2023, we entered into a confidential settlement and license agreement (the "Settlement Agreement") with Teva to resolve the proceedings between the parties. Pursuant to the terms of the Settlement Agreement, we granted Teva a non-exclusive, royalty-free, non-transferable, non-sublicensable limited license to market and sell a generic version of VIVITROL in the U.S. beginning on January 15, 2027, or earlier under certain circumstances.

Although we intend to vigorously defend our IP rights, and we expect our licensees to do the same, there can be no assurance that we or our licensees will prevail or settle any such legal proceedings or disputes on favorable terms. Our and our licensees' existing patents could be invalidated, found unenforceable or found not to cover generic forms of our or our licensees' products. If any ANDA filers were to receive FDA approval to sell generic versions of our products or the products from which we receive revenue and/or prevail in any patent litigation with respect to such products, such products would become subject to increased competition, and our business, financial condition, cash flows and results of operations could be materially adversely affected.

**Risks Related to Regulatory or Legal Matters**

***Litigation or arbitration filed against Alkermes, including securities litigation, or actions (such as citizens petitions) filed against regulatory agencies in respect of our products, may result in financial losses, harm our reputation, divert management resources, negatively impact the approval of our products, or otherwise negatively impact our business.***

We are, and may in the future become, involved in various legal proceedings, including those asserting violations of securities and/or fraud and abuse laws and those asserting claims related to product liability, IP and/or contractual arrangements. Such proceedings may include claims for, or the possibility of, damages or fines and penalties involving substantial amounts of money or other relief, including but not limited to civil or criminal fines and penalties. Such legal proceedings and the preparation therefor may result in substantial costs to us and diversion of management's attention and resources, which in turn could harm our business. Moreover, if any of such legal proceedings were to result in an adverse outcome, such outcome could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, our liability insurance coverage may not be sufficient to satisfy, or may not cover, any expenses or liabilities that may arise. Additionally, regardless of whether or not there is merit to the claims underlying any legal proceedings to which we are subject, or whether or not we are found as a result of such lawsuits to have violated any applicable laws, such lawsuits and inquiries can be expensive to defend or respond to, may divert the attention of our management and other resources that would otherwise be engaged in managing our business, and may further cause significant and potentially irreparable harm to our public reputation.

We have been, and may again be, the subject of citizen petitions or litigation that request that the FDA refuse to approve, delay or withdraw approval of, or impose additional approval requirements on our marketing applications. If successful, such petitions can significantly delay, or even prevent, the approval of the marketing application in question or cause such marketing application approval to be withdrawn. Even if the FDA ultimately denies such a petition, the FDA may substantially delay approval while it considers and responds to the petition, or may impose additional approval requirements as a result of such petition. These outcomes and others could adversely affect our share price as well as our ability to generate revenues from the commercialization and sale of our products and products using our proprietary technologies.

***The clinical study or commercial use of our products may cause unintended side effects or adverse reactions, or incidents of misuse may occur, which could adversely affect our products, business and share price.***

We cannot predict whether the clinical or commercial use of our products will produce undesirable or unintended side effects that have not been evident in the use of, or in clinical trials conducted for, such products to date. The administration of drugs in humans carries the inherent risk of product liability claims whether or not the drugs are actually the cause of an injury. Our products may cause, or may appear to have caused, injury or dangerous drug interactions, and we may not learn about or understand those effects until the products have been administered to study participants or patients for a prolonged period of time. Additionally, incidents of product misuse may occur.

These events, among others, could result in product recalls or additional regulatory controls (including additional regulatory scrutiny, REMS programs, and/or requirements for additional labeling) or product liability actions. As our development activities progress and we continue to have commercial sales, our product liability insurance coverage may be inadequate to satisfy liabilities that arise, we may be unable to obtain adequate coverage at an acceptable cost or at all, or our insurer may disclaim coverage as to a future claim. This could prevent or limit the development or commercialization of our products. In addition, the reporting of adverse safety events involving our products, including instances of product misuse, and public perceptions about such events could cause our product sales or share price to decline or experience periods of volatility. These types of events could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***If there are changes in, or we fail to comply with, the extensive legal and regulatory requirements affecting the healthcare industry, we could face litigation, costs, penalties and business losses.***

Our activities, and the activities of our licensees and third-party providers, are subject to extensive government regulation. Government regulation by various national, state and local agencies includes detailed inspections of, and controls over, research and laboratory procedures, clinical investigations, product approvals and manufacturing, marketing and promotion, adverse event reporting, sampling, distribution, recordkeeping, storage, and disposal practices. Achieving compliance with these regulations substantially increases the time, difficulty and costs incurred in obtaining and maintaining approvals to market newly developed and existing products. Government regulatory actions, including audits, records requests and inspections of manufacturing facilities, can result in delay in the release of products, seizure or recall of products, suspension or revocation of the authority necessary for the manufacture and sale of products, and other regulatory enforcement actions, including the levying of civil fines or criminal penalties, the issuance of a warning letter, or the imposition of an injunction.

Biopharmaceutical companies also have been the target of government lawsuits and investigations alleging violations of government regulation, including claims asserting submission of incorrect pricing information, impermissible promotion of pharmaceutical products, payments intended to influence the referral of healthcare business, submission of false claims for government reimbursement, antitrust violations, violations related to anti-corruption and anti-bribery laws, and violations related to environmental matters. We have been, and may continue to be, the subject of certain government inquiries or requests for documentation. For example, we have received a subpoena and civil investigative demands from U.S. state and federal authorities for documents related to VIVITROL. We are cooperating with the government in each instance. If, as a result of government requests, proceedings are initiated, including under the U.S. federal anti-kickback statute and False Claims Act and state False Claims Acts or other laws, and we are found to have violated one or more applicable laws, we may be subject to significant liability, including without limitation, civil fines, criminal fines and penalties, civil damages and exclusion from U.S. federal funded healthcare programs such as Medicare and Medicaid, any of which could materially affect our reputation, business, financial condition, cash flows and results of operations. Conduct giving rise to such liability could also form the basis for private civil litigation by third-party payers or other persons allegedly harmed by such conduct. Additionally, regardless of whether or not there is merit to claims underlying any investigation or legal proceedings to which we are subject, or whether or not we are found as a result of such investigations or lawsuits to have violated any applicable laws, such lawsuits and inquiries can be expensive to defend or respond to, may divert the attention of our management and other resources that would otherwise be engaged in managing our business, and may further cause significant and potentially irreparable harm to our public reputation. While we have implemented numerous risk mitigation measures, we cannot guarantee that we, our employees, our licensees, our consultants or our contractors are, or will be, in compliance with all applicable laws, regulations or interpretations of the applicability of these laws to our products, operations and marketing practices. If we or our agents fail to comply with any of those laws, regulations or interpretations, a range of actions could result, including the suspension or termination of clinical trials, the failure to approve a product, restrictions on sales of our products or our manufacturing processes, withdrawal of our products from the market, significant fines, exclusion from government healthcare programs or other sanctions or litigation.

Changes affecting the healthcare industry, including new laws, regulations or judicial decisions, or new interpretations of existing laws, regulations or decisions, related to patent protection and enforcement, access to healthcare, environmental issues or product pricing and marketing, could also adversely affect our revenues, our public reputation or our potential to be profitable. For example, and as discussed above, the Inflation Reduction Act, signed into law in August 2022, includes several provisions that will impact our business to varying degrees, including those that impose new manufacturer financial liability on all drugs in Medicare Part D beginning in 2025, allow the U.S. government to negotiate prices for some drugs covered under Medicare Part B and Part D beginning in 2026, and require companies to pay rebates to Medicare beginning in 2023 for drug prices that increase faster than inflation. This law and any further changes in laws, regulations or decisions or in the interpretation of existing laws, regulations and decisions could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***If we fail to comply with our reporting and payment obligations under the Medicaid Drug Rebate Program or other governmental pricing programs, we could be subject to additional reimbursement requirements, penalties, sanctions and fines, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.***

We participate in the Medicaid Drug Rebate Program, the 340B program, the U.S. Department of Veterans Affairs, FSS pricing program, and the Tricare program, and have obligations to report the average sales price for certain of our drugs to the Medicare program.

Pricing and rebate calculations vary across products and programs, are complex, and are often subject to interpretation by us, governmental or regulatory agencies and the courts, which can change and evolve over time. In the case of our Medicaid pricing data, if we become aware that our reporting for a prior quarter was incorrect, or has changed as a result of recalculation of the pricing data, we are generally obligated to resubmit the corrected data for up to three years after those data originally were due. Such restatements and recalculations increase our costs for complying with the laws and regulations governing the Medicaid Drug Rebate Program and could result in an overage or underage in our rebate liability for past quarters. Price recalculations also may affect the ceiling price at which we are required to offer our products under the 340B program and give rise to an obligation to refund entities participating in the 340B program for overcharges during past quarters impacted by a price recalculation.

Civil monetary penalties can be applied if we are found to have knowingly submitted any false price or product information to the government, if we are found to have made a misrepresentation in the reporting of our average sales price, if we fail to submit the required price data on a timely basis, or if we are found to have charged 340B covered entities more than the statutorily mandated ceiling price. CMS could also decide to terminate our Medicaid drug rebate agreement, in which case federal payments may not be available under Medicaid or Medicare Part B for our covered outpatient drugs. We cannot assure you that our submissions will not be found by CMS to be incomplete or incorrect.

Our failure to comply with our reporting and payment obligations under the Medicaid Drug Rebate Program and other governmental programs could negatively impact our financial results. CMS issued a final regulation, which became effective in April 2016, to implement the changes to the Medicaid Drug Rebate Program under the Affordable Care Act. In December 2020, CMS issued a final regulation that modified prior Medicaid Drug Rebate Program regulations to permit reporting multiple best price figures with regard to value-based purchasing arrangements (beginning in 2022); and provided definitions for "line extension," "new formulation," and related terms, with the practical effect of expanding the scope of drugs considered to be line extensions that are subject to an alternative rebate formula (beginning in 2022). Regulatory and legislative changes, and judicial rulings relating to the Medicaid Drug Rebate Program and related policies (including coverage expansion), have increased and will continue to increase our costs and the complexity of compliance, have been and will continue to be time-consuming to implement, and could have a material adverse effect on our results of operations, particularly if CMS or another agency challenges the approach we take in our implementation.

HRSA issued a final regulation regarding the calculation of the 340B ceiling price and the imposition of civil monetary penalties on manufacturers that knowingly and intentionally overcharge covered entities, which became effective in January 2019. Implementation of this regulation could affect our obligations and potential liability under the 340B program in ways we cannot anticipate. We are also required to report the 340B ceiling prices for our covered outpatient drugs to HRSA, which then publishes them to 340B covered entities. Any charge by HRSA that we have violated this regulation or other requirements of the program could negatively impact our financial results. Moreover, HRSA newly established an administrative dispute resolution ("ADR") process under a final regulation effective January 2021 for claims by covered entities that a manufacturer engaged in overcharging, including claims that a manufacturer limited the ability of a covered entity to purchase the manufacturer's drugs at the 340B ceiling price, and by manufacturers that a covered entity violated the prohibitions against diversion or duplicate discounts. Such claims are to be resolved through an ADR panel of government officials rendering a decision that could be appealed only in federal court. This ADR regulation has been challenged in separate litigation instituted by PhRMA and by pharmaceutical manufacturers in multiple federal courts. Under the ADR final rule which became effective in January 2021, an ADR proceeding could potentially subject us to discovery by covered entities and other onerous procedural requirements and could result in additional liability. HRSA could also decide to terminate a manufacturer's agreement to participate in the 340B program for a violation of that agreement or other good cause shown, in which case the manufacturer's covered outpatient drugs may no longer be eligible for federal payment under the Medicaid or Medicare Part B program. In November 2022, HRSA issued a proposed rule to revise the ADR procedures contained in its January 2021 final regulation for disputes arising under the 340B drug pricing program between covered entities and manufacturers.

Further, legislation may be introduced that, if passed, would, among other things, further expand the 340B program to additional covered entities or would require participating manufacturers to agree to provide 340B discounted pricing on drugs used in an inpatient setting, and any additional future changes to the definition of average manufacturer price or the Medicaid rebate amount could affect our 340B ceiling price calculations and negatively impact our results of operations. Additionally, certain pharmaceutical manufacturers are involved in ongoing litigation regarding their initiatives that restrict covered entities' ability to purchase products at the 340B program price for shipment through an unlimited number of contract pharmacies. Based on the outcome of litigation related to this topic or for other reasons, we may implement, and other pharmaceutical manufacturers have implemented, similar restrictions. The outcome of pending judicial proceedings and the potential impact on the way in which manufacturers extend discounts to covered entities through contract pharmacies remain uncertain and one or more negative legal rulings, or the passage of legislation in respect of this topic, may materially adversely impact our results of operations if we were to impose limitations on contract pharmacy arrangements.

We have obligations to report the average sales price for certain of our drugs to the Medicare program. In addition, we are required to report the best price for our drugs, as defined under the Medicaid Drug Rebate Program, to CMS. Statutory or regulatory changes or changes in CMS guidance could affect the average sales price or best price calculations for our products and the resulting Medicare payment rate or rebates we owe to state Medicaid programs. Such changes could negatively impact our results of operations.

Pursuant to applicable law, knowing provision of false information in connection with price reporting under the U.S. Department of Veterans Affairs, FSS or Tricare programs can subject a manufacturer to civil monetary penalties. These program obligations also contain extensive disclosure and certification requirements. If we overcharge the government in connection with our arrangements with FSS or Tricare, we are required to refund the difference to the government. Failure to make necessary disclosures and/or to identify contract overcharges can result in allegations against us under the False Claims Act and other laws and regulations. Unexpected refunds to the government, and responding to a government investigation or enforcement action, would be expensive and time-consuming, and could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

***Our business involves environmental, health and safety risks.***

Our business involves the use of hazardous materials and chemicals and is subject to numerous environmental, health and safety laws and regulations and to periodic inspections for possible violations of these laws and regulations. Under certain of these laws and regulations, we could be liable for any contamination at our current or former properties or third-party waste disposal sites. In addition to significant remediation costs, contamination can give rise to third-party claims for fines, penalties, natural resource damages, personal injury and damage (including property damage). The costs of compliance with environmental, health and safety laws and regulations are significant. We have developed and implemented a proprietary risk mitigation program to preemptively identify and address environmental, health, safety and security risks; however, there can be no assurance that a violation of current or future environmental, health or safety laws or regulations will not occur. Any violations, even if inadvertent or accidental, or the cost of compliance with any resulting order, fine or liability that may be imposed, could materially adversely affect our business, financial condition, cash flows and results of operations.

**Risks Related to our Financial Condition and Tax Matters**

***We may not be able to maintain profitability on a sustained basis.***

At December 31, 2023, our accumulated deficit was $1.3 billion, which was primarily the result of net losses incurred from continuing operations from 1987, the year Alkermes, Inc., was founded, through December 31, 2022, partially offset by net income from continuing operations over certain fiscal periods, including net income earned during the year ended December 31, 2023.

Our ability to maintain profitability on a sustained basis will depend on our ability to continue to grow and diversify our revenue and to effectively and efficiently manage our costs. Factors that may impact our future revenue, and in turn our future profitability, include our or our licensees' (as applicable) ability to:

- successfully commercialize VIVITROL, the ARISTADA product family, LYBALVI, VUMERITY, the long-acting INVEGA products and any other marketed products for which we earn revenue in the countries in which such products are approved;
- successfully develop, and obtain and maintain regulatory approval for, products in the U.S. and in other countries;
- successfully manufacture our products and third-party products efficiently and in a cost-effective manner;
- obtain adequate reimbursement coverage for our products and third-party products from insurance companies, government programs and other third-party payers;
- achieve certain product development and sales milestones under our collaborative arrangements; and
- resolve favorably any commercial disputes that may arise in respect of collaborative arrangements from which we receive revenues.

Factors that may impact our future spend, and in turn our future profitability, include:

- the scope of our research and development activities, including the number of programs, products, indications or new technologies that we may pursue, and our ability, if sought, to share development costs through potential collaborations;
- the time and expense required to pursue FDA and/or other regulatory approvals for our products;
- the time and expense required to prosecute, enforce, defend and/or challenge patent and other IP rights;
- the costs of operating and maintaining our manufacturing and research facilities, including the costs and availability of raw materials or components of our products;
- the costs of doing business with third-party vendors, including suppliers, manufacturers, packagers and distributors;
- the scope and costs of our commercial activities, including our investment in direct-to-consumer campaigns and other initiatives;
- the cost of possible business development activities, including licenses or acquisitions of technologies, compounds or product rights or the potential acquisition of other assets, including equipment, facilities, businesses or entire companies;
- the costs related to potential litigation, arbitration or other legal proceedings or government requests for information;
- the costs of defending against potential or actual proxy contests or other activist shareholder actions;
- the costs of compliance with new regulations applicable to us, including those related to the measurement, reporting and assurance of environmental performance data; and

- the costs associated with recruiting, compensating and retaining a highly-skilled workforce in an environment where competition for highly-skilled employees is intense.

***We have broad discretion regarding use of our cash and cash equivalents and we may not allocate our cash in ways that ultimately increase the value of our ordinary shares.***

We have broad discretion in the allocation of our cash and cash equivalents and we may not allocate our cash in ways that ultimately increase the value of our ordinary shares. We could make capital allocation decisions to utilize such funds in a way that our shareholders do not agree with or that do not ultimately generate shareholder value in the manner they, or we, anticipate or at all. If our cash and cash equivalents are not deployed effectively or do not generate shareholder value, we may fail to achieve expected financial results or other business objectives, which could have a material negative impact on our financial condition, results of operations or the market price of our ordinary shares.

***Certain U.S. holders of our ordinary shares may suffer adverse tax consequences if any of our non-U.S. subsidiaries are characterized as a "controlled foreign corporation".***

In December 2017, the Tax Cuts and Jobs Act of 2017 (the "Tax Cuts and Jobs Act") was signed into law. This legislation significantly changed U.S. tax law by, among other things, changing the rules which determine whether a foreign corporation is treated for U.S. tax purposes as a controlled foreign corporation ("CFC") for taxable years ended December 31, 2017 and onwards. The impact of this change on certain holders of our ordinary shares is uncertain and could be adverse, including potential income inclusions and reporting requirements for U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended (the "Code")) who are treated as owning (directly or indirectly) at least 10% of the value or voting power of our shares. The determination of CFC status is complex and includes attribution rules, the application of which are not entirely certain. These changes to the attribution rules relating to the determination of CFC status make it possible that one or more of our non-U.S. subsidiaries will be classified as a CFC. Existing and prospective investors should consult their tax advisers regarding the potential application of these rules to their investments in our securities.

See "*Certain Irish and United States Federal Income Tax Considerations – United States Federal Income Tax Considerations*" in our Form S-1/A, filed with the SEC on February 29, 2012, for additional discussion with respect to other potential U.S. federal income tax consequences of investments in us.

***If goodwill becomes impaired, we could have to take significant charges against earnings.***

At December 31, 2023, we had $83.0 million of goodwill. Under accounting principles generally accepted in the U.S. ("GAAP"), we must assess, at least annually and potentially more frequently, whether the value of goodwill has been impaired. Any reduction or impairment of the value of goodwill will result in a charge against earnings, which could materially adversely affect our results of operations and shareholders' equity in future periods.

***Our effective tax rate may increase.***

As a global biopharmaceutical company, we are subject to taxation in a number of different jurisdictions. As a result, our effective tax rate is derived from a combination of applicable tax rates in the various places that we operate. In preparing our financial statements, we estimate the amount of tax that will become payable in each of these places. Our effective tax rate may fluctuate depending on a number of factors, including, but not limited to, the distribution of our profits or losses between the jurisdictions where we operate and differences in interpretation of tax laws. In addition, the tax laws of any jurisdiction in which we operate may change in the future, which could impact our effective tax rate. Tax authorities in the jurisdictions in which we operate may audit us. If we are unsuccessful in defending any tax positions adopted in our submitted tax returns, we may be required to pay taxes for prior periods, interest, fines or penalties, and may be obligated to pay increased taxes in the future, any of which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***Changes in tax rules and regulations, or interpretations thereof, may adversely affect our financial condition.***

Effective January 2022, the Tax Cuts and Jobs Act of 2017 eliminated the option to deduct R&D expenses in the year incurred and instead requires taxpayers to capitalize, and subsequently amortize such expenses over five years for research activities conducted in the U.S., and over fifteen years for research activities conducted outside of the U.S. As such, we expect a material decrease in cash flows provided from operations and a material increase in our net deferred tax assets over the next number of years, which could have a material adverse effect on our business, financial condition, cash flows and results of operations. In December 2023, the IRS issued Notice 2024-12 that provided clarity on the application of Section 174 of the Code ("Section 174"). On this basis, we adjusted our estimate of expenses that should be capitalized and amortized which resulted in lower taxable income for the year ended December 31, 2023.

In December 2022, the EU agreed to implement a corporate minimum tax rate of 15% on companies with combined annual revenue of at least €750.0 million. The Irish government has transposed the corporate minimum tax rules into Irish legislation with effect as of January 1, 2024. As such, we expect a material increase in our tax expense and a material decrease in cash flows provided from operations, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

***Our deferred tax assets may not be realized.***

As of December 31, 2023, we had $100.6 million of net deferred tax assets in the U.S. It is possible that some or all of the deferred tax assets will not be realized, especially if we incur losses in the U.S. in the future. Losses may arise from operating events (including clinical program progression), or the occurrence of significant excess tax benefits arising from the exercise of stock options and/or the vesting of restricted stock units. Unless we are able to generate sufficient taxable income in the future, a substantial valuation allowance to reduce the carrying value of our U.S. deferred tax assets may be required, which would materially increase our expenses in the period the valuation allowance is recognized and materially adversely affect our financial condition and results of operations.

Furthermore, we have included within our U.S. net deferred tax assets of $100.6 million an amount of $33.0 million relating to employee share-based compensation expense. It is possible that a material portion of this deferred tax asset will not be realized, especially if the price of our ordinary shares remains at its current level (refer to "Item 5—Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" in this Annual Report for details of the price of our ordinary shares). Unless the price of our ordinary shares increases, we will incur a deferred tax expense as our U.S.-based employees exercise or forfeit their stock options and their restricted stock unit awards vest. This could materially increase our tax expense and may materially adversely affect our financial condition and results of operations.

As of December 31, 2023, we had $94.7 million of net deferred tax assets in Ireland including $87.5 million relating to net operating losses ("NOL"). The NOLs can be carried forward, without time limit, against trading income of the same trade in future accounting periods. The disposition of the Athlone Facility may result in (i) a significant change to the existing trade such that the same trade is no longer continued, and (ii) a complete discontinuance of the existing trade and the commencement of a new trade. We do not believe that the disposition would amount to a significant change or a discontinuance of our existing trade; however, the Irish Tax Authority could assert a contrary position, in which case we could become involved in tax controversy with the Irish Tax Authority regarding possible additional tax liabilities. If we were to be unsuccessful in resolving any such tax controversy in our favor, we could be liable for significant tax liabilities which would materially adversely affect our financial condition, cash flows and results of operations.

***The business combination in 2011 of Alkermes, Inc. and the drug technology business ("EDT") of Elan Corporation, plc may limit our ability to use our tax attributes to offset taxable income, if any, generated from such business combination.***

On September 16, 2011, the businesses of Alkermes, Inc. and EDT were combined under Alkermes plc (this combination is referred to as the "Business Combination"). For U.S. federal income tax purposes, a corporation is generally considered tax resident in the place of its incorporation. Because we are incorporated in Ireland, we should be deemed an Irish corporation under these general rules. However, Section 7874 of the Code generally provides that a corporation organized outside the U.S. that acquires substantially all of the assets of a corporation organized in the U.S. will be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes if shareholders of the acquired U.S. corporation own at least 80% (of either the voting power or the value) of the stock of the acquiring foreign corporation after the acquisition by reason of holding stock in the domestic corporation, and the "expanded affiliated group" (as defined in Section 7874) that includes the acquiring corporation does not have substantial business activities in the country in which it is organized.

In addition, Section 7874 provides that if a corporation organized outside the U.S. acquires substantially all of the assets of a corporation organized in the U.S., the taxable income of the U.S. corporation during the period beginning on the date the first assets are acquired as part of the acquisition, through the date which is ten years after the last date assets are acquired as part of the acquisition, shall be no less than the income or gain recognized by reason of the transfer during such period or by reason of a license of property by the expatriated entity after such acquisition to a foreign affiliate during such period, which is referred to as the "inversion gain," if shareholders of the acquired U.S. corporation own at least 60% (of either the voting power or the value) of the stock of the acquiring foreign corporation after the acquisition by reason of holding stock in the domestic corporation, and the "expanded affiliated group" of the acquiring corporation does not have substantial business activities in the country in which it is organized. If this rule was to apply to the Business Combination, among other things, Alkermes, Inc. would have been restricted in its ability to use the approximately $274.0 million of U.S. federal NOL carryforwards and $38.0 million of U.S. state NOL carryforwards that it had as of March 31, 2011. We do not believe that either of these limitations should apply as a result of the Business Combination. However, the IRS could assert a contrary position, in which case we could become involved in tax controversy with the IRS regarding possible additional U.S. tax liability. If we were to be unsuccessful in resolving any such tax controversy in our favor, we could be liable for significantly greater U.S. federal and state income tax than we anticipate being liable for as a result of the Business Combination, which would place further demands on our cash needs.

***If the separation of our oncology business completed in November 2023 does not ultimately qualify as a transaction that is generally tax-free for U.S. federal and Irish tax purposes as we anticipate, we and/or our shareholders could be subject to significant tax liabilities.***

In connection with the separation of our oncology business into Mural Oncology plc completed in November 2023, we sought and received a private letter ruling from the IRS (the "IRS Ruling") and an opinion from our U.S. tax advisor (the "U.S. Tax Opinion") regarding U.S. federal income tax consequences of the separation, including that, among other things, the separation would be expected to generally qualify as tax-free for U.S. federal income tax purposes under Sections 368(a)(1)(D) and 355 of the Code. The IRS Ruling and/or the U.S. Tax Opinion were based on and relied on, among other things, certain facts, assumptions, representations, and undertakings from us and Mural Oncology plc, including those relating to past and future conduct of the companies' respective business operations and other matters. If any of these facts, assumptions, representations, statements or undertakings are, or become, inaccurate or incomplete, or if we or Mural Oncology plc breach any of our respective covenants in the separation documents, the IRS Ruling and/or the U.S. Tax Opinion may be invalid and the conclusions reached therein could be jeopardized. Notwithstanding the U.S. Tax Opinion or IRS Ruling, the U.S. Internal Revenue Service, or the IRS, could determine that a distribution or any related transaction is taxable for U.S. federal income tax purposes if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated, or that the distribution should be taxable for other reasons, including if the IRS were to disagree with the conclusions in the U.S. Tax Opinion. The U.S. Tax Opinion will not be binding on the IRS or the courts. Accordingly, the IRS or the courts may challenge the conclusions stated in the U.S. Tax Opinion and such challenge could prevail. If the separation transaction is ultimately determined to be taxable, we and/or our shareholders that are subject to U.S. federal income tax could incur significant tax liabilities.

Furthermore, in connection with the separation, we sought and received an opinion from our Irish tax advisor (the "Irish Tax Opinion") regarding the Irish tax consequences of the separation. The Irish Tax Opinion was based on and relied on, among other things, certain facts, assumptions, representations, and undertakings from us, including those relating to past and future conduct of our business operations and other matters. If any of these facts, assumptions, representations, statements or undertakings are, or become, inaccurate or incomplete the Irish Tax Opinion may be invalid and the conclusions reached therein could be jeopardized. The Irish Tax Opinion will not be binding on the Irish Tax Authority or the Irish courts. Accordingly, the Irish Tax Authority or the Irish courts may challenge the conclusions stated in the Irish Tax Opinion and such challenge could prevail. In such an event, we and/or our shareholders could incur significant tax liabilities.

***Our level of indebtedness, and the interest-rate transition to SOFR, could adversely affect our business and limit our ability to plan for or respond to changes in our business.***

In March 2021, we amended and refinanced our then-existing term loan (the "2023 Term Loans"), in order to, among other things, provide for a new class of replacement term loans equal to $300.0 million; extend the due date of the loan from March 26, 2023 to March 12, 2026; amend the interest payable from London Interbank Offered Rate ("LIBOR") plus 2.25% with no LIBOR floor to LIBOR plus 2.50% with a LIBOR floor of 0.5%; and increase covenant flexibility (such refinancing, the "Term Loan Refinancing" and the 2023 Term Loans as so amended and refinanced, the "2026 Term Loans"). In June 2023, we amended the 2026 Term Loans to transition the interest rate available for borrowings thereunder from a LIBOR-based interest rate to an interest rate based on SOFR and to make other confirming and mechanical changes. SOFR is a relatively new reference rate and its composition and characteristics are not the same as LIBOR. Given SOFR's very limited history and potential volatility as compared to other benchmark or market rates, the future performance of SOFR cannot be predicted based on historical performance. The consequences of using SOFR could include an increase in the cost of our variable rate indebtedness. As of December 31, 2023, our borrowings consisted of $291.8 million outstanding under the 2026 Term Loans.

The 2026 Term Loans are secured by a first priority lien on substantially all of the combined company assets and properties of Alkermes plc and most of its subsidiaries, which serve as guarantors. The agreements governing the 2026 Term Loans include a number of restrictive covenants that, among other things, and subject to certain exceptions and baskets, impose operating and financial restrictions on us.

Our failure to comply with these restrictions could lead to an event of default that could result in an acceleration of the indebtedness. Our future operating results may not be sufficient to ensure our ability to make our debt payments or to remedy any such default. In the event of an acceleration of this indebtedness, we may not have, or be able to obtain, sufficient funds to make any accelerated payments.

***Our business strategy may involve future transactions which may harm the market price of our ordinary shares or require us to seek additional funds, and such funding may not be available on commercially favorable terms or at all and may cause dilution to our existing shareholders.***

In order to achieve our business strategy, we regularly review potential transactions related to technologies, products or product rights, and businesses that are complementary to our business, including mergers and acquisitions, licenses and collaborations, and development and supply, commercialization or co-promotion arrangements, among others. We may choose to enter into one or more of these or other transactions at any time, which may cause substantial fluctuations in the market price of our ordinary shares. Moreover, depending upon the nature of any transaction, we may experience a charge to earnings, which could also materially adversely affect our results of operations and could harm the market price of our ordinary shares.

In order to finance such transactions, we may require additional funds, and we may seek such funds through various sources, including debt and equity offerings, corporate collaborations, bank borrowings, arrangements relating to assets, monetization of royalty streams or other financing methods or structures. The source, timing and availability of any financing will depend on global economic conditions, credit and financial market conditions, interest rates and other factors. If we issue additional equity securities or securities convertible into equity securities, our shareholders would suffer dilution of their investment, and it may adversely affect the market price of our ordinary shares. In addition, under Irish law, the directors of an Irish public limited company must have specific authority, as approved by the company's shareholders, to allot and issue any ordinary shares (other than pursuant to employee equity plans) and, if such directors desire to allot and issue ordinary shares for cash, such shares must first be offered on the same or more favorable terms to the Company's existing shareholders on a pro-rata basis, unless this statutory pre-emption right is disapplied by approval of the company's shareholders. In June 2023, our shareholders authorized our board of directors to allot and issue ordinary shares in an amount equal to approximately 20% of our issued ordinary share capital (as of May 15, 2023), and to issue ordinary shares for cash on a non-pre-emptive basis in an amount equal to approximately 20% of our issued share capital (as of May 15, 2023) under certain specified circumstances; however, these share issuance authorities were granted for eighteen months only, at which point they will lapse unless renewed by our shareholders. If we are unable to obtain renewal of share issuance authorities from our shareholders, or are otherwise limited by the terms of new share issuance authorities approved by our shareholders, our ability to use our authorized but unissued share capital to effect or to fund acquisition or other transaction opportunities, or to otherwise raise capital, could be adversely affected.

In addition, future investors or lenders may demand, and may be granted, rights superior to those of existing shareholders. If we issue additional debt securities, our existing debt service obligations will increase further. If we are unable to generate sufficient cash to meet these obligations and need to use existing cash or liquidate investments in order to fund our debt service obligations or to repay our debt, we may be forced to curtail our operations. We cannot be certain that additional financing will be available from any of these sources when needed or, if available, will be on acceptable terms. If we fail to obtain additional capital if needed, we may not be able to execute our business strategy successfully and may have to give up rights to our product platforms, and/or products, or grant licenses on terms that may not be favorable to us.

Even if we are able to finance potential transactions without seeking any external financing, expenditure of a significant amount of cash on such transactions may require difficult capital allocation decisions and may limit our ability to pursue other important business and strategic objectives, may significantly impact our financial condition and profitability and limit our potential to return capital to shareholders. As a result of these and other potential impacts, the market price of our ordinary shares may fluctuate significantly.

***Currency exchange rates may affect revenues and expenses.***

We conduct a large portion of our business in international markets. For example, we derive all of our XEPLION, TREVICTA and BYANNLI revenues from sales in countries other than the U.S., and these sales are denominated in non-U.S. dollar ("USD") currencies. We also incur substantial operating costs in Ireland and face exposure to changes in the exchange ratio of the USD and the euro arising from expenses and payables at our Irish operations that are settled in Euro. Our efforts to mitigate the impact of fluctuating currency exchange rates may not be successful. As a result, currency fluctuations among our reporting currency, USD, and the currencies in which we do business will affect our results of operations, often in unpredictable ways. See "Item 7A—Quantitative and Qualitative Disclosures about Market Risk" in this Annual Report for additional information relating to our foreign currency exchange rate risk.

## Risks Related to our Ordinary Shares

### *The market price of our ordinary shares has been volatile and may continue to be volatile in the future, and could decline significantly.*

The market price of our ordinary shares has fluctuated significantly from time to time. During the year ended December 31, 2023, the closing price of our ordinary shares on the Nasdaq Global Select Market ranged from $23.37 to $33.63 per share. The market price of our ordinary shares is likely to continue to be volatile and subject to significant price and volume fluctuations in response to market and industry factors, our results of operations, our ability to maintain and increase sales of our products, the success of our key development programs, our ability to achieve and sustain profitability, the outcomes of business development transactions in which we may participate, our capital allocation decisions, and other factors, including the risk factors described in this Annual Report. We have also experienced significant volatility in the market price of our ordinary shares based on our business performance, including in relation to our commercial sales and the financial guidance that we issue for such sales, results from our clinical development programs, and events relating to regulatory actions and interactions related to our product candidates and commercial products. For example, a series of adverse actions by the FDA in 2018 relating to our NDA for ALKS 5461, our investigational product for the treatment of major depressive disorder, caused the market price of our ordinary shares to decline significantly.

In addition, the stock market in general, including the market for biopharmaceutical companies, has experienced extreme price and trading volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. In particular, negative publicity regarding pricing and price increases by pharmaceutical companies, and potential legislation to regulate drug pricing, has negatively impacted, and may continue to negatively impact, the market for biopharmaceutical companies. These broad market and industry factors have harmed, and in the future may harm, the market price of our ordinary shares, regardless of our operating performance.

### *Our business could be negatively affected as a result of the actions of activist shareholders.*

Proxy contests and other actions by activist shareholders have been waged against many companies in our industry over the last several years. Activist shareholders may agitate, either publicly or privately, for changes to a company's board of directors, management, structure, spend or strategic direction, among other things.

Proxy contests and other actions by activist shareholders can be costly and time-consuming, disrupting operations and diverting the attention of management and employees, and can lead to perceived uncertainties as to the future direction of the Company or its business that may result in the loss of potential acquisitions, collaborations or in-licensing opportunities and make it more difficult to attract and retain qualified personnel and business partners. In addition, if individuals are elected to our board of directors with a specific agenda, it may adversely affect our ability to effectively implement our strategic plan in a timely manner and create additional value for our shareholders.

In recent years, we engaged in extensive dialogue with principals of Elliot Investment Management L.P. and Sarissa Capital Offshore Master Fund LP and their affiliates, resulting in negotiation of settlement arrangements in 2020 and 2021 pursuant to which directors were elected to our Board and a contested election in 2023. The extensive interactions and activities related to our engagement with activist shareholders required the expenditure of time, energy and expense by management and our board of directors and diverted employee and management attention from business operations.

Any future activist shareholder interactions, contests, actions or requests, or the mere public presence of activist shareholders among our shareholder base, could cause the market price of our ordinary shares to experience periods of significant volatility.

## Risks Related to Information Security and Data Privacy

### *Information security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.*

In the ordinary course of our business, we collect and store sensitive data, including IP, proprietary business information of ours and that of our suppliers and partners, as well as personally identifiable information of persons who use our medicines, clinical trial participants and employees. Our partners and third-party providers also possess certain of our sensitive data. The secure maintenance of all such information and the secure performance of our information technology ("IT") systems are critical to our operations and business strategy.

As our dependency on, and the complexity of, our IT systems increases, the confidentiality, integrity and availability of our IT systems and the data that they store is critical to managing our business. While we take prudent measures to secure our IT systems, the risk still exists that such systems may become compromised by successful breaches, malfeasance, human error or technological fault. Moreover, the prevalent use of mobile devices to access confidential information, the expansion of remote work, and the increased use of artificial intelligence presents new and increased risk of security breaches. Cyber-attacks have increased in frequency, persistence, sophistication and intensity, often conducted by sophisticated and organized groups and individuals with a wide range of motives (including, but not limited to, industrial espionage, hactivists and organized crime). In addition to the extraction of important information, such attacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of our information. Certain types of attacks or breaches on our IT systems or infrastructure, or those of our partners and third-party providers, may go undetected for a prolonged period. Although to our knowledge we have not experienced any material incident or interruption to date, any breakdown, invasion, corruption, destruction or breach of our, our partners' or our third-party providers' technology systems could compromise such IT systems and the information stored there could be accessed, modified, publicly disclosed, lost or stolen, which could result in legal claims or proceedings and liability under laws that protect the privacy of personal information, demands for ransom or other forms of blackmail, disruptions to our development programs or commercial operations, damage to our reputation and adverse effects on our business. We retain cybersecurity insurance to cover costs and expenses related to a breach or similar event; however, there is no guarantee that such costs and expenses would not exceed the insurance that we retain.

***We may be subject to numerous and varying privacy and security laws, and our failure to comply could result in penalties and reputational damage.***

In the ordinary course of business, we may process personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials, patient data and sensitive third-party data. Our data processing activities subjects us to laws and regulations covering data privacy and the protection of personal information, including health information. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues which may affect our business.

In the U.S., numerous federal and state laws and regulations, including state security breach notification laws, federal and state consumer protection laws, and state health information privacy laws (for example, the California Consumer Privacy Act of 2018 and the California Privacy Rights Act of 2020), govern the collection, use, disclosure, and protection of personal information. Such federal and state laws and regulations may require businesses to provide specific disclosures and implement processes to permit individuals to exercise certain privacy rights, which in each case could increase our potential liability, increase our compliance costs, and affect our ability to collect and use personal information. The privacy regulation landscape is rapidly evolving, and any changes to existing legislation or adoption of new state or federal regulations may further complicate compliance efforts and further increase legal risk and compliance costs for us and the third parties upon whom we rely. In addition, each of these current and potential future laws may be subject to varying interpretations by courts and government agencies, creating complex compliance issues for us and the third parties upon whom we rely. If we fail to comply with applicable laws and regulations, we could be subject to penalties or sanctions, including criminal penalties if we knowingly obtain or disclose individually identifiable health information from a covered entity in a manner that is not authorized or permitted by the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, or HIPAA.

Numerous other countries have, or are developing, laws governing the collection, use and transmission of personal information as well. The EU and other jurisdictions have adopted data protection laws and regulations, which impose significant compliance obligations. In the EU, for example, the GDPR governs the processing of personal data. The GDPR imposes significant obligations on controllers and processors of personal data, including high standards for obtaining consent from individuals to process their personal data, robust notification requirements to individuals about the processing of their personal data, a strong individual data rights regime, mandatory data breach notifications, limitations on the retention of personal data and stringent requirements pertaining to health data, and strict rules and restrictions on the transfer of personal data outside of the EU, including to the U.S. The GDPR also imposes additional obligations on, and required contractual provisions to be included in, contracts between companies subject to the GDPR and their third-party processors that relate to the processing of personal data. The GDPR allows EU member states to adopt additional laws and regulations in order to introduce further conditions, including limitations, with regard to the processing of genetic, biometric or health data.

Adoption of the GDPR increased our responsibility and liability in relation to personal data that we process and may require us to put in place additional mechanisms to ensure compliance. Any failure to comply with the requirements of GDPR and applicable national data protection laws of EU member states could lead to regulatory enforcement actions and significant administrative and/or financial penalties against us (fines of up to €20,000,000 or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher), and could adversely affect our business, financial condition, cash flows and results of operations.

**General Risk Factors**

***A future pandemic, epidemic or outbreak of an infectious disease, may materially and adversely affect our business, financial condition and results of operations.***

Outbreaks of contagious diseases and other adverse public health developments affecting us and/or the third parties on which we rely, could have a material and adverse effect on our business, financial condition and results of operations. For example, the COVID-19 pandemic, which impacted the operation of healthcare systems, global travel, supply and labor markets and other business and economic activity worldwide, had an adverse impact on our financial condition and results of operations. For example, commercial sales of the medicines from which we derive revenue—including injectable medications administered by healthcare professionals—were adversely impacted as a result of COVID-19-related restrictions, labor shortages and other developments that transpired, many of which contributed to limited access to, or reduced willingness to access, healthcare providers and locations where injectable medications may be administered.

In addition, the COVID-19 pandemic disrupted, to varying degrees, the business operations of the third parties on which we rely, including our suppliers, packagers, distributors, contract research organizations, customers, clinical site investigators, community advocacy partners, and others. Any prolonged material disruption to the third parties on which we rely could negatively impact our ability to conduct our clinical development, manufacturing or other business activities in the manner and on the timelines presently planned, which could have a material adverse impact on our business, results of operations and financial condition. The COVID-19 pandemic also impacted, at various stages of the pandemic, the regulatory agencies with which we interact in the development, manufacture, regulatory review and commercialization of our medicines, including the FDA, the HPRA and other regulatory agencies. Any disruptions to these agencies can negatively impact expected timelines for regulatory interactions related to, and/or review and approval of, our product candidates, which could have an adverse effect on our business and the market price of our ordinary shares.

Although the acute COVID-19 public health emergency has lapsed, we will continue to monitor its long-term impacts, including impacts on market practices and on the labor market, and adjust our policies and practices as needed to mitigate any adverse impacts to our business operations and financial condition. We will also work with our internal teams and the third-parties on which we rely to assess, and seek to mitigate, the potential impacts on our business operations and financial condition of any future outbreaks of contagious diseases or other adverse public health developments that may emerge from time to time.

***If we identify a material weakness in our internal control over financial reporting, our ability to meet our reporting obligations and the trading price of our ordinary shares could be negatively affected.***

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. Accordingly, a material weakness increases the risk that the financial information we report contains material errors.

We regularly review and update our internal controls, disclosure controls and procedures, and corporate governance policies. In addition, we are required under the Sarbanes-Oxley Act of 2002 to report annually on our internal control over financial reporting. Any system of internal controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. If we, or our independent registered public accounting firm, determine that our internal controls over financial reporting are not effective, or we discover areas that need improvement in the future, these shortcomings could have an adverse effect on our business and financial results, and the price of our ordinary shares could be negatively affected.

If we cannot conclude that we have effective internal control over our financial reporting, or if our independent registered public accounting firm is unable to provide an unqualified opinion regarding the effectiveness of our internal control over financial reporting, investors could lose confidence in the reliability of our financial statements, which could lead to a decline in the trading price of our ordinary shares. Failure to comply with reporting requirements could also subject us to sanctions and/or investigations by Nasdaq or the SEC or other regulatory authorities.

***The increasing use of social media platforms presents new risks and challenges.***

Social media is increasingly being used as a means of corporate communications and for purposes of social networking and commentary. We are increasingly using social media tools to communicate certain information about our business, our employees, our company values and corporate responsibility initiatives, to support disease state education in our areas of focus, and to provide information about our products or development programs. Despite our efforts to monitor evolving social media guidance and to comply with applicable rules, regulations and regulatory guidance relating to social media, such practices are evolving and not always clear. There is a risk that the use of social media by us or our employees to communicate about our products or business may cause us to be found in violation of applicable requirements and could result in regulatory actions or legal claims against us related to off-label marketing or other prohibited activities. In addition, our employees may knowingly or inadvertently engage on social media in ways

that may not comply with our social media policy or other legal, contractual or regulatory requirements, which may give rise to liability, lead to the loss of trade secrets and other intellectual property, or result in public disclosure of personal information of our employees, clinical trial patients, customers, and others. In addition, negative or inaccurate posts or comments about us or our products on any social media platforms could damage our reputation, brand image and goodwill. If such disclosures were to occur, there is a risk that we fail to monitor and comply with applicable adverse event reporting obligations or that we may not be able to defend the Company or the public's legitimate interests due to restrictions on what we may say about our products or our business. Any of these events, if they were to occur, could cause us to incur liability, face overly restrictive regulatory actions or suffer reputational or other harm to our business.

## Item 1B. *Unresolved Staff Comments*

None.

## Item 1C. *Cybersecurity*

*Risk Management and Strategy*

In the ordinary course of our business, we collect and store sensitive data, including intellectual property, proprietary business information of ours and that of our suppliers and partners, and personally identifiable information of persons who use our medicines, clinical trial participants and employees. Our partners and third-party providers also possess certain of our sensitive data. The secure maintenance of all such information and the secure performance of our information technology ("IT") systems are critical to our operations and business strategy. As our dependency on, and the complexity of, our IT systems increases, the confidentiality, integrity and availability of our IT systems and the data that they store is critical to managing our business.

Our Information Security Management System ("ISMS") is a key element of our information security program, and it is designed to identify, assess, help mitigate, and monitor information technology risks across the organization, including information security risks. The ISMS is informed by the structured principles of International Standard- ISO/IEC27001:2022 (Information security, cybersecurity, and privacy protection), which outlines guidance for the establishment, implementation, maintenance, and improvement of information security management systems. Our ISMS is comprised of processes designed to identify cybersecurity risks, safeguard information assets and preserve the confidentiality, integrity, and availability of information owned, managed and maintained by us. Our ISMS includes formal written policies and procedures, technical security controls, such as automated tools designed to detect and prevent cybersecurity incidents, and programs designed to promote internal and third-party risk management, audit management, incident response and security awareness, including employee security awareness trainings and other initiatives. Our ISMS also includes periodic security audits, vulnerability assessments and penetration testing to proactively identify potential system vulnerabilities. Our ISMS is periodically assessed by third-party assessors and the results of such assessments, including any cybersecurity risks identified and managed thereby, are reported to the audit and risk committee of our board of directors, as described below, and are used by us to improve our ISMS specifically and our information security program generally.

As part of our information security program, we also have a program in place for management of cybersecurity risks associated with third-party handling of our confidential information, including their provision of critical services on our behalf. We conduct due diligence of our third-party vendors through an assessment of their security practices and overall risk profile, including through their completion of vendor assessment questionnaires and our application of established mechanisms for ongoing monitoring of such third parties, including tools such as security ratings services and periodic reassessment questionnaires.

As of the date of this Annual Report, we have not experienced any information security incidents that have materially affected, or are reasonably likely to materially affect, our business strategy, results of operations, or financial condition, and we have not identified any current cybersecurity threats that we believe are reasonably likely to materially affect our business strategy, results of operations, or financial condition.

*Governance and Oversight*

We have a multi-layered information security governance framework in place to provide oversight of our information security program and strategy, our ISMS, and related risks and opportunities. This governance framework includes procedures for escalation of identified information security risks, threats or incidents through various management levels, including up to our Information Security Governing Body, which is comprised of our Chief Executive Officer, Chief Information Officer, Chief Operating Officer, Chief Financial Officer, Chief Legal Officer and other members of management, and as appropriate, up to our board of directors.

Our information security team, led by our Chief Information Officer, is responsible for developing, implementing and overseeing our Company-wide information security strategy and related policies and practices. The information security team is managed on a day-to-day basis by our Director and Executive Director of Information Security and works cross-functionally throughout the organization to assess and prepare the Company for identification and mitigation of, and if necessary response to, information security risks. Our information security team members collectively have extensive IT, IT security and cloud industry experience, as well as certifications pertaining to information security and privacy (such as such as Certified Information Systems Security Professional, Certified Information Security Manager, Certified Information Privacy Technologist, GIAC Security Essentials and GIAC Information Security Professional certifications).

Our board of directors, as a whole and through its committees, has responsibility for the oversight of risk management. The audit and risk committee of our board of directors specifically oversees critical risks and opportunities facing the Company and, in this context, reviews and provides feedback on our company-wide enterprise risk management program, which encompasses risks related to information technology and cybersecurity and mitigations put in place, or to be put in place, in response to such risks. The audit and risk committee periodically reports to the full board of directors regarding the audit and risk committee's oversight of the Company's enterprise risk management program and periodic risk assessment results. In addition, our board of directors receives periodic updates from our Chief Information Officer and our Executive Director of Information Security on the ISMS and other information security initiatives, and on our information security governance framework.

## Item 2. *Properties*

We lease approximately 14,600 square feet of corporate office space in Dublin, Ireland, which houses our corporate headquarters. In 2023, we exercised our option to extend the lease term for a four-year period. This extended lease expires in 2027 and does not include an additional tenant option to further extend the term.

We lease approximately 231,000 square feet of office and laboratory space in Waltham, Massachusetts. This lease, which commenced in January 2020, expires in 2035 and includes a tenant option to extend the term for an additional ten-year period. We serve as the guarantor of a lease assigned to Mural Oncology, Inc. for a facility in Waltham, Massachusetts with approximately 180,000 square feet of corporate offices, administrative areas and laboratories. This lease expires in 2026 and includes a tenant option to extend the term for an additional five-year period.

We lease approximately 7,000 square feet of corporate office and administrative space in Washington, DC. This lease expires in 2029 and includes a tenant option to extend the term for an additional five-year period.

We own the Athlone Facility (approximately 400,000 square feet). In December 2023, we announced our entry into an agreement to sell this facility, which is expected to occur in mid-2024. We own a manufacturing facility in Wilmington, Ohio (approximately 375,000 square feet).

We believe that our current facilities are suitable and adequate for our current and near-term preclinical, clinical and commercial requirements.

## Item 3. *Legal Proceedings*

For information regarding legal proceedings, refer to the discussion under the heading "Litigation" in Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report, which discussion is incorporated into this Item 3 by reference.

## Item 4. *Mine Safety Disclosures*

Not Applicable.

## PART II

### Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

#### *Market and shareholder information*

Our ordinary shares are traded on the Nasdaq Global Select Market under the symbol "ALKS." There were 100 shareholders of record of our ordinary shares on February 9, 2024. In addition, the last reported sale price of our ordinary shares as reported on the Nasdaq Global Select Market on February 9, 2024 was $27.32.

#### *Dividends*

No dividends have been paid on our ordinary shares to date, and we do not expect to pay cash dividends thereon in the foreseeable future. We anticipate that we will generally retain earnings to support our operations and our proprietary drug development programs. Any future determination as to the payment of dividends will be at the sole discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements and other factors that our board of directors deems relevant.

#### *Repurchase of equity securities*

On February 15, 2024, our board of directors authorized a share repurchase program to repurchase ordinary shares of the Company in an aggregate amount of up to $400.0 million (exclusive of any fees, commissions or other expenses related to such repurchases) from time to time on the open market (the "2024 Repurchase Program"). The timing and amount of any share repurchases under the 2024 Repurchase Program will be based on a variety of factors, including but not limited to ongoing assessments of our capital needs, alternative investment opportunities, the market price of our ordinary shares and general market conditions. The 2024 Repurchase Program has no set expiration date and may be suspended or discontinued at any time. The 2024 Repurchase Program terminates, and supersedes in its entirety, our prior share repurchase program authorized by our board of directors in September 2011 (the "Prior Repurchase Program") under which we have purchased a total of 8,866,342 ordinary shares at a cost of $114.0 million. During the years ended December 31, 2023 and 2022, we did not purchase any ordinary shares under the Prior Repurchase Program.

During the three months ended December 31, 2023, we acquired 84,662 of our ordinary shares, at an average price of $28.27 per share, related to the vesting of employee equity awards to satisfy withholding tax obligations.

#### *Irish taxes applicable to U.S. holders*

The following is a general summary of the main Irish tax considerations applicable to the purchase, ownership and disposition of our ordinary shares by U.S. holders. It is based on existing Irish law and practices in effect on January 8, 2024, and on discussions and correspondence with the Irish Revenue Commissioners. Legislative, administrative or judicial changes may modify the tax consequences described below.

The statements do not constitute tax advice and are intended only as a general guide. Furthermore, this information applies only to our ordinary shares held as capital assets and does not apply to all categories of shareholders, such as dealers in securities, trustees, insurance companies, collective investment schemes and shareholders who acquire, or who are deemed to acquire, their ordinary shares by virtue of an office or employment. The statements are in reference to individuals who are considered non-resident and non-ordinarily resident of Ireland for tax purposes. This summary is not exhaustive and shareholders should consult their own tax advisers as to the tax consequences in Ireland, or other relevant jurisdictions where we operate, including the acquisition, ownership and disposition of ordinary shares.

##### *Withholding tax on dividends*

While we have no current plans to pay dividends, dividends on our ordinary shares would generally be subject to Irish dividend withholding tax ("DWT") at 25%, unless an exemption applies. Dividends on our ordinary shares that are owned by residents of the U.S. and held beneficially through the Depositary Trust Company ("DTC") will not be subject to DWT provided that the address of the beneficial owner of the ordinary shares in the records of the broker is in the U.S.

Dividends on our ordinary shares that are owned by residents of the U.S. and held directly (outside of DTC) will not be subject to DWT provided that the shareholder has completed the appropriate Irish DWT form and this form remains valid. Such shareholders must provide the appropriate Irish DWT form to our transfer agent at least seven business days before the record date for the first dividend payment to which they are entitled.

If any shareholder who is resident in the U.S. receives a dividend subject to DWT, they should generally be able to make an application for a refund from the Irish Revenue Commissioners on the prescribed form.

### *Income tax on dividends*

Irish income tax, if any, may arise in respect of dividends paid by us. However, a shareholder who is neither resident nor ordinarily resident in Ireland and who is entitled to an exemption from DWT, generally has no liability for Irish income tax or to the universal social charge on a dividend from us, unless he or she holds his or her ordinary shares through a branch or agency in Ireland which carries out a trade on his or her behalf.

### *Irish tax on capital gains*

A shareholder who is neither resident nor ordinarily resident in Ireland and does not hold our ordinary shares in connection with a trade or business carried on by such shareholder in Ireland through a branch or agency, should not be within the scope of the charge to Irish tax on capital gains on a disposal of our ordinary shares.

### *Capital acquisitions tax*

Irish capital acquisitions tax ("CAT") is comprised principally of gift tax and inheritance tax. CAT could apply to a gift or inheritance of our ordinary shares irrespective of the place of residence, ordinary residence or domicile of the parties. This is because our ordinary shares are regarded as property situated in Ireland as our share register must be held in Ireland. The person who receives the gift or inheritance has primary liability for CAT.

CAT is levied at a rate of 33% above certain tax-free thresholds. The appropriate tax-free threshold is dependent upon (i) the relationship between the donor and the recipient, and (ii) the aggregation of the values of previous gifts and inheritances received by the recipient from persons within the same category of relationship for CAT purposes. Gifts and inheritances passing between spouses are exempt from CAT. Our shareholders should consult their own tax advisers as to whether CAT is creditable or deductible in computing any domestic tax liabilities.

### *Stamp duty*

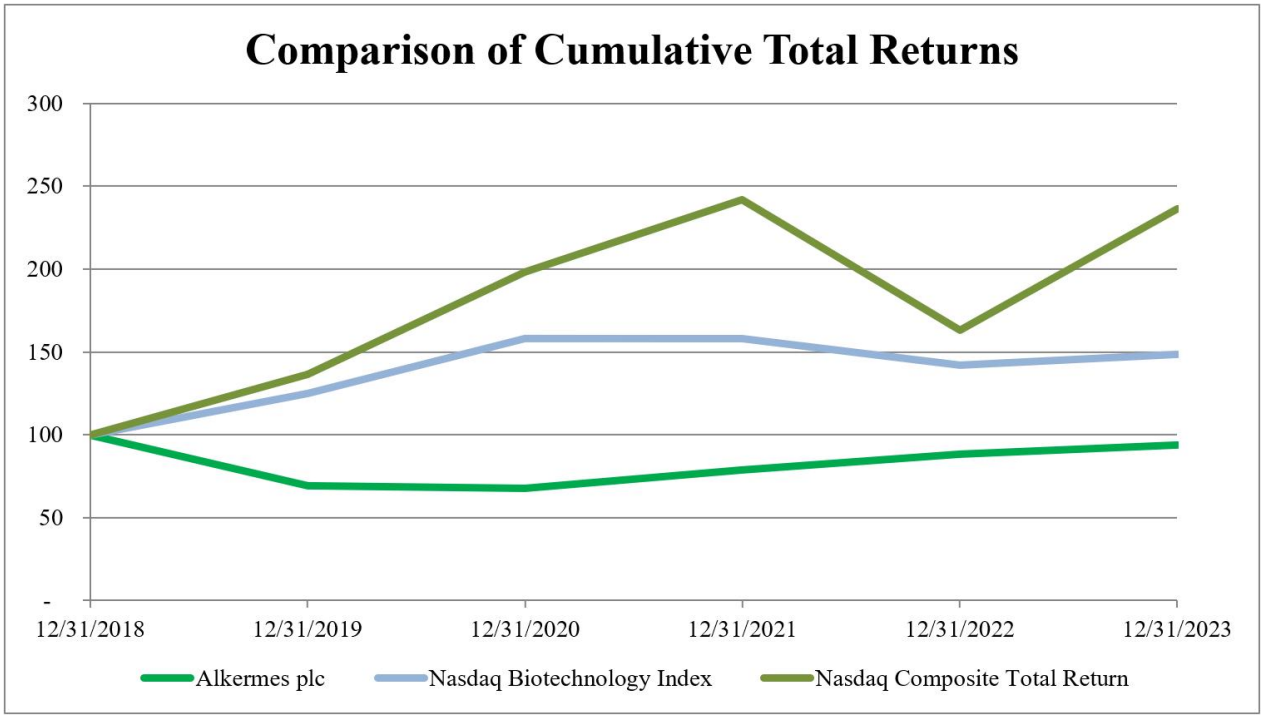
Irish stamp duty, if any, may become payable in respect of ordinary share transfers. However, a transfer of our ordinary shares from a seller who holds shares through DTC to a buyer who holds the acquired shares through DTC should not be subject to Irish stamp duty. A transfer of our ordinary shares (i) by a seller who holds ordinary shares outside of DTC to any buyer, or (ii) by a seller who holds the ordinary shares through DTC to a buyer who holds the acquired ordinary shares outside of DTC, may be subject to Irish stamp duty, which is currently at the rate of 1% of the price paid or the market value of the ordinary shares acquired, if greater. The person accountable for payment of stamp duty is the buyer or, in the case of a transfer by way of a gift or for less than market value, all parties to the transfer.

A shareholder who holds ordinary shares outside of DTC may transfer those ordinary shares into DTC without giving rise to Irish stamp duty provided that the shareholder would be the beneficial owner of the related book-entry interest in those ordinary shares recorded in the systems of DTC, and in exactly the same proportions, as a result of the transfer and at the time of the transfer into DTC there is no sale of those book-entry interests to a third party being contemplated by the shareholder. Similarly, a shareholder who holds ordinary shares through DTC may transfer those ordinary shares out of DTC without giving rise to Irish stamp duty provided that the shareholder would be the beneficial owner of the ordinary shares, and in exactly the same proportions, as a result of the transfer, and at the time of the transfer out of DTC there is no sale of those ordinary shares to a third party being contemplated by the shareholder. In order for the share registrar to be satisfied as to the application of this Irish stamp duty treatment where relevant, the shareholder must confirm to us that the shareholder would be the beneficial owner of the related book-entry interest in those ordinary shares recorded in the systems of DTC, and in exactly the same proportions or vice-versa, as a result of the transfer and there is no agreement for the sale of the related book-entry interest or the ordinary shares or an interest in the ordinary shares, as the case may be, by the shareholder to a third party being contemplated.

### *Stock performance graph*

The information contained in the performance graph below shall not be deemed to be "soliciting material" or to be "filed" with the SEC, and such information shall not be incorporated by reference into any future filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate it by reference into such filing.

The following graph compares the cumulative total shareholder return on our ordinary shares from December 31, 2018 through December 31, 2023 with the cumulative returns of the Nasdaq Composite Total Return Index and the Nasdaq Biotechnology Index. The comparison assumes $100 was invested on December 31, 2018 in our ordinary shares and in each of the foregoing indices and further assumes reinvestment of any dividends. We did not declare or pay any dividends on our ordinary shares during the comparison period.




| | Year Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Alkermes | 100 | 69 | 68 | 79 | 89 | 94 |
| Nasdaq Composite Total Return | 100 | 137 | 198 | 242 | 163 | 236 |
| Nasdaq Biotechnology Index | 100 | 125 | 158 | 158 | 142 | 149 |

## Item 6. *[Reserved]*

Not applicable.

## Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

The following should be read in conjunction with our consolidated financial statements and related notes beginning on page F-1 of this Annual Report. The following discussion contains forward-looking statements. Actual results may differ significantly from those projected in the forward-looking statements. See "Cautionary Note Concerning Forward-Looking Statements" on page 3 of this Annual Report. Factors that might cause future results to differ materially from those projected in the forward-looking statements also include, but are not limited to, those discussed in "Item 1A—Risk Factors" and elsewhere in this Annual Report. A detailed discussion of our 2021 financial condition and results of operations, and of 2022 year-over-year changes as compared to 2021, can be found in "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on February 16, 2023.

### Overview

We have a portfolio of proprietary products that we manufacture, market and sell in the U.S.—VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI. We also earn manufacturing and/or royalty revenues on net sales of products commercialized by our licensees, the most significant of which in 2023 were the long-acting INVEGA products and VUMERITY. We expect VIVITROL, ARISTADA, ARISTADA INITIO, LYBALVI and VUMERITY to generate significant revenues for us in the near- and medium-term as we believe these products are singular or competitively advantaged products in their classes.

In 2023, our net income from continuing operations was $519.2 million, as compared to net loss from continuing operations of $33.2 million in 2022. The increase in net income from continuing operations was primarily due to increases of $142.4 million in product sales, net, $411.4 million in manufacturing and royalty revenue and $99.6 million in income tax benefit, partially offset by increases of $34.9 million in cost of goods manufactured and sold and $99.0 million in selling, general and administrative expenses. The increase in manufacturing and royalty revenue primarily relates to the successful outcome of the arbitration proceedings in respect of the long-acting INVEGA products. These items are discussed in further detail within the "Results of Operations" section below.

### Business Update

On November 15, 2023, we completed the separation of our oncology business into Mural Oncology plc ("Mural"), a new, independent, publicly-traded company (the "Separation"). The Separation was effected by means of a distribution of all of the outstanding ordinary shares of Mural to our shareholders (the "Distribution"), in which each of our shareholders received one ordinary share, nominal value $0.01 per share, of Mural for every ten ordinary shares, par value $0.01 per share, of Alkermes held by such shareholder as of the close of business on November 6, 2023, the record date for the Distribution. The effective time of the Distribution was 12:01 a.m. Eastern time on November 15, 2023 (the "Separation Date"). In connection with the Separation, we entered into a separation agreement with Mural that, among other things, sets forth the principal terms of the Separation and the Distribution, and a number of other ancillary agreements. The Separation and related agreements are more fully described in Note 3, *Discontinued Operations*, in the "Notes to Consolidated Financial Statements" in this Annual Report.

On December 14, 2023, we announced that we entered into a definitive agreement to sell the Athlone Facility to Novo and plan to enter into subcontracting arrangements to continue certain development and manufacturing activities currently performed at the Athlone Facility for a period of time after the closing of the transaction, which arrangements may continue through the end of 2025. The transaction is subject to various uncertainties and risk, including, without limitation, satisfaction of the conditions to closing of the transaction on the anticipated timeline, potential negative impacts on our relationships with current suppliers or licensees or diversion of management and employee attention from daily business operations, and risks inherent in the transition to subcontracting arrangements. The transaction is expected to close in mid-2024, subject to certain closing conditions.

## Results of Operations

As a result of the Separation, the historical results of our oncology business have been reflected as discontinued operations in our consolidated financial statements through the Separation Date. Prior period results of operations and balance sheet information have been recast to reflect this presentation.

### *Product Sales, Net*

Our product sales, net, consist of sales of VIVITROL, ARISTADA and ARISTADA INITIO, and LYBALVI, primarily to wholesalers, specialty distributors and pharmacies. The following table presents the adjustments deducted from product sales, gross to arrive at product sales, net, for sales of these products during the years ended December 31, 2023 and 2022:

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| (In millions, except for % of Sales) | 2023 | % of Sales | 2022 | % of Sales |
| Product sales, gross | $ 1,855.4 | 100.0 % | $ 1,548.9 | 100.0 % |
| Adjustments to product sales, gross: | | | | |
| Medicaid rebates | (426.4) | (23.0) % | (344.0) | (22.2) % |
| Chargebacks | (189.1) | (10.2) % | (157.2) | (10.2) % |
| Product discounts | (137.7) | (7.4) % | (124.1) | (8.0) % |
| Medicare Part D | (74.4) | (4.0) % | (68.1) | (4.4) % |
| Other | (107.8) | (5.8) % | (77.9) | (5.0) % |
| Total adjustments | (935.4) | (50.4) % | (771.3) | (49.8) % |
| Product sales, net | $ 920.0 | 49.6 % | $ 777.6 | 50.2 % |

VIVITROL product sales, gross, increased by 13%, which was primarily due to an increase of 5% in the number of VIVITROL units sold and a 6% increase in the selling price of VIVITROL that went into effect in January 2023. ARISTADA and ARISTADA INITIO product sales, gross, increased by 11%, which was primarily due to an increase of 8% in the number of ARISTADA and ARISTADA INITIO units sold and a 3% increase in the selling price of ARISTADA and ARISTADA INITIO that went into effect in January 2023. LYBALVI product sales, gross, increased by 102%, which was primarily due to an increase of 97% in the number of units sold and increases of 6% and 3% in the selling price of LYBALVI that went into effect in November 2022 and July 2023, respectively.

The following table compares product sales, net earned during the years ended December 31, 2023 and 2022:

| | Year Ended December 31, | | |
|---|---|---|---|
| (In millions) | 2023 | 2022 | Change |
| VIVITROL | $ 400.4 | $ 379.5 | $ 20.9 |
| ARISTADA and ARISTADA INITIO | 327.7 | 302.1 | 25.6 |
| LYBALVI | 191.9 | 96.0 | 95.9 |
| Product sales, net | $ 920.0 | $ 777.6 | $ 142.4 |

A number of companies are working to develop products to treat addiction, including alcohol and opioid dependence, that may compete with, and negatively impact, future sales of VIVITROL. Increased competition may lead to reduced unit sales of VIVITROL and increased pricing pressure. The latest to expire of our patents covering VIVITROL will expire in 2029 in the U.S. Pursuant to the terms of a confidential settlement and license agreement entered into in August 2023 with Teva, we granted Teva a non-exclusive, royalty-free, non-transferable, non-sublicensable limited license under the remaining patent covering VIVITROL to market and sell a generic version of VIVITROL in the U.S. beginning on the First Entry Date, or earlier under certain circumstances. Under the terms of a settlement and license agreement entered into in July 2019 with Amneal, we granted Amneal a non-exclusive license under certain patents covering VIVITROL, including the remaining patent covering VIVITROL in the U.S., to market and sell a generic formulation of VIVITROL in the U.S. beginning on the earlier of the First Entry Date, sometime in 2028 or earlier under certain circumstances.

A number of companies currently market and/or are developing products to treat schizophrenia and/or bipolar I disorder that may compete with and negatively impact future sales of ARISTADA, ARISTADA INITIO and LYBALVI. Increased competition may lead to reduced unit sales of ARISTADA, ARISTADA INITIO and LYBALVI and increased pricing pressure. The latest to expire of our patents covering ARISTADA, ARISTADA INITIO and LYBALVI in the U.S. will expire in 2039, 2039 and 2041, respectively; and, as such, we do not anticipate any generic versions of these products to enter the market in the near term. We expect our product sales, net will continue to grow as VIVITROL continues to penetrate the alcohol dependence market in the U.S., as ARISTADA and ARISTADA INITIO continue to gain market share in the U.S., and as we continue to grow sales of LYBALVI in the U.S.

*Manufacturing and Royalty Revenues*

Manufacturing revenue from RISPERDAL CONSTA and VUMERITY are recognized at the point in time that the product has been fully manufactured. Manufacturing revenues for other third-party products using our proprietary technologies are mostly recognized over time as products move through the manufacturing process, using an input method based on costs as a measure of progress. Royalties earned on our licensees' net sales of products using our proprietary technologies are generally recognized in the period such products are sold by our licensees. The following table compares manufacturing and royalty revenues earned in the years ended December 31, 2023 and 2022:

| (In millions) | Year Ended December 31, 2023 | 2022 | Change |
|---|---|---|---|
| Manufacturing and royalty revenues: | | | |
| Long-acting INVEGA products | $ 486.1 | $ 115.7 | $ 370.4 |
| VUMERITY | 129.3 | 115.5 | 13.8 |
| RISPERDAL CONSTA | 37.3 | 49.9 | (12.6) |
| Other | 90.7 | 50.9 | 39.8 |
| Manufacturing and royalty revenues | $ 743.4 | $ 332.0 | $ 411.4 |

Our agreements with Janssen related to the long-acting INVEGA products provide for tiered royalty payments, which consist of a patent royalty and a know-how royalty, both of which are determined on a country-by-country basis. The patent royalty, which equals 1.5% of net sales, is payable in each country until the expiration of the last of the patents with valid claims applicable to the product in such country. The know-how royalty is a tiered royalty of 3.5% on calendar year net sales up to $250 million; 5.5% on calendar year net sales of between $250 million and $500 million; and 7.5% on calendar year net sales exceeding $500 million. The know-how royalty rate resets to 3.5% at the beginning of each calendar year and is payable until 15 years from the first commercial sale of a product in each individual country, subject to expiry of the agreement.

In November 2021, we received notice from Janssen of partial termination of our license agreement under which we provided Janssen with rights to, and know-how, training and technical assistance in respect of, our NanoCrystal technology, which was used to develop the long-acting INVEGA products. The partial termination became effective in February 2022, at which time Janssen ceased paying us royalties related to sales of INVEGA SUSTENNA, INVEGA TRINZA and INVEGA HAFYERA. Accordingly, we ceased recognizing royalty revenue related to sales of these products in February 2022. In April 2022, we commenced binding arbitration proceedings related to, among other things, Janssen's partial termination of this license agreement and Janssen's royalty and other obligations under the agreement. In May 2023, the Tribunal issued the Final Award, which concluded the arbitration proceedings.

The Final Award provided that we were due back royalties of $195.4 million, inclusive of $8.1 million in late-payment interest, related to 2022 U.S. net sales of the long-acting INVEGA products, which we received from Janssen in the second quarter of 2023, and are entitled to 2023 and future royalty revenues from Janssen related to net sales of INVEGA SUSTENNA through August 20, 2024, INVEGA TRINZA through the second quarter of 2030 (but no later than May 2030 when the license agreement expires) and INVEGA HAFYERA through May 2030 (when the license agreement expires).

Following issuance of the Final Award, we recognized royalty revenues related to the back royalties for 2022, as described above, and resumed recognizing royalty revenue related to ongoing U.S. sales of the long-acting INVEGA products. Royalty revenues related to the long-acting INVEGA products increased by $370.4 million during 2023, as compared to 2022, primarily due to the receipt of the back royalties and late-payment interest described above and a full year of royalty revenue related to worldwide net sales of the long-acting INVEGA products of approximately $290.7 million, as compared to royalty revenue of $115.7 million during 2022. Janssen's worldwide net sales of the long-acting INVEGA products were $4,115.0 million during 2023, as compared to $4,140.0 million during 2022.

We expect royalty revenues from net sales of the long-acting INVEGA products to decrease in the near-term, as the royalty revenues related to net sales of INVEGA SUSTENNA are expected to end on August 20, 2024, which could have a significant impact on our INEVGA SUSTENNA royalty revenues during 2024. In addition, each of INVEGA SUSTENNA and INVEGA TRINZA are currently subject to Paragraph IV litigation in response to companies seeking to market generic versions of such products. Increased competition from new products or generic versions of these products may lead to reduced unit sales of such products and increased pricing pressure. For a discussion of these legal proceedings, see Note 19, *Commitments and Contingent Liabilities* in the "Notes to Consolidated Financial Statements" in this Annual Report, and for information about risks relating to these legal proceedings, see "Item 1A—Risk Factors" in this Annual Report, and specifically the section entitled "We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

We receive a 15% royalty on worldwide net sales of VUMERITY manufactured and packaged by us, subject to increases in such royalty rate for VUMERITY manufactured and/or packaged by Biogen or its designees, in the period that the end-market sales of VUMERITY occur. We also recognize manufacturing revenue related to VUMERITY at cost plus 15%, upon making available bulk batches of VUMERITY to Biogen and, to the extent we package such product, then also when packaged batches of VUMERITY are made available to Biogen. Manufacturing revenue from VUMERITY increased by $10.4 million during 2023, primarily due to an increase in the number of bulk batches made available to Biogen. Royalty revenue related to VUMERITY increased by $3.4 million during 2023, due to an increase in end-market net sales of VUMERITY, which were $576.3 million during 2023, as compared to $553.4 million during 2022.

We recognize manufacturing revenue for RISPERDAL CONSTA at the point in time when RISPERDAL CONSTA has been fully manufactured, which is deemed to have occurred when the product is approved for shipment by both us and Janssen. We record royalty revenue, equal to 2.5% of Janssen's end-market net sales, in the period that the end-market sales of RISPERDAL CONSTA occur. We expect revenues from RISPERDAL CONSTA to continue to decrease over time as patents covering RISPERDAL CONSTA expire in markets where end-market net sales of RISPERDAL CONSTA occur. We are aware of potential generic and other competition to RISPERDAL CONSTA that may lead to reduced unit sales and increased pricing pressure. The decrease in revenue from RISPERDAL CONSTA during 2023 was primarily due to decreases of $6.6 million in manufacturing revenue and $6.1 million in royalty revenue. The decrease in manufacturing revenue was primarily due to a decrease in the number of U.S. batches made available to Janssen and a 7% decrease in the rest of world average selling price of the product. The decrease in royalty revenue was primarily due to expirations of the patents covering RISPERDAL CONSTA, which expired in the U.S. in January 2023 and expired in the EU in 2021.

Certain of our manufacturing and royalty revenues are earned in countries outside of the U.S. and are denominated in currencies in which the product is sold. See "Item 7A—Quantitative and Qualitative Disclosures about Market Risk" in this Annual Report for information on currency exchange rate risk related to our revenues and "Item 1A—Risk Factors" in this Annual Report, and specifically the section entitled "Currency exchange rates may affect revenues and expenses" for risks related to currency exchange rates.

## Costs and Expenses

### *Cost of Goods Manufactured and Sold*

| (In millions) | Year Ended December 31, 2023 | 2022 [1] | Change |
|---|---|---|---|
| Cost of goods manufactured and sold | $ 253.0 | $ 218.1 | $ 34.9 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The increase in cost of goods manufactured and sold during 2023 was primarily due to an increase of $8.0 million in the cost of goods manufactured for VUMERITY and increases of $15.5 million, $13.3 million and $6.2 million, respectively, in the cost of goods sold for VIVITROL, LYBALVI and ARISTADA, partially offset by a decrease of $2.0 million in the cost of goods manufactured for RISPERDAL CONSTA. The increase related to VUMERITY was primarily due to increased manufacturing activity, as described above. The increases related to LYBALVI and ARISTADA were primarily due to the increases in sales activity, as described above. The increase in the cost of goods sold related to VIVITROL was due to an increase in sales activity, as described above, and an increase in costs related to out-of-specification batches. These increases were partially offset by decreases in cost of goods manufactured for RISPERDAL CONSTA, primarily due to a decrease in U.S. batches made available to Janssen, as described above, and in the cost of goods manufactured for certain legacy products that we manufacture due to a decrease in sales of such products.

### *Research and Development Expenses*

For each of our research and development ("R&D") programs, we incur both external and internal expenses. External R&D expenses include fees for clinical and preclinical activities performed by contract research organizations, consulting fees, and costs related to laboratory services, the purchase of drug product materials and third-party manufacturing development activities. Internal R&D expenses include employee-related expenses, occupancy costs, depreciation and general overhead. We track external R&D expenses for each of our development programs; however, internal R&D expenses are not tracked by individual program as they can benefit multiple development programs or our products or technologies in general.

The following table sets forth our external R&D expenses for the years ended December 31, 2023 and 2022 relating to our then-current development programs and our internal R&D expenses, listed by the nature of such expenses:

| (In millions) | Year Ended December 31, 2023 | 2022 [1] | Change |
|---|---|---|---|
| External R&D expenses: | | | |
| Development programs: | | | |
| ALKS 2680 | $ 31.3 | $ 15.7 | $ 15.6 |
| LYBALVI | 15.4 | 23.1 | (7.7) |
| Other external R&D expenses | 51.7 | 57.4 | (5.7) |
| Total external R&D expenses | 98.4 | 96.2 | 2.2 |
| Internal R&D expenses: | | | |
| Employee-related | 128.3 | 129.7 | (1.4) |
| Occupancy | 12.3 | 12.4 | (0.1) |
| Depreciation | 9.6 | 10.7 | (1.1) |
| Other | 22.2 | 23.7 | (1.5) |
| Total internal R&D expenses | 172.4 | 176.5 | (4.1) |
| Research and development expenses | $ 270.8 | $ 272.7 | $ (1.9) |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

These amounts are not necessarily predictive of future R&D expenses. In an effort to allocate our spending most effectively, we continually evaluate our products under development based on the performance of such products in preclinical and/or clinical trials, our expectations regarding the likelihood of their regulatory approval and our view of their future potential commercial viability, among other factors.

The increase in expenses related to ALKS 2680 during 2023 was primarily due to an increase in early-stage development expenses, including chemistry manufacturing and controls expenses and spend on a phase 1b proof-of-concept study, which was initiated in the second quarter of 2023. The decrease in expenses related to LYBALVI during 2023 was primarily due to decreased spend on certain ongoing long-term safety and tolerability studies as they near completion, partially offset by increased spend on the pediatric study related to the product. The decrease in other external R&D expenses was primarily due to the termination of the ALKS 1140 clinical development program in the second quarter of 2022.

***Selling, General and Administrative Expenses***

| (In millions) | Year Ended December 31, 2023 | 2022 [1] | Change |
|---|---|---|---|
| Selling and marketing expense | $ 487.5 | $ 392.2 | $ 95.3 |
| General and administrative expense | 202.3 | 198.6 | 3.7 |
| Selling, general and administrative expense | $ 689.8 | $ 590.8 | $ 99.0 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The increase in selling and marketing expense during 2023 was primarily due to a $72.1 million increase in marketing spend related to the launch of the direct-to-consumer campaign for LYBALVI. Employee-related expenses also increased by $25.2 million, primarily related to a 5% increase in sales and marketing headcount and an increase in employee travel as our in-person activities increased.

The increase in general and administrative expense during 2023 was primarily due to an increase in salaries and benefits of $7.6 million and an increase in our branded prescription drug fee of $2.1 million, partially offset by a decrease in professional services fees of $2.4 million, primarily due to decreased legal expenses.

### *Amortization of Acquired Intangible Assets*

| (In millions) | Year Ended December 31, 2023 | 2022 | Change |
|---|---|---|---|
| Amortization of acquired intangible assets | $ 35.7 | $ 36.4 | $ (0.7) |

Our amortizable intangible assets consist of technology and collaborative arrangements acquired as part of the acquisition of EDT in September 2011, which are being amortized over 12 to 13 years. We amortize our amortizable intangible assets using the economic use method, which reflects the pattern that the economic benefits of the intangible assets are consumed as revenue is generated from the underlying patent or contract.

Based on our most recent analysis, amortization of intangible assets included within our consolidated balance sheet at December 31, 2023 is expected to be approximately $2.0 million in the year ending December 31, 2024.

### *Other Income (Expense), Net*

| (In millions) | Year Ended December 31, 2023 | 2022 | Change |
|---|---|---|---|
| Interest income | $ 30.9 | $ 7.6 | $ 23.3 |
| Interest expense | (23.0) | (13.0) | (10.0) |
| Change in the fair value of contingent consideration | — | (21.8) | 21.8 |
| Other (expense) income, net | (0.5) | 2.2 | (2.7) |
| Total other income (expense), net | $ 7.4 | $ (25.0) | $ 32.4 |

Interest income consists primarily of interest earned on our available-for-sale investments. Interest expense consists of interest incurred on our 2026 Term Loans. The increases in interest income and interest expense were primarily due to increases in interest rates over the past twelve months, due to the rising interest rate environment during the year.

The change in the fair value of contingent consideration was due to the determination during 2022 that it was unlikely we would collect any further contingent consideration proceeds under our agreements with Baudax Bio, Inc. (“Baudax”) in effect at the time, and accordingly, we reduced the fair value of the contingent consideration to zero, as discussed in Note 6, *Fair Value*, in the “Notes to Consolidated Financial Statements” in this Annual Report.

### *Income Tax (Benefit) Provision*

| (In millions) | Year Ended December 31, 2023 | 2022 [1] | Change |
|---|---|---|---|
| Income tax (benefit) provision | $ (97.6) | $ 2.0 | $ (99.6) |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The income tax benefit in 2023 was primarily attributable to the partial release of the valuation allowance maintained against certain Irish deferred tax assets, partially offset by taxes on income earned in the U.S. and Ireland. The income tax provision in 2022 was primarily due to U.S. federal and state taxes on income earned in the U.S. and the tax impact of employee equity activity. No provision for income tax has been provided on undistributed earnings of our foreign subsidiaries because such earnings are indefinitely reinvested in the foreign operations. Cumulative unremitted earnings of overseas subsidiaries totaled approximately $797.0 million at December 31, 2023. In the event of a repatriation of those earnings in the form of dividends or otherwise, we may be liable for income taxes, subject to adjustment, if any, for foreign tax credits and foreign withholding taxes payable to foreign tax authorities. We estimate that approximately $70.8 million of income taxes would be payable on the repatriation of the unremitted earnings to Ireland.

As of December 31, 2023, we had $1.3 billion of Irish NOL carryforwards, $14.6 million of U.S. federal NOL carryforwards, $43.2 million of state NOL carryforwards, $9.7 million of federal R&D credits and $31.0 million of state tax credits which will either expire on various dates through 2043 or can be carried forward indefinitely. These loss and credit carryforwards are available to reduce certain future Irish and foreign taxable income and tax. These loss and credit carryforwards are subject to review and possible adjustment by the appropriate taxing authorities and may be subject to limitations based upon changes in the ownership of our ordinary shares.

In December 2022, the EU agreed to implement a corporate minimum tax rate of 15% on companies with combined annual revenue of at least €750.0 million. The Irish government has transposed the corporate minimum tax rules into Irish legislation with effect as of January 1, 2024.

## Liquidity and Capital Resources

Our financial condition is summarized as follows:

| | December 31, 2023 | | | December 31, 2022 | | |
|---|---|---|---|---|---|---|
| (In millions) | U.S. | Ireland | Total | U.S. | Ireland | Total |
| Cash and cash equivalents | $ 317.8 | $ 139.7 | $ 457.5 | $ 208.4 | $ 84.1 | $ 292.5 |
| Investments—short-term | 187.6 | 128.4 | 316.0 | 207.6 | 108.4 | 316.0 |
| Investments—long-term | 18.0 | 21.9 | 39.9 | 70.3 | 61.3 | 131.6 |
| Total cash and investments | $ 523.4 | $ 290.0 | $ 813.4 | $ 486.3 | $ 253.8 | $ 740.1 |
| Outstanding borrowings—short and long-term | $ 290.7 | $ — | $ 290.7 | $ 293.3 | $ — | $ 293.3 |

At December 31, 2023, our investments consisted of the following:

| | | Gross Unrealized | | | |
|---|---|---|---|---|---|
| (In millions) | Amortized Cost | Gains | Losses | Allowance for Credit Losses | Estimated Fair Value |
| Investments—short-term available-for-sale | $ 315.8 | $ 1.4 | $ (1.2) | $ — | $ 316.0 |
| Investments—long-term available-for-sale | 38.7 | — | (0.6) | — | 38.1 |
| Investments—long-term held-to-maturity | 1.8 | — | — | — | 1.8 |
| Total | $ 356.3 | $ 1.4 | $ (1.8) | $ — | $ 355.9 |

### *Sources and Uses of Cash*

We generated $401.4 million and $21.0 million of cash from operating activities during the years ended December 31, 2023 and 2022, respectively. We expect that our existing cash, cash equivalents and investments will be sufficient to finance our anticipated working capital and other cash requirements, such as capital expenditures and principal and interest payments on our long-term debt, for at least the twelve months following the date from which our financial statements were issued. Subject to market conditions, interest rates and other factors, we may pursue opportunities to obtain additional financing in the future, including debt and equity offerings, corporate collaborations, bank borrowings, arrangements relating to assets or other financing methods or structures. In addition, the 2026 Term Loans have an incremental facility capacity in an amount of $175.0 million, plus additional potential amounts provided that we meet certain conditions, including a specified leverage ratio.

Our investment objectives are, first, to preserve liquidity and conserve capital and, second, to generate investment income. We mitigate credit risk in our cash reserves by maintaining a well-diversified portfolio that limits the amount of investment exposure as to institution, maturity and investment type. Our available-for-sale investments consist primarily of short and long-term U.S. government and agency debt securities, corporate debt securities and debt securities issued and backed by non-U.S. governments. Our held-to-maturity investments consist of investments that are held as collateral under certain letters of credit related to certain of our lease agreements.

We classify available-for-sale investments in an unrealized loss position that do not mature within 12 months as long-term investments. We have the intent and ability to hold these investments until recovery, which may be at maturity, and it is more-likely-than-not that we would not be required to sell these securities before recovery of their amortized cost.

We have no off-balance sheet arrangements that are reasonably likely to have a material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources in the next twelve months. In connection with our acquisition of Rodin Therapeutics, Inc. (“Rodin”) in November 2019, we may become obligated to make up to $825.0 million in future milestone payments to the former shareholders of Rodin, $200.0 million of which would be triggered upon achievement of certain specified clinical milestones, $300.0 million of which would be triggered by the achievement of certain regulatory milestones and $325.0 million of which would be triggered upon the attainment of certain sales thresholds. At December 31, 2023, we had not recorded a liability related to these milestone payments as none of the future events that would trigger a milestone payment were considered probable of occurring.

Information about our cash flows, by category, is presented in the accompanying consolidated statements of cash flows. The discussion of our cash flows that follows does not include the impact of any adjustments to remove discontinued operations and is stated on a total company consolidated basis. The following table summarizes our cash flows for the years ended December 31, 2023 and 2022:

| | Year Ended December 31, | |
|---|---|---|
| (In millions) | 2023 | 2022 |
| Cash and cash equivalents, beginning of period | $ 292.5 | $ 337.5 |
| Cash flows provided by operating activities | 401.4 | 21.0 |
| Cash flows provided by (used in) investing activities | 53.3 | (64.4) |
| Cash flows used in financing activities | (289.7) | (1.6) |
| Cash and cash equivalents, end of period | $ 457.5 | $ 292.5 |

### *Operating Activities*

Cash flows from operating activities represent the cash receipts and disbursements related to all of our activities other than investing and financing activities. Operating cash flow is derived by adjusting our net income (loss) for non-cash operating items such as depreciation, amortization and share-based compensation and changes in operating assets and liabilities, which reflect timing differences between the receipt and payment of cash associated with transactions and when they are recognized in our results of operations.

Cash flows provided by operating activities during 2023 were $401.4 million and primarily consisted of net income of $355.8 million, adjusted for non-cash items, including share-based compensation of $100.9 million and depreciation and amortization of $74.9 million, partially offset by changes in working capital of $36.7 million and deferred income taxes of $99.9 million. During 2023, net income included receipt of $195.4 million from Janssen, inclusive of $8.1 million in late-payment interest, related to 2022 U.S. net sales of the long-acting INVEGA products following the successful outcome of the arbitration proceedings in respect of such products.

Cash flows provided by operating activities during 2022 were $21.0 million and primarily consisted of net loss of $158.3 million, adjusted for non-cash items including share-based compensation of $94.3 million, depreciation and amortization of $77.9 million, change in the fair value of contingent consideration of $21.8 million and changes in working capital of $12.8 million, partially offset by deferred income taxes of $32.8 million.

### *Investing Activities*

Cash flows provided by investing activities during 2023 were primarily due to $101.1 million in net sales of investments, offset by the purchase of $48.0 million of property, plant and equipment. Cash flows used in investing activities during 2022 were primarily due to $28.0 million in net purchases of investments and the purchase of $38.3 million of property, plant and equipment.

We expect to spend approximately $35.0 million during the year ending December 31, 2024 for capital expenditures. We continue to evaluate our manufacturing capacity based on expectations of demand for the products that we manufacture and will continue to record such amounts within construction in progress until such time as the underlying assets are placed into service, or we determine we have sufficient existing capacity and the assets are no longer required, at which time we would recognize an impairment charge. We continue to periodically evaluate whether facts and circumstances indicate that the carrying value of these long-lived assets to be held and used may not be recoverable.

### *Financing Activities*

Cash flows used in financing activities during 2023 primarily related to $275.0 million in cash distributed to Mural in connection with the Separation and $28.5 million of employee taxes paid related to the net share settlement of equity awards, partially offset by $16.8 million of cash that we received upon exercises of employee stock options. Cash flows used in financing activities during 2022 primarily related to $18.2 million of employee taxes paid related to the net share settlement of equity awards and $3.0 million of principal payments on our 2026 Term Loans, partially offset by $19.6 million of cash that we received upon exercises of employee stock options.

### *Debt*

At December 31, 2023, our borrowings consisted of $291.8 million outstanding under the 2026 Term Loans. The 2026 Term Loans bear interest at SOFR plus a credit spread adjustment applicable to the interest period and an applicable margin of 2.5% with a floor of 0.5%. Principal payments of $0.8 million are to be made quarterly through 2025, with a final payment of $285.8 million due in March 2026. Please refer to Note 12, *Long-Term Debt*, in the "Notes to Consolidated Financial Statements" in this Annual Report for a discussion of our outstanding term loans.

### *Discontinued Operations*

Net loss from discontinued operations consists of the results of our oncology business and is reported as a separate component of income. For additional information, please refer to Note 3, *Discontinued Operations*, in the "Notes to Consolidated Financial Statements" in this Annual Report.

## Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with GAAP. In connection with the preparation of our financial statements, we are required to make assumptions and estimates about future events, and apply judgments based on historical experience, current trends and other factors that management believes to be relevant at the time our consolidated financial statements are prepared. On a regular basis, we review these accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in Note 2, *Summary of Significant Accounting Policies*, of the "Notes to Consolidated Financial Statements" in this Annual Report. We believe that the following accounting estimates are the most critical to aid in fully understanding and evaluating our reported financial results, and they require our most difficult, subjective or complex judgments, resulting from the need to make estimates about the effects of matters that are inherently uncertain. We have reviewed these critical accounting estimates and related disclosures with the audit and risk committee of our board of directors.

### *Revenue from Contracts with Customers*

When entering into arrangements with customers, we identify whether our performance obligations under each arrangement represent a distinct good or service or a series of distinct goods or services. If a contract contains more than one performance obligation, we allocate the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The fair value of performance obligations under each arrangement may be derived using an estimate of selling price if we do not sell the goods or services separately.

We recognize revenue when or as we satisfy a performance obligation by transferring an asset or providing a service to a customer. Management judgment is required in determining the consideration to be earned under an arrangement and the period over which we are expected to complete our performance obligations under an arrangement. Steering committee services that are not inconsequential or perfunctory and that are determined to be performance obligations are combined with other research services or performance obligations required under an arrangement, if any, in determining the level of effort required in an arrangement and the period over which we expect to complete our aggregate performance obligations.

#### *Product Sales, Net*

Our product sales, net consist of sales in the U.S. of VIVITROL, ARISTADA, ARISTADA INITIO and LYBALVI, primarily to wholesalers, specialty distributors and pharmacies. Product sales, net are recognized when the customer obtains control of the product, which is when the product has been received by the customer.

Revenues from product sales are recorded net of reserves established for applicable discounts and allowances that are offered within contracts with our customers, healthcare providers or payers. Our process for estimating reserves established for these variable consideration components does not differ materially from historical practices. The transaction price, which includes variable consideration reflecting the impact of discounts and allowances, may be subject to constraint and is included in the net sales price only to the extent that it is probable that a significant reversal of the amount of the cumulative revenues recognized will not occur in a future period. Actual amounts may ultimately differ from our estimates. If actual results vary, we adjust these estimates, which could have an effect on earnings in the period of adjustment. The following are our significant categories of sales discounts and allowances:

- *Medicaid Rebates*—we record accruals for rebates to U.S. states under the Medicaid Drug Rebate Program as a reduction of sales when the product is shipped into the distribution channel using the expected value. We rebate individual U.S. states for all eligible units purchased under the Medicaid program based on a rebate per unit calculation, which is based on our average manufacturer prices. We estimate expected unit sales to individuals covered by Medicaid and rebates per unit under the Medicaid program and adjust our rebate accrual based on actual unit sales and rebates per unit and changes in trends in Medicaid utilization. To date, actual Medicaid rebates have not differed materially from our estimates;

- *Chargebacks*—discounts that occur when contracted indirect customers purchase directly from wholesalers and specialty distributors. Contracted customers generally purchase a product at its contracted price. The wholesaler or specialty distributor, in turn, then generally charges back to us the difference between the wholesale acquisition cost and the contracted price paid to the wholesaler or specialty distributor by the customer. The allowance for chargebacks is made using the expected value and is based on actual and expected utilization of these programs. Chargebacks could exceed historical experience and our estimates of future participation in these programs. To date, actual chargebacks have not differed materially from our estimates;
- *Product Discounts*—cash consideration, including sales incentives, given by us under agreements with a number of wholesaler, distributor, pharmacy, and treatment provider customers that provide them with a discount on the purchase price of products. The reserve is made using the expected value and to date, actual product discounts have not differed materially from our estimates;
- *Product Returns*—we record an estimate for product returns at the time our customers take control of our product. We estimate this liability using the expected returns of product sold based on our historical return levels and specifically identified anticipated returns due to known business conditions and product expiry dates. Return amounts are recorded as a reduction of sales. Once product is returned, it is destroyed. Actual product returns have not differed materially from our estimates; and
- *Medicare Part D*—we record accruals for Medicare Part D liabilities under the Medicare Coverage Gap Discount Program ("CGDP") as a reduction of sales. Under the CGDP, patients reaching the annual coverage gap threshold are eligible for reimbursement coverage for out-of-pocket costs for covered prescription drugs. Under an agreement with the Centers for Medicare and Medicaid Services, manufacturers are responsible for reimbursement of prescription plan sponsors for the portion of out-of-pocket expenses not covered under their Medicare plans. Actual Medicaid Part D rebates have not differed materially from our estimates.

A rollforward of our provisions for sales and allowances is as follows:

| (In millions) | Medicaid Rebates | Chargebacks | Product Discounts | Product Returns | Medicare Part D | Other | Total |
|---|---|---|---|---|---|---|---|
| **Balance, December 31, 2021** | $ 195.4 | $ 5.6 | $ 18.5 | $ 24.4 | $ 14.3 | $ 9.6 | $ 267.8 |
| Provision: | | | | | | | |
| Current year | 366.1 | 157.2 | 124.1 | 15.9 | 68.1 | 58.8 | 790.2 |
| Prior year | (22.1) | — | — | 3.2 | — | — | (18.9) |
| Total | 344.0 | 157.2 | 124.1 | 19.1 | 68.1 | 58.8 | 771.3 |
| Payments and credits related to: | | | | | | | |
| Current year sales | (186.5) | (149.9) | (103.0) | (13.8) | (51.1) | (48.8) | (553.1) |
| Prior year sales | (144.6) | (4.1) | (22.3) | — | (12.9) | (11.6) | (195.5) |
| Total | (331.1) | (154.0) | (125.3) | (13.8) | (64.0) | (60.4) | (748.6) |
| **Balance, December 31, 2022** | $ 208.3 | $ 8.8 | $ 17.3 | $ 29.7 | $ 18.4 | $ 8.0 | $ 290.5 |
| Provision: | | | | | | | |
| Current year | 435.3 | 189.1 | 137.7 | 33.4 | 74.4 | 71.5 | 941.4 |
| Prior year | (8.9) | — | — | 2.9 | — | — | (6.0) |
| Total | 426.4 | 189.1 | 137.7 | 36.3 | 74.4 | 71.5 | 935.4 |
| Payments and credits related to: | | | | | | | |
| Current year sales | (252.0) | (182.3) | (111.6) | (24.9) | (56.3) | (56.3) | (683.4) |
| Prior year sales | (168.9) | (6.0) | (24.3) | — | (15.9) | (13.0) | (228.1) |
| Total | (420.9) | (188.3) | (135.9) | (24.9) | (72.2) | (69.3) | (911.5) |
| **Balance, December 31, 2023** | $ 213.8 | $ 9.6 | $ 19.1 | $ 41.1 | $ 20.6 | $ 10.2 | $ 314.4 |

### *Manufacturing Revenue*

We recognize manufacturing revenues from the sale of products we manufacture for resale by our licensees. Substantially all of our manufacturing revenues are recognized at a point in time when control of the product passes to the licensee. The sales price for certain of our manufacturing revenues is based on the end-market sales price earned by our licensees. As end-market sales generally occur after we have recorded manufacturing revenue, we estimate the sales price for such products based on information supplied to us by our licensees, our historical transaction experience and other third-party data. Differences between actual manufacturing revenues and estimated manufacturing revenues are reconciled and adjusted for in the period in which they become known, which is generally within the same quarter. The differences between our actual and estimated manufacturing revenues have not been material to date.

### *Royalty Revenue*

We recognize royalty revenues related to the sale by our licensees of products that incorporate our technology. All of our royalties qualify for the sales-and-usage exemption under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, ("Topic 606") as (i) such royalties are based strictly on the sales-and-usage by the licensee; and (ii) a license of IP is the sole or predominant item to which such royalties relate. Based on this exemption, such royalties are earned in the period the products are sold by our licensees and we have a present right to payment.

Certain of our royalty revenues are recognized based on information supplied to us by our licensees and require estimates to be made. Differences between actual royalty revenues and estimated royalty revenues are reconciled and adjusted for in the period in which they become known, which is generally within the same quarter. The differences between our actual and estimated royalty revenues have not been material to date.

## *Discontinued operations*

We determined that the separation of our oncology business, which was completed on November 15, 2023, represented a disposal plan that met the criteria for classification of the oncology business as a discontinued operation in accordance with ASC 205-20, *Discontinued Operations*. Accordingly, the accompanying consolidated financial statements for all periods have been updated to present the assets and liabilities associated with the oncology business separately as discontinued operations on the consolidated balance sheet and the results of such discontinued operations reported as a separate component of income in the consolidated statements of operations and comprehensive income (loss).

For additional information related to discontinued operations, refer to Note 3, *Discontinued Operations*, in our "Notes to Consolidated Financial Statements" in this Annual Report.

## *Impairment of Long-Lived Assets*

Long-lived assets, other than goodwill which is separately tested for impairment, are evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. When evaluating long-lived assets for potential impairment, we first compare the carrying value of the asset to the asset's estimated future cash flows (undiscounted and without interest charges). If the estimated future cash flows are less than the carrying value of the asset, we calculate an impairment loss. The impairment loss calculation compares the carrying value of the asset to the asset's estimated fair value, which may be based on estimated future cash flows (discounted and with interest charges). We recognize an impairment loss if the amount of the asset's carrying value exceeds the asset's estimated fair value. If we recognize an impairment loss, the adjusted carrying amount of the asset becomes its new cost basis. For a depreciable long-lived asset, the new cost basis will be depreciated over the remaining useful life of that asset.

When reviewing long-lived assets for impairment, we group long-lived assets with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Our impairment loss calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate future cash flows and asset fair values, including forecasting useful lives of the assets and selecting the discount rate that reflects the risk inherent in future cash flows.

The announcement of the planned sale of the Athlone Facility constituted an impairment-triggering event. Accordingly, we performed a review of our long-lived intangible assets in accordance with ASC 350, *Intangibles — Goodwill and Other* and determined that the carrying value of our long-lived assets did not exceed the estimated fair value of such long-lived assets.

### *Goodwill*

We evaluate goodwill for impairment for our reporting units annually, as of October 31, and whenever events or changes in circumstances indicate the carrying value of the reporting units may not be recoverable. A reporting unit is an operating segment, as defined by GAAP, or a component of an operating segment. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and is reviewed by management. Two or more components of an operating segment may be aggregated and deemed a single reporting unit for goodwill impairment testing purposes if the components have similar economic characteristics. As of December 31, 2023, we have one operating segment and two reporting units.

Our goodwill, which solely relates to the Business Combination, has been assigned to one reporting unit which consists of the former EDT business.

We have the option to first assess qualitative factors to determine whether it is necessary to perform a quantitative impairment test. If we elect this option and determine, as a result of the qualitative assessment, that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is required; otherwise, no further testing is required. Among other relevant events and circumstances that affect the fair value of reporting units, we consider individual factors, such as microeconomic conditions, changes in the industry and the markets in which we operate as well as historical and expected future financial performance. Alternatively, we may elect to not first assess qualitative factors and instead immediately perform the quantitative impairment test.

When some, but not all, of a reporting unit is to be disposed of, the accounting for that reporting unit's goodwill will depend on whether the disposal group constitutes a business. If the disposal group constitutes a business, we attribute a portion of the reporting unit's goodwill to the disposal group based on the relative fair values of: (i) the disposal group; and (ii) the portion of the reporting unit that will be retained.

On October 31, 2023, in connection with the Separation, we performed a quantitative impairment test and, while we determined that, based on the weight of all available evidence, the fair value of the reporting unit more-likely-than-not exceeded its carrying value, it was also determined that as a portion of the IP that transferred to Mural was owned by the reporting unit to which our goodwill was assigned, a portion of our goodwill was allocated to Mural. Please refer to Note 9, *Goodwill and Intangible Assets* in our "Notes to Consolidated Financial Statements" in this Annual Report for additional information.

In connection with the planned sale of the Athlone Facility, we have reviewed FASB ASC 805, *Business Combinations* and, based on the definitions therein, have determined that the Athlone Facility constitutes a business and, accordingly, a portion of our goodwill was allocated to the Athlone Facility and is classified as "Assets held for sale" within the accompanying consolidated balance sheets as of December 31, 2023 and 2022. Please refer to Note 9, *Goodwill and Intangible Assets* in our "Notes to Consolidated Financial Statements" in this Annual Report for additional information.

### *Valuation of Deferred Tax Assets*

We evaluate the need for deferred tax asset valuation allowances based on a more-likely-than-not standard. The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. We consider the following possible sources of taxable income when assessing the realization of deferred tax assets:

- future reversals of existing taxable temporary differences;
- future taxable income exclusive of reversing temporary differences and carryforwards;
- taxable income in prior carryback years; and
- tax-planning strategies.

The assessment regarding whether a valuation allowance is required or should be adjusted also considers all available positive and negative evidence factors including, but not limited to:

- nature, frequency and severity of recent losses;
- duration of statutory carryforward periods;
- historical experience with tax attributes expiring unused; and
- near- and medium-term financial outlook.

We utilize a rolling three years of actual and current year anticipated results as the primary measures of cumulative income (losses) in recent years. For additional information related to our assessment of our valuation allowance, see Note 17, *Income Taxes* in the "Notes to Consolidated Financial Statements" in this Annual Report.

The evaluation of deferred tax assets requires judgment in assessing the likely future tax consequences of events that have been recognized in our financial statements or tax returns and future profitability. Our accounting for deferred tax consequences represents our best estimate of those future events. Changes in our current estimates, due to unanticipated events or otherwise, could have a material effect on our financial condition and results of operations. For information related to risks surrounding our deferred tax assets, see "Item 1A—Risk Factors" in this Annual Report and specifically the section entitled "Our deferred tax assets may not be realized."

### *Recent Accounting Pronouncements*

Please refer to Note 2, *Summary of Significant Accounting Policies*, "New Accounting Pronouncements" in our "Notes to Consolidated Financial Statements" in this Annual Report for discussion, if any, of new accounting standards.

## Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

We hold securities in our investment portfolio that are sensitive to market risks. Our securities with fixed interest rates may have their market value adversely impacted by a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall. Due in part to these factors, our future investment income may fall short of expectations due to a fall in interest rates or we may suffer losses in principal if we are forced to sell securities that decline in market value due to changes in interest rates. However, because we classify our investments in debt securities as available-for-sale, no gains or losses are recognized due to changes in interest rates unless such securities are sold prior to maturity or declines in fair value are determined to be other-than-temporary. Should interest rates fluctuate by 10%, our interest income would change by an immaterial amount over an annual period. We do not believe that we have a material exposure to interest rate risk as our investment policies specify credit quality standards for our investments and limit the amount of credit exposure from any single issue, issuer or type of investment.

Although we have seen a significant increase in the number of our investment securities in unrealized loss positions, we do not believe our exposure to liquidity and credit risk to be significant as approximately 36% and 61% of our investments at December 31, 2023 are in corporate debt securities with a minimum rating of A2 (Moody's)/A (Standard and Poor's) and debt securities issued by the U.S. government or its agencies, respectively. We have the intent and ability to hold these securities until recovery, which may be at maturity.

At December 31, 2023, our borrowings consisted of $291.8 million outstanding under the 2026 Term Loans. The 2026 Term Loans mature on March 12, 2026. In June 2023, we amended the 2026 Terms Loans to transition the interest rate available for borrowings thereunder from a LIBOR-based interest rate to an interest rate based on SOFR and to make other conforming and mechanical changes. The 2026 Term Loans bear interest at the one-, three- or six-month SOFR rate of our choosing plus a credit spread adjustment applicable to the interest period and an applicable margin of 2.50% with a floor of 0.5%.

We are currently using the one-month SOFR rate, which was 5.47% at December 31, 2023. A 10% increase in the one-month SOFR rate would have increased the amount of interest we owed by approximately $2.3 million. At December 31, 2022, a 10% increase in the one-month LIBOR rate, which was the rate in use at the time, would have increased the amount of interest we owed by approximately $1.3 million.

### Currency Exchange Rate Risk

Manufacturing and royalty revenues that we receive on certain of our products and services are a percentage of the net sales made by our licensees, and a portion of these sales are made in countries outside the U.S. and are denominated in currencies in which the product is sold, which is predominantly the euro. The manufacturing and royalty payments on these non-U.S. sales are calculated initially in the currency in which the sale is made and are then converted into USD to determine the amount that our licensees pay us for manufacturing and royalty revenues. Fluctuations in the exchange ratio of the USD and these non-U.S. currencies will have the effect of increasing or decreasing our revenues even if there is a constant amount of sales in non-U.S. currencies. For example, if the USD weakens against a non-U.S. currency, then our revenues will increase given a constant amount of sales in such non-U.S. currency. For the year ended December 31, 2023, an average 10% strengthening of the USD relative to the currencies in which these products are sold would have resulted in revenues being reduced by approximately $10.3 million, as compared to a reduction in revenues of approximately $1.1 million for the year ended December 31, 2022.

We incur significant operating costs in Ireland and face exposure to changes in the exchange ratio of the USD and the euro arising from expenses and payables at our Irish operations that are settled in euro. The impact of changes in the exchange ratio of the USD and the euro on our USD-denominated revenues earned in countries other than the U.S. is partially offset by the opposite impact of changes in the exchange ratio of the USD and the euro on operating expenses and payables incurred at our Irish operations that are settled in euro. For the year ended December 31, 2023, an average 10% weakening in the USD relative to the euro would have resulted in an increase to our expenses denominated in euro of approximately $7.7 million, as compared to an increase in our expenses of approximately $7.5 million in the year ended December 31, 2022.

## Item 8. *Financial Statements and Supplementary Data*

### Selected Quarterly Financial Data (unaudited)

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total 2023 |
|---|---|---|---|---|---|
| | (In thousands, except per share data) | | | | |
| **Year Ended December 31, 2023** | | | | | |
| Total revenues | $ 287,595 | $ 617,397 | $ 380,938 | $ 377,475 | $ 1,663,405 |
| Total operating expenses | 298,567 | 336,128 | 291,744 | 322,844 | 1,249,283 |
| Operating income (loss) from continuing operations | (10,972) | 281,269 | 89,194 | 54,631 | 414,122 |
| Net income (loss) from continuing operations | $ (12,050) | $ 279,101 | $ 91,554 | $ 160,552 | $ 519,157 |
| Net loss from discontinued operations | (29,795) | (42,036) | (43,796) | (47,773) | (163,400) |
| Net income (loss) | $ (41,845) | $ 237,065 | $ 47,758 | $ 112,779 | $ 355,757 |
| **Earnings (loss) per share—basic:** | | | | | |
| From continuing operations | $ (0.07) | $ 1.68 | $ 0.55 | $ 0.96 | $ 3.12 |
| From discontinued operations | $ (0.18) | $ (0.25) | $ (0.26) | $ (0.29) | $ (0.98) |
| From net income (loss) | $ (0.25) | $ 1.43 | $ 0.29 | $ 0.68 | $ 2.14 |
| **Earnings (loss) per share—diluted:** | | | | | |
| From continuing operations | $ (0.07) | $ 1.63 | $ 0.53 | $ 0.94 | $ 3.06 |
| From discontinued operations | $ (0.18) | $ (0.25) | $ (0.25) | $ (0.28) | $ (0.96) |
| From net income (loss) | $ (0.25) | $ 1.38 | $ 0.28 | $ 0.66 | $ 2.10 |

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total 2022 |
|---|---|---|---|---|---|
| | (In thousands, except per share data) | | | | |
| **Year Ended December 31, 2022** | | | | | |
| Total revenues from continuing operations | $ 278,545 | $ 276,219 | $ 252,357 | $ 304,674 | $ 1,111,795 |
| Total operating expenses from continuing operations | 272,758 | 279,703 | 276,441 | 288,982 | 1,117,884 |
| Operating (loss) income from continuing operations | 5,787 | (3,484) | (24,084) | 15,692 | (6,089) |
| Net (loss) income from continuing operations | $ (26,414) | $ 2,211 | $ (26,124) | $ 17,175 | $ (33,152) |
| Net loss from discontinued operations | (9,489) | (32,347) | (37,850) | (45,429) | (125,115) |
| Net loss | $ (35,903) | $ (30,136) | $ (63,974) | $ (28,254) | $ (158,267) |
| **(Loss) earnings per share—basic:** | | | | | |
| From continuing operations | $ (0.16) | $ 0.01 | $ (0.16) | $ 0.10 | $ (0.20) |
| From discontinued operations | $ (0.06) | $ (0.20) | $ (0.23) | $ (0.28) | $ (0.76) |
| From net loss | $ (0.22) | $ (0.18) | $ (0.39) | $ (0.17) | $ (0.97) |
| **(Loss) earnings per share—diluted:** | | | | | |
| From continuing operations | $ (0.16) | $ 0.01 | $ (0.16) | $ 0.10 | $ (0.20) |
| From discontinued operations | $ (0.06) | $ (0.19) | $ (0.23) | $ (0.27) | $ (0.76) |
| From net loss | $ (0.22) | $ (0.18) | $ (0.39) | $ (0.17) | $ (0.97) |

## Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

Not applicable.

## Item 9A. *Controls and Procedures*

### Disclosure Controls and Procedures and Internal Control Over Financial Reporting

*Controls and Procedures*

Our management has evaluated, with the participation of our principal executive officer and principal financial officer, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of December 31, 2023. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

*Changes in Internal Control over Financial Reporting*

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

*Management's Annual Report on Internal Control over Financial Reporting*

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting as defined in Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, the issuer's principal executive and principal financial officers, or persons performing similar functions, and effected by the issuer's board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of the assets of the issuer;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness for future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in its 2013 Internal Control —Integrated Framework.

Based on this assessment, our management has concluded that, as of December 31, 2023, our internal control over financial reporting was effective.

The effectiveness of our internal control over financial reporting as of December 31, 2023 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included in this Annual Report, beginning on page F-1.

## Item 9B. *Other Information*

*Trading Plans*

During the quarter ended December 31, 2023, the following officers (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted contracts, instructions or written plans for the purchase or sale of the Company's securities that were intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act (each, a "Rule 10b5-1 plan"): On December 14, 2023, Craig Hopkinson, M.D., our Executive Vice President, Research and Development and Chief Medical Officer, adopted a Rule 10b5-1 plan providing for the sale of up to 820,467 ordinary shares of the Company (including shares that may be obtained from the exercise of vested stock options or vesting of restricted stock unit awards); this plan is scheduled to expire on July 31, 2025. On December 14, 2023, Christian Todd Nichols, our Senior Vice President Chief Commercial Officer, adopted a Rule 10b5-1 plan providing for the sale of up to 10,417 ordinary shares of the Company; this plan is scheduled to expire on August 2, 2024. During the quarter ended December 31, 2023, no other officers or directors of the Company adopted, modified or terminated a Rule 10b5-1 plan or a trading plan not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

### Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections*

Not applicable.

## PART III

### Item 10. *Directors, Executive Officers and Corporate Governance*

The information required by this item is incorporated herein by reference to our definitive proxy statement for our 2024 annual general meeting of shareholders.

### Item 11. *Executive Compensation*

The information required by this item (excluding, for clarity, the information required by Item 402(v) of Regulation S-K) is incorporated herein by reference to our definitive proxy statement for our 2024 annual general meeting of shareholders.

### Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this item is incorporated herein by reference to our definitive proxy statement for our 2024 annual general meeting of shareholders.

### Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item is incorporated herein by reference to our definitive proxy statement for our 2024 annual general meeting of shareholders.

### Item 14. *Principal Accounting Fees and Services*

The information required by this item is incorporated herein by reference to our definitive proxy statement for our 2024 annual general meeting of shareholders.

## PART IV

### Item 15. *Exhibits and Financial Statement Schedules*

(a)(1) Consolidated Financial Statements—The consolidated financial statements of Alkermes plc, as required by this item, are submitted in a separate section beginning on page F-1 of this Annual Report, as follows:



(2) Financial Statement Schedules—All schedules have been omitted because the absence of conditions under which they are required or because the required information is included in the consolidated financial statements or notes thereto.

(3) The exhibits listed in the below Exhibit Index are filed or furnished as part of this Annual Report or are incorporated into this Annual Report by reference.

**EXHIBIT INDEX**

| | | Incorporated by reference herein | |
|---|---|---|---|
| Exhibit No. | Description of Exhibit | Form | Date |
| 2.1 # §§ | Purchase and Sale Agreement, dated March 7, 2015, by and among Alkermes Pharma Ireland Limited, Daravita Limited, Eagle Holdings USA, Inc., Recro Pharma, Inc., and Recro Pharma LLC (assigned by Recro to Baudax Bio, Inc. in November 2019). | | |
| 2.2 ** § | Agreement and Plan of Merger, dated November 14, 2019 by and among Alkermes, Inc., Thinker Merger Sub, Inc., Alkermes plc, Rodin Therapeutics, Inc., and Shareholder Representative Services LLC, as Company Equityholder Representative. | Exhibit 2.1 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 25, 2019 |
| 2.3 § | Separation Agreement, dated as of November 13, 2023, by and between Alkermes plc and Mural Oncology plc. | Exhibit 2.1 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 15, 2023 |
| 3.1 # | Memorandum and Articles of Association of Alkermes plc. | | |
| 4.1 # | Description of Securities. | | |
| 10.1 | Lease between Alkermes, Inc. and PDM Unit 850, LLC, dated as of April 22, 2009. | Exhibit 10.5 to the Alkermes, Inc. Annual Report on Form 10-K (File No. 001-14131) | May 28, 2009 |
| 10.1A | First Amendment to Lease between Alkermes, Inc. and PDM Unit 850, LLC, dated as of June 18, 2009. | Exhibit 10.2 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | August 6, 2009 |
| 10.1B | Second Amendment to Lease between Alkermes, Inc. and PDM Unit 850, LLC, dated as of November 12, 2013. | Exhibit 10.74 to the Alkermes plc Transition Report on Form 10-KT (File No. 001-35299) | February 27, 2014 |
| 10.1C | Third Amendment to Lease between Alkermes, Inc. and PDM 850 Unit, LLC, dated as of May 15, 2014. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 31, 2014 |
| 10.1D | Fourth Amendment to Lease between Alkermes, Inc. and GI TC 850 Winter Street, LLC, dated as of December 30, 2014. | Exhibit 10.7 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 30, 2015 |
| 10.1E | Fifth Amendment to Lease between Alkermes, Inc. and GI TC 850 Winter Street, LLC, dated as of October 31, 2018. | Exhibit 10.1.5 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 15, 2019 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| 10.1F | Sixth Amendment to Lease between Alkermes, Inc. and GI TC 850 Winter Street, LLC, dated as of July 24, 2020. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 29, 2020 |
| 10.2 | License Agreement, dated as of February 13, 1996, between Medisorb Technologies International L.P. and Janssen Pharmaceutica Inc. (United States) (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.2 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 25, 2016 |
| 10.2A * | Third Amendment to Development Agreement, Second Amendment to Manufacturing and Supply Agreement and First Amendment to License Agreements by and between Janssen Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated April 1, 2000 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.5 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 8, 2005 |
| 10.2B * | Second Amendment, dated as of August 16, 2012, to the License Agreement, dated as of February 13, 1996, as amended, by and between Alkermes, Inc. and Janssen Pharmaceutica Inc. and the License Agreement, dated as of February 21, 1996, as amended, by and between Alkermes, Inc. and JPI Pharmaceutica International, and the Fifth Amendment, dated as of August 16, 2012, to the Manufacturing and Supply Agreement, dated as of August 6, 1997, as amended, by and between Alkermes, Inc., Janssen Pharmaceutica Inc. and JPI Pharmaceutica International. | Exhibit 10.3 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | November 1, 2012 |
| 10.3 | License Agreement, dated as of February 21, 1996, between Medisorb Technologies International L.P. and Janssen Pharmaceutica International (worldwide except United States) (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.3 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 25, 2016 |
| 10.4 | Manufacturing and Supply Agreement, dated August 6, 1997, by and among JPI Pharmaceutica International, Janssen Pharmaceutica, Inc. and Alkermes Controlled Therapeutics Inc. II (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.4 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 25, 2016 |
| 10.4A * | Fourth Amendment to Development Agreement and First Amendment to Manufacturing and Supply Agreement by and between Janssen Pharmaceutica International, Janssen Pharmaceutica Products, L.P. and Alkermes Controlled Therapeutics Inc. II, dated December 20, 2000 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.4 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 8, 2005 |
| 10.4B | Addendum to the Manufacturing and Supply Agreement by and among JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated August 1, 2001. | Exhibit 10.4.2 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 25, 2016 |
| 10.4C | Letter Agreement and Exhibits to Manufacturing and Supply Agreement, dated February 1, 2002, by and among JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.4.3 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 25, 2016 |
| 10.4D * | Amendment to Manufacturing and Supply Agreement by and between JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated December 22, 2003 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.6 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | July 30, 2015 |
| 10.4E * | Fourth Amendment to Manufacturing and Supply Agreement by and between JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated January 10, 2005 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.9 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 8, 2005 |
| 10.4F * | Sixth Amendment to Manufacturing and Supply Agreement by and between JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. | Exhibit 10.11 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | October 23, 2018 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| | II (assigned to Alkermes, Inc. in July 2006), effective as of July 1, 2018. | | |
| 10.5 # §§ | Development and License Agreement, dated as of May 15, 2000, by and between Alkermes Controlled Therapeutics Inc. II and Amylin Pharmaceuticals, Inc., as amended on October 24, 2005 and July 17, 2006 (assigned, as amended, to Alkermes, Inc. in July 2006). | | |
| 10.5A # §§ | Third Amendment to Development and License Agreement, dated March 20, 2018, by and between Amylin Pharmaceuticals, LLC and Alkermes Pharma Ireland Limited (as successor-in-interest to Alkermes Controlled Therapeutics Inc. II), amending that certain Development and License Agreement, by and between ACTII and Amylin, dated May 15, 2000, as amended on October 24, 2005 and July 17, 2006. | | |
| 10.6 * | Agreement by and between JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated December 21, 2002 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.6 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 8, 2005 |
| 10.6A * | Amendment to Agreement by and between JPI Pharmaceutica International, Janssen Pharmaceutica Inc. and Alkermes Controlled Therapeutics Inc. II, dated December 16, 2003 (assigned to Alkermes, Inc. in July 2006). | Exhibit 10.7 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 8, 2005 |
| 10.7 ** | License Agreement by and among Elan Pharmaceutical Research Corp., d/b/a Nanosystems and Elan Pharma International Limited and Janssen Pharmaceutica N.V. dated as of March 31, 1999. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | April 26, 2023 |
| 10.7A | First Amendment, dated as of July 31, 2003, to the License Agreement by and among Elan Drug Delivery, Inc. (formerly Elan Pharmaceutical Research Corp.) and Elan Pharma International Limited and Janssen Pharmaceutica NV dated March 31, 1999. | Exhibit 10.24 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | May 23, 2013 |
| 10.7B ** | Agreement Amendment No. 2, dated as of July 31, 2009, to the License Agreement by and among Elan Pharmaceutical Research Corp., d/b/a Nanosystems and Elan Pharma International Limited and Janssen Pharmaceutica N.V. dated as of March 31, 1999, as amended by the First Amendment, dated as of July 31, 2003. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | April 26, 2023 |
| 10.8 | Amendment to First Lien Credit Agreement, dated September 25, 2012, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto, Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent and the arrangers and agents party thereto. | Exhibit 10.1 to the Alkermes plc Current Report on Form 8-K (File No. 011-35299) | September 25, 2012 |
| 10.8A | Amendment No. 2, dated as of February 14, 2013, to Amended and Restated Credit Agreement, dated as of September 16, 2011, as amended and restated on September 25, 2012, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto, Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent and the arrangers and agents party thereto. | Exhibit 10.1 to the Alkermes plc Current Report on Form 8-K (File No. 011-35299) | February 19, 2013 |
| 10.8B | Amendment No. 3 and Waiver to Amended and Restated Credit Agreement, dated as of May 22, 2013, among Alkermes, Inc., Alkermes plc, Alkermes Pharma Ireland Limited, Alkermes US Holdings, Inc., Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent and the lenders party thereto. | Exhibit 10.52 to the Alkermes plc Annual Report on Form 10-K (File No. 011-35299) | May 23, 2013 |
| 10.8C | Amendment No. 4, dated as of October 12, 2016, to Amended and Restated Credit Agreement, dated as of September 16, 2011, as amended and restated on September 25, 2012, as further | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | November 2, 2016 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| | amended by Amendment No. 2 on February 14, 2013 and as amended by Amendment No. 3 and Waiver to Amended and Restated Credit Agreement dated as of May 22, 2013, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto and Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent. | | |
| 10.8D | Amendment No. 5, dated as of March 26, 2018, to Amended and Restated Credit Agreement, dated as of September 16, 2011, as amended and restated on September 25, 2012, as further amended by Amendment No. 2 on February 14, 2013, as amended by Amendment No. 3 and Waiver to Amended and Restated Credit Agreement dated as of May 22, 2013, and as amended by Amendment No. 4, dated as of October 12, 2016, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto and Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent. | Exhibit 10.5 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | April 26, 2018 |
| 10.8E | Amendment No. 6, dated as of March 12, 2021, to Amended and Restated Credit Agreement, dated as of September 16, 2011, as amended and restated on September 25, 2012, as further amended by Amendment No. 2 on February 14, 2013, as amended by Amendment No. 3 and Waiver to Amended and Restated Credit Agreement dated as of May 22, 2013, as amended by Amendment No. 4, dated as of October 12, 2016, and as amended by Amendment No. 5, dated as of March 26, 2018, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto and Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | April 28, 2021 |
| 10.8F | Amendment No. 7, dated as of June 28, 2023, to Amended and Restated Credit Agreement, dated as of September 16, 2011, as amended and restated on September 25, 2012, as further amended by Amendment No. 2 on February 14, 2013, as amended by Amendment No. 3 and Waiver to Amended and Restated Credit Agreement dated as of May 22, 2013, as amended by Amendment No. 4, dated as of October 12, 2016, as amended by Amendment No. 5, dated as of March 26, 2018, and as amended by Amendment No. 6, dated as of March 12, 2021, among Alkermes, Inc., Alkermes plc, the guarantors party thereto, the lenders party thereto and Morgan Stanley Senior Funding, Inc. as Administrative Agent and Collateral Agent. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | July 26, 2023 |
| 10.9 * | License and Collaboration Agreement, dated November 27, 2017, by and between Alkermes Pharma Ireland Limited and Biogen Swiss Manufacturing GmbH. | Exhibit 10.10 to the Alkermes plc Annual Report on Form 10-K (File No. 011-35299) | February 16, 2018 |
| 10.9A * | First Amendment to License and Collaboration Agreement between Alkermes Pharma Ireland Limited and Biogen Swiss Manufacturing GmbH, effective as of October 3, 2018. | Exhibit 10.12 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | October 23, 2018 |
| 10.9B | Second Amendment to License and Collaboration Agreement between Alkermes Pharma Ireland Limited and Biogen Swiss Manufacturing GmbH, effective as of January 31, 2019. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | April 25, 2019 |
| 10.9C ** | Third Amendment to License and Collaboration Agreement between Alkermes Pharma Ireland Limited and Biogen Swiss Manufacturing GmbH, effective as of October 30, 2019. | Exhibit 10.10.3 to the Alkermes plc Annual Report on Form 10-K (File No. 011-35299) | February 13, 2020 |
| 10.9D ** | Fourth Amendment to License and Collaboration Agreement between Alkermes Pharma Ireland Limited and Biogen Swiss Manufacturing GmbH, effective as of August 25, 2022. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | November 2, 2022 |
| 10.10 | Lease, dated March 23, 2018, by and between Alkermes, Inc. and PDM 900 Unit, LLC. | Exhibit 10.4 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | April 26, 2018 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| 10.10A | First Amendment to Lease, dated June 21, 2018, by and between Alkermes, Inc. and PDM 900 Unit, LLC. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 26, 2018 |
| 10.10B | Second Amendment to Lease, dated May 10, 2019, by and between Alkermes, Inc. and PDM 900 Unit, LLC. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 25, 2019 |
| 10.11 ** | Confidential Settlement and License Agreement, dated August 29, 2023, by and among Alkermes, Inc., Alkermes Pharma Ireland Limited and Teva Pharmaceuticals USA, Inc. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 25, 2023 |
| 10.12 § | Tax Matters Agreement, dated November 13, 2023, by and between Alkermes plc and Mural Oncology plc. | Exhibit 10.1 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 15, 2023 |
| 10.13 § | Employee Matters Agreement, dated November 13, 2023, by and between Alkermes plc and Mural Oncology plc. | Exhibit 10.2 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 15, 2023 |
| 10.13A # | Amendment to Employee Matters Agreement, dated December 14, 2023, by and between Alkermes plc and Mural Oncology plc. | | |
| 10.14 § | Transition Services Agreement, dated November 13, 2023, by and between Alkermes, Inc. and Mural Oncology, Inc. | Exhibit 10.3 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 15, 2023 |
| 10.15 § | Transition Services Agreement, dated November 13, 2023, by and between Mural Oncology, Inc. and Alkermes, Inc. | Exhibit 10.4 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | November 15, 2023 |
| 10.16 # ** § | Asset Purchase Agreement, dated December 13, 2023, by and between Alkermes Pharma Ireland Limited, Novo Nordisk Production Ireland Limited and Novo Nordisk A/S. | | |
| 10.17 † | Employment Agreement, dated as of December 12, 2007, by and between Richard F. Pops and Alkermes, Inc. | Exhibit 10.1 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 11, 2008 |
| 10.17A † | Amendment to Employment Agreement, dated as of October 7, 2008, by and between Alkermes, Inc. and Richard F. Pops. | Exhibit 10.5 to the Alkermes, Inc. Current Report on Form 8-K (File No. 001-14131) | October 7, 2008 |
| 10.17B † | Amendment No. 2 to Employment Agreement, dated as of September 10, 2009 by and between Richard F. Pops and Alkermes, Inc. | Exhibit 10.2 to the Alkermes, Inc. Current Report on Form 8-K (File No. 001-14131) | September 11, 2009 |
| 10.18 † | Form of Employment Agreement, as amended by the Form of Amendment to Employment Agreement set forth in 10.12.1, entered into by and between Alkermes, Inc. and each of Blair C. Jackson and Michael J. Landine. | Exhibit 10.3 to the Alkermes, Inc. Quarterly Report on Form 10-Q (File No. 001-14131) | February 11, 2008 |
| 10.18A † | Form of Amendment to Employment Agreement with Alkermes, Inc. | Exhibit 10.7 to the Alkermes, Inc. Current Report on Form 8-K (File No. 001-14131) | October 7, 2008 |
| 10.19 † | Form of Covenant Not to Compete, of various dates, by and between Alkermes, Inc. and Michael J. Landine. | Exhibit 10.15(a) to the Alkermes, Inc. Annual Report on Form 10-K (File No. 001-14131) | May 30, 2008 |
| 10.20 † | Form of Employment Agreement entered into by and between Alkermes, Inc. and each of Iain M. Brown, David J. Gaffin, Craig C. Hopkinson, M.D. and Christian Todd Nichols. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | November 2, 2016 |
| 10.20A† | Offer Letter by and between Alkermes, Inc. and Craig C. Hopkinson M.D., effective as of April 24, 2017. | Exhibit 10.17.1 to the Alkermes plc Annual Report on Form 10-K (File No. 011-35299) | February 16, 2018 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| 10.20B † | Offer Letter, dated March 29, 2019, by and between Alkermes, Inc. and Christian Todd Nichols. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 011-35299) | July 29, 2020 |
| 10.21 † | Form of Indemnification Agreement entered into by and between Alkermes, Inc. and each of the Directors and Secretaries of Alkermes plc and its Irish subsidiaries. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | April 29, 2020 |
| 10.22 † | Form of Deed of Indemnification entered into by and between each of the Directors, Secretaries and executive officers of Alkermes plc and its subsidiaries. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | April 29, 2020 |
| 10.23† | Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (File No. 001-35299) | April 27, 2017 |
| 10.23A † | Form of Stock Option Award Certificate (Non-Employee Director) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.4 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23B † | Form of Restricted Stock Unit Award Certificate (Time Vesting Only – Irish) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.5 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23C † | Form of Restricted Stock Unit Award Certificate (Time Vesting Only – U.S.) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.6 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23D † | Form of Stock Option Award Certificate (Time Vesting Non-Qualified Option – Irish) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.7 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23E † | Form Stock Option Award Certificate (Time Vesting Non-Qualified Option – U.S.) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.8 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23F † | Form of Stock Option Award Certificate (Incentive Stock Option – U.S.) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.9 to the Alkermes plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 001-35299) | April 28, 2016 |
| 10.23G † | Form of 2008 Restricted Stock Unit Award Certificate (Performance Vesting Only) under the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended. | Exhibit 10.2 to the Alkermes, Inc. Current Report on Form 8-K (File No. 001-14131) | May 22, 2009 |
| 10.24† | Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.1 to the Alkermes plc Current Report on Form 8-K (File No. 011-35299) | May 24, 2017 |
| 10.24A † | Form of Incentive Stock Option Award Certificate under the Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.24B † | Form of Non-Qualified Stock Option (Employee) Award Certificate under the Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
|---|---|---|---|
| | | Form | Date |
| 10.24C † | Form of Restricted Stock Unit (Time-Vesting) Award Certificate under the Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.3 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.24D † | Form of Restricted Stock Unit (Performance-Vesting) Award Certificate under the Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.4 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.24E † | Form of Non-Qualified Stock Option (Non-Employee Director) Award Certificate under the Alkermes plc 2011 Stock Option and Incentive Plan, as amended. | Exhibit 10.5 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.25 † | Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.1 to the Alkermes plc Current Report on Form 8-K (File No. 001-35299) | July 6, 2023 |
| 10.25A † | Form of Incentive Stock Option Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.6 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.25B † | Form of Non-Qualified Stock Option (Employee) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.7 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.25C † | Form of Restricted Stock Unit (Time-Vesting) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.8 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | October 23, 2018 |
| 10.25D † | Form of Restricted Stock Unit (Performance-Vesting) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.6 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 29, 2020 |
| 10.25E † | Form of Non-Qualified Stock Option (Non-Employee Director) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.4 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 29, 2020 |
| 10.25F † | Form of Non-Employee Director Restricted Stock Unit (Time-Vesting) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.5 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 29, 2020 |
| 10.25G † | Form of Non-Employee Director New Director Grant Non-Qualified Stock Option Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.1.1 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 27, 2022 |
| 10.25H † | Form of Non-Employee Director New Director Grant Restricted Stock Unit (Time-Vesting) Award Certificate under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.1.2 to the Alkermes plc Quarterly Report on Form 10-Q (File No. 001-35299) | July 27, 2022 |
| 10.25I † | Form of Incentive Stock Option Award Certificate for Reporting Officers under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.19-9 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 16, 2023 |
| 10.25J † | Form of Non-Qualified Stock Option Award Certificate for Reporting Officers under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.19-10 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 16, 2023 |
| 10.25K † | Form of Restricted Stock Unit (Time-Vesting) Award Certificate for Reporting Officers under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.19-11 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 16, 2023 |
| 10.25L † | Form of Restricted Stock Unit (Performance-Vesting) Award Certificate for Reporting Officers under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | Exhibit 10.19-12 to the Alkermes plc Annual Report on Form 10-K (File No. 001-35299) | February 16, 2023 |
| 10.25M #† | Form of Restricted Stock Unit (Performance-Vesting) Award Certificate (rev. 2024) for Reporting Officers under the | | |

| Exhibit No. | Description of Exhibit | Incorporated by reference herein | |
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| | | Form | Date |
| | Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | | |
| 10.25N #† | Form of Restricted Stock Unit (Performance-Vesting) Award Certificate (rev. 2024) under the Alkermes plc 2018 Stock Option and Incentive Plan, as amended. | | |
| 21.1 # | List of subsidiaries. | | |
| 23.1 # | Consent of PricewaterhouseCoopers LLP, an independent registered public accounting firm. | | |
| 24.1 # | Power of Attorney (included on the signature pages hereto). | | |
| 31.1 # | Certification Pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934. | | |
| 31.2 # | Certification Pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934. | | |
| 32.1 ‡ | Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | | |
| 97 #† | Alkermes plc Incentive Compensation Recoupment Policy. | | |
| 101.SCH # | Inline XBRL Taxonomy Extension Schema with Embedded Linkbases Document. | | |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101). | | |

† Indicates a management contract or any compensatory plan, contract or arrangement.

# Filed herewith.

‡ Furnished herewith.

* Confidential treatment has been granted or requested for certain portions of this exhibit. Such portions have been filed separately with the SEC pursuant to a confidential treatment request.

** Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b) of Regulation S-K. The Company undertakes to furnish an unredacted copy of this exhibit upon request by the U.S. Securities and Exchange Commission.

§ Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company undertakes to furnish copies of any omitted schedules and similar attachments upon request by the U.S. Securities and Exchange Commission.

§§ Filed with this Annual Report solely for the purpose of transitioning this previously-filed exhibit, which is the subject of an expiring confidential treatment order, to the rules governing the filing of redacted exhibits under Regulation S-K Item 601(b) pursuant to the SEC's CF Disclosure Guidance: Topic 7. Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b) of Regulation S-K. Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company undertakes to furnish copies of any omitted schedules and similar attachments upon request by the U.S. Securities and Exchange Commission.

## Item 16. *Form 10-K Summary*

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALKERMES PLC

By: /s/ Richard F. Pops
Richard F. Pops
*Chairman and Chief Executive Officer*

February 21, 2024

## POWER OF ATTORNEY

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Each person whose signature appears below in so signing also makes, constitutes and appoints Richard F. Pops and Iain M. Brown, and each of them, his true and lawful attorney-in-fact, with full power of substitution, for him in any and all capacities, to execute and cause to be filed with the Securities and Exchange Commission any and all amendments to this Annual Report, with exhibits thereto and other documents in connection therewith, and hereby ratifies and confirms all that said attorney-in-fact or his substitute or substitutes may do or cause to be done by virtue hereof.

| Signature | Title | Date |
|---|---|---|
| /s/ Richard F. Pops<br>Richard F. Pops | Chairman and Chief Executive Officer (Principal Executive Officer) | February 21, 2024 |
| /s/ Blair C. Jackson<br>Blair C. Jackson | Executive Vice President, Chief Operating Officer (Interim Principal Financial Officer) | February 21, 2024 |
| /s/ Samuel J. Parisi<br>Samuel J. Parisi | Vice President, Finance (Interim Principal Accounting Officer) | February 21, 2024 |
| /s/ Emily Peterson Alva<br>Emily Peterson Alva | Director | February 21, 2024 |
| /s/ Shane M. Cooke<br>Shane M. Cooke | Director | February 21, 2024 |
| /s/ David A. Daglio, Jr.<br>David A. Daglio, Jr. | Director | February 21, 2024 |
| /s/ Richard B. Gaynor<br>Richard B. Gaynor | Director | February 21, 2024 |
| /s/ Cato T. Laurencin<br>Cato T. Laurencin | Director | February 21, 2024 |
| /s/ Brian P. McKeon<br>Brian P. McKeon | Director | February 21, 2024 |
| /s/ Nancy L. Snyderman<br>Nancy L. Snyderman | Director | February 21, 2024 |
| /s/ Frank Anders Wilson<br>Frank Anders Wilson | Director | February 21, 2024 |
| /s/ Christopher I. Wright<br>Christopher I. Wright | Director | February 21, 2024 |

## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Alkermes plc

### *Opinions on the Financial Statements and Internal Control over Financial Reporting*

We have audited the accompanying consolidated balance sheets of Alkermes plc and its subsidiaries (the "Company") as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive income (loss), of shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2023, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

### *Basis for Opinions*

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### *Definition and Limitations of Internal Control over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Critical Audit Matters***

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

*Tax-Free Determination of the Separation of the Oncology Business*

As described in Notes 1 and 3 to the consolidated financial statements, the Company completed the separation of its oncology business into a new, independent, publicly-traded company on November 15, 2023. The separation was effected by means of a distribution of shares to the Company's shareholders. Management determined that the separation and related distribution qualified as tax-free for U.S. federal income tax purposes, which required significant judgment by management. In making such determinations, management applied U.S. federal tax law to relevant facts and circumstances and obtained: (i) a favorable private letter ruling from the IRS; (ii) a tax opinion; and (iii) other external tax advice related to the concluded tax treatment. If the separation and distribution were to fail to qualify for tax-free treatment for U.S. federal income tax purposes, the Company and/or its shareholders could be subject to significant liabilities, which could have material adverse impacts on the Company's business, financial condition, results of operations and cash flows in future reporting periods.

The principal considerations for our determination that performing procedures relating to the tax-free determination of the separation of the oncology business is a critical audit matter are (i) the significant judgment by management with regards to interpretation of the facts and the application of tax laws and regulations in order to conclude the divestiture would qualify as a tax-free transaction, (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence in connection with management's tax-free determination, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the key judgments in management's evaluation of the tax treatment of the transaction. These procedures also included, among others (i) testing management's process for determining the tax-free treatment of the transaction, (ii) evaluating the information used in management's determination, such as tax rulings from relevant taxing authorities and supporting information, tax opinion, and relevant tax laws, and (iii) evaluating the reasonableness of management's position that the transaction qualifies for tax-free status. Professionals with specialized skill and knowledge were used to assist in evaluating the transaction, the application of tax laws and regulations, the private letter ruling and tax opinion, and certain representations from management

*Rebate Accruals – Medicaid Drug Rebate Program*

As described in Notes 2 and 11 to the consolidated financial statements, the Company's revenue from product sales are recorded net of reserves established for applicable discounts and allowances that are offered within contracts with the Company's customers, health care providers or payers. The Company records accruals for rebates to U.S. states under the Medicaid Drug Rebate Program as a reduction of sales when the product is shipped into the distribution channel using the expected value method. As of December 31, 2023, accrued Medicaid rebates were $213.8 million, of which a significant amount related to the Medicaid Drug Rebate Program. The Company rebates individual U.S. states for all eligible units purchased under the Medicaid program based on a rebate per unit calculation, which is based on the Company's average manufacturer prices. The Company estimates expected unit sales to individuals covered by Medicaid and rebates per unit under the Medicaid program and adjusts its rebate accrual based on actual unit sales and rebates per unit and changes in trends in Medicaid utilization.

The principal considerations for our determination that performing procedures relating to rebate accruals for the Medicaid Drug Rebate Program is a critical audit matter are (i) the significant judgment by management due to significant

measurement uncertainty involved in developing the reserves, as the reserves are based on assumptions developed using historical experience, current contractual requirements, specific known market events and payment patterns and (ii) a high degree of auditor judgment, subjectivity and effort in applying procedures and evaluating evidence related to these assumptions.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to rebate accruals for the Medicaid Drug Rebate Program, including controls over the assumptions used to estimate the rebate accruals. These procedures also included, among others, (i) developing an independent estimate of the rebate accruals by utilizing third-party data related to product sales, the historical trend of actual rebate claims paid and consideration of contractual requirement changes and market events; (ii) comparing the independent estimate to management's estimate; and (iii) testing rebate claims processed by the Company.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
February 21, 2024

We have served as the Company's auditor since 2007.

**ALKERMES PLC AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**December 31, 2023 and 2022**

| | December 31, 2023 | December 31, 2022 |
|---|---|---|
| | (In thousands, except share and per share amounts) | |
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 457,469 | $ 292,473 |
| Receivables, net | 332,477 | 287,967 |
| Investments—short-term | 316,022 | 315,992 |
| Inventory | 186,406 | 181,418 |
| Contract assets | 706 | 8,929 |
| Prepaid expenses and other current assets | 98,166 | 41,203 |
| Assets related to discontinued operations | — | 2,324 |
| Assets held for sale | 94,260 | — |
| Total current assets | 1,485,506 | 1,130,306 |
| PROPERTY, PLANT AND EQUIPMENT, NET | 226,943 | 222,919 |
| INVESTMENTS—LONG-TERM | 39,887 | 131,610 |
| RIGHT-OF-USE ASSETS | 91,460 | 97,539 |
| ASSETS RELATED TO DISCONTINUED OPERATIONS—LONG-TERM | — | 37,763 |
| ASSETS HELD FOR SALE—LONG-TERM | — | 93,871 |
| INTANGIBLE ASSETS, NET | 1,991 | 37,680 |
| GOODWILL | 83,027 | 83,027 |
| DEFERRED TAX ASSETS | 195,888 | 114,572 |
| OTHER ASSETS | 11,521 | 14,691 |
| TOTAL ASSETS | $ 2,136,223 | $ 1,963,978 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES: | | |
| Accounts payable and accrued expenses | $ 240,561 | $ 220,089 |
| Accrued sales discounts, allowances and reserves | 263,641 | 252,115 |
| Operating lease liabilities—short-term | 5,746 | 9,878 |
| Contract liabilities—short-term | 2,730 | 6,816 |
| Current portion of long-term debt | 3,000 | 3,000 |
| Liabilities related to discontinued operations | 4,542 | 5,844 |
| Total current liabilities | 520,220 | 497,742 |
| LONG-TERM DEBT | 287,730 | 290,270 |
| OPERATING LEASE LIABILITIES—LONG-TERM | 75,709 | 76,287 |
| LIABILITIES RELATED TO DISCONTINUED OPERATIONS—LONG-TERM | — | 13,542 |
| OTHER LONG-TERM LIABILITIES | 49,878 | 42,384 |
| Total liabilities | 933,537 | 920,225 |
| COMMITMENTS AND CONTINGENT LIABILITIES (Note 19) | | |
| SHAREHOLDERS' EQUITY: | | |
| Preferred shares, par value, $0.01 per share; 50,000,000 shares authorized; zero issued and outstanding at December 31, 2023 and 2022, respectively | — | — |
| Ordinary shares, par value, $0.01 per share; 450,000,000 shares authorized; 172,569,051 and 168,951,193 shares issued; 166,979,833 and 164,377,009 shares outstanding at December 31, 2023 and 2022, respectively | 1,726 | 1,690 |
| Treasury shares, at cost (5,589,218 and 4,574,184 shares at December 31, 2023 and 2022, respectively) | (189,336) | (160,862) |
| Additional paid-in capital | 2,736,934 | 2,913,099 |
| Accumulated other comprehensive loss | (3,110) | (10,889) |
| Accumulated deficit | (1,343,528) | (1,699,285) |
| Total shareholders' equity | 1,202,686 | 1,043,753 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | $ 2,136,223 | $ 1,963,978 |

The accompanying notes are an integral part of these consolidated financial statements.

**ALKERMES PLC AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**
**Years Ended December 31, 2023, 2022 and 2021**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2023 | 2022 | 2021 |
| | (In thousands, except per share amounts) | | |
| REVENUES: | | | |
| Product sales, net | $ 919,998 | $ 777,552 | $ 627,424 |
| Manufacturing and royalty revenues | 743,388 | 331,983 | 541,807 |
| License revenue | — | 2,000 | 3,500 |
| Research and development revenue | 19 | 260 | 1,020 |
| Total revenues | 1,663,405 | 1,111,795 | 1,173,751 |
| EXPENSES: | | | |
| Cost of goods manufactured and sold (exclusive of amortization of acquired intangible assets shown below) | 253,037 | 218,068 | 197,323 |
| Research and development | 270,806 | 272,702 | 290,924 |
| Selling, general and administrative | 689,751 | 590,751 | 549,610 |
| Amortization of acquired intangible assets | 35,689 | 36,363 | 38,148 |
| Total expenses | 1,249,283 | 1,117,884 | 1,076,005 |
| OPERATING INCOME (LOSS) | 414,122 | (6,089) | 97,746 |
| OTHER INCOME (EXPENSE), NET: | | | |
| Interest income | 30,854 | 7,629 | 2,408 |
| Interest expense | (23,032) | (13,040) | (11,219) |
| Change in the fair value of contingent consideration | — | (21,750) | (1,427) |
| Other (expense) income, net | (425) | 2,122 | 219 |
| Total other income (expense), net | 7,397 | (25,039) | (10,019) |
| INCOME (LOSS) BEFORE INCOME TAXES | 421,519 | (31,128) | 87,727 |
| INCOME TAX (BENEFIT) PROVISION | (97,638) | 2,024 | 11,326 |
| NET INCOME (LOSS) FROM CONTINUING OPERATIONS | 519,157 | (33,152) | 76,401 |
| DISCONTINUED OPERATIONS, NET OF TAX | (163,400) | (125,115) | (124,570) |
| NET INCOME (LOSS) | $ 355,757 | $ (158,267) | $ (48,169) |
| | | | |
| EARNINGS (LOSS) PER ORDINARY SHARE: | | | |
| Earnings (loss) per share from continuing operations - basic | $ 3.12 | $ (0.20) | $ 0.47 |
| Earnings (loss) per share from discontinued operations - basic | $ (0.98) | $ (0.76) | $ (0.77) |
| Earnings (loss) per share - basic | $ 2.14 | $ (0.97) | $ (0.30) |
| Earnings (loss) per share from continuing operations - diluted | $ 3.06 | $ (0.20) | $ 0.46 |
| Earnings (loss) per share from discontinued operations - diluted | $ (0.96) | $ (0.76) | $ (0.76) |
| Earnings (loss) per share - diluted | $ 2.10 | $ (0.97) | $ (0.29) |
| WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING: | | | |
| Basic | 166,223 | 163,742 | 160,942 |
| Diluted | 169,730 | 163,742 | 164,753 |
| COMPREHENSIVE INCOME (LOSS): | | | |
| Net income (loss) | $ 355,757 | $ (158,267) | $ (48,169) |
| Holding gain (loss), net of a tax provision (benefit) of $1,195, $(973) and $(706), respectively | 7,779 | (7,166) | (2,374) |
| COMPREHENSIVE INCOME (LOSS) | $ 363,536 | $ (165,433) | $ (50,543) |

The accompanying notes are an integral part of these consolidated financial statements.

**ALKERMES PLC AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**
**Years Ended December 31, 2023, 2022 and 2021**

| | Ordinary Shares | | Additional Paid-In | Accumulated Other Comprehensive | Accumulated | Treasury Stock | | |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Loss | Deficit | Shares | Amount | Total |
| | | | | (In thousands, except share data) | | | | |
| BALANCE — December 31, 2020 | 162,269,220 | $ 1,620 | $ 2,685,647 | $ (1,349) | $ (1,492,849) | (3,108,079) | $ (126,087) | $ 1,066,982 |
| Issuance of ordinary shares under employee stock plans | 3,521,329 | 38 | 25,281 | — | — | — | — | 25,319 |
| Receipt of Alkermes' shares for the purchase of stock options or to satisfy minimum tax withholding obligations related to share-based awards | — | — | — | — | — | (745,143) | (16,571) | (16,571) |
| Share-based compensation | — | — | 87,397 | — | — | — | — | 87,397 |
| Unrealized loss on marketable securities, net of tax benefit of $706 | — | — | — | (2,374) | — | — | — | (2,374) |
| Net loss | — | — | — | — | (48,169) | — | — | (48,169) |
| BALANCE — December 31, 2021 | 165,790,549 | $ 1,658 | $ 2,798,325 | $ (3,723) | $ (1,541,018) | (3,853,222) | $ (142,658) | $ 1,112,584 |
| Issuance of ordinary shares under employee stock plans | 3,160,644 | 32 | 19,598 | — | — | — | — | 19,630 |
| Receipt of Alkermes' shares for the purchase of stock options or to satisfy minimum tax withholding obligations related to share-based awards | — | — | — | — | — | (720,962) | (18,204) | (18,204) |
| Share-based compensation | — | — | 95,176 | — | — | — | — | 95,176 |
| Unrealized loss on marketable securities, net of tax benefit of $973 | — | — | — | (7,166) | — | — | — | (7,166) |
| Net loss | — | — | — | — | (158,267) | — | — | (158,267) |
| BALANCE —December 31, 2022 | 168,951,193 | $ 1,690 | $ 2,913,099 | $ (10,889) | $ (1,699,285) | (4,574,184) | $ (160,862) | $ 1,043,753 |
| Issuance of ordinary shares under employee stock plans | 3,617,858 | 36 | 16,724 | — | — | — | — | 16,760 |
| Receipt of Alkermes' shares for the purchase of stock options or to satisfy minimum tax withholding obligations related to share-based awards | — | — | — | — | — | (1,015,034) | (28,474) | (28,474) |
| Share-based compensation | — | — | 100,871 | — | — | — | — | 100,871 |
| Unrealized gain on marketable securities, net of tax provision of $1,195 | — | — | — | 7,779 | — | — | — | 7,779 |
| Distribution of Mural Oncology plc | — | — | (293,760) | — | — | — | — | (293,760) |
| Net income | — | — | — | — | 355,757 | — | — | 355,757 |
| BALANCE —December 31, 2023 | 172,569,051 | $ 1,726 | $ 2,736,934 | $ (3,110) | $ (1,343,528) | (5,589,218) | $ (189,336) | $ 1,202,686 |

The accompanying notes are an integral part of these consolidated financial statements.

**ALKERMES PLC AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**Years Ended December 31, 2023, 2022 and 2021**

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2023 | 2022 | 2021 |
| | | (In thousands) | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net income (loss) | $ 355,757 | $ (158,267) | $ (48,169) |
| Adjustments to reconcile net income (loss) to cash flows from operating activities: | | | |
| Depreciation and amortization | 74,927 | 77,862 | 78,652 |
| Share-based compensation expense | 100,905 | 94,254 | 87,622 |
| Deferred income taxes | (99,902) | (32,795) | 5,081 |
| Change in the fair value of contingent consideration | — | 21,750 | 1,427 |
| Other non-cash charges | 6,329 | 5,531 | 2,650 |
| Changes in assets and liabilities: | | | |
| Receivables | (44,510) | 25,250 | (38,011) |
| Contract assets | 8,223 | 4,434 | 6,037 |
| Inventory | (2,712) | (31,021) | (24,769) |
| Prepaid expenses and other assets | (34,847) | (5,328) | 11,481 |
| Right-of-use assets | 15,387 | 16,569 | 17,051 |
| Accounts payable and accrued expenses | 23,009 | 15,534 | 11,514 |
| Accrued sales discounts, allowances and reserves | 11,526 | 14,899 | 18,339 |
| Contract liabilities | (5,926) | (7,129) | (6,080) |
| Operating lease liabilities | (16,147) | (33,225) | (16,777) |
| Other long-term liabilities | 9,334 | 12,726 | (4,333) |
| Cash flows provided by operating activities | 401,353 | 21,044 | 101,715 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Additions of property, plant and equipment | (48,048) | (38,255) | (28,020) |
| Proceeds from the sale of equipment | 354 | — | 287 |
| Proceeds from contingent consideration | — | 1,273 | 7,937 |
| Return of Fountain Healthcare Partners II, L.P. investment | — | 485 | — |
| Payment made for licensed Intellectual Property ("IP") | — | — | (1,000) |
| Purchases of investments | (254,471) | (309,671) | (340,418) |
| Sales and maturities of investments | 355,522 | 281,627 | 295,010 |
| Cash flows provided by (used in) investing activities | 53,357 | (64,541) | (66,204) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Cash transferred to Mural Oncology plc at separation | (275,000) | — | — |
| Proceeds from the issuance of ordinary shares under share-based compensation arrangements | 16,760 | 19,630 | 25,319 |
| Employee taxes paid related to net share settlement of equity awards | (28,474) | (18,204) | (16,571) |
| Proceeds from the issuance of long-term debt | — | — | 23,567 |
| Payment made for debt extinguishment | — | — | (993) |
| Principal payments of long-term debt | (3,000) | (3,000) | (2,250) |
| Cash flows (used in) provided by financing activities | (289,714) | (1,574) | 29,072 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 164,996 | (45,071) | 64,583 |
| CASH AND CASH EQUIVALENTS—Beginning of period | 292,473 | 337,544 | 272,961 |
| CASH AND CASH EQUIVALENTS—End of period | $ 457,469 | $ 292,473 | $ 337,544 |
| SUPPLEMENTAL CASH FLOW DISCLOSURE: | | | |
| Cash paid for interest | $ 22,748 | $ 13,563 | $ 6,904 |
| Cash paid for taxes | $ 44,243 | $ 20,749 | $ 1,888 |
| Non-cash investing and financing activities: | | | |
| Purchased capital expenditures included in accounts payable and accrued expenses | $ 2,645 | $ 2,950 | $ 6,025 |

The accompanying notes are an integral part of these consolidated financial statements.

## 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Alkermes plc (the "Company") is a global biopharmaceutical company that seeks to develop innovative medicines in the field of neuroscience. The Company has a portfolio of proprietary commercial products for the treatment of alcohol dependence, opioid dependence, schizophrenia and bipolar I disorder and a pipeline of clinical and preclinical candidates in development for neurological disorders. Headquartered in Dublin, Ireland, the Company has a research and development center in Waltham, Massachusetts; a research and manufacturing facility in Athlone, Ireland; and a manufacturing facility in Wilmington, Ohio.

On November 15, 2023, the Company completed the separation of its oncology business into Mural Oncology plc ("Mural"), a new, independent, publicly-traded company (the "Separation"). The Separation was effected by means of a distribution of all of the outstanding ordinary shares of Mural to the Company's shareholders (the "Distribution"), in which each of the Company's shareholders received one ordinary share, nominal value $0.01 per share, of Mural for every ten ordinary shares, par value $0.01 per share, of the Company (the "Distribution Ratio") held by such shareholder as of the close of business on November 6, 2023, the record date for the Distribution (the "Record Date"). The historical results of the oncology business have been reflected as discontinued operations in the Company's consolidated financial statements through November 15, 2023 (the "Separation Date"). For additional information related to the Separation, see Note 3, *Discontinued Operations* in these "Notes to Consolidated Financial Statements" in this Annual Report.

On December 14, 2023 the Company announced that it entered into a definitive agreement to sell its development and manufacturing facility located in Athlone, Ireland (the "Athlone Facility") to Novo Nordisk ("Novo") and plans to enter into subcontracting arrangements to continue certain development and manufacturing activities currently performed at the Athlone Facility for a period of time after the closing of the transaction, which arrangements may continue through the end of 2025. Such transaction is expected to close in mid-2024, subject to certain closing conditions. At December 31, 2023, the Company had classified the assets described under the related asset purchase agreement as "Assets held for sale" within the accompanying consolidated balance sheet.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Principles of Consolidation***

The consolidated financial statements include the accounts of Alkermes plc and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated. Columns and rows within tables may not sum due to rounding.

***Reclassification***

The Company has presented its former oncology business as discontinued operations in its consolidated financial statements for all periods presented. See Note 3, *Discontinued Operations* in these "Notes to Consolidated Financial Statements" in this Annual Report for additional information. Additionally, as a result of the planned sale of the Athlone Facility, the Company has classified the assets described under the related asset purchase agreement as held for sale. The Company's historical financial statements and footnotes have been recast accordingly.

***Discontinued Operations***

The Company determined that the separation of its oncology business in November 2023 met the criteria for classification of the oncology business as discontinued operations in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 205, *Discontinued Operations*. Accordingly, the accompanying consolidated financial statements have been updated to present the assets and liabilities associated with the oncology business as discontinued operations as of December 31, 2022 on the consolidated balance sheets, and the results of the oncology business as discontinued operations through the Separation Date for the years ended December 31, 2023, 2022 and 2021 in the consolidated statements of operations and comprehensive income (loss).

***Assets Held for Sale***

In connection with the planned sale of the Athlone Facility, the Company reviewed FASB ASC 805, *Business Combinations* and, based on the definitions therein, has determined that the Athlone Facility constitutes a business. Accordingly, the assets associated with the planned sale of the Athlone Facility have been classified as "Assets held for sale" within the accompanying consolidated balance sheets as of December 31, 2023 and 2022.

***Use of Estimates***

The preparation of the Company's consolidated financial statements in accordance with accounting principles generally accepted in the United States ("GAAP") requires that Company management make estimates, judgments and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, judgments and methodologies, including but not limited to, those related to revenue from contracts with its customers and related allowances, impairment and amortization of intangibles and long-lived assets, share-based compensation, income taxes including the valuation allowance for deferred tax assets, valuation of investments and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

***Cash and Cash Equivalents***

The Company values its cash and cash equivalents at cost plus accrued interest, which the Company believes approximates their market value. The Company considers as cash equivalents only those investments that are highly liquid, readily convertible into cash and so near their maturity (generally three months from the date of purchase) that they present insignificant risk of change in value because of interest rate changes.

***Investments***

The Company has investments in various types of securities, consisting primarily of United States ("U.S.") government and agency obligations, corporate debt securities and debt securities issued by non-U.S. agencies and backed by non-U.S. governments. The Company generally holds its interest-bearing investments with major financial institutions and in accordance with documented investment policies. The Company limits the amount of credit exposure to any one financial institution or corporate issuer. At December 31, 2023, substantially all these investments were classified as available-for-sale and were recorded at fair value.

Unrealized gains and losses are included in accumulated other comprehensive loss in equity, net of related tax, unless: (i) the security has experienced a credit loss; (ii) the Company has determined that it has the intent to sell the security; or (iii) the Company has determined that it is more likely than not that it will have to sell the security before its expected recovery. Periodic reviews are conducted to identify and evaluate each investment that has an unrealized loss in accordance with the meaning of other-than-temporary impairment. An unrealized loss exists when the current fair value of an individual security is less than its amortized cost basis.

For available-for-sale debt securities with unrealized losses, the Company performs an analysis to assess whether it intends to sell, or whether it would more likely than not be required to sell, the security before the expected recovery of the amortized cost basis. Where the Company intends to sell a security, or may be required to do so, the security's decline in fair value is deemed to be other-than-temporary and the full amount of the unrealized loss is reflected in earnings as an impairment loss.

Regardless of the Company's intent to sell a security, the Company performs additional analysis on all securities with unrealized losses to evaluate losses associated with the creditworthiness of the security. Credit losses are identified where the Company does not expect to receive cash flows sufficient to recover the amortized cost basis of a security.

The Company's held-to-maturity investments are restricted investments held as collateral under letters of credit related to certain of the Company's agreements and are included in "Investments—long-term," in the accompanying consolidated balance sheets.

***Fair Value of Financial Instruments***

The Company's financial assets and liabilities are recorded at fair value and are classified as Level 1, 2 or 3 within the fair value hierarchy, as described in the accounting standards for fair value measurement. At December 31, 2023, the Company's financial assets consisted of cash equivalents and investments and are classified within the fair value hierarchy as follows:

- *Level 1*–these valuations are based on a market approach using quoted prices in active markets for identical assets. Valuations of these products do not require a significant degree of judgment. Assets utilizing Level 1 inputs at December 31, 2023 included U.S. treasury securities, marketable securities classified as cash equivalents and a fixed term deposit account; and
- *Level 2*–these valuations are based on quoted prices for identical or similar assets in active markets or other market observable inputs such as interest rates, yield curves, foreign currency spot rates and option pricing valuation models. Assets utilizing Level 2 inputs at December 31, 2023 included U.S. government agency debt securities, debt securities issued by non-U.S. agencies and backed by non-U.S. governments and investments in corporate debt securities that are trading in the credit markets.

The carrying amounts reflected in the consolidated balance sheets for cash and cash equivalents, accounts receivable, other current assets, accounts payable and accrued expenses approximate fair value due to their short-term nature.

***Inventory***

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. Included in inventory are raw materials used in production of preclinical and clinical products, which have alternative future use and are charged to R&D expense when consumed. The cost elements included within inventory include three primary categories for commercial products: cost of raw materials; direct labor; and overhead. Overhead is based on the normal capacity of the Company's production facilities and does not include costs from abnormally low production or idle capacity, which are expensed directly to the consolidated statement of operations and comprehensive income (loss).

The Company capitalizes inventory costs associated with its products prior to regulatory approval when, based on management's judgment, future commercialization of the product is considered probable and future economic benefit from such product is expected to be realized. The Company assesses the regulatory approval process and where the particular product stands in relation to that approval process, including any known safety, efficacy or quality concerns, potential labeling restrictions and other potential impediments to approval. The Company also considers the shelf life of the product in relation to the expected timeline for approval and considers issues that may prevent or delay commercialization, including issues that may arise in relation to the manufacturing of the product. The Company expenses previously capitalized costs related to pre-approval inventory upon a change in such judgment, due to, among other potential factors, a denial or significant delay of approval by relevant regulatory agencies or other issues that may make the pre-approval inventory batches less likely or unlikely to be commercialized and to result in future economic benefit.

***Property, Plant and Equipment***

Property, plant and equipment are recorded at cost, subject to review for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Expenditures for repairs and maintenance are charged to expense as incurred and major renewals and improvements are capitalized. Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

| Asset group | Term |
|---|---|
| Buildings and improvements | 15 - 40 years |
| Furniture, fixtures and equipment | 3 - 10 years |
| Leasehold improvements | Shorter of useful life or lease term |

***Goodwill and Intangible Assets***

Goodwill represents the excess cost of the Company's investment in the net assets of acquired companies over the fair value of the underlying identifiable net assets at the date of acquisition. The Company's goodwill consists solely of goodwill created as a result of the Company's acquisition of Elan Drug Technologies ("EDT") from Elan Corporation, plc (such acquisition, the "Business Combination") in September 2011 and has been assigned to one reporting unit. A reporting unit is an operating segment or one level below an operating segment or a component to which goodwill is assigned when initially recorded.

Goodwill is not amortized but is reviewed for impairment on an annual basis, as of October 31, and whenever events or changes in circumstances indicate that the carrying value of the goodwill might not be recoverable. The Company has the option to first assess qualitative factors to determine whether it is necessary to perform the quantitative impairment test. If the Company elects this option and believes, as a result of the qualitative assessment, that it is more-likely-than-not that the fair value of its reporting unit is less than its carrying amount, the quantitative impairment test is required; otherwise, no further testing is required. Alternatively, the Company may elect to not first assess qualitative factors and immediately perform the quantitative impairment test. In the quantitative impairment test, the Company compares the fair value of its reporting unit to its carrying value. If the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, then the Company would record an impairment loss equal to the difference.

When some, but not all, of a reporting unit is to be disposed of, the accounting for that reporting unit's goodwill will depend on whether the disposal group constitutes a business. If the disposal group constitutes a business, the Company attributes a portion of the reporting unit's goodwill to the disposal group based on the relative fair values of: (i) the disposal group; and (ii) the portion of the reporting unit that will be retained.

The Company's finite-lived intangible assets, consisting of core developed technology and collaboration agreements acquired as part of the Business Combination, were recorded at fair value at the time of their acquisition and are stated within the Company's consolidated balance sheets net of accumulated amortization. The finite-lived intangible assets are amortized over their estimated useful lives using the economic use method, which reflects the pattern that the economic benefits of the intangible assets are consumed as revenue is generated from the underlying patent or contract. The useful lives of the Company's intangible assets are primarily based on the legal or contractual life of the underlying patent or contract, which does not include additional years for the potential extension or renewal of the contract or patent.

***Impairment of Long-Lived Assets***

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset; a significant change in the extent or manner in which an asset is used; a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset; an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset; a current-period operating or cash flow loss combined with a history of operating or cash-flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset; or a current expectation that, more likely than not, a long-lived asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. In the event that such cash flows are not expected to be sufficient to recover the carrying amount of the assets, the assets are written-down to their estimated fair values. Long-lived assets to be disposed of are carried at fair value less costs to sell them.

***Revenue from Contracts with Customers***

The Company recognizes revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers* ("Topic 606"). When entering into arrangements with customers, the Company identifies whether its performance obligations under the arrangement represent a distinct good or service or a series of distinct goods or services. If a contract contains more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The fair value of performance obligations under the arrangement may be derived using an estimate of selling price if the Company does not sell the goods or services separately.

The Company recognizes revenue when or as it satisfies a performance obligation by transferring an asset or providing a service to a customer. Management judgment is required in determining the consideration to be earned under an arrangement and the period over which the Company is expected to complete its performance obligations under an arrangement. Steering committee services that are not inconsequential or perfunctory and that are determined to be performance obligations are combined with other research services or performance obligations required under an arrangement, if any, in determining the level of effort required in an arrangement and the period over which the Company expects to complete its aggregate performance obligations.

Product Sales, Net

The Company's product sales, net consist of sales in the U.S. of VIVITROL®, ARISTADA® and ARISTADA INITIO® and LYBALVI®, primarily to wholesalers, specialty distributors and pharmacies. Product sales, net are recognized when the customer obtains control of the product, which is when the product has been received by the customer.

Revenues from product sales are recorded net of reserves established for applicable discounts and allowances that are offered within contracts with the Company's customers, healthcare providers or payers. The Company's process for estimating reserves established for these variable consideration components does not differ materially from historical practices. The transaction price, which includes variable consideration reflecting the impact of discounts and allowances, may be subject to constraint and is included in the net sales price only to the extent that it is probable that a significant reversal of the amount of the cumulative revenues recognized will not occur in a future period. Actual amounts may ultimately differ from the Company's estimates. If actual results vary, the Company adjusts these estimates, which could have an effect on earnings in the period of adjustment. The following are the Company's significant categories of sales discounts and allowances:

- *Medicaid Rebates*—the Company records accruals for rebates to U.S. states under the Medicaid Drug Rebate Program as a reduction of sales when the product is shipped into the distribution channel using the expected value method. The Company rebates individual U.S. states for all eligible units purchased under the Medicaid program based on a rebate per unit calculation, which is based on the Company's average manufacturer prices. The Company estimates expected unit sales to individuals covered by Medicaid and rebates per unit under the Medicaid program and adjusts its rebate accrual based on actual unit sales and rebates per unit and changes in trends in Medicaid utilization. To date, actual Medicaid rebates have not differed materially from the Company's estimates;

- *Chargebacks*—discounts that occur when contracted indirect customers purchase directly from wholesalers and specialty distributors. Contracted customers generally purchase a product at its contracted price. The wholesaler or specialty distributor, in turn, then generally charges back to the Company the difference between the wholesale acquisition cost and the contracted price paid to the wholesaler or specialty distributor by the customer. The allowance for chargebacks is made using the expected value method and is based on actual and expected utilization of these programs. Chargebacks could exceed historical experience and the Company's estimates of future participation in these programs. To date, actual chargebacks have not differed materially from the Company's estimates;
- *Product Discounts*—cash consideration, including sales incentives, given by the Company under agreements with a number of wholesaler, distributor, pharmacy, and treatment provider customers that provide them with a discount on the purchase price of products. The reserve is made using the expected value method and to date, actual product discounts have not differed materially from the Company's estimates;
- *Product Returns*—the Company records an estimate for product returns at the time its customers take control of their product. The Company estimates this liability using the expected returns of product sold based on historical return levels and specifically identified anticipated returns due to known business conditions and product expiry dates. Return amounts are recorded as a reduction of sales. Once product is returned, it is destroyed. To date, actual product returns have not differed materially from the Company's estimates; and
- *Medicare Part D*—the Company records accruals for Medicare Part D liabilities under the Medicare Coverage Gap Discount Program ("CGDP") as a reduction of sales. Under the CGDP, patients reaching the annual coverage gap threshold are eligible for reimbursement coverage for out-of-pocket costs for covered prescription drugs. Under an agreement with the Centers for Medicare and Medicaid Services, manufacturers are responsible to reimburse prescription plan sponsors for the portion of out-of-pocket expenses not covered under their Medicare plans. To date, actual Medicare Part D rebates have not differed materially from the Company's estimates.

Collaborative Arrangements

The Company has entered into collaborative arrangements with pharmaceutical companies including, among others, Janssen Pharmaceuticals, Inc. ("Janssen, Inc."), Janssen Pharmaceutica International, a division of Cilag International AG ("Janssen International"), and Janssen Pharmaceutica N.V. (together with Janssen, Inc., Janssen International and their affiliates, "Janssen") related to INVEGA SUSTENNA®/XEPLION®, INVEGA TRINZA®/TREVICTA®, INVEGA HAFYERA®/BYANNLI® (the "long-acting INVEGA products") and RISPERDAL CONSTA®, and Biogen Swiss Manufacturing GmbH (together with its affiliates, "Biogen") related to VUMERITY®. Substantially all of the products developed under these arrangements are currently being marketed as approved products for which the Company receives payments for manufacturing services and/or royalties on net product sales.

*Manufacturing Revenue*

The Company recognizes manufacturing revenues from the sale of products it manufactures for resale by its licensees. Substantially all of the manufacturing revenues are recognized at a point in time when control of the product passes to the licensee. The sales price for certain of the Company's manufacturing revenues is based on the end-market sales price earned by its licensees. As end-market sales generally occur after the Company has recorded manufacturing revenue, the Company estimates the sales price for such products based on information supplied to it by the Company's licensees, its historical transaction experience and other third-party data. Differences between actual manufacturing revenues and estimated manufacturing revenues are reconciled and adjusted for in the period in which they become known, which is generally within the same quarter. The differences between the Company's actual and estimated manufacturing revenues have not been material to date.

*Royalty Revenue*

The Company recognizes royalty revenues related to the sale by its licensees of products that incorporate the Company's technologies. All of the Company's royalties qualify for the sales-and-usage exemption under Topic 606 as (i) such royalties are based strictly on the sales-and-usage by the licensee; and (ii) a license of IP is the sole or predominant item to which such royalties relate. Based on this exemption, these royalties are earned in the period that the products are sold by the Company's licensee and the Company has a present right to payment.

Certain of the Company's royalty revenues are recognized by the Company based on information supplied to the Company by its licensees and require estimates to be made. Differences between actual royalty revenues and estimated royalty revenues are reconciled and adjusted for in the period in which they become known, which is generally within the same quarter. The differences between the Company's actual and estimated royalty revenues have not been material to date.

*License Revenue*

The Company recognizes revenue from the grant of distinct, right-to-use licenses of IP when control of the license is transferred to the licensee, which is the point in time that the licensee is able to direct the use of, and obtain substantially all of the benefits from the license.

***Receivables, net***

Receivables, net, include amounts billed and amounts unbilled but currently unconditionally due from customers. The amounts due are stated at their net estimated realizable value. The Company's unbilled receivable balance was $103.1 million and $72.0 million at December 31, 2023 and 2022, respectively, and related primarily to royalty revenue. The Company maintains an allowance for doubtful accounts to provide for the estimated amounts of receivables that will not be collected. The allowance is based upon an assessment of customer creditworthiness, historical payment experience, the age of outstanding receivables and collateral to the extent applicable. The Company's allowance for doubtful accounts was approximately $0.2 million at each of December 31, 2023 and 2022.

***Contract Assets***

Contract assets include unbilled amounts that will result in a sale under certain of the Company's manufacturing contracts. The amounts included in the contract assets table below are classified as "Current assets" in the accompanying consolidated balance sheets, as they relate to manufacturing processes that are completed in ten days to eight weeks.

Contract assets consisted of the following:

| (In thousands) | Contract Assets |
|---|---|
| Contract assets at January 1, 2022 | $ 13,363 |
| Additions | 42,218 |
| Transferred to receivables, net | (46,652) |
| Contract assets at December 31, 2022 | $ 8,929 |
| Additions | 13,606 |
| Transferred to receivables, net | (21,829) |
| Contract assets at December 31, 2023 | $ 706 |

***Contract Liabilities***

Contract liabilities consist of contractual obligations related to deferred revenue. At December 31, 2023 and 2022, $2.7 million and $6.8 million of the contract liabilities, respectively, were classified as "Contract liabilities–short-term" in the accompanying consolidated balance sheets and $2.1 million and $3.9 million of the contract liabilities, respectively, were classified as "Other long-term liabilities" in the accompanying consolidated balance sheets.

Contract liabilities consisted of the following:

| (In thousands) | Contract Liabilities |
|---|---|
| Contract liabilities at January 1, 2022 | $ 17,830 |
| Additions | 6,769 |
| Amounts recognized into revenue | (7,514) |
| Amounts recognized into other (expense) income, net | (6,384) |
| Contract liabilities at December 31, 2022 | $ 10,701 |
| Reductions | (931) |
| Amounts recognized into revenue | (4,995) |
| Contract liabilities at December 31, 2023 | $ 4,775 |

***Foreign Currency***

The Company's functional and reporting currency is the U.S. dollar. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. The resulting monetary assets and liabilities are translated into U.S. dollars at exchange rates prevailing on the subsequent balance sheet date. Gains and losses as a result of translation adjustments are recorded within "Other (expense) income, net" in the accompanying consolidated statements of operations and comprehensive income (loss). During the years ended December 31, 2023, 2022 and 2021, the Company recorded a loss of $0.5 million, a gain of $0.7 million and a loss of $0.3 million, respectively, on foreign currency translation.

***Concentrations***

Financial instruments that potentially subject the Company to concentrations of credit risk are receivables and marketable securities. Billings to large pharmaceutical companies and pharmaceutical wholesalers account for the majority of the Company's receivables, and collateral is generally not required from these customers. To mitigate credit risk, the Company monitors the financial performance and credit-worthiness of its customers. The following represents revenue and receivables from the Company's customers exceeding 10% of the total in each category as of, and for the years ended, December 31, 2023, 2022 and 2021:

| | Year Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | | 2022 | | 2021 | |
| Customer | Receivables | Revenue | Receivables | Revenue | Receivables | Revenue |
| Janssen | 23% | 31% | * | 15% | 30% | 30% |
| Biogen | 9% | 11% | 19% | 13% | 11% | 10% |
| Cardinal Health | 24% | 20% | 24% | 24% | 17% | 20% |
| AmerisourceBergen | 16% | 12% | 18% | 14% | 13% | 11% |
| McKesson | 14% | 14% | 12% | 16% | 11% | 13% |

* Indicates the revenues or receivables for the customer did not exceed 10% of the Company's total in each category as of or for the years ended December 31, 2023, 2022 and 2021, as noted.

The Company holds its interest-bearing investments with major financial institutions and, in accordance with documented investment policies, the Company limits the amount of credit exposure to any one financial institution or corporate issuer. The Company's investment objectives are, first, to ensure liquidity and conservation of capital and, second, to obtain investment income.

***Geographic Information***

Company revenues by geographic location for the years ended December 31, 2023, 2022 and 2021, as determined by the location of the customer, are as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| (In thousands) | 2023 | 2022 | 2021 |
| Revenue by region: | | | |
| U.S. | $ 1,491,939 | $ 931,991 | $ 984,235 |
| Ireland | 1,179 | 1,829 | 2,175 |
| Rest of world | 170,287 | 177,975 | 187,341 |

The location of the Company's assets are as follows:

| | December 31, | |
|---|---|---|
| (In thousands) | 2023 | 2022 [1] |
| Assets by region: | | |
| Current assets: | | |
| U.S.: | | |
| Assets related to discontinued operations | $ — | $ 2,324 |
| Other current assets | 867,588 | 700,240 |
| Ireland: | | |
| Assets held for sale | $ 94,260 | $ — |
| Other current assets | 523,658 | 427,742 |
| Rest of world | — | — |
| Long-term assets: | | |
| U.S.: | | |
| Assets related to discontinued operations | $ — | $ 37,763 |
| Other | 432,870 | 499,038 |
| Ireland: | | |
| Intangible assets | $ 1,991 | $ 37,680 |
| Assets held for sale | — | 93,871 |
| Goodwill | 83,027 | 83,027 |
| Other | 132,829 | 82,293 |

(1) Prior period amounts have been retrospectively adjusted to reflect assets related to discontinued operations related to the Separation and assets held for sale related to the planned sale of the Athlone Facility.

***Research and Development Expenses***

For each of its R&D programs, the Company incurs both external and internal expenses. External R&D expenses include fees related to clinical and preclinical activities performed by contract research organizations, consulting fees and costs related to laboratory services, purchases of drug product materials and third-party manufacturing development costs. Internal R&D expenses include employee-related expenses, occupancy costs, depreciation and general overhead. The Company tracks external R&D expenses for each of its development programs, however, internal R&D expenses are not tracked by individual program as they benefit multiple development programs or the Company's products or technologies in general.

***Selling, General and Administrative Expenses***

Selling, general and administrative ("SG&A") expenses are primarily comprised of employee-related expenses associated with selling and marketing, finance, human resources, legal, information technology and other administrative personnel, outside marketing, advertising, financial and legal expenses and other general and administrative costs.

Advertising costs are expensed as incurred. During the years ended December 31, 2023, 2022 and 2021, advertising costs totaled $127.6 million, $41.4 million and $38.9 million, respectively.

***Share-Based Compensation***

The Company's share-based compensation programs permit grants of awards in the form of stock options and restricted stock unit awards ("RSUs"), which vest with the passage of time and/or based on the achievement of certain performance criteria. The Company issues new shares upon the exercise of stock options or the vesting of RSUs. Under the terms of the Company's stock option and incentive plans (the "Plans"), the Company's employees may, at the discretion of the plan administrator, become eligible in certain circumstances set forth in the Plans for accelerated vesting of certain awards granted to them under the Plans. In such circumstances, if there are no effective future service requirements for such employees, the remaining fair value of any such accelerated awards would be expensed as of the date of acceleration.

*Time-Based Stock Options*

Except as otherwise provided in the applicable Plan or award certificate, stock option grants to employees expire ten years from the date of grant and generally vest in four equal annual installments, commencing on the first anniversary of the date of grant, provided the employee remains continuously employed with the Company during the applicable vesting period. Except as otherwise provided in the applicable Plan: (i) annual stock option grants to non-employee directors expire ten years from the grant date and generally vest over a one-year period, provided that the director continues to serve on the Company's board of directors through the vesting date; and (ii) stock option grants to new non-employee directors expire ten years from the grant date and generally vest over a three-year period, provided that the director continues to serve on the Company's board of directors through the vesting date. The estimated fair value of options is recognized over the requisite service period, which is generally the vesting period. Share-based compensation expense is based on awards ultimately expected to vest. Forfeitures are estimated based on historical experience at the time of grant and revised in subsequent periods if actual forfeitures differ from those estimates.

The fair value of stock option grants is based on estimates as of the date of grant using a Black-Scholes option valuation model. The Company uses historical data as the basis for estimating stock option terms and forfeitures. Separate groups of employees that have similar historical stock option exercise and forfeiture behavior are considered separately for valuation purposes. The ranges of expected terms disclosed below reflect different expected behavior among certain groups of employees. Expected stock volatility factors are based on a weighted average of implied volatilities from traded options of the Company's ordinary shares and historical share price volatility of the Company's ordinary shares, which is determined based on a review of the weighted average of historical weekly price changes of the Company's ordinary shares. The risk-free interest rate for periods commensurate with the expected term of the stock option is based on the U.S. treasury yield curve in effect at the time of grant. The dividend yield on the Company's ordinary shares is estimated to be zero as the Company has not paid dividends and does not expect to pay dividends in the near future. The exercise price of options granted is equal to the closing price of the Company's ordinary shares traded on the Nasdaq Global Select Market on the date of grant.

The fair value of each stock option granted was estimated on the grant date with the following weighted-average assumptions:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2023 | 2022 | 2021 |
| Expected option term | 5 - 8 years | 5 - 8 years | 5 - 7 years |
| Expected stock volatility | 40 % - 44 % | 43 % - 51 % | 43 % - 54 % |
| Risk-free interest rate | 3.34 % - 4.75 % | 1.83 % - 4.26 % | 0.67 % - 1.46 % |
| Expected annual dividend yield | — | — | — |

*Time-Based Restricted Stock Unit Awards*

Except as otherwise provided in the applicable Plan or award certificate, time-based RSUs awarded to employees generally vest in four equal annual installments, commencing on the first anniversary of the date of grant, provided the employee remains continuously employed with the Company during the applicable vesting period. Shares subject to these RSUs are delivered to the employee upon vesting, subject to payment of applicable withholding taxes. The fair value of time-based RSUs is equal to the closing price of the Company's ordinary shares traded on the Nasdaq Global Select Market on the date of grant. Compensation expense, including the effect of forfeitures, is recognized over the applicable service period.

*Performance-Based Restricted Stock Unit Awards*

Performance-based RSUs awarded to employees vest upon the achievement of certain performance criteria, typically during or at the end of a specified performance period. The estimated fair value of these RSUs are generally based on the closing price of the Company's ordinary shares traded on the Nasdaq Global Select Market on the date of grant, unless the RSU is also subject to a market condition. In that case, the fair value of the RSU is based on a Monte Carlo simulation model. Compensation expense for performance-based RSUs is recognized from the date the Company determines the performance criteria probable of being achieved to the date the award, or relevant portion of the award, is expected to vest. Cumulative adjustments are recorded on a quarterly basis to reflect subsequent changes to the estimated outcome of the performance criteria until the date that the final outcome of the performance criteria is determined.

*Conversion and modification of equity awards outstanding at Separation date*

In connection with the Separation, and in accordance with the provisions of the Alkermes Stock Option and Incentive Plans (as defined in Note 15, *Share-based Compensation*) and the terms of that certain employee matters agreement, dated as of November 13, 2023, as amended, by and between the Company and Mural (the "Employee Matters Agreement"), outstanding stock options, RSUs and performance-based RSUs were adjusted (an equitable adjustment) in order to preserve the intrinsic value of such awards immediately before and immediately after the Separation Date. Based upon the terms and the methodology set forth in the Employee Matters Agreement, one conversion ratio was calculated for awards held by current and former employees of the Company (the "Alkermes Conversion Ratio"), a second conversion ratio was calculated for stock options held by employees who transferred to Mural in connection with the Separation and a third conversion ratio was calculated for RSUs held by employees who transferred to Mural in connection with the Separation (the "Mural Conversion Ratios").

Following the application of the Alkermes Conversion Ratio to applicable awards that were outstanding immediately before the Separation Date, the Company compared the fair value of such awards to the fair value of the awards that were outstanding immediately after the Separation Date, as adjusted, to determine whether the Company would recognize an incremental fair value adjustment related to the awards. Following this calculation, it was determined that no incremental fair value resulted from the application of the Alkermes Conversion Ratio.

Following the application of the applicable Mural Conversion Ratios to applicable awards that were outstanding immediately before the Separation Date, Mural compared the fair value of such awards to the fair value of the awards that were outstanding immediately after the Separation Date, as adjusted, to determine whether an incremental fair value adjustment was required. Following this calculation, it was determined that the fair value of the post-conversion awards held by employees who transferred to Mural increased immediately following the Separation, resulting in an incremental fair value charge as of the Separation Date. In accordance with FASB ASC 718, *Compensation—Stock Compensation*, the Company recognized a charge within share-based compensation expense of $1.6 million, which represented the incremental fair value related to stock option awards that had vested prior to the Separation Date.

***Income Taxes***

The Company recognizes income taxes under the asset and liability method. Deferred income taxes are recognized for differences between the financial reporting and tax bases of assets and liabilities at enacted statutory tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. In evaluating the Company's ability to recover its deferred tax assets, the Company considers all available positive and negative evidence including its past operating results, the existence of cumulative income in the most recent fiscal years, changes in the business in which the Company operates and its forecast of future taxable income. In determining future taxable income, the Company is responsible for assumptions utilized including the amount of Irish and non-Irish pre-tax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates that the Company is using to manage the underlying business.

The Company accounts for uncertain tax positions using a more-likely-than-not threshold for recognizing and resolving uncertain tax positions. The evaluation of uncertain tax positions is based on factors including, but not limited to, changes in tax law, the measurement of tax positions taken or expected to be taken in tax returns, the effective settlement of matters subject to audit, new audit activity and changes in facts or circumstances related to a tax position. The Company evaluates its tax position on a quarterly basis. The Company also accrues for potential interest and penalties related to unrecognized tax benefits in income tax expense.

***Comprehensive Income (Loss)***

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) includes changes in equity that are excluded from net income (loss), such as unrealized holding gains and losses on available-for-sale investments.

***Earnings (Loss) Per Share***

Basic earnings (loss) per ordinary share from continuing operations is calculated based upon net income (loss) from continuing operations available to holders of ordinary shares divided by the weighted average number of ordinary shares outstanding. Basic loss per ordinary share from discontinued operations is calculated based upon net loss from discontinued operations available to holders of ordinary shares, divided by the weighted average number of ordinary shares outstanding. For the calculation of diluted earnings (loss) per ordinary share from continuing operations and discontinuing operations, the Company utilizes the treasury stock method and adjusts the weighted average number of ordinary shares outstanding for the potential dilutive effect of outstanding ordinary share equivalents such as stock options and RSUs.

***Segment Information***

The Company operates as one business segment, which is the business of developing, manufacturing and commercializing medicines designed to address unmet medical needs of patients in major therapeutic areas. The Company's chief decision maker, the Chairman and Chief Executive Officer, reviews the Company's operating results on an aggregate basis and manages the Company's operations as a single operating unit.

***Employee Benefit Plans***

*401(k) Plan*

The Company maintains a 401(k) retirement savings plan (the "401(k) Plan"), which covers substantially all of its U.S.-based employees. Eligible employees may contribute up to 100% of their eligible compensation, subject to certain Internal Revenue Service ("IRS") limitations. The Company matches 100% of employee contributions up to the first 5% of employee pay, up to IRS limits. Employee and Company contributions are fully vested when made. During the years ended December 31, 2023, 2022 and 2021, the Company contributed $15.0 million, $14.4 million and $13.7 million, respectively, to match employee deferrals under the 401(k) Plan.

*Defined Contribution Plan*

The Company maintains a defined contribution plan for its Ireland-based employees (the "Defined Contribution Plan"). The Defined Contribution Plan provides for eligible employees to contribute up to a maximum of 40%, depending upon their age, of their total taxable earnings subject to an earnings cap of €115,000. The Company provides a match of up to 18% of taxable earnings depending upon an individual's contribution level. During the years ended December 31, 2023, 2022 and 2021, the Company contributed $5.6 million, $5.1 million and $5.2 million, respectively, in contributions to the Defined Contribution Plan.

***New Accounting Pronouncements***

From time to time, new accounting pronouncements are issued by the FASB or other standard-setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure*, which requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items to reconcile to segment profit or loss and the title and position of the Company's chief operating decision maker. The amendments in this guidance also expand the interim segment disclosure requirements. All disclosure requirements under this guidance are required for public entities with a single reportable segment. This ASU became effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted and the amendments in this guidance are required to be applied on a retrospective basis. The Company is currently evaluating the potential impact this ASU will have on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures,* to enhance the transparency and decision usefulness of income tax disclosures in order to provide information to assist key stakeholders in better assessing how the Company's operations and related tax risks and tax planning and operational opportunities affect the Company's tax rate and prospects for future cash flows. This ASU becomes effective for public companies for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. This guidance will be applied on a prospective basis. The Company is currently evaluating the impact this ASU will have on its consolidated financial statements and related disclosures.

## 3. DISCONTINUED OPERATIONS

***Mural Oncology Separation***

On November 15, 2023, the Company completed the Separation. In connection with the Separation, the Company entered into a separation agreement with Mural, dated as of November 13, 2023, that, among other things, sets forth the Company's agreements with Mural regarding the principal actions taken or to be taken in connection with the Separation, including the Distribution. The separation agreement identified those assets to be transferred to, liabilities to be assumed by and contracts to be assigned to Mural, including the operating lease for the office and laboratory space at 852 Winter Street in Waltham, Massachusetts, as part of the Separation, and it provided for when and how such transfers, assumptions and assignments were to occur. The purpose of the separation agreement was to provide Mural and the Company with those assets necessary to operate their respective businesses and to retain or assume the respective liabilities related to those assets.

Under the terms of the separation agreement, the Company granted Mural a perpetual, worldwide, non-exclusive, royalty-free, fully paid-up license (or, as the case may be, sublicense) to IP controlled by the Company as of the date of the Distribution to allow Mural to use such IP for the oncology business, and Mural granted the Company a perpetual, worldwide, non-exclusive, royalty-free, fully paid-up license (or, as the case may be, sublicense) to IP transferred to Mural as part of the Separation for the Company's use outside of the oncology business.

Each of Mural and the Company agreed to releases with respect to pre-Distribution claims, and cross-indemnities with respect to post-Distribution claims, that are principally designed to place financial responsibility for the obligations and liabilities allocated to Mural under the separation agreement with Mural, and financial responsibility for the obligations and liabilities allocated to the Company under the separation agreement with the Company. The Company and Mural are also each subject to mutual six-month employee non-solicitation and non-hire restrictions, subject to certain customary exceptions, and certain confidentiality restrictions and information sharing obligations.

The transfer of assets and liabilities to Mural was effected through a contribution in accordance with the separation agreement, as summarized below:

| (In thousands) | November 15, 2023 |
|---|---|
| **ASSETS** | |
| Current Assets: | |
| Cash and cash equivalents | $ 275,000 |
| Total current assets | 275,000 |
| Property, plant and equipment, net | 10,096 |
| Right-of-use assets | 14,513 |
| Goodwill | 7,800 |
| Deferred tax asset | 1,799 |
| Total assets | $ 309,208 |
| **LIABILITIES** | |
| Current Liabilities | |
| Operating lease liabilities—short-term | $ 6,036 |
| Total current liabilities | 6,036 |
| Operating lease liabilities—long-term | 9,412 |
| Total liabilities | 15,448 |
| Net assets transferred to Mural | $ 293,760 |

The Company determined that the Separation and related Distribution qualified as tax-free for U.S. federal income tax purposes, which required significant judgment by management. In making such determinations, the Company applied U.S. federal tax law to

relevant facts and circumstances and obtained: (i) a favorable private letter ruling from the IRS; (ii) a tax opinion; and (iii) other external tax advice related to the concluded tax treatment. If the Separation and Distribution were to ultimately fail to qualify for tax-free treatment for U.S. federal income tax purposes, the Company and/or its shareholders could be subject to significant liabilities, which could have material adverse impacts on the Company's business, financial condition, results of operations and cash flows in future reporting periods. Furthermore, other than taxes recorded on the transfer of intellectual property, the Company determined that the Separation and related Distribution qualified as tax-free for Irish tax purposes, which required significant judgment by management. In making such determinations, the Company applied Irish tax law to relevant facts and circumstances and obtained: (i) a tax opinion; and (ii) other external tax advice related to the concluded tax treatment. If the Separation and Distribution were to ultimately fail to qualify for tax-free treatment for Irish tax purposes, the Company and/or its shareholders could be subject to significant liabilities, which could have material adverse impacts on the Company's business, financial condition, results of operations and cash flows in future reporting periods.

In connection with the Separation, the Company also entered into a tax matters agreement with Mural, dated as of November 13, 2023. The tax matters agreement governs the Company's and Mural's respective rights, responsibilities and obligations with respect to taxes (including taxes arising in the ordinary course of business and taxes, if any, incurred as a result of any failure of the Distribution, together with certain related transactions, to qualify as tax-free for U.S. federal income tax purposes), tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings, and assistance and cooperation in respect of tax matters.

In connection with the Separation, the Company also entered into the Employee Matters Agreement. The Employee Matters Agreement, as amended, governs the Company's, Mural's and their respective subsidiaries' and affiliates' rights, responsibilities and obligations after the Separation with respect to, employment, benefits and compensation matters relating to employees and former employees (and their respective dependents and beneficiaries) who are or were associated with the Company, including those who became employees of Mural in connection with the Separation; the allocation of assets and liabilities generally relating to employees, employment or service-related matters and employee benefit plans; other human resources, employment and employee benefits matters; and the treatment of equity-based awards granted by the Company prior to the Separation.

The Company entered into two transition services agreements with Mural. On November 13, 2023, Alkermes, Inc., a wholly-owned subsidiary of the Company ("Alkermes US"), and Mural Oncology, Inc., a wholly-owned subsidiary of Mural ("Mural US"), entered into one transition services agreement, pursuant to which the Company and its subsidiaries will provide, on an interim, transitional basis, various services to Mural and its subsidiaries, and a second transition services agreement, pursuant to which Mural and its subsidiaries will provide certain services to the Company and its subsidiaries, in each case for a term of two years, unless earlier terminated in accordance with the terms of the applicable agreement. As of December 31, 2023, the Company had an immaterial amount of accounts receivable and accounts payable due from and to Mural related to such transition services agreements.

***Discontinued Operations***

The results of the oncology business and transaction costs related to the Separation have been reflected as "Loss from discontinued operations, net of taxes" in the accompanying consolidated statement of operations and comprehensive income (loss) through the Separation Date. Prior periods have been recast to reflect this presentation. The transaction costs related to the Separation were $36.0 million during 2023 and $1.4 million during 2022, and primarily relate to professional fees for separation activities within the finance, tax, legal and information technology functions. As of December 31, 2022, the assets and liabilities associated with the oncology business are classified as "Assets held for discontinued operations" and "Liabilities related to discontinued operations" in the accompanying consolidated balance sheet.

The following table summarizes expenses of the discontinued operations for the years ended December 31, 2023, 2022 and 2021:

| | Year Ended December 31, | | |
|---|---|---|---|
| **(In thousands)** | **2023** | **2022** | **2021** |
| Operating expenses from discontinued operations | | | |
| Cost of goods manufactured | $ 39 | $ 40 | $ 64 |
| Research and development | 116,177 | 121,140 | 115,602 |
| Selling, general and administrative | 48,587 | 14,996 | 11,367 |
| Total operating expenses from discontinued operations | 164,803 | 136,176 | 127,033 |
| Operating loss from discontinued operations | (164,803) | (136,176) | (127,033) |
| Income tax benefit from discontinued operations | (1,403) | (11,061) | (2,463) |
| Net loss and comprehensive loss from discontinued operations | $ (163,400) | $ (125,115) | $ (124,570) |

There were no assets and $4.5 million of liabilities related to the Separation as of December 31, 2023. All assets were transferred to Mural as of the Separation Date. The $4.5 million of liabilities classified as "Liabilities related to discontinued operations" in the accompanying consolidated balance sheet relates to bonus amounts accrued for employees that transferred to Mural during 2023 through the Separation Date that will be paid by the Company, in accordance with the terms of the Employee Matters Agreement. The following table summarizes the assets and liabilities related to Mural that have been classified as assets and liabilities from discontinued operations in our accompanying consolidated balance sheet as of December 31, 2022:

| (In thousands) | December 31, 2022 |
|---|---|
| **ASSETS** | |
| Current Assets: | |
| Prepaid expenses and other current assets | $ 2,324 |
| Total current assets | 2,324 |
| Right-of-use assets | 18,316 |
| Property, plant and equipment, net | 10,617 |
| Goodwill | 7,800 |
| Deferred tax asset | 1,030 |
| Assets from discontinued operations | $ 40,087 |
| **LIABILITIES** | |
| Current Liabilities: | |
| Operating lease liabilities—short-term | $ 5,844 |
| Total current liabilities | 5,844 |
| Operating lease liability—long-term | 13,542 |
| Liabilities related to discontinued operations | $ 19,386 |

The following table summarizes the significant non-cash items and capital expenditures of the discontinued operations that are included in the consolidated statements of cash flows for the years ended December 31, 2023, 2022 and 2021:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2023 | 2022 | 2021 |
| | | (In thousands) | |
| OPERATING ACTIVITIES: | | | |
| Depreciation | $ 2,319 | $ 1,539 | $ 1,474 |
| Share-based compensation expense | 8,188 | 6,577 | 5,190 |
| Right-of-use assets | 3,803 | 5,909 | 5,703 |
| Operating lease liabilities | (3,938) | (5,920) | (4,758) |
| | | | |
| INVESTING ACTIVITIES: | | | |
| Additions of property, plant and equipment | $ (1,798) | $ (5,510) | $ (4,385) |

## 4. REVENUE FROM CONTRACTS WITH CUSTOMERS

During the years ended December 31, 2023, 2022 and 2021, the Company recorded product sales, net, as follows:

| (In thousands) | Year Ended December 31, | | |
|---|---|---|---|
| | 2023 | 2022 | 2021 |
| VIVITROL | $ 400,419 | $ 379,478 | $ 343,853 |
| ARISTADA and ARISTADA INITIO | 327,690 | 302,052 | 275,356 |
| LYBALVI | 191,889 | 96,022 | 8,215 |
| Total product sales, net | $ 919,998 | $ 777,552 | $ 627,424 |

During the years ended December 31, 2023, 2022 and 2021, the Company recorded manufacturing and royalty revenues from its collaboration arrangements as follows:

| | Year Ended December 31, 2023 | | |
|---|---|---|---|
| (In thousands) | Manufacturing Revenue | Royalty Revenue | Total |
| Long-acting INVEGA products[1] | $ — | $ 486,101 | $ 486,101 |
| VUMERITY | 42,886 | 86,440 | 129,326 |
| RISPERDAL CONSTA | 36,123 | 1,153 | 37,276 |
| Other | 63,489 | 27,196 | 90,685 |
| | $ 142,498 | $ 600,890 | $ 743,388 |

| | Year Ended December 31, 2022 | | |
|---|---|---|---|
| (In thousands) | Manufacturing Revenue | Royalty Revenue | Total |
| Long-acting INVEGA products[1] | $ — | $ 115,655 | $ 115,655 |
| VUMERITY | 32,493 | 83,003 | 115,496 |
| RISPERDAL CONSTA | 42,670 | 7,243 | 49,913 |
| Other | 37,211 | 13,708 | 50,919 |
| | $ 112,374 | $ 219,609 | $ 331,983 |

| | Year Ended December 31, 2021 | | |
|---|---|---|---|
| (In thousands) | Manufacturing Revenue | Royalty Revenue | Total |
| Long-acting INVEGA products[1] | $ — | $ 303,106 | $ 303,106 |
| VUMERITY | 25,808 | 61,614 | 87,422 |
| RISPERDAL CONSTA | 40,413 | 10,456 | 50,869 |
| Other | 39,407 | 61,003 | 100,410 |
| | $ 105,628 | $ 436,179 | $ 541,807 |

(1) "long-acting INVEGA products": INVEGA SUSTENNA/XEPLION (paliperidone palmitate), INVEGA TRINZA/TREVICTA (paliperidone palmitate) and INVEGA HAFYERA/BYANNLI (paliperidone palmitate).

In November 2021, the Company received notice of partial termination of an exclusive license agreement with Janssen. Under this license agreement, the Company provided Janssen with rights to, and know-how, training and technical assistance in respect of, the Company's small particle pharmaceutical compound technology, known as NanoCrystal technology, which was used to develop the long-acting INVEGA products. When the partial termination became effective in February 2022, Janssen ceased paying royalties related to sales of INVEGA SUSTENNA, INVEGA TRINZA and INVEGA HAFYERA. Accordingly, the Company ceased recognizing royalty revenue related to sales of these products in February 2022. In April 2022, the Company commenced binding arbitration proceedings related to, among other things, Janssen's partial termination of this license agreement and Janssen's royalty and other obligations under the agreement. In May 2023, the arbitral tribunal (the "Tribunal") in the arbitration proceedings issued a final award (the "Final Award") which concluded the arbitration proceedings. The Final Award provided, among other things, that the Company was due back royalties of $195.4 million, inclusive of $8.1 million in late-payment interest related to 2022 U.S. net sales of the long-acting INVEGA products, which amount the Company received from Janssen in the second quarter of 2023, and is entitled to 2023 and future royalty revenues from Janssen related to net sales of INVEGA SUSTENNA through August 20, 2024, INVEGA TRINZA through the second quarter of 2030 (but no later than May 2030 when the license agreement expires) and INVEGA HAFYERA through May 2030 (when the license agreement expires).

Following issuance of the Final Award, the Company recognized royalty revenues related to the back royalties noted above and resumed recognizing royalty revenue related to ongoing U.S. sales of the long-acting INVEGA products. During 2023, the Company recorded $486.1 million in royalty revenue from sales of the long-acting INVEGA products, including $195.4 million related to back royalties and associated interest related to net sales of the long-acting INVEGA in the U.S. in 2022 and resumed recognizing royalty revenue related to worldwide net sales of the long-acting INVEGA products of approximately $290.7 million, as compared to royalty revenue of $115.7 million during 2022.

In October 2022 and November 2022, an arbitration panel found that the Company must return to Acorda Therapeutics, Inc. ("Acorda") $16.5 million (inclusive of prejudgment interest and administrative fees) and $1.8 million (inclusive of prejudgment interest), respectively, previously paid by Acorda under a license agreement between the Company and Acorda. These amounts represented a portion of the royalty revenue paid to the Company by Acorda since July 2020 related to AMPYRA. The Company paid

Acorda the aggregate $18.3 million in the fourth quarter of 2022. In addition, during the three months ended June 30, 2022, the Company had recorded $3.2 million of royalty revenue related to AMPYRA as the Company believed that it had met the necessary revenue recognition criteria under Topic 606. However, as a result of the arbitration ruling, the Company reversed the $3.2 million as the panel found that the Company was no longer entitled to be paid those royalties. During the three months ended September 30, 2022, the Company recorded both the $18.3 million in repayments and the $3.2 million reversal as reversals of royalty revenue within "Manufacturing and royalty revenue" in the accompanying consolidated statements of operations and comprehensive income (loss). The amounts related to such arbitration ruling were included as part of "Other" within the manufacturing and royalty revenue table above for the year ended December 31, 2022. As a result of the arbitration ruling, the Company has no contractual obligation to manufacture and supply AMPYRA or contractual right to receive future manufacturing or royalty revenue related to AMPYRA. Refer to Note 19, *Commitments and Contingent Liabilities* within the "Notes to Consolidated Financial Statements" in this Annual Report for information regarding additional legal proceedings related to the arbitration with Acorda.

## 5. INVESTMENTS

Investments consist of the following:

| December 31, 2023 | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses: Less than One Year | Gross Unrealized Losses: Greater than One Year | Estimated Fair Value |
|---|---|---|---|---|---|
| Short-term investments: | | | | | |
| Available-for-sale securities: | | | | | |
| U.S. government and agency debt securities | $ 199,708 | $ 758 | $ (36) | $ (611) | $ 199,819 |
| Corporate debt securities | 112,055 | 703 | (15) | (536) | 112,207 |
| Non-U.S. government debt securities | 4,004 | — | — | (8) | 3,996 |
| Total short-term investments | 315,767 | 1,461 | (51) | (1,155) | 316,022 |
| Long-term investments: | | | | | |
| Available-for-sale securities: | | | | | |
| U.S. government and agency debt securities | 19,392 | — | (27) | (315) | 19,050 |
| Corporate debt securities | 19,306 | — | — | (289) | 19,017 |
| | 38,698 | — | (27) | (604) | 38,067 |
| Held-to-maturity securities: | | | | | |
| Certificates of deposit | 1,820 | — | — | — | 1,820 |
| Total long-term investments | 40,518 | — | (27) | (604) | 39,887 |
| Total investments | $ 356,285 | $ 1,461 | $ (78) | $ (1,759) | $ 355,909 |

| December 31, 2022 | | | | | |
|---|---|---|---|---|---|
| Short-term investments: | | | | | |
| Available-for-sale securities: | | | | | |
| Corporate debt securities | $ 141,418 | $ — | $ (424) | $ (2,054) | $ 138,940 |
| U.S. government and agency debt securities | 143,710 | 16 | (266) | (1,289) | 142,171 |
| Non-U.S. government debt securities | 35,455 | — | (28) | (546) | 34,881 |
| Total short-term investments | 320,583 | 16 | (718) | (3,889) | 315,992 |
| Long-term investments: | | | | | |
| Available-for-sale securities: | | | | | |
| Corporate debt securities | 68,229 | — | (1,550) | (676) | 66,003 |
| U.S. government and agency debt securities | 62,220 | — | (917) | (1,424) | 59,879 |
| Non-U.S. government debt securities | 4,099 | — | — | (191) | 3,908 |
| | 134,548 | — | (2,467) | (2,291) | 129,790 |
| Held-to-maturity securities: | | | | | |
| Certificates of deposit | 1,820 | — | — | — | 1,820 |
| Total long-term investments | 136,368 | — | (2,467) | (2,291) | 131,610 |
| Total investments | $ 456,951 | $ 16 | $ (3,185) | $ (6,180) | $ 447,602 |

At December 31, 2023, the Company reviewed its investment portfolio to assess whether the unrealized losses on its available-for-sale investments were temporary. Investments with unrealized losses consisted primarily of corporate debt securities and debt securities issued and backed by U.S. agencies and the U.S. government. At December 31, 2023, 97 of the Company's 231 investment securities were in an unrealized loss position and had an aggregate estimated fair value of $135.0 million. Approximately 36% and

61% of the Company's investment securities at December 31, 2023 were in corporate debt securities, with a minimum rating of A2 (Moody's)/A (Standard and Poor's), and debt securities issued by the U.S. government or its agencies, respectively. The primary reason for the unrealized losses in the Company's investment portfolio is that its investments are fixed-rate securities acquired in a rising interest rate environment. In making the determination whether the decline in fair value of these securities was temporary, the Company evaluated whether it intended to sell the security and whether it was more likely than not that the Company would be required to sell the security before recovering its amortized cost basis. The Company has the intent and ability to hold these investments until recovery, which may be at maturity.

Realized gains and losses on the sales and maturities of investments, which were identified using the specific identification method, were as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| (In thousands) | 2023 | 2022 | 2021 |
| Proceeds from the sales and maturities of investments | $ 355,522 | $ 281,627 | $ 295,010 |
| Realized gains | $ — | $ — | $ 34 |
| Realized losses | $ — | $ 529 | $ 977 |

The Company's available-for-sale and held-to-maturity securities at December 31, 2023 had contractual maturities in the following periods:

| | Available-for-sale | | Held-to-maturity | |
|---|---|---|---|---|
| (In thousands) | Amortized Cost | Estimated Fair Value | Amortized Cost | Estimated Fair Value |
| Within 1 year | $ 207,005 | $ 205,950 | $ 1,820 | $ 1,820 |
| After 1 year through 5 years | 147,460 | 148,139 | — | — |
| Total | $ 354,465 | $ 354,089 | $ 1,820 | $ 1,820 |

## 6. FAIR VALUE

The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis and indicates the fair value hierarchy and the valuation techniques the Company utilized to determine such fair value:

| (In thousands) | December 31, 2023 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **Assets:** | | | | |
| Cash equivalents | $ 34,316 | $ 34,316 | $ — | $ — |
| U.S. government and agency debt securities | 218,869 | 181,041 | 37,828 | — |
| Corporate debt securities | 131,224 | — | 131,224 | — |
| Non-U.S. government debt securities | 3,996 | — | 3,996 | — |
| Total | $ 388,405 | $ 215,357 | $ 173,048 | $ — |

| | December 31, 2022 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **Assets:** | | | | |
| Cash equivalents | $ 19,857 | $ 19,857 | $ — | $ — |
| U.S. government and agency debt securities | 202,050 | 168,639 | 33,411 | — |
| Corporate debt securities | 204,943 | — | 204,943 | — |
| Non-U.S. government debt securities | 38,789 | — | 38,789 | — |
| Total | $ 465,639 | $ 188,496 | $ 277,143 | $ — |

The Company transfers its financial assets and liabilities, measured at fair value on a recurring basis, between the fair value hierarchies at the end of each reporting period.

There were no transfers of any securities between levels during the year ended December 31, 2023. At December 31, 2023, the Company had no investments with fair values that were determined using Level 3 inputs.

The Company's investments in U.S. government and agency debt securities, non-U.S. government agency debt securities and corporate debt securities classified as Level 2 within the fair value hierarchy were initially valued at the transaction price and subsequently valued, at the end of each reporting period, utilizing market-observable data. The market-observable data included reportable trades, benchmark yields, credit spreads, broker/dealer quotes, bids, offers, current spot rates and other industry and economic events. The Company validated the prices developed using the market-observable data by obtaining market values from other pricing sources, analyzing pricing data in certain instances and confirming that the relevant markets are active.

In April 2015, the Company sold its Gainesville, GA manufacturing facility, the related manufacturing and royalty revenue associated with certain products manufactured at the facility, and the rights to IV/IM and parenteral forms of Meloxicam to Recro Pharma, Inc. ("Recro") and Recro Gainesville LLC (such transaction the "Gainesville Transaction"). The Gainesville Transaction included in the purchase price contingent consideration tied to low double digit royalties on net sales of the IV/IM and parenteral forms of Meloxicam and any other product with the same active ingredient as Meloxicam IV/IM that is discovered or identified using certain of the Company's IP to which Recro was provided a right of use, through license or transfer, pursuant to the Gainesville Transaction (such products, the "Meloxicam Products"), and milestone payments upon the achievement of certain regulatory and sales milestones related to the Meloxicam Products.

In November 2019, Recro Pharma, Inc. ("Recro") spun out its acute care segment to Baudax Bio, Inc. ("Baudax"), a publicly-traded pharmaceutical company. As part of this transaction, Recro's obligations to pay certain contingent consideration from the Gainesville Transaction were assigned and/or transferred to Baudax.

In Baudax's Quarterly Report on Form 10-Q for the period ended September 30, 2022, Baudax continued to include disclosures regarding its ability to continue as a going concern, which first appeared in its Annual Report on Form 10-K for the period ended December 31, 2021. In March 2022, Baudax reduced its workforce by approximately 80%, which was designed to reduce its operational expenses and conserve its cash resources. In light of Baudax's disclosures and the fact that, as of September 30, 2022, Baudax had only paid $1.2 million of the $6.4 million that was due to the Company in March 2022, the Company determined, during the three months ended September 30, 2022, that it was unlikely to collect any further proceeds under this arrangement and reduced the fair value of the contingent consideration to zero within "Change in the fair value of contingent consideration". In addition, during the three months ended September 30, 2022, the Company determined that certain construction in progress related to the manufacture of ANJESO® had no future value. See Note 8, *Property, Plant and Equipment*, within the "Notes to Consolidated Financial Statements" in this Annual Report for details related to such construction in progress.

In December 2022, Baudax announced that it would discontinue the sale of ANJESO and the U.S. Food and Drug Administration ("FDA") acknowledged the discontinuation of sale of ANJESO via listing in the Orange Book.

The estimated fair value of the Company's long-term debt under the 2026 Term Loans (as defined in Note 12, *Long-Term Debt* within these "Notes to Consolidated Financial Statements" in this Annual Report), which was based on quoted market price indications (Level 2 in the fair value hierarchy) and which may not be representative of actual values that could have been, or will be, realized in the future, was $291.0 million and $278.9 million at December 31, 2023 and 2022, respectively.

## 7. INVENTORY

Inventory consists of the following:

| (In thousands) | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Raw materials | $ 71,416 | $ 61,064 |
| Work in process | 68,843 | 76,228 |
| Finished goods[(1)] | 46,147 | 44,126 |
| Total inventory | $ 186,406 | $ 181,418 |

(1) At December 31, 2023 and 2022, the Company had $33.9 million and $30.9 million, respectively, of finished goods inventory located at its third-party warehouse and shipping service provider.

## 8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following:

| (In thousands) | December 31, 2023 [1] | December 31, 2022 [1] |
|---|---|---|
| Land | $ 957 | $ 947 |
| Building and improvements | 132,735 | 104,666 |
| Furniture, fixtures and equipment | 237,728 | 222,408 |
| Leasehold improvements | 39,893 | 31,642 |
| Construction in progress | 45,791 | 78,017 |
| Subtotal | 457,104 | 437,680 |
| Less: accumulated depreciation | (230,161) | (214,761) |
| Total property, plant and equipment, net | $ 226,943 | $ 222,919 |

(1) In connection with the sale of the Athlone Facility, certain of the Company's property, plant and equipment has been classified as "Assets held for sale" in the accompanying consolidated balance sheets at December 31, 2023 and 2022. In addition, certain prior period amounts have been retrospectively adjusted to reflect the effects of the Separation and classified as "Assets held for discontinued operations" in the accompanying consolidated balance sheet at December 31, 2022.

Depreciation expense was $25.7 million, $26.3 million and $23.3 million for the years ended December 31, 2023, 2022 and 2021, respectively. Also, during the years ended December 31, 2023, 2022 and 2021, the Company wrote off furniture, fixtures and equipment that had an approximate carrying value of $1.7 million, $0.5 million and $0.1 million, respectively, at the time of disposition.

Amounts included as construction in progress in the consolidated balance sheets primarily include capital expenditures at the Company's manufacturing facility in Wilmington, Ohio. The Company continues to evaluate its manufacturing capacity based on expectations of demand for its products and will continue to record such amounts within construction in progress until such time as the underlying assets are placed into service. The Company expects that approximately $30.6 million of construction in progress will be placed into service during 2024. The Company continues to periodically evaluate whether facts and circumstances indicate that the carrying value of its long-lived assets to be held and used may not be recoverable.

In September 2022, the Company determined that $8.7 million of its construction in progress that related to the manufacture of ANJESO had no future value. The Company had previously received $6.4 million from Baudax related to such equipment which it had recorded as contract liabilities within "Other long-term liabilities" in the accompanying consolidated balance sheets and the net amount of $2.3 million was written off through "other (expense) income, net" in the accompanying consolidated statements of operations and comprehensive income (loss) during the year ended December 31, 2022.

In December 2023, the Company determined that $2.9 million of its construction in progress at its Wilmington, Ohio manufacturing facility had no future value and was written off through "cost of goods manufactured and sold" in the accompanying consolidated statements of operations and comprehensive income (loss) during the year ended December 31, 2023.

## 9. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets consists of the following:

| (In thousands) | Weighted Amortizable Life (Years) | December 31, 2023 Gross Carrying Amount | December 31, 2023 Accumulated Amortization | December 31, 2023 Net Carrying Amount | December 31, 2022 Gross Carrying Amount | December 31, 2022 Accumulated Amortization | December 31, 2022 Net Carrying Amount |
|---|---|---|---|---|---|---|---|
| Goodwill [1] | | $ 83,027 | $ — | $ 83,027 | $ 83,027 | $ — | $ 83,027 |
| Finite-lived intangible assets: | | | | | | | |
| Collaboration agreements | 12 | $ 465,590 | $ (465,590) | $ — | $ 465,590 | $ (435,887) | $ 29,703 |
| Capitalized IP | 11-13 | 118,160 | (116,169) | 1,991 | 118,160 | (110,183) | 7,977 |
| Total | | $ 583,750 | $ (581,759) | $ 1,991 | $ 583,750 | $ (546,070) | $ 37,680 |

(1) In connection with the sale of the Athlone Facility, certain of the Company's property, plant and equipment has been classified as "Assets held for sale" in the accompanying consolidated balance sheets at December 31, 2023 and 2022. In addition, certain prior period amounts have been retrospectively adjusted to reflect the effects of the Separation and classified as "Assets held for discontinued operations" in the accompanying consolidated balance sheet at December 31, 2022.

The Company's finite-lived intangible assets consist of collaborative agreements and the NanoCrystal and oral controlled release technologies acquired as part of the EDT acquisition. The Company recorded $35.7 million, $36.4 million and $38.1 million of amortization expense related to its finite-lived intangible assets during the years ended December 31, 2023, 2022 and 2021, respectively. The Company's intangible assets included within its consolidated balance sheets at December 31, 2023 are expected to be fully amortized in the year ending December 31, 2024.

The Company performed its annual goodwill impairment test as of October 31, 2023. The Company performed a quantitative impairment test and based on the weight of all available evidence, determined that the fair value of the reporting unit exceeded its carrying value. As part of the assessment performed as of October 31, 2023, it was determined that a portion of the Company's goodwill should be allocated to Mural, as a portion of the IP that transferred to Mural was owned by the reporting unit to which the Company's goodwill was assigned. In connection with the completion of the Separation, the Company recorded a reduction in goodwill of $7.8 million in the accompanying consolidated balance sheet.

In addition, in connection with the planned sale of the Athlone Facility, the Company reviewed FASB ASC 805, *Business Combinations* and determined that the Athlone Facility constitutes a business and, accordingly, $2.0 million of the Company's goodwill was allocated to the Athlone Facility and is classified as "Assets held for sale" within the consolidated balance sheets as of December 31, 2023 and 2022.

**10. LEASES**

All of the Company's leases are accounted for as operating leases. The Company leases approximately 231,000 square feet of office and laboratory space located at 900 Winter Street in Waltham, Massachusetts (the "900 Winter Street Lease"). The initial term of the lease commenced on January 20, 2020, expires in 2035 and includes an option to extend the term for an additional ten-year period.

On November 13, 2023, in connection with the Separation, Alkermes US and Mural US entered into an assignment and assumption of lease agreement (the "Assignment"), pursuant to which Alkermes US assigned to Mural US an operating lease for approximately 180,000 square feet of corporate office space, administrative areas and laboratories located at 852 Winter Street in Waltham, Massachusetts (the "852 Winter Street Lease"). Under the terms of the Assignment, Mural US assumed all of Alkermes US' obligations under the 852 Winter Street Lease. In accordance with FASB ASC 842, *Leases*, as the Company can no longer access or direct the use of the asset following the Assignment, the 852 Winter Street Lease no longer meets the definition of a lease for the Company. On November 15, 2023, the effective date of the Assignment, the Company reduced its right-of-use asset and lease liability by $14.5 million and $15.4 million, respectively in the accompanying consolidated balance sheet.

In December 2022, the Company exercised an early payment option included within the terms of the 900 Winter Street Lease. The election of such early payment option resulted in a remeasurement of the remaining lease liability and right-of-use asset as of the remeasurement date of December 1, 2022 of $12.8 million. Subsequently, the Company made the early lease payment of $15.3 million in December 2022. As of December 31, 2022, the remeasurement and subsequent payment resulted in an increase in the right-of-use asset of $12.8 million and a net decrease in the lease liability of $2.5 million.

At December 31, 2023 and 2022, the operating leases held by the Company had a weighted average incremental borrowing rate of 4.4% and 5.5%, respectively, and a weighted average remaining lease term of 8.7 years and 9.6 years, respectively. During the years ended December 31, 2023, 2022 and 2021, cash paid for amounts included for the measurement of lease liabilities was $10.3 million, $27.0 million and $11.8 million, respectively. The Company recorded operating lease expense of $10.2 million, $10.7 million and $11.3 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Future lease payments under non-cancelable leases as of December 31, 2023 consisted of the following:

| (In thousands) | December 31, 2023 |
|---|---|
| 2024 | $ 10,148 |
| 2025 | 10,248 |
| 2026 | 10,319 |
| 2027 | 9,509 |
| 2028 | 9,574 |
| Thereafter | 59,665 |
| Total operating lease payments | $ 109,463 |
| Less: imputed interest | (28,008) |
| Total operating lease liabilities | $ 81,455 |

## 11. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consists of the following:

| (In thousands) | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Accounts payable | $ 65,649 | $ 32,843 |
| Accrued compensation | 83,107 | 79,085 |
| Accrued other | 91,805 | 108,161 |
| Total accounts payable and accrued expenses | $ 240,561 | $ 220,089 |

A summary of the Company's current provision for sales discounts, allowances and reserves is as follows:

| (In thousands) | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Medicaid rebates | $ 213,845 | $ 208,332 |
| Product discounts | 15,121 | 13,204 |
| Medicare Part D | 20,569 | 18,409 |
| Other | 14,106 | 12,170 |
| Total accrued sales discounts, allowances and reserves | $ 263,641 | $ 252,115 |

Included in accounts payable was approximately $34.5 million and $0.8 million of amounts payable related to state Medicaid rebates as of December 31, 2023 and 2022, respectively.

## 12. LONG-TERM DEBT

Long-term debt consists of the following:

| (In thousands) | December 31, 2023 | December 31, 2022 |
|---|---|---|
| 2026 Term Loans, due March 12, 2026 | $ 290,730 | $ 293,270 |
| Less: current portion | (3,000) | (3,000) |
| Long-term debt | $ 287,730 | $ 290,270 |

The Company's outstanding term loans mature on March 12, 2026 (the "2026 Term Loans"). In June 2023, the Company amended the 2026 Terms Loans to transition the interest rate available for borrowings thereunder from a London Interbank Offered Rate ("LIBOR")-based interest rate to an interest rate based on the Secured Overnight Financing Rate ("SOFR") and to make other conforming and mechanical changes. The 2026 Term Loans bear interest at SOFR plus a credit spread adjustment applicable to the interest period and an applicable margin of 2.50% with a floor of 0.5%.

The 2026 Term Loans have an incremental facility capacity in the amount of $175.0 million plus additional potential amounts, provided that the Company meets certain conditions, including a specified leverage ratio. The 2026 Term Loans include a number of restrictive covenants that, among other things and subject to certain exceptions and baskets, impose operating and financial restrictions on the Company and certain of its subsidiaries. The 2026 Term Loans also contain customary affirmative covenants and events of default. The Company was in compliance with its debt covenants at December 31, 2023.

Scheduled maturities with respect to the 2026 Term Loans are as follows (in thousands):

| Year Ending December 31: | |
|---|---|
| 2024 | $ 3,000 |
| 2025 | 3,000 |
| 2026 | 285,750 |
| Total | $ 291,750 |

The Company is subject to mandatory prepayments of principal if certain excess cash flow thresholds, as defined in the 2026 Term Loans, are met. To date, the Company has not been required to make any such mandatory prepayments.

## 13. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per ordinary share from continuing operations is calculated based upon net income (loss) from continuing operations available to holders of ordinary shares divided by the weighted average number of ordinary shares outstanding. Basic loss per ordinary share from discontinued operations, is calculated based upon net loss from discontinued operations available to holders of ordinary shares, divided by the weighted average number of ordinary shares outstanding. For the calculation of diluted earnings (loss) per ordinary share from continuing operations and discontinuing operations, the Company utilizes the treasury stock method and adjusts the weighted average number of ordinary shares outstanding for the potential dilutive effect of outstanding ordinary share equivalents such as stock options and RSUs.

| | Year Ended December 31, | | |
|---|---|---|---|
| **(In thousands)** | **2023** | **2022 [1]** | **2021 [1]** |
| Numerator: | | | |
| Net income (loss) from continuing operations | $ 519,157 | $ (33,152) | $ 76,401 |
| Net (loss) discontinued operations | (163,400) | (125,115) | (124,570) |
| Net income (loss) | $ 355,757 | $ (158,267) | $ (48,169) |
| Denominator: | | | |
| Weighted average number of ordinary shares outstanding | 166,223 | 163,742 | 160,942 |
| Effect of dilutive securities: | | | |
| Stock options | 1,093 | — | 633 |
| Restricted stock unit awards | 2,414 | — | 3,178 |
| Dilutive ordinary share equivalents | 3,507 | — | 3,811 |
| Shares used in calculating diluted earnings (loss) per ordinary share | 169,730 | 163,742 | 164,753 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The following potential ordinary share equivalents were not included in the net loss per share calculation because the effect would have been anti-dilutive:

| | Year Ended December 31, | | |
|---|---|---|---|
| **(In thousands)** | **2023** | **2022** | **2021 [1]** |
| Stock options | 12,422 | 12,777 | 14,161 |
| Restricted stock unit awards | 2,378 | 5,040 | 804 |
| Total | 14,800 | 17,817 | 14,965 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

## 14. SHAREHOLDERS' EQUITY

***Share Repurchase Program***

On February 15, 2024, the Company's board of directors authorized a share repurchase program to repurchase ordinary shares of the Company in an aggregate amount of up to $400.0 million (exclusive of any fees, commissions or other expenses related to such repurchases) from time to time (the "2024 Repurchase Program"). The timing and amount of any share repurchases under the 2024 Repurchase Program will be based on a variety of factors, including but not limited to ongoing assessments of the Company's capital needs, alternative investment opportunities, the market price of the Company's ordinary shares and general market conditions. The 2024 Repurchase Program has no set expiration date and may be suspended or discontinued at any time. The 2024 Repurchase Program terminates, and supersedes in its entirety, the Company's prior share repurchase program authorized by its board of directors in September 2011 (the "Prior Repurchase Program") under which the Company has purchased a total of 8,866,342 ordinary shares at a cost of $114.0 million. During the years ended December 31, 2023, 2022 and 2021 the Company did not purchase any ordinary shares under the Prior Repurchase Program.

## 15. SHARE-BASED COMPENSATION

***Share-Based Compensation Expense***

The following table presents share-based compensation expense from continuing and discontinued operations included in the Company's consolidated statements of operations and comprehensive income (loss):

| | Year Ended December 31, | | |
|---|---|---|---|
| (In thousands) | 2023 | 2022 | 2021 |
| Cost of goods manufactured and sold | $ 11,353 | $ 10,284 | $ 9,175 |
| Research and development | 25,753 | 23,289 | 21,396 |
| Selling, general and administrative | 55,611 | 54,104 | 51,861 |
| Share-based compensation expense from continuing operations | 92,717 | 87,677 | 82,432 |
| Cost of goods manufactured and sold | — | — | — |
| Research and development | 3,255 | 4,652 | 3,481 |
| Selling, general and administrative | 4,933 | 1,925 | 1,709 |
| Share-based compensation expense from discontinued operations | 8,188 | 6,577 | 5,190 |
| Total share-based compensation expense | $ 100,905 | $ 94,254 | $ 87,622 |

During the years ended December 31, 2023, 2022 and 2021, $3.2 million, $3.3 million and $2.3 million, respectively, of share-based compensation expense was capitalized and recorded as "Inventory" in the accompanying consolidated balance sheets.

***Share-Based Compensation Plans***

The Company has one share-based compensation plan pursuant to which awards are currently being made: the 2018 Stock Option and Incentive Plan, as amended (the "2018 Plan"). The Company has two share-based compensation plans pursuant to which outstanding awards have been made, but from which no further awards can or will be made: the Alkermes plc Amended and Restated 2008 Stock Option and Incentive Plan, as amended, (the "2008 Plan") and the Alkermes plc 2011 Stock Option and Incentive Plan, as amended (the "2011 Plan," and together with the 2018 Plan and the 2008 Plan, the "the Alkermes Stock Option and Incentive Plans"). Effective May 20, 2020, the 2018 Plan was amended such that any shares underlying any outstanding awards granted under the 2011 Plan or the 2008 Plan that are forfeited, canceled, repurchased or otherwise terminated (other than by exercise) from and after such date will become available for issuance pursuant to the 2018 Plan, notwithstanding anything to the contrary in the terms of the 2011 Plan or the 2008 Plan.

The 2018 Plan allows for the issuance of non-qualified and incentive stock options, restricted stock, restricted stock unit awards, cash-based awards and performance shares to employees, officers and directors of, and consultants to, the Company in such amounts and with such terms and conditions as may be determined by the compensation committee of the Company's board of directors, subject to the provisions of the 2018 Plan, as applicable.

On June 29, 2023, the Company's shareholders approved an amended version of the Alkermes plc 2018 Stock Option and Incentive Plan that served to, among other things, increase the number of ordinary shares authorized for issuance thereunder by 6.5 million. At December 31, 2023, there were 15.1 million ordinary shares available for issuance in the aggregate under the 2018 Plan. The 2018 Plan provides that awards other than stock options will be counted against the total number of shares available under the plan in a 1.8-to-1 ratio.

In connection with the Separation and in accordance with the provisions of the Alkermes Stock Option and Incentive Plans, the Company adjusted outstanding equity awards as described in Note 2, *Significant Accounting Policies* within these "Notes to consolidated financial statements" in this Annual Report, and specifically the section entitled "Conversion and Modification of Equity Awards Outstanding at Separation Date". The incremental number of ordinary shares underlying each award that was outstanding immediately prior to the Separation is included as "Conversion Reissuance" in each of the associated tables below.

***Stock Options***

A summary of stock option activity is presented in the following table:

| | Number of Shares | Weighted Average Exercise Price |
|---|---|---|
| Outstanding, January 1, 2023 | 17,596,961 | $ 33.32 |
| Granted | 3,479,898 | $ 27.88 |
| Conversion Reissuance | 357,146 | $ 32.26 |
| Exercised | (772,207) | $ 21.70 |
| Expired | (1,334,719) | $ 37.02 |
| Forfeited | (1,187,176) | $ 26.56 |
| Outstanding, December 31, 2023 | 18,139,903 | $ 32.28 |
| Exercisable, December 31, 2023 | 11,054,082 | $ 37.24 |

The weighted average grant date fair value of stock options granted during the years ended December 31, 2023, 2022 and 2021 was $13.74, $12.62 and $10.09, respectively. The aggregate intrinsic value of stock options exercised during the years ended December 31, 2023, 2022 and 2021 was $6.0 million, $11.6 million and $8.3 million, respectively.

At December 31, 2023, there were 6.9 million stock options expected to vest, with a weighted average exercise price of $24.46 per share, a weighted average contractual remaining life of 8.0 years and an aggregate intrinsic value of $24.6 million. At December 31, 2023, the aggregate intrinsic value of stock options exercisable was $29.4 million with a weighted average remaining contractual term of 4.5 years. The number of stock options expected to vest was determined by applying the pre-vesting forfeiture rate to the total number of outstanding options. The intrinsic value of a stock option is the amount by which the market value of the underlying shares exceeds the exercise price of the stock option.

At December 31, 2023, there was $33.0 million of unrecognized share-based compensation expense related to unvested stock options, which is expected to be recognized over a weighted average period of 1.9 years.

***Time-Based Restricted Stock Unit Awards***

A summary of time-based RSU activity is presented in the following table:

| | Number of Shares | Weighted Average Grant Date Fair Value |
|---|---|---|
| Unvested, January 1, 2023 | 6,625,422 | $ 23.34 |
| Granted | 2,884,122 | $ 27.65 |
| Conversion reissuance | 110,015 | $ 24.19 |
| Forfeited | (1,368,705) | $ 25.17 |
| Vested | (2,593,276) | $ 24.31 |
| Unvested, December 31, 2023 | 5,657,578 | $ 24.18 |

The weighted average grant date fair values of time-vesting RSUs granted during the years ended December 31, 2023, 2022 and 2021 were $27.65, $25.27 and $20.83, respectively. The total fair value of time-vesting RSUs that vested during the years ended December 31, 2023, 2022 and 2021, was $63.0 million, $54.3 million and $56.3 million, respectively.

At December 31, 2023, there was $55.4 million of total unrecognized share-based compensation expense related to unvested time-vesting RSUs, which will be recognized over a weighted average remaining contractual term of 1.9 years.

***Performance-Based Restricted Stock Unit Awards***

In February 2023, 2022 and 2021, the compensation committee of the Company's board of directors approved awards of performance-based RSUs to employees of the Company at the Senior Vice President level and above, in each case subject to vesting based on the achievement of certain financial, commercial and/or R&D performance criteria to be assessed over a performance period of three years from the date of the grant, and subject, at the end of such three-year performance period, to upward or downward adjustment based on a market condition tied to relative share price performance over the three-year performance period.

A summary of performance-based RSU activity is presented in the following table:

| | Number of Shares | | Weighted Average Grant Date Fair Value |
|---|---|---|---|
| Unvested, January 1, 2023 | 1,349,634 | $ | 26.05 |
| Granted | 667,565 | $ | 29.91 |
| Conversion reissuance | 30,244 | $ | 27.15 |
| Forfeited | (248,711) | $ | 24.06 |
| Vested | (252,375) | $ | 23.43 |
| Unvested, December 31, 2023 | 1,546,357 | $ | 27.95 |

The weighted average grant date fair values of performance-based RSUs granted during the years ended December 31, 2023, 2022 and 2021 were $29.91, $30.73 and $23.09, respectively. The total fair value of performance-based RSUs that vested during the years ended December 31, 2023, 2022 and 2021 were $5.9 million, none and $4.2 million, respectively. At December 31, 2023, there was $2.5 million of unrecognized share-based compensation expense related to performance-based RSUs granted in February 2022 and 2023, which would be recognized in accordance with the terms of the awards when the Company deems it probable that the performance criteria will be met.

The Company has additional unrecognized share-based compensation expense related to performance-based RSUs that were granted in February 2021. As of December 31, 2023, the financial performance criteria for these awards were deemed not probable of being achieved. On February 8, 2024, the compensation committee of the Company's board of directors determined that the Company partially achieved the financial performance criteria. This was considered a modification in accordance with FASB ASC 718, *Compensation—Stock Compensation* and resulted in a modification charge of approximately $6.8 million. On February 8, 2024, the compensation committee of the Company's board of directors also determined that the Company achieved the pipeline performance criteria for these awards, resulting in a $2.6 million incremental share-based compensation expense, as it was deemed such pipeline performance criteria had been met. The share-based compensation expense related to these achievements will be recognized in 2024.

## 16. COLLABORATIVE ARRANGEMENTS

The Company has entered into several collaborative arrangements to develop and commercialize products and, in connection with such arrangements, to access technologies, financial, marketing, manufacturing and other resources. Refer to the "Patents and Proprietary Rights" section in "Item 1— Business" of this Annual Report for information with respect to IP protection for these products. The collaboration revenue the Company has earned in the years ended December 31, 2023, 2022 and 2021 is summarized in Note 4, *Revenue from Contracts with Customers* within the notes to the consolidated financial statements in this Annual Report.

The Company's significant collaborative arrangements are described below:

***Janssen***

INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA and INVEGA HAFYERA/BYANNLI

Under an exclusive license agreement with Janssen, the Company provided Janssen with rights to, and know-how, training and technical assistance in respect of, the Company's small particle pharmaceutical compound technology, known as NanoCrystal technology, which was used to develop the long-acting INVEGA products, and the Company received milestone payments from Janssen upon the achievement of certain development goals from Janssen; there are no further milestones to be earned under this agreement. The agreement also provides for tiered royalty payments, which consist of a patent royalty and a know-how royalty, both of which are determined on a country-by-country basis. The patent royalty, which equals 1.5% of net sales, is payable in each country until the expiration of the last of the patents claiming the product in such country. The know-how royalty is a tiered royalty of 3.5%, 5.5% and 7.5% on aggregate worldwide net sales of below $250 million, between $250 million and $500 million, and greater than $500 million, respectively. The know-how royalty rate resets to 3.5% at the beginning of each calendar year and is payable until 15 years from first commercial sale of a product in each individual country, subject to expiry of the agreement. These royalty payments may be reduced in any country based on patent litigation or on competing products achieving certain minimum sales thresholds. The license agreement, unless earlier terminated, terminates upon the expiration of the last of the patents subject to the agreement. After expiration, Janssen retains a non-exclusive, royalty-free license to develop, manufacture and commercialize the products, subject to certain surviving obligations. Janssen may terminate the license agreement in whole or in part upon three months' notice to the Company. The Company and Janssen have the right to terminate the agreement upon a material breach of the other party, which is not cured within a certain time period, or upon the other party's bankruptcy or insolvency.

In November 2021, the Company received notice from Janssen of partial termination of the license agreement, following which Janssen ceased paying the Company royalties related to U.S. sales of INVEGA SUSTENNA, INVEGA TRINZA and INVEGA HAFYERA. In April 2022, the Company commenced binding arbitration proceedings related to, among other things, Janssen's partial termination of this license agreement and Janssen's royalty and other obligations under the agreement. In May 2023, the Tribunal in the arbitration proceedings issued a Final Award that served to reinstate the Janssen royalties and required payment by Janssen of back royalties and interest for amounts owed but not yet paid since the effective date of the partial termination. The Final Award also provided, among other things, that the Company was entitled to royalty revenues from Janssen related to net sales of INVEGA SUSTENNA through August 20, 2024, INVEGA TRINZA through the second quarter of 2030 (but no later than May 2030 when the license agreement expires) and INVEGA HAFYERA through May 2030 (when the license agreement expires).

RISPERDAL CONSTA

Under a product development agreement, the Company collaborated with Janssen on the development of RISPERDAL CONSTA. Under the development agreement, Janssen provided funding to the Company for the development of RISPERDAL CONSTA and Janssen is responsible for securing all necessary regulatory approvals for the product.

Under two license agreements, the Company granted Janssen and an affiliate of Janssen exclusive worldwide licenses to use and sell RISPERDAL CONSTA. Under its license agreements with Janssen, the Company receives royalty payments equal to 2.5% of Janssen's end-market net sales of RISPERDAL CONSTA in each country where the license is in effect based on the quarter when the product is sold by Janssen. This royalty may be reduced in any country based on lack of patent coverage and significant competition from generic versions of the product. Janssen can terminate the license agreements upon 30 days' prior written notice to the Company. Either party may terminate the license agreements by written notice following a breach which continues for 90 days after the delivery of written notice thereof or upon the other party's insolvency. The licenses granted to Janssen expire on a country-by-country basis upon the later of: (i) the expiration of the last patent claiming the product in such country; or (ii) 15 years after the date of the first commercial sale of the product in such country, provided that in no event will the license granted to Janssen expire later than the twentieth anniversary of the first commercial sale of the product in each such country, with the exception of Canada, France, Germany, Italy, Japan, Spain and the United Kingdom, in each case where the fifteen-year minimum shall pertain regardless. After expiration, Janssen retains a non-exclusive, royalty-free license to manufacture, use and sell RISPERDAL CONSTA.

The Company exclusively manufactures RISPERDAL CONSTA at its Wilmington, Ohio facility for commercial sale. Under its manufacturing and supply agreement with Janssen, the Company records manufacturing revenues when product is fully manufactured and approved for shipment by both Janssen and the Company. Revenue is based on a percentage of Janssen's net unit sales price for RISPERDAL CONSTA for the applicable calendar year. This percentage is determined based on Janssen's unit demand for such calendar year and varies based on the volume of units shipped, with a minimum manufacturing fee of 7.5%. Either party may terminate the manufacturing and supply agreement upon a material breach by the other party, which is not resolved within 60 days after receipt of a written notice specifying the material breach or upon written notice in the event of the other party's insolvency or bankruptcy. Janssen may terminate the agreement upon six months' written notice to the Company. In the event that Janssen terminates the manufacturing and supply agreement without terminating the license agreements, the royalty rate payable to the Company on Janssen's net sales of RISPERDAL CONSTA would increase from 2.5% to 5.0%.

***Biogen***

Under a license and collaboration agreement with Biogen, the Company granted Biogen a worldwide, exclusive, sublicensable license to develop, manufacture and commercialize VUMERITY and other products covered by patents licensed to Biogen under the agreement.

Under this license and collaboration agreement, the Company received an upfront cash payment and milestone payments related to the achievement of certain milestones, including FDA approval of the NDA for VUMERITY and amendment of the license and collaboration agreement. The Company is also eligible to receive additional payments upon achievement of certain milestones, including milestones relating to the first two products, other than VUMERITY, covered by patents licensed to Biogen under the license and collaboration agreement.

In addition, the Company receives a 15% royalty on worldwide net sales of VUMERITY, subject to increases for VUMERITY manufactured and/or packaged by Biogen or its designees, and subject to, under certain circumstances, minimum annual payments for the first five years following FDA approval of VUMERITY. The Company is also entitled to receive royalties on net sales of products other than VUMERITY covered by patents licensed to Biogen under the license and collaboration agreement, at tiered royalty rates calculated as percentages of net sales ranging from high-single digits to sub-teen double digits. All royalties are payable on a product-by-product and country-by-country basis until the later of (i) the last-to-expire patent right covering the applicable product in the applicable country and (ii) a specified period of time from the first commercial sale of the applicable product in the applicable country. Royalties for all products and the minimum annual payments for VUMERITY are subject to customary reductions, as set forth in the license and collaboration agreement.

Under the license and collaboration agreement, Biogen appointed the Company as the toll manufacturer of clinical and commercial supplies of VUMERITY, subject to Biogen's right to manufacture or have manufactured commercial supplies as a back-up manufacturer and subject to good faith agreement by the parties on the terms of such manufacturing arrangements. In October 2019, the Company entered into a commercial supply agreement with Biogen for the commercial supply of VUMERITY, an amendment to such commercial supply agreement and an amendment to the license and collaboration agreement with Biogen, pursuant to which Biogen has elected to conduct a technology transfer and, following an agreed transition period, assume responsibility for the manufacture (itself or through a designee) of clinical supplies of VUMERITY and up to 100% of commercial supplies of VUMERITY in exchange for an increase in the royalty rate to be paid by Biogen to the Company on net sales of that portion of product that is manufactured by Biogen or its designee.

Unless earlier terminated, the license and collaboration agreement will remain in effect until the expiry of all royalty obligations. Biogen has the right to terminate the license and collaboration agreement at will, on a product-by-product basis or in its entirety upon 180 days' prior notice to the Company. Either party has the right to terminate the license and collaboration agreement following any governmental prohibition of the transactions effected by the agreement, or in connection with an insolvency event involving the other party. Upon termination of the license and collaboration agreement by either party, then, at the Company's request, the VUMERITY program will revert to the Company.

## 17. INCOME TAXES

The Company's (benefit) provision for income taxes from continuing operations consists of the following:

| | Year Ended December 31, | | |
|---|---|---|---|
| **(In thousands)** | **2023** | **2022 [1]** | **2021 [1]** |
| Current income tax (benefit) provision: | | | |
| U.S. federal | $ (981) | $ 11,169 | $ 2,251 |
| U.S. state | 722 | 4,401 | 797 |
| Rest of world | — | — | 3 |
| Deferred income tax (benefit) provision: | | | |
| U.S. federal | 10,192 | (10,536) | 9,372 |
| U.S. state | (507) | (3,010) | (1,097) |
| Ireland | (107,064) | — | — |
| Total tax (benefit) provision | $ (97,638) | $ 2,024 | $ 11,326 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The income tax benefit in 2023 was primarily due to the partial release of the valuation allowance maintained against certain Irish deferred tax assets, partially offset by taxes on income earned in the U.S. and Ireland. The income tax provisions in 2022 and 2021 were primarily due to U.S. federal and state taxes on income earned in the U.S. and the tax impact of employee equity activity.

In December 2023, the IRS issued Notice 2024-12 that provided clarity on the application of Section 174. On this basis, the Company adjusted its estimate of expenses that should be capitalized and amortized, resulting in lower taxable income and an elimination of the foreign derived intangible income ("FDII") deduction for the year ended December 31, 2023.

The income tax benefit associated with the Company's oncology business, and the tax impact of the Separation, are discussed in further detail in Note 3, *Discontinued Operations,* in these "Notes to Consolidated Financial Statements" in this Annual Report. The tax benefits included within discontinued operations were $1.4 million, $11.1 million, and $2.5 million for the years ended December 31, 2023, 2022, and 2021, respectively.

No provision for income tax has been provided on undistributed earnings of the Company's foreign subsidiaries because such earnings are indefinitely reinvested in the foreign operations. Cumulative unremitted earnings of U.S. subsidiaries totaled approximately $797.0 million at December 31, 2023. In the event of a repatriation of those earnings in the form of dividends or otherwise, the Company may be liable for income taxes, subject to adjustment, if any, for foreign tax credits and foreign withholding taxes payable to foreign tax authorities. The Company estimates that approximately $70.8 million of income taxes would be payable on the repatriation of the unremitted earnings to Ireland.

The distribution of the Company's income (loss) before the (benefit) provision for income taxes by geographical area consists of the following:

| (In thousands) | Year Ended December 31, 2023 | 2022 [1] | 2021 [1] |
|---|---|---|---|
| Ireland | $ 411,767 | $ (32,198) | $ 85,415 |
| U.S. | 9,752 | 1,070 | 2,312 |
| Income (loss) from continuing operations before (benefit) provision for income taxes | $ 421,519 | $ (31,128) | $ 87,727 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The components of the Company's net deferred tax assets consist of the following:

| (In thousands) | December 31, 2023 | December 31, 2022 [1] |
|---|---|---|
| Deferred tax assets: | | |
| Net operating loss carryforwards | $ 195,658 | $ 238,128 |
| Research and development expenses | 49,206 | 66,464 |
| Accrued expenses and reserves | 56,083 | 51,362 |
| Share-based compensation | 37,727 | 39,333 |
| Tax credits | 27,116 | 22,932 |
| Other | 5,582 | 6,543 |
| Less: valuation allowance | (129,296) | (268,067) |
| Total deferred tax assets | 242,076 | 156,695 |
| Deferred tax liabilities: | | |
| Property, plant and equipment | (44,019) | (41,169) |
| Other | (2,716) | (1,502) |
| Total deferred tax liabilities | (46,735) | (42,671) |
| Net deferred tax assets | $ 195,341 | $ 114,024 |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.

The activity in the valuation allowance associated with deferred taxes consists of the following:

| (In thousands) | Balance at Beginning of Period [1] | (Additions) / Reductions [2] | Balance at End of Period [1] |
|---|---|---|---|
| Deferred tax asset valuation allowance for the year ended December 31, 2021 | $ (253,649) | $ 4,537 | $ (249,112) |
| Deferred tax asset valuation allowance for the year ended December 31, 2022 | $ (249,112) | $ (22,405) | $ (271,517) |
| Deferred tax asset valuation allowance for the year ended December 31, 2023 | $ (271,517) | $ 142,221 | $ (129,296) |

(1) Inclusive of continuing and discontinued operations for all periods other than the balance at December 31, 2023.
(2) (Additions) reductions represent continuing and discontinued operations. The reduction during the year ended December 31, 2023 primarily relates to the partial release of the valuation allowance maintained against certain Irish net deferred tax assets. The (additions) reductions in 2022 and 2021 relate primarily to Irish net operating losses ("NOLs").

The Company regularly assesses the need for a valuation allowance against its deferred tax assets. In making such assessment, the Company considers both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more-likely-than-not that some or all of the deferred tax assets will not be realized. During the year ended December 31, 2023, the Company: (i) achieved a favorable outcome in its arbitration with Janssen (as described in Note 4, *Revenue from Contracts with Customers* in these "Notes to Consolidated Financial Statements" in this Annual Report); (ii) successfully completed the Separation; and (iii) recorded significant pre-tax income due to multiple factors, including the growth of its proprietary revenues and items (i) and (ii) above. As a result, the Company's main operating subsidiary in Ireland recorded cumulative income during the year ended December 31, 2023 and the three-year period ended December 31, 2023. On this basis and other positive factors (such as anticipated future earnings) and negative factors (such as the potential decrease in certain manufacturing and royalty revenues), the Company has concluded that it is more-likely-than-not that certain Irish deferred tax assets will be realized. Of the $271.5 million valuation allowance maintained as of December 31, 2022, the Company released $143.9 million during the year ended December 31, 2023. At December 31, 2023, the Company maintained a valuation allowance of $27.3 million against certain U.S. state deferred tax assets and $102.0 million against certain Irish deferred tax assets, as the Company has determined that it is more-likely-than-not that these deferred tax assets will not be realized and some may be abandoned.

If the Company incurs losses in the U.S. or in Ireland in the future, the evaluation of the recoverability of the deferred tax assets could change and a valuation allowance against such deferred tax assets may be required in part or in whole. The Company will continue to monitor the need for a valuation allowance against its deferred tax assets on a quarterly basis.

As of December 31, 2023, the Company had $1.3 billion of Irish NOL carryforwards, $14.6 million of U.S. federal NOL carryforwards, $43.2 million of state NOL carryforwards, $9.7 million of federal R&D credits and $31.0 million of state tax credits which will either expire on various dates through 2043 or can be carried forward indefinitely. These loss and credit carryforwards are available to reduce certain future Irish and foreign taxable income and tax. These loss and credit carryforwards are subject to review and possible adjustment by the appropriate taxing authorities. These loss and credit carryforwards, which may be utilized in a future period, may be subject to limitations based upon changes in the ownership of the Company's ordinary shares. Included within these loss and credit carryforwards are $14.6 million of U.S. federal NOL carryforwards and $6.3 million of state NOL carryforwards, acquired as part of the acquisition of Rodin Therapeutics, Inc. ("Rodin"), each of which are subject to a $0.5 million annual limitation.

A reconciliation of the Company's statutory tax rate to its effective tax rate is as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| **(In thousands, except percentage amounts)** | **2023** | **2022 [1]** | **2021 [1]** |
| Statutory tax rate | 12.5 % | 12.5 % | 12.5 % |
| Income (loss) from continuing operations before income taxes at statutory rate | $ 52,690 | $ (3,891) | $ 10,966 |
| Share-based compensation | 4,177 | 4,347 | 7,716 |
| Foreign rate differential[2] | 4,701 | 521 | 5,159 |
| Change in valuation allowance | (142,424) | 1,102 | (23,024) |
| Intercompany amounts[3] | (16,551) | (1,694) | 10,707 |
| Irish rate differential[4] | 235 | 4,926 | 1,817 |
| Uncertain tax positions | (234) | 602 | 704 |
| Non-deductible lobbying expenses | 705 | 775 | 637 |
| U.S. state income taxes, net of U.S. federal benefit | 347 | 1,272 | (260) |
| In-process R&D[5] | — | — | 2,724 |
| Foreign derived intangible income | — | (4,530) | (3,125) |
| R&D credit | (2,823) | (2,531) | (2,871) |
| Other permanent items[6] | 1,539 | 1,125 | 176 |
| Income tax (benefit) provision | $ (97,638) | $ 2,024 | $ 11,326 |
| Effective tax rate | (23.2) % | (6.5) % | 12.9 % |

(1) Prior period amounts have been retrospectively adjusted to reflect the effects of the Separation.
(2) Represents income or losses of U.S. subsidiaries, subject to tax at a rate other than the Irish statutory rate.
(3) Intercompany amounts include cross-territory eliminations, the pre-tax effect of which has been eliminated in arriving at the Company's consolidated income (loss) before taxes from continuing operations. In 2023, this included a tax benefit of $15.7 million related to the intercompany transfer of inventory that was owned by the Company at December 31, 2023.
(4) Represents income or losses of Irish companies subject to tax at a rate other than the Irish statutory rate.
(5) Represents the tax effect of the research and development expense recorded in connection with the acquisition of Rodin.
(6) Other permanent items include, but are not limited to, non-deductible meals and entertainment expenses and non-deductible compensation of senior officers of the Company.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

| (In thousands) | Unrecognized Tax Benefits |
|---|---|
| Balance, December 31, 2020 | $ 7,668 |
| Reductions based on tax positions related to prior periods | (27) |
| Additions based on tax positions related to the current period | 731 |
| Balance, December 31, 2021 | $ 8,372 |
| Reductions based on the lapse of applicable statutes of limitations | (438) |
| Additions based on tax positions related to prior periods | 449 |
| Additions based on tax positions related to the current period | 590 |
| Balance, December 31, 2022 | $ 8,973 |
| Reductions based on the lapse of applicable statutes of limitations | (1,073) |
| Additions based on tax positions related to the prior period | 281 |
| Additions based on tax positions related to the current period | 558 |
| Balance, December 31, 2023 | $ 8,739 |

The unrecognized tax benefits at December 31, 2023, if recognized, would affect the Company's effective tax rate. The Company does not anticipate that the amount of existing unrecognized tax benefits will materially increase or decrease within the next 12 months. The Company has elected to include interest and penalties related to uncertain tax positions as a component of its provision for taxes. For the years ended December 31, 2023, 2022 and 2021, the Company's accrued interest and penalties related to uncertain tax positions were not material.

The Company's major taxing jurisdictions include Ireland and the U.S. (federal and state). These jurisdictions have varying statutes of limitations. In the U.S., the 2020 through 2023 fiscal years remain subject to examination by the respective tax authorities, however, some states have longer statutes of limitations and additional fiscal years remain subject to examination. In Ireland, the 2019 through 2023 fiscal years remain subject to examination by the Irish tax authorities. Additionally, because of the Company's Irish and U.S. loss carryforwards and credit carryforwards, certain tax returns from fiscal years 2002 onward may also be examined. These years generally remain open for three to four years after the loss carryforwards and credit carryforwards have been utilized.

The years ended December 31, 2018 and 2017 for Alkermes Finance S.à.r.l, a former indirect subsidiary of Alkermes plc that was liquidated during the year ended December 31, 2020, are currently under examination by the Tax Authorities in Luxembourg (the "LTA"). In February 2023, the Company submitted an appeal to the LTA against the notice of assessment received in 2022 for the year ended December 31, 2017. In the third quarter of 2023, the Company received confirmation that the LTA changed its position and agreed to the originally filed tax return, resulting in the closure of the examination of the year ended December 31, 2017. In connection with the closure, the Company received a refund of approximately €2.2 million from the LTA. As of December 31, 2023, the Company had not received a notice of assessment from the LTA in relation to the year ended December 31, 2018.

## 18. RESTRUCTURING

In July 2023, in conjunction with the Company's ongoing review of operations and the Separation, the Company implemented a restructuring plan, which included the elimination of approximately 60 positions across the Company (the "Restructuring"). The Company recorded a charge of $6.0 million during the third quarter of 2023 as a result of the Restructuring, which consisted of one-time termination benefits for employee severance, benefits and related costs, all of which are expected to result in cash expenditures, and all of which are expected to be paid within 12 months of the Restructuring. The Company recognized $4.5 million and $1.5 million of this expense in R&D expense and SG&A expense, respectively, in the accompanying consolidated statements of comprehensive income (loss).

Activity related to the Restructuring during the year ended December 31, 2023 was as follows:

| (In thousands) | |
|---|---|
| Balance, December 31, 2022 | $ — |
| Restructuring charge | 5,969 |
| Amounts paid during the period: | |
| Severance | (3,932) |
| Benefits | (520) |
| Outplacement services | (183) |
| Balance, December 31, 2023 | $ 1,334 |

## 19. COMMITMENTS AND CONTINGENT LIABILITIES

***Litigation***

From time to time, the Company may be subject to legal proceedings and claims in the ordinary course of business. On a quarterly basis, the Company reviews the status of each significant matter and assesses its potential financial exposure. If the potential loss from any claim, asserted or unasserted, or legal proceeding is considered probable and the amount can be reasonably estimated, the Company would accrue a liability for the estimated loss. Because of uncertainties related to claims and litigation, accruals are based on the Company's best estimates, utilizing all available information. On a periodic basis, as additional information becomes available, or based on specific events such as the outcome of litigation or settlement of claims, the Company may reassess the potential liability related to these matters and may revise these estimates, which could result in material adverse adjustments to the Company's operating results. At December 31, 2023, there were no potential material losses from claims, asserted or unasserted, or legal proceedings that the Company determined were probable of occurring.

**INVEGA SUSTENNA ANDA Litigation**

Janssen Pharmaceutica and Janssen Pharmaceuticals, Inc. initiated patent infringement lawsuits in the U.S. District Court for the District of New Jersey (the "NJ District Court") in January 2018 against Teva Pharmaceuticals USA, Inc. ("Teva") and Teva Pharmaceuticals Industries, Ltd. ("Teva PI") (such lawsuit, the "Teva Lawsuit"), in August 2019 against Mylan Laboratories Limited ("Mylan Labs") and other Mylan entities (the "Mylan Lawsuit"), in December 2019 against Pharmascience, Inc. ("Pharmascience"), Mallinckrodt plc, and SpecGX LLC (the "Pharmascience Lawsuit"), and in February 2022 against Accord Healthcare, Inc., Accord Healthcare, Ltd. and Intas Pharmaceuticals, Ltd ("Accord" and such lawsuit, the "Accord Lawsuit"), and in the U.S. District Court for the District of Delaware (the "DE District Court") in December 2021 against Tolmar Holding, Inc., Tolmar Pharmaceuticals, Inc., Tolmar Therapeutics, Inc., and Tolmar, Inc. ("Tolmar" and such lawsuit, the "Tolmar Lawsuit"), following the respective filings by each of Teva, Mylan Labs, Pharmascience, Accord and Tolmar of an Abbreviated New Drug Application ("ANDA") seeking approval from the FDA to market a generic version of INVEGA SUSTENNA before the expiration of U.S. Patent No. 9,439,906. In October 2021, the NJ District Court entered a judgment in favor of the Janssen entities in the Teva Lawsuit. In December 2021, the NJ District Court entered a judgment in favor of the Janssen entities in the Mylan Lawsuit, based on the parties' prior stipulation to be bound by the judgment in the Teva Lawsuit. The Teva entities and Mylan Labs each filed notices of appeal of their respective judgments with the U.S. Court of Appeals for the Federal Circuit, which were consolidated in January 2022 (the "Teva Appeal"). A trial was held in the Tolmar Lawsuit in October 2023. The Pharmascience Lawsuit and the Accord Lawsuit were administratively terminated in July 2022, pending the outcome of the Teva Appeal. The Company is not a party to any of these proceedings.

**INVEGA TRINZA ANDA Litigation**

In September 2020, Janssen Pharmaceutica, Janssen Pharmaceuticals, Inc., and Janssen Research & Development, LLC initiated a patent infringement lawsuit in the NJ District Court against Mylan Labs, Mylan, and Mylan Institutional LLC following the filing by Mylan Labs of an ANDA seeking approval from the FDA to market a generic version of INVEGA TRINZA before the expiration of U.S. Patent No. 10,143,693 (the "'693 Patent"). Requested judicial remedies include recovery of litigation costs and injunctive relief. In May 2023, the NJ District Court issued an opinion in favor of the Janssen entities on the issues of infringement and validity of the '693 Patent and the Mylan entities filed a notice of appeal of the decision. The Company is not a party to this proceeding.

**VUMERITY ANDA Litigation**

In July 2023, Biogen Inc., Biogen Swiss Manufacturing GmbH and Alkermes Pharma Ireland Limited filed a patent infringement lawsuit in the DE District Court against Zydus Worldwide DMCC, Zydus Pharmaceuticals (USA) Inc. and Zydus Lifesciences Limited (collectively, "Zydus") following the filing by Zydus of an ANDA seeking approval from the FDA to engage in the commercial manufacture, use or sale of a generic version of VUMERITY (diroximel fumarate) delayed-release capsules for oral use, 231 mg, before expiration of the Company's U.S. Patent Nos. 8,669,281; 9,090,558; and 10,080,733. The filing of the lawsuit triggered a stay of FDA approval of the ANDA for up to 30 months in accordance with the U.S. Drug Price Competition and Patent Term Restoration Act of 1984 (the "Hatch-Waxman Act"). In October 2023, Zydus filed an answer to the complaint.

**Government Matters**

The Company has received a subpoena and civil investigative demands from U.S. state and federal governmental authorities for documents related to VIVITROL. The Company is cooperating with the investigations.

**Product Liability and Other Legal Proceedings**

The Company is involved in litigation and other legal proceedings incidental to its normal business activities, including product liability cases alleging that the FDA-approved VIVITROL labeling was inadequate and caused the users of the product to suffer from opioid overdose and death. The Company intends to vigorously defend itself in these matters.

In addition, in January 2023, Acorda filed a petition with the U.S. District Court for the Southern District of New York (the "NY Southern District Court") asking the court to confirm in part and modify in part the final arbitral award rendered by an arbitration panel in October 2022 and, as part of the requested modification, seeking an additional approximately $66.0 million in damages. In August 2023, the NY Southern District Court confirmed the final arbitral award and declined to modify the final award to increase the damages awarded thereunder. In September 2023, Acorda filed a notice of appeal of the NY Southern District Court decision to the U.S. Court of Appeals for the Federal Circuit (the "Federal Circuit"), and the Company filed a motion to transfer the appeal to the U.S. Court of Appeals for the Second Circuit. On October 10, 2023, Acorda filed an opposition to such motion. On January 18, 2024, the Federal Circuit denied without prejudice the Company's motion to transfer the appeal and instructed the parties to brief the jurisdictional question as part of the merits appeal.

While the outcome of any of these proceedings cannot be accurately predicted, the Company does not believe the ultimate resolution of any of these existing proceedings would have a material adverse effect on the Company's business or financial condition.

***Guarantees***

In connection with the Separation, the Company entered into the Assignment related to the 852 Winter Street Lease, which is described in more detail in Note 10, *Leases* in these "Notes to Consolidated Financial Statements" in this Annual Report. Although the Assignment transferred all of the rights, title and interest in, to and under the 852 Winter Street Lease to Mural US as of November 15, 2023, the Company ratified and reaffirmed for the remainder of the lease term its guarantor obligations under that certain Guaranty dated as of May 16, 2014 related to the 852 Winter Street Lease. Upon completion of the Separation, the Assignment was accounted for as a termination of the original lease and the Company de-recognized the right-of-use asset and lease liability related to the 852 Winter Street Lease. At December 31, 2023, the fair value of the guarantee was not material to the Company.

***Purchase Commitments***

The Company has open purchase orders for plant and equipment as part of its normal course of business. At December 31, 2023, the Company's open purchase orders were $11.0 million for capital commitments.

**Exhibit 2.1**

**Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b)(2)(ii) of Regulation S-K. Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K.**

PURCHASE AND SALE AGREEMENT

by and among

ALKERMES PHARMA IRELAND LIMITED,

DARAVITA LIMITED,

EAGLE HOLDINGS USA, INC.,

RECRO PHARMA, INC.

and

RECRO PHARMA LLC

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Dated as of March 7, 2015

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**PURCHASE AND SALE AGREEMENT**

This PURCHASE AND SALE AGREEMENT (this "Agreement"), dated as of March 7, 2015, is by and among Alkermes Pharma Ireland Limited, a private limited company incorporated in Ireland ("APIL"), Daravita Limited, a private limited company incorporated in Ireland ("Daravita"), Eagle Holdings USA, Inc., a Delaware corporation ("Eagle Holdings", and together with APIL, "Sellers"), Recro Pharma, Inc., a Pennsylvania corporation ("Recro") and Recro Pharma LLC, a Delaware limited liability company and wholly-owned subsidiary of Recro ("Acquisition Sub," and together with Recro, "Purchasers").

RECITALS

WHEREAS, Alkermes Ireland Holdings Limited, a private limited company incorporated in Ireland ("Alkermes Ireland Holdings"), holds all of the issued and outstanding ordinary shares in Daravita, and Eagle Holdings holds all of the issued and outstanding membership units in Alkermes Gainesville LLC, a Massachusetts limited liability company ("Alkermes Gainesville");

WHEREAS, APIL intends to newly form a Delaware limited liability company ("Newco");

WHEREAS, prior to the Closing, Newco will, directly or indirectly, acquire substantially all of the assets and liabilities of Daravita from Daravita through effectuation of a reorganization described in Exhibit G (such steps, collectively, the "Reorganization");

WHEREAS, Sellers desire to sell and transfer, and Purchasers desire to purchase, the Transferred Interests for the consideration set forth below, subject to the terms and conditions of this Agreement;

WHEREAS, Sellers, or their designated Affiliate, and Purchasers shall enter into (i) concurrently with the Closing, the Transition Services Agreement and, (ii) within sixty (60) days following Closing, the Supply Agreements (the agreements specified in clauses (i) and (ii), and the Warrant (as defined herein), collectively, the "Ancillary Agreements");

WHEREAS, simultaneously with the execution of this Agreement, Purchasers shall enter into the Debt Financing Agreements; and

WHEREAS, the Parties desire to make certain representations, warranties, covenants and agreements as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

**ARTICLE I**

DEFINITIONS

1.1 Defined Terms. For the purposes of this Agreement, the following terms shall have the following meanings:

"Accounting Methodology" shall have the meaning set forth in the definition of Working Capital.

"Action" shall mean any action, claim, suit, arbitration, litigation, proceeding, or governmental investigation.

"Acquisition Sub" shall have the meaning set forth in the preamble.

"Acquisition Proposal" with respect to the Transferred Entities, means any offer or proposal relating to any transaction or series of related transactions involving: (a) any purchase from such party or acquisition by any Person or "group" (as defined under Section 13(d) of the Exchange Act) of fifteen percent (15%) or more of the total outstanding voting securities of the Transferred Entities, (b) any merger, consolidation, business combination or similar transaction involving the Transferred Entities, (c) any joint venture, sale, lease (other than in the ordinary course of business), exchange, transfer, exclusive license (other than in the ordinary course of business), acquisition or disposition of fifteen percent (15%) or more of the assets of the Transferred Entities or (d) any liquidation or dissolution of the Transferred Entities (provided, however, that the transactions between Purchasers and Sellers contemplated by this Agreement shall not be deemed an Acquisition Proposal).

"Additional Retention Bonus" has the meaning set forth in Section 6.4(b).

"Additional Retention Bonus Date" has the meaning set forth in Section 6.4(b).

"Adjustment Amount" shall equal (i) the Closing Working Capital, plus (ii) the Closing Cash Amount, less (iii) the Target Working Capital, less (iv) the Closing Date Indebtedness, and (v) less the Closing Date Transaction Fees.

"Affiliate" shall mean, with respect to any Person, any other Person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such Person; *provided* that, after the Closing, (a) none of the Transferred Entities shall be considered an Affiliate of Parent, Sellers or their respective Affiliates and (b) none of Parent, Sellers or their respective Affiliates shall be considered an Affiliate of any Transferred Entity. For purposes of this Agreement, "control" shall mean, as to any Person, the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise (and the terms "controlled by" and "under common control with" shall have correlative meanings).

"Agreement" shall have the meaning set forth in the preamble.

"Alkermes Gainesville" shall have the meaning set forth in the recitals.

"Alkermes Ireland Holdings" shall have the meaning set forth in the recitals.

"Allocation Schedule" shall have the meaning set forth in Section 2.2(d).

"Alternative Financing" shall have the meaning set forth in Section 5.12(a).

"Ancillary Agreements" shall have the meaning set forth in the recitals.

"Anti-Bribery Laws" shall have the meaning set forth in Section 3.13(d)(i).

"APIL" shall have the meaning set forth in the preamble.

"Appraised Value" shall have the meaning set forth in Section 2.2(d).

"Balance Sheet Date" shall have the meaning set forth in Section3.4(a).

"Benefit Plan" shall mean any "employee benefit plan," as defined in Section 3(3) of ERISA, and any other written or unwritten profit-sharing, bonus, stock option, stock purchase, stock ownership, pension, retirement, severance, deferred compensation, excess benefit, supplemental unemployment, post-retirement medical or life insurance, welfare, incentive, sick leave, long-term disability, medical, hospitalization, life insurance, other insurance or employee benefit plan, policy, agreement or arrangement maintained or contributed to by Parent or its Subsidiaries for the benefit of any Transferred Entity Employees with respect to service as an employee of any Transferred Entity or with respect to which Parent or its Subsidiaries have any current or contingent Liability pertaining to any Transferred Entity Employee for service as an employee of any Transferred Entity.

"BiDil Products" shall mean the Transferred Entities' BiDil XR™, a fixed dose combination of hydralazine hydrochloride and isosorbide dinitrate, existing as of the date of this Agreement.

"Books and Records" shall mean all of the books, records (including Tax records), information and data of a Person, including (a) corporate minute books, (b) books and records relating to employees, research and development, manufacture and sale of products and services, advertising, packaging, promotional materials and dealings with customers, (c) books of account, ledgers, general, financial, accounting and personnel records, files, customer and counterparty lists, documents, agreements, sales data and information, billing records, manuals, material client, counterparty and supplier correspondence and (d) all other registers or books required to be maintained under applicable Law.

"Business" shall mean the (a) operations of Alkermes Gainesville related to the Products and (b) development, license, manufacture, testing, packaging, storage, sale and shipment of the Products, in each case of (a) and (b) as conducted by the Transferred Entities as of the date of this Agreement; *provided*, *however*, that "Business" shall not include any operations, business, assets, rights or obligations solely related to the Excluded Assets.

"Business Balance Sheet" shall have the meaning set forth in Section 3.4(a).

"Business Confidential Information" shall have the meaning set forth in Section 11.3(b).

"Business Day" shall mean any day that is not a Saturday, a Sunday or other day on which commercial banks in the City of New York, New York or Dublin, Ireland are required or authorized by Law to be closed.

"Business Intellectual Property" shall mean all Intellectual Property Rights owned by the Transferred Entities and used or held for use in the Business.

"Business IP Agreements" means any (a) Contract under which any of the Transferred Entities grants a license under or other right to use any Intellectual Property Rights to another Person that are material to the Transferred Entities, (b) Contract under which any of the Transferred Entities is granted a license or other right to use any Intellectual Property Rights of another Person that are material to the Transferred Entities (other than commercially available "off the shelf" software licenses each with annual fees of less than Fifty Thousand Dollars ($50,000)), and (c) consent-to-use agreement, co-existence agreement, settlements agreement or other similar Contract limiting the use, validity or enforceability of the Business Intellectual Property.

"Business Material Contracts" shall have the meaning set forth in Section 3.15.

"Business Real Property" shall have the meaning set forth in Section3.6(b).

"Business Registered Intellectual Property" shall have the meaning set forth in Section 3.9(a).

"Cap" shall mean an amount equal to (a) Five Million Dollars ($5,000,000) plus (b) ten percent (10.00%) of any Development Milestone Earn-Out Consideration and Commercial Milestone Earn-Out Consideration, if any, that is actually paid to APIL pursuant to Exhibit E.

"Cash" shall mean the amount of cash and cash equivalents (including marketable securities and marketable short term investments) that would be recorded on a consolidated balance sheet for the Transferred Entities which is prepared in accordance with the Accounting Methodology.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and any rules or regulations promulgated thereunder.

"Certificate of Analysis and Conformity" shall mean the certificate for each batch of Product delivered with such Product listing the tests performed, the specifications for the manufacture of such Product, and the test results and certifying that such batch of Product was manufactured in accordance with applicable Law, including cGMPs, and production standard operating procedures.

"cGMPs" shall mean current good manufacturing practices as defined in the U.S. Code of Federal Regulations, 21 CFR Part 210 et seq., the European Union Guidelines to Good Manufacturing Practices for Medicinal Products for Human and Veterinary Use (Vol. IV Rules

Governing Medicinal Products in the European Union 2004), and any successor regulatory schemes, as well as any corresponding requirements in other regulatory jurisdictions.

"Closing" shall have the meaning set forth in Section 2.1.

"Closing Adjustment" shall have the meaning set forth in Section 2.4.

"Closing Cash Amount" means all Cash held in the accounts of the Transferred Entities as of 11:59 p.m. Eastern Time on the Closing Date. The Closing Cash Amount shall be (x) reduced by the amount of any checks issued by a Transferred Entity on or before the Closing whether or not any such checks remain in the possession of a Transferred Entity on or before the Closing (with a corresponding adjustment to current liabilities, if any); (y) increased by the amount of any checks or wire transfers received by a Transferred Entity on or before the Closing whether or not they have been deposited or have cleared any bank holding procedures (with a corresponding adjustment to current assets, if any), provided such amounts have not already been reflected in the accounts of the Transferred Entities; and (z) adjusted to reflect the settlement of all intercompany accounts pursuant to Section 5.7.

"Closing Date" shall have the meaning set forth in Section 2.3(a).

"Closing Date Indebtedness" means the amount of Indebtedness outstanding as of the Closing (without giving effect to the transactions contemplated herein), excluding (i) any Indebtedness that is included in the Working Capital calculations in accordance with Section 2.7 and (ii) any Indebtedness (including guarantees thereof) that will be released upon or immediately following the Closing.

"Closing Date Transaction Fees" means the amount of Transaction Fees on the Closing Date, excluding any Transaction Fees that are included in the Working Capital calculations in accordance with Section 2.7.

"Closing Estimates" shall have the meaning set forth in Section 2.4.

"Closing Working Capital" shall mean the Working Capital of the Transferred Entities as of the Closing.

"Code" shall mean the U.S. Internal Revenue Code of 1986, as amended.

"Commercial Milestone Earn-Out Consideration" shall have the meaning set forth in Exhibit E.

"Confidentiality Agreement" shall mean the confidentiality agreement, dated as of June 6, 2014, as amended as of February 3, 2015, by and between Daravita (f/k/a Alkermes Science One Limited) and Recro Pharma, Inc.

"Confidential Disclosure Agreement" shall mean the confidentiality agreement, dated as of December 19, 2014, by and among Daravita, Recro Pharma, Inc. and Pepper Hamilton LLP (the "Confidential Disclosure Agreement").

"Consents" shall have the meaning set forth in Section 3.3.

"Contract" shall mean, with respect to any Person, any agreement, contract, obligation or undertaking (whether written or oral and whether express or implied) to which such Person is bound.

"Credit Agreement" shall have the meaning set forth in Section 2.3(b)(i)(F).

"Daravita" shall have the meaning set forth in the preamble.

"Debt Financing" shall have the meaning set forth in Section 4.6(a).

"Debt Financing Agreements" shall have the meaning set forth in Section4.6(a).

"Deductible" shall have the meaning set forth in Section 10.5(a).

"De Minimis Damages" shall mean any single claim (or series of claims arising from the same or similar facts, events, or circumstances) for Losses in an amount that is less than Twenty-Five Thousand dollars ($25,000).

"Development Milestone Earn-Out Consideration" shall have the meaning set forth in Exhibit E.

"Disputed Items" shall have the meaning set forth in Section2.5(b).

"Divestiture" shall have the meaning set forth in Exhibit E.

"DOJ" shall have the meaning set forth in Section 5.2(a).

"Eagle Holdings" shall have the meaning set forth in the preamble.

"Earn-Out Consideration" shall have the meaning set forth in Exhibit E.

"Enforceability Exceptions" shall have the meaning set forth in Section 3.1(d).

"Environmental Laws" shall mean any Law relating to pollution of the environment, including those relating to the use, production, generation, handling, transport, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, Release or threatened Release of any Hazardous Material.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean, with respect to any entity, trade or business, any other entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade or business, or that is, or was at the relevant time, a member of the same "controlled group" as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

"Estimated Closing Cash Amount" shall have the meaning set forth in Section 2.4.

"Estimated Closing Working Capital" shall have the meaning set forth in Section 2.4.

"Estimated Closing Date Indebtedness" shall have the meaning set forth in Section 2.4.

"Estimated Closing Date Transaction Fees" shall have the meaning set forth in Section 2.4.

"Exchange Act" shall mean shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Assets" shall mean (a) the assets disclosed on Exhibit D and (b) Books and Records and regulatory filings located at the Alkermes Gainesville facility only to the extent related to any pharmaceutical products, including pharmaceutical product candidates, other than the Products.

"FATCA" means Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, and any intergovernmental agreements entered into pursuant thereto.

"External Demand" shall have the meaning set forth in Section 11.3(d).

"FCPA" shall mean the Foreign Corrupt Practices Act of 1977.

"FDA" shall have the meaning set forth in Section 3.10.

"FDCA" shall have the meaning set forth in Section 3.10.

"Final Adjustment Amount" shall have the meaning set forth in Section 2.5(e).

"Final Post-Closing Adjustment Statement" shall have the meaning set forth in Section 2.5(e).

"FTC" shall have the meaning set forth in Section 5.2(a).

"Focalin Products" shall mean the Transferred Entities' Focalin XR®, an extended-release oral formulation of dexmethylphenidate, existing as of the date of this Agreement.

"Fundamental Representations" means the representations and warranties contained in Section 3.1 (Organization; Authorization), Section 3.2 (Title to Shares; Capitalization; Structure), Section 3.3 (No Consents), and Section 3.16 (Brokers, Finders).

"GAAP" shall mean generally accepted accounting principles in the United States.

"Governing Documents" shall mean with respect to any Person, (a) if a corporation, the memorandum and articles of association, articles or certificate of incorporation, the bylaws or similar documents (as applicable); (b) if a general partnership or limited liability partnership, the partnership agreement and any statement of partnership; (c) if a limited partnership, the limited

partnership agreement and the certificate of limited partnership; (d) if a limited liability company, the certificate of formation and limited liability company agreement; (c) if another type of Person, any charter or similar document adopted or filed in connection with the creation, formation or organization of the Person; (f) all equity holders' agreements, voting agreements, voting trust agreements or other similar agreements or documents relating to the organization, management or operation of such entity; and (g) any amendment or supplement to any of the foregoing.

"Governmental Approvals" shall have the meaning set forth in Section 5.2(a).

"Government Official" shall mean any officer, employee, official advisor or agent of a (a) Governmental Entity; (b) public international organization (e.g., the World Bank); (c) political party or official thereof; or (d) candidate for any political office.

"Governmental Entity" shall mean any court, administrative agency, commission or other governmental authority, body or instrumentality, federal, state, local, domestic or foreign governmental or regulatory authority.

"Hazardous Materials" shall mean any pollutant, contaminant, hazardous waste, hazardous substance or hazardous material regulated under any Environmental Law, and includes asbestos-containing materials, polychlorinated biphenyls and petroleum and its derivatives.

"Highly Paid Employees" shall have the meaning set forth in Section 3.11(b).

"Historical Financial Statements" shall have the meaning set forth in Section 3.4(a).

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Income Tax" shall mean any federal, state, local, or foreign Tax based upon or measured by net income of the relevant Transferred Entity.

"Indebtedness" shall mean with respect to the Transferred Entities, at the time of any determination, without duplication: all obligations, contingent or otherwise that, in accordance with GAAP, would be included on the balance sheet of the Transferred Entities as indebtedness, but in any event includes the outstanding principal amount of, all accrued and unpaid interest on and other payment obligations (including any premiums, termination fees, expenses, breakage costs or penalties due upon prepayment of or payable in connection with this Agreement or the consummation of the transactions contemplated by this Agreement) in respect of, (A) all indebtedness of the Transferred Entities for borrowed money, which shall include borrowing agreements such as notes, bonds, indentures, mortgages, loans and lines of credit or similar instruments, (B) all obligations (including breakage costs) payable by the Transferred Entities under interest rate or currency protection agreements, (C) any reimbursement obligation with respect to letters of credit (including standby letters of credit to the extent drawn upon), bankers' acceptances or similar facilities issued for the account of the Transferred Entities and for which the Transferred Entities shall be liable, (D) all obligations under capital leases (as determined in accordance with GAAP), and (E) any obligation of the type referred to in clauses (A) through

(D) of this definition of another Person, the payment of which either of the Transferred Entities has guaranteed, or which is secured by any property or assets of either of the Transferred Entities; with respect to clauses (A) through (E) above, for which either of the Transferred Entities is responsible or liable from and after the Closing.

"Indemnified Party" shall have the meaning set forth in Section 10.4(a).

"Indemnifying Party" shall have the meaning set forth in Section 10.4(a).

"Independent Accounting Firm" shall have the meaning set forth in Section 2.5(d)(i).

"Initial Post-Closing Adjustment Statement" shall have the meaning set forth in Section 2.5(a).

"Initial Purchase Price" shall have the meaning set forth in Section2.2(a).

"Initial Retention Bonuses" shall have the meaning set forth in Section 6.4(b).

"Intellectual Property Right" shall mean any of the following intellectual property rights arising anywhere in the world: (i) all Registered Intellectual Property; (ii) all inventions (whether or not patentable), invention disclosures, improvements, trade secrets, proprietary or confidential information, know how, technology, business methods, technical data and customer lists, tangible or intangible proprietary information, and all documentation relating to any of the foregoing; (iii) computer software programs, including source code, object code, systems, tools, data, databases, firmware, APIs, interfaces, menus, libraries and related documentation; (iv) original works of authorship and copyrights; (v) all industrial designs; (vi) trademarks, service marks, trade dress, trade names, logos, or other source identifiers, including common law trademarks and service marks, and any goodwill associated with any of the foregoing; (vii) all databases and data collections and all rights therein throughout the world; (viii) all Web addresses, sites and domain names and numbers; and (ix) any similar or equivalent rights to any of the foregoing anywhere in the world.

"IP License Agreement" shall have the meaning set forth in Section 5.3(b).

"Intellectual Property Transfer and License Agreement" shall mean that certain Intellectual Property Transfer and License Agreement by and between APIL and Daravita, dated May 8, 2014, as amended.

"IRS" shall mean the Internal Revenue Service.

"Knowledge of Sellers" shall mean the actual knowledge of Kathryn Biberstein, Shane Cooke and Gordon Pugh.

"Law" shall mean any United States federal, state or local, or any non-United States law, statute, ordinance, rule, regulation, judgment, order, injunction, decree, arbitration award, agency requirement, license or permit of any Governmental Entity.

"Lender" shall have the meaning set forth in Section 4.6(a).

"Licenses" shall have the meaning set forth in Section 3.10.

"Liability" shall mean with respect to any Person, any indebtedness, liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required by GAAP to be accrued on the financial statements of such Person.

"Liens" shall mean all liens, pledges, mortgages, charges, claims, security interests, restrictions on transfer, encroachments or encumbrance, but not including any license(s) of Business Intellectual Property.

"Liquidated Damages Event" shall have the meaning set forth in Section 10.7.

"Losses" shall mean all losses, costs, charges, expenses (including reasonable attorneys' fees and professional fees), obligations, liabilities, settlement payments, awards, judgments, fines, penalties, damages, demands, claims, assessments or deficiencies.

"Material Adverse Effect" shall mean any circumstance, condition, effect, event, change or occurrence that, individually or in the aggregate, has or would reasonably be expected to have a material adverse impact or effect on: (a) the ability of Sellers to perform their obligations hereunder or to consummate the transactions contemplated by this Agreement or (b) the business, financial condition, properties, assets or results of operations of the Transferred Entities taken as a whole; *provided*, *however*, that no change or effect shall constitute a Material Adverse Effect to the extent (and only to the extent) it results from:

(i) changes in conditions generally affecting any or all of the industries in which the Transferred Entities operate;

(ii) general political, economic or business conditions or changes therein (including the commencement, continuation or escalation of a war, armed hostilities or other international or national calamity or acts of terrorism);

(iii) general financial or capital market conditions, including interest rates, the availability of debt financing or currency exchange rates; or changes to any of the foregoing;

(iv) any earthquake, hurricane or other natural disaster, weather-related event or act of god;

(v) any changes in applicable Law, rules, regulations, or GAAP, or other accounting standards applicable to the Business, or authoritative interpretations thereof, from and after the date of this Agreement;

(vi) the announcement of the potential sale of the Business or any portion thereof; the negotiation, execution, announcement, existence or performance of this Agreement or the transactions contemplated by this Agreement; the consummation of the

transactions contemplated by this Agreement; or changes or actions resulting from any of the foregoing, including impacts on relationships with customers, suppliers, employees, labor organizations, or governmental entities;

(vii) any action or omission required pursuant to the terms of this Agreement, or pursuant to the written request of Purchasers, or any action otherwise taken by Purchasers or any of their Affiliates; and

(viii) any failure of Sellers, the Transferred Entities or the Business to meet financial projections or any estimates of revenues or earnings; *provided*, that the underlying causes of such failures shall not be excluded under this clause (viii);

*provided*, *further*, *that*, in the cases of clauses (i)-(iv), in each case to the extent that such change or effect does not disproportionately affect the Transferred Entities, taken as a whole, in relation to others in the same business as the Transferred Entities.

"Meloxicam" shall mean the Transferred Entities' Meloxicam IV/IM, an aqueous extended-release formulation of the selective COX-2 inhibitor non-steroidal anti-inflammatory drug meloxicam developed by APIL using nanocrystal technology, in intravenous or intramuscular form existing as of the date of this Agreement.

"Net Sales Earn-Out Consideration" shall have the meaning set forth in Exhibit E.

"Net Sales Report" shall have the meaning set forth in Exhibit E.

"Newco" shall have the meaning set forth in the recitals.

"Non-Competition Period" shall have the meaning set forth in Section 5.14.

"Notice of Disagreement" shall have the meaning set forth in Section2.5(b).

"OCR IP" shall have the meaning ascribed to such term in the Intellectual Property Transfer and License Agreement.

"Outside Date" shall have the meaning set forth in Section 9.1(b)(i).

"Owned Real Property" shall have the meaning set forth in Section 3.6(b).

"Paladin Products" shall mean the Transferred Entities' pharmaceutical products licensed to Paladin Labs, Inc. by Daravita as of the date of this Agreement.

"Parent" shall mean Alkermes plc, a public limited company incorporated in Ireland (registered number 498284) whose registered address is Connaught House, One Burlington Road, Dublin 4, Ireland.

"Parties" shall mean Purchasers, Daravita and Sellers.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"Permitted Liens" shall mean the following Liens: (a) Liens for Taxes, assessments or other governmental charges or levies that are not yet due or payable or that are being contested in good faith by appropriate proceedings or that may thereafter be paid without penalty; (b) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen, workmen, repairmen and other Liens imposed by Law and on a basis consistent with past practice; (c) Liens incurred or deposits made in the ordinary course of business and on a basis consistent with past practice in connection with workers' compensation, unemployment insurance or other types of social security; (d) defects or imperfections of title, easements, covenants, rights-of-way, restrictions and other similar charges or encumbrances not materially interfering with the ordinary conduct of the Business; (e) in the case of the Business Real Property, zoning, building, subdivision, or other similar requirements or restrictions; (f) Liens incurred in the ordinary course of business and on a basis consistent with past practice securing obligations or liabilities that are not material to the Transferred Entities or the Transferred Interests; (g) such other imperfections of title as do not materially detract from the value or otherwise interfere with the present use of the Business Real Property or otherwise impair the operation of the Business as presently conducted; and (h) Liens set forth on Section 1.1 of the Sellers Disclosure Letter.

"Person" shall mean a person, corporation, partnership, limited liability company, joint venture, trust or other entity or organization.

"Post-Closing Adjustment" shall have the meaning set forth in Section 2.6.

"Pre-Closing Tax Period" shall mean all taxable periods ending on or before the Closing Date and the portion through the end of the Closing Date for any Straddle Period.

"Products" shall mean the BiDil Products, the Focalin Products, the Paladin Products, the Ritalin Products, the Verapamil Products, the Zogenix Products and Meloxicam, each of these Products individually, a "Product."

"Prohibitive Order" shall have the meaning set forth in Section 8.1(b).

"Purchase Price" shall have the meaning set forth in Section 2.2(a).

"Purchasers" shall have the meaning set forth in the preamble.

"Purchasers Disclosure Letter" shall have the meaning set forth in Article IV.

"Purchasers Fundamental Representations" means the representations and warranties contained in Section 4.1 (Organization; Authorization), Section 4.2 (No Consents), Section 4.4 (Brokers; Finders) and Section 4.6(e) (Solvency).

"Purchasers Indemnified Parties" shall have the meaning set forth in Section 10.2.

"Purchaser Plan" shall have the meaning set forth in Section 6.2(a).

"Purchaser Related Parties" shall have the meaning set forth in Section 9.4(c).

"Recro" shall have the meaning set forth in the preamble.

"Registered Intellectual Property" means all United States, international and foreign: (i) patents and patent applications (including, but not limited to, reissues, continuations, divisionals, renewals, extensions, continuations-in-part, and all patents and applications claiming priority thereto or serving as a basis for priority thereof, provisional applications and design patents and applications); (ii) registered trademarks and service marks, applications to register trademarks, applications to register service marks, including in either case intent-to-use applications, or other registrations or applications related to trademarks, service marks or other source identifiers; (iii) registered copyrights and applications for copyright registration; (iv) domain name registrations and Internet number assignments; and (v) any other Intellectual Property Right that is the subject of an application, certificate, filing, registration or other document issued, filed with, or recorded by any Governmental Entity.

"Related Persons" shall have the meaning set forth in Section 11.14.

"Release" shall have the meaning set forth in CERCLA.

"Reorganization" shall have the meaning set forth the recitals.

"Reorganization Transfer Agreements" shall have the meaning set forth in Section 5.3(a).

"Representatives" shall mean a Person's officers, directors, consultants, advisors, employees, stockholders, agents or other advisors or representatives.

"Resolution Period" shall have the meaning set forth in Section 2.5(c).

"Retention Bonuses" shall have the meaning set forth in Section 6.4(b).

"Review Period" shall have the meaning set forth in Section2.5(b).

"Reverse Termination Fee" shall have the meaning set forth in Section 9.4(a).

"Ritalin Products" shall mean the Transferred Entities' Ritalin SR®, a sustained-release oral formulation of methylphenidate, existing as of the date of this Agreement.

"Sale" shall have the meaning set forth in Section 2.1.

"Sample Adjustment Amount Statement" shall have the meaning set forth in the definition of Working Capital.

"SEC" shall mean the United States Securities and Exchange Commission.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Securitization" shall have the meaning set forth in Section 11.7(b).

"Seller Financial Advisor" shall mean Lazard Frères & Co. LLC.

"Sellers" shall have the meaning set forth in the preamble.

"Seller Confidential Information" shall have the meaning set forth in Section 11.3(c).

"Sellers Disclosure Letter" shall have the meaning set forth in Article III.

"Significant Customers" shall have the meaning set forth in Section 3.15(n).

"Significant Suppliers" shall have the meaning set forth in Section 3.15(n).

"Similar Law" shall mean any law of a jurisdiction outside the United States that is similar to the applicable U.S. federal, state or local Law.

"Solvent" means, with respect to any Person on a particular date, that on such date (i) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (ii) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (iii) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond its ability to pay as such debts and liabilities as they mature, (iv) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which the assets of such Person would constitute an unreasonably small capital; (v) such Person has the ability to pay their debts and obligations as they come due in the ordinary course of business; (vi) such Person has sufficient capital to operate the Business in the ordinary course of business (including, without limitation, manufacturing and developing the Products and performing its obligations under the Supply Agreements); and (vii) such Person has not made any transfer or incurred any obligations, with actual intent to hinder, delay or defraud either present or future creditors. The amount of contingent liabilities at any time shall be computed as the amount that, in light of all the facts and circumstances existing at such time, can reasonably be expected to become an actual or matured liability.

"Straddle Period" any taxable period that includes (but does not end on) the Closing Date.

"Subject Assets" shall have the meaning set forth in Section 5.2(c).

"Subsidiary" shall mean, with respect to any Person, any other entity (a) whose securities or other ownership interests, having by their terms the power to elect a majority of the board of directors or other Persons performing similar functions, are beneficially owned or controlled, directly or indirectly, by such Person, (b) whose business and policies such Person has the power, directly or indirectly, to direct, or (c) of which 50% or more of the securities, partnership or other ownership interests are owned, directly or indirectly, by such Person.

"Supply Agreements" shall mean the agreements between Sellers, or their designated Affiliate, and Acquisition Sub to be executed within sixty (60) days following the Closing in forms mutually acceptable to Sellers and Purchasers and to include the terms and conditions specified in Exhibit B.

"Target Working Capital Amount" shall mean Nineteen Million Dollars ($19,000,000).

"Tax" shall mean any tax of any kind, including any federal, state, local and foreign income, profits, license, severance, occupation, windfall profits, capital gains, capital stock, transfer, registration, social security (or similar), production, franchise, gross receipts, payroll, sales, employment, use, property, excise, value added, estimated, stamp, alternative or add-on minimum, environmental, withholding or any other tax, governmental duty or assessment, together with all interest, penalties and additions imposed with respect to such amounts.

"Tax Proceeding" means any audit, examination, investigation, assessment, claim or litigation by a Governmental Entity relating to Taxes of the Transferred Entities for Pre-Closing Tax Periods or Straddle Periods or for which Sellers may have Liability for Taxes under this Agreement or otherwise.

"Tax Returns" means any return, report, information return or other statement (including schedules or any related or supporting information) required to be filed or prepared with respect to any Tax.

"Third Party Claim" shall have the meaning set forth in Section 10.4(a).

"Transaction Fees" means all unpaid fees, expenses and other similar amounts that have been or are expected to be incurred on or prior to the Closing Date on behalf of either of the Transferred Entities in connection with the preparation, negotiation and execution of this Agreement and the consummation of the transactions contemplated hereby, including: (i) the fees and expenses of, or other similar amounts charged by, any external counsel, accountants, financial advisors, consultants and experts engaged by either of the Transferred Entities; and (ii) the amount of the Retention Bonuses and any other sale bonuses, change in control bonuses, retention bonuses or similar bonuses that become payable in connection with the consummation of the transactions contemplated by this Agreement (plus the employer portion of any payroll and employment taxes relating thereto) except, in the case of (i) and (ii) above, (a) to the extent otherwise included in the determination of Working Capital or (b) to the extent such fees have not been paid as of the Closing and will become the liability of the Transferred Entities from and after the Closing.

"Transferred Entities" shall mean (a) prior to consummation and completion of the Reorganization, Daravita and Alkermes Gainesville, or (b) from and after consummation and completion of the Reorganization, Newco and Alkermes Gainesville.

"Transferred Entity Benefit Plan" shall mean any Benefit Plan solely sponsored or maintained by any Transferred Entity.

"Transferred Entity Employee" shall mean any employee employed by any Transferred Entity.

"Transferred Interests" shall mean (a) all of the issued and outstanding membership units of Newco and (b) all of the issued and outstanding membership units of Alkermes Gainesville.

"Transition Services Agreement" shall mean the transition services agreement to be executed and delivered on or prior to the Closing Date in a form mutually acceptable to Sellers and Purchasers, which services and other terms and conditions are specified in Exhibit A.

"U.S.-Ireland Treaty" means the Convention Between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains signed on July 28, 1997, and any existing protocols with respect thereto.

"VAT" means value added tax.

"Verapamil Products" shall mean the Transferred Entities' sustained release oral formulations of verapamil hydrochloride existing as of the date of this Agreement.

"WARN Act" shall have the meaning set forth in Section 3.11(d).

"Warrant" shall mean the warrant to purchase stock to be executed and delivered at the Closing in the form of Exhibit F. The warrant to purchase stock grants to APIL the right to purchase 350,000 shares (subject to adjustment as provided therein) of common stock of Recro at a price equal to two times the closing price of the common stock of Recro on the day prior to the Closing Date for a period of seven (7) years from the Closing Date.

"Working Capital" shall mean current assets of the Transferred Entities minus current liabilities of the Transferred Entities and excluding (a) Cash, (b) any intercompany accounts and other intercompany obligations required to be settled or eliminated at or prior to the Closing pursuant to Section 5.7, or (c) any assets or liabilities in respect of Income Taxes. For purposes of this Agreement, Working Capital shall be calculated in accordance with this Agreement (including the sample calculation of the Adjustment Amount as of December 31, 2014 set forth on Exhibit C (the "Sample Adjustment Amount Statement")) and with GAAP applied using the same data sources, policies, procedures and method of calculation, with consistent classifications, judgments and estimation methodology, as were used in preparation of the Business Balance Sheet; *provided*, *however*, Working Capital shall not be calculated to include any changes in assets or liabilities as a result of purchase accounting adjustments or other changes arising from or resulting as a consequence of this Agreement or the transactions contemplated hereby other than as expressly set forth in the Sample Adjustment Amount Statement; *provided*, *further*, *however*, that if there is any conflict between the accounting methods, practices, principles, policies and procedures used in preparing the Business Balance Sheet and GAAP, GAAP shall control and no reversal of any reserves reflected in the balance sheet of the Transferred Entities shall be taken into account except that reserved for a litigation matter may be reversed only in connection with the final resolution of such litigation and reserves against an account receivable may be reversed only upon actual collection of such reserved receivable (the methods set forth in this definition of Working Capital, the "Accounting Methodology").

"Zogenix Products" shall mean the Transferred Entities' Zohydro™ ER, an extended-release oral formulation of hydrocodone bitartrate, including the modified Zohydro™ ER

product containing an abuse deterrent component comprising polyethylene oxide and povidone (and further including the FDA-approved form thereof) existing as of the date of this Agreement.

## ARTICLE II

THE SALE

2.1 The Sale. Upon the terms and subject to the conditions set forth in this Agreement, at the closing of the transactions contemplated by this Agreement (the "Closing"), Sellers shall transfer, convey, assign and deliver to Acquisition Sub, and Acquisition Sub shall purchase and acquire from Sellers, all of Sellers' right, title and interest in and to the Transferred Interests (the "Sale").

2.2 Purchase Price; Allocation.

(a) In consideration for the Transferred Interests, Purchasers shall pay to Sellers an aggregate of (a) Fifty Million Dollars ($50,000,000) in cash (the "Initial Purchase Price") plus (b) the Warrant (collectively, the "Purchase Price") at the Closing. The Initial Purchase Price shall be subject to adjustment as provided in Section 2.4 through Section 2.7.

(b) The Parties agree that:

(i) For U.S. federal Income Tax purposes, the sale of (A) the Transferred Interests in Alkermes Gainesville (which is a disregarded entity with respect to Eagle Holdings) shall be treated as a sale of the assets of Alkermes Gainesville and (B) the Transferred Interests in Newco (which is a disregarded entity with respect to APIL) shall be treated as a sale of the assets of Newco;

(ii) An amount of the Initial Purchase Price equal to the lesser of (A) the Appraised Value of Alkermes Gainesville (as determined pursuant to Section 2.2(d)) less any liabilities of Alkermes Gainesville that are required to be treated as part of the purchase price of the assets of Alkermes Gainesville for U.S. federal Income Tax purposes and (B) the Initial Purchase Price shall be allocated to, and paid to Eagle Holdings in full payment for the Transferred Interests in Alkermes Gainesville; and

(iii) The balance of the Initial Purchase Price plus the Warrant shall be allocated to and paid to APIL in full payment for the Transferred Interests in Newco and the Earn-Out Consideration shall be allocated to and paid to APIL in full payment of the amounts due under the terms of the IP License Agreement.

(c) The right of APIL to receive the Earn-Out Consideration: (i) is solely a contractual right and is not a security for purposes of any federal or state securities Laws; (ii) will not be represented by any form of certificate or instrument; and (iii) does not give APIL any dividend rights, voting rights, liquidation rights, preemptive rights or other rights common to holders of the equity securities of Acquisition Sub or any of its Affiliates. The transactions contemplated by this Agreement are intended to be, and shall be treated solely as, a sale of the Transferred Interests by Sellers to Acquisition Sub, and nothing hereunder shall be deemed to

create a joint venture or partnership between or among any of the Parties, the Transferred Entities and/or any of their Affiliates.

(d) Eagle Holdings shall retain Duff & Phelps Corporation which shall conduct an appraisal and determine the gross fair market value of the assets of Alkermes Gainesville (the "Appraised Value"). Within sixty (60) days after the Closing Date, Eagle Holdings shall deliver to Purchasers a schedule setting forth the Appraised Value and the allocation of the Initial Purchase Price allocable to the Transferred Interests in Alkermes Gainesville (as determined pursuant to Section 2.2(b)(ii)) (plus any liabilities of Alkermes Gainesville that are required to be treated as part of the purchase price of the assets of Alkermes Gainesville for U.S. federal Income Tax purposes) among the asset classes of Alkermes Gainesville (the "Allocation Schedule"), with the asset classes being those set forth in Treas. Reg. Sec. 1.338-6. The Allocation Schedule will not allocate to various assets within the asset class. The Appraised Value and Allocation Schedule shall be subject to such appropriate adjustments, if any, by the appraisers and Eagle Holdings upon the determination of the Post-Closing Adjustment. The Allocation Schedule shall be prepared in accordance with Section 1060 of the Code. The Appraised Value and Allocation Schedule shall be deemed final unless Purchasers notify Eagle Holdings in writing that Purchasers object to the Appraised Value and/or one or more items reflected in the Allocation Schedule within thirty (30) days after delivery of the Allocation Schedule to Purchasers. In the event of any such objection, Sellers and Purchasers shall negotiate in good faith to resolve such dispute; provided, however, that if Sellers and Purchasers are unable to resolve any such dispute within thirty (30) days after the delivery of the Allocation Schedule to Sellers, such dispute shall be resolved by an impartial nationally recognized firm of independent certified public accountants mutually appointed by Sellers and Purchasers whose determination shall be final and binding upon the Parties. The fees and expenses of such accounting firm shall be borne equally by Sellers, on the one hand, and Purchasers, on the other hand; provided, however, that if one such side substantially prevails in such dispute, then the non-prevailing Party(ies) shall bear all such fees and expenses. For the avoidance of doubt a Party shall be deemed to have "substantially prevailed" if the final determination by the accounting firm, in the case of Purchasers, is at least twenty percent (20%) greater than the Appraised Value, and, in the case of Sellers, is not more than twenty percent (20%) greater than the Appraised Value. Sellers and Purchasers agree to file their respective IRS Forms 8594 and all Tax Returns in accordance with the Allocation Schedule. Neither Purchasers nor Sellers shall take any position in a filed Income Tax Return or statement that is inconsistent with such allocations and Purchasers and Sellers will use reasonable efforts to sustain such position in any Tax Proceeding.

(e) Purchasers shall have the right to withhold all Taxes it is required by Law to withhold from all payments made hereunder, and will provide Sellers with proof of deposit or payment of any such Taxes withheld. For the avoidance of doubt, however, in connection with the sale of the Transferred Interests in Newco, APIL shall provide to Purchasers a valid and properly completed W-8BEN-E establishing its status as the beneficial owner for purposes of the U.S.-Ireland Treaty of those payments to APIL of the Purchase Price (including, for the avoidance of doubt, portions of the Initial Purchase Price, the Warrant and the Earn-Out Consideration) made under Section 2.2(b)(ii) and so long as APIL has provided Purchasers with such a W-8BEN-E that has not expired, Purchasers shall treat all such payments to APIL as exempt from U.S. federal Income Tax pursuant to the Code and/or Article 12 or Article 13 of the

U.S.-Ireland Income Tax Treaty. In addition, provided that APIL provides a form W-8BEN-E upon which Purchasers may rely to show that the payments made to APIL are not subject to FATCA withholding, Purchasers shall not withhold any amounts under FATCA from payments to be made to APIL

2.3 Closing.

(a) The Closing shall take place at the offices of Goodwin Procter LLP, Exchange Place, Boston, MA 02109, at 10:00 a.m., prevailing Eastern time, on the third (3rd) Business Day following the satisfaction or waiver of the conditions set forth in Article VIII (other than those conditions that by their nature are to be satisfied or waived at the Closing, but subject to the satisfaction or waiver of those conditions) or at such other place, time or date as may be mutually agreed upon in writing by Sellers and Purchasers (the "Closing Date").

(b) At the Closing:

(i) Sellers shall:

(A)deliver to Purchasers certificates evidencing the Transferred Interests to the extent that such Transferred Interests are in certificate form, duly endorsed in blank or with stock powers duly executed in proper form for transfer, and with any required stock transfer stamps affixed thereto;

(B)deliver to Purchasers the Transition Services Agreement, duly executed by Sellers;

(C)deliver to Purchasers the certificate required to be delivered pursuant to Section 8.2(c);

(D)deliver to Purchasers the resignations, effective as of the Closing Date, of those directors or officers of the Transferred Entities as Purchasers may reasonably request in writing no less than ten (10) days prior to the Closing Date;

(E)deliver to Purchasers the common seal, if applicable, and all registers, minute books, and other statutory books, required to be kept by Law, and, to the extent applicable, all certificates of incorporation and certificates of incorporation on change of name for each Transferred Entity;

(F)deliver to Purchasers (1) copies of all UCC-3 discharge statements to be filed with respect to Alkermes Gainesville and copies of releases or other relevant filings, in each case to be filed after the Closing, and any other security release documentation reasonably requested by Purchasers, including releases under Irish law, for any Lien, including the Liens granted to Morgan Stanley Senior Funding, Inc., as collateral agent, under the Credit Agreement, dated as of September 25, 2012, as amended

on February 14, 2013 and May 22, 2013 (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time, the "Credit Agreement"), among Alkermes plc, Alkermes Pharma Ireland Limited, Alkermes, Inc., Alkermes US Holdings, Inc., the several banks and other financial institutions or entities from time to time parties to the Credit Agreement as lenders, Morgan Stanley Senior Funding, Inc., as administrative agent, Morgan Stanley Senior Funding, Inc., Citigroup Global Markets, Inc. and JPMorgan Chase Bank, N.A. as co-syndication agents, and Morgan Stanley Senior Funding, Inc., as collateral agent in favor of the lenders thereunder, on (i) any assets owned by the Transferred Entities, other than the Excluded Assets or (ii) the Transferred Interests; and (2) a release of Alkermes Gainesville from its obligations as a guarantor under the Credit Agreement;

(G) deliver to Purchasers a copy of the resolutions or written consent of the boards of directors of the Transferred Entities evidencing that the boards of directors of the Transferred Entities have, prior to Closing, (i) voted in favor of the transfer of the Transferred Interests to Acquisition Sub (or its nominee(s)) and voted in favor of the registration of the Acquisition Sub (or its nominee(s)) as stockholder(s) or member(s), as applicable, of the Transferred Entities in respect of the Transferred Interests (subject to the production of duly stamped transfers) and (ii) appointed such persons as the Purchasers have nominated as directors and secretary of the Transferred Entities, effective at the Closing; and

(H) deliver to Purchasers certificates dated as of the Closing Date in form and substance reasonably satisfactory to Purchasers, sworn under penalty of perjury and in form and substance required under the Treasury Regulations issued pursuant to Section 1445 of the Code stating, as applicable, that Eagle Holdings is not a "foreign person" as defined in Section 1445 of the Code and the interests in Newco do not constitute U.S. real property interests as defined in Section 897(c) of the Code; and

(I) the Forms W-8BEN-E required to be furnished pursuant to Section 2.2(e).

(ii) Purchasers shall:

(A) pay, by wire transfer, to an account or accounts designated by Sellers, immediately available funds in an amount equal to either: (i) the Initial Purchase Price plus the Closing Adjustment (if the Closing Adjustment is a positive amount) or (ii) the Initial Purchase Price minus the Closing Adjustment (if the Closing Adjustment is a negative amount), in each case as determined pursuant to Section 2.4, to Eagle Holdings in the amount set forth in Section 2.2(b)(ii) and the remaining amount, if any, to APIL;

(B) deliver to APIL the Warrant, duly executed by Recro;

(C) deliver to Seller the Transition Services Agreement, duly executed by Purchasers; and

(D) deliver to Sellers the certificate required to be delivered pursuant to Section 8.3(c).

2.4 Closing Adjustment. Not less than three (3) Business Days prior to the anticipated Closing Date, Sellers shall provide Purchasers with a certificate signed by an officer of each of the Sellers attaching reasonable and good faith estimates (the "Closing Estimates") of each of (i) the Closing Working Capital (the "Estimated Closing Working Capital"), (ii) the Closing Cash Amount (the "Estimated Closing Cash Amount"); (iii) the Closing Date Indebtedness (the "Estimated Closing Date Indebtedness"); (iv) the Closing Date Transaction Fees (the "Estimated Closing Date Transaction Fees"); and (v) the Closing Adjustment (as defined below). Each of the Closing Estimates shall be determined in accordance with the Accounting Methodology. Purchasers shall be entitled to review, and propose reasonable changes to the Closing Estimates and Sellers shall provide Purchasers and their Representatives with reasonable access, at reasonable times following prior notice, to the officers, employees, agreements and books and records of the Transferred Entities to verify the accuracy of such amounts. The Sellers shall consider the Purchasers' proposed changes in good faith. If the Parties are unable to reach agreement on any proposed changes, the Closing Estimates (and the components thereof) as proposed by the Sellers shall control solely for purposes of payments to be made at Closing and shall not limit or otherwise effect the Purchasers' remedies under this Agreement or otherwise constitute an acknowledgment by Purchasers of the accuracy of the Closing Estimates. The "Closing Adjustment" shall equal (i) the Estimated Closing Working Capital, plus (ii) the Estimated Closing Cash Amount, less (iii) the Target Working Capital, less (iv) the Estimated Closing Date Indebtedness, and (v) less the Estimated Closing Date Transaction Fees.

2.5 Post-Closing Statement.

(a) After the Closing Date, Sellers and Purchasers shall cooperate with each other and provide each other with such access to their respective books, records, accountants, audit work papers and relevant employees as they may reasonably request in connection with the matters addressed in this Section 2.5; *provided*, *however*, that nothing contained in this Section 2.5 shall require Sellers, Purchasers or any of their respective Affiliates to disclose any attorney-client privileged information to the extent that disclosure thereof might result in the loss of attorney-client privilege. As promptly as practicable but no later than sixty (60) days after the Closing Date, Purchasers shall prepare and deliver to Sellers a statement (the "Initial Post-Closing Adjustment Statement") of (i) the Closing Working Capital, (ii) the Closing Cash Amount, (iii) the Closing Date Indebtedness, (iv) the Closing Date Transaction Fees; and (v) the Adjustment Amount, setting forth Purchasers' calculation of the Adjustment Amount as of the Closing together with reasonable supporting calculations and detail. The Initial Post-Closing Adjustment Statement shall be determined in accordance with the Accounting Methodology.

(b) If Sellers disagree in whole or in part with the Initial Post-Closing Adjustment Statement, Seller shall notify Purchasers in writing of such disagreement (the

"Notice of Disagreement") within thirty (30) days following Sellers' receipt of the Initial Post-Closing Adjustment Statement (the "Review Period"), indicating the specific line items that are in dispute (the "Disputed Items"), describing the basis for such objection and providing Seller's estimate of such Disputed Items; *provided* that Sellers and Purchasers shall be deemed to have agreed upon all items and amounts that are not Disputed Items, unless the resolution of a Disputed Item affects an undisputed item, in which case such undisputed item shall remain open and be considered a Disputed Item. If no Notice of Disagreement is received by Purchasers prior to the expiration of the Review Period, then the Initial Post-Closing Adjustment Statement shall be deemed to have been accepted by Sellers and shall become final and binding upon the Parties in accordance with Section 2.5(e).

(c) During the thirty (30) days (or such longer period as the Parties may mutually agree) immediately following the delivery of a Notice of Disagreement (the "Resolution Period"), Sellers and Purchasers shall seek in good faith to resolve any differences that they may have with respect to Disputed Items. The Parties shall cooperate during such Resolution Period and Sellers and their Representatives shall have access to the books and records, working papers, schedules and calculations of the Purchasers and the Transferred Entities used in the preparation of the Initial Post-Closing Adjustment Statement, the Notice of Disagreement and the determination of the Disputed Items, and to the personnel involved in the preparation and calculation thereof, during normal business hours, upon reasonable notice.

(d) Dispute Resolution.

(i) If, at the end of the Resolution Period, Sellers and Purchasers have been unable to resolve all Disputed Items, Sellers and Purchasers shall submit the remaining Disputed Items with respect to the Notice of Disagreement (along with a copy of the Initial Post-Closing Adjustment Statement marked to indicate those line items that are not in dispute) to PricewaterhouseCoopers LLP or, if that firm declines to act as provided in this Section 2.5(d) or it is determined that PricewaterhouseCoopers LLP would not be considered "independent" under applicable professional standards, another firm of independent public accountants, selected promptly by and mutually reasonably acceptable to Purchasers and Sellers (the "Independent Accounting Firm"). The Independent Accounting Firm shall be instructed to make, within thirty (30) days after the expiration of the Resolution Period or, if applicable, the date of selection of the Independent Accounting Firm pursuant to the preceding sentence, a final determination in accordance with this Agreement, binding on the Parties, of the appropriate amount of each of the Disputed Items which Sellers and Purchasers have submitted to the Independent Accounting Firm, calculated in accordance with the standards set forth in this Agreement, and to promptly notify the Parties in writing of its determination. With respect to each amount in dispute, the Independent Accounting Firm's determination, if not in accordance with the position of either Sellers or Purchasers, shall not be in excess of the higher, nor less than the lower, of the amounts advocated by Sellers in the Notice of Disagreement or by Purchasers in the Initial Post-Closing Adjustment Statement with respect to such disputed amount.

(ii) During the review by the Independent Accounting Firm, Purchasers and Sellers will each provide the Independent Accounting Firm with such access to their respective books, records, accountants, audit work papers and relevant employees as may be reasonably required by the Independent Accounting Firm to fulfill its obligations under this Section 2.5; *provided*, *however*, that nothing contained in this Section 2.5 shall require Sellers, Purchasers or any of their respective Affiliates to disclose any attorney-client privileged information to the extent that disclosure thereof might result in the loss of attorney-client privilege.

(iii) All fees and expenses relating to the work, if any, to be performed by the Independent Accounting Firm shall be split equally between Sellers, on the one hand, and Purchasers on the other hand.

(e) The version of the Initial Post-Closing Adjustment Statement that is final and binding on the Parties, as determined either through agreement of the Parties pursuant to Section 2.5(b) or Section2.5(c) or through the action of the Independent Accounting Firm pursuant to Section 2.5(d), is referred to as the "Final Post-Closing Adjustment Statement", and the Adjustment Amount set forth therein as the "Final Adjustment Amount."

2.6 Post-Closing Adjustment. The "Post-Closing Adjustment" shall be equal to (i) the Final Adjustment Amount set forth in the Final Post-Closing Adjustment Statement less (ii) the Closing Adjustment. If the Post-Closing Adjustment is a positive amount, then Purchasers shall pay or cause Acquisition Sub to pay in cash to Sellers (or one or more Affiliates designated by Sellers) the amount of the Post-Closing Adjustment via wire transfer of immediately available funds to the account(s) designed in writing by the Sellers. If the Post-Closing Adjustment is a negative amount, then Sellers (or an Affiliate designated by Sellers) shall pay in cash to Acquisition Sub the amount of the Post-Closing Adjustment via wire transfer of immediately available funds to the account(s) designed in writing by the Acquisition Sub. Any such payment shall be made within five (5) Business Days after the Final Post-Closing Adjustment Statement is determined.

2.7 Calculations. Except as otherwise expressly provided in this Agreement, the Parties hereto covenant and agree that no amount shall be (or is intended to be) included, in whole or in part (either as an increase or a reduction), more than once in the calculation of (including any component of) the Closing Estimates, the Initial Post-Closing Adjustment Statement, the Final Post-Closing Adjustment Statement, the Adjustment Amount or any other calculated amount pursuant to this Agreement if the effect of such additional inclusion (either as an increase or a reduction) would be to cause such amount to be over- or under-counted for purposes of such calculation.

2.8 Earn-Out Consideration. Following the Closing, Purchasers shall pay or cause Newco to pay to APIL the Earn-Out Consideration, in accordance with the terms of Exhibit E.

## ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the corresponding sections or subsections of the disclosure letter delivered to Purchasers by the Sellers prior to the date hereof (the "Sellers Disclosure Letter"), Sellers hereby make to Purchasers, as of the date hereof and as of the Closing, each of the representations and warranties contained in this Article III; it being understood that disclosure of any item in any section or subsection of the Sellers Disclosure Letter shall also be deemed disclosure with respect to any other section or subsection to which the relevance of such item is readily apparent on its face. The representations and warranties contained in this Article III and in any other provision of this Agreement and certificate delivered pursuant to this Agreement constitute all of the representations and warranties of Sellers with respect to the transactions contemplated hereby.

3.1 Organization; Authorization.

(a) Each Seller is duly organized, validly existing and, to the extent applicable, in good standing under the Laws of its jurisdiction of organization.

(b) Each Transferred Entity is duly organized and validly existing and, to the extent applicable, in good standing under the Laws of the jurisdiction of its organization and has the requisite corporate or similar power and authority to own its properties and assets and to carry on its business as it is now being conducted. Each Transferred Entity is duly qualified to transact business in each jurisdiction in which the nature of property owned or leased by it or the conduct of its business requires it to be so qualified, except where the failure to be so duly qualified to transact business, or to have such power and authority, would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. Section 3.1(b) of the Sellers Disclosure Letter sets forth a complete and accurate list of the jurisdiction of incorporation or organization of each Transferred Entity and all jurisdictions in which each Transferred Entity is duly qualified to transact business.

(c) Except as set forth in Section3.1(c) of the Sellers Disclosure Letter, each Seller (i) has the requisite corporate or similar right, authority and power to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby, including the sale, assignment and transfer of the Transferred Interests and (ii) will have, on or before the date of signing each Ancillary Agreement to which it will be a party, the requisite corporate or similar right, authority and power to execute and deliver the Ancillary Agreements to which it will be a party and to perform its obligations thereunder and to consummate the transactions contemplated thereby. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein have been duly and validly authorized by all corporate or similar action in respect thereof on the part of each Seller. The execution, delivery and performance of each Ancillary Agreement to which it is a party and the consummation of the transactions contemplated therein will, at the time of signing of such Ancillary Agreement, have been duly and validly authorized by all corporate or similar action in respect thereof on the part of each Seller.

(d) This Agreement has been, and each of the Ancillary Agreements to which each Seller is a party will be, on or prior to the date of signing such Ancillary Agreement, duly and validly executed and delivered by each Seller, and, assuming the due authorization and execution of this Agreement by Purchasers, this Agreement constitutes, and, assuming the due authorization and execution of the other parties to each Ancillary Agreement, each Ancillary Agreement will constitute, the legal and binding obligation of each Seller, enforceable against each Seller in accordance with its terms: (i) except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and (ii) except insofar as the availability of equitable remedies may be limited by applicable Law (the preceding clauses (i) and (ii) are referred to herein collectively as the "Enforceability Exceptions").

(e) Except as set forth in Section 3.1(e) of the Sellers Disclosure Letter, neither the execution, delivery and performance of this Agreement and the Ancillary Agreements, nor the consummation of the transactions contemplated hereby and thereby, including the Reorganization, will (i) conflict with or violate any provision of any Governing Documents of Sellers or the Transferred Entities, (ii) constitute or result in a default under, violate any provision of, or be an event that is (or with the passage of time will result in) a violation of, or result in the acceleration of or entitle any party to accelerate or exercise (whether after the giving of notice or lapse of time or both) any obligation or right under, or result in the imposition of any Lien upon or the creation of a security interest in any of the Transferred Interests, or any Lien on any asset of the Transferred Entities, any material Contract, instrument, order, arbitration award, judgment or decree to which any Transferred Entity or Seller is a party or by which any of them is bound, or (iii) violate or conflict with any Law or other restriction of any kind or character to which any Seller or Transferred Entity is subject, that, in the case of clauses (ii) or (iii) would, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

3.2 Title to Shares; Capitalization; Structure.

(a) (i) The authorized capital stock of Alkermes Gainesville consists of 393,075 Membership Units, of which 393,075 Membership Units are outstanding, all of which are owned, beneficially and of record, by Eagle Holdings free and clear of all Liens except Permitted Liens and Liens set forth on Section 3.2 of the Sellers Disclosure Letter; and (ii) the authorized capital stock of Daravita consists of 150,000,000 Ordinary Shares, of which 102,000,001 Ordinary Shares are in issue, which are owned, beneficially and of record, by Alkermes Ireland Holdings free and clear of all Liens except for Permitted Liens and Liens set forth on Section 3.2 of the Sellers Disclosure Letter. At the Closing, all of the authorized capital interests in Newco will be owned, beneficially and of record, by APIL free and clear of all Liens except Permitted Liens and Liens set forth on Section 3.2 of the Sellers Disclosure Letter. All of the outstanding Membership Units of Alkermes Gainesville have been duly authorized and validly issued, are fully paid and nonassessable, and have not been issued in violation of any preemptive or third-party rights. At the Closing, all of the issued and outstanding capital stock of Newco will be validly issued, fully paid and nonassessable, and will not have been issued in violation of any preemptive or third-party rights. At the Closing, Sellers will deliver to Purchasers good and valid title to all of the Transferred Interests free and clear of any Lien, except for Permitted Liens.

(b) Except as set forth in Section 3.2 of the Sellers Disclosure Letter, the Transferred Entities have no other equity interests issued or outstanding and there are no outstanding options, warrants or other rights of any kind to acquire, or obligations to issue, shares of capital stock of any class of, or other equity interests in, the Transferred Entities. No Transferred Entity owns any equity interest, directly or indirectly, in any Person other than a Transferred Entity. There are no outstanding obligations of any Transferred Entity (i) to repurchase, redeem or otherwise acquire any shares of capital stock or other equity interests in any Transferred Entity or (ii) to grant preemptive or anti-dilutive rights with respect to any such shares or interests.

3.3 No Consents. Section 3.3 of the Sellers Disclosure Letter contains a list of all registrations, filings, applications, notices, consents, approvals, orders, qualifications and waivers required to be made, filed, given or obtained by Sellers or the Transferred Entities with, to or from any Persons or Governmental Entities in connection with the consummation of this Agreement or the Ancillary Agreements or the other transactions contemplated hereby or thereby, including the Reorganization, except for those with respect to which the failure to make, file, give or obtain would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect (the "Consents").

3.4 Financial Statements.

(a) Section 3.4 of the Sellers Disclosure Letter sets forth true and complete copies of the unaudited consolidated statements of income, balance sheets and statements of cash flows of the Business (i) as of December 31, 2013 and for the nine-month period then ended and (ii) as of December 31, 2014 and for the twelve-month period then ended (collectively, the "Historical Financial Statements"). The Historical Financial Statements, present fairly in all material respects the consolidated financial position and results of operations and cash flows of the Business for the respective periods or as of the respective dates set forth therein, in each case in accordance with GAAP applied on a consistent basis throughout the periods involved. The Historical Financial Statements have been prepared from and in all material respects in accordance with the Books and Records of the Transferred Entities and the Business, which Books and Records fairly reflect in reasonable detail all assets, liabilities and transactions relating to the Transferred Entities and the Business. The balance sheet as of December 31, 2014 (the "Balance Sheet Date") included in the Historical Financial Statements is referred to herein as the "Business Balance Sheet."

3.5 No Undisclosed Liabilities. Except for Liabilities (a) which are reflected or reserved against in the Business Balance Sheet, (b) set forth in Section 3.5 of the Sellers Disclosure Letter or (c) incurred in the ordinary course of business since the Balance Sheet Date which are of a category reflected or reserved against and in amounts consistent with those reflected on the Business Balance Sheet the Business has no Liabilities that would be required to be reflected on a balance sheet prepared in accordance with GAAP.

3.6 Properties; Sufficiency.

(a) With the exception of (i) properties disposed of since the Balance Sheet Date in the ordinary course of business, (ii) the Excluded Assets, and (iii) the Liens set forth in

Section 3.6(a) of the Sellers Disclosure Letter, which (other than Permitted Liens) will be released prior to or at Closing, the Transferred Entities have good and marketable title to, or a valid and existing lease or license to, free and clear of all Liens other than Permitted Liens, each piece of real and material personal property capitalized on or included in the Business Balance Sheet (or for real and personal property acquired by the Business since the date of the Business Balance Sheet, that would have been, had it been acquired prior to such date, capitalized on or included in the Business Balance Sheet) and each other piece of real and material personal property used or held for use in the Business. All documents necessary to prove such title are in the possession or under the control of the Transferred Entities, copies of which have been made available to Purchasers.

(b) Section 3.6(b) of the Sellers Disclosure Letter sets forth a list of all the real property owned or leased by the Transferred Entities in connection with the Business (the "Business Real Property"). Sellers have made available correct and complete copies of all material leases and subleases (including all material amendments, modifications and side letters thereto, and all notices of default and other material notices thereunder) relating to the Business Real Property to which the Transferred Entities are a party, all of which are identified in Section 3.6(b) of the Sellers Disclosure Letter and each of which is valid and in full force and effect. With respect to the Business Real Property owned by the Transferred Entities (the "Owned Real Property"), except as set forth in Section 3.6(a) of the Sellers Disclosure Letter, the applicable Transferred Entity has good and marketable title in fee simple to such property subject only to Permitted Liens. There are no pending or, to the Knowledge of Sellers, threatened condemnation proceedings relating to any Business Real Property for which written notice has been received by the Transferred Entities. To the Knowledge of Sellers, except as set forth in Section 3.6(a) of the Sellers Disclosure Letter and except pursuant to this Agreement, no Person has any right, option, lease, license, right of first refusal or any other Contract with respect to the purchase, assignment, possession, use or transfer of all or a portion of the Owned Real Property. To the Knowledge of Sellers, no Owned Real Property encroaches upon adjoining real estate. The ownership, occupancy, use and operation of the Business Real Property has complied and complies in all material respects with all applicable Laws, including but not limited to planning, zoning or use Laws, and Sellers have received no written, or to the Knowledge of Sellers, oral, notice of any material defaults by the Transferred Entities in respect of the Business Real Property in complying with the requirements of any notice received from a Governmental Entity under any such Laws. Except as disclosed in Section 3.6(b) of the Sellers Disclosure Letter, none of the properties owned or leased by the Transferred Entities or otherwise used in the Business is shared by the Business, on the one hand, and the other businesses, divisions or Subsidiaries of Parent, on the other hand.

(c) The buildings, structures and improvements on each Business Real Property are in all material respects in reasonable operating condition and repair, are structurally sound and free of material defects, with no material alterations or repairs required under applicable Law and are suitable in all material respects for their current use, operation and occupancy.

(d) All fixtures and mechanical systems located at the Business Real Property are currently in good working order except for ordinary wear and tear and for fixtures and mechanical systems under repair or out of service in the ordinary course of business.

(e) The assets, properties and rights of the Transferred Entities constitute all of the assets (other than (i) the Excluded Assets, (ii) services to be provided pursuant to the applicable Ancillary Agreements, and (iii) the services excluded under Part I(b) (Excluded IT Services) of Schedule 2 of Exhibit A) necessary to own and operate the Business in the manner being conducted as of the date hereof. The Transferred Entities collectively own or lease, or otherwise have good and valid rights to, all material assets, properties and other rights related to the Business.

3.7 Absence of Certain Changes. Except as set forth in Section 3.7 of the Sellers Disclosure Letter, since the Balance Sheet Date, there has been no (a) change or development in or effect on the Business that has had, or would reasonably be expected to have, a Material Adverse Effect, (b) other than in connection with the transactions contemplated by this Agreement, action or omission by the Transferred Entities that was not in the ordinary course of business or (c) action or omission that, if taken from the date hereof through the Closing, would violate any of the provisions of Sections 5.4(a) or 5.4(b).

3.8 Litigation; Orders. Except as set forth in Section 3.8 of the Sellers Disclosure Letter, there are no Actions pending or, to the Knowledge of Sellers, threatened (i) against any Seller that challenges or would reasonably be expected to have the effect of preventing or making illegal any of the transactions contemplated by this Agreement or (ii) against the Business or the Transferred Entities. There are no judgments or outstanding orders, injunctions, decrees, stipulations or awards (whether rendered by a court or administrative agency, or by arbitration) against or applicable to the Business or the Transferred Entities, or any of their respective properties or businesses.

3.9 Intellectual Property.

(a) The Transferred Entities own, or have a license or right to use, the Intellectual Property Rights necessary for the conduct of the Business; *provided*, *however*, that the foregoing is not a representation of non-infringement of the Intellectual Property Rights of another Person, which representation is solely set forth in the first sentence of Section 3.9(c) below. Section 3.9(a)(i) of the Sellers Disclosure Letter sets forth a true and complete list of all Registered Intellectual Property included in the Business Intellectual Property (the "Business Registered Intellectual Property"), setting forth as to each item, if applicable: the owner of record, jurisdiction of application and/or registration, and the date of application and/or registration. The Business Registered Intellectual Property is subsisting, and to the Knowledge of Sellers, valid and enforceable. Except as set forth in Section 3.9(a)(ii) of the Sellers Disclosure Letter, there are no oppositions, cancellations, invalidity proceedings, interference or re-examinations, or any other proceedings challenging the scope, validity, registrability or ownership of any Business Registered Intellectual Property currently pending, or, to the Knowledge of Sellers, threatened in writing, against the Transferred Entities (other than office actions or similar communications issued by any Governmental Entity in the ordinary course of prosecution of any pending applications for registration of any such Business Registered Intellectual Property). Except as set forth in Section 3.9(a)(iii) of the Sellers Disclosure Letter, the Transferred Entities exclusively own the entire right, title and interest in and to the Business Registered Intellectual Property free and clear of all Liens except Permitted Liens.

(b) Except as set forth in Section 3.9(b) of the Sellers Disclosure Letter, no Business Intellectual Property is subject to any outstanding judgment, injunction, order, decree or agreement that restricts the use thereof by the Transferred Entities or that would be reasonably be expected to restrict the use thereof by the Transferred Entities following the Closing.

(c) Except as set forth in Section 3.9(c) of the Sellers Disclosure Letter, to the Knowledge of Sellers, the conduct of the Business as currently conducted has not and does not infringe, misappropriate or violate any Intellectual Property Rights of any other Person. Except as set forth in Section 3.9(c) of the Sellers Disclosure Letter, neither of the Transferred Entities has received, since January 1, 2012, any written claim or demand, nor are there any pending Actions: (i) alleging infringement or misappropriation of any Intellectual Property Rights of any other Person or (ii) challenging the use, ownership, enforceability or validity of any of the Business Intellectual Property.

(d) Except as set forth in Section 3.9(d) of the Sellers Disclosure Letter, to the Knowledge of Sellers, no Person is currently infringing, misappropriating or violating any Business Intellectual Property.

(e) The Transferred Entities currently take commercially reasonable security measures to protect the confidentiality of all material Business Intellectual Property, including the secrecy and confidentiality of their trade secrets. Each current employee and consultant of, and any former employee or consultant employed by, a Transferred Entity since January 1, 2014 has executed a confidentiality agreement and invention assignment or an employment or consulting agreement maintaining confidentiality in any material trade secret or material confidential information of the Transferred Entities and assigning to the applicable Transferred Entity any rights in the Business Intellectual Property invented by such employee or consultant and embodied in one of the Products as it exists as of the date of this Agreement.

(f) To the Knowledge of Sellers, there were no material defects of form in the preparation or filing of the patent applications that are part of the Business Registered Intellectual Property. To the Knowledge of Sellers, Sellers and Transferred Entities have complied in all material respects with the United States Patent Office ("USPTO") duty of candor and disclosure as required under 37 C.F.R. § 1.56 for the each of the U.S. patents and patent applications that are part of the Business Registered Intellectual Property.

3.10Licenses; Authorizations; Reports. Section 3.10(a) of the Sellers Disclosure Letter contains a complete and accurate list of all material governmental licenses, consents, qualifications, registrations, clearances, permits, franchises, variances, exemptions and other authorizations, including all authorizations under the Federal Food, Drug and Cosmetic Act of 1938, as amended (the "FDCA"), the Public Health Service Act of 1944 and the regulations of the United States Food and Drug Administration and any successor agency thereto (the "FDA") promulgated under any of the foregoing or any Similar Law or authorization of any other Governmental Entity, and any other Governmental Entity that is concerned with the quality, identity, strength, purity, safety, efficacy, developing or manufacturing of the Products ("Licenses") necessary for the lawful operating of the Business, issued, granted, given or otherwise made available by or under the authority of, or any required notification to, any Governmental Entity or pursuant to any Law necessary for the conduct of the Business as

conducted on the date hereof. Except as set forth on Section 3.10(b) of the Sellers Disclosure Letter, each material License (i) is in the name of a Transferred Entity and is in full force and effect and (ii) is not subject to any pending or, to the Knowledge of Sellers, threatened Action for the purposes of revoking, limiting or amending such License. As of the date hereof, neither of the Transferred Entities has received written notice or, to the Knowledge of Sellers, any other notice from any Governmental Entity that (A) any existing material License will be revoked or (B) any pending application for any material new License or renewal of any existing material License will be denied.

3.11 Labor Matters.

(a) With respect to employees of the Business, the Transferred Entities are not bound by any agreements with labor unions or associations representing any employees, or purporting to represent or attempting to represent any employees, of the Business. Except as set forth in Section 3.11(a) of the Sellers Disclosure Letter, neither of the Transferred Entities is involved in, or, to the Knowledge of Sellers, threatened with any material work stoppage, strike, shutdown, lockout, demand for recognition or other material labor dispute, arbitration, lawsuit or administrative proceeding relating to labor matters involving Transferred Entity Employees, and there have been no such actions or disputes in the past three (3) years. To the Knowledge of Sellers, during the past three (3) years there has not been any attempt by any Transferred Entity Employees or any labor organization or other employee representative to organize or certify a collective bargaining unit or to engage in any other union organization activity with respect to the workforce of any Transferred Entity.

(b) Section 3.11(b) of the Sellers Disclosure Letter sets forth a true and complete list of the employees currently employed by each Transferred Entity, in each case whose annualized aggregate compensation as salary, wages and bonuses during 2014 exceeded One Hundred Thousand Dollars ($100,000) (the "Highly Paid Employees"). The Sellers have delivered to Purchasers a true and correct listing of the compensation amounts paid to each Highly Paid Employee in 2014 and the base salary and target bonus for such personnel in 2015. Except as set forth on Section 3.11(b) of the Sellers Disclosure Letter, to the Knowledge of Sellers, no Highly Paid Employee has plans to terminate employment with the Transferred Entities.

(c) Except as set forth on Section 3.11(c) of the Sellers Disclosure Letter, no Transferred Entity is the subject of any pending Action asserting that it has committed an unfair labor practice (within the meaning of the National Labor Relations Act or comparable state or foreign Law) or other violation of state or federal labor Law or seeking to compel it to bargain with any labor organization as to wages, terms or conditions of employment. Each Transferred Entity is in material compliance with all applicable Laws relating to the employment of labor, including those related to wages, hours, collective bargaining, immigration, equal employment opportunities and retaliation. There is no claim with respect to payment of wages, salary or overtime pay that has been asserted in writing to a Transferred Entity or is pending or, to the Knowledge of Seller, threatened before any Governmental Entity with respect to any Persons currently or formerly employed by a Transferred Entity.

(d) Section 3.11(d) of the Sellers Disclosure Letter lists each employee of a Transferred Entity who was terminated or laid off for any reason other than for cause, or whose hours were reduced by more than 50%, during the ninety (90) days preceding the date of this Agreement, and for each such employee, sets forth: (i) the date of such termination, layoff or reduction in hours; and (ii) the location to which the employee was assigned. Each of the Transferred Entities is in material compliance with its obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988 (the "WARN Act") and any similar Law and neither Transferred Entity has ordered or implemented a plant closing or mass layoff within the meaning of the WARN Act or any similar Law in the past three (3) years.

3.12Taxes. Except as set forth in Section 3.12 of the Sellers Disclosure Letter:

(a) Since September 16, 2011, Alkermes Gainesville has been a disregarded entity within the meaning of Treasury Regulation Section301.7701-3 for U.S. Federal income tax purposes.

(b) Since the formation of Newco by APIL, Newco has been a disregarded entity within the meaning of Treasury Regulation Section301.7701-3 for U.S. Federal income tax purposes.

(c) Each of the Transferred Entities has filed all material Tax Returns that they were required to file under applicable Laws and regulations. All such Tax Returns were correct and complete in all material respects and were prepared in substantial compliance with all applicable Laws and regulations. All material Taxes due and owing by the Transferred Entities (whether or not shown on any Tax Return) have been paid. Neither of the Transferred Entities currently is the beneficiary of any extension of time within which to file any such Tax Return. No written claim has ever been made by an authority in a jurisdiction where the Transferred Entities do not file Tax Returns that the Transferred Entities are or may be subject to taxation by that jurisdiction.

(d) There are no material Liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of the Transferred Entities, except for Permitted Liens.

(e) Each of the Transferred Entities have withheld and paid all material Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and all IRS Forms W-2 and 1099 with respect thereto have been properly completed and timely filed.

(f) To the Knowledge of Sellers, no federal, state, local, or non-U.S. tax audits, investigations or administrative or judicial Tax proceedings are pending or being conducted with respect to the Transferred Entities. Neither of the Transferred Entities has received from any Governmental Entity (including those in jurisdictions where the Transferred Entities have not filed Tax Returns) any (i) written notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters, or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any Governmental Entity against the Transferred Entities.

(g) The Transferred Entities have not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency. No Transferred Entity has issued any power of attorney (or any such equivalent) with respect to any material Taxes that is still in effect.

(h) No Transferred Entity has any equity interest in any entity taxed as a "partnership" or a "controlled foreign corporation" for U.S. federal income tax purposes.

(i) The Transferred Entities have and, to the extent requested, have provided Purchasers with access to, true, correct and complete copies of all material Tax Returns filed by them for all pre-Closing Tax periods beginning on or after September 16, 2011 and true, correct and complete copies of any examination reports received by the Transferred Entities and statements of deficiencies assessed against or agreed to by the Transferred Entities for all Pre-Closing Tax periods beginning on or after September 16, 2011 with respect to any Tax.

(j) None of Newco or Alkermes Gainesville has a liability for the Taxes of any other Person, including as a result of being a part of a VAT grouping. Neither Transferred Entity is a party to or bound by any Tax allocation or sharing agreement.

(k) The laws of Ireland do not require any withholding tax to be deducted or withheld from any payment of Earn-Out Consideration.

3.13Compliance with Laws.

(a) The Transferred Entities operate, and since January 1, 2012 have operated, the Business in compliance in all material respects with all Laws applicable thereto. Except as set forth in Section 3.13(a) of the Sellers Disclosure Letter, since January 1, 2012, none of the Transferred Entities has received any communication from a Governmental Entity that (i) alleges that the Business or such Person (in respect of the Business) is in material violation of any applicable Law, (ii) any investigation or review by any Governmental Entity with respect to the Business or such Person is pending or contemplated and, to the Knowledge of Sellers, no such investigation or review is threatened.

(b) All imports, exports, reexports/retransfers, "deemed exports" and "deemed reexports/retransfers" of the Business have been made in all material respects in accordance with all statutory and regulatory requirements under the Export Administration Regulations and associated executive orders, and the Laws implemented by the Office of Foreign Assets Controls, the United States Department of the Treasury and any other applicable import, export control and sanctions Laws.

(c) Since January 1, 2012, all applications, submissions, information and data utilized by the Transferred Entities in respect of the Business as the basis for, or submitted by or, to the Knowledge of Sellers, on behalf of the Transferred Entities in connection with, any and all requests for a License relating to the Business or any Products, when submitted to the FDA or other Governmental Entity, were true and correct in all material respects as of the date of submission, and any updates, changes, corrections or modification to such applications, submissions, information and data required under applicable Laws have been submitted to the FDA or other Governmental Entity.

(d) Since January 1, 2012:

(i) the Transferred Entities have been in compliance with all legal requirements under (A) the FCPA, and (B) the Irish Prevention of Corruption Acts, 1889 to 2010 and the Irish Ethics in Public Office Acts 1995 and 2001 (collectively, the "Anti-Bribery Laws"); and

(ii) none of the Transferred Entities has, in relationship to the Business, taken any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of the payment, directly or indirectly, of any gift, money or anything of value to a Government Official to secure any improper advantage (e.g., to obtain a tax rate lower than allowed by Law) or to obtain or retain business for any Person.

(e) None of the Transferred Entities is aware of (A) any investigation of or request for information from the Transferred Entities relating to the Business by law enforcement officials regarding the Anti-Bribery Laws, or (B) any other allegation, investigation or inquiry regarding any of their or the Business' actual or possible violation of the Anti-Bribery Laws.

(f) The Transferred Entities and, in relation to the Business, the Sellers have maintained their Books and Records in a manner that, in reasonable detail, accurately and fairly reflects the transactions and disposition of their assets, and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

(i) transactions are executed and access to assets is given only in accordance with management's authorization;

(ii) transactions are recorded as necessary to permit preparation of periodic financial statements in accordance with GAAP and to maintain accountability of corporate assets; and

(iii) recorded assets are compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences between recorded and actual assets.

(g) No director or officer of any of the Transferred Entities has, directly or indirectly, made false or misleading statements to, or attempted to coerce or fraudulently influence, an accountant in connection with any audit, review, or examination of the financial statements of the Business.

3.14 Insurance. All of the assets and properties of the Business are covered by valid and currently effective insurance policies held by Parent or its Affiliates, other than the Transferred Entities. Such insurance policies provide insurance coverage that, in the Sellers' judgment, insures against such losses and risks and in such amounts as are customary in the businesses in which the Transferred Entities are engaged. All of such insurance policies are valid, enforceable and in full force and effect and all premiums due and payable thereon have been paid. None of the Transferred Entities, Parent or Affiliates of Parent are in breach or default thereunder or has taken an action or failed to take any action which, with notice or the lapse of

time, would constitute a material breach or material default or permit termination or modification of any such policy in a manner that would have a material and adverse effect on the Transferred Entities. Except as set forth on Section 3.14 of the Sellers Disclosure Letter, there are no claims, by or with respect to any Transferred Entity, pending under any of such insurance policies, or material disputes with insurers with respect thereto. None of Sellers, Parent, Affiliates of Parent or any Transferred Entity has received any written notice regarding any cancellation or termination of or refusal of any coverage or rejection of any material claim related to the Transferred Entities under any such insurance policy.

3.15Material Contracts. Section 3.15 of the Sellers Disclosure Letter sets forth all of the following contracts to which any Transferred Entity is a party or bound, or by which any of the assets or properties of any of them, with the exception of the Excluded Assets, or Business is bound:

(a) any employment or consulting agreement with an individual (i) requiring payments of base compensation in excess of One Hundred Thousand Dollars ($100,000) per year or (ii) related to a Retention Bonus;

(b) any note, mortgage, indenture and other obligation and agreement and other instrument for or relating to any lending or borrowing (including assumed or guaranteed debt) effected by any Transferred Entity or to which any properties or assets of any of them, with the exception of the Excluded Assets, or the Business, is subject;

(c) any agreement or commitment for any capital expenditure in excess of One Hundred Thousand Dollars ($100,000) outside the ordinary course of business;

(d) customer sale and purchase agreements with indicated or estimated future payment obligations in excess of One Hundred Thousand Dollars ($100,000) in any 12-month period or Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate;

(e) drug delivery agreements or contract manufacturing agreements;

(f) any joint venture, partnership, technical assistance, research and development and other similar collaborative agreements;

(g) any contract which is terminable by the other party or parties thereto upon an assignment or change of control of any Transferred Entity, other than such contracts the termination of which would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect;

(h) any contract, agreement or arrangement, entered into other than in the ordinary course of business, with indicated or estimated future payment obligations in excess of One Hundred Thousand Dollars ($100,000) in any 12-month period or Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate;

(i) any service and supply agreements with indicated or estimated future payment obligations in excess of One Hundred Thousand Dollars ($100,000) in any 12-month period or Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate;

(j) any Business IP Agreement;

(k) any agreement or commitment for the disposition of assets or any interest in any business enterprise outside the ordinary course of business;

(l) any agreement or commitment limiting or restraining it from engaging or competing in any lines of business, with any Person or in any geographic area or from soliciting any Person for business, and any agreement or commitment limiting or restraining it from soliciting any individual for employment;

(m) any agreement or commitment that would become payable upon a change of control of a Transferred Entity;

(n) (i) any agreement with the five (5) largest customers of the Transferred Entities, taken as a whole (determined based on monthly recurring revenue as of the end of the last fiscal year) (such customers, the "Significant Customers"); and (ii) any agreement with the ten (10) largest suppliers (excluding service providers) of the Transferred Entities, taken as a whole (determined based on payments from the Transferred Entities for the last fiscal year) (such suppliers, the "Significant Suppliers");

(o) any lease or agreement under which a Transferred Entity is lessee of any personal property owned by another party, for which annual rent exceeds Two Hundred and Fifty Thousand Dollars ($250,000);

(p) any stock purchase agreement, asset purchase agreement or other acquisition or divestiture Contract entered into by any Transferred Entity during the past five (5) years; and

(q) any material amendments, modifications, extensions or renewals of any of the foregoing or any exercise of any option in respect of any of the foregoing.

The contracts listed on Section 3.15 of the Sellers Disclosure Letter are referred to herein as "Business Material Contracts." With respect to all Business Material Contracts, except as set forth in Section 3.15 of the Sellers Disclosure Letter, (i) none of the Transferred Entities, nor, to the Knowledge of Sellers, any other party to any such Business Material Contract is in material breach thereof or default thereunder, and (ii) there does not exist under any provision thereof, any event that, with the giving of notice or the lapse of time or both, would constitute such a material breach or default. Sellers have made available to Purchasers true, correct and complete copies of all Business Material Contracts. Each Business Material Contract is in full force and effect in accordance with the terms thereof and constitutes a legal, valid, and binding agreement of the parties thereto, and is enforceable in accordance with its terms by the applicable Transferred Entity who is a party thereto against each counterparty thereto, except as such enforceability may be limited by the Enforceability Exceptions.

3.16 Brokers, Finders. Except for the services of the Seller Financial Advisor, whose fees with respect to the transactions contemplated by this Agreement will be borne by Sellers, neither the Transferred Entities nor the Sellers has employed, or is subject to any valid claim of, any broker, finder, consultant or other intermediary in connection with the transactions

contemplated by this Agreement who might be entitled to a fee or commission in connection with such transactions.

3.17Board Approval. The board of directors of each Seller, by resolutions duly adopted, has approved this Agreement.

3.18Environmental Health and Safety Matters. Except as set forth in Section 3.18 of the Sellers Disclosure Letter:

(a) The Transferred Entities are in compliance in all material respects with all applicable Environmental Laws, including holding and complying in all material respects with all permits, certificates, licenses, approvals, registrations and authorizations required under Environmental Laws for their operations.

(b) The Transferred Entities are not subject to any pending Action or written notice from a Governmental Entity alleging that the Transferred Entities are in violation of, or have liability under, any Environmental Law.

(c) To the Knowledge of Sellers, there has been no Release of Hazardous Materials at any Business Real Property in an amount, manner or condition that would reasonably be expected to result in material liability to the Transferred Entities under applicable Environmental Laws.

(d) Sellers have made available to Purchasers copies of all material written environmental assessments, audits, and reports in their possession and relating to the Business or any Business Real Property.

(e) Without limiting the generality of the foregoing, none of the Transferred Entities have any outstanding material indemnification obligation, or any unresolved material enforcement action or liability, pursuant to any Environmental Law, including but not limited to, any investigation, cleanup, removal action, response action, remediation, or corrective action obligation, relating to the Business Real Property or, to the Knowledge of Sellers, to any (i) formerly owned or operated property, or (ii) offsite disposal location.

(f) None of the Transferred Entities has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, or released any Hazardous Material in material violation of any Environmental Laws, or in a manner that would reasonably be expected to result in material liability (including, but not limited to, any material obligation to conduct an investigation, cleanup, removal action, response action, remediation or corrective action) to any of the Transferred Entities under applicable Environmental Laws.

(g) To the Knowledge of Sellers, neither this Agreement nor the consummation of the transactions contemplated hereby will result in any obligations for site investigation or cleanup, or notification to or consent of any Governmental Entity or third parties, pursuant to any of the so-called "transaction-triggered" or "responsible property transfer" Environmental Laws.

3.19Employee Benefit Plans.

(a) Sellers have made available to Purchasers true and complete copies of each Transferred Entity Benefit Plan and all amendments thereto together with the most recent annual report, if required by Law, summary plan description and any material modifications thereto, actuarial valuation report prepared in connection with any such Benefit Plan and all trust agreements, insurance contracts and other funding vehicles relating thereto. Section 3.19(a) of the Sellers Disclosure Letter lists all material Benefit Plans, specifically identifying each Transferred Entity Benefit Plan.

(b) Each Benefit Plan that is intended to be qualified under Section 401(a) of the Code and each trust created under any such Benefit Plan that is intended to be exempt from tax under Section 501(a) of the Code has received a favorable determination or opinion letter from the IRS. Sellers have made available to Purchasers the most recent determination or opinion letter of the Internal Revenue Service relating to each such Benefit Plan. Any such IRS determination or opinion letter remains in effect and has not been revoked by the IRS. Each Benefit Plan has been maintained in material compliance with its terms and with the requirements prescribed by any and all applicable statutes, orders, rules and regulations, including ERISA and the Code.

(c) There are no pending or, to the Knowledge of Sellers, threatened claims (other than claims for benefits in the ordinary course), investigations, lawsuits or arbitrations which have been asserted or instituted against any Benefit Plan, any fiduciaries thereof with respect to their duties to any Benefit Plan or the assets of any of the trusts under any of such Benefit Plans which would reasonably be expected to result in any liability of Purchasers or any of its Affiliates to the PBGC, the Department of Treasury, the Department of Labor, or any other Governmental Entity, to any of such Benefit Plan or to any participant or beneficiary of any such Benefit Plan.

(d) No Transferred Entity Benefit Plan is (i) a plan subject to Title IV of ERISA, (ii) an arrangement providing post-employment welfare benefits or (iii) a self-insured welfare benefit plan. No Transferred Entity Benefit Plan is a "multiemployer plan" within the meaning of Section 4001 (a)(3) of ERISA.

(e) Except as set forth in Section 3.19(e) of the Sellers Disclosure Letter, the execution of and performance of the transactions contemplated by this Agreement will not (either alone or upon the occurrence of any additional or subsequent events) result in any payment to or acceleration, vesting or increase in the rights of any Transferred Entity Employee under any Benefit Plan. No payment or benefit which is or may be made or provided by, from or with respect to any Benefit Plan in connection with the transactions contemplated by this Agreement to any Transferred Entity Employee constitutes an "excess parachute payment" under Section 280G of the Code.

(f) No Transferred Entity Benefit Plan, or Transferred Entity Employee or other service provider of the Transferred Entities is, or would reasonably in the future expect to be, subject to additional Tax or interest imposed under Section 409A or 457(A)(c) of the Code by virtue of the form or operation of any Benefit Plan.

3.20Products; Recalls. Since January 1, 2012:

(a) except as would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect, all Products manufactured and supplied by the Transferred Entities in respect of the Business: (i) were manufactured in compliance with applicable Law, including applicable cGMPs or Similar Laws; (ii) conformed to the specifications for the manufacture, storage, and handling of such Product in effect at the time of delivery thereof; (iii) at the time of delivery thereof, were not adulterated or misbranded within the meaning of the FDCA or Similar Laws; and (iv) conformed to the Certificate of Analysis and Conformity supplied with the shipment of such Product; and

(b) to the Knowledge of Sellers, except as set forth in Section 3.20(b) of the Sellers Disclosure Letter, there have been no product recalls, safety alerts, withdrawals, clinical holds, marketing suspensions, removals or the like conducted, undertaken or issued by any Person, whether or not at the request, demand or order of any Governmental Entity or otherwise, related to the manufacture of the Products by the Transferred Entities.

3.21Transactions with Affiliates. Other than pursuant to any Benefit Plan or other compensatory arrangement, and excluding this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby, no executive officer or director of any Seller, Transferred Entity, Parent or their respective Affiliates (i) is party to any Contract with or binding upon a Transferred Entity, (ii) has any interest in property owned by a Transferred Entity or (iii) has engaged in any transaction with any Transferred Entity within the twelve (12) months preceding the date of this Agreement. Since January 1, 2014, except as disclosed in Section 3.21 of the Sellers Disclosure Letter, and excluding this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby, there have been no Contracts between either Seller and/or any of its Affiliates (other than any Transferred Entity), on the one hand, and any Transferred Entity, on the other hand (each a "Related Party Agreement").

3.22Customers and Suppliers. Except as set forth on Section 3.22 of the Sellers Disclosure Letter, since January 1, 2014, no Significant Customer or Significant Supplier has amended, or proposed in writing, or to the Knowledge of Sellers, proposed orally, to amend, any material terms of, or terminated any Contract with a Transferred Entity in accordance with the terms thereof or has otherwise indicated in writing or, to the Knowledge of Sellers, orally, that they will cease to use or sell to the Transferred Entities, or will substantially reduce the use of services of or sale to the Transferred Entities. Except as set forth on the Section 3.22 of the Sellers Disclosure Letter, the execution, delivery and performance of this Agreement by the Sellers does not, and the consummation of the transactions contemplated hereby, including the Reorganization, by the Sellers will not, constitute or result in a breach or violation of or a default under, or require consent under, any Contract with a Significant Customer or Significant Supplier.

3.23Accounts Receivable. The accounts receivable reflected on the Business Balance Sheet and the accounts receivable arising after the date thereof (a) have arisen from bona fide transactions entered into by the Transferred Entities involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice and (b) constitute, to the Knowledge of Sellers, only undisputed claims of the Transferred Entities not subject to

claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice. The reserve for bad debts shown on the Business Balance Sheet or, with respect to accounts receivable arising after the Balance Sheet Date, on the accounting records of the Transferred Entities have been determined in accordance with GAAP, consistently applied.

3.24Regulatory Matters.

(a) As set forth in Section 3.10(a) of the Sellers Disclosure Letter, and as limited by Section 3.10(b), Sellers have provided a complete and accurate list of all material Licenses necessary for the lawful operation of the Business as issued, granted, given or otherwise made available by any Governmental Entity, specifically including, but not limited to, those Licenses issued under the FDCA, Public Health Service Act of 1944, and regulations promulgated by the FDA. Subject to Section 3.10(b) of the Sellers Disclosure Letter, each material License (i) is in the name of the Transferred Entity and is in full force and effect and (ii) is not subject to any pending or, to the Knowledge of Sellers, threatened Action or other proceeding for the purposes of revoking, limiting, amending or withdrawing such License.

(b) To the Knowledge of Sellers, since January 1, 2012, the Transferred Entities have complied in all material respects with all Laws as set forth by the FDA or applicable Governmental Entity relating to the Business. To the Knowledge of Sellers, the Transferred Entities have not made any material misrepresentations or fraudulent statements to the FDA or applicable Governmental Entity relating to the Business.

(c) To the Knowledge of Sellers, since January 1, 2012, except as would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect, Products manufactured by the Transferred Entities in respect of the Business have complied in all material respects with current Good Manufacturing Practices ("cGMPs") and, at the time of delivery thereof, were not adulterated or misbranded within the meaning of the FDCA. To the Knowledge of Sellers, neither the FDA nor any Governmental Entity is currently alleging non-compliance with cGMPs and no pending clinical trial is subject to termination or suspension relating to the Products.

(d) Except as set forth in Section 3.8 of the Sellers Disclosure Letter, the Transferred Entities are not currently subject to any Action brought by the FDA or other Governmental Entity in respect of the Business.

(e) To the Knowledge of Sellers, since January 1, 2012, neither the Transferred Entities, nor any individual who is an officer, director, employee, stockholder, agent or managing agent of any Transferred Entity, have been subject to an Action that has resulted in exclusion from a governmental or private health care program under which the Products have been reimbursed or have been subject to a debarment proceeding under 21 U.S.C. § 335a; nor is any such proceeding relating to debarment currently pending.

3.25Investor Representations.

(a) Sellers are acquiring the Warrant and the shares issuable upon its exercise for their own account, for investment and not for, with a view to, or in connection with, any sale

or distribution thereof within the meaning of the Securities Act, and Sellers will not offer, sell or otherwise dispose of the Warrant and the shares issuable upon its exercise except as permitted by the Securities Act and any applicable state securities law.

(b) Sellers are "accredited investors" as the term is used in Regulation D promulgated under the Securities Act and for the purposes of acquiring the Warrant and the shares issuable upon its exercise. Sellers have sufficient knowledge and experience in business and financial matters and with respect to investments so as to enable Sellers to analyze and evaluate the merits and risks of the investment contemplated hereby with respect to the Warrant.

## ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Except as set forth in the corresponding sections or subsections of the disclosure letter delivered to Sellers prior to the date hereof (the "Purchasers Disclosure Letter"), Purchasers hereby make to Sellers, as of the date hereof and as of the Closing, each of the representations and warranties contained in this Article IV; it being understood that disclosure of any item in any section or subsection of the Purchasers Disclosure Letter shall also be deemed disclosure with respect to any other section or subsection to which the relevance of such item is readily apparent on its face. The representations and warranties contained in this Article IV and in any other provision of this Agreement and certificate delivered pursuant to this Agreement constitute all of the representations and warranties of Purchasers with respect to the transactions contemplated hereby:

4.1 Organization; Authorization; Ownership.

(a) Each Purchaser is duly organized and validly existing and in good standing under the Laws of the jurisdiction of its organization and has the requisite corporate or similar power and authority to own its properties and assets and to carry on its business as it is now being conducted. Each Purchaser is duly qualified to transact business in each jurisdiction in which the nature of property owned or leased by it or the conduct of its business requires it to be so qualified, except where the failure to be so duly qualified to transact business would not, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on the ability of Purchasers to consummate the transactions contemplated by this Agreement, the Ancillary Agreements, the Debt Financing Agreements and the Debt Financing.

(b) Each Purchaser (i) has the requisite corporate or similar right, authority and power to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby and (ii) will have, on or before the date of signing each Ancillary Agreement and the Debt Financing Agreements to which it will be a party, the requisite corporate or similar right, authority and power to execute and deliver the Ancillary Agreements and Debt Financing Agreements to which it will be a party and to perform its obligations thereunder and to consummate the transactions contemplated thereby. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein have been duly and validly authorized by all corporate or similar action in respect thereof on the part of each Purchaser. The execution, delivery and

performance of each Ancillary Agreement and Debt Financing Agreement to which each Purchaser is a party and the consummation of the transactions contemplated therein will, at the time of signing of such Ancillary Agreement or Debt Financing Agreement, have been duly and validly authorized by all corporate or similar action in respect thereof on the part of each Purchaser.

(c) This Agreement has been, and each of the Ancillary Agreements to which each Purchaser is a party will be, on or prior to the date of signing such Ancillary Agreement, duly and validly executed and delivered by each Purchaser, and, assuming the due authorization and execution of this Agreement by Sellers, this Agreement constitutes, and, assuming the due authorization and execution of the other parties to each Ancillary Agreement, each Ancillary Agreement will constitute, the legal and binding obligation of Purchasers, enforceable against each Purchaser in accordance with its terms, except as limited by the Enforceability Exceptions.

(d) Neither the execution, delivery and performance of this Agreement and the Ancillary Agreements, nor the consummation of the transactions contemplated hereby and thereby, will (i) conflict with or violate any provision of any Governing Documents of Purchasers, (ii) constitute or result in a default under, violate any provision of, or be an event that is (or with the passage of time will result in) a violation of, or result in the acceleration of or entitle any party to accelerate or exercise (whether after the giving of notice or lapse of time or both) any obligation or right under, or result in the imposition of any Lien, any material Contract, instrument, order, arbitration award, judgment or decree to which any Purchaser is a party or by it is bound, or (iii) violate or conflict with any Law or other restriction of any kind or character to which any Purchaser is subject, that, in the case of clauses (ii) or (iii) would, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on the ability of Purchasers to consummate the transactions contemplated by this Agreement, the Ancillary Agreements, and the Debt Financing Agreements.

(e) Recro is the sole beneficial and record owner of all of the outstanding membership interests of Acquisition Sub.

4.2 No Consents. Section 4.2 of the Purchasers Disclosure Letter contains a list of all registrations, filings, applications, notices, consents, approvals, orders, qualifications and waivers required to be made, filed, given or obtained by Purchasers or any of their Subsidiaries with, to or from any Persons or Governmental Entities in connection with the consummation of this Agreement or the Ancillary Agreements or the other transactions contemplated hereby or thereby, except for those with respect to which the failure to make, file, give or obtain would not, individually or in the aggregate, have a material adverse effect on the ability of Purchasers to consummate the transactions contemplated by this Agreement, the Ancillary Agreements and the Debt Financing Agreements.

4.3 Compliance with Laws. The conduct of the business of Purchasers and their Subsidiaries complies in all material respects with all Laws which would affect their ability to perform their obligations hereunder and under the Ancillary Agreements and the Debt Financing Agreements.

4.4 Brokers; Finders. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Purchasers.

4.5 Acquisition of Transferred Interests for Investment. Purchasers have such knowledge and experience in financial and business matters, and are capable of evaluating the merits and risks of its purchase of the Transferred Interests. Purchasers confirms that Sellers have made available to Purchasers and Purchasers' agents the opportunity to ask questions of the officers and management employees of Sellers and of the Transferred Entities as well as access to the documents, information and records of Sellers and the Transferred Entities and to acquire additional information about the business and financial condition of Sellers and the Transferred Entities, and each Purchaser confirms that it has made an independent investigation, analysis and evaluation of the Transferred Entities and their properties, assets, business, financial condition, prospects, documents, information and records. Purchasers are acquiring the Transferred Interests for investment and not with a view toward or for sale in connection with any distribution thereof, or with any present intention of distributing or selling the Transferred Interests. Purchasers acknowledge that the Transferred Interests have not been registered under the Securities Act or any state securities Laws, and agrees that the Transferred Interests may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act, except pursuant to an exemption from such registration available under the Securities Act, and without compliance with foreign securities Laws, in each case, to the extent applicable.

4.6 Debt Financing.

(a) Purchasers have delivered to Sellers true and complete copies of the executed definitive agreements dated as of the date hereof (as they may be amended, restated or modified from time to time in accordance with the terms hereof, collectively, the "Debt Financing Agreements") entered into with the lender party to the Debt Financing Agreements (the "Lender") relating to the commitment of the Lender to provide the full amount of the Initial Purchase Price and all related fees and expenses, collectively referred to in this Agreement as the "Debt Financing". At Closing, Purchasers will fully pay or cause to be fully paid any and all commitment fees and other fees required to be paid pursuant to the terms of the Debt Financing Agreements.

(b) Except as set forth in the Debt Financing Agreements, there are no conditions precedent or other contingencies to the obligations of the Lender to provide the Debt Financing or any contingencies that would permit the Lender to reduce the total amount of the Debt Financing.

(c) The Debt Financing, when funded in accordance with the terms of the Debt Financing Agreements, shall provide Purchasers with acquisition financing on the Closing Date sufficient to pay the Initial Purchase Price and to pay related fees and expenses.

(d) The Debt Financing Agreements are valid, binding and in full force and effect and no event has occurred that, with or without notice, lapse of time, or both, would reasonably be expected to constitute a default or breach or a failure to satisfy a condition

precedent on the part of Purchasers under the terms and conditions of the Debt Financing Agreements, other than any such default, breach or failure that has been waived by the Lender or otherwise cured in a timely manner by Purchasers to the satisfaction of the Lender and Purchasers do not have any reason to believe that they will be unable to satisfy on a timely basis any term or condition to closing to be satisfied by it in the Debt Financing Agreements on or prior to the Closing Date.

(e) As of the Closing, and after giving effect to all of the transactions contemplated by this Agreement, Purchasers will be Solvent.

4.7 Regulatory Matters. Purchasers have not, nor has any Affiliate or representative of Purchasers, been convicted of any crime or engaged in any conduct for which debarment is mandated by 21 U.S.C. §335a(a) or any similar applicable Laws or authorized by 21 U.S.C. §335a(b) or any similar applicable Laws. The Purchasers have not, nor has any Affiliate or representative of Purchasers, been convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any U.S. federal health care programs and each of the Purchasers has appropriate policies and restrictions in its agreements with third parties precluding the use of any individuals convicted of any crimes or engaged in any conduct for which such Person could be excluded from participating in any U.S. federal health care programs.

4.8 No Other Representations or Warranties. Except for the representations and warranties contained in Article III (including the Schedules and Exhibits to this Agreement), Purchasers acknowledge that (i) none of Sellers, any Transferred Entity nor any of their respective Affiliates and Representatives, nor any other Person, made or shall be deemed to have made any representation or warranty to Purchasers, express or implied, at law or in equity, on behalf of Sellers or any Transferred Entity or any Affiliate of Sellers or any Transferred Entity and (ii) Purchasers have not relied on any information, representations, warranties or financial projections contained in any document, confidential memorandum or agreement delivered to it or made available by the Sellers or their Representatives, including any information, document or materials made available or provided to Purchasers in the data room.

## ARTICLE V

## COVENANTS

5.1 Access to Books and Records.

(a) After the date of this Agreement until the earlier of the Closing or termination of this Agreement, Sellers shall afford to Representatives of Purchasers reasonable access to the Books and Records of the Transferred Entities' Businesses during normal business hours consistent with applicable Law and in accordance with the procedures established by Sellers; *provided*, *however*, that (i) no Seller or Transferred Entity shall be required to violate any obligation of confidentiality to which a Seller or a Transferred Entity or any of their respective Affiliates may be subject in discharging their obligations pursuant to this Section 5.1(a), and (ii) Sellers shall make available, or cause the Transferred Entities to make available, Transferred Entity Employee personnel files only after the Closing Date. Any information

provided to Purchasers or their Representatives in accordance with this Section 5.1 or otherwise pursuant to this Agreement shall be held by Purchasers and their Representatives in accordance with, shall be considered under, and shall be subject to the terms of, the Confidentiality Agreement.

(b) Purchasers agree that any permitted investigation undertaken by Purchasers pursuant to the access granted under Section 5.1(a) shall be conducted in such a manner as not to interfere unreasonably with the operation of the Business by Sellers or the Transferred Entities, and Purchasers and their representatives shall not communicate with any of the employees of Sellers or the Transferred Entities without the prior written consent of Sellers. Notwithstanding anything to the contrary in this Agreement, neither Sellers nor the Transferred Entities shall be required to provide access to or disclose information where, upon the advice of counsel, such access or disclosure would jeopardize the attorney-client privilege of such Party or any of its Affiliates or contravene any Laws.

(c) At and after the Closing Date, Purchasers shall, and shall cause their Affiliates to, afford Sellers and their representatives, during normal business hours, upon reasonable notice, full access to the books, records, properties and employees of each Transferred Entity to the extent that such access may be reasonably requested by Sellers, including in connection with financial statements or a proceeding before the Independent Accounting Firm under Section 2.5(d).

(d) Purchasers agree to hold all the Books and Records of each Transferred Entity's Business existing on the Closing Date and not to destroy or dispose of any thereof for a period of seven (7) years from the Closing Date or such longer time as may be required by Law, and thereafter, if they desire to destroy or dispose of such Books and Records, to offer first in writing at least sixty (60) days prior to such destruction or disposition to surrender them to Sellers.

5.2 Efforts.

(a) Subject to the terms and conditions herein provided, each of Purchasers and Sellers shall use reasonable best efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under this Agreement and applicable Laws to consummate and make effective as promptly as practicable after the date hereof the transactions contemplated by this Agreement, including (i) preparing as promptly as practicable all necessary applications, notices, petitions, filings, ruling requests, and other documents and to obtain as promptly as practicable all consents, waivers, licenses, orders, registrations, approvals, permits, rulings, authorizations and clearances necessary or advisable to be obtained from any Governmental Entity in order to consummate the transactions contemplated by this Agreement (collectively, the "Governmental Approvals") and (ii) as promptly as practicable taking all steps as may be necessary to obtain all such Governmental Approvals. In furtherance and not in limitation of the foregoing, each Party agrees to (A) within ten (10) Business Days of the date of this Agreement, make all necessary filings and submissions under the HSR Act, (B) make all other required filings pursuant to other antitrust or competition Laws with respect to the transactions contemplated hereby as promptly as practicable, and (C) not extend any waiting period under the HSR Act or any other antitrust Law, nor enter into any

agreement with the United States Federal Trade Commission (the "FTC") or the United States Department of Justice (the "DOJ") or any other Governmental Entity not to consummate the transactions contemplated by this Agreement, except with the prior written consent of the other Parties (which shall not be unreasonably withheld, conditioned or delayed). Each Party shall supply as promptly as practicable any additional information or documentation that may be requested pursuant to the HSR Act or any other antitrust or competition Law and use its reasonable best efforts to take all other actions necessary, proper or advisable to cause the expiration or termination of the applicable waiting periods under the HSR Act and any other antitrust Law as soon as possible. The Parties agree to request early termination with respect to the waiting period prescribed by the HSR Act together with the initial filings and submissions under the HSR Act.

(b) Each of Purchasers and Sellers shall, in connection with the actions referenced in Section 5.2(a) to obtain all Governmental Approvals for the transactions contemplated by this Agreement under the HSR Act or any other antitrust or competition Law, (i) cooperate in all respects with each other in connection with any communication, filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (ii) keep the other Party and/or its counsel informed of any communication received by such Party from, or given by such Party to, the FTC, the DOJ or any other U.S. or other Governmental Entity and of any communication received or given in connection with any proceeding by a private party, in each case regarding any of the transactions contemplated hereby; (iii) consult with each other in advance of any meeting or conference with the FTC, the DOJ or any other Governmental Entity or, in connection with any proceeding by a private party, with any other Person, and to the extent permitted by the FTC, the DOJ or such other Governmental Entity or other Person, give the other Parties and/or their counsel the opportunity to attend and participate in such meetings and conferences; and (iv) permit the other Parties and/or their counsel to review in advance any submission, filing or communication (and documents submitted therewith) intended to be given by it to the FTC, the DOJ or any other Governmental Entity; *provided*, that materials may be redacted to remove references concerning the valuation of the businesses of Sellers, to the extent permitted by Law. Purchasers and Sellers, as each deems advisable and necessary, may reasonably designate any competitively sensitive material to be provided to the other under this Section 5.2(b) as "Antitrust Counsel Only Material." Such materials and the information contained therein shall be given only to the outside antitrust counsel of the recipient and will not be disclosed by such outside counsel to employees, officers or directors of the recipient unless express permission is obtained in advance from the source of the materials (Purchasers or Sellers, as the case may be) or its legal counsel.

(c) In furtherance and not in limitation of the covenants of the Parties contained in Section 5.2(a) and Section 5.2(b), each of Purchasers and Sellers shall use their reasonable best efforts to avoid the entry of, or to have vacated, lifted, reversed or overturned, any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that would restrain, prevent or delay the Closing on or before the Outside Date. It shall not be deemed a failure to satisfy the conditions specified in Section 8.1(a) if, as a result of any suit brought by any Person or Governmental Entity challenging the transactions contemplated by this Agreement as violating any antitrust Law, a court enters or the applicable Governmental Entity makes an order or decree permitting the transactions contemplated by this Agreement, but requiring that any of the businesses, product lines or assets of Purchasers or their Affiliates

(collectively, the "Subject Assets") be divested or held separate by Purchasers, or that would otherwise limit Purchasers' freedom of action with respect to, or their ability to operate and retain, the Subject Assets.

(d) Without limiting any other obligation under this Agreement, during the period from the date of this Agreement until the Closing Date, each of Purchasers and Sellers shall not, and shall cause its Subsidiaries not to, take or agree to take any action that would reasonably be expected to prevent or delay the Parties from obtaining any Governmental Approval in connection with the transactions contemplated by this Agreement, or to prevent or materially delay or impede the consummation of the transactions contemplated herein.

(e) Purchasers agree to provide such security and assurances as to financial capability, resources and creditworthiness as may be reasonably requested by any Governmental Entity or other third party whose consent or approval is sought in connection with the transactions contemplated hereby. Whether or not the Sale is consummated, Purchasers and Sellers shall each be responsible for 50% of all filing fees and payments to any Governmental Entity in order to obtain any consents, approvals or waivers pursuant to this Section 5.2.

5.3 Further Assurances. Sellers and Purchasers agree that, from time to time, whether before, at or after the Closing Date, each of them will execute and deliver such further instruments of conveyance and transfer and take such other action as may be necessary to carry out the purposes and intents of this Agreement. Without limiting the generality of the foregoing:

(a) Between the date hereof and the Closing, Sellers shall, and shall cause their Affiliates to, (A) effect the Reorganization as described in Exhibit G, including transferring all of the assets and liabilities of Daravita, other than those listed on Section 5.3 of the Sellers Disclosure Letter, to Newco, or as otherwise mutually and reasonably agreed upon by Sellers and Purchasers, and (B) use commercially reasonable efforts to ensure that, as of the Closing, Newco and Alkermes Gainesville hold no other assets or liabilities (including assets or liabilities relating to Excluded Assets) other than those of the Business. Sellers shall make available to Purchasers in a timely manner for review and comment all drafts of the agreements relating to the Reorganization (collectively, the "Reorganization Transfer Agreements") or other instruments or documentation relating to the Reorganization, and Sellers shall not, and shall cause its Affiliates not to, execute any such Reorganization Transfer Agreements or other instruments or documentation, or to take any actions or consummate any steps or transactions contemplated thereby, in each case, that is not reasonably satisfactory to Purchasers.

(b) In connection with the Reorganization, APIL and Newco will enter into a license agreement (the "IP License Agreement"), in form reasonably acceptable to the Parties, granting to Newco licenses in substantially similar form and scope as those granted to Daravita pursuant to the Intellectual Property Transfer and License Agreement. The Parties hereto agree to amend the provisions regarding Earn-Out Consideration set forth on Exhibit E hereto as may be reasonably necessary in order to effect the intent of the Parties upon entry into the IP License Agreement.

(c) After the consummation of the Reorganization, to the extent that Daravita receives any payments for accounts receivable owned by Newco, Daravita will transfer such payments to an account designated by Newco.

(d) After the Closing, Purchasers will, and will cause their Affiliates to, upon the discovery of any Excluded Assets in the Transferred Entities' properties, offices, plants, storage spaces or similar locations, use reasonable efforts to return such Excluded Assets to Sellers at Sellers' expense.

5.4 Conduct of Business.

(a) From the date of this Agreement through the earlier of the Closing or the termination of this Agreement, except as otherwise contemplated by this Agreement (including transactions required by the Reorganization), as required by Law, as disclosed in Section 5.4 of the Sellers Disclosure Letter, or with Purchasers' written consent (which shall not be unreasonably withheld, conditioned or delayed; *provided* that Purchasers shall be deemed to have consented in writing to any written request by Sellers to which Purchasers fail to respond within five (5) Business Days following receipt), Sellers shall cause each Transferred Entity to:

(i) conduct the Business in the ordinary course of business; and

(ii) use reasonable best efforts to preserve intact their respective business organizations and goodwill, keep available the services of their respective present senior officers and key employees, and preserve the goodwill and business relationships with customers and others having business relationships with them.

(b) Without limiting the generality of Section 5.4(a), from the date of this Agreement through the earlier of the Closing or the termination of this Agreement, except as otherwise contemplated by this Agreement (including transactions required by the Reorganization, including without limitation the accession of Newco to the Credit Agreement), as required by Law, as disclosed in Section 5.4 of the Sellers Disclosure Letter or with Purchasers' consent (which shall not be unreasonably withheld, conditioned or delayed (*provided* that Purchasers shall be deemed to have consented in writing to any written request by Sellers to which Purchasers fail to respond within five (5) Business Days following receipt)), Sellers shall cause the Transferred Entities not to take any of the following actions with respect to the Business:

(i) (A) amend or propose to amend their respective certificates of incorporation or by-laws or equivalent organizational documents, (B) adjust, split, combine or reclassify their outstanding capital stock, or (C) declare, set aside or pay any non-cash dividend or non-cash distribution;

(ii) merge or consolidate itself with any other Person, or restructure, reorganize or completely or partially liquidate itself;

(iii) issue, sell, pledge, encumber or dispose of, or agree to issue, sell, pledge, encumber or dispose of, any additional shares of, or any options, warrants

or rights of any kind to acquire any shares of their capital stock of any class or any debt or equity securities which are convertible into or exchangeable for such capital stock;

(iv) except for transactions among the Transferred Entities in the ordinary course, (A) make any acquisition of any assets other than acquisitions made in response to a force majeure event or emergency or (B) sell, pledge, dispose of or encumber any material assets or businesses other than sales or dispositions of assets in the ordinary course of business;

(v) enter into or amend any employment, severance, special pay arrangement or other similar arrangements or agreements with any directors, officers or other employees of the Transferred Entities, so as to increase or accelerate benefits, except (A) pursuant to applicable Law, (B) pursuant to contractual arrangements or policies in effect as of the date of this Agreement, (C) 401(k) plan loans in the ordinary course of business, or (D) the Retention Bonuses;

(vi) increase the cash compensation of any senior officer or key employee of the Transferred Entities, except for increases in the ordinary course of business or except pursuant to contractual or incentive compensation arrangements in effect as of the date of this Agreement;

(vii)enter into, modify, amend or terminate any Business Material Contract, or waive, release, compromise or assign any material rights or claims under any Business Material Contract or any material lease (other than (A) in the ordinary course of business and (B) terminations of contracts and leases as a result of the expiration of the term of such contracts or leases);

(viii)purchase all or substantially all of the assets of, any securities of or make any investment in, either by purchase of stock or other securities or by contributions to capital, any Person, or acquire direct or indirect control over any Person;

(ix) make any new Tax election or modify or revoke any existing Tax election, change any Tax or accounting methods or systems of internal accounting controls of Newco or Alkermes Gainesville (except as may be required to conform to Laws relating to Taxes or regulatory accounting requirements or GAAP), file any amended Tax Return, enter into any Tax indemnity, sharing or allocation agreement, surrender any right to claim a refund, offset or other reduction of Taxes, consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment relating to Newco or Alkermes Gainesville, or settle or compromise any Tax claim;

(x) commence any Action other than in accordance with past practice;

(xi) settle any Action involving any Liability of any Transferred Entity for money damages where the settlement amount exceeds Two Hundred Fifty

Thousand Dollars ($250,000) or where the settlement would include any restriction upon the operations of any Transferred Entity;

(xii)enter into any line of business in which the Transferred Entities do not participate or engage as of the date hereof;

(xiii)divest, sell, lease, license, transfer or otherwise dispose or permit the cancellation, abandonment, or dedication to the public domain of any Business Intellectual Property, other than: (i) in the ordinary course of business and, in the case of patents included in the Business Intellectual Property, pursuant to the expiration of their statutory term; and (ii) transfers of Intellectual Property Rights from one Transferred Entity to another Transferred Entity;

(xiv)sell, assign, transfer, convey, pledge or otherwise dispose of or encumber any accounts receivable, except in the ordinary course of business;

(xv)fail to pay its accounts payable and similar debts in the ordinary course of business;

(xvi)fail to maintain the assets of the Transferred Entities in substantially their current state of repair, excepting normal wear and tear; or

(xvii)authorize or enter into any agreement or otherwise make any commitment to do any of the foregoing.

Notwithstanding anything to the contrary in this Agreement, including this Section 5.4, the Sellers and the Transferred Entities may divest any and all Excluded Assets prior to Closing.

5.5 Consents. Seller shall use commercially reasonably efforts to obtain any consents required from third parties in connection with the consummation of the transactions contemplated by this Agreement pursuant to the Business Material Contracts.

5.6 Public Announcements. Except as otherwise required by Law, each of Sellers and Purchasers will consult with the other and obtain the consent of the other (which consent shall not be unreasonably withheld, conditioned or delayed) before issuing any press releases or any public statements with respect to this Agreement and the transactions contemplated by this Agreement, except as may be required by Law or stock exchange rules, in which case the Party required to publish such press release or public announcement or make such other communication shall use reasonable efforts to provide the other Parties a reasonable opportunity to comment on such press release or public announcement in advance of the time of disclosure of such publication or such other communication.

5.7 Intercompany Accounts. At or prior to the Closing, all intercompany accounts between each Seller and/or any of its Affiliates (other than any Transferred Entity), on the one hand, and each Transferred Entity, on the other hand, shall be settled or otherwise eliminated. This provision shall not apply to intercompany accounts between and among the Transferred Entities.

5.8 Termination of Intercompany Agreements. Effective at the Closing, all Related Party Agreements shall be terminated, except for (i) this Agreement, (ii) the Transition Services Agreement, (iii) the Supply Agreements and (iv) the Contracts listed in Section 5.8 of the Sellers Disclosure Letter.

5.9 Insurance. From and after the Closing Date, the Transferred Entities shall cease to be insured by Parent or its respective Affiliates' (other than the Transferred Entities') insurance policies or by any of their self-insured programs, and shall have no access to any such insurance policies other than as set forth in this Agreement and the Transition Services Agreement. Each Seller or any of its respective Affiliates may, to be effective as of the Closing, amend any insurance policies in the manner it deems appropriate to give effect to this Section 5.9. From and after the Closing, Purchasers shall be responsible for securing all insurance it considers appropriate for its operation of the Transferred Entities and the Business. At the Closing Date, Sellers agree to take over and assume all the known and incurred claims of the Transferred Entities and the Business set forth on Section 5.9 of the Sellers Disclosure Letter, which have been incurred as of the Closing Date, and Sellers agrees to be responsible to pay such claims until they are finally settled. Purchasers further covenant and agree not to seek to assert or to exercise any rights or claims of the Transferred Entities or the Business under or in respect of any past or current insurance policy under which any member of the Transferred Entities or any Affiliate thereof or the Business is a named insured.

5.10Litigation Support. In the event and for so long as Sellers actively are prosecuting, contesting or defending any Action by a Person in connection with (a) any transactions contemplated under this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction involving the Business or the Transferred Entities, Purchasers shall, and shall cause their Affiliates to, cooperate with Sellers and their respective counsel in the prosecution, contest or defense, make available its personnel, and provide such testimony and access to its Books and Records and such other files, documents and records as shall be reasonably necessary in connection with the prosecution, contest or defense; *provided that*, such access and cooperation shall not unreasonably interfere with the ongoing operations of Purchasers, the Transferred Entities and their Affiliates; and *provided*, *further*, that Seller shall promptly, upon request by Purchasers, the Transferred Entities or their Affiliates, reimburse Purchasers, the Transferred Entities or their Affiliates for all reasonable and documented out-of-pocket costs incurred by them in connection with such cooperation and access.

5.11Payments.

(a) Sellers shall promptly pay or deliver to Purchasers any monies or checks which have been sent to Sellers or their respective Affiliates after the Closing Date by customers, suppliers or other contracting parties of the Transferred Entities and the Business and which should have been sent to Purchasers.

(b) Purchasers shall promptly pay or deliver to Sellers any monies or checks which have been sent after the Closing Date to Purchasers to the extent they are not due to the Business or the Transferred Entities or should have otherwise been sent to any Seller or any of

their respective Affiliates, other than the Transferred Entities (including promptly forwarding invoices or similar documentation to Sellers).

5.12Debt Financing.

(a) Without limiting the generality of Section 5.2, Purchasers shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to obtain the proceeds of the Debt Financing on the terms and conditions described in the Debt Financing Agreements. Purchasers shall use their reasonable best efforts to comply with its obligations under the Debt Financing Agreements, and shall use its reasonable best efforts to cause the Debt Financing to be fully funded on the Closing Date, including by enforcing its rights under the Debt Financing Agreements and drawing on any interim or bridge financing in the event that other elements of the Debt Financing are not available. Purchasers shall give Sellers prompt notice of any material breach by any party to the Debt Financing Agreements of which Purchasers have become aware or any termination of the Debt Financing Agreements. In the event that any portion of the Debt Financing becomes unavailable, regardless of the reason therefor, Purchasers will (x) use their reasonable best efforts to obtain alternative debt financing (in an amount sufficient to pay the Initial Purchase Price and Closing Adjustment) on terms not materially less favorable, taken as a whole, to Purchasers from other sources and which do not include any conditions to the consummation of such alternative debt financing that are materially more onerous than the conditions set forth in the Debt Financing (such financing, "Alternative Financing"), and (y) promptly notify Sellers of such unavailability and the reason therefor.

(b) Notwithstanding anything to the contrary in this Agreement, Purchasers shall not, without the prior written consent of Sellers, (i) amend, modify, supplement or waive any of the conditions to funding contained in the Debt Financing Agreements or any other provision thereof or remedies thereunder, in each case to the extent such amendment, modification, supplement or waiver would reasonably be expected to adversely affect the ability of Purchasers to timely consummate the transactions contemplated by this Agreement (including by making the conditions herein less likely to be satisfied or unreasonably delaying the Closing); (ii) undertake any merger, acquisition, joint venture, disposition, lease, contract or debt or equity financing that would reasonably be expected to impair, delay or prevent consummation of the Debt Financing contemplated by the Debt Financing Agreements or any Alternative Financing contemplated by any new debt commitment letter; or (iii) amend or alter, or agree to amend or alter, the Debt Financing Agreements in any manner that would reasonably be expected to prevent, impair or delay the consummation of the Debt Financing or the transactions contemplated by this Agreement.

(c) Prior to the Closing, Sellers shall use commercially reasonable efforts to, and to cause the Transferred Entities and their respective officers, employees and advisors, including legal, financial and accounting advisors, of Sellers and the Transferred Entities to, provide to Purchasers such cooperation as is reasonably requested by Purchasers and the Lenders in connection with the Debt Financing (provided that such requested cooperation does not unreasonably interfere with the ongoing operations of Sellers and their Affiliates), including (i) furnishing Purchasers and the Lender with financial and other pertinent information; (ii) in each case, upon reasonable notice, making management of the Transferred Entities (including some

members of the financial staff) available to participate in a reasonable number of meetings (including customary one-on-one meetings with parties acting as lead arrangers or agents for, and prospective lenders and purchasers of, any such financing), presentations and due diligence sessions in connection with such financing; (iii) assisting Purchasers and the Lender in the preparation of (A) a customary offering document, private placement memorandum and/or bank information memorandum and similar marketing documents for any of the Debt Financing; and (B) materials for rating agency presentations; (iv) using commercially reasonable efforts to cause its independent auditors to cooperate with the Debt Financing; (v) taking all actions reasonably necessary that are consistent with the terms of this Agreement or otherwise facilitating the pledging of collateral of the Transferred Entities in respect of the Business from and after the Closing as may be reasonably requested by Purchasers; (vi) promptly furnishing all documentation and other information about the Transferred Entities required by Governmental Entities with respect to the financing under applicable "know your customer" and anti-money laundering rules and regulations including without limitation the USA Patriot Act; and (vii) taking all corporate or limited liability company actions, subject to the occurrence of the Closing, reasonably requested to permit the consummation of any such financing and to permit the proceeds thereof to be made available to the Transferred Entities, including entering into one or more credit agreements, indentures or other instruments on terms reasonably satisfactory to Purchasers in connection therewith; provided that neither Sellers nor any of their Affiliates shall be required to pay any commitment or other similar fee, provide any security or incur any other liability in connection with the Debt Financing; *provided*, *further*, that the effectiveness of any documentation executed by any Seller with respect thereto shall be subject to the consummation of the Closing; and *provided*, *further*, that Purchasers shall promptly, upon request by Sellers, reimburse Sellers for all reasonable and documented out-of-pocket costs incurred by Sellers or any of their Affiliates in connection with such cooperation. Any information provided to Purchasers, or on behalf of or at the request of Purchasers, pursuant to this Section 5.12(c) shall be subject to the Confidentiality Agreement and Section 5.2.

5.13 Directors and Officers Indemnification. The Parties agree that all rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the Closing, whether asserted or claimed prior to, at or after the Closing, now existing in favor of the current or former directors, officers or employees, as the case may be, of the Transferred Entities (whether provided in the respective Governing Documents of such entity or in any agreement as in effect on the date of this Agreement) shall survive the Closing and remain in full force and effect.

5.14 Non-Competition; Non- Solicitation.

(a) Until the second (2nd) anniversary of the Closing, Sellers shall not, directly or indirectly, (i) solicit for employment or any similar arrangement any Transferred Entity Employee or (ii) hire any Transferred Entity Employee; *provided*, that this Section 5.14(a) shall (a) not apply to Transferred Entity Employees whose employment has been terminated by Purchasers, (b) not prohibit general solicitations for employment through advertisements or other means not targeted specifically to Transferred Entity Employees; and (c) shall not prevent the hiring of Transferred Entity Employees that respond to general solicitations such as those specified in (b) above.

(b) During the period beginning on the Closing Date and ending on the third (3rd) anniversary of the Closing Date (the "Non-Compete Period"), except for ownership of the equity in Recro issued pursuant to the Warrant, Sellers and their Affiliates agree not to directly or indirectly engage in, or have an ownership interest in, any business or enterprise (or subsidiary or division thereof) that engages in the development, license, manufacture, testing, packaging, storage, sale and shipment of the Products (**other than Meloxicam**) or the underlying molecules or salts thereof **in combination with** the OCR IP covering such Products (a "Competing Business"). If Sellers and/or their Affiliates are directly or indirectly acquired by (whether by merger, acquisition of assets or equity, or otherwise), or directly or indirectly acquire (whether by merger, acquisition of assets or equity, or otherwise), a third party which engages in a Competing Business, such third party and its Affiliates (other than Sellers and/or their Affiliates existing prior to the date of such acquisition) shall not be restricted from continuing to engage in such Competing Business pursuant to this Section 5.14(b), *provided* that the rights of such third party and its Affiliates to utilize the OCR IP in such Competing Business existed prior to the date of such acquisition.

(c) Each Party acknowledges and agrees that the provisions of this Section 5.14 are reasonable and necessary to protect the legitimate business interests of the other Party, including without limitation such Party's confidential information and goodwill. Each Party agrees, and shall not contest, that the other Party's remedies at law for any breach or threat of breach by such Party or its Affiliates of the provisions of this Section 5.14 will be inadequate, and that the other Party shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Section 5.14 and to enforce specifically such terms and provisions, in addition to any other remedy to which the other Party may be entitled at law or in equity. The restrictive covenants contained in this Section 5.14 are covenants independent of any other provision of this Agreement or other agreement between the Parties and the existence of any claim which a Party may allege against another Party under any provision of this Agreement, any other Agreement, or otherwise will not prevent the enforcement of the covenants in this Section 5.14. If any of the provisions contained in this Section 5.14 shall for any reason be held to be excessively broad as to duration, scope, activity or subject, then such provision shall be construed by limited and reducing it, so as to be valid and enforceable to the extent compatible with applicable Law or the determination by a court of competent jurisdiction. The Parties agree and intent that a Party's obligations under this Section 5.14 will be tolled during any period that such party is found to be in breach of any of the obligations under this Section 5.14, so that the other Party is provided with the full benefit of the restrictive periods set forth herein.

5.15Indebtedness/Lien Release. Sellers shall cause the Transferred Entities to have no Indebtedness. Simultaneously with Closing, Sellers shall cause any lender or representative thereof and any lienholder to release any and all Liens on the assets and properties of either of the Transferred Entities, other than Permitted Liens, it being understood that filings (including mortgage filings and UCC terminations) to terminate Liens as a matter of record will be filed after Closing.

5.16Additional Financial Statements. Sellers shall use commercially reasonable efforts to, within 60 days of Closing, provide to Purchasers audited consolidated statements of income, balance sheets and statements of cash flows of the Business (i) as of December 31, 2013 and for the nine-month period then ended and (ii) as of December 31, 2014 and for the twelve-month

period then ended. If the Closing Date is after March 31, 2015, Sellers shall use commercially reasonable efforts to also provide to Purchasers unaudited consolidated statements of income, balance sheets and statements of cash flows of the Business (i) as of March 31, 2015 and for the three-month period then ended and (ii) as of March 31, 2014 and for the three-month period then ended.

5.17Change of Name of Transferred Entities. As soon as possible following the Closing Date, Purchasers shall eliminate the use of all of the trademarks, tradenames, service marks and service names related to "ALKERMES", in any of their forms or spellings, in the names of the Transferred Entities and on all advertising, purchase orders and acknowledgements, customer agreements and other Contracts retained by Purchasers following the Closing.

5.18Transition Services Agreement and Supply Agreements. The Parties shall, and shall cause their Affiliates to, negotiate in good faith to finalize (i) the Transition Services Agreement, on terms and conditions consistent with Exhibit A and (ii) the Supply Agreements, on terms and conditions consistent with Exhibit B.

5.19Exclusivity. The Sellers agree that between the date of this Agreement and the earlier of the Closing and the termination of this Agreement pursuant to its terms, the Sellers shall not, and shall take all action necessary to ensure that none of the Sellers' Affiliates or any of their respective Representatives shall, (a) directly or indirectly, solicit, initiate, encourage or accept any proposal or offer that constitutes an Acquisition Proposal, (b) participate in any discussions, conversations, negotiations or other communications regarding, or otherwise cooperate in any way, assist or participate in, or facilitate or knowingly encourage the submission of, any proposal that constitutes, or would reasonably be expected to lead to, an Acquisition Proposal or (c) furnish to any Person other than Purchasers any information regarding the Transferred Entities in response to an Acquisition Proposal or an inquiry or indication of interest for the purpose of making or pursuing an Acquisition Proposal. The Sellers immediately shall cease and cause to be terminated all existing discussions, conversations, negotiations and other communications with any Persons conducted heretofore with respect to any Acquisition Proposal.

5.20Solvency. For a period of two years following the Closing Date, Recro and its Subsidiaries, taken as a whole, will maintain sufficient capital to operate the Business in the ordinary course of business and to pay its debts and perform obligations (including under the Agreement and Ancillary Agreements) as they come due.

5.21Data Room. Within ten (10) days of the date hereof, Sellers shall deliver to Purchasers a disk containing copies of all documents contained in the virtual data room maintained by Sellers as of the date hereof in connection with the sale of the Business.

## ARTICLE VI

EMPLOYEE MATTERS COVENANTS

6.1 Benefit Continuation. For a period of one (1) year from the Closing Date (or for such longer period as and to the extent required by applicable Law), Purchasers shall, or shall cause its Affiliates to, provide to each Transferred Entity Employee, (a) base salary or wages and

target bonus opportunities (excluding, without limitation, any retention, change in control or equity incentive compensation) that are, in each case, no less favorable than those provided to such Transferred Entity Employee immediately prior to the Closing Date, (b) equity or long-term incentive compensation opportunities that are substantially similar to those provided to similarly-situated employees of entities similarly-situated to Purchasers, and (c) other employee benefits and terms and conditions of employment that are no less favorable than those provided to similarly situated employees of Purchasers or their applicable Affiliate. No later than the Closing Date, Purchasers and/or their applicable Affiliates shall establish Purchaser Plans (as defined below) to the extent necessary to comply with their obligations under this Article VI.

6.2 Service Credit. From and after the Closing Date, Purchasers and their Affiliates shall (a) recognize, for all purposes under all plans, programs and arrangements established or maintained by Purchasers or any of their Affiliates for the benefit of each Transferred Entity Employee (each, a "Purchaser Plan") service with Sellers and their Affiliates and predecessors prior to the Closing Date to the extent such service was recognized under the corresponding Benefit Plan of Sellers or their Affiliates covering such Transferred Entity Employee as of immediately prior to the Closing Date, including, for purposes of eligibility, vesting and benefit levels and accruals, including, without limitation, for purposes of vacation accruals, (b) waive any pre-existing condition exclusion, actively-at-work requirement or waiting period under all applicable Purchaser Plans except to the extent such pre-existing condition, exclusion, requirement or waiting period would have applied to such Transferred Entity Employee under the corresponding Benefit Plan of Sellers or their Affiliates covering such Transferred Entity Employee as of immediately prior to the Closing Date, and (c) provide full credit for any co-payments, deductibles or similar payments made or incurred with respect to each Transferred Entity Employee prior to the date of this Agreement for the plan year in which the Closing Date occurs.

6.3 Employment Continuation. Notwithstanding the covenants of Purchasers and their Affiliates set forth in Sections 6.1 and 6.2, nothing contained in this Article VI: (i) shall limit or condition the ability of Purchasers, the Transferred Entities, or any of their respective Affiliates to terminate, either with or without "cause," the employment of any Transferred Entity Employees at any time; (ii) shall alter or limit the ability of Purchasers, the Transferred Entities, or any of their respective Affiliates to amend, modify or terminate any benefit plan, program, agreement or arrangement at any time assumed, established, sponsored or maintained by any of them; or (iii) is intended to confer upon any current or former employee or any Person any right to employment or continued employment for any period of time by reason of this Agreement, or any right to a particular term or condition of employment.

6.4 Retention Bonuses.

(a) On or prior to the Closing Date, Sellers shall pay to each Transferred Entity Employee listed on Schedule 6.4(a) of the Sellers Disclosure Letter the bonus amounts listed opposite such Transferred Entity Employee's name (collectively, the "Initial Retention Bonuses"). The Retention Bonuses, once paid, will not be included in the calculation of Working Capital.

(b) Sellers shall pay directly to each Transferred Entity Employee listed on Schedule 6.4(b) of the Sellers Disclosure Letter, and be responsible for the employer portion of any payroll and employment taxes relating thereto and all related withholding (and Purchasers shall provide to Sellers such information and documentation as Sellers shall reasonably request related thereto), so long as such Transferred Entity Employee (i) is employed by a Transferred Entity or an Affiliate of Purchasers as of the Additional Retention Bonus Date (as defined below) and (ii) waives and releases any and all claims against Sellers and their Affiliates (not including Newco and Alkermes Gainesville), the bonus amounts listed opposite such Transferred Entity Employee's name (collectively, the "Additional Retention Bonuses" and together with the Initial Retention Bonuses, the "Retention Bonuses"), which Additional Retention Bonuses shall be paid on December 15, 2015 or such other date prior to December 25, 2015 as Sellers may determine (the "Additional Retention Bonus Date"). Purchasers shall provide Sellers a list of Transferred Entity Employees employed by either a Transferred Entity or an Affiliate of Purchasers as of December 1, 2015 and shall be obligated to notify Sellers of any resignation or expected resignation of a Transferred Entity Employee prior to December 15, 2015. The Additional Retention Bonuses will not be included in the calculation of Working Capital.

6.5 Accrued Vacation Payment. Upon and subject to the Closing, Seller shall pay to each Transferred Entity Employee a cash amount in respect of any unused vacation accrued through December 31, 2014 under the applicable plan of Seller. Such amount, once paid, will not be included in the calculation of Working Capital.

## ARTICLE VII

## TAX MATTERS

7.1 Generally. The following provisions shall govern the allocation of responsibility as between Purchasers and Sellers for certain Tax matters following the Closing Date.

7.2 Tax Indemnification.

(a) Each Seller shall jointly and severally indemnify the Transferred Entities, Purchasers and each of Purchasers' Affiliates and hold them harmless from and against any loss, claim, liability, expense or other damage attributable to: (i) all Taxes (or the non-payment thereof) of the Transferred Entities that relate to all Pre-Closing Tax Periods; (ii) all Taxes of any member of an affiliated, consolidated, combined, VAT or unitary group of which the Transferred Entities (or any predecessor of any of the foregoing) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulation §1.1502-6 or any analogous or similar state, local, or non-U.S. Law or regulation; (iii) any and all Taxes of any person (other than the Transferred Entities) imposed on the Transferred Entities as a transferee or successor, by contract or pursuant to any law, rule, or regulation, which Taxes relate to an event or transaction occurring before the Closing (including any Transferred Entity being a member of a VAT grouping); (iv) any Taxes of another party that a Transferred Entity was required to withhold in any Pre-Closing Tax Period, (v) a breach of Section 3.12(k) of this Agreement, and (vi) any Irish stamp duty arising under Section 79(7)(b) of the Stamp Duties Consolidation Act 1999 or Irish corporation tax on chargeable gains arising under Section 623(4) of the Taxes Consolidation Act 1997 arising or imposed on a Transferred Entity as a direct consequence of the Transferred

Entity ceasing on Closing to be associated for stamp duty purposes or a member of a group for Irish corporation tax on chargeable gains; *provided*, *however*, that Sellers shall (x) have no obligation to indemnify Purchasers against any Taxes or other expenses incurred by the Transferred Entities resulting from, consisting of, or related to any transaction entered into or action taken by Purchasers occurring on or after the Closing Date after the Closing (including, without limitation, any Divestiture by Purchasers) and (y) be liable only to the extent that such Taxes exceed the amount, if any, reserved specifically for such Taxes in Working Capital and taken into account in Sections 2.4 and 2.5 of this Agreement.

(b) Purchasers and their Affiliates shall pay or cause to be paid and shall indemnify Sellers and their Affiliates and protect, save and hold them harmless from and against any loss, claim, liability, expense or other damage attributable to any Taxes imposed on Sellers and their Affiliates (including, prior to Closing, the Transferred Entities) caused by, resulting from, consisting of, or related to (i) Purchasers' failure to comply with their obligations under Section 2.2(b) with respect to the allocation and reporting of the Purchase Price for the Transferred Interests or failure to treat any portion of the Initial Purchase Price, the Warrant or the Earn-Out Consideration paid to APIL (other than by reason of APIL failing to meet its obligations under Section 2.2(e) to provide Purchasers with valid withholding certificates as set forth therein) as exempt from United States federal Income Tax under the Code and/or Article 12 or Article 13 of the U.S.-Ireland Tax Treaty or for exemption from FATCA Taxes, and (ii) any transaction entered into or action taken by Purchasers occurring on or after the Closing Date after the Closing (including, without limitation, any Divestiture by Purchasers).

(c) The provisions of Section 10.6(c) shall apply with respect to Tax indemnity payments required to be made pursuant to this Section 7.2. Payment of any Tax indemnity payment required to be made under this Section 7.2 shall be made to the party entitled to indemnification at least two (2) Business Days before the date payment of the Taxes to which such payment relates is due by such indemnitee and, if payment has not been made at such time, within two (2) Business Days after receipt of a written demand from the indemnitee.

7.3 Straddle Period. In the case of a Straddle Period, the amount of any Taxes based on or measured by income, receipts, or payroll of the Transferred Entities for the Pre-Closing Tax Period shall be determined based on a deemed interim closing of the books as of the close of business on the Closing Date, and the amount of other Taxes of the Transferred Entities for a Straddle Period that relates to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period.

7.4 Tax Proceedings.

(a) *Notices*. Purchasers shall promptly notify Sellers in writing upon receipt by Purchasers, the Transferred Entities or any of their Affiliates of notice of any Tax Proceeding in respect of the Transferred Entities relating to any Pre-Closing Tax Period or Straddle Period for which Sellers could be liable for Taxes under Law or this Agreement. Such notification shall specify in reasonable detail the basis for such Tax Proceeding and shall include a copy of the relevant portion of any correspondence received from the Governmental Entity.

(b) *Pre-Closing Tax Periods*. Sellers shall have the right, at their expense, to control any Tax Proceeding in respect of the Transferred Entities for any Pre-Closing Tax Period; *provided*, *however*, that Sellers shall provide Purchasers with a timely and reasonably detailed account of each stage of such Tax Proceeding and shall permit Purchasers to participate in the Tax Proceeding at its expense, through counsel or accountants reasonably acceptable to Sellers, and Sellers shall not settle, compromise, or conclude any such Tax Proceeding without the prior written consent of the applicable Purchaser, which consent shall not be unreasonably withheld or conditioned. Purchasers, at Sellers' expense, may control and contest any Tax Proceeding which Sellers would otherwise have the right to control under this Section 7.4(b) if Sellers (i) decline or fail to contest such Tax Proceeding or (ii) do not substantially comply with the provisions of the preceding sentence; *provided*, *however*, that if the applicable Purchaser exercises its right to control and contest any Tax Proceeding under the preceding clause, such Purchaser shall (i) provide Sellers with a timely and reasonably detailed account of each stage of such Tax Proceeding, (ii) not settle, compromise or abandon any such Tax Proceeding without obtaining the prior written consent of Sellers, which consent shall not be unreasonably withheld or delayed, and (iii) consult with Sellers concerning the appropriate strategy for contesting such Tax Proceeding.

(c) *Straddle Periods*. Purchasers shall control, at their own expense, any Tax Proceeding in respect of the Transferred Entities for any Straddle Period; provided, however, that Purchasers shall provide Sellers with a timely and reasonably detailed account of each stage of such Tax Proceeding.

7.5 Cooperation on Tax Matters.

(a) Purchasers, the Transferred Entities, and Sellers shall cooperate fully, as and to the extent reasonably requested by the other Party, in connection with the filing of Tax Returns pursuant to this Section 7.5 and any Tax Proceeding. Such cooperation shall include the retention and (upon the other Party's request) the provision of records and information that are reasonably relevant to any such Tax Proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Transferred Entities and Sellers agree (A) to retain all books and records with respect to Tax matters pertinent to the Transferred Entities relating to any taxable period beginning before the Closing Date until the expiration of the statute of limitations (and, to the extent notified by Purchasers or Sellers, any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority, and (B) to give the other Party reasonable written notice prior to transferring, destroying or discarding any such books and records and, if the other Party so requests, the Transferred Entities or Sellers, as the case may be, shall allow the other Party to take possession of such books and records.

(b) Purchasers and Sellers further agree, upon request, to use their best efforts to obtain any certificate or other document from any Governmental Entity or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

7.6 Certain Taxes and Fees. Except as otherwise provided in this Agreement, and in particular Section 7.2(a) of this Agreement, all transfer, documentary, sales, use, stamp,

registration and other such Taxes (including any penalties and interest) incurred in connection with the purchase of the Transferred Interests shall be borne by the Party that bears liability therefor under applicable Law.

7.7 Survival. The representations and warranties in Section 3.12 shall survive the Closing Date until sixty (60) days following the expiration of the applicable statute of limitations.

## ARTICLE VIII

CONDITIONS TO OBLIGATIONS TO CLOSE

8.1 Conditions to Obligation of Each Party to Close. The respective obligations of each Party to effect the transactions contemplated by this Agreement shall be subject to the satisfaction or waiver at or prior to the Closing of the following conditions:

(a) *HSR Act*. Any waiting period (and any extension thereof) applicable to the consummation of the Sale under the HSR Act shall have expired or been terminated.

(b) *No Injunctions or Illegality*. No court or other Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) that is in effect and prevents, restrains, enjoins or otherwise prohibits the consummation of the Sale (a "Prohibitive Order").

(c) *Governmental and Regulatory Approvals*. Other than the filings pursuant to the HSR Act and any other required antitrust Laws identified after the date hereof, all consents, approvals and actions of, filings with and notices to any Governmental Entity that are material to the Business and required of Purchasers or Sellers to consummate the transactions contemplated hereby shall have been obtained or made.

(d) *Consents*. All Consents listed on Section 3.3(a) of the Sellers Disclosure Letter except for those Consents listed on Section 8.1(d) of the Sellers Disclosure Letter shall have been obtained.

8.2 Conditions to Purchasers' Obligation to Close. Purchasers' obligation to effect the transactions contemplated by this Agreement shall be subject to the satisfaction or waiver on or prior to the Closing of all of the following conditions:

(a) *Representations and Warranties*. (i) The representations and warranties made by Sellers in this Agreement that are qualified by Material Adverse Effect shall be true and correct, and (ii) the representations and warranties made by the Sellers in this Agreement that are not so qualified shall be true and correct in all material respects (determined without regard to any "materiality" qualifications); in the case of each of clauses (i) and (ii) above, as of the Closing Date as if made on and as of the Closing Date (except to the extent that any such representation or warranty, by its terms, is expressly limited to a specific date, in which case, as of such specific date).

(b) *Covenants and Agreements*. The covenants and agreements of Sellers to be performed on or before the Closing Date in accordance with this Agreement shall have been duly performed in all material respects.

(c) *Officer's Certificate*. Purchasers shall have received a certificate, dated as of the Closing Date and signed on behalf of each Seller by an executive officer of each Seller, stating that the conditions specified in Section 8.2(a) and Section 8.2(b) have been satisfied.

(d) *Closing Deliverables*. Purchasers shall have received from Sellers the deliverables listed in Sections 2.3(b)(i)(A)-(I).

(e) *Financing*. The Debt Financing (or Alternative Financing in accordance with Section 2) has been funded or will be available to be funded at Closing.

8.3 Conditions to Sellers' Obligation to Close. The obligations of Sellers to effect the transactions contemplated by this Agreement shall be subject to the satisfaction or waiver on or prior to the Closing of all of the following conditions:

(a) *Representations and Warranties*. The representations and warranties made by Purchasers in this Agreement and the Warrant shall be true and correct in all material respects (determined without regard to any "materiality" or "material adverse effect" qualifications), as of the Closing Date as if made on and as of the Closing Date (except to the extent that any such representation or warranty, by its terms, is expressly limited to a specific date, in which case, as of such specific date).

(b) *Covenants and Agreements*. The covenants and agreements of Purchasers to be performed on or before the Closing Date in accordance with this Agreement shall have been duly performed in all material respects.

(c) *Officer's Certificate*. Sellers shall have received a certificate, dated as of the Closing Date and signed on behalf of Purchasers by an executive officer of each Purchaser, stating that the conditions specified in Section 8.3(a) and Section 8.3(b) have been satisfied.

(d) *Closing Deliverables*. Sellers shall have received from Purchasers the deliverables listed in Sections 2.3(b)(ii)(A)-(D).

## ARTICLE IX

## TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual *written* consent of Sellers and Purchasers;

(b) by either *Sellers* or Purchasers, if:

(i) the Closing shall not have occurred on or before May 8, 2015 (the "Outside Date"); *provided*, *however*, that the right to terminate this Agreement

under this Section 9.1(b)(i) shall not be available to any Party to this Agreement whose failure or whose Affiliate's failure to perform any material covenant or obligation under this Agreement has been the primary cause of the failure of the transactions contemplated by this Agreement to occur on or before such date;

(ii) if the other Party shall have breached or failed to perform in any material respect any of its respective representations, warranties, covenants or other agreements contained in this Agreement, and such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 8.2(a) or Section 8.2(b) (in the case of a breach by Sellers) or Section 8.3(a) or Section 8.3(b) (in the case of a breach by Purchasers), and (B) cannot be or has not been cured prior to the earlier of (1) the Business Day prior to the Outside Date or (2) the date that is thirty (30) days from the date that Purchasers or Sellers, as applicable, is notified by the other in writing of such breach or failure to perform; or

(iii) if any Prohibitive Order permanently prevents, restrains, enjoins or otherwise prohibits the consummation of the Sale, and such Prohibitive Order becomes effective (and final and nonappealable);

(c) by Sellers if Closing has not occurred by the third (3rd) Business Day following the satisfaction or waiver of the conditions set forth in Article VIII excluding the conditions set forth in Section 8.2(e) (other than those conditions that by their nature are to be satisfied or waived at the Closing, but subject to the satisfaction or waiver of those conditions) *or* by such other time and date as mutually agreed by the Parties pursuant to Section 2.3, provided that such failure to close is not the result of any action or inaction of Sellers; and

(d) by Purchasers if Closing has not occurred by the third (3rd) Business Day following the satisfaction or waiver of the conditions set forth in Article VIII (other than those conditions that by their nature are to be satisfied or waived at the Closing, but subject to the satisfaction or waiver of those conditions) or by such other time and date as mutually agreed by the Parties pursuant to Section 2.3, provided that such failure to close is not the result of any action or inaction of Purchasers.

9.2 Notice of Termination. In the event of termination of this Agreement by either or both of Sellers and Purchasers pursuant to Section 9.1, written notice of such termination shall be given by the terminating Party to the other Parties to this Agreement.

9.3 Effect of Termination. In the event of termination of this Agreement by either or both of Sellers and Purchasers pursuant to Section 9.1, this Agreement shall terminate and become void and have no effect, and the transactions contemplated by this Agreement shall be abandoned without further action by the Parties to this Agreement, except that the provisions of Section 5.1(a), Section 9.4, Section 11.2 and Section 11.5 shall survive the termination of this Agreement; provided, however, that such termination shall not relieve any Party to this Agreement of liability for any fraud or willful breach of this Agreement.

9.4 Reverse Termination Fee.

(a) If this Agreement is validly terminated by Sellers pursuant to Section 9.1(b)(ii) or Section 9.1(c), then Purchasers shall pay by wire transfer of immediately available funds, to an account designated by Sellers, within two (2) Business Days *after* the date on which this Agreement is so terminated, the amount of Five Million Dollars ($5,000,000) (the "Reverse Termination Fee"); *provided*, *however*, that Purchasers shall not be liable to Sellers for the Reverse Termination Fee solely due to a failure to satisfy the conditions of Section 8.2(e), provided that Purchasers have complied with its obligations under Section 5.12.

(b) Each Party acknowledges that the agreements contained in this Section 9.4 are an integral part of the transactions contemplated by this Agreement and that, without these agreements, the other Parties would not enter into this Agreement. Accordingly, if Purchasers fail promptly to pay the amounts due pursuant to this Section 9.4, and, in order to obtain such *payments*, Sellers commence a suit that results in a judgment against Purchasers for the amounts set forth in this Section 9.4, Purchasers will pay to Sellers, Sellers' costs and expenses (including reasonable attorney's fees and disbursements) in connection with such suit. The Parties acknowledge that the Reverse Termination Fee shall not constitute a penalty but rather is liquidated damages, in a reasonable amount that will compensate Sellers in the circumstances in which the Reverse Termination Fee is payable for the efforts and resources expended and opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the Sale, which amount would otherwise be impossible to calculate with precision.

(c) Except as set forth in Section 9.4(b), in any circumstance in which Sellers have the right to receive the Reverse Termination Fee pursuant to Section 9.4(a), Sellers' termination of this Agreement and receipt of the Reverse Termination Fee shall be the sole and exclusive remedy of Sellers and their Affiliates against Purchasers, the financing sources of the Debt Financing and any of their respective, direct or indirect, former, current or future general or limited partners, managers, members, stockholders, officers, directors, Affiliates, employees, representatives, agents, successors and assigns (collectively, the "Purchaser Related Parties") for any loss suffered as a result of any *breach* of any representation, warranty, covenant or agreement in this Agreement, the transactions contemplated hereby, or the Debt Financing Agreements, and upon such termination by Sellers and receipt of the Reverse Termination Fee, none of the Purchasers, the financing sources of the Debt Financing, or any of their respective Purchaser Related Parties shall have any further liability or obligation relating to or arising out of this Agreement, the transactions contemplated hereby, or the Debt Financing Agreements (except that the applicable Purchaser Related Parties of the Purchasers (and not the Purchaser Related Parties of the financing sources of the Debt Financing) shall remain obligated for, and Sellers and their Subsidiaries may be entitled to remedies with respect to, any breach of the Confidentiality Agreement or the provisions of Section 11.3, whether in equity or at law, in contract, in tort or otherwise).

## ARTICLE X

SURVIVAL; INDEMNIFICATION; LIQUIDATED DAMAGES

10.1 Survival Periods. All representations and warranties contained in this Agreement, and the right to commence any claim with respect thereto under Section 10.2 and Section 10.3, shall survive until the fifteen (15) month anniversary of the Closing Date; *provided that* (i) the Fundamental Representations and the Purchasers Fundamental Representations shall survive indefinitely; and (ii) the representations and warranties set forth in Section 3.9 (Intellectual Property), Section 3.18 (Environmental Health and Safety Matters) and Section 3.19 (Employee Benefits Plans) shall survive until the three (3) year anniversary of the Closing Date. Those covenants that contemplate or may involve actions to be taken or obligations in effect after the Closing shall survive in accordance with their terms. Written notice of a claim under this Article X must be given to the Indemnifying Party in accordance with the provisions hereof prior to the expiration of the survival period set forth in this Section 10.1.

10.2 Indemnification by Sellers. Subject to the provisions of this Article X, from and after the Closing Date, Sellers shall indemnify and hold harmless Purchasers and its Affiliates, each of their respective directors, officers, employees and agents, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Purchasers Indemnified Parties") from and against any and all Losses to the extent resulting from or arising out of:

(a) any breach of any representation or warranty of Sellers contained in Article III of this Agreement as of the Closing Date (or with respect to representations and warranties that are made as of a specific date, as of such date);

(b) *any* breach of any covenant or agreement contained in this Agreement to be performed by Sellers after the Closing; and

(c) the *Initial* Retention Bonuses.

10.3 Indemnification by Purchasers. Subject to the provisions of this Article X, from and after the Closing Date, Purchasers shall indemnify and hold harmless Sellers and their Affiliates, each of their respective directors, officers, employees and agents, and each of the heirs, executors, successors and assigns of any of the foregoing from and against any and all Losses resulting from or arising out of:

(a) any breach of any representation or warranty of Purchasers contained in Article IV of this Agreement as of the *Closing* Date (or with respect to representations and warranties that are made as of a specific date, as of such date);

(b) any breach of any covenant or agreement contained in this Agreement to be performed by Purchasers after the Closing; and

(c) *actions* taken on behalf of, or at the request of, Purchasers in connection with the Debt Financing or any Alternative Financing.

10.4Indemnification Procedures.

(a) A Person that may be entitled to be indemnified under this Agreement (the "Indemnified Party"), shall promptly notify the Party or Parties liable for such indemnification (the "Indemnifying Party") in writing of any pending or threatened claim or demand other than a Tax Proceeding that the Indemnified Party has determined gives or would reasonably be expected to give rise to a right of indemnification under this Agreement (including a pending or threatened claim or demand asserted by a third party against the Indemnified Party, such claim being a "Third Party Claim"), describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or demand (including copies of any summons, complaint or other pleading which may have been served on it and any written claim, demand, invoice, billing or other document evidencing or asserting the same); *provided*, *however*, that the failure to provide such notice shall not release the Indemnifying Party from any of its obligations under this Article X except to the extent the Indemnifying Party is materially prejudiced by such failure, it being agreed that notices for claims in respect of a breach of a representation, warranty, covenant or agreement must be delivered prior to the expiration of any applicable survival period specified in Section 10.1 for such representation, warranty, covenant or agreement.

(b) Upon receipt of a notice of a Third Party Claim for indemnity from an Indemnified Party pursuant to Section 10.2 or Section 10.3, other than a Tax Proceeding, the Indemnifying Party will be entitled, by notice to the Indemnified Party delivered within twenty (20) Business Days of the receipt of notice of such Third Party Claim, to undertake, conduct and control the settlement or defense of such Third Party Claim (at the expense of such Indemnifying Party); *provided that* the Indemnifying Party shall only be entitled to undertake, conduct and control such settlement or defense if it acknowledges, in writing, to the Indemnified Party, its obligation to indemnify the Indemnified Party pursuant to the terms and subject to the limitations of this Article X. The Indemnifying Party shall allow the Indemnified Party a reasonable opportunity to participate in the defense of such Third Party Claim with its own counsel and at its own expense. If the Indemnifying Party does not assume the defense and control of any Third Party Claim pursuant to this Section 10.4(b), the Indemnified Party shall be entitled to assume and control such defense through counsel of its own choice, and the reasonable fees and expenses incurred in connection with such defense shall be considered Losses hereunder with respect to the subject matter of such claim, indemnifiable to the extent provided in this Article X, but the Indemnifying Party may nonetheless participate in the defense of such Third Party Claim with its own counsel and at its own expense. Notwithstanding the foregoing, the Indemnifying Party shall not be entitled to assume the settlement or defense of a Third Party Claim under this Section 10.4(b) unless: (A) the Third Party Claim involves solely monetary damages, (B) the Indemnifying Party demonstrates to the Indemnified Party's reasonable satisfaction that the Indemnifying Party has sufficient financial resources in order to indemnify for the full amount of such potential Losses for which the Indemnifying Party is reasonably likely to be liable pursuant to this Article X, and (C) the amount of such potential Losses for which the Indemnifying Party is reasonably likely to be liable does not exceed the Cap. If either the Indemnifying Party or the Indemnified Party assumes the defense and control of a Third Party Claim, the Indemnifying Party or the Indemnified Party, as applicable, shall select counsel and shall use commercially reasonable efforts in the defense or settlement of such Third Party Claim. Purchasers or Sellers, as the case may be, shall, and shall cause each of their Affiliates and Representatives to, reasonably cooperate with the Indemnifying Party or Indemnified Party, as applicable, in the

defense of any Third Party Claim, including by furnishing Books and Records, personnel and witnesses, as appropriate for any defense of such Third Party Claim. If the Indemnifying Party has assumed the defense and control of a Third Party Claim, it shall be authorized to consent to a settlement of, or the entry of any judgment arising from, any Third Party Claim, in its sole discretion and without the consent of the Indemnified Party; provided that such settlement or judgment shall consist solely of a recovery of monetary damages for which the Indemnifying Party shall be liable pursuant to this Article X, and the Indemnifying Party shall (i) pay or cause to be paid all amounts in such settlement or judgment (other than solely with respect to the Deductible would be applicable in accordance with the applicable provisions of Section 10.5) and (ii) obtain, as a condition of any settlement or other resolution, a complete and unconditional release of any Indemnified Party affected by such Third Party Claim. Except as set forth in the previous sentence, no Party shall settle or compromise any Third Party Claim without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; *provided*, that is shall not be unreasonable for an Indemnified Party to withhold its consent to any settlement that involves any injunctive relief binding on any of the Indemnified Parties or a finding or admission of any violation of Law or admission of any wrongdoing by any Indemnified Party. No Indemnified Party will consent to the entry of any judgment or enter into any settlement or compromise with respect to a Third Party Claim without the prior written consent of the Indemnifying Party. Notwithstanding the foregoing, this Section 10.4 shall be subject to the provisions of any Contract providing for the defense or prosecution of any Action.

10.5Limitations.

(a) Sellers shall have no liability for indemnification pursuant to Section 10.2(a) with respect to Losses for which indemnification is provided thereunder, (i) to the extent such Losses were included in the calculation of Working Capital on the Final Post-Closing Adjustment Statement, as finally determined pursuant to Sections 2.4 through 2.7, (ii) to the extent that Purchasers received a benefit from the reflection of such matter in the calculation of the adjustment of the Initial Purchase Price, if any, as finally determined pursuant to Sections 2.4 through 2.7, (iii) that are De Minimis Damages or (iv) unless the aggregate of all Losses (other than De Minimis Damages) exceeds Five Hundred *Thousand* Dollars ($500,000) (the "Deductible") in which case Sellers shall be liable for all such Losses (other than De Minimis Damages) in excess of the amount of the Deductible. Notwithstanding the foregoing, Sellers shall have no liability for indemnification pursuant to Section 10.2(a) with respect to Losses of any aggregate amount that exceeds the Cap, it being understood that in the event any Purchasers Indemnified Party seeks indemnification for Losses in excess of the Cap and the Cap subsequently increases to a greater value as a result of the payment of Development Milestone Earn-Out Consideration and/or Commercial Milestone Earn-Out Consideration to APIL, such Purchasers Indemnified Party shall be entitled to seek indemnification in accordance with such increased Cap and the terms of this Agreement.

(b) The Deductible and the Cap shall not apply to any Losses arising out of or resulting from (1) the breach of any Fundamental *Representation*, (2) the breach of any representation or warranty set forth in Section 3.12 (Taxes); (3) the breach of any Purchasers Fundamental Representation; (4) the breach of any covenant set forth in this Agreement; or (5) fraud.

(c) Purchasers shall have no liability for indemnification pursuant to Section 10.3(a) with respect to Losses for which indemnification is provided thereunder, (i) that are De Minimis Damages or (ii) unless the aggregate of all Losses (other than *De* Minimis Damages) exceeds the Deductible, in which case Purchasers shall be liable for all such Losses (other than De Minimis Damages) in excess of the amount of the Deductible.

(d) For purposes of calculating the amount of any Losses arising out of or resulting from any breach of any representation or *warranty* of set forth in this Agreement, any reference to "Material Adverse Effect" or "materiality" or other correlative terms in such representations or warranties shall be disregarded.

(e) Sellers shall not be liable under this Article X for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Sellers contained in this Agreement if Purchasers had knowledge, based solely upon written documentation included in the data room, of such inaccuracy or breach prior to the Closing. For purposes of this Section 10.5(e), Purchasers shall be deemed to have knowledge of all written documentation included in the data room as of the date hereof and included on the disk delivered pursuant to Section 5.21.

10.6Mitigation; Additional Indemnification Provisions.

(a) Each Indemnified Party shall use, and cause its Affiliates to use, commercially reasonable efforts to mitigate any claim or liability that an Indemnified Party asserts under this Article X (including by taking reasonable best efforts to seek full recovery under all insurance and indemnity provisions covering any Losses for which it is seeking indemnification hereunder, to the same extent as it would if such Loss were not subject to indemnification hereunder).

(b) For purposes of this Agreement, Losses shall be calculated after giving effect to amounts actually received under any insurance policy, (net of any costs to recover such amounts and increases in premiums resulting from such claim).

(c) The amount of any Losses for which indemnification is provided shall be adjusted to take into account the amount of any net Tax benefit actually realized by the Indemnified Party as a result of the incurrence or payment of any such Losses in the form of a refund or reduction in Taxes otherwise payable within the tax year in which the Losses were incurred or paid, or the next two immediately succeeding tax years, in each case, calculated by comparing Taxes that *would* have been payable without taking into account any deduction or credit resulting from such Losses and Taxes actually payable by taking into account such deductions or credits (but only after all other items of income, gain, loss and deduction have been taken into account). If the Indemnified Party actually realizes a Tax benefit after an indemnification payment is made to it that was not taken into account at the time the indemnification payment was made, the Indemnified Party shall pay to the Indemnifying Party the amount that the indemnification payment would have been reduced by if such Tax benefit had been actually realized prior to the time such indemnification payment was made.

(d) No Indemnified Party will, in any event, be entitled to any incidental, indirect, consequential, special, exemplary or *punitive* damages, including actual or potential lost profits, diminution in value or measures of damages based on a multiple.

10.7Liquidated Damages. In the event of the occurrence of an event described on Section 10.7 of the Sellers Disclosure Letter (a "Liquidated Damages Event"), monetary damages would be difficult, if not impossible, to measure. The Parties therefore agree that liquidated damages shall be payable by Sellers to Purchasers in the manner and amount described on Schedule 10.7 of the Sellers Disclosure Letter. Such payments shall begin to be made to Purchasers within sixty (60) days of receipt by Sellers from Purchasers of written notice of the existence of a Liquidated Damages Event, and thereafter shall be made within thirty (30) days of the end of any month in which a Liquidated Damages Event exists. The Parties acknowledge and agree that this liquidated damages provision is reasonable and does not constitute a penalty. Notwithstanding anything contained in this Agreement, the Parties further agree that this is the sole and exclusive remedy for any Losses arising from or in connection with the events or circumstances set forth on Section 10.7 of the Sellers Disclosure Letter.

10.8Exclusive Remedies. Except with respect to the matters covered by Section 2.5, Section 2.6, Section 5.14, Section 10.7, Section 11.10, and, with respect to indemnification for Tax matters, Article VII, Sellers and Purchasers acknowledge and agree that, following the Closing, the indemnification provisions of Section 10.2 and Section 10.3 shall be the sole and exclusive remedies of Sellers and Purchasers, respectively, for any Losses (whether predicated on common law, statute, strict liability, Environmental Law (including CERCLA or any similar state law) or otherwise) that each Party may at any time suffer or incur, or become subject to, as a result of, or in connection with, any breach of any representation or warranty in this Agreement by the other Parties or any failure by the other Parties to perform or comply with any covenant or agreement that, by its terms, was to have been performed, or complied with, by such other Parties prior to the Closing.

10.9Subrogation. In the event of payment by or on behalf of any Indemnifying Party to any Indemnified Party (including pursuant to this Agreement) in connection with any claim or demand by any Person other than the Parties hereto or their respective Affiliates, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnified Party as to any events or circumstances in respect of which such Indemnified Party may have any right, defense or claim relating to such claim or demand against any claimant or plaintiff asserting such claim or demand. Such Indemnified Party shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost of such Indemnifying Party, in presenting any subrogated right, defense or claim.

10.10Tax Indemnification Matters. Notwithstanding anything to the contrary in this Article X, the above provisions of this Article X shall not apply to Tax indemnification matters, which shall instead be governed by Article VII.

10.11No Duplication. Any liability for indemnification under this Agreement shall be determined without duplication of recovery due to the facts giving rise to such liability constituting a breach of more than one representation, warranty, covenant or agreement.

## ARTICLE XI

MISCELLANEOUS

11.1Counterparts. This Agreement may be executed in two (2) or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties. This Agreement may be executed and delivered by facsimile or as an attachment to an e-mail and upon such delivery the signature will be deemed to have the same effect as if the original signature had been delivered to the other Parties.

11.2Governing Law; Jurisdiction and Forum; Waiver of Jury Trial.

(a) This Agreement, and all claims or causes of action (whether based on contract, tort or any other theory) that may be based upon, arise out of or related to this Agreement or the negotiation, execution or performance of this *Agreement* shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts negotiated, made and performed in such State without giving effect to the choice of law principles of such State or other jurisdiction that would require or permit the application of the laws of another jurisdiction.

(b) Each of the Parties hereto irrevocably consents to the exclusive jurisdiction and venue of any court within the State of *Delaware* in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein, agrees that process may be served upon them in any manner authorized by the laws of the State of Delaware for such Persons and waives and covenants not to assert or plead any objection which they might otherwise have to such jurisdiction, venue and such process.

(c) Each Party to this Agreement knowingly, intentionally and voluntarily waives to the fullest extent permitted by applicable Law trial by jury in any Action brought by any of them against any other arising out of or in any way connected with this Agreement, or any other agreements executed in connection herewith or the administration thereof or any of the transactions contemplated herein or therein. No Party to this Agreement shall seek a jury trial in any Action based upon, or arising out of, this Agreement or any related instruments or the relationship between the Parties. No Party will seek to consolidate any such Action in which a jury trial has been waived with any other Action in which a jury trial cannot be or has not been waived. Each Party to this Agreement certifies that it has been induced to enter into this Agreement or instrument by, among other things, the mutual waivers and certifications set forth above in this Section 11.2. No Party has in any way agreed with or represented to any other Party that the provisions of this Section 11.2 will not be fully enforced in all instances.

11.3Confidentiality.

(a) The Confidentiality Agreement and the Confidential Disclosure Agreement shall continue in full force and effect until the Closing Date, at which time such Confidentiality Agreement and Confidential Disclosure Agreement shall *terminate*, except for the provisions which expressly survive the termination thereof.

(b) Except as expressly permitted pursuant to this Agreement, the Ancillary Agreements, the Intellectual Property Transfer and License Agreement and the IP License Agreement, from and after the Closing Date, Sellers will refrain from, either alone or in conjunction with any other Person, or directly or indirectly through their Affiliates or Representatives, disclosing to any other Person, or using in any manner, any confidential, proprietary or secret information to the extent relating solely to the Transferred Entities or the Business ("Business Confidential Information"); *provided* that the foregoing obligations of confidentiality and non-use will not apply to any portion of the Business Confidential Information that (A) is or becomes generally available to the public or otherwise part of the public domain after the Closing Date and other than through any act or omission of the foregoing Persons or their Affiliates in breach of this Agreement, the Ancillary Agreements, the Intellectual Property Transfer and License Agreement or the IP License Agreement, (B) is disclosed after the Closing Date to the foregoing Persons on a non-confidential basis by a third party that is not subject to an obligation of confidentiality with respect to such Business Confidential Information, and (C) is independently discovered or developed by the foregoing Persons or their Affiliates after the Closing Date without the aid, application, or use of such Business Confidential Information.

(c) Except as expressly permitted pursuant to this Agreement, the Ancillary Agreements, the Intellectual Property Transfer and License Agreement and the IP License Agreement, from and after the Closing Date, Purchasers will refrain from, either alone or in conjunction with any other Person, or directly or indirectly through its Affiliates or Representatives, disclosing to any other Person, or using in any manner, any confidential, proprietary or secret information *relating* to the Sellers and their businesses other than the Transferred Entities and the Business ("Seller Confidential Information"); provided that the foregoing obligations of confidentiality and non-use will not apply to any portion of the Seller Confidential Information that (A) is or becomes generally available to the public or otherwise part of the public domain after the Closing Date and other than through any act or omission of the foregoing Persons or their Affiliates in breach of this Agreement, the Ancillary Agreements, the Intellectual Property Transfer and License Agreement or the IP License Agreement, (B) is disclosed after the Closing Date to the foregoing Persons on a non-confidential basis by a third party that is not subject to an obligation of confidentiality with respect to such Seller Confidential Information, and (C) is independently discovered or developed by the foregoing Persons or their Affiliates after the Closing Date without the aid, application, or use of such Seller Confidential Information.

(d) Notwithstanding Section 11.3(b) and Section 11.3(c), Sellers may disclose the Business Confidential Information and Purchasers may disclose the Seller Confidential Information in order to comply with (i) applicable non-patent Law (including any securities law or regulation or the rules of a securities exchange) and (ii) a request or requirement by deposition, interrogatory, request for documents, subpoena, civil investigation demand or similar process or a *formal* request from a regulatory examiner, if in the reasonable opinion of counsel, such disclosure is necessary for such compliance (an "External Demand"); and (iii) to its Affiliates, and potential and actual acquirers, merger partners, investors, investment bankers or lenders and their respective counsels and advisors; and; *provided that*, (A) with regard to disclosure under clause (ii), prior to making such disclosure, the Party subject to such demand or request shall (x) immediately notify the other Party of the existence, terms and circumstances

surrounding such External Demand, (y) consult with the other Party on the availability of taking legally available steps to resist or narrow such request or disclosure, and (z) assist the other Party, at the other Party's expense, in seeking a protective order or other appropriate remedy to the extent available under the circumstances and (B) with regard to disclosure under clause (iii), prior to making such disclosure, such entities are bound by commercially reasonable obligations of confidentiality with respect to the use and disclosure of such Business Confidential Information or Seller Confidential Information, as applicable.

(e) The Parties acknowledge that either or both Parties may be obligated to make filings (including, but not limited to, the filing of a copy of this Agreement or the Ancillary Agreements) with the SEC or other Governmental Entity. Each Party shall be entitled to make such required filings, provided that it requests confidential treatment of at least the financial terms and sensitive technical terms of this Agreement or the Ancillary Agreements to the extent such confidential treatment is reasonably available to such Party. In the event of any such filing of this Agreement or the *Ancillary* Agreements, the Party making such filing shall provide notice to the other Party with a copy of such disclosure and, if applicable, a copy of this Agreement or the Ancillary Agreements marked to show provisions for which such Party intends to seek confidential treatment not less than five (5) Business Days prior to such filing (and any revisions to such portions of the proposed filing a reasonable time prior to the filing thereof), and shall give good faith consideration to the other Party's comments thereon to the extent consistent with the legal requirements. No such notice shall be required under this Section 11.3(e) if the substance of the description of or reference to this Agreement contained in the proposed filing has been included in any previous filing made by either Party hereunder or otherwise approved by the other Party.

11.4Entire Agreement. This Agreement (including the Schedules and Exhibits to this Agreement) together with the Confidentiality Agreement, the Confidential Disclosure Agreement and the Ancillary Agreements contain the entire agreement and understanding among the Parties with respect to the subject matter hereof and thereof and supersede any prior discussion, correspondence, negotiation, proposed term sheet, agreement, understanding or arrangement, and there are no agreements, understandings, representations or warranties among the Parties other than those set forth or referred to in these documents. None of the Parties shall be liable or bound to any other Party in any manner by any representations, warranties or covenants relating to such subject matter except as specifically set forth in this Agreement (including the Schedules and Exhibits to this Agreement), the Ancillary Agreements or the Confidentiality Agreement.

11.5Expenses. Except as otherwise set forth in this Agreement, whether the transactions contemplated by this Agreement are consummated or not, all legal and other costs and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be paid by the Party incurring such costs and expenses and any such costs of Sellers shall be the obligation of Parent; provided, however, that all filing fees paid in connection with the antitrust filings made pursuant to Section 5.2(a) shall be borne equally by Purchasers and Sellers.

11.6Notices. All notices and other communications to be given to any Party hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered by hand, courier or overnight delivery service or three (3) days after being mailed by certified or registered mail,

return receipt requested, with appropriate postage prepaid, or when received in the form of telegram or facsimile and shall be directed to the address set forth below (or at such other address or facsimile number as such Party shall designate by like notice):

(a) If to Sellers or Daravita Limited:

Alkermes plc
Connaught House
One Burlington Road
Dublin 4, Ireland
Attn.: Company Secretary
Fax No.: +(353) 1 772 8001

with a copy (which shall not constitute notice) to:

Goodwin Procter LLP
53 State Street
Boston, MA 02109
Attn.: Mitchell S. Bloom, Esq.
Robert E. Puopolo, Esq.
Fax No.: (617) 523-1231

And with a copy (which shall not constitute notice) to:

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2, Ireland
Attn.: Christopher P.J. McLaughlin
Fax No.: + 353 1 616 3901

(b) If *to* Purchasers:

Recro Pharma, Inc.
490 Lapp Road
Malvern, PA 19355
Attention: Gerri A. Henwood
Email: ghenwood@recropharma.com

with a copy (which shall not constitute notice) to:

Pepper Hamilton LLP
Two Logan Square
Eighteenth and Arch Streets
Philadelphia, PA 19103
Attention: Rachael M. Bushey, Esq.
Fax No.: (800) 860-1682

11.7Assignment.

(a) This Agreement shall be binding upon and inure to the benefit of the Parties to this Agreement and their respective successors and assigns; *provided*, *however*, that no Party to this Agreement will assign its rights or delegate any or all of its obligations under this Agreement without the express prior written consent of each other Party to this Agreement, except that either Party may assign its benefits under this Agreement to an Affiliate of that Party. Any attempted assignment in violation of this Section 11.7 shall be void.

(b) Notwithstanding anything to the contrary in Section 11.7(a) or elsewhere in this Agreement, APIL may assign its rights to any third party to (a) receive the Net Sales Earn-Out Consideration, (b) receive the Net Sales Report, (c) audit the records of *Purchasers*, their Affiliates, licensees and sublicensees as described in Section 3.3 of Exhibit E, and (d) make indemnification claims against Purchasers, in connection with any securitization or monetization of the Net Sales Earn-Out Consideration (a "Securitization"), and APIL may disclose Business Confidential Information to a third party in connection with a Securitization to the extent reasonably necessary to enable the third party to evaluate the Securitization opportunity and to allow APIL to exercise its rights under this Section 11.7(b).

11.8Third-Party Beneficiaries. This Agreement is not intended to confer upon any Person not a party to this Agreement (and their successors and assigns) any rights or remedies hereunder; *provided*, that the rights of the financing sources of the Debt Financing provided in this Section 11.8 and Section 9.4(c), Section 11.9 and Section 11.14 shall be enforceable by the financing sources of the Debt Financing, their Affiliates and their respective successors and assigns.

11.9Amendments and Waivers. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by the Party against whom enforcement of any such modification or amendment is sought. Each Party to this Agreement may, only by an instrument in writing, waive compliance by the other Parties to this Agreement with any term or provision of this Agreement on the part of such other Parties to this Agreement to be performed or complied with. The waiver by any Party to this Agreement of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach. Notwithstanding the foregoing, any amendment or waiver of this sentence of Section 11.9 or Section 9.4(c), Section 11.8 or Section 11.14 shall require the prior written consent of Orbimed Royalty Opportunities II, LP, but only to the extent that such Sections relate to the financing sources of the Debt Financing, their Affiliates or their respective successors or assigns.

11.10Specific Performance. The Parties agree that irreparable damage, for which monetary damages (even if available) would not be an adequate remedy, would occur in the event that the Parties do not perform any provision of this Agreement in accordance with its specified terms or otherwise breach such provisions. Accordingly, the Parties acknowledge and agree that, to prevent breaches or threatened breaches by the Parties of any of their respective covenants or obligations set forth in this Agreement and to enforce specifically the terms and provisions of this Agreement, the Parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled in law or

in equity. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any of the other Parties has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any Party against whom an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement is sought hereby waives any requirement for the Party seeking an injunction or injunctions to provide any bond or other security in connection with such order or injunction. The foregoing is in addition to any other remedy to which any Party is entitled at law, in equity or otherwise. The Parties further agree that nothing set forth in this Section 11.10 shall require any Party hereto to institute any Action for (or limit any Party's right to institute any Action for) specific performance under this Section 11.10 prior or as a condition to exercising any termination right under Article IX (and pursuing damages after such termination). The Parties hereto agree that, notwithstanding anything herein to the contrary, Sellers shall be entitled to specific performance (or any other equitable relief) to cause Purchasers to consummate the transactions contemplated hereby, including to draw down the Debt Financing under the Debt Financing Agreements (including any bridge financing or "flex" provisions thereunder) or Alternative Financing commitments obtained under Section 5.12, and to effect the Closing on the terms and subject to the conditions in this Agreement, if, and only if: (i) all conditions in Section 8.1, Section 8.2 and Section 8.3 have been satisfied as of the date on which the Closing would otherwise be required to occur (other than those conditions that, by their nature, are to be satisfied at the Closing (*provided* such conditions would reasonably be expected to have been satisfied as of such date)), (ii) Purchasers fail to complete the Closing by the date the Closing would otherwise be required to have occurred pursuant to Section 2.3, (iii) the Debt Financing (or Alternative Financing in accordance with Section 5.12) has been funded or will be available to be funded to Purchasers at the Closing, and (iv) the Closing would reasonably be expected to occur substantially simultaneously with the draw down of Debt Financing (or Alternative Financing in accordance with Section 5.12)).

11.11 Interpretation; Absence of Presumption.

(a) It is understood and agreed that the specification of any dollar amount in the representations and warranties contained in this Agreement or the inclusion of any specific item in the Sellers Disclosure Letter is not intended to imply that such amounts or higher or lower amounts, or such items so included or other items, are or are not material, and no Party shall use the fact of the setting of any amount or the fact of the inclusion of any item in the Sellers Disclosure Letter in any dispute or controversy between the Parties as to whether any obligation, item or matter not described in this Agreement or included in the Sellers Disclosure Letter is or is not material for purposes of this Agreement.

(b) For the purposes of this Agreement, (i) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires; (ii) references to the terms Article, Section, paragraph, Exhibit and Schedule are references to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified; (iii) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (iv) references to "$" or cash shall mean U.S. dollars; (v) the word "including" and words of similar import when used in this Agreement shall mean "including without limitation," unless

otherwise specified; (vi) the word "or" shall not be exclusive; (vii) references to "written" or "in writing" include in electronic form; (viii) provisions shall apply, when appropriate, to successive events and transactions; (ix) Sellers and Purchasers have each participated in the negotiation and drafting of this Agreement and if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties hereto and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement; (x) a reference to any Person includes such Person's successors and permitted assigns; (xi) any reference to "days" shall mean calendar days unless Business Days are expressly specified; and (xii) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end at the close of business on the next succeeding Business Day.

(c) If the Closing shall occur, notwithstanding anything in this Agreement to the contrary, any payment obligation of Purchasers hereunder shall be a joint and several obligation of Purchasers and the Transferred Entities.

11.12Headings; Definitions. The Section and Article headings contained in this Agreement are inserted for convenience of reference only and will not affect the meaning or interpretation of this Agreement.

11.13Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement (or portions thereof) shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party hereto. If any provision of this Agreement (or any portion thereof) shall be held to be so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable. Upon a determination that any term, provision, covenant or restriction of this Agreement is invalid, void or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

11.14No Recourse to Debt Financing Sources. Subject to the rights of the parties to the Debt Financing Agreements under the terms thereof, none of the Parties hereto, nor any of their respective, direct or indirect, former, current or future general or limited partners, managers, members, stockholders, officers, directors, Affiliates, employees, representatives, agents, successors or assigns (collectively, the "Related Persons"), shall have any rights or claims against the financing sources of the Debt Financing or any of their Affiliates in connection with this Agreement, the Debt Financing, or the transactions contemplated hereby or thereby, whether at law or equity, in contract, in tort or otherwise, nor shall any of the financing sources of the Debt Financing or any of their Affiliates have any obligations or liabilities to the Parties hereto or their respective Related Persons, all of which are hereby waived (provided that nothing in this Section 11.14 shall in any way limit or modify any of the obligations owed under the Debt

Financing Agreements by the financing sources of the Debt Financing to the Purchasers and their Affiliates), and the financing sources of the Debt Financing and their Affiliates and their respective Related Persons shall not have any rights or claims against any Party hereto or any Related Person thereof, in connection with this Agreement or the Debt Financing, whether at law or equity, in contract, in tort or otherwise

*[Remainder of page left intentionally blank]*

IN WITNESS WHEREOF, this Agreement has been signed by or on behalf of each of the parties set forth below as of the day first above written.

ALKERMES PHARMA IRELAND LIMITED

By: /s/ Shane Cooke
Name: Shane Cooke
Title: Director

DARAVITA LIMITED

By: /s/ Tom Riordan
Name: Tom Riordan
Title: Director

EAGLE HOLDINGS USA, INC.

By: /s/ James Frutes
Name: James Frutes
Title: VP, CFO and Treasurer

RECRO PHARMA, INC.

By: /s/ Gerri Henwood
Name: Gerri Henwood
Title: President and Chief Executive Officer

RECRO PHARMA LLC

By: /s/ Randall Mack
Name: Randall Mack
Title: President

*[Signature Page to Purchase and Sale Agreement]*

**Exhibit 3.1**

**Companies Act 2014**

**A PUBLIC LIMITED COMPANY**

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# CONSTITUTION

**of**

# ALKERMES PUBLIC LIMITED COMPANY

**(amended and restated by Special Resolution dated 13 May 2022)**

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**Incorporated 4 May 2011**

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**Companies Act 2014**

**A PUBLIC LIMITED COMPANY**

**MEMORANDUM OF ASSOCIATION**

of

**ALKERMES PUBLIC LIMITED COMPANY**

1. The name of the Company is Alkermes public limited company.

2. The registered office of the Company shall be at Connaught House, 1 Burlington Road, Dublin 4 or at such other place as the Board may from time to time decide.

3. The Company is a public limited company deemed to be a PLC to which Part 17 of the Companies Act 2014 applies.

4. The objects for which the Company is established are:

4.1

(a) To carry on all or any of the businesses of manufacturers, buyers, sellers, and distributing agents of and dealers in all kinds of patent, pharmaceutical, medicinal, and medicated preparations, patent medicines, drugs, herbs, and of and in pharmaceutical, medicinal, proprietary and industrial preparations, compounds, and articles of all kinds; and to manufacture, make up, prepare, buy, sell, and deal in all articles, substances, and things commonly or conveniently used in or for making up, preparing, or packing any of the products in which the Company is authorised to deal, or which may be required by customers of or persons having dealings with the Company.

(b) To establish, maintain and operate laboratories for the purpose of carrying on chemical, physical and other research in medicine, chemistry, industry or other unrelated or related fields.

(c) To carry on the business of a holding company and to co-ordinate the administration, finances and activities of any subsidiary companies or associated companies, to do all lawful acts and things whatever that are necessary or convenient in carrying on the business of such a holding company and in particular to carry on in all its branches the business of a management services company, to act as managers and to direct or coordinate the management of other companies or of the business, property and estates of any company or person and to undertake and carry out all such services in connection therewith as may be deemed expedient by the Company's Board and to exercise its powers as a shareholder of other companies.

4.2 To acquire and hold shares, stocks, debenture stock, bonds, mortgages, obligations and securities and interests of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, whether in Ireland or elsewhere, and to vary, transpose, dispose of or otherwise deal with,

from time to time as may be considered expedient, any of the Company's investments for the time being.

4.3 To acquire any such shares and other securities as are mentioned in the preceding paragraph by subscription, syndicate participation, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.

4.4 To lease, acquire by purchase or otherwise and hold, sell, dispose of and deal in real property and in personal property of all kinds wheresoever situated.

4.5 To enter into any guarantee, contract of indemnity or suretyship and to assure, support or secure with or without consideration or benefit the performance of any obligations of any person or persons and to guarantee the fidelity of individuals filling or about to fill situations of trust or confidence.

4.6 To acquire or undertake the whole or any part of the business, property and liabilities of any person carrying on any business that the Company is authorised to carry on.

4.7 To apply for, register, purchase, lease, acquire, hold, use, control, licence, sell, assign or dispose of patents, patent rights, copyrights, trade marks, formulae, licences, inventions, processes, distinctive marks and similar rights.

4.8 To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person carrying on or engaged in or about to carry on or engage in any business or transaction that the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to benefit the Company.

4.9 To take or otherwise acquire and hold securities in any other body corporate having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as to benefit the Company.

4.10 To lend money to any employee or to any person having dealings with the Company or with whom the Company proposes to have dealings or to any other body corporate any of whose shares are held by the Company.

4.11 To apply for, secure or acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege, that any government or authority or any body corporate or other public body may be empowered to grant, and to pay for, aid in and contribute toward carrying it into effect and to assume any liabilities or obligations incidental thereto and to enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them.

4.12 To perform any duty or duties imposed on the Company by or under any enactment and to exercise any power conferred on the Company by or under any enactment.

4.13 To incorporate or cause to be incorporated any one or more subsidiaries of the Company (within the meaning of the Companies Act 2014) for the purpose of carrying on any business.

4.14 To establish and support or aid in the establishment and support of associations, institutions, funds or trusts for the benefit of employees, directors and/or consultants or

former employees, directors and/or consultants of the Company or its predecessors or any of its subsidiary or associated companies, or the dependants or connections of such employees, directors and/or consultants or former employees, directors and/or consultants and grant gratuities, pensions and allowances, including the establishment of share option schemes, enabling employees, directors and/or consultants of the Company or other persons aforesaid to become shareholders in the Company, or otherwise to participate in the profits of the Company upon such terms and in such manner as the Company thinks fit, and to make payments towards insurance or for any object similar to those set forth in this paragraph.

4.15 To establish and contribute to any scheme for the purchase by trustees of Shares in the Company to be held for the benefit of the Company's employees or the employees of any of its subsidiary or associated companies and to lend or otherwise provide money to the trustees of such schemes or the Company's employees or the employees of any of its subsidiary or associated companies to enable them to purchase Shares of the Company.

4.16 To grant bonuses to any person or persons who are or have been in the employment of the Company or any of its subsidiary or associated companies or any person or persons who are or have been directors of, or consultants to, the Company or any of its subsidiary or associated companies.

4.17 To establish any scheme or otherwise to provide for the purchase by or on behalf of customers of the Company of shares in the Company.

4.18 To subscribe or guarantee money for charitable, benevolent or educational objects or for any exhibition or for any public, general or useful objects.

4.19 To promote any company for the purpose of acquiring or taking over any of the property and liabilities of the Company or for any other purpose that may benefit the Company.

4.20 To purchase, lease, take in exchange, hire or otherwise acquire any personal property and any rights or privileges that the Company considers necessary or convenient for the purposes of its business.

4.21 To construct, maintain, alter, renovate and demolish any buildings or works necessary or convenient for its objects.

4.22 To construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, factories, warehouses, electric works, shops, stores and other works and conveniences that may advance the interests of the Company and contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management and carrying out of control thereof.

4.23 To raise and assist in raising money for, and aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person and guarantee the performance or fulfilment of any contracts or obligations of any person, and in particular guarantee the payment of the principal of and interest on the debt obligations of any such person.

4.24 To guarantee, support, secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company, or by both such methods, the performance of the obligations of, and the repayment or payment of the principal amounts of and premiums, interest and dividends on any securities of, any person, firm, or company including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company as defined by the Companies Act 2014, or a

subsidiary as therein defined of any such holding company or otherwise associated by the Company in business.

4.25 To borrow or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, debenture stocks, bonds, obligations and securities of all kinds, either perpetual or terminable and either redeemable or otherwise and to secure the repayment of any money borrowed, raised or owing by trust deed, mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital, and also by a similar trust deed, mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake.

4.26 To engage in currency exchange, interest rate and/or commodity or index linked transactions (whether in connection with or incidental to any other contract, undertaking or business entered into or carried on by the Company or whether as an independent object or activity) including, but not limited to, dealings in foreign currency, spot and forward rate exchange contracts, futures, options, forward rate agreements, swaps, caps, floors, collars, commodity or index linked swaps and any other foreign exchange, interest rate or commodity or index linked arrangements and such other instruments as are similar to or derive from any of the foregoing whether for the purpose of making a profit or avoiding a loss or managing a currency or interest rate exposure or any other purpose and to enter into any contract for and to exercise and enforce all rights and powers conferred by or incidental, directly or indirectly, to such transactions or termination of any such transactions.

4.27 To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares of the Company's capital or any debentures, debenture stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.

4.28 To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments.

4.29 To sell, lease, exchange or otherwise dispose of the undertaking of the Company or any part thereof as an entirety or substantially as an entirety for such consideration as the Company thinks fit.

4.30 To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the Company in the ordinary course of its business.

4.31 To adopt such means of making known the products of the Company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations.

4.32 To cause the Company to be registered and recognised in any foreign jurisdiction, and designate persons therein according to the laws of that foreign jurisdiction or to represent the Company and to accept service for and on behalf of the Company of any process or suit.

4.33 To allot and issue fully-paid shares of the Company in payment or part payment of any property purchased or otherwise acquired by the Company or for any past services performed for the Company.

4.34 To distribute among the Members of the Company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or in any other manner considered advisable,

any property of the Company, but not so as to decrease the capital of the Company unless the distribution is made for the purpose of enabling the Company to be dissolved or the distribution, apart from this paragraph, would be otherwise lawful.

4.35 To promote freedom of contract, and to resist, insure against, counteract and discourage interference therewith, to join any lawful federation, union or association or do any other lawful act or thing with a view to preventing or resisting directly or indirectly any interruption of or interference with the Company's or any other trade or business or providing or safeguarding against the same, or resisting strike, movement or organisation, which may be thought detrimental to the interests or opposing any of the Company or its employees and to subscribe to any association or fund for any such purposes.

4.36 To make or receive gifts by way of capital contribution or otherwise.

4.37 To establish agencies and branches.

4.38 To take or hold mortgages, hypothecations, liens and charges to secure payment of the purchase price, or of any unpaid balance of the purchase price, of any part of the property of the Company of whatsoever kind sold by the Company, or for any money due to the Company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothec, lien or charge.

4.39 To pay all costs and expenses of or incidental to the incorporation and organization of the Company.

4.40 To invest and deal with the monies of the Company not immediately required for the objects of the Company in such manner as may be determined.

4.41 To do any of the things authorised by this memorandum as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others.

4.42 To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

The objects set forth in any sub-clause of this clause shall be regarded as independent objects and shall not, except, where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any other sub-clause, or by the name of the Company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world notwithstanding that the business, property or acts proposed to be transacted, acquired or performed do not fall within the objects of the first sub-clause of this clause.

5. The liability of each Member is limited to the amount from time to time unpaid on such Member's Shares.

6. The authorised share capital of the Company is €40,000 and US$5,000,000 divided into 40,000 ordinary shares of €1.00 each, 450,000,000 ordinary shares of US$0.01 each and 50,000,000 undesignated preferred shares of US$0.01 each.

7. The shares forming the capital, increased or reduced, may be increased or reduced and be divided into such classes and issued with any special rights, privileges and conditions or with such qualifications as regards preference, dividend, capital, voting or other special incidents, and be held upon such terms as may be attached thereto or as may from time to time be

provided by the original or any substituted or amended articles of association and regulations of the Company for the time being, but so that where shares are issued with any preferential or special rights attached thereto such rights shall not be alterable otherwise than pursuant to the provisions of the Company's articles of association for the time being.

8. Capitalised terms that are not defined in this memorandum of association bear the same meaning as those given in the articles of association of the Company.

**Companies Act 2014**

**A PUBLIC LIMITED COMPANY**

**ARTICLES OF ASSOCIATION**

of

**ALKERMES PUBLIC LIMITED COMPANY**

**(amended and restated by Special Resolution dated 13 May 2022)**

**PRELIMINARY**

9. The provisions set out in these articles of association shall constitute the whole of the regulations applicable to the Company and no "optional provision" as defined by section 1007(2) of the Companies Acts (with the exception of sections 83 and 84) shall apply to the Company**.**

10.

10.1 In these Articles:

"**Address**" includes, without limitation, any number or address used for the purposes of communication by way of electronic mail or other electronic communication;

"**Articles**" or "**Articles of Association**" means these articles of association of the Company, as amended from time to time by Special Resolution;

"**Assistant Secretary**" means any person appointed by the Secretary from time to time to assist the Secretary';

"**Auditors**" means the persons for the time being performing the duties of auditors of the Company;

"**Available Director Positions**" shall have the meaning given to such term in Article 151.2;

"**Board**" means the board of directors for the time being of the Company;

"**clear days**" means, in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"**Companies Acts**" means the Companies Act 2014, all statutory instruments which are to be read as one with, or construed or read together as one with, the Companies Acts and every statutory modification and re-enactment thereof for the time being in force;

"**Company**" means the above-named company;

"**contested election**" shall have the meaning given to such term in Article 151.2;

"**Court**" means the Irish High Court;

"**Director Nominees**" shall have the meaning given to such term in Article 151.2;

"**Directors**" means the directors for the time being of the Company;

"**dividend**" includes interim dividends and bonus dividends;

"**Dividend Periods**" shall have the meaning given to such term in Article 14.2;

"**electronic communication**" shall have the meaning given to those words in the Electronic Commerce Act 2000;

"**electronic signature**" shall have the meaning given to those words in the Electronic Commerce Act 2000;

"**Exchange**" means any securities exchange or other system on which the Shares of the Company may be listed or otherwise authorised for trading from time to time;

"**Exchange Act**" shall have the meaning given to such term in Article 99;

"**IAS Regulation**" means Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards;

"**Members**" mean persons who have agreed to become a Member of the Company and whose name is entered in the Register of Members as a registered holder of Shares and each and any of them individually a Member;

"**Memorandum**" means the memorandum of association of the Company as amended from time to time by Special Resolution;

"**month**" means a calendar month;

"**officer**" means any executive of the Company that has been designated by the Company the title "officer" and for the avoidance of doubt does not have the meaning given to such term under the Companies Acts;

"**Ordinary Resolution**" means an ordinary resolution of the Company's Members within the meaning of the Companies Acts;

"**paid-up**" means paid-up as to the nominal value and any premium payable in respect of the issue of any Shares and includes credited as paid-up;

"**Redeemable Shares**" means redeemable shares in accordance with the Companies Acts;

"**Register of Members**" or "**Register**" means the register of Members of the Company maintained by or on behalf of the Company, in accordance with the Companies Acts and includes (except where otherwise stated) any duplicate Register of Members;

"**registered office**" means the registered office for the time being of the Company;

"**Seal**" means the seal of the Company, if any, and includes every duplicate seal;

"**Secretary**" means the person appointed by the Board to perform any or all of the duties of secretary of the Company and includes an Assistant Secretary and any person appointed by the Board to perform the duties of secretary of the Company;

"**Share**" and "**Shares**" means a share or shares in the capital of the Company;

"**Shareholder Rights Plan**" means a shareholder rights plan providing for the right of Members to purchase securities of the Company in the event of any proposed acquisition of a majority of the Shares where such acquisition is not approved or recommended by the Board; and

"**Special Resolution**" means a special resolution of the Company's Members within the meaning the Companies Acts.

10.2 In the Articles:

(a) words importing the singular number include the plural number and vice-versa;

(b) words importing the feminine gender include the masculine gender;

(c) words importing persons include any company, partnership or other body of persons, whether corporate or not, any trust and any government, governmental body or agency or public authority, whether of Ireland or elsewhere;

(d) "written" and "in writing" include all modes of representing or reproducing words in visible form, including electronic communication;

(e) references to a company include any body corporate or other legal entity, whether incorporated or established in Ireland or elsewhere;

(f) references to provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted or replaced from time to time;

(g) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(h) headings are inserted for reference only and shall be ignored in construing these Articles; and

(i) references to US$, USD, $ or dollars shall mean United States dollars, the lawful currency of the United States of America and references to €, euro, or EUR shall mean the euro, the lawful currency of Ireland.

**SHARE CAPITAL; ISSUE OF SHARES**

11. The authorised share capital of the Company is €40,000 and US$5,000,000 divided into 40,000 ordinary shares of €1.00 each, 450,000,000 ordinary shares of US$0.01 each and 50,000,000 undesignated preferred shares of US$0.01 each.

12. Subject to the Companies Acts and the rights conferred on the holders of any other class of shares, any Share in the Company may be issued with or have attached to it such preferential, deferred, qualified or special rights, privileges or conditions as the Company may by Ordinary Resolution decide or, insofar as the Ordinary Resolution does not make specific provision, as the Board may from time to time determine.

13. Subject to the provisions of these Articles relating to new Shares, the Shares shall be at the disposal of the Directors, and they may (subject to the provisions of the Companies Acts) allot, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as they may consider to be in the best interests of the Company and its

Members, but so that no Share shall be issued at a discount save in accordance with the Companies Acts, and so that, in the case of Shares offered to the public for subscription, the amount payable on application on each Share shall not be less than one-quarter of the nominal amount of the Share and the whole of any premium thereon.

14. Subject to any requirement to obtain the approval of Members under any laws, regulations or the rules of any Exchange, the Board is authorised, from time to time, in its discretion, to grant such persons, for such periods and upon such terms as the Board deems advisable, options to purchase or subscribe for any number of Shares of any class or classes or of any series of any class as the Board may deem advisable, and to cause warrants or other appropriate instruments evidencing such options to be issued.

15. Subject to the provisions of Part XI of the 1990 Act and the other provisions of this Article 7, the Company may:

15.1 pursuant the Companies Acts, issue any Shares of the Company which are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as may be determined by the Company in general meeting (by Special Resolution) on the recommendation of the Directors;

15.2 redeem Shares of the Company on such terms as may be contained in, or be determined pursuant to the provisions of, these Articles. Subject as aforesaid, the Company may cancel any Shares so redeemed or may hold them as treasury shares and re-issue such treasury shares as Shares of any class or classes or cancel them;

15.3 subject to or in accordance with the provisions of the Companies Acts and without prejudice to any relevant special rights attached to any class of shares, pursuant to the Companies Acts, purchase any of its own Shares (including any Redeemable Shares and without any obligation to purchase on any pro rata basis as between Members or Members of the same class) and may cancel any shares so purchased or hold them as treasury (as defined by the Companies Acts) and may reissue any such shares as shares of any class or classes or cancel them; or

15.4 pursuant to the Companies Acts, convert any of its Shares into Redeemable Shares provided that the total number of Shares which shall be redeemable pursuant to this authority shall not exceed the limit in the Companies Acts.

16. The Company may issue bearer instruments in accordance with the Companies Acts.

17. Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares or to the authority conferred on the Directors pursuant to Article 14 to issue the preferred shares, any Share in the Company may be issued with such preferred or deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine.

18. The Company may pay commission to any person in consideration of any person subscribing or agreeing to subscribe, whether absolutely or conditionally, for the shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company on such terms and, subject to the provisions of the Companies Acts and to such conditions as the Directors may determine, including, without limitation, by paying cash or allotting and issuing fully or partly paid shares or any combination of the two. The Company may also on any issue of Shares pay such brokerage as may be lawful.

## ORDINARY SHARES

19. The holders of the ordinary shares shall be:

19.1 entitled to dividends on a pro rata basis in accordance with the relevant provisions of these Articles;

19.2 entitled to participate pro rata in the total assets of the Company in the event of the Company's winding up; and

19.3 entitled, subject to the right of the Company to set record dates for the purpose of determining the identity of Members entitled to notice of and/or vote at a general meeting, to attend general meetings of the Company and shall be entitled to one vote for each ordinary share registered in her name in the Register of Members, both in accordance with the relevant provisions of these Articles.

The rights attaching to the ordinary shares may be subject to the terms of issue of any series or class of preferred share allotted by the Directors from time to time in accordance with Article 14.

20. Unless the Board specifically elects to treat such acquisition as a purchase for the purposes of the Companies Acts, an ordinary share shall be deemed to be a Redeemable Share on, and from the time of, the existence or creation of an agreement, transaction or trade between the Company and any third party pursuant to which the Company acquires or will acquire ordinary shares, or an interest in ordinary shares, from the relevant third party. In these circumstances, the acquisition of such shares by the Company shall constitute the redemption of a Redeemable Share in accordance with the Companies Acts.

21. All ordinary shares shall rank pari passu with each other in all respects.

## PREFERRED SHARES

22. The Directors are authorised to issue all or any of the authorised but unissued preferred shares from time to time in one or more classes or series, and to fix for each such class or series such voting powers (full or limited or without voting powers), designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof as are stated and expressed, or in any resolution or resolutions providing for the issue of such class or series adopted by the Board as hereinafter provided, including, without limitation, and subject to the Memorandum and Articles and applicable law, the authority to provide that any such class or series may be:

22.1 redeemable at the option of the Company, or the Members, or both, with the manner of the redemption to be set by the Board, and redeemable at such time or times, including upon a fixed date, and at such price or prices;

22.2 entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions at such times and in respect of such dividend periods (the " Dividend Periods"), and payable in preference to, or in such relation to, the dividends payable on any other class or classes of shares or any other series;

22.3 entitled to such rights upon the dissolution of, or upon any distribution of the assets of, the Company; or

22.4 convertible into, or exchangeable for, shares of any other class or classes of shares, or of any other series of the same or any other class or classes of shares, of the Company at such

price or prices or at such rates of exchange and with such adjustments as the Directors determine,

which rights and restrictions may be as stated in such resolution or resolutions of the Directors as determined by them in accordance with this Article 14. The Board may at any time before the allotment of any preferred share by further resolution in any way amend the designations, preferences, rights, qualifications, limitations or restrictions, or vary or revoke the designations of such preferred shares.

Notwithstanding the fixing of the number of preferred shares constituting a particular series upon the issuance thereof, the Board at any time thereafter may authorise the issuance of additional preferred shares of the same series subject always to the Companies Acts, the Memorandum and these Articles.

The rights conferred upon a Member holding any pre-existing shares in the share capital of the Company shall be deemed not to be varied by the creation, issue and allotment of preferred shares in accordance with this Article 14.

23. No dividend shall be declared and set apart for payment on any series of preferred shares in respect of any Dividend Period unless there shall likewise be or have been paid, or declared and set apart for payment, on all preferred shares of each other series entitled to cumulative dividends at the time outstanding that rank senior or equally as to dividends with the series in question, dividends rateably in accordance with the sums which would be payable on the said preferred shares through the end of the last preceding Dividend Period if all dividends were declared and paid in full.

24. If, upon the winding up of the Company, the assets of the Company distributable among the holders of any one or more series of preferred shares which (i) are entitled to a preference over the holders of the ordinary shares upon such winding up, and (ii) rank equally in connection with any such distribution, shall be insufficient to pay in full the preferential amount to which the holders of such preferred shares shall be entitled, then such assets, or the proceeds thereof, shall be distributed among the holders of each such series of the preferred shares rateably in accordance with the sums which would be payable on such distribution if all sums payable were discharged in full.

**ISSUE OF WARRANTS**

25. The Board may issue warrants to subscribe for any class of Shares or other securities of the Company on such terms as it may from time to time determine.

**CERTIFICATES FOR SHARES**

26. Unless otherwise provided for by the Board or the rights attaching to or by the terms of issue of any particular Shares, or to the extent required by any stock exchange, depository, or any operator of any clearance or settlement system, no person whose name is entered as a Member in the Register of Members shall be entitled to receive a share certificate for all her Shares of each class held by her (nor on transferring a part of holding, to a certificate for the balance).

27. Any share certificate, if issued, shall specify the number of Shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as shall be determined by the Board. Such certificates may be under Seal. All certificates for Shares shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. The name and address of the person to whom the Shares represented thereby are issued, with the number of Shares and date of issue, shall be entered in the Register of Members of the Company. All certificates surrendered to the Company for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of Shares shall have been surrendered and cancelled. The Board

may authorise certificates to be issued with the seal and authorised signature(s) affixed by some method or system of mechanical process. In respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

28. If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and on the payment of such expenses reasonably incurred by the Company in investigating such evidence, as the Board may prescribe, and, in the case of defacement or wearing out, upon delivery of the old certificate.

**REGISTER OF MEMBERS**

29. The Company shall maintain or cause to be maintained a Register of its Members in accordance with the Companies Acts.

30. If the Board considers it necessary or appropriate, the Company may establish and maintain a duplicate Register or Registers of Members at such location or locations within or outside Ireland as the Board thinks fit. The original Register of Members shall be treated as the Register of Members for the purposes of these Articles and the Companies Acts.

31. The Company, or any agent(s) appointed by it to maintain the duplicate Register of Members in accordance with these Articles, shall as soon as practicable and on a regular basis record or procure the recording in the original Register of Members all transfers of Shares effected on any duplicate Register of Members and shall at all times maintain the original Register of Members in such manner as to show at all times the Members for the time being and the Shares respectively held by them, in all respects in accordance with the Companies Acts.

32. The Company shall not be bound to register more than four persons as joint holders of any Share. If any Share shall stand in the names of two or more persons, the person first named in the Register of Members shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company.

**TRANSFER OF SHARES**

33. All transfers of Shares may be effected by an instrument of transfer in the usual common form or in such other form as the Board may approve. All instruments of transfer must be left at the registered office or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.

34.

34.1 The instrument of transfer shall be executed by or on behalf of the transferor. The instrument of transfer of any Share shall be in writing and shall be executed with a manual signature or facsimile signature (which may be machine imprinted or otherwise) by or on behalf of the transferor provided that in the case of execution by facsimile signature by or on behalf of a transferor, the Board shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor and the Board shall be reasonably satisfied that such facsimile signature corresponds to one of those specimen signatures.

34.2 The instrument of transfer of any Share may be executed for and on behalf of the transferor by the Secretary or an Assistant Secretary, and the Secretary or Assistant Secretary shall be deemed to have been irrevocably appointed agent for the transferor of such Share or Shares with full power to execute, complete and deliver in the name of and on behalf of the transferor of such Share or Shares all such transfers of Shares held by the Members in the

share capital of the Company. Any document which records the name of the transferor, the name of the transferee, the class and number of Shares agreed to be transferred, the date of the agreement to transfer Shares, shall, once executed by the transferor or the Secretary or Assistant Secretary as agent for the transferor, be deemed to be a proper instrument of transfer for the purposes of the Companies Acts. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered on the Register in respect thereof, and neither the title of the transferee nor the title of the transferor shall be affected by any irregularity or invalidity in the proceedings in reference to the sale should the Directors so determine.

34.3 The Company, at its absolute discretion, may, or may procure that a subsidiary of the Company shall, pay Irish stamp duty arising on a transfer of Shares on behalf of the transferee of such Shares of the Company. If stamp duty resulting from the transfer of Shares in the Company which would otherwise be payable by the transferee is paid by the Company or any subsidiary of the Company on behalf of the transferee, then in those circumstances, the Company shall, on its behalf or on behalf of its subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set-off the stamp duty against any dividends payable to the transferee of those Shares and (iii) to claim a first and permanent lien on the Shares on which stamp duty has been paid by the Company or its subsidiary for the amount of stamp duty paid. The Company's lien shall extend to all dividends paid on those Shares.

34.4 Notwithstanding the provisions of these Articles and subject to any regulations made under section 239 of the Companies Act 1990 or section 1086 of the Companies Act 2014, title to any Shares in the Company may also be evidenced and transferred without a written instrument in accordance with section 239 of the Companies Act 1990 or section 1086 of the Companies Act 2014, or any regulations made thereunder. The Directors shall have power to permit any class of Shares to be held in uncertificated form and to implement any arrangements they think fit for such evidencing and transfer which accord with such regulations and in particular shall, where appropriate, be entitled to disapply or modify all or part of the provisions in these Articles with respect to the requirement for written instruments of transfer and share certificates (if any), in order to give effect to such regulations.

35. The Board, may in its absolute discretion and without assigning any reason for its decision, decline to register any transfer of any Share which is not a fully paid Share. The Board may also, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any Share unless:

35.1 the instrument of transfer is lodged with the Company accompanied by the certificate for the Shares (if any) to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

35.2 the instrument of transfer is in respect of only one class of Shares;

35.3 the instrument of transfer is properly stamped (in circumstances where stamping is required);

35.4 in the case of a transfer to joint holders, the number of joint holders to which the Share is to be transferred does not exceed four;

35.5 it is satisfied, acting reasonably, that all applicable consents, authorisations, permissions or approvals of any governmental body or agency in Ireland or any other applicable jurisdiction required to be obtained under relevant law prior to such transfer have been obtained; and

35.6 it is satisfied, acting reasonably, that the transfer would not violate the terms of any agreement to which the Company (or any of its subsidiaries) and the transferor are party or subject.

36. If the Board shall refuse to register a transfer of any Share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

37. The Company shall not be obligated to make any transfer to an infant or to a person in respect of whom an order has been made by a competent court or official on the grounds that she is or may be suffering from mental disorder or is otherwise incapable of managing her affairs or under other legal disability.

38. Upon every transfer of Shares the certificate (if any) held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and subject to Article 18 a new certificate may be issued without charge to the transferee in respect of the Shares transferred to her, and if any of the Shares included in the certificate so given up shall be retained by the transferor, a new certificate in respect thereof may be issued to her without charge. The Company shall also retain the instrument(s) of transfer.

**REDEMPTION AND REPURCHASE OF SHARES**

39. Subject to the provisions of the Companies Acts and these Articles, the Company may, pursuant to the Companies Acts, issue any Shares of the Company which are to be redeemed or are liable to be redeemed at the option of the Company or the Member of the Company on such terms and in such manner as may be determined by the Company in general meeting (by Special Resolution) on the recommendation of the Board.

40. Subject to the Companies Acts, the Company may, without prejudice to any relevant special rights attached to any class of Shares pursuant to the Companies Acts, purchase any of its own Shares (including any Redeemable Shares and without any obligation to purchase on any pro rata basis as between Members or Members of the same class) and may cancel any Shares so purchased or hold them as treasury shares (as defined by the Companies Acts) and may reissue any such Shares as Shares of any class or classes.

41. The Company may make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Companies Acts.

42. The holder of the Shares being purchased shall be bound to deliver up to the Company at its registered office or such other place as the Board shall specify, the certificate(s) (if any) thereof for cancellation and thereupon the Company shall pay to her the purchase or redemption monies or consideration in respect thereof.

**VARIATION OF RIGHTS OF SHARES**

43. If at any time the share capital of the Company is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may be varied or abrogated with the consent in writing of the holders of three-quarters of all the votes of the issued Shares of that class, or with the sanction of a Special Resolution passed at a general meeting of the holders of the Shares of that class.

44. The provisions of these Articles relating to general meetings of the Company shall apply mutatis mutandis to every such general meeting of the holders of one class of Shares except

that the necessary quorum shall be one or more persons holding or representing by proxy at least one-half of the issued Shares of the class.

45. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by (i) the creation or issue of further Shares ranking pari passu therewith; (ii) a purchase or redemption by the Company of its own Shares; or (iii) the creation or issue for full value (as determined by the Board) of further Shares ranking as regards participation in the profits or assets of the Company or otherwise in priority to them.

**LIEN ON SHARES**

46. The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all monies (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Directors, at any time, may declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to all monies payable in respect of it.

47. The Company may sell in such manner as the Directors determine any Share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice demanding payment, and stating that if the notice is not complied with the Share may be sold, has been given to the holder of the Share or to the person entitled to it by reason of the death or bankruptcy of the holder.

48. To give effect to a sale, the Directors may authorise some person to execute an instrument of transfer of the Share sold to, or in accordance with the directions of, the transferee. The transferee shall be entered in the Register as the holder of the Share comprised in any such transfer and she shall not be bound to see to the application of the purchase monies nor shall her title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the sale, and after the name of the transferee has been entered in the Register, the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

49. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable and any residue (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any monies not presently payable as existed upon the Shares before the sale) shall be paid to the person entitled to the Shares at the date of the sale.

50. Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment or empowers any government or taxing authority or government official to require the Company to make any payment in respect of any Shares registered in the Register as held either jointly or solely by any Members or in respect of any dividends, bonuses or other monies due or payable or accruing due or which may become due or payable to such Member by the Company on or in respect of any Shares registered as mentioned above or for or on account or in respect of any Member and whether in consequence of:

50.1 the death of such Member;

50.2 the non-payment of any income tax or other tax by such Member;

50.3 the non-payment of any estate, probate, succession, death, stamp or other duty by the executor or administrator of such Member or by or out of her estate; or

50.4 any other act or thing;

in every such case (except to the extent that the rights conferred upon holders of any class of Shares under the Company liable to make additional payments in respect of sums withheld on account of the foregoing):

50.5 the Company shall be fully indemnified by such Member or her executor or administrator from all liability;

50.6 the Company shall have a lien upon all dividends and other monies payable in respect of the Shares registered in the Register as held either jointly or solely by such Member for all monies paid or payable by the Company as referred to above in respect of such Shares or in respect of any dividends or other monies thereon or for or on account or in respect of such Member under or in consequence of any such law, together with interest at the rate of 15% per annum (or such other rate as the Board may determine) thereon from the date of payment to date of repayment, and the Company may deduct or set off against such dividends or other monies so payable any monies paid or payable by the Company as referred to above together with interest at the same rate;

50.7 the Company may recover as a debt due from such Member or her executor or administrator (wherever constituted) any monies paid by the Company under or in consequence of any such law and interest thereon at the rate and for the period referred to above in excess of any dividends or other monies then due or payable by the Company; and

50.8 the Company may if any such money is paid or payable by it under any such law as referred to above refuse to register a transfer of any Shares by any such Member or her executor or administrator until such money and interest is set off or deducted as referred to above or in the case that it exceeds the amount of any such dividends or other monies then due or payable by the Company, until such excess is paid to the Company.

Subject to the rights conferred upon the holders of any class of Shares, nothing in this Article 42 will prejudice or affect any right or remedy which any law may confer or purport to confer on the Company. As between the Company and every such Member as referred to above (and, her executor, administrator and estate, wherever constituted), any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.

**CALLS ON SHARES**

51. Subject to the terms of allotment, the Directors may make calls upon the Members in respect of any monies unpaid on their Shares and each Member (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) shall pay to the Company as required by the notice the amount called on her Shares. A call may be required to be paid by instalments. A call may be revoked before receipt by the Company of a sum due thereunder, in whole or in part and payment of a call may be postponed in whole or in part.

52. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

53. A person on whom a call is made shall (in addition to a transferee) remain liable notwithstanding the subsequent transfer of the Share in respect of which the call is made.

54. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

55. If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is

fixed, at the appropriate rate (as defined by the Companies Acts) but the Directors may waive payment of the interest wholly or in part.

56. An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value by way of premium, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.

57. Subject to the terms of allotment, the Directors may make arrangements on the issue of Shares for a difference between the holders in the amounts and times of payment of calls on their Shares.

58. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the monies uncalled and unpaid upon any Shares held by her, and upon all or any of the monies so advanced may pay (until the same would, but for such advance, become payable) interest at such rate as may be agreed upon between the Directors and the Member paying such sum in advance.

**FORFEITURE**

59. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors, at any time thereafter during such times as any part of the call or instalment remains unpaid, may serve a notice on her requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.

60. The notice shall state a further day (not earlier than the expiration of fourteen clear days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the Shares in respect of which the call was made will be liable to be forfeited.

61. If the requirements of any such notice as aforesaid are not complied with then, at any time thereafter before the payment required by the notice has been made, any Shares in respect of which the notice has been given may be forfeited by a resolution of the Directors to that effect. The forfeiture shall include all dividends or other monies payable in respect of the forfeited Shares and not paid before forfeiture. The Directors may accept a surrender of any Share liable to be forfeited hereunder.

62. On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the Shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the Member sued, in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

63. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal such a Share is to be transferred to any person, the Directors may authorise some person to execute an instrument of transfer of the Share to that person. The Company may receive the consideration, if any, given for the Share on any sale or disposition thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of and thereupon she shall be registered as the holder of the Share and shall not be bound to see to the application of the purchase money, if any, nor shall her title to the Share be affected by any

irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

64. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but nevertheless shall remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by her to the Company in respect of the Shares, without any deduction or allowance for the value of the Shares at the time of forfeiture but her liability shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

65. A statutory declaration or affidavit that the declarant is a Director or the Secretary of the Company, and that a Share in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

66. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

67. The Directors may accept the surrender of any Share which the Directors have resolved to have been forfeited upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered Share shall be treated as if it has been forfeited.

**NON-RECOGNITION OF TRUSTS**

68. The Company shall not be obligated to recognise any person as holding any Share upon any trust (except as is otherwise provided in these Articles or to the extent required by law) and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future, or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as is otherwise provided by these Articles or the Companies Acts) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder. This shall not preclude the Company from requiring the Members or a transferee of Shares to furnish to the Company with information as to the beneficial ownership of any Share when such information is reasonably required by the Company.

**TRANSMISSION OF SHARES**

69. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where she was a sole holder, shall be the only persons recognised by the Company as having any title to her interest in the Shares, but nothing herein contained shall release the estate of any such deceased holder from any liability in respect of any Shares which had been held by her solely or jointly with other persons.

70. Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any other way than by transfer) may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either to be registered himself as holder of the Share or to make such transfer of the Share to such other person nominated by her and to have such person registered as the transferee thereof, but the Board shall, in either case, have the same right to decline or

suspend registration as they would have had in the case of a transfer of the Share by that Member before her death or bankruptcy as the case may be.

71. If the person so becoming entitled shall elect to be registered himself as holder, she shall deliver or send to the Company a notice in writing signed by her stating that she so elects.

72. Subject to Article 65, a person becoming entitled to a Share by reason of the death or bankruptcy or liquidation or dissolution of the holder (or in any other case than by transfer) shall be entitled to the same dividends and other advantages to which she would be entitled if she were the registered holder of the Share, except that she shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company provided however that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the Share and if the notice is not complied with within ninety (90) days the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.

73. The Board may at any time give notice requiring a person entitled by transmission to a Share to elect either to be registered himself or to transfer the Share and if the notice is not complied with within sixty (60) days the Board may withhold payment of all dividends and other monies payable in respect of the Share until the requirements of the notice have been complied with.

**AMENDMENT OF MEMORANDUM OF ASSOCIATION;**
**CHANGE OF LOCATION OF REGISTERED OFFICE; AND**
**ALTERATION OF CAPITAL**

74. The Company may by Ordinary Resolution:

74.1 divide its share capital into several classes and attach to them respectively any preferential, deferred, qualified or special rights, privileges or conditions;

74.2 increase the authorised share capital by such sum to be divided into Shares of such nominal value, as such Ordinary Resolution shall prescribe;

74.3 consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;

74.4 by subdivision of its existing Shares or any of them divide the whole or any part of its share capital into Shares of smaller nominal value than is fixed by the Memorandum subject to the Companies Acts, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived;

74.5 cancel any Shares that at the date of the passing of the relevant Ordinary Resolution have not been taken or agreed to be taken by any person; and

74.6 subject to applicable law, change the currency denomination of its share capital.

75. Subject to the provisions of the Companies Acts, the Company may:

75.1 by Special Resolution change its name, alter or add to the Memorandum with respect to any objects, powers or other matters specified therein or alter or add to these Articles;

75.2 by Special Resolution reduce its company capital (including its share capital and any capital redemption reserve or share premium account) in any way it thinks expedient and, without prejudice to the generality of the foregoing, may

(a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;

(b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid up company capital which is lost or unrepresented by available assets; and

(c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up company capital which is in excess of the wants of the Company,

and in relation to such reductions, the Company may by Special Resolution determine the terms upon which the reduction is to be effected, including in the case of a reduction of part only of any class of Shares, those Shares to be affected; and

75.3 by resolution of the Directors change the location of its registered office.

76. Whenever as a result of an alteration or reorganisation of the share capital of the Company any Members would become entitled to fractions of a Share, the Directors may, on behalf of those Members, sell the Shares representing the fractions for the best price reasonably obtainable to any person and distribute the proceeds of sale in due proportion among those Members, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall her title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

**CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE**

77. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other proper purpose, the Board may provide, subject to the requirements of the Companies Acts , that the Register of Members shall be closed for transfers at such times and for such periods, not exceeding in the whole thirty (30) days in each year. If the Register of Members shall be so closed for the purpose of determining Members entitled to notice of or to vote at a meeting of Members such Register of Members shall be so closed for at least five (5) days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register of Members.

78. In lieu of, or apart from, closing the Register of Members, the Board may fix in advance a date as the record date (a) for any such determination of Members entitled to notice of or to vote at a meeting of the Members, which record date shall not be more than ninety (90) days nor less than ten (10) days before the date of such meeting, and (b) for the purpose of determining the Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other proper purpose, which record date shall not be more than ninety (90) days prior to the date of payment of such dividend or the taking of any action to which such determination of Members is relevant. The record date shall not precede the date upon which the resolution fixing the record date is adopted by the Directors.

79. If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members or Members entitled to receive payment of a dividend, the date immediately preceding the date on which notice of the meeting is deemed given under these Articles or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in these Articles, such determination shall apply to

any adjournment thereof; provided, however, that the Directors may fix a new record date of the adjourned meeting, if they think fit.

**GENERAL MEETINGS**

80. The Board shall convene and the Company shall hold annual general meetings in accordance with the requirements of the Companies Acts.

81. The Board may, whenever it thinks fit, and shall, on the requisition in writing of Members holding such number of Shares as is prescribed by, and made in accordance with, the Companies Acts, convene a general meeting in the manner required by the Companies Acts. All general meetings other than annual general meetings shall be called extraordinary general meetings.

82. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year, and shall specify the meeting as such in the notices calling it. Not more than fifteen (15) months shall elapse between the date of one annual general meeting of the Company and that of the next. Subject to the Companies Acts, all general meetings may be held outside of Ireland.

83. Each general meeting shall be held at such time and place as specified in the notice of meeting.

84. The Board may, in its absolute discretion, authorise the Secretary to postpone any general meeting called in accordance with the provisions of these Articles (other than a meeting requisitioned under Article 73 of these Articles or the postponement of which would be contrary to the Companies Acts, law or a court order pursuant to the Companies Acts) if the Board considers that, for any reason, it is impractical or unreasonable to hold the general meeting, provided that notice of postponement is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of these Articles.

**NOTICE OF GENERAL MEETINGS**

85. Subject to the provisions of the Companies Acts allowing a general meeting to be called by shorter notice, an annual general meeting, and an extraordinary general meeting called for the passing of a Special Resolution, shall be called by at least twenty-one (21) clear days' notice and all other extraordinary general meetings shall be called by at least fourteen (14) clear days' notice. Such notice shall state the date, time, place of the meeting and, in the case of an extraordinary general meeting, the general nature of the business to be considered. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify such other details as are required by applicable law or the relevant code, rules and regulations applicable to the listing of the Shares on the Exchange.

86. A general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if applicable law so permits and it is so agreed by the Auditors and by all the Members entitled to attend and vote thereat or their proxies.

87. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution. Notice of every general meeting shall be given in any manner permitted by these Articles to all Members other than such as, under the provisions

hereof or the terms of issue of the Shares they hold, are not entitled to receive such notice from the Company.

88. There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of her and that any proxy need not be a Member of the Company.

89. The accidental omission to give notice of a general meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.

90. In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting. A Member present, either in person or by proxy, at any general meeting of the Company or of the holders of any class of Shares in the Company, will be deemed to have received notice of that meeting and, where required, of the purpose for which it was called.

**PROCEEDINGS AT GENERAL MEETINGS**

91. All business shall be deemed special that is transacted at an extraordinary general meeting, and also that is transacted at an annual general meeting, with the exception of:

(a) the consideration of the Company's statutory financial statements and the report of the directors and the report of the statutory auditors on those statements and that report;

(b) the review by the members of the Company's affairs;

(c) the declaration of a dividend (if any) of an amount not exceeding the amount recommended by the directors;

(d) the authorisation of the directors to approve the remuneration of the statutory auditors; and

(e) the election and re-election of directors.

92. No business shall be transacted at any general meeting unless a quorum is present. One or more Members present in person or by proxy holding not less than a majority of the issued and outstanding Shares of the Company entitled to vote at the meeting in question shall be a quorum.

93. If within one hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other time or such other place as the Board may determine and if at the adjourned meeting a quorum is not present within one hour from the time appointed for the meeting the Members present shall be a quorum.

94. If the Board wishes to make this facility available to Members for a specific or all general meetings of the Company, a Member may participate in any general meeting of the Company, by means of a telephone, video, electronic or similar communication equipment by way of which all persons participating in such meeting can communicate with each other

simultaneously and instantaneously and such participation shall be deemed to constitute presence in person at the meeting.

95. Each Director and the Auditors shall be entitled to attend and speak at any general meeting of the Company.

96. The Chairman, if any, of the Board, and, if the Chairman is not present, such officer or other person as the Board shall designate, shall preside as chairman at every general meeting of the Company.

97. The Chairman may, with the consent of any general meeting duly constituted hereunder, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished, or which might have been transacted, at the meeting from which the adjournment took place. When a general meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting; save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting.

98.

98.1 Subject to the Companies Acts, a resolution may only be put to a vote at a general meeting of the Company or of any class of Members if:

(a) it is proposed by or at the direction of the Board; or

(b) it is proposed at the direction of the Court; or

(c) it is proposed on the requisition in writing of such number of Members as is prescribed by, and is made in accordance with, the Companies Acts;

(d) it is proposed pursuant to, and in accordance with the procedures and requirements of, Articles 98 or 99; or

(e) the Chairman of the meeting in her absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting.

98.2 No amendment may be made to a resolution, at or before the time when it is put to a vote, unless the Chairman of the meeting in her absolute discretion decides that the amendment or the amended resolution may properly be put to a vote at that meeting.

98.3 If the Chairman of the meeting rules a resolution or an amendment to a resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the resolution in question shall not be invalidated by any error in her ruling. Any ruling by the Chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.

99. Except (i) where a greater majority is required by the Companies Acts or these Articles or any applicable law or regulation to which the Company is subject or (ii) as otherwise required by Article 151, any question proposed for a decision of the Members at any general meeting of the

Company or a decision of any class of Members at a separate meeting of any class of Shares shall be decided by an Ordinary Resolution.

100. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll. The Board or the Chairman may determine the manner in which the poll is to be taken and the manner in which the votes are to be counted.

101. A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time, not being more than ten (10) days from the date of the meeting or adjourned meeting at which the vote was taken, as the Chairman of the meeting directs, and any business other than that on which a poll has been demanded may be proceeded with pending the taking of the poll.

102. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded. On a poll a Member entitled to more than one (1) vote need not use all her votes or cast all the votes she uses in the same way.

103. If authorised by the Board, any vote taken by written ballot may be satisfied by a ballot submitted by electronic or telephonic transmission, provided that any such electronic or telephonic submission must either set forth or be submitted with information from which it can be determined that the electronic submission has been authorised by the Member or proxy.

104. The Board may, and at any general meeting, the chairman of such meeting may make such arrangement and impose any requirement or restriction it or she considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such meeting are entitled to refuse entry to a person who refuses to comply with such arrangements, requirements or restrictions.

105. Subject to the Companies Acts, a resolution in writing signed by all of the Members for the time being entitled to attend and vote on such resolution at a general meeting (or being bodies corporate by their duly authorised representatives) shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in like form each signed by one or more persons, and if described as a special resolution shall be deemed to be a special resolution within the meaning of the Companies Acts. Any such resolution shall be served on the Company.

**NOMINATIONS OF DIRECTORS**

106. Nominations of persons for election to the Board (other than Directors to be nominated by any series of preferred shares, voting separately as a class) at a general meeting may only be made (a) pursuant to the Company's notice of meeting pursuant to Article 77 at the recommendation of the Board, (b) by or at the direction of the Board or any authorised committee thereof or (c) by any Member who (i) complies with the notice procedures set forth in Articles 99 or 100, as applicable, (ii) was a Member at the time such notice is delivered to the Secretary and on the record date for the determination of Members entitled to vote at such general meeting and (iii) is present at the relevant general meeting, either in person or by proxy, to present her nomination, provided, however, that Members shall only be entitled to nominate persons for election to the Board at annual general meetings or at general meetings called specifically for the purpose of electing Directors.

107. For nominations of persons for election to the Board (other than Directors to be nominated by any series of preferred shares, voting separately as a class) to be properly brought before an

annual general meeting by a Member, such annual general meeting must have been called for the purpose of, among other things, electing Directors and such Member must have given timely notice thereof in writing to the Secretary. To be timely, a Member's notice shall be delivered to the Secretary at the registered office of the Company, or such other Address as the Secretary may designate, not less than one hundred and twenty (120) days nor more than one hundred and eighty (180) days prior to the first anniversary of the date the Company's proxy statement was first released to Members in connection with the prior year's annual general meeting; provided, however, that in the event the date of the annual general meeting is changed by more than thirty (30) days from the first anniversary date of the prior year's annual general meeting, notice by the Member to be timely must be so delivered not earlier than the one hundred and eightieth (180th) day prior to such annual general meeting and not later than the later of the one hundred and twentieth (120th) day prior to such annual general meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. Such Member's notice shall set forth (a) as to each person whom the Member proposes to nominate for election or re-election as a Director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of Directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934 of the United States of America, as amended (the " Exchange Act "), or any successor provisions thereto, including such person's written consent to being named in the proxy statement as a nominee and to serving as a Director of the Company if elected and (b) as to the Member giving the notice (i) the name and Address of such Member, as they appear on the Register of Members, (ii) the class and number of Shares that are owned beneficially and/or of record by such Member, (iii) a representation that the Member is a registered holder of Shares entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such nomination and (iv) a statement as to whether the Member intends or is part of a group that intends (x) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Company's outstanding share capital required to approve or elect the nominee and/or (xi) otherwise to solicit proxies from Members in support of such nomination. The Board may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a Director of the Company, including such evidence satisfactory to the Board that such nominee has no interests that would limit such nominee's ability to fulfil her duties as a Director.

108. For nominations of persons for election to the Board (other than directors to be nominated by any series of preferred shares, voting separately as a class) to be properly brought before a general meeting called for the purpose of the election of Directors, other than an annual general meeting by a Member, such Member must have given timely notice thereof in writing to the Secretary. To be timely, a Member's notice shall be delivered to the Secretary at the registered office of the Company or such other Address as the Secretary may designate, not earlier than the one hundred and eightieth (180th) day prior to such general meeting and not later of the one hundred and twentieth (120th) day prior to such general meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the general meeting and of the nominees proposed by the Board to be elected at such meeting. Such Member's notice shall set forth the same information as is required by provisions (a) and (b) of Article 99.

109. Subject to the Companies Acts, unless otherwise provided by the terms of any series of preferred shares or any agreement among Members or other agreement approved by the Board, only persons who are nominated in accordance with the procedures set forth in Articles 99 and 100 shall be eligible to serve as Directors of the Company. If the Chairman of a general meeting determines that a proposed nomination was not made in compliance with Articles 99 and 100, she shall declare to the meeting that nomination is defective and such defective nomination shall be disregarded. Notwithstanding the foregoing provisions of these Articles,

if the Member (or a qualified representative of the Member) does not appear at the general meeting to present her nomination, such nomination shall be disregarded.

**VOTES OF MEMBERS**

110. Subject to any rights or restrictions for the time being attached to any class or classes of Shares, every Member of record present in person or by proxy shall have one vote for each Share registered in her name in the Register of Members.

111. In the case of joint holders of record the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

112. A Member of unsound mind, or in respect of whom an order has been made by any court, having jurisdiction in lunacy, may vote by her committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other persons may vote by proxy.

113. No Member shall be entitled to vote at any general meeting unless she is registered as a Member on the record date for such meeting.

114. No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered and every vote not disallowed at such general meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the general meeting whose decision shall be final and conclusive.

115. Votes may be given either personally or by proxy. A Member may appoint more than one proxy or the same proxy under one or more instruments to attend and vote at a meeting and may appoint one proxy to vote both in favour of and against the same resolution in such proportion as specified in the instrument appointing the proxy.

**PROXIES AND CORPORATE REPRESENTATIVES**

116.

116.1 Every Member entitled to attend and vote at a general meeting may appoint a proxy to attend, speak and vote on her behalf and may appoint more than one proxy to attend, speak and vote at the same meeting. The appointment of a proxy or corporate representative shall be in such form consistent with the Act and may be accepted by the Company at such place and at such time as the Board or the Secretary shall from time to time determine, subject to applicable requirements of the United States Securities and Exchange Commission and the Exchange on which the Shares are listed. No such instrument appointing a proxy or corporate representative shall be voted or acted upon after two (2) years from its date.

116.2 Without limiting the foregoing, the Directors may from time to time permit appointments of a proxy to be made by means of an electronic or internet communication or facility and may in a similar manner permit supplements to, or amendments or revocations of, any such electronic or internet communication or facility to be made. The Directors may in addition prescribe the method of determining the time at which any such electronic or internet communication or facility is to be treated as received by the Company. The Directors may treat any such electronic or internet communication or facility which purports to be or is expressed to be sent on behalf of a Member as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that Member.

117. Any body corporate which is a Member of the Company may authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which she represents as that body corporate could exercise if it were an individual Member of the Company. The Company may require evidence from the body corporate of the due authorisation of such person to act as the representative of the relevant body corporate.

118. An appointment of proxy relating to more than one meeting (including any adjournment thereof) having once been received by the Company for the purposes of any meeting shall not require to be delivered, deposited or received again by the Company for the purposes of any subsequent meeting to which it relates.

119. Receipt by the Company of an appointment of proxy in respect of a meeting shall not preclude a Member from attending and voting at the meeting or at any adjournment thereof which attendance and voting will automatically cancel any proxy previously submitted.

120. An appointment proxy shall be valid, unless the contrary is stated therein, as well for any adjournment of the meeting as for the meeting to which it relates.

121.

121.1 A vote given in accordance with the terms of an appointment of proxy or a resolution authorising a representative to act on behalf of a body corporate shall be valid notwithstanding the death or insanity of the principal, or the revocation of the appointment of proxy or of the authority under which the proxy was appointed or of the resolution authorising the representative to act or transfer of the Share in respect of which the proxy was appointed or the authorisation of the representative to act was given, provided that no intimation in writing (whether in electronic form or otherwise) of such death, insanity, revocation or transfer shall have been received by the Company at the Office, before the commencement of the meeting or adjourned meeting at which the appointment of proxy is used or at which the representative acts; PROVIDED, HOWEVER, that where such intimation is given in electronic form it shall have been received by the Company before the commencement of the meeting.

121.2 The Directors may send, at the expense of the Company, by post, electronic mail or otherwise, to the Members forms for the appointment of a proxy (with or without stamped envelopes for their return) for use at any general meeting or at any class meeting, either in blank or nominating any one or more of the Directors or any other persons in the alternative.

**DIRECTORS**

122. The Board may determine the size of the Board from time to time at its absolute discretion.

123. The remuneration to be paid to the Directors shall be such remuneration as the Directors shall determine. Such remuneration shall be deemed to accrue from day to day. The Directors shall also be entitled to be paid their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors, or any committee of the Directors, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Board from time to time, or a combination partly of one such method and partly the other.

124. The Board may approve additional remuneration to any Director undertaking any special work or services for, or undertaking any special mission on behalf of, the Company other than her ordinary routine work as a Director. Any fees paid to a Director who is also counsel or solicitor

to the Company, or otherwise serves it in a professional capacity shall be in addition to her remuneration as a Director.

**DIRECTORS' AND OFFICERS' INTERESTS**

125. A Director or an officer of the Company who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall, in accordance with the Companies Acts, declare the nature of her interest at the first opportunity either (a) at a meeting of the Board at which the question of entering into the contract, transaction or arrangement is first taken into consideration, if the Director or officer of the Company knows this interest then exists, or in any other case, at the first meeting of the Board after learning that she is or has become so interested or (b) by providing a general notice to the Directors declaring that she is a director or an officer of, or has an interest in, a person and is to be regarded as interested in any transaction or arrangement made with that person, and after giving such general notice it shall not be necessary to give special notice relating to any particular transaction.

126.

(a) A Director may hold any other office or place of profit under the Company (other than the office of its Auditors) in conjunction with her office of Director for such period and on such terms as to remuneration and otherwise as the Board may determine.

(b) A Director may use the property of the Company pursuant to or in connection with: the exercise or performance of his or her duties, functions and powers as Director or employee; the terms of any contract of service or employment or letter of appointment; and, or in the alternative, any other usage authorised by the Directors (or a person authorised by the Directors) from time to time; and including in each case for a Director's own benefit or for the benefit of another person.

(c) As recognised by section 228(1)(e) of the Companies Act 2014, the directors may agree to restrict their power to exercise an independent judgment but only where this has been expressly approved by a resolution of the board of directors of the Company.

127. A Director may act by himself or her firm in a professional capacity for the Company (other than as its Auditors) and she or her firm shall be entitled to remuneration for professional services as if she were not a Director.

128. A Director may be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or Member of any other company or otherwise interested in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by her as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or Member of such other company; provided that she has declared the nature of her position with, or interest in, such company to the Board in accordance with Article 117.

129. No person shall be disqualified from the office of Director or from being an officer of the Company or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director or officer of the Company shall be in any way interested be or be liable to be avoided, nor shall any Director or officer of the

Company so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by reason of such Director or officer of the Company holding office or of the fiduciary relation thereby established; provided that:

129.1 she has declared the nature of her interest in such contract or transaction to the Board in accordance with Article 117; and

129.2 the contract or transaction is approved by a majority of the disinterested Directors, notwithstanding the fact that the disinterested Directors may represent less than a quorum.

130. A Director may be counted in determining the presence of a quorum at a meeting of the Board which authorises or approves the contract, transaction or arrangement in which she is interested and she shall be at liberty to vote in respect of any contract, transaction or arrangement in which she is interested, provided that the nature of the interest of any Director in any such contract or transaction shall be disclosed by her in accordance with Article 117, at or prior to its consideration and any vote thereon.

131. For the purposes of Article 117:

131.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;

131.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect her to have knowledge shall not be treated as an interest of her; and

131.3 a copy of every declaration made and notice given under Article 117 shall be entered within three (3) days after the making or giving thereof in a book kept for this purpose. Such book shall be open for inspection without charge by any Director, Secretary, the Auditors or Member of the Company at the registered office and shall be produced at every general meeting of the Company and at any meeting of the Directors if any Director so requests in sufficient time to enable the book to be available at the meeting.

**POWERS AND DUTIES OF DIRECTORS**

132. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company and may exercise all such powers of the Company as are not, by the Companies Acts or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these Articles and to the provisions of the Companies Acts. No resolution made by the Company in general meeting shall invalidate any prior act of the Directors that would have been valid if that resolution had not been made.

133. The Board shall have the power to appoint and remove executives in such terms as the Board sees fit and to give such titles and responsibilities to those executives as it sees fit.

134. The Company may have, for use in any place abroad, an official seal.

135. Subject as otherwise provided with these Articles, the Directors may exercise the voting powers conferred by shares of any other company held or owned by the Company in such manner in all respects as they think fit and in particular they may exercise their voting powers in favour of any resolution appointing the Directors or any of them as directors or officers of such other

company or providing for the payment of remuneration or pensions to the directors or officers of such other company.

136. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person or persons and in such manner as the Directors shall from time to time by resolution determine.

137. The Directors may from time to time authorise such person or persons as they see fit to perform all acts, including without prejudice to the foregoing, to effect a transfer of any shares, bonds, or other evidences of indebtedness or obligations, subscription rights, warrants, and other securities in another body corporate in which the Company holds an interest and to issue the necessary powers of attorney for the same; and each such person is authorised on behalf of the Company to vote such securities, to appoint proxies with respect thereto, and to execute consents, waivers and releases with respect thereto, or to cause any such action to be taken.

138. The Board may exercise all powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds or such other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

139. The Directors may procure the establishment and maintenance of or participate in, or contribute to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors or other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is or was a subsidiary of the Company or of the predecessor in business of the Company or any such subsidiary or holding company and the wives, widows, families, relatives or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well being of the Company or of any such other company as aforesaid or its Members, and payments for or towards the issuance of any such persons as aforesaid and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. Provided that any Director shall be entitled to retain any benefit received by her under this Article, subject only, where the Companies Acts require, to disclosure to the Members and the approval of the Company in general meeting.

140. The Board may from time to time provide for the management of the affairs of the Company in such manner as it shall think fit and the specific delegation provisions contained in the Articles shall not limit the general powers conferred by these Articles.

**MINUTES**

141. The Board shall cause minutes to be made in books kept for the purpose of all appointments of officers made by the Board, all resolutions and proceedings at meetings of the Company or the holders of any class of Shares, of the Directors and of committees of Directors, including the names of the Directors present at each meeting.

**DELEGATION OF THE BOARD'S POWERS**

142. The Board may delegate any of its powers (with power to sub-delegate) to any committee consisting of one or more Directors. The Board may also delegate to any Director such of its powers as it considers desirable to be exercised by her. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion

of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee of the Board shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.

143. The Board may by power of attorney or otherwise appoint any person to be the agent of the Company on such conditions as the Board may determine, provided that the delegation is not to the exclusion of its own powers and may be revoked by the Board at any time.

144. The Board may by power of attorney or otherwise appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised signatories as the Board may think fit and may also authorise any such attorney or authorised signatory to delegate all or any of the powers, authorities and discretions vested in her.

**EXECUTIVE OFFICERS**

145. The Company shall have a chairman, who shall be a Director and shall be elected by the Board. In addition to the chairman, the Directors and the Secretary, the Company may have such officers as the Board may from time to time determine.

**PROCEEDINGS OF DIRECTORS**

146. Except as otherwise provided by these Articles, the Directors shall meet together for the despatch of business, convening, adjourning and otherwise regulating their meetings and procedures as they think fit. Questions arising at any meeting shall be decided by a majority of votes of the Directors present at a meeting at which there is a quorum. Each Director shall have one vote.

147. Regular meetings of the Board may be held at such times and places as may be provided for in resolutions adopted by the Board. No additional notice of a regularly scheduled meeting of the Board shall be required.

148. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors by at least forty-eight (48) hours' notice in writing to every Director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the Directors either at, before or after the meeting is held and provided further if notice is given in person, by telephone, cable, telex, telecopy or email the same shall be deemed to have been given on the day it is delivered to the Directors or transmitting organisation as the case may be. The accidental omission to give notice of a meeting of the Directors to, or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.

149. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be a majority of the Directors in office.

150. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of

increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

151. The Directors may elect a Chairman of their Board and determine the period for which she is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be a Chairman of the meeting.

152. All acts done by any meeting of the Directors or of a committee of Directors shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a Director.

153. Members of the Board or of any committee thereof may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. Unless otherwise determined by the Directors the meeting shall be deemed to be held at the place where the Chairman is at the start of the meeting.

154. A resolution in writing (in one or more counterparts), signed by all the Directors for the time being or all the members of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors or committee as the case may be duly convened and held.

**RESIGNATION AND DISQUALIFICATION OF DIRECTORS**

155. The office of a Director shall be vacated:

155.1 if she resigns her office, on the date on which notice of her resignation is delivered to the Registered Office or tendered at a meeting of the Board or on such later date as may be specified in such notice; or

155.2 on her being prohibited by law from being a Director; or

155.3 on her ceasing to be a Director by virtue of any provision of the Companies Acts.

156. The Company may, by Ordinary Resolution, in accordance with the Companies Acts, remove any Director before the expiration of her period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between her and the Company.

**APPOINTMENT OF DIRECTORS**

157. Until the close of the 2024 annual general meeting, the Directors shall be divided into three classes, designated Class I, Class II and Class III. Any allocation of the Directors into such classes shall be made by the decision of the affirmative vote of a majority of the Board then in office. The term of the Class I directors shall terminate on the date of the 2024 annual general meeting; the term of the Class II directors shall terminate on the date of the 2022 annual general meeting; and the term of the Class III directors shall terminate on the date of the 2023 annual general meeting. At each annual general meeting, beginning in 2022, each Director whose term expires at that annual general meeting shall be eligible for re-election for a one-year term. Save as otherwise permitted in or prescribed by these Articles (including Article 114 and Article 151), Directors will be elected by way of Ordinary Resolution of the Company in general meeting. In no case will a decrease in the number of Directors shorten the term of any incumbent

Director. A Director shall hold office until the close of the annual general meeting for the year in which her or his term expires and until her or his successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office. Any vacancy on the Board, including a vacancy that results from an increase in the number of Directors or from the death, resignation, retirement, disqualification or removal of a Director, shall be deemed a casual vacancy and, subject to the terms of any one or more classes or series of preferred shares (if any), shall only be filled by decision of a majority of the Board then in office. Until the 2024 annual general meeting, any Director appointed to fill a vacancy shall hold office for the same remaining term as that of the class that she has been designated in accordance with these Articles. After the 2024 annual general meeting, any Director appointed to fill a vacancy shall hold office until the next annual general meeting. A Director retiring from the Board at a general meeting shall retain office until the close or adjournment of such meeting.

158. During any vacancy in the Board, the remaining Directors shall have full power to act as the Board.

159. Subject to Article 114, each Director shall be elected by an Ordinary Resolution at an annual general meeting (or an extraordinary general meeting called for that purpose), *provided* that:

159.1 if, at any general meeting of the Company other than at a meeting with a contested election as described in 151.2 below, the number of Directors is reduced below the minimum prescribed by the Board in accordance with Article 114 due to the failure of any persons nominated to be Directors to be elected, then in those circumstances, the nominee or nominees who receive the highest number of votes in favour of election shall be elected in order to maintain the prescribed minimum number of Directors and each such Director shall remain a Director (subject to the provisions of the Companies Acts and these Articles) only until the conclusion of the next annual general meeting of the Company unless such Director is elected by the Members during such meeting; and

159.2 if, at the time the Company files its proxy statement for any general meeting of the Company, the number of persons who are at such time validly nominated in accordance with these Articles for election or re-election as Directors (such persons collectively, the "**Director Nominees**") exceeds the number of Directors to be elected at such general meeting in accordance with Articles 114 and 149 (the "**Available Director Positions**" and such an election, a "**contested election**"), then only those Director Nominees in number equal to the Available Director Positions who receive the highest number of votes in favour of their election by the Members present in person or represented by proxy at such meeting and entitled to vote on the election of Directors shall be elected as Directors. For clarity, notwithstanding the withdrawal of any nominations for Directors in a contested election subsequent to the time the Company files its proxy statement, the plurality voting provisions of this Article 151.2 will continue to apply to the election of Directors at any such meeting.

**SECRETARY**

160. The Secretary shall be appointed by the Board at such remuneration (if any) and on such terms as it may think fit and any Secretary so appointed may be removed by the Board.

161. The duties of the Secretary shall be those prescribed by the Companies Acts, together with such other duties as shall from time to time be prescribed by the Board, and in any case, shall include the making and keeping of records of the votes, doings and proceedings of all meetings of the

Members and the Board of the Company, and committees, and the authentication of records of the Company.

162. A provision of the Companies Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

**SEAL**

163. The Company may, if the Board so determines, have a Seal (including any official seals kept pursuant to the Companies Acts) which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that regard and every instrument to which the Seal has been affixed shall be signed by any person who shall be either a Director or the Secretary or Assistant Secretary or some other person authorised by the Board, either generally or specifically, for the purpose.

164. The Company may have for use in any place or places outside Ireland, a duplicate Seal or Seals each of which shall be a duplicate of the Seal of the Company except, in the case of a Seal for use in sealing documents creating or evidencing securities issued by the Company, for the addition on its face of the word “Securities” and if the Board so determines, with the addition on its face of the name of every place where it is to be used.

**DIVIDENDS, DISTRIBUTIONS AND RESERVES**

165. The Company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors.

166. Subject to the Companies Acts, the Board may from time to time declare dividends (including interim dividends) and distributions on Shares of the Company outstanding and authorise payment of the same out of the funds of the Company lawfully available therefor.

167. The Board may, before declaring any dividends or distributions, set aside such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors, be applicable for any purpose of the Company and pending such application may, at the like discretion, be employed in the business of the Company. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to divide.

168. No dividend, interim dividend or distribution shall be paid otherwise than in accordance with the provisions of the Companies Acts.

169. Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends or distributions, if dividends or distributions are to be declared on a class of Shares they shall be declared and paid according to the amounts paid or credited as paid on the Shares of such class outstanding on the record date for such dividend or distribution as determined in accordance with these Articles.

170. The Directors may deduct from any dividend payable to any Member all sums of money (if any) immediately payable by her to the Company in relation to the Shares of the Company.

171. The Board or any general meeting declaring a dividend (upon the recommendation of the Board), may direct that any dividend or distribution be paid wholly or partly by the distribution of specific assets and in particular of paid up Shares, debentures, or debenture stock of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Board may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any

Members upon the footing of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Board.

172. Any dividend, distribution, interest or other monies payable in cash in respect of Shares may be paid by cheque or warrant sent through the post, or sent by any electronic or other means of payment, directed to the registered Address of the holder or, in the case of joint holders, to the holder who is first named on the Register of Members or to such person and to such Address as such holder or joint holders may in writing direct. Every such cheque or warrant, electronic or other payment shall be made payable to the order of the person to whom it is sent and payment of the cheque or warrant shall be a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, or other monies payable in respect of the Share held by them as joint holders. Any such dividend or other distribution may also be paid by any other method (including payment in a currency other than US$, electronic funds transfer, direct debit, bank transfer or by means of a relevant system) which the Directors consider appropriate and any Member who elects for such method of payment shall be deemed to have accepted all of the risks inherent therein. The debiting of the Company's account in respect of the relevant amount shall be evidence of good discharge of the Company's obligations in respect of any payment made by any such methods.

173. No dividend or distribution shall bear interest against the Company.

174. If the Directors so resolve, any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company. The payment by the Directors of any unclaimed dividend or other monies payable in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof.

**CAPITALISATION**

175. Without prejudice to any powers conferred on the Directors as aforesaid, and subject to any authority granted to the Directors to issue and allot Shares, including, in accordance with the Companies Acts or under Article 9, the Directors or any duly appointed committee thereof may:

175.1 resolve to capitalise any amount standing to the credit of the reserves of the Company (including, but not limited to, the share premium account, capital redemption reserve, capital conversion reserve and profit and loss account), whether or not available for distribution, for any purpose, including, but not limited to, for the purposes of effecting any exchange of any rights and applying any such sum arising from such capitalisation to pay up any shares of the Company and allot them, credited as fully paid, to any holders of such rights;

175.2 appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of Shares held by them respectively and apply that sum on their behalf in or towards paying up in full unissued Shares or debentures of a nominal amount equal to that sum, and allot the Shares or debentures, credited as fully paid, to the Members (or as the Board may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, the capital conversion reserve and profits that are not available for distribution may, for the purposes of this Article 167, only be applied in paying up unissued Shares to be allotted to Members credited as fully paid;

175.3 make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where Shares or debentures become distributable in fractions the Board may deal with the fractions as it thinks fit;

175.4 authorise a person to enter (on behalf of all the Members concerned) into an agreement with the Company providing for the allotment to the Members respectively, credited as fully paid, of Shares or debentures to which they may be entitled on the capitalisation and any such agreement made under this authority being effective and binding on all those Members; and

175.5 generally do all acts and things required to give effect to the resolution.

**ACCOUNTS**

176. The Directors shall cause the Company to keep adequate accounting records, which are sufficient to:

(a) correctly record and explain the transactions of the Company;

(b) enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy;

(c) enable the Directors to ensure that any financial statements of the Company and any directors' report, required to be prepared under the Companies Acts, comply with the requirements of the Companies Acts and, where applicable, the IAS Regulation; and

(d) enable those financial statements of the Company to be audited.

Accounting records shall be kept on a continuous and consistent basis and entries therein shall be made in a timely manner and be consistent from year to year in accordance with the Companies Acts.

177. The Company may send by post, electronic mail or any other means of electronic communication a summary financial statement to its Members or persons nominated by any Member. The Company may meet, but shall be under no obligation to meet, any request from any of its Members to be sent additional copies of its full report and accounts or summary financial statement or other communications with its Members. The Company may send a summary financial statement to its Members or persons nominated by any Member and the Company may meet, but shall be under no obligation to meet, any request from any of its Members to be sent additional copies of the documents required to be sent to Members by the Companies Acts or any summary financial statement or other communications with its Members.

178. The accounting records shall be kept at the registered office of the Company or, subject to the provisions of the Companies Acts, at such other place as the Directors think fit and shall be open at all reasonable times to the inspection of the Directors.

179. Accounting records shall not be deemed to be kept as required by Articles 168 to 170, if there are not kept such accounting records as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

180. In accordance with the provisions of the Companies Acts, the Board may from time to time cause to be prepared and to be laid before the Company in general meeting profit and loss

accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by law.

181.

181.1 The Company may send by post, electronic mail or any other means of electronic communication:

(a) the Company's statutory financial statements,

(b) the directors' report, and

(c) the statutory auditors' report and copies of those documents shall also be treated for the purposes of the Companies Acts, as sent to a person where:

(i) the Company and that person have agreed to his or her having access to the documents on a website (instead of their being sent to him or her);

(ii) the documents are documents to which that agreement applies; and

(iii) that person is notified, in a manner for the time being agreed for the purpose between that person and the company, of —

(A) the publication of the documents on a website,

(B) the address of that website, and

(C) the place on that website where the documents may be accessed and how they may be accessed.

181.2 The documents listed at 173.1 (a) to (c) shall be treated as sent to a person not less than 21 days before the date of a meeting if, and only if —

(a) the documents are published on the website throughout a period beginning at least 21 days before the date of the meeting and ending with the conclusion of the meeting; and

(b) the notification given for the purposes of paragraph (c) is given not less than 21 days before the date of the meeting.

181.3 Nothing shall invalidate the proceedings of a meeting where—

(a) any documents that are required to be published are published for a part, but not all, of the 21 day period mentioned above; and

(b) the failure to publish those documents throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the company to prevent or avoid.

181.4 Where copies of documents are sent out pursuant to this Article 173 over a period of days, references elsewhere in the Companies Act to the day on which those copies are sent out shall be read as references to the last day of that period.

**AUDIT**

182. Statutory auditors shall be appointed and their duties regulated in accordance with the Companies Acts or any statutory amendment thereof, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

**NOTICES**

183. Any notice to be given, served, sent or delivered pursuant to these Articles shall be in writing (whether in electronic form or otherwise).

183.1 A notice or document to be given, served, sent or delivered in pursuance of these Articles may be given to, served on or delivered to any Member by the Company:

(a) by handing same to her authorised agent;

(b) by leaving the same at her registered address;

(c) by sending the same by the post in a pre-paid cover addressed to her at her registered address; or

(d) by sending, with the consent of the Member to the extent required by law, the same by means of electronic mail or other means of electronic communication approved by the Directors, to the Address of the Member notified to the Company by the Member for such purpose (or if not so notified, then to the Address of the Member last known to the Company).

183.2 For the purposes of these Articles and the Companies Acts, a document shall be deemed to have been sent to a Member if a notice is given, served, sent or delivered to the Member and the notice specifies the website or hotlink or other electronic link at or through which the Member may obtain a copy of the relevant document.

183.3 Where a notice or document is given, served or delivered pursuant to sub-paragraph 175.1(a) or 175.1(b) of this Article, the giving, service or delivery thereof shall be deemed to have been effected at the time the same was handed to the Member or her authorised agent, or left at her registered address (as the case may be).

183.4 Where a notice or document is given, served or delivered pursuant to sub-paragraph 175.1(c) of this Article, the giving, service or delivery thereof shall be deemed to have been effected at the expiration of twenty-four (24) hours after the cover containing it was posted. In proving service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

183.5 Where a notice or document is given, served or delivered pursuant to sub-paragraph 175.1(d) of this Article, the giving, service or delivery thereof shall be deemed to have been effected at the expiration of forty-eight (48) hours after despatch.

183.6 Every legal personal representative, committee, receiver, curator bonis or other legal curator, assignee in bankruptcy, examiner or liquidator of a Member shall be bound by a notice given as aforesaid if sent to the last registered address of such Member, or, in the event of notice given or delivered pursuant to sub-paragraph 175.1(d) of this Article, if sent to the address notified by the Company by the Member for such purpose notwithstanding that the Company may have notice of the death, lunacy, bankruptcy, liquidation or disability of such Member.

183.7 Notwithstanding anything contained in this Article, the Company shall not be obliged to take account of or make any investigations as to the existence of any suspension or curtailment of postal services within or in relation to all or any part of any jurisdiction.

183.8 Any requirement in these Articles for the consent of a Member in regard to the receipt by such Member of electronic mail or other means of electronic communications approved by the Directors, including the receipt of the Company's audited accounts and the Directors' and statutory auditor's reports thereon, shall be deemed to have been satisfied where the Company has written to the Member informing her/him of its intention to use electronic communications for such purposes and the Member has not, within four (4) weeks of the issue of such notice, served an objection in writing on the Company to such proposal. Where a Member has given, or is deemed to have given, her/his consent to the receipt by such Member of electronic mail or other means of electronic communications approved by the Directors, she may revoke such consent at any time by requesting the Company to communicate with her in documented form; provided, however, that such revocation shall not take effect until five (5) days after written notice of the revocation is received by the Company.

183.9 Without prejudice to the provisions of sub-paragraphs 175.1(a) and 175.1(b) of this Article, if at any time by reason of the suspension or curtailment of postal services in any territory, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a public announcement (as defined below) and such notice shall be deemed to have been duly served on all Members entitled thereto at noon (New York time) on the day on which the said public announcement is made. In any such case the Company shall put a full copy of the notice of the general meeting on its website. A "public announcement" shall mean disclosure in a press release reported by a financial news service or in a document publicly filed by the Company with the U.S. Securities and Exchange Commission pursuant to section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

184. Notice may be given by the Company to the joint Members of a Share by giving the notice to the joint Member whose name stands first in the Register in respect of the Share and notice so given shall be sufficient notice to all the joint Members.

185.

185.1 Every person who becomes entitled to a Share shall before her name is entered in the Register in respect of the Share, be bound by any notice in respect of that Share which has been duly given to a person from whom she derives her title.

185.2 A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Member, addressed to them at the Address, if any, supplied by them for that purpose. Until such an Address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

186. A Member present, either in person or by proxy, at any meeting of the Company or the Holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

**UNTRACED HOLDERS**

187.

187.1 The Company shall be entitled to sell at the best price reasonably obtainable any Share or stock of a Member or any Share or stock to which a person is entitled by transmission if and provided that:

(a) for a period of twelve (12) years (not less than three (3) dividends having been declared and paid) no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the Member or to the person entitled by transmission to the Share or stock at her Address on the Register or other last known Address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person entitled by transmission; and

(b) at the expiration of the said period of twelve (12) years the Company has given notice by advertisement in a leading Dublin newspaper and a newspaper circulating in the area in which the Address referred to in paragraph (a) of this Article is located of its intention to sell such Share or stock; and

(c) the Company has not during the further period of three (3) months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person entitled by transmission.

187.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such Share or stock and such instrument of transfer shall be as effective as if it had been executed by the Member or person entitled by transmission to such Share or stock. The Company shall account to the Member or other person entitled to such Share or stock for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Member or other person. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than Shares of the Company or its holding company if any) as the Directors may from time to time think fit.

**DESTRUCTION OF DOCUMENTS**

188. The Company may destroy:

188.1 any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, at any time after the expiry of two (2) years from the date such mandate variation, cancellation or notification was recorded by the Company;

188.2 any instrument of transfer of Shares which has been registered, at any time after the expiry of six (6) years from the date of registration; and

188.3 any other document on the basis of which any entry in the Register was made, at any time after the expiry of six (6) years from the date an entry in the Register was first made in respect of it;

188.4 and it shall be presumed conclusively in favour of the Company that every share certificate (if any) so destroyed was a valid certificate duly and properly sealed and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:

(a) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;

(b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled; and

(c) references in this Article to the destruction of any document include references to its disposal in any manner.

**WINDING UP**

189. If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up or credited as paid up share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up or credited as paid up at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the share capital paid up or credited as paid up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital at the commencement of the winding up paid up or credited as paid up on the said Shares held by them respectively. Provided that this Article shall not affect the rights of the Members holding Shares issued upon special terms and conditions**.**

189.1 In case of a sale by the liquidator under section 601 of the Companies Act 2014, the liquidator may by the contract of sale agree so as to bind all the Members for the allotment to the Members directly of the proceeds of sale in proportion to their respective interests in the Company and may further by the contract limit a time at the expiration of which obligations or Shares not accepted or required to be sold shall be deemed to have been irrevocably refused and be at the disposal of the Company, but so that nothing herein contained shall be taken to diminish, prejudice or affect the rights of dissenting Members conferred by the said section 601.

189.2 The power of sale of the liquidator shall include a power to sell wholly or partially debentures, debenture stock, or other obligations of another company, either then already constituted or about to be constituted for the purpose of carrying out the sale.

190. If the Company is wound up, the liquidator, with the sanction of a Special Resolution and any other sanction required by the Companies Acts, may divide among the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not), and, for such purpose, may value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator, with the like sanction, may vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as, with the like sanction, she determines, but so that no Member shall be compelled to accept any assets upon which there is a liability.

**INDEMNITY**

191.

191.1 Subject to the provisions of and so far as may be admitted by the Companies Acts, every Director and Secretary shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by her in the execution and discharge of her duties or in relation thereto including any liability incurred by her in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have

been done or omitted by her as an officer or employee of the Company and in which judgement is given in her favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on her part) or in which she is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to her by the Court.

191.2 As far as permissible under the Companies Acts, the Company shall indemnify any current or former executive of the Company (excluding any Directors or Secretary) or any person who is serving or has served at the request of the Company as a director, executive or trustee of another company, joint venture, trust or other enterprise against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by her in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Company, to which she, or she was, is, or is threatened to be made a party by reason of the fact that she, or she is or was such a director, executive or trustee, provided always that the indemnity contained in this Article 183.2 shall not extend to any matter which would render it void pursuant to the Companies Acts.

191.3 In the case of any threatened, pending or completed action, suit or proceeding by or in the right of the Company, the Company shall indemnify each person indicated in Article 183.2 of this Article against expenses, including attorneys' fees, actually and reasonably incurred in connection with the defence or the settlement thereof, except no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for fraud or dishonesty in the performance of her duty to the Company unless and only to the extent that the Court or the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court shall deem proper.

191.4 As far as permissible under the Companies Acts, expenses, including attorneys' fees, incurred in defending any action, suit or proceeding referred to in Articles 183.2 and 183.3 of this Article may be paid by the Company in advance of the final disposition of such action, suit or proceeding as authorised by the Board in the specific case upon receipt of an undertaking by or on behalf of the director, executive or trustee, or other indemnitee to repay such amount, unless it shall ultimately be determined that she is entitled to be indemnified by the Company as authorised by these Articles.

191.5 It being the policy of the Company that indemnification of the persons specified in this Article shall be made to the fullest extent permitted by law, the indemnification provided by this Article shall not be deemed exclusive (a) of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Memorandum, Articles, any agreement, any insurance purchased by the Company, any vote of Members or disinterested Directors, or pursuant to the direction (however embodied) of any court of competent jurisdiction, or otherwise, both as to action in her official capacity and as to action in another capacity while holding such office, or (b) of the power of the Company to indemnify any person who is or was an employee or agent of the Company or of another company, joint venture, trust or other enterprise which she is serving or has served at the request of the Company, to the same extent and in the same situations and subject to the same determinations as are hereinabove set forth with respect to a director, executive or trustee. As used in this paragraph (b), references to the "**Company**" include all constituent companies in a consolidation or merger in which the Company or a predecessor to the Company by consolidation or merger was involved. The indemnification provided by this Article shall continue as to a person who has ceased to be a director, executive or trustee and shall inure to the benefit of the heirs, executors, and administrators of such a person.

191.6 The Directors shall have power to purchase and maintain for any Director, the Secretary or other officers or employees of the Company insurance against any such liability as referred to in the Companies Acts or otherwise.

191.7 The Company may additionally indemnify any employee or agent of the Company or any director, executive, employee or agent of any of its subsidiaries to the fullest extent permitted by law.

**FINANCIAL YEAR**

192. The financial year of the Company shall be as prescribed by the Board from time to time.

**SHAREHOLDER RIGHTS PLAN**

193. The Board is hereby expressly authorised to adopt any Shareholder Rights Plan, upon such terms and conditions as the Board deems expedient and in the best interests of the Company, subject to applicable law, including the grant of rights (including approving the execution of any documents relating to the grant of such rights) to subscribe for ordinary shares or preferred shares in the share capital of the Company in accordance with the terms of any Shareholder Rights Plan. The Directors or any duly appointed committee thereof may effect an exchange of rights in accordance with such Shareholder Rights Plan.

We, the corporate body whose name and address is subscribed, wish to be formed into a company in pursuance of this memorandum of association, and we agree to take the number of shares in the capital of the Company set opposite our respective names.

| Names, Address and Description of the Subscriber | Number of shares taken by the Subscriber |
|---|---|
| Goodbody Subscriber One Limited<br>International Financial Services Centre<br>North Wall Quay<br>Dublin 1 | 1 (ONE) |
| Limited liability company | |
| Total Number of Shares Taken: | 1 (ONE) |

Dated 29 April 2011

Witness to the above signature

Name: Isabel Hyde
Trainee Solicitor

Address: A&L Goodbody
IFSC,
North Wall Quay,
Dublin 1

**Exhibit 4.1**

## DESCRIPTION OF ALKERMES PLC ORDINARY SHARES

The following is a summary description of the ordinary shares of Alkermes plc. This summary does not purport to be complete and is qualified in its entirety by reference to the Irish Companies Act 2014 (the "Companies Act") and the complete text of our memorandum and articles of association, as they may be amended from time to time (together, the "Constitution"). A copy of the Constitution has been filed with the Securities and Exchange Commission (the "SEC") as exhibit 3.1 to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part. You should read the Companies Act and our Constitution carefully. Use of terms such as "us," "we," "our," "Alkermes" or the "Company" in this Exhibit 4.1 is meant to refer to Alkermes plc.

### Capital Structure

#### *Authorized Share Capital*

Our authorized share capital is €40,000 and $5,000,000, which is divided into 40,000 ordinary shares of €1.00 each, 450,000,000 ordinary shares of $0.01 each and 50,000,000 undesignated preferred shares of $0.01 each. Our ordinary shares are registered under Section 12(b) of the Securities Exchange Act of 1934, as amended.

We may issue shares subject to the maximum authorized share capital contained in our Constitution, and subject to the issuance and allotment authorities approved by our shareholders. Our authorized share capital may be increased or reduced by a resolution approved by a simple majority of the votes of our shareholders cast in person or by proxy at a general meeting (referred to under Irish law as an "ordinary resolution"). As a matter of Irish law, the board of directors of a company may issue new ordinary or preferred shares without shareholder approval once authorized to do so by the company's constitution or by an ordinary resolution adopted by the company's shareholders at a general meeting. The authorization may be granted for a maximum period of five years, after which it must be renewed by the shareholders by an ordinary resolution. In June 2023, our shareholders authorized our board of directors (the "Board") to allot and issue ordinary shares in an amount equal to approximately 20% of our issued ordinary share capital as of May 15, 2023. This current authorization extends until December 29, 2024, at which point it will lapse unless renewed by our shareholders.

The rights and restrictions applicable to our ordinary shares are prescribed in our Constitution. Our Constitution permits the Board, without shareholder approval, to determine the terms of any preferred shares issued by us. Our Board is authorized, without obtaining any vote or consent of the holders of any class or series of shares, unless expressly provided by the terms of that class or series of shares, to provide from time to time for the issuance of other classes or series of preferred shares and to establish the characteristics of each class or series, including the number of shares, designations, relative voting rights, dividend rights, liquidation and other rights, redemption, repurchase or exchange rights and any other preferences and relative, participating, optional or other rights and limitations not inconsistent with applicable law.

Irish law does not recognize fractional shares held of record. Accordingly, our Constitution does not provide for the issuance of fractional shares, and our official Irish register of members will not reflect any fractional shares.

**Pre-emption Rights, Share Warrants and Share Options**

Under Irish law, unless otherwise authorized, when an Irish public limited company issues shares for cash to new shareholders, it is required to first offer those shares on the same or more favorable terms to existing shareholders of the company on a pro rata basis (commonly referred to as the "statutory pre-emption right"). However, Irish law permits companies to opt out of the statutory pre-emption right, for a period of up to five years, ifs authorized by a resolution approved by not less than 75% of the votes of shareholders cast in person or by proxy at a general meeting (referred to under Irish law as a "special resolution"). In June 2023, our shareholders authorized our Board to allot and issue shares for cash on a non-pre-emptive basis up to the amount of approximately 20% of our issued share capital as of May 15, 2023. This current authorization extends until December 29, 2024, at which point it will lapse unless renewed by our shareholders. The statutory pre-emption right does not apply where shares are issued for non-cash consideration (such as in a stock-for-stock acquisition) and does not apply to the issue of non-equity shares (that is, shares that have the right to participate only up to a specified amount in any income or capital distribution) or where shares are issued pursuant to an employee stock option or similar equity plan.

Our Constitution provides that, subject to any shareholder approval requirement under any laws, regulations or the stock exchange rules to which we are subject, the Board is authorized, from time to time, in its discretion, to grant such persons, for such periods and upon such terms as the Board deems advisable, options to purchase such number of shares of any class or classes or of any series of any class as the Board may deem advisable, and to cause warrants or other appropriate instruments evidencing such options to be issued. The Companies Act provides that a board of directors may issue share warrants or options without shareholder approval once authorized to do so by its constitution or an ordinary resolution of shareholders. We are subject to the applicable rules and regulations of The Nasdaq Stock Market ("Nasdaq") and the Internal Revenue Code of 1986, as amended, that require shareholder approval of certain equity plan and share issuances. Our Board may issue shares upon exercise of warrants or options without shareholder approval or authorization (up to the relevant authorized share capital limit).

**Dividends**

Under Irish law, dividends and distributions may only be made from distributable reserves. Distributable reserves generally means accumulated realized profits less accumulated realized losses and includes reserves created by way of capital reduction. In addition, no distribution or dividend may be made unless our net assets are equal to, or in excess of, the aggregate of our called-up share capital plus undistributable reserves and the distribution does not reduce our net assets below such aggregate. Undistributable reserves include: (i) our undenominated capital; (ii) the amount by which our accumulated unrealized profits, so far as not previously utilized by any capitalization, exceed our accumulated unrealized losses, so far as not previously written off in a reduction or reorganization of capital; and (iii) any other reserve we are prohibited, at law, from distributing.

The determination as to whether or not we have sufficient distributable reserves to fund a dividend must be made by reference to our "relevant accounts." The "relevant accounts" will be either the last set of unconsolidated annual audited financial statements or other financial statements properly prepared in accordance with the Companies Act, which give a "true and fair view" of our unconsolidated financial position and accord with accepted accounting practice. The relevant accounts must be filed in the Companies Registration Office (the official public registry for companies in Ireland).

Our Constitution authorizes the Board to declare dividends, out of funds lawfully available for distribution, without shareholder approval to the extent they appear justified by the profits of the Company. The Board may also recommend a dividend to be approved and declared by the shareholders at

a general meeting. The Board may direct that the payment be made by distribution of assets, shares or cash and no dividend issued may exceed the amount recommended by the Board. Dividends may be declared and paid in the form of cash or non-cash assets and may be paid in United States Dollars or any other currency.

Our Board may deduct from any dividend payable to any shareholder any amounts payable by such shareholder to us in relation to our shares.

The Board may also authorize us to issue shares with preferred rights to participate in dividends we declare. The holders of preferred shares may, depending on their terms, rank senior to our ordinary shares in terms of dividend rights and/or be entitled to claim arrears of a declared dividend out of subsequently declared dividends in priority to ordinary shareholders.

**Share Repurchases, Redemptions and Conversions**

***Overview***

Our Constitution provides that any ordinary share that we have agreed to acquire shall be deemed to be a redeemable share, unless the Board elects to treat such share acquisition otherwise. Accordingly, for Irish law purposes, a repurchase of ordinary shares by us would technically be effected as a redemption of those shares as described below under *"—Our Repurchases and Redemptions."* If our Constitution did not contain such provision, our repurchases would be subject to many of the same rules that apply to purchases of our ordinary shares by subsidiaries described below under *"—Purchases by Our Subsidiaries"* including the shareholder approval requirements described below and the requirement that any open-market purchases be effected on a "recognized stock exchange." Except where otherwise noted, references elsewhere in this prospectus to repurchasing or buying back our ordinary shares refer to our or one of our subsidiaries' redemption of ordinary shares, in each case in accordance with our Constitution and Irish law as described below.

***Our Repurchases and Redemptions***

Under Irish law, a company may issue redeemable shares and redeem them out of distributable reserves or the proceeds of a new issue of shares for that purpose. Please see also the *"—Dividends"* section above. We may only issue redeemable shares if the nominal value of the issued share capital that is not redeemable is not less than 10% of the nominal value of our total issued share capital. All redeemable shares must also be fully-paid. Redeemable shares may, upon redemption, be canceled or held in treasury. Based on the provision of our Constitution described above, shareholder approval is not required to redeem our shares.

We may also be given an additional general authority to purchase our own shares on-market which would take effect on the same terms and be subject to the same conditions as applicable to purchases by our subsidiaries as described below.

Our Board may also issue preferred shares that may be redeemed at our option or the option of the preferred shareholder, depending on the terms of such preferred shares. Please see *"—Authorized Share Capital"* above for additional information on preferred shares.

Under Irish law, repurchased and redeemed shares may be canceled or held as treasury shares. The nominal value of treasury shares held by us at any time must not exceed 10% of the nominal value of our issued share capital. We may not exercise any voting rights in respect of any shares held as treasury shares. Treasury shares may be canceled by us or re-issued subject to certain conditions.

***Purchases by Our Subsidiaries***

Under Irish law, a subsidiary may purchase our shares either on-market (an overseas market purchase) or off-market. For one of our subsidiaries to make on-market purchases of our ordinary shares, our shareholders must provide general authorization for such purchase by way of ordinary resolution. However, as long as this general authority has been granted, no specific shareholder authority for a particular on-market purchase by a subsidiary of our ordinary shares is required. For an off-market purchase by one of our subsidiaries, the proposed purchase contract must be authorized by special resolution of the shareholders before the contract is entered into. The person whose shares are to be bought back cannot vote in favor of the special resolution and, for at least 21 days prior to the special resolution being passed, the purchase contract must be on display or must be available for inspection by shareholders at our registered office.

In order for one of our subsidiaries to make an overseas market purchase of our shares, such shares must be purchased on a "recognized stock exchange." The Nasdaq Global Select Market, on which our shares are listed, is specified as a recognized stock exchange for this purpose by Irish law.

The number of shares held by our subsidiaries at any time will be included in any calculation of the permitted treasury share threshold of 10% of the nominal value of our issued share capital. While a subsidiary holds our shares, it cannot exercise any voting rights in respect of those shares. The acquisition of our shares by a subsidiary must be funded out of distributable reserves of the subsidiary.

***Share Repurchase Program***

Our current share repurchase program authorizes us to repurchase up to $215 million of our ordinary shares at the discretion of management from time to time in the open market or through privately negotiated transactions. The repurchase program has no set expiration date and may be suspended or discontinued at any time. As of December 31, 2023, we had purchased a total of 8,866,342 ordinary shares under this program at a cost of approximately $114 million.

As noted above, shareholder approval for such repurchases will not be required because a repurchase of our shares will be effected as a redemption pursuant to our Constitution.

**Bonus Shares**

Under our Constitution, the Board may resolve to capitalize any amount standing to the credit of the reserves of the Company (including, but not limited to, the share premium account, capital redemption reserve, capital conversion reserve and profit and loss account), whether or not available for distribution, for any purpose, including, but not limited to, for the purposes of effecting any exchange of any rights and applying any such sum arising from such capitalization to pay up any shares of the Company and allot them, credited as fully paid, to any holders of such rights.

**Lien on Shares, Calls on Shares and Forfeiture of Shares**

Our Constitution provides that we will have a first and paramount lien on every share that is not a fully paid up share for all amounts payable at a fixed time or called in respect of that share. Subject to the terms of their allotment, our Board may call for any unpaid amounts in respect of any shares to be paid, and if payment is not made, the shares may be forfeited. These provisions are standard inclusions in the constitution of an Irish company limited by shares such as ours and will only be applicable to our shares that have not been fully paid up.

**Consolidation and Division; Subdivision**

Under our Constitution, we may, by ordinary resolution, consolidate and divide all or any of our share capital into shares of larger nominal value than our existing shares or subdivide our shares into smaller amounts than is fixed by our Constitution.

**Reduction of Share Capital**

We may, by ordinary resolution, reduce our authorized share capital in any way, provided that such resolution does not reduce the authorized share capital to an amount less than the issued share capital at such time. We also may, by special resolution and subject to confirmation by the Irish High Court, reduce or cancel our issued share capital in any way we think expedient.

**Annual Meetings of Shareholders**

We are required to hold annual general meetings at intervals of no more than 15 months, provided that an annual general meeting is held in each calendar year and no more than nine months after our fiscal year-end. Any annual general meeting may be held outside Ireland, provided that the Company makes all necessary arrangements to ensure that shareholders can participate in such meeting by technological means without leaving Ireland.

Notice of each annual general meeting must be given to all our shareholders and to our auditors. Our Constitution provides for a minimum notice period of 21 days, which is the minimum permitted under Irish law.

The only matters which must, as a matter of Irish law, be transacted at an annual general meeting are: (i) the consideration of the Company's statutory financial statements and the report of the Board and the report of the statutory auditors on those statements and that report; (ii) the review by the members of the Company's affairs; (iii) the authorization of the Board to approve the remuneration of the statutory auditors; and (iv) the election and/or re-election of members of the Board in accordance with our Constitution. If no resolution is made in respect of the reappointment of an existing auditor at an annual general meeting, the existing auditor will be deemed to have continued in office.

**Extraordinary General Meetings of Shareholders**

Extraordinary general meetings may be convened by: (i) the Board; (ii) at the request of shareholders holding not less than 10% of our paid-up share capital carrying voting rights; or (iii) at the request of our auditors in certain circumstances in accordance with the Companies Act. Extraordinary general meetings are generally held for the purposes of approving shareholder resolutions as may be required from time to time. At any extraordinary general meeting, only such business shall be conducted as is set forth in the notice thereof.

Notice of an extraordinary general meeting must be given to our shareholders and to our auditors. Under Irish law and our Constitution, the minimum notice periods are 21 days' notice in writing for an extraordinary general meeting to approve a special resolution and 14 days' notice in writing for any other extraordinary general meeting.

In the case of an extraordinary general meeting convened on the requisition of our shareholders, the proposed purpose of the meeting must be set out in the requisition notice. Upon receipt of this required notice, the Board has 21 days to convene a meeting of our shareholders to vote on the matters set out in the required notice. This meeting must be held within two months of the receipt of the requisition notice. If the Board does not convene the meeting within such 21-day period, the requisitioning shareholders, or any of them representing more than one half of the total voting rights of all of them, may themselves

convene a meeting, which meeting must be held within three months of our receipt of the requisition notice.

If the Board becomes aware that our net assets are not greater than half of the amount of our called-up share capital, our Board must convene an extraordinary general meeting of our shareholders not later than 28 days from the date that they learn of this fact to consider how to address the situation.

**Quorum for General Meetings**

Our Constitution provides that no business shall be transacted at any general meeting unless a quorum is present. One or more shareholders present in person or by proxy holding not less than a majority of our issued and outstanding shares entitled to vote at the meeting in question constitute a quorum for such meeting.

**Voting**

Our Constitution provides that the Board or the chairman of the Board may determine the manner in which the poll is to be taken at each meeting and the manner in which the votes are to be counted.

Every shareholder is entitled to one vote for each ordinary share that s/he holds as of the record date for the meeting. Voting rights may be exercised by shareholders registered in our share register as of the record date for the meeting or by a duly appointed proxy, which proxy need not be a shareholder. Where interests in shares are held by a nominee trust company, this company may exercise the rights of the beneficial holders on their behalf as their proxy. All proxies must be appointed in the manner prescribed by our Constitution, which permit shareholders to notify us of their proxy appointments electronically in such manner as may be approved by the Board.

In accordance with our Constitution, our Board may from time to time authorize us to issue preferred shares. These preferred shares may have such voting rights as may be specified in the terms of such preferred shares (e.g., they may carry more votes per share than ordinary shares or may entitle their holders to a class vote on such matters as may be specified in the terms of the preferred shares). Treasury shares or shares of the Company that are held by our subsidiaries will not be entitled to be voted at general meetings of shareholders.

Irish law requires special resolutions of the shareholders at a general meeting to approve certain matters. Examples of matters requiring special resolutions include:

a) amending our Constitution;

b) approving a change of our name;

c) authorizing the entering into of a guarantee or provision of security in connection with a loan, quasi-loan or credit transaction to a director or connected person;

d) opting out of pre-emption rights on the issuance of new shares;

e) creating a new class of shares;

f) our re-registration from a public limited company to a private company;

g) variation of class rights attaching to classes of shares (where the Constitution do not provide otherwise);

h) purchase of our own shares off-market;

i) reduction of issued share capital;

j) sanctioning a compromise/scheme of arrangement;

k) resolving that we be wound up by the Irish courts;

l) resolving in favor of a shareholders' voluntary winding-up;

m) re-designation of shares into different share classes; and

n) setting the re-issue price of treasury shares.

**Variation of Rights Attaching to a Class or Series of Shares**

Under our Constitution and the Companies Act, any variation of class rights attaching to our issued shares must be approved by a special resolution of the shareholders of the affected class or with the consent in writing of the holders of three-quarters of all the votes of that class of shares.

The provisions of our Constitution relating to general meetings apply to general meetings of the holders of any class of shares except that the necessary quorum is determined by reference to the shares of the holders of the class. Accordingly, for general meetings of holders of a particular class of shares, a quorum consists of the holders present in person or by proxy representing not less than a majority of the issued shares of that class entitled to vote at the meeting.

**Acquisitions**

An Irish public limited company may be acquired in a number of ways, including:

a) a court-approved scheme of arrangement under the Companies Act. A scheme of arrangement with shareholders requires a court order from the Irish High Court and the approval of a majority in number representing 75% in value of the shareholders present and voting in person or by proxy at a meeting called to approve the scheme;

b) through a tender or takeover offer by a third party for all of our shares. Where the holders of 80% or more of our shares have accepted an offer for such shares, the remaining shareholders may also be statutorily required to transfer their shares. If the bidder does not exercise its "squeeze out" right, then the non-accepting shareholders also have a statutory right to require the bidder to acquire their shares on the same terms. If our shares were to be listed on the Irish Stock Exchange or another regulated stock exchange in the EU, this threshold would be increased to 90%; and

c) by way of a merger with a company incorporated in the European Economic Area ("EEA") under the EU Cross-Border Mergers Directive (EU) 2017/1132 or with another Irish company under the Companies Act. Such a merger must be approved by a special resolution of the shareholders. Under certain circumstances, shareholders also may be entitled to have their shares acquired for cash.

Irish law does not generally require shareholder approval for a sale, lease or exchange of all or substantially all of a company's property and assets.

**Appraisal Rights**

Irish law generally does not provide for "appraisal rights". However, it does provide for dissenters' rights in certain situations, as described below.

Under a tender or takeover offer, the bidder may require any remaining shareholders to transfer their shares on the terms of the offer (i.e., a "squeeze out") if it has acquired, pursuant to the offer, not less than 80% of the target shares to which the offer relates (in the case of a company that is not listed on an EEA regulated market). Dissenting shareholders have the right to apply to the Irish High Court for relief.

A scheme of arrangement which has been approved by the requisite shareholder majority and sanctioned by the Irish High Court will be binding on all shareholders. Dissenting shareholders have the right to appear at the Irish High Court hearing and make representations in objection to the scheme.

Under the European Communities (Cross-Border Mergers) Regulations 2008 governing the merger of an Irish company limited by shares such as we are and a company incorporated in the EEA, a shareholder: (i) who voted against the special resolution approving the merger; or (ii) of a company in which 90% of the shares are held by the other party to the merger, has the right to request that the company acquire its shares for cash at a price determined in accordance with the share exchange ratio set out in the merger agreement.

Similar rights apply in the case of a merger of an Irish public limited company into another company to which the provisions of the Companies Act apply.

**Disclosure of Interests in Shares**

Under the Companies Act, shareholders must notify us if, as a result of a transaction, the shareholder will become interested in 3% or more of our shares; or if as a result of a transaction a shareholder who was interested in more than 3% of our shares ceases to be so interested. Where a shareholder is interested in more than 3% of our shares, the shareholder must notify us of any alteration of his or her interest that brings his or her total holding through the nearest whole percentage number, whether an increase or a reduction. The relevant percentage figure is calculated by reference to the aggregate nominal value of the shares in which the shareholder is interested as a proportion of the entire nominal value of our issued share capital of (or any such class of share capital in issue). Where the percentage level of the shareholder's interest does not amount to a whole percentage this figure may be rounded down to the next whole number. We must be notified within five business days of the transaction or alteration of the shareholder's interests that gave rise to the notification requirement. If a shareholder fails to comply with these notification requirements, the shareholder's rights in respect of any shares it holds will not be enforceable, either directly or indirectly. However, such person may apply to the court to have the rights attaching to such shares reinstated.

In addition to these disclosure requirements, we may, under the Companies Act, by notice in writing, require a person whom we know or have reasonable cause to believe to be, or at any time during the three years immediately preceding the date on which such notice is issued to have been, interested in shares comprised in our relevant share capital to: (i) indicate whether or not it is the case; and (ii) where such person holds or has during that time held an interest in our shares, to provide additional information, including the person's own past or present interests in our shares. If the recipient of the notice fails to respond within the reasonable time period specified in the notice, we may apply to court for an order directing that the affected shares be subject to certain restrictions, as prescribed by the Companies Act, as follows:

a) any transfer of those shares or, in the case of unissued shares, any transfer of the right to be issued with shares and any issue of shares, shall be void;

b) no voting rights shall be exercisable in respect of those shares;

c) no further shares shall be issued in right of those shares or in pursuance of any offer made to the holder of those shares; and

d) no payment shall be made of any sums due from us on those shares, whether in respect of capital or otherwise.

The court may also order that shares subject to any of these restrictions be sold with the restrictions terminating upon the completion of the sale.

In the event that we are in an offer period pursuant to the Irish Takeover Rules made under the Irish Takeover Panel Act 1997 (the "Irish Takeover Rules"), accelerated disclosure provisions apply for persons holding an interest in our securities of 1% or more.

In addition, the beneficial ownership disclosures of the U.S. federal securities laws will apply with respect to beneficial ownership of our shares.

**Anti-Takeover Provisions**

***Irish Takeover Rules and Substantial Acquisition Rules***

A transaction in which a third party seeks to acquire 30% or more of our voting rights will be governed by the Irish Takeover Panel Act 1997 and the Irish Takeover Rules made thereunder and will be regulated by the Irish Takeover Panel. The "General Principles" of the Irish Takeover Rules and certain important aspects of the Irish Takeover Rules are described below.

***General Principles***

The Irish Takeover Rules are built on the following general principles (the "General Principles"), which will apply to any transaction regulated by the Irish Takeover Panel:

a) in the event of an offer, all holders of securities of the target company should be afforded equivalent treatment and, if a person acquires control of a company, the other holders of securities must be protected;

b) the holders of the securities of the target company must have sufficient time and information to enable them to reach a properly informed decision on the offer; where it advises the holders of securities, the board of the target company must give its views on the effects of implementation of the offer on employment, conditions of employment and the locations of the target company's places of business;

c) the board of the target company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the offer;

d) false markets must not be created in the securities of the target company, the bidder or of any other company concerned by the offer in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted;

e) a bidder must announce an offer only after ensuring that it can fulfill in full, any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration;

f) a target company must not be hindered in the conduct of its affairs for longer than is reasonable by an offer for its securities; and

g) a substantial acquisition of securities (whether such acquisition is to be effected by one transaction or a series of transactions) shall take place only at an acceptable speed and shall be subject to adequate and timely disclosure.

***Mandatory Bid***

Under certain circumstances, a person who acquires our shares may be required under the Irish Takeover Rules to make a mandatory cash offer for our remaining outstanding shares at a price not less than the highest price paid for the shares by that acquirer (or any parties acting in concert with the acquirer) during the previous twelve months. This mandatory bid requirement is triggered if an acquisition of shares would increase the aggregate holding of an acquirer (including the holdings of any parties acting in concert with the acquirer) to shares representing 30% or more of our voting rights, unless the Irish Takeover Panel otherwise consents. An acquisition of shares by a person holding (together with its concert parties) shares representing between 30% and 50% of our voting rights would also trigger the mandatory bid requirement if, after giving effect to the acquisition, the percentage of the voting rights held by that person (together with its concert parties) would increase by 0.05% within a twelve-month period. Any person (excluding any parties acting in concert with the holder) holding shares representing more than 50% of the voting rights of a company is not subject to these mandatory offer requirements.

***Voluntary Bid; Requirements to Make a Cash Offer and Minimum Price Requirements***

If a person makes a voluntary offer to acquire our outstanding ordinary shares, the offer price must be no less than the highest price paid for our ordinary shares by the bidder or its concert parties during the three-month period prior to the commencement of the offer period. The Irish Takeover Panel has the power to extend the "look back" period to twelve months if the Irish Takeover Panel, taking into account the General Principles, believes it is appropriate to do so.

If the bidder or any of its concert parties has acquired our ordinary shares: (i) during the period of twelve months prior to the commencement of the offer period which represent more than 10% of our total ordinary shares; or (ii) at any time after the commencement of the offer period, the offer must be in cash (or accompanied by a full cash alternative) and the price per ordinary share must not be less than the highest price paid by the bidder or its concert parties during, in the case of (i), the 12-month period prior to the commencement of the offer period and, in the case of (ii), the offer period. The Irish Takeover Panel may apply this rule to a bidder who, together with its concert parties, has acquired less than 10% of our total ordinary shares in the 12-month period prior to the commencement of the offer period if the Irish Takeover Panel, taking into account the General Principles, considers it just and proper to do so.

An offer period will generally commence from the date of the first announcement of the offer or proposed offer.

Any announcement by us which commences an offer period must identify the potential bidder with which we are in talks or from which an approach was received. Any such bidder will then have a period of 42 days following such announcement (i.e. the announcement in which they are first identified) to announce a firm intention to make an offer or announce that they do not intend to do so, in which case they will then be restricted from making an offer for six months.

***Substantial Acquisition Rules***

The Irish Takeover Rules also contain rules governing substantial acquisitions of shares which restrict the speed at which a person may increase his or her holding of shares and rights over shares to an aggregate of between 15% and 30% of our voting rights. Except in certain circumstances, an acquisition or series of acquisitions of shares or rights over shares representing 10% or more of our voting rights is prohibited, if such acquisition(s), when aggregated with shares or rights already held, would result in the acquirer holding 15% or more but less than 30% of our voting rights and such acquisitions are made within a period of seven days. These rules also require accelerated disclosure of acquisitions of shares or rights over shares relating to such holdings.

***Shareholder Rights Plan***

Under our Constitution, the Board is authorized to adopt a shareholder rights plan (a "Shareholder Rights Plan"), upon such terms and conditions as the Board deems expedient and in the best interests of the Company, subject to applicable law, including the grant of rights (including approving the execution of any documents relating to the grant of such rights) to subscribe for ordinary shares or preferred shares in the share capital of the Company in accordance with the terms of any Shareholder Rights Plan. The Board or any duly appointed committee thereof may effect an exchange of rights in accordance with such Shareholder Rights Plan.

***Frustrating Action***

Under the Irish Takeover Rules, our Board is not permitted to take any action which might frustrate an offer for our shares once the Board has received an approach which may lead to an offer or has reason to believe an offer is or may be imminent, subject to certain exceptions. Potentially frustrating actions such as: (i) the issue of shares, options or convertible securities; (ii) material acquisitions or disposals; (iii) entering into contracts other than in the ordinary course of business; or (iv) any action, other than seeking alternative offers, which may result in frustration of an offer, are prohibited during the course of an offer or at any time during which the Board has reason to believe an offer is imminent. Exceptions to this prohibition are available where:

a) the action is approved by our shareholders at a general meeting; or

b) the Irish Takeover Panel has given its consent, where:

    1. it is satisfied the action would not constitute frustrating action;

    2. the holders of 50% of the voting rights state in writing that they approve the proposed action and would vote in favor of it at a general meeting;

    3. the action is taken in accordance with a contract entered into prior to the announcement of the offer; or

    4. the decision to take such action was made before the announcement of the offer and either has been at least partially implemented or is in the ordinary course of business.

Certain other provisions of Irish law or our Constitution may be considered to have anti-takeover effects, including those described under the following captions: *"—Authorized Share Capital"* (regarding issuance of preferred shares), *"—Pre-emption Rights, Share Warrants and Share Options," "—Disclosure of Interests in Shares,"* and *"—Corporate Governance."*

**Appointment of Directors of the Board**

Until the close of our 2024 annual general meeting of shareholders (the "2024 annual general meeting"), the directors of the Board shall be divided into three classes, designated Class I, Class II and Class III. Any allocation of the directors into such classes shall be made by the decision of the affirmative vote of a majority of the Board then in office. The current terms of each of the Class I, Class II and Class III directors shall terminate on the date of our 2024 annual general meeting. Since 2022, at each annual general meeting of shareholders, each director whose term expires at that annual general meeting of shareholders shall be eligible for re-election for a one-year term. Except as otherwise set forth in our Constitution, directors will be elected by way of ordinary resolution at a general meeting. In the event of a contested election (where the number of persons validly nominated for election exceeds the number of available director positions to be elected), only those directors in number equal to the number of available director positions and who receive the highest number of votes in favor of their election shall be elected.

In no case will a decrease in the size of the Board shorten the term of any incumbent director. A director shall hold office until the close of the annual general meeting of shareholders for the year in which their term expires and until their successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office. Any vacancy on the Board, including a vacancy that results from an increase in the size of the Board or from the death, resignation, retirement, disqualification or removal of a director, shall be deemed a casual vacancy, and subject to the terms of any one or more classes or series of preferred shares (if any), shall only be filled by decision of a majority of the Board then in office. Until the 2024 annual general meeting, any director appointed to fill a vacancy shall hold office for the same remaining term as that of the class that she has been designated in accordance with the Company's articles of association. After the 2024 annual general meeting, any director appointed to fill a vacancy shall hold office until the next annual general meeting. A director retiring from the Board at a general meeting shall retain office until the close or adjournment of such meeting.

During any vacancy in the Board, the remaining directors have full power to act as the Board. If, at any general meeting of the Company, the number of directors is reduced below the minimum prescribed by the Board due to the failure of any persons nominated to be directors to be elected, then in those circumstances, the nominee or nominees who receive the highest number of votes in favor of election shall be elected in order to maintain the prescribed minimum number of directors and each such director shall remain a director (subject to the provisions of the Companies Act and our Constitution) only until the conclusion of the next annual general meeting of the Company unless such director is elected by the Members (as defined in our Constitution) during such meeting.

**Duration; Dissolution; Rights upon Liquidation**

Our duration is unlimited. We may be dissolved and wound up at any time by way of a shareholders' voluntary winding up or a creditors' winding up. In the case of a shareholders' voluntary winding-up, a special resolution of shareholders is required. We may also be dissolved by way of court order on the application of a creditor, or by the Companies Registration Office as an enforcement measure where we have failed to file certain returns.

The rights of the shareholders to a return of our assets on dissolution or winding up, following the settlement of all claims of creditors, may be prescribed in our Constitution or the terms of any preferred shares issued by our Board from time to time. The holders of preferred shares in particular may have the right to priority in our dissolution or winding up. If the Constitution contains no specific provisions in respect of a dissolution or winding up then, subject to the priorities of any creditors, the assets will be distributed to shareholders in proportion to the paid-up nominal value of the shares held. Our Constitution provides that our ordinary shareholders are entitled to participate pro rata in a winding up, but their right to do so may be subject to the rights of any preferred shareholders to participate under the terms of any series or class of preferred shares.

**Uncertificated Shares**

Pursuant to the Companies Act, a shareholder is entitled to be issued a share certificate on request and subject to payment of a nominal fee.

**No Sinking Fund**

Our ordinary shares have no sinking fund provisions.

**No Liability for Further Calls or Assessments**

Our ordinary shares are duly and validly issued and fully-paid.

**Transfer and Registration of Shares**

Our transfer agent maintains our share register, which is determinative of ownership of our shares. Our shareholders who hold shares beneficially are not the holders of record of such shares. Instead, the depository (for example, Cede & Co., as nominee for DTC) or other nominee is the holder of record of those shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in our official share register, as the depository or other nominee will remain the record holder of any such shares.

A written instrument of transfer is required under Irish law in order to register on our official share register any transfer of shares: (i) from a person who holds such shares directly to any other person; (ii) from a person who holds such shares beneficially to a person who holds such shares directly; or (iii) from a person who holds such shares beneficially to another person who holds such shares beneficially where the transfer involves a change in the depository or other nominee that is the record owner of the transferred shares. An instrument of transfer is also required for a shareholder who directly holds shares to transfer those shares into his or her own broker account (or vice versa). Such instruments of transfer may give rise to Irish stamp duty, which must be paid prior to registration of the transfer on our official Irish share register. However, a shareholder who directly holds shares may transfer those shares into his or her own broker account (or vice versa) without giving rise to Irish stamp duty provided there is no change in the ultimate beneficial ownership of the shares as a result of the transfer and the transfer is not made in contemplation of a sale of the shares.

Any transfer of our ordinary shares that is subject to Irish stamp duty will not be registered in the name of the buyer unless an instrument of transfer is duly stamped and provided to the transfer agent. Our Constitution allows us, in our absolute discretion, to create an instrument of transfer and pay (or procure the payment of) any stamp duty, which is the legal obligation of a buyer. In the event of any such payment, we are (on our behalf or on behalf of our affiliates) entitled to: (i) seek reimbursement from the buyer or seller (at our discretion); (ii) set-off the amount of the stamp duty against future dividends payable to the buyer or seller (at our discretion); and (iii) claim a lien against the ordinary shares on which we have paid stamp duty. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in our ordinary shares has been paid unless one or both of such parties is otherwise notified by us.

Our Constitution delegates to our secretary the authority to execute an instrument of transfer on behalf of a transferring party.

In order to help ensure that the official share register is regularly updated to reflect trading of our ordinary shares occurring through normal electronic systems, we intend to regularly produce any required instruments of transfer in connection with any transactions for which we pay stamp duty (subject to the reimbursement and set-off rights described above). In the event that we notify one or both of the parties to a share transfer that we believe stamp duty is required to be paid in connection with the transfer and that we will not pay the stamp duty, the parties may either themselves arrange for the execution of the required instrument of transfer (and may request a form of instrument of transfer from us for this purpose) or request that we execute an instrument of transfer on behalf of the transferring party in a form determined by us. In either event, if the parties to the share transfer have the instrument of transfer duly stamped (to the extent required) and then provide it to our transfer agent, the buyer will be registered as the legal owner of the relevant shares on our official Irish share register (subject to the matters described below).

The Board may suspend registration of transfers from time to time, with such suspensions not to exceed 30 days in aggregate each year.

**Exhibit 10.5**

**Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K. Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K.**

DEVELOPMENT AND LICENSE AGREEMENT

This Development and License Agreement ("Agreement") is entered into effective as of May 15, 2000 (the "Effective Date") between Alkermes Controlled Therapeutics Inc. II ("ACTII") and Amylin Pharmaceuticals, Inc. ("Amylin").

RECITALS

WHEREAS, ACTII owns or has licensed from third parties certain intellectual property rights relating to injectable, sustained release formulation systems, including the Medisorb® microsphere system (the "System," as defined below);

WHEREAS, Amylin owns or has licensed from third parties certain intellectual property rights relating to Field Products (as defined below);

WHEREAS, ACTII and Amylin previously entered into a Feasibility Study Agreement dated as of June 24, 1999 between ACTII and Amylin, as extended pursuant to the Feasibility Study Extension Agreement dated February 15, 2000 (collectively, the "Feasibility Agreement");

WHEREAS, based upon the results to date of the study performed pursuant to the Feasibility Agreement, the Parties have determined that the use of ACTII's System formulations for AC2993 shows sufficient promise to justify further development pursuant to this Agreement; and,

WHEREAS, ACTII and Amylin wish to enter into this Agreement, in accordance with the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Definitions. The following terms shall have the following meanings:

1.1 "AC2993" means synthetic exendin-4.

1.2 "ACTII Know-How" means any and all confidential information, data and knowledge related to the subject matter of ACTII Patents including, without limitation, any know-how, trade secrets, techniques, strategies, methods, processes, practices, skills, experience, documents, apparatus, devices, assays, screens, databases, database structures and data analysis methods. ACTII Know-How does not include ACTII Patents.

1.3 "ACTII Patents" means all patents and patent applications owned or controlled by ACTII relating to the System that are necessary or useful in the manufacture or use of products in the Field, including those patents and patent applications listed on Exhibit A hereto, together with any patents resulting therefrom, including divisionals, continuations, continuations-in-part, continued prosecution applications, reissues, re-examinations, extensions of term, substitutions, revalidations, renewals, supplemental protection certificates, registrations

and confirmations thereof, and any other patent or patent application that covers an Invention which is owned (either jointly or solely by ACTII) or controlled by ACTII. ACTII Patents does not include ACTII Know How.

1.4 "Affiliate" means any entity controlled by, controlling or under common control of any entity. For purposes of this Section 1.4, "control" denotes the ownership of fifty per cent (50%) or more of the voting stock or voting equity interests.

1.5 "Amylin Patents and Proprietary Information" means (i) the patents and patent applications necessary or useful in the development of a product in the Field under this Agreement, initially AC2993, together with any patents resulting therefrom, including divisionals, continuations, continuations-in-part, continued prosecution applications, reissues, re-examinations, extensions of term, substitutions, revalidations, renewals, supplemental protection certificates, registrations and confirmations thereof, and (ii) the proprietary information, including data, results, knowledge, materials, compositions, formulas, specifications, designs, devices, methods, processes and techniques, whether patentable or not, developed, conceived, discovered, synthesized or acquired by Amylin, and/or its Affiliates, necessary or useful in the development of a product in the Field under this Agreement, initially AC2993.

1.6 "Average 20-Day Trailing Price" means, on any day, the average of the closing prices, as reported on the Nasdaq National Market, for Amylin's common stock for the 20 trading days immediately preceding such day.

1.7 "Clinical Trial" means a human clinical trial conducted in normal volunteers or patients and designed to evaluate safety, efficacy or required dosage regimen of a Product.

1.8 "Co-Marketer" means any co-marketer, co-detailer, marketing partner, distributor, wholesaler, consignee or other person or entity acting under an arrangement that is the functional equivalent of a license or sublicense, but excluding distribution, wholesaling and consignment arrangements where the distributor, wholesaler or consignee is not obligated, in addition to selling a Product, to undertake any significant promotional or similar marketing efforts with respect to the Product.

1.9 "Commercially Reasonable Efforts" means a Party's efforts to develop, market, or distribute a Product, as applicable, depending on such Product's stage of development or commercialization, at a level consistent with the efforts that are devoted (or would be devoted) by that Party to other products of comparable commercial potential at a similar stage of development or commercialization.

1.10"Confidential Information" 2-means information relating to the subject matter of this Agreement, provided by the Disclosing Party to the Receiving Party and identified as "Confidential"; provided, however, that Confidential Information shall not include any such information that:

(a) was known to the Receiving Party at the time of disclosure by the Disclosing Party (other than through receipt from the Disclosing Party or its Affiliates), as can be established by written documentation; or

(b) was generally available to the public or was otherwise part of the public domain at the time of such disclosure or became generally available to the public or otherwise part of the public domain after such disclosure other than through any act or omission of the Receiving Party in breach of this Agreement; or

(c) became known to the Receiving Party after disclosure by the Disclosing Party through a non-confidential disclosure from a source that had a lawful right to disclose such information to others; or

(d) was independently developed by the Receiving Party where such independent development can be established by written documentation.

1.11"Disclosing Party" means a Party that discloses its Confidential Information to the other Party.

1.12"FDA" means the U.S. Food and Drug Administration.

1.13"Field" means System formulations of Field Products.

1.14"Field Products" means [**]

1.15"FTE Hourly Rate" means [**]

1.16"Inventions" means any inventions or discoveries, whether or not patentable, conceived pursuant to the Product Development Plan during the term of this Agreement or within three (3) months thereafter.

1.17"Joint Inventions" has the meaning given to it in Section 10.2 (a).

1.18"Major European Market Country" means each of France, Germany, Italy, Spain and the United Kingdom.

1.19"Major Market Country" means each of France, Germany, Italy, Spain, the United Kingdom, the United States and Japan.

1.20"NDA" means a New Drug Application filed with the FDA.

1.21"Net Sales" means [**]

If ACTII is receiving royalties under this Agreement from any Product sold in a form containing Product and at least one other ingredient, product or component which is Therapeutically Active, Net Sales for such combination Product will be calculated by multiplying actual Net Sales of such combination Product by the fraction A/(A+B) where A is the invoice price of the Product if sold separately, and B is the invoice price of any other ingredient which is Therapeutically Active in the combination, if sold separately. If, on a country-by-country basis, the other ingredient which is Therapeutically Active in the combination is not sold separately in said country, Net Sales for the purpose of determining royalties of the combination Product shall be calculated by multiplying actual Net Sales of such

combination Product by the fraction A/C where A is the invoice price of the Product, if sold separately, and C is the invoice price of the combination Product. If, on a country-by-country basis, neither the Product nor the other ingredient which is Therapeutically Active of the combination Product is sold separately in said country, Net Sales for the purpose of determining royalties of the combination Product shall be determined by the Parties in good faith. In general, the Parties agree to negotiate in good faith for an equitable determination of Net Sales of Product, on a country-by-country basis, in the event that Amylin or its Affiliates, sublicensees or Co-Marketers sell Product in such a manner that gross sales of the same are not readily identifiable.

1.22"Party" means each of ACTII and Amylin.

1.23"Phase III Clinical Trial" means a large-scale human clinical trial conducted in patients and designed to indicate a statistically significant level of efficacy for a Product in the treatment of the disease state being studied and required to obtain clinical registration of the Product with health regulatory authorities such as the FDA.

1.24 "Product" means any Field Product the manufacture, use, sale, offer for sale, or import of which, but for the licenses granted in this Agreement, would infringe a Valid Claim of any of the ACTII Patents.

1.25 "Product Development Plan" has the meaning given to it in Section 4.3(d)(i).

1.26"Project Working Team" means the working team formed pursuant to Section 4.3(a).

1.27"Receiving Party" means a Party that receives Confidential Information from the Disclosing Party.

1.28"Regulatory Approval" means approval of an NDA by the FDA or approval of a comparable application or set of applications by a comparable regulatory authority in a country other than the United States, together with satisfaction of any related regulatory and notification requirements of the FDA or such other regulatory authority.

1.29"Steering Committee" means the committee formed pursuant to Section 4.2(a).

1.30"System" refers to methods for preparing microspheres/microparticles by combining two phases by mixing or other means of blending to form an emulsion, which is then subjected to one or more extraction steps to remove drug/polymer solvents and complete the formation of microspheres/microparticles, and to the microspheres/microparticles prepared thereby. The first phase comprises active ingredient, polymer, and polymer and/or drug solvents. The second phase comprises water and an emulsifying agent. By way of further clarification, the emulsion could comprise two phases (e.g., oil in water) or multiple phases (e.g., water in oil in water), depending on the choice of solvents for the drug and polymer.

1.31 "Therapeutically Active" means biologically active but shall not include diluents, vehicles or specific adjuvants or any other ingredient (other than a Product) which does not have any, or only incidental, therapeutic properties when present alone.

1.32 "Valid Claim" means a claim of an issued patent which claim has not lapsed, been canceled or become abandoned and has not been declared invalid or unenforceable by an unreversed and unappealable decision or judgment of a court or other appropriate body of competent jurisdiction, and that has not been admitted to be invalid through disclaimer or found to be unenforceable through reissue.

1.33"Warrant" means a warrant for one share of the common stock of Amylin, exercisable at any time on or after the date on which the warrant is issued. [**]

2.License Grants.

2.1 Grants.

(a) Subject to the limitations, terms and conditions set forth in this Agreement, ACTII hereby grants to Amylin an exclusive (even as to ACTII, except as provided in Section 2.1(b), below), worldwide license in the Field under ACTII Patents and ACTII Know-How, together with the right to grant sublicenses, to make, have made, use, import, offer to sell, sell and have sold Products.

(b) Subject to the limitations, terms and conditions set forth in this Agreement, Amylin hereby grants to ACTII a non-exclusive, non-transferable, worldwide, royalty-free license, without the right to grant sublicenses, under the Amylin Patents and Proprietary Information to carry out its duties and obligations with respect to Field Products under this Agreement.

2.2 Commercialization by Amylin. Amylin shall use Commercially Reasonable Efforts to develop Products for marketing or distribution in all Major Market Countries and to take such other actions as are necessary to obtain government approvals to market the Products in such markets throughout the world as Amylin believes appropriate, and thereafter to use Commercially Reasonable Efforts to market or distribute such Products in such markets.

3.Payments to ACTII.

3.1 Feasibility Study Completion Milestone. At [**] Amylin shall pay to ACTII **[**]** and shall issue to ACTII **[**]** Warrants exercisable at a purchase price equal to the Average 20-Day Trailing Price on the Effective Date of this Agreement. If Amylin does not make the payment and issue the Warrants as provided in the Section 3.1 as set forth above, the Agreement shall automatically terminate and neither Party shall have any obligation to the other.

3.2 Development Funding. According to Section 4, Amylin will pay to ACTII the FTE Hourly Rate for all work performed by ACTII under the Product Development Plan.

3.3 Milestones. The following milestone payments shall be paid in accordance with the following schedule for the first Product to reach each milestone in the Field, said milestone payments to be made within thirty (30) days of the milestone date:

| Milestone | Milestone Payment |
|---|---|
| [**] | [**] |
| **Enrollment of first patient in a Phase III Clinical Trial** | **$5,000,000** |
| **First commercial sale of a Product in the United States** | **$7,000,000** |
| **First commercial sale of a Product in a Major European Market Country** | **$7,000,000** |

All milestone payments are non-refundable and non-creditable.

3.4 Payment for Products Manufactured by ACTII. According to Section 6, Amylin will pay to ACTII a transfer price based on Net Sales of all Products manufactured by ACTII.

3.5 Royalties on Products Not Manufactured by ACTII. For all Products that are not manufactured by ACTII and are instead manufactured by a third party pursuant to Section 6.2 ("Failure to Supply"), below, Amylin shall pay to ACTII a royalty on Net Sales at the rate of [**]. For all Products that are not manufactured by ACTII and are instead manufactured by a third party pursuant to Section 6.3 ("Second Source"), below, Amylin shall pay to ACTII a royalty on Net Sales at the rate of [**]. The royalty payable under this Section 3.5 will be payable only once with respect to a particular sale of a Product regardless of there being more than one patent or Valid Claim applicable to such Product.

3.6 Transfer Price and Royalty Terms. This Section 3.6 shall apply to both the transfer price payable under Section 3.4 and the royalty payable under Section 3.5.

(a) [**]

(b) Mode of Payment. Royalty and transfer price payments shall be made within thirty (30) days after the end of the calendar quarter for all Net Sales invoiced by Amylin, its Affiliates, sublicensees and Co-Marketers in such calendar quarter. Each royalty and transfer price payment shall be accompanied by a detailed statement that shall include for each country in which sales of Products occurred: (a) the gross sales and Net Sales in such country's currency or in the Euro, if applicable; (b) the applicable exchange rate for converting such currency to United States Dollars and gross sales and Net Sales in United States Dollars; (c) an accounting of all deductions taken in the calculation of Net Sales; (d) a separate accounting for all combination Products sold and the formulas used in the calculation of the royalty owed thereon; and (e) the royalty payable in United States Dollars. Such statement shall

be deemed Confidential Information of Amylin. The rate of exchange to be used in any currency conversion to United States Dollars shall be the rate reported in the Wall Street Journal for the purchase of United States Dollars with such currency on the last business day in Geneva, Switzerland for the quarter for which the report is being prepared. All royalty and transfer price payments hereunder shall be made to ACTII in United States Dollars by bank wire transfer in immediately available funds to a bank account designated by ACTII. All payments hereunder shall be made net of any withholding taxes, duties, levies, fees or charges required to be withheld under the law on behalf of ACTII. Amylin shall make any withholding payment due on behalf of ACTII and shall promptly provide ACTII with written documentation of any such payment.

(c) Records Retention; Audit. Amylin agrees to keep for at least five (5) years records of all sales of Products in sufficient detail to permit ACTII to confirm the accuracy of Amylin's royalty calculations. At ACTII's request upon at least forty-five (45) days' prior written notice, and at the expense of ACTII, Amylin shall permit a nationally recognized independent certified public accountant appointed by ACTII, and reasonably acceptable to Amylin, to examine these records solely to the extent necessary to verify such calculations, provided that such accountant has entered into a confidentiality agreement with Amylin or ACTII substantially similar to the confidentiality provisions of this Agreement, limiting the use and disclosure of such information to those comparable of a royalty statement provided pursuant to Section 3.6(b) hereof. Such examination may occur only once in each calendar year and may apply only to records pertaining to the preceding five (5) calendar years. Results of any such examination shall be made available to ACTII and to Amylin. If such examination reveals an uncontested underpayment of royalties by five percent (5%) or more, Amylin shall pay all costs of such examination. In the event such accountant concludes that additional royalties are owed, the additional royalties shall be paid within thirty (30) days after the date Amylin receives the accountant's written report reflecting such conclusion. Amylin shall either (i) keep for at least five (5) years copies of records of its Affiliates, sublicensees and Co-Marketers sufficient for auditing purposes under this Section 3.5(c) or (ii) secure the right for ACTII to conduct an audit of the records of Amylin's Affiliates, sublicensees and Co-Marketers under this Section 3.6(c) including records pertaining to gross sales and all deductions taken in the calculation of Net Sales. This Section 3.6(c) shall survive any termination of this Agreement for two (2) years.

(d) Termination of Obligation to Pay Royalties. Notwithstanding anything in this Agreement to the contrary, Amylin's obligation to pay royalties on Net Sales of a Product shall cease on a country-by-country basis upon the later of (i) ten (10) years from first commercial sale of Product, and (ii) the expiration or invalidation of the last Valid Claim of all patents within the ACTII Patents covering Product in such country.

(e) Late Payments. Any payment due pursuant to Sections 3, 4 or 6 which is not made by the date it is due will accrue simple interest from that date to the date of actual payment at a rate of [**] per annum, computed for the number of days actually elapsed and a year of 365 days.

4. Product Development Program.

4.1 Scope. ACTII shall have principal responsibility for the formulation and non-clinical development of a Product for use in the Field, including formulation, development and optimization, stability testing, manufacturing of clinical supplies, process scale-up and process validation. Amylin shall have principal responsibility for toxicological and clinical development of a Product through Regulatory Approval and sole responsibility for commercialization of a Product. Each Party shall use Commercially Reasonable Efforts in performing its functions under the Product Development Plan.

4.2 Steering Committee.

(a) Within thirty (30) days after the date of this Agreement, the Parties shall form a Steering Committee consisting of an equal number of representatives of each Party. The Steering Committee shall have general authority over the strategic direction and overall management of the Product Development Plan and shall operate and have the further authority described in this Section 4.2.

(b) ACTII and Amylin shall each appoint three (3) representatives as their representatives to serve on the Steering Committee. A Party may change its representatives from time to time by giving written notice to the other Party.

(c) The Steering Committee shall generally meet at such times as it may decide and at least once per calendar quarter. The location of Steering Committee meetings shall alternate between ACTII's offices and Amylin's offices unless otherwise agreed by the Parties, with the first meeting being held at Amylin's office. Minutes of a meeting setting forth decisions of the Steering Committee shall be prepared by the Party hosting the meeting. Minutes will become official when agreed to by all members of the Steering Committee. Each Party will bear all expenses associated with attendance of its representatives at meetings. If the Steering Committee members all agree, a meeting may be held by telephone.

(d) Decisions of the Steering Committee shall be made by unanimous vote, with each member having one vote. If the Steering Committee is unable to reach a unanimous vote on any issue, the issue shall be referred to the President of ACTII (or successor position), and the Vice President of Corporate Development of Amylin (or successor position) for resolution. These individuals shall, as soon as practicable, attempt in good faith to decide the issue. If the issue is not decided within fifteen (15) days after it has been referred to such individuals, it shall be referred to Amylin's Chief Executive Officer (or successor position), who shall make the final decision regarding such issue.

(e) Within fifteen (15) days after the receipt of the proposed Product Development Plan or any amendments thereto from the Project Working Team or any appeals of decisions of the Project Working Team, the Steering Committee shall meet to consider approval of such plan or amendments, or appeal of such decision, as applicable. The Steering Committee shall periodically review the Product Development Plan from a strategic perspective, the status of efforts to implement it and to make any changes to it that it deems necessary to accomplish the purpose of this Agreement. The Steering Committee shall also settle any disputes among the Project Working Team.

4.3 Project Working Team.

(a) Within thirty (30) days after the date of this Agreement, the Parties shall form a Project Working Team, which shall consist of representatives of each Party. Either party may change its representatives on the Project Working Team at any time by giving written notice to the other Party. The Project Working Team shall be responsible for the preparation, modification (if appropriate) and implementation of the Product Development Plan. Although each Party has been given principal responsibility for certain activities, all significant decisions with respect to such activities (other than those relating to commercialization of Product which shall be the sole responsibility of Amylin) shall be made by the Project Working Team. The Project Working Team shall operate under the terms of and shall carry out the further responsibilities described in this Section 4.3.

(b) The Project Working Team shall meet as frequently as necessary to accomplish the objectives of the Product Development Plan but at least once every calendar quarter. It is anticipated that meetings will occur monthly at the commencement of the work and will be needed less frequently as the collaboration progresses. The location of the meetings will alternate between the offices of ACTII and Amylin, unless the Parties agree otherwise. Meetings of the Project Working Team can be conducted by telephone by decision of the Project Working Team. Each Party will bear all expenses associated with attendance of its representatives at meetings of the Project Working Team.

(c) Except as provided in the succeeding sentence of this paragraph, decisions of the Project Working Team shall be made by consensus when possible, and otherwise by majority vote, subject to the right of either Party to appeal any decision of the Project Working Team to the Steering Committee. Amylin's representatives on the Project Working Team shall have the sole right to determine how to proceed with respect to any commercialization activity related to a Product. No vote of the Project Working Team shall be taken unless a majority of the members of the Project Working Team are present, including at least one (1) representative of each Party. The Project Working Team shall keep minutes of any meeting at which a decision is to be reached and shall circulate such minutes to all members of the Project Working Team and the Steering Committee. Responsibility for the preparation of the minutes shall rest with the hosting party. Minutes shall be deemed approved unless any member of the Project Working Team objects to the accuracy of such minutes within five (5) days of receipt. A Party desiring to appeal a decision of the Project Working Team to the Steering Committee shall make its appeal in writing to all Steering Committee members within five (5) days of receipt of the minutes for the meeting at which the decision was made. Action pursuant to any decision appealed to the Steering Committee shall be suspended pending a determination by the Steering Committee to accept, reject or modify the decision of the Project Working Team. A Party may at any time request reconsideration of any issue if it in good faith believes that substantial changes in circumstances have occurred that necessitate such reconsideration.

(d) (i) The Project Working Team shall develop, and present to the Steering Committee for consideration, a detailed development plan to address fully, consistent with the terms of this Agreement, the key elements reasonably necessary for the research, development, formulation, and manufacture of Products through Regulatory Approval and the budgeted FTEs and other expenses related to all work to be conducted under the development

plan ("Product Development Plan"). The Product Development Plan shall be based on an initial product development plan, a first draft of which is attached as Exhibit B to this Agreement. The Product Development Plan shall be completed to the satisfaction of the Parties prior to the time set forth in Section 3.1 above. and prior to the time that Amylin elects to make the payment and issue the Warrants as provided therein. The product to be the subject of the initial product development plan shall be AC2993. Should Amylin determine at any time during the course of this Agreement that it wishes to develop and commercialize an additional Field Product, or that it wishes to discontinue development and commercialization of AC2993 and instead develop and commercialize a different Field Product, the Parties will negotiate in good faith whether to develop such additional or different Field Product and, if so, any appropriate alterations or additions to the provisions of this Agreement, including but not limited to its financial provisions. In the event that Amylin discontinues the development and commercialization of AC2993 and the Parties are unable to agree upon the development of a different Field Product within 180 days of such discontinuation, then this Agreement shall terminate as if Amylin had terminated this Agreement under Section 9.2(b). The Project Working Team shall be responsible for implementing the Product Development Plan, addressing fully the appropriate strategy for development and Regulatory Approval of Product, developing the responsibilities and procedures for handling any and all regulatory issues related to a Product and for addressing all issues that develop during the course of implementing the Product Development Plan. Such implementation efforts shall include: (A) establishing comprehensive and detailed plans designed to accomplish the goals of the Product Development Plan, including a plan pursuant to which ACTII will perform technical and scientific work under this Agreement, (B) allocating tasks and coordinating activities required to carry out the objectives of the Product Development Plan, (C) monitoring progress of the Product Development Plan, (D) monitor the FTEs worked and expenditures made under the Product Development Plan and (E) discharging such other obligations as are assigned to the Project Working Team under this Agreement or by the Steering Committee.

(ii) The Project Working Team may propose modifications to the Product Development Plan to the Steering Committee for its approval. No modification may be implemented unless approved by the Steering Committee.

4.4 Quarterly Reports. Within 30 days following the end of each calendar quarter each Party shall provide the Steering Committee and the Project Working Team with quarterly status reports summarizing its research and development efforts under the Product Development Plan during such quarter. This report shall include a general summary of important events and milestones achieved, personnel changes, learning points and such other matters as the Party believes are relevant or that the Steering Committee may request.

4.5 Governance Following Product Launch. As soon as practicable following launch of the Product in a Major Market Country, the Parties shall meet to review whether it is appropriate to continue the Product Development Plan under the day-to-day management of the Project Working Team, or whether the objectives of the Project Working Team have been substantially achieved and it is appropriate to disband or reorganize the Project Working Team. Regardless of whether the Parties elect to disband or reorganize the Project Working Team, the Steering Committee shall continue to provide overall direction to development of Product.

4.6 Other Working Teams. The Steering Committee and Project Working Team, with the approval of the Steering Committee, may appoint one or more other working teams ("Working Teams") to perform such functions as the Steering Committee or Project Working Team, as applicable, may determine. Unless a Party elects not to participate on a particular Working Team, all Working Teams shall have at least one representative of each Party. Working Teams may provide advice and make recommendations to the Project Working Team, but shall have no authority to bind the Project Working Team or either Party.

4.7 Development Funding to ACTII. In order to facilitate Amylin's accomplishment of the development program, ACTII shall employ such ACTII FTEs as the Project Working Team reasonably deems appropriate in accordance with the Product Development Plan and subject to the following provisions:

(a) ACTII Development Funding and Reimbursement of Third Person Costs. Amylin shall pay ACTII for work performed by it under the Product Development Plan according to the FTE Hourly Rate. In the event that third persons are utilized by ACTII to perform services for the Product Development Plan, Amylin shall only reimburse ACTII's actual costs incurred in connection with such third persons, as opposed to reimbursement through the FTE Hourly Rate.

(b) Quarterly Report/Invoice. Within thirty (30) days following the end of each calendar quarter, ACTII shall provide Amylin with a report detailing third person costs incurred as described in Section 4.7(a), together with the actual time spent by ACTII personnel (including a breakdown of the names of the employees working on the development program and the number of hours billed under the Product Development Plan by each employee during such calendar quarter). Amylin, or its representatives, shall have the right to audit (with financial and scientific representatives) ACTII records with respect to such reports, in accordance with Section 4.7(d).

(c) Payments. Amylin shall make the payments due under this Section 4.7 on a calendar quarter basis to ACTII net thirty (30) days after Amylin's receipt of the invoice as described in Section 4.7(b).

(d) Records Retention; Audit. ACTII agrees to keep for at least five (5) years all records of time spent by ACTII personnel working on the development program and in sufficient detail to permit Amylin to confirm the accuracy of ACTII's invoices under Section 4.7(b). At Amylin's request upon at least forty-five (45) days' prior written notice, and at the expense of Amylin, ACTII shall permit a nationally recognized independent certified public accountant or independent scientific expert, in both cases, appointed by Amylin and reasonably acceptable to ACTII, to examine these records solely to the extent necessary to verify such invoices, provided that such accountant or scientific expert has entered into a confidentiality agreement with ACTII substantially similar to the confidentiality provisions of this Agreement, limiting the use and disclosure of such information to those comparable of an invoice statement provided pursuant to Section 4.7(b) hereof. Such examination may occur only once in each calendar year and may apply only to records pertaining to the preceding five (5) calendar years. Results of any such examination shall be made available to Amylin and to ACTII. If such examination reveals an uncontested overpayment under Section 4.7 by five percent (5%) or

more, ACTII shall pay all costs of such examination. In the event such accountant or scientific expert concludes that an overpayment was made by Amylin under Section 4.7, ACTII will credit such overpayment amount against future amount owed by Amylin to ACTII. This Section 4.7(d) shall survive any termination of this Agreement for two (2) years.

4.8 Supply for Development. Amylin shall supply ACTII, without cost to ACTII, with sufficient quantities of Field Products for ACTII to conduct all the activities described in the Product Development Plan.

5. Clinical Studies; Supply of Field Products and Product. Amylin shall be responsible for all clinical trials or studies at its own cost, as shall be provided in the Development Plan. Amylin will supply ACTII, without cost to ACTII, with sufficient quantities of Field Products necessary for ACTII to produce and provide to Amylin the Products needed for such studies, and Amylin will compensate ACTII for technical and scientific time devoted to the production of such Products at the FTE Hourly Rate. Payments to ACTII under this Section 5 shall be made within thirty (30) days after receipt of invoices therefor, and the provisions of Section 4.7(d) regarding retention of records and audits by Amylin shall apply with regard to payments under this Section 5.

6. Manufacturing Rights; Transfer Price.

6.1 Manufacturing Agreement. For a period of five (5) years after the first commercial sale in a Major Market Country of a System formulation of AC2993 developed pursuant to a Product Development Plan, ACTII will be the exclusive manufacturer of such Product, and as such shall exclusively manufacture and supply such Product, in the amounts and at such delivery times as required by Amylin, its Affiliates, sublicensees and Co-Marketers. Upon commencement of Phase III Clinical Trials for a System formulation of AC2993 developed pursuant to a Product Development Plan, or sooner if agreed by Amylin and ACTII, the Parties shall negotiate in good faith and enter into a manufacturing and supply agreement (the "Manufacturing Agreement") on the terms provided in this Section 6 and such other terms to be mutually agreed upon, including but not limited to, provisions dealing with forecasting of Amylin's requirements for Product, delivery times and terms, rejection of Product, recall of Product, inspection of ACTII's manufacturing facilities, indemnification, Amylin's and ACTII's responsibilities with respect to compliance with global governmental regulations and force majeure. The agreement shall provide that Amylin will supply sufficient quantities of Field Products for use in the manufacture of Products for commercialization at no cost to ACTII. Under the agreement Amylin shall pay ACTII a transfer price equal to the greater of (a) [**] Net Sales of such Product and (b) [**] for each monthly dose of such product. Such [**] price shall be adjusted annually by ACTII in accordance with the annual percentage change in the Consumer Price Index (U.S. Bureau of Labor Statistics for all urban consumers, U.S. City Average – all items less food and energy (October 1999 equals 178.3 (Reference CUUR0000 SAOL1E)). The Parties shall also negotiate in good faith provisions for inclusion in the agreement regarding payment by Amylin to ACTII of some portion of the transfer price at the time of shipment of Product and quarterly reconciliation of the balance of the transfer price owed on Net Sales of Products. In the event that the Product is not approved as a monthly dose, the Parties shall negotiate in good faith the appropriate minimum payment per dose to be paid by

Amylin to ACTII. The agreement shall also include provisions regarding the manufacturing options provided to Amylin in Sections 6.2 and 6.3 below.

6.2 Failure to Supply. Should ACTII ever fail to supply any or all of Amylin's (as well as any Affiliate, sublicensee or Co-Marketer of Amylin's) needs for Products to the extent Amylin has forecasted such needs, ACTII shall have the first right to secure a third party to manufacture that amount of Product which ACTII has failed or anticipates failing to supply. Such third party shall be approved by Amylin, which approval may not be unreasonably withheld. In the event that ACTII is unable to secure a third party manufacturer, or ACTII continues to fail to supply all of Amylin's (as well as any Affiliate, sublicensee or Co-Marketer of Amylin's) needs for Products for more than three (3) months, Amylin may do any of the following: (i) elect to make nonexclusive the license grant to ACTII granted in accordance with Section 6.1, above, (ii) terminate the Manufacturing Agreement with ACTII for ACTII's breach (should said breach be material), and (iii) either by itself and/or by utilizing the services of a third party, manufacture and supply Products or components thereof (without an obligation to pay to ACTII any transfer price payments on Products manufactured by Amylin or such third party). Any Products sold by Amylin, its Affiliates, sublicensees or Co-Marketers under this Section 6.2 shall be subject to the applicable royalty payment provided in Section 3.5, above.

6.3 Second Source. After the expiration of ACTII's manufacturing exclusivity period of five (5) years, as described in Section 6.1, above, Amylin may do any of the following: (i) elect to make nonexclusive the license grant to ACTII granted in accordance with Section 6.1, above, (ii) either by itself and/or by utilizing the services of a third party, manufacture and supply Products or components thereof (without an obligation to pay to ACTII any transfer price payments on Products manufactured by Amylin or such third party). Any Products sold by Amylin, its Affiliates, sublicensees or Co-Marketers under this Section 6.3 shall be subject to the applicable royalty payment provided in Section 3.5, above.

6.4 ACTII Cooperation. In the event Amylin exercises its rights pursuant to Sections 6.2 or 6.3, above, to provide for manufacture of Product not by ACTII, ACTII shall transfer to Amylin or a third party, as appropriate, any ACTII Know-How required to enable Amylin or such third party to manufacture Product and provide such assistance as is reasonably necessary to assist such manufacture and supply. Amylin shall pay ACTII the FTE Hourly Rate for time spent by ACTII personnel in such technology transfer.

7. Representations and Warranties.

7.1 Representations and Warranties of ACTII. ACTII hereby represents and warrants that:

(a) ACTII Patents and ACTII Know-How. ACTII is the owner or exclusive licensee of ACTII Patents and ACTII Know-How. ACTII has the legal right and authority to license ACTII Patents and ACTII Know-How to Amylin as contemplated by this Agreement. To ACTII's knowledge, none of the ACTII Patents is subject to any invalidity proceedings in front of, or has been found to be invalid by, a court of competent jurisdiction, and that none of the subject matter of the ACTII Patents is subject to any proceedings alleging infringement of third party rights in front of, or has been found to infringe third party rights by, a

court of competent jurisdiction. To ACTII's knowledge, none of the ACTII Know-How is subject to any proceedings alleging misappropriation of any of said ACTII Know-How from a third party. ACTII agrees that, at a time not later than the time Amylin elects to make the payment and issue the Warrants provided in Section 3.1 above, it will agree to amend this Agreement to include its further representation and warranty that at least one Valid Claim, or at least one claim of a pending patent application within ACTII Patents, in each Major Market Country will cover a System formulation of AC2993 to be developed and commercialized under this Agreement.

(b) Corporate Power. ACTII is duly organized and validly existing under the laws of the state of its incorporation and has the full right and corporate authority to execute and deliver this Agreement and to carry out the provisions hereof, without the consent or approval of any third party.

(c) No Conflicts. ACTII's obligations and duties hereunder are not contrary to, or in conflict with, any of its obligations and duties to third parties.

(d) Binding Agreement. This Agreement is a legal and valid obligation binding upon ACTII and is enforceable against ACTII in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws of general application relating to or affecting creditors' rights, and as may be limited by general principles of equity. The execution, delivery and performance of this Agreement by ACTII do not conflict with any agreement, instrument or understanding, oral or written, to which it is a party or to which it may be bound, nor do the execution, delivery and performance of this Agreement by ACTII violate any law or regulation of any court, governmental body or administrative or other agency having authority over it.

(e) Investment Representations. ACTII is aware of Amylin's business affairs and financial condition and has acquired sufficient information about Amylin to reach an informed and knowledgeable decision to acquire any Warrants pursuant to this Agreement. ACTII will acquire each Warrant, if issued, for investment for ACTII's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "Act"). ACTII understands that neither the Warrants issuable pursuant to this Agreement nor the shares of Common Stock issuable upon exercise of such Warrants (the "Warrant Shares") have been or will be registered under the Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of ACTII's investment intent as expressed herein. ACTII further acknowledges and understands that (i) the Warrants and the Warrant Shares must be held indefinitely unless the Warrants or the Warrant Shares, as the case may be, are subsequently registered under the Act or an exemption from such registration is available, and (ii) that the certificates evidencing the Warrants and the Warrant Shares will be imprinted with a legend which prohibits the transfer of the Warrants and the Warrant Shares unless the Warrants or the Warrant Shares, as the case may be, are registered or such registration is not required in the opinion of counsel for Amylin. ACTII further warrants and represents it has the capacity to protect its own interests in connection with the purchase of the Warrants and the Warrant Shares by virtue of the business or financial expertise of its officers and directors or of professional

advisors to ACTII who are unaffiliated with and who are not compensated by Amylin or any of its affiliates, directly or indirectly.

7.2 Representations and Warranties of Amylin. Amylin hereby represents and warrants that:

(a) Amylin Patents. Amylin is the owner or exclusive licensee of Amylin Patents. Amylin has the legal right and authority to license Amylin Patents to ACTII as contemplated by this Agreement. To Amylin's knowledge, none of the Amylin Patents is subject to any invalidity proceedings in front of, or has been found to be invalid by, a court of competent jurisdiction, and none of the Amylin Patents is subject to any proceedings alleging infringement of third party rights in front of, or has been found to infringe third party rights by, a court of competent jurisdiction. To Amylin's knowledge, none of the Amylin Proprietary Information is subject to any proceedings alleging misappropriation of any of said Amylin Proprietary Information from a third party.

(b) Corporate Power. Amylin is duly organized and validly existing under the laws of the jurisdiction of its incorporation and has the full right and corporate authority to execute and deliver this Agreement and to carry out the provisions hereof, without the consent or approval of any third party.

(c) No Conflicts. Amylin's obligations and duties hereunder are not contrary to, or in conflict with, any of its obligations and duties to third parties.

(d) Binding Agreement. This Agreement is a legal and valid obligation binding upon Amylin and is enforceable against Amylin in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws of general application relating to or affecting creditors' rights, and as may be limited by general principles of equity. The execution, delivery and performance of this Agreement by Amylin do not conflict with any agreement, instrument or understanding, oral or written, to which it is a party or to which it may be bound, nor do the execution, delivery and performance of this Agreement by Amylin violate any law or regulation of any court, governmental body or administrative or other agency having authority over it.

7.3 Disclaimer of Additional Warranties. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, EACH PARTY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND TITLE.

8. Use of Materials and Information.

8.1 Use of Materials. ACTII agrees not to use any materials provided by Amylin, and Amylin agrees not to use any materials provided by ACTII, except as contemplated by this Agreement.

8.2 Protection of Confidential Information. Each Party, as a Receiving Party, agrees that it will exercise reasonable care, including not less than the same steps it takes to

protect its own proprietary and confidential information, to protect the confidentiality of the Disclosing Party's Confidential Information. Each Receiving Party shall protect and keep confidential and shall not use, publish or otherwise disclose to any third party, except as contemplated by this Agreement or with the Disclosing Party's written consent, the Disclosing Party's Confidential Information for a period of five (5) years following the termination of this Agreement. Joint Inventions shall constitute Confidential Information.

8.3 Exceptions.

(a) Use. Notwithstanding any provision of this Section 8 to the contrary and subject to the disclosure and publication limitations set forth in this Section 8, both Parties shall be entitled to research, develop and commercialize Inventions jointly owned by the Parties; provided, however, that, except pursuant to Section 2.1 hereof, ACTII shall have no right to research, develop or commercialize Products before termination of this Agreement. Provided further, however, that nothing in this Section shall constitute or be construed as constituting or granting to a Party any license in or to any patents or other intellectual property of the other Party.

(b) Disclosure. Each Receiving Party shall also be entitled to disclose to consultants and other third parties if necessary for any purpose contemplated by or related directly to this Agreement the Disclosing Party's Confidential Information; provided that the third party recipient of any Confidential Information shall first execute a confidentiality undertaking containing provisions at least as protective as those set forth in this Section 8, and provided further that ACTII may not disclose in conjunction with any disclosure of Inventions jointly owned by the Parties, either explicitly or implicitly, the identity of Amylin or the identity or structure of AC2993 or the identity of the indication without the prior consent of Amylin. Amylin shall also be entitled to disclose ACTII's Confidential Information to regulatory and other government authorities for the purpose of seeking Regulatory Approval and other necessary or appropriate regulatory or government review or approvals of the Product pursuant to this Agreement, and both Parties shall be entitled to disclose Inventions jointly developed by personnel of both Parties to regulatory and other government authorities for the purpose of seeking Regulatory Approval and other necessary or appropriate regulatory or government review or approvals of products pursuant to their rights set forth in this Section 8. Amylin shall also be entitled to disclose the results of the Feasibility Study to third parties, provided that the results are disclosed only to third parties who are bound by written agreement to maintain the confidentiality of such results and that such results be used for the sole purpose of business development.

(c) Publications. Each Party shall consult with the other Party prior to any oral presentation or the submission of any manuscript for publication or presentation if the presentation or manuscript relates to injectable, sustained release formulations of [**]. Such consultation shall include providing a copy of a summary of the oral presentation and draft of any related abstract or the proposed manuscript to the reviewing Party at least thirty (30) days prior to the proposed date of presentation or submission to a publisher, incorporating appropriate changes as are reasonably proposed by the reviewing Party into the presentation or manuscript, and deleting Confidential Information that the reviewing Party does not agree should be published or presented. If the reviewing Party does not respond within thirty (30) days of such

initial consultation or notice of intention to publish, then the requesting Party shall be free to publish as proposed. This Section 8.4 does not control the filing of any patent application or other patent-related filing; instead, Section 10.2 shall control the parties' obligations with regard to prior notification, consultation, disclosure and publication when filing any patent application or other patent-related filing which incorporates any Confidential Information.

8.4 Required Disclosures. In the event that a Receiving Party is required by applicable statute or regulation or by judicial or administrative process to disclose any part of the Disclosing Party's Confidential Information, the Receiving Party shall (a) promptly notify the Disclosing Party of each such requirement and identify the documents so required thereby, so that the Disclosing Party may seek an appropriate protective order or other remedy and/or waive compliance by the Receiving Party with the provisions of this Agreement; and (b) consult with the Disclosing Party on the advisability of taking legally available steps to resist or narrow the scope of such requirement. If, in the absence of such a protective order or such a waiver by the Disclosing Party of the provisions of this Agreement, the Receiving Party is nonetheless required by mandatory applicable law to disclose any part of such Confidential Information, the Receiving Party may disclose such Confidential Information without liability under this Agreement, except that the Receiving Party shall (i) furnish only that portion of such Confidential Information which is legally required and (ii) use its best efforts to obtain an order or other reliable assurance that confidential treatment shall be accorded to the portion of such Confidential Information so required to be disclosed.

8.5 Return of Confidential Information. In the event of termination of this Agreement, at any time thereafter upon the request of the Disclosing Party, the Receiving Party shall promptly return to the Disclosing Party or destroy (at the Disclosing Party's option) any of the Disclosing Party's Confidential Information responsive to such request, including all copies thereof, except that the Receiving Party may retain one copy of the Confidential Information to be used solely to determine the scope of its obligations under this Agreement. The return and/or destruction of such Confidential Information as provided above shall not relieve the Receiving Party of its other obligations under this Agreement.

9.Term; Termination.

9.1 Term; Expiration at Full Term. This Agreement shall commence as of the Effective Date hereof and, unless terminated in accordance with this Section 9, will continue until and expire upon the later of (i) ten (10) years from the first commercial sale of Product or (ii) the expiration or invalidation of the last Valid Claim of all patents within the ACTII Patents. Upon expiration of this Agreement under this Section 9.1, all licenses granted pursuant to this Agreement shall become non-exclusive, worldwide, fully paid-up licenses.

9.2 Unilateral Termination by Amylin.

(a) Termination Prior to Satisfactory Completion of Feasibility Study. Amylin may terminate this Agreement at any time prior to giving notice that the results of the studies completed by ACTII under the Feasibility Agreements are satisfactory to Amylin, in Amylin's sole discretion. Upon termination by Amylin under this Section 9.2(a), Amylin shall have no further obligation under this Agreement.

(b) General Termination. Amylin may terminate this Agreement at any time prior to the filing of an NDA for Product by giving ninety (90) days prior written notice to ACTII. After the filing of an NDA for Product, Amylin may terminate this Agreement at any time by giving one hundred eighty (180) days prior written notice to ACTII. Upon termination by Amylin under this Section 9.2(b), Amylin shall be obligated to reimburse ACTII within thirty (30) days after receipt of an invoice therefor for any expenses incurred by ACTII prior to or in connection with such termination of this Agreement.

(c) Licenses Terminated. Upon termination by Amylin under this Section 9.2, all license rights granted under this Agreement shall automatically terminate and revert in their entirety back to the granting party.

9.3 Breach. Any material breach by either Party of its material obligations contained in this Agreement shall entitle the other Party (the "Non-Defaulting Party") to give to the Party in default (the "Defaulting Party") written notice specifying the nature of the default and requiring it to cure such default. If such default is not cured within sixty (60) days after the receipt of such notice, the Non-Defaulting Party shall be entitled, without prejudice to any of its other rights conferred on it by this Agreement, by law or in equity, immediately to terminate this Agreement by giving written notice to the Defaulting Party. Any dispute between the Parties to be resolved under this agreement as to whether a product is covered by a Valid Claim of any ACTII Patent shall not be grounds for termination. If ACTII terminates this Agreement under this Section 9.3 due to Amylin's breach, all license rights granted by ACTII under this Agreement shall automatically terminate and revert in their entirety back to ACTII. If Amylin terminates this Agreement under this Section 9.3 due to ACTII's breach, then Amylin's licenses granted pursuant to Section 2.1(a) shall survive and Amylin shall owe ACTII **[**]** of the royalty on Net Sales of Products that would have otherwise been owed under this Agreement pursuant to Section 3.5, above.

9.4 Insolvency or Bankruptcy. ACTII may, in addition to any other remedies available to it by law or in equity, terminate this Agreement, by written notice to Amylin in the event Amylin shall have become insolvent or bankrupt, or shall have made an assignment for the benefit of its creditors, or there shall have been appointed a trustee or receiver of Amylin for all or a substantial part of its property, or any case or proceeding shall have been commenced or other action taken by or against Amylin in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts or any other relief under any bankruptcy, insolvency, reorganization or other similar act or law of any jurisdiction now or hereafter in effect, or there shall have been issued a warrant of attachment, execution, distraint or similar process against any substantial part of the property of Amylin, and any such event shall have continued for sixty (60) days undismissed, unbonded and undischarged.

9.5 No Termination upon ACTII's Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by ACTII to Amylin are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, as amended from time to time (the "Bankruptcy Code"), licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. The Parties agree that Amylin, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights

and elections under the Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against ACTII under the Bankruptcy Code that is not dismissed within sixty (60) days after it is filed, Amylin shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, including without limitation all intellectual property necessary or useful to give Amylin the capability of manufacturing Products, and the same, if not already in its possession, shall be promptly delivered to Amylin (i) upon any such commencement of a bankruptcy proceeding upon written request therefor by Amylin, unless ACTII elects to continue to perform all of its obligations under this Agreement, or (ii) if not delivered under (i) above, upon the rejection of this Agreement by or on behalf of ACTII, upon written request therefor by Amylin.

9.6 Accrued Rights; Survival. Termination of this Agreement for any reason shall be without prejudice to any rights which shall have accrued to the benefit of either Party prior to such termination. Such termination shall not relieve either Party from obligations including those under the following provisions which shall survive termination of this Agreement, Sections 3.6(b), (c), and (e), 4.7(d) 8, 9, 10.1, 11, 12.1, 12.8 and 12.17, or any other obligations which are expressly indicated to survive termination of this Agreement.

9.7 Selling Rights Upon Termination. Upon any termination of this Agreement, Amylin shall have the right to sell its inventory of Products for a period of six (6) months from the date of termination provided that Amylin complies with the provisions of Sections 3.4 through 3.6 and Section 6.1 hereof.

10. Rights to Intellectual Property.

10.1 Ownership of Inventions. Any and all Inventions, whether made solely by personnel of a Party or jointly by personnel of the Parties, shall be the property of the Parties as follows:

(a) Amylin Ownership. [**]

(b) ACTII Ownership. [**]

(c) All Other Inventions. The United States laws of inventorship shall govern the ownership of all other Inventions that are neither assigned to Amylin nor ACTII pursuant to the ownership provisions of Sections 10.1(a) and (b).

Each Party shall cooperate with the other in completing any patent applications relating to both solely and jointly developed Inventions that will be owned by the other Party. Each Party shall also cooperate with the other in executing and delivering any instrument required to assign, convey or transfer to such other Party its interest should such assignment, conveyance or transfer be required by the terms of this Agreement.

Furthermore, upon the discovery, generation or development of a particular Invention, the Party so discovering, generating or developing shall promptly disclose to the other Party the particular Invention at issue and in no event shall a Party file a patent on such particular

Invention until ownership as described in this Section 10.1 is determined by the Parties after such Parties have had a reasonable opportunity to review and discuss the particular Invention at issue.

10.2 Prosecution and Maintenance of Patents.

(a) ACTII's Obligations to Prosecute. ACTII shall file and control prosecution and maintenance of patent applications for all ACTII Patents, including ACTII Patents claiming Inventions owned by ACTII, and, subject to the consultation rights granted to Amylin in Section 10.2(b) below, patents claiming Inventions owned jointly by ACTII and Amylin ("Joint Inventions") and be responsible for related interference proceedings in accordance with reasonable commercial standards and reasonable principles of intellectual property protection, all at ACTII's expense. ACTII shall endeavor to ensure that all ACTII Patents, and patents claiming Joint Inventions are filed before any public disclosure of the inventions claimed therein to maximize the scope of protection of such patents filed outside the United States. ACTII shall furnish Amylin with copies of all substantive communications between ACTII and applicable patent offices regarding patents and patent applications claiming Inventions.

(b) Consultation; No Disclosure by Amylin. ACTII and Amylin shall discuss and evaluate Joint Inventions and confer with each other regarding the advisability of filing patent applications in the United States and in foreign countries to cover Joint Inventions. ACTII shall provide to Amylin (i) draft patent applications, and (ii) draft official correspondence to national or international patent authorities which purports to amend the scope of the claims presented in the originally filed application, each to be provided sufficiently in advance of filing for Amylin to have the opportunity to comment thereon, and at least 30 days prior to the contemplated filing date whenever possible. Any reasonable requests made by Amylin pertaining to such drafts shall be reflected in such drafts, provided that Amylin provides such input to ACTII sufficiently in advance of such proposed submission date to permit inclusion therein. Amylin shall endeavor to delay any public disclosure of the subject matter of any patent application filed or to be filed by ACTII under this Agreement until after filing by ACTII of such patent application.

(c) Amylin's Standby Filing Rights. If ACTII elects not to seek or maintain patent protection for any Invention at all or in any particular country, ACTII shall provide Amylin prompt notice of such election, and Amylin may file and control the prosecution and maintenance of patent applications, at its expense, with respect to Inventions everywhere or in particular countries, as the case may be. In the event Amylin elects to file or maintain such a patent application, ACTII will grant any necessary authority to Amylin to do so everywhere or in such particular country, as appropriate, and will cooperate as is reasonable, at Amylin's expense, with Amylin's prosecution and maintenance efforts. ACTII shall delay any public disclosure of the subject matter of such patent application until after filing by Amylin of such patent application.

10.3 Infringement by Third Parties.

(a) Notice. Any Party learning of any activities of a third party which are believed to infringe or misappropriate the ACTII Patents or patents that claim Joint

Inventions in the Field or any claim of a third party that any of the ACTII Patents are invalid or unenforceable shall promptly notify the other Party of such activities or such claim.

(b) Prosecution of Actions Involving Product.

(i)Amylin shall have the primary right, but not the obligation, to institute, prosecute and control any action or proceeding with respect to any infringement/misappropriation of any of the ACTII Patents or patents claiming Joint Inventions arising from the use thereof and involving Product, by counsel of its own choice. ACTII shall cooperate with Amylin at Amylin's request in the prosecution of such action or proceeding. If Amylin reasonably determines that ACTII is an indispensable party to the action, ACTII hereby consents to be joined. In such event, ACTII shall have the right to be represented in that action by counsel of its own choice and at ACTII's expense.

(ii)If Amylin fails to bring an action or proceeding within a period of ninety (90) days after receiving written notice from ACTII or otherwise having knowledge of that infringement/misappropriation of ACTII Patents or patents claiming Joint Inventions involving Products, as described in Section 10.3(b)(i), ACTII shall have the right to bring and control any such action by counsel of its own choice and expense. IF ACTII reasonably determines that Amylin is an indispensable party to the action, Amylin hereby consents to be joined. In such event, Amylin shall have the right to be represented in that action by counsel of its own choice and at Amylin's expense.

(iii)No settlement, consent judgment or other voluntary final disposition of a suit under this Section 10.3(b) may be entered into without the joint consent of Amylin and ACTII (which consent shall not be unreasonably withheld).

(iv)If Amylin brings action, any damages or other monetary awards recovered by Amylin attributable to sales of Products, shall be applied pro-rata to defray the reasonable costs and expenses incurred in the action by both Parties. Any remaining recovery shall be used to reimburse Amylin for lost profits, to the extent the recovery or settlement is calculated on the basis of lost profits, and ACTII for lost royalties or transfer price payments on account of lost sales. Any remaining recovery shall be allocated to Amylin.

(v)If Amylin fails to bring action and ACTII brings action, any damages or other monetary awards recovered by ACTII attributable to sales of Product derived therefrom, shall be applied pro-rata to defray the reasonable costs and expenses incurred in the action by both Parties. If any balance remains it shall be allocated to ACTII.

(c) Infringement of ACTII Patents or Patents Claiming Joint Inventions Outside Field. In the event that any ACTII Patents or patents claiming Join Inventions that have application outside the Field are infringed outside the Field by a third person, the Party first having knowledge of such infringement shall notify the other as set forth above and the Parties shall consult with each other as to how they should proceed, but each Party shall be free to pursue or protect its own respective interests to the extent it is legally entitled to do so. ACTII hereby agrees to use commercially reasonable efforts to diligently enforce such ACTII Patents or patents claiming Joint Inventions that have application outside the Field.

10.4 Infringement of Third Parties.

(a) Notice. If either Party believes that patent rights held by a third party may be necessary or useful to make, have made, use, sell, supply or import Products or learns of a third party who has filed suit or has threatened to file suit because of a claim that a Product may be infringing such third party's rights, they shall promptly notify the other Party in writing. The Parties shall then meet to discuss in good faith whether or not both Parties agree that such third party rights may be necessary or useful to make, have made, use, sell, supply or import a Product and whether such possible infringement, or the claims in such infringement suit or threatened suit are based on an allegation that any of the Field Products (but not the Product incorporating such Field Product), infringes such third party patents. In the event the Parties are unable to so agree, the matter will be decided in accordance with the dispute resolution provisions of Section 12.17.

(b) Defense, Settlement or Securing Third Party Rights.

(i)By ACTII. If it is determined, either by mutual agreement or as a result of the dispute resolution procedures that such third party's rights are necessary and not based on allegations related to infringement of third party rights by any of the Field Products (excluding the Product incorporating such Field Product), then ACTII shall be responsible to defend any suit alleging infringement of a third party, seek to settle any suit or threatened suit, or secure the rights of such third party for use in the Field. ACTII shall not settle or secure such third party rights without Amylin's prior approval, which shall not be unreasonably withheld. The Parties shall share equally any payments or royalties owed to the third party for settling such suit or for securing such third party rights.

(ii)By Amylin. If it is determined, either by mutual agreement or as a result of the dispute resolution procedures that such third party's rights are necessary and are based on allegations related to related to infringement of third party rights by any of the Field Products (excluding the Product incorporating such Field Product), then Amylin shall be responsible to defend any suit alleging infringement of a third party, seek to settle any suit or threatened suit, or secure the rights of such third party for use in the Field. Amylin shall be solely responsible for any payments or royalties owed to the third party for settling such suit or for securing such third party rights.

(iii)Amylin Standby Right to Secure Third Party Rights. In the event that ACTII is unable to secure the rights of a third party under Section 10.4(b)(i), unless ACTII is diligently defending such infringement action, Amylin may secure such rights from the third party, after obtaining ACTII's prior approval, which shall not be unreasonably withheld.

11. Indemnification.

11.1 Indemnification by Amylin. Amylin hereby agrees to indemnify and hold harmless ACTII and its Affiliates and each of their respective agents, employees, officers and directors (the "ACTII Indemnitees") from and against any and all suits, claims, actions, demands, liabilities, expenses and/or losses, including reasonable investigation expenses, legal expenses and attorneys' fees ("Losses") resulting directly from (a) any material breach of this

Agreement by Amylin, (b) the marketing, packaging, testing, labeling, manufacture, use or sale of Field Products or Products or (c) the performance of the Product Development Plan by Amylin (except that Amylin shall not indemnify ACTII for Losses resulting from the Product Development Plan or flaws or omissions in the Product Development Plan itself) except to the extent such Losses are required to be indemnified by ACTII pursuant to Section 11.2 hereof, and except to the extent such Losses are attributable to the gross negligence or willful misconduct of any ACTII Indemnitee.

11.2 Indemnification by ACTII. ACTII hereby agrees to indemnify and hold harmless Amylin and its Affiliates and each of their respective agents, employees, officers and directors (the "Amylin Indemnitees") from and against any and all Losses resulting directly from (a) any material breach of this Agreement by ACTII, (b) the manufacture and supply of Product by ACTII under this Agreement or (c) the performance of the Product Development Plan by ACTII (except that ACTII shall not indemnify Amylin for Losses resulting from the Product Development Plan or flaws or omissions in the Product Development Plan itself), except to the extent such Losses are attributable to the gross negligence or willful misconduct of any Amylin Indemnitee.

11.3 Notification of Claims; Condition to Indemnification Obligations. As a condition to a Party's right to receive indemnification under this Section 11, it shall (a) notify the other Party as soon as it becomes aware of a claim or Action for which indemnification may be sought pursuant hereto, (b) cooperate with the indemnifying Party in the defense of such claim or suit, and (c) permit the indemnifying Party to control the defense of such claim or suit, including without limitation the right to select defense counsel. In no event, however, may the indemnifying Party compromise or settle any claim or suit in a manner which admits fault or negligence on the part of the indemnified party or includes injunctive relief without the prior written consent of the indemnified party. The indemnifying Party shall have no liability under this Section 11 with respect to claims or suits settled or compromised without its prior written consent.

11.4 Limitation on Liability. ACTII does not represent, warrant or guarantee that its efforts under the Product Development Plan will produce any particular results or that any Product resulting therefrom will be merchantable or satisfactory for any particular purpose. Amylin does not represent, warrant or guarantee that its efforts under the Product Development Plan will produce any particular results or that any Product resulting therefrom will be merchantable or satisfactory for any particular purpose. Except pursuant to their indemnification and hold harmless obligations set forth in this Section 11, neither Party shall be responsible or liable in contract or in tort to the other Party for any special, indirect, incidental or consequential damages, including but not limited to loss of product, profits or revenues, damage or loss from operation or non-operation of plant.

11.5 Insurance. Each Party shall maintain and keep in force for the term of this Agreement comprehensive general liability insurance including products/completed operations, contractual and broad form property damage covering its indemnification obligations hereunder with a minimum limit of [**] per annum combined single limit for bodily injury and property damage. It is understood that such insurance shall not be construed to limit a Party's liability with respect to such indemnification obligations. Such insurance shall be placed with a first

class insurance carrier with at least a BBB rating by Standard & Poors. Promptly after execution and delivery of this Agreement, each Party shall furnish a certificate of insurance to the other Party evidencing the foregoing endorsements, coverage and limits, and providing that such insurance shall not expire or be canceled or modified without at least thirty (30) days prior notice to the other Party.

11.6 Survival. This Section 11 shall survive termination or expiration of this Agreement for two (2) years.

12. Miscellaneous Provisions.

12.1 Acts and Omissions. Each Party assumes any and all risks of personal injury and property damage attributable to the acts or omissions of it and its officers, employees and agents in the performance of this Agreement.

12.2 Compliance with Law. The parties shall perform all Actions under this Agreement in accordance with all applicable laws, rules and regulations.

12.3 Notices. All notices and other communications required or permitted hereunder shall be effective upon receipt and shall be in writing and may be delivered in person, by facsimile, overnight delivery service or United States mail, in which event it may be mailed by first-class, certified or registered, postage prepaid, addressed to the parties as follows:

If to Amylin:

General Counsel
Amylin Pharmaceuticals, Inc.
9373 Towne Centre Drive
San Diego, CA 92121
Fax: 858-552-1936

If to ACTII:

President
Alkermes Controlled Therapeutics Inc. II
64 Sidney Street
Cambridge, MA 02139
Fax: 617-494-9263

or to such other addresses as may from time to time be given in writing by either Party to the other pursuant to the terms hereof.

12.4 No Third-Party Beneficiaries. Nothing in this Agreement is intended to confer on any person other than the Parties or their permitted assigns, any benefits, rights or remedies.

12.5 Independent Contractors. The parties hereto shall be independent contractors with respect to each other, and neither shall be deemed to be the agent, principal,

employee, servant, joint venturer or partner of the other for any purpose which could impose liability upon one Party for the act or failure to act of the other Party.

12.6 Entire Agreement. This Agreement and the Exhibits attached hereto, together with the Feasibility Agreement, constitute the entire agreement between the parties concerning the subject matter hereof and supersede all prior understandings and agreements, whether written or oral.

12.7 Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof or affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

12.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the principles of conflict of laws.

12.9 Assignment. Neither Party shall assign any of its rights or delegate any of its obligations hereunder without the other Party's prior written consent except pursuant to: (i) a merger, consolidation or reorganization of the assigning Party or the sale of substantially all of the assets of the assigning Party; (ii) with respect to Amylin, as incident to the establishment of a corporate partnership arrangement with respect to any of the Field Products; or (iii) an assignment to any Affiliate of the assigning Party if the assigning Party remains liable and responsible for the performance and observance of all the Affiliate's duties and obligations hereunder.

12.10 No Waiver. A waiver by either Party of a breach or violation of any provision of this Agreement will not constitute or be construed as a waiver of any subsequent breach or violation of that provision or as a waiver of any breach or violation of any other provision of this Agreement.

12.11 Amendments. This Agreement may not be amended, supplemented or otherwise modified except by an instrument in writing signed by both parties.

12.12 Headings. Any headings and captions included herein are for convenience of reference only and shall not be used to construe this Agreement.

12.13 Counterparts. This Agreement shall become binding when any one or more counterparts hereof, individually or taken together, shall bear the signature of each of the parties hereto. This Agreement may be executed in counterparts, each of which shall be an original as against any Party whose signature appears thereon, but all of which together shall constitute but one and the same instrument.

12.14 Publicity. The Parties shall each have the right, upon its election, to issue a press release containing, and publicly disclose, some or all of the information included in Exhibit C and such further information as the Parties shall mutually approve in each Party's sole discretion. Except as set forth in the immediately preceding sentence, each Party agrees not to

make any disclosure or written dissemination with respect to this Agreement or its terms without giving the other Party a reasonable opportunity to comment thereon and obtaining the other Party's prior written consent, which consent will not be unreasonably withheld, provided that such opportunity and such consent will not be required where such disclosure or dissemination (a) is required by law; or (b) is reasonably necessary in connection with any potential transaction referred to in Section 12.9 or contemplated by this Agreement.

12.15 Adverse Event Reports. In order to comply with adverse event reporting regulations of the FDA (as provided in Title 21 of the Code of Federal Regulations) and other international regulatory agencies, each Party acknowledges that once the parties hereunder are selling and/or clinically testing in humans any Product they must report promptly to each other the occurrence of adverse events regarding Products for timely reporting to the FDA and other reporting agencies.

12.16 No Trademark Rights. Except as otherwise provided herein, no right, express or implied, is granted by this Agreement to use in any manner the marks "Amylin," "Medisorb®," or any other trade name or trademark of Alkermes, ACTII or Amylin, in connection with the performance of this Agreement.

12.17 Dispute Resolution. Except as otherwise provided in Section 4, the Parties agree that any claim or controversy arising pursuant to this Agreement, or the rights or obligations of the Parties hereunder shall be resolved solely by application of the procedures set forth in this Section 12.17. These procedures, however, may be modified by written agreement of the Parties with respect to any particular dispute.

(a) Settlement Meeting. In the event any such claim or controversy arises, the Parties shall first attempt to settle their differences amicably between themselves. Either Party may initiate such informal dispute resolution by sending written notice of the dispute to the other Party, and within twenty (20) days after receipt of such notice appropriate representatives of the Parties, each with full authority from the chief executive officer of the Party to settle the dispute, shall meet for attempted resolution of the claim or controversy by good faith negotiations. If the representative of either Party intends to be accompanied at the settlement meeting by counsel, the other Party shall be given at least seven (7) days notice of such intention and may also be accompanied by counsel. All negotiations pursuant to this Section 12.17 shall be confidential and treated as compromise and settlement negotiations and shall not be admissible in any arbitration or other proceeding

(b) Arbitration. If such representatives are unable to resolve such dispute within thirty (30) days following the day of the settlement meeting, either Party may demand arbitration by sending written notice to the other Party. Such arbitration shall be administered by the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules. The arbitration proceedings shall be conducted before one arbitrator in Denver, Colorado or any other place selected by mutual agreement of the Parties. The arbitrator shall apply the governing law set forth in Section 13.8 hereof. If the Parties are unable to agree upon a single arbitrator within sixty (60) days after arbitration is demanded, three (3) arbitrators shall be used, one selected by each Party within ten (10) days after the conclusion of the sixty (60) day period and a third selected by the first two within ten (10) days thereafter.

The arbitrator or arbitrators shall be accredited by the AAA and shall be individuals with knowledge of and experience with the pharmaceutical industry.

(c) Award. The arbitrator(s) shall have authority to award any remedy or relief that a Colorado court could order or grant, including, without limitation, specific performance of any obligation created under this Agreement, the issuance of an injunction or the imposition of sanctions for abuse or frustration of the arbitration process as well as to allocate between the Parties the costs of arbitration in such equitable manner as they determine. The arbitrator(s) may not make any ruling, finding or award that does not conform to the terms and conditions of this Agreement. Pending the issuance of the decision of the arbitrator(s), the Parties shall continue to operate under this Agreement as it existed on the date the arbitration was initiated; provided, however, that the decision of the arbitrator(s) shall be retroactive to such date. The Parties hereby exclude any right of appeal to any court on the merits of the dispute. Subject to the previous sentence, the arbitral award (i) shall be final and binding upon the Parties; and (ii) may be entered in any court of competent jurisdiction.

(d) Discovery. The arbitrator(s) shall have discretion to order a prehearing exchange of information by the Parties, including, without limitation, production of directly relevant documents, exchanges of testimony, summaries of proposed witnesses and depositions of the Parties. All issues regarding compliance with discovery requests shall be decided by the arbitrator(s).

(e) Injunctive and Other Relief. Nothing contained in this Section 12.17 or any other provisions of this Agreement shall be construed to limit or preclude a Party from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief to compel the other Party to comply with its obligations hereunder before or during the pendency of arbitration proceedings.

12.18 Electronic Documents. Upon either Party's request in order to facilitate compliance with the securities laws of the United States, the other Party shall provide an electronic version of any document it has in such format that has previously been provided to the requesting Party. The Parties agree to accommodate reasonable requests for confidential treatment of documents filed with the SEC, such that no Confidential Information of either Party is publicly disclosed by such filing.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first above written.

ALKERMES CONTROLLED
THERAPEUTICS INC. II

By: */s/ Michael Landine*

Title: *Vice President*

AMYLIN PHARMACEUTICALS, INC.

By: */s/ Daniel M. Bradbury*

Title: *Senior Vice President, Corporate Development*

List of Exhibits and Schedules

Exhibit A – ACTII Patents

Exhibit B – Program Development Plan

Exhibit C – Pre-Approved Information for Press Release

**Exhibit 10.16**

**Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b) of Regulation S-K. Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K.**

# ASSET PURCHASE AGREEMENT

**Dated as of 13 December 2023**

**Among**

**ALKERMES PHARMA IRELAND LIMITED**

**-and-**

**NOVO NORDISK PRODUCTION IRELAND LIMITED**

**-and-**

**NOVO NORDISK A/S**

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List of Exhibits

**ASSET PURCHASE AGREEMENT**

This **ASSET PURCHASE AGREEMENT** (this "**Agreement**") is made as a deed as of this 13th day of December 2023, among (1) **ALKERMES PHARMA IRELAND LIMITED**, a private company limited by shares incorporated under the laws of Ireland, with company registration number 448848, having its registered address at Connaught House, 1 Burlington Road, Dublin 4, Ireland (the "**Seller**"), (2) **NOVO NORDISK PRODUCTION IRELAND LIMITED**, a private company limited by shares incorporated under the laws of Ireland, with company registration number 737423, having its registered address at First Floor, Block A, the Crescent Building, Northwood Business Park, Santry, Dublin 9, Ireland (the "**Purchaser**") and (3) **NOVO NORDISK A/S**, a limited liability company incorporated under the laws of Denmark, with CVR number 24256790, having its registered address at Novo Alle 1, 2880 Bagsværd, Denmark (the "**Purchaser Guarantor**"). The Seller, the Purchaser and the Purchaser Guarantor are a "**Party**" and collectively the "**Parties**". Save as elsewhere provided in this Agreement, capitalized terms under in this Agreement shall have the meanings indicated in Section 1.1 and Section 1.2.

**RECITALS**

**WHEREAS**, the Seller is engaged in, among other things, the business of owning and operating a drug product development and manufacturing facility located at Monksland Industrial Estate in Athlone, County Roscommon, Ireland (the "**Athlone Facility**") and certain Assets used in the operation or functioning thereof;

**WHEREAS**, the Seller wishes to sell, transfer, convey, assign and deliver to the Purchaser, and the Purchaser wishes to purchase and assume from the Seller, the Transferred Assets and the Transferred Liabilities, upon and subject to the terms and conditions set forth in this Agreement;

**WHEREAS** the Purchaser Guarantor has become a party to this Agreement for the purpose of entering into the guarantee and indemnity set out in Section 7.3; and

**WHEREAS**, in connection with the transactions contemplated hereby, the Parties and/or their respective Affiliates desire to enter into the Ancillary Agreements, in accordance with the terms set forth in this Agreement.

**NOW THEREFORE**, in consideration of the foregoing and the respective mutual warranties, covenants and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

**ARTICLE 1**
**DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**. For the purpose of this Agreement, the following terms shall have the following meanings:

"**Accounting Principles**" means United States generally accepted accounting principles (GAAP) and practices in effect from time to time applied consistently throughout the periods involved.

"**Accrued PTO**" means, as to each Transferred Employee, all accrued and unpaid hours of vacation, personal hours or days earned and sick leave applicable to such Transferred Employee, in each case relating to the period up to and including the Closing Date.

"**[**] Amount**" means, as of the Effective Time, the aggregate of all amounts that would be payable to [**] in effect at the time of the Closing.

"**Action**" means any civil, criminal or administrative claim, action or correspondence, arbitration, audit, hearing, inquiry, examination proceeding, litigation, suit, demand, hearing or proceeding commenced, brought, conducted, or heard by or before, or otherwise involving a Governmental Entity or arbitrator.

"**Affiliate**" means, with respect to any specified Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with such specified Person but, in the case of the Purchaser expressly excluding Novo Holdings A/S, Novo Nordisk Foundation and their respective affiliates (excluding the Purchaser Guarantor and its subsidiaries). For the purpose of this definition, "*control*" or "*controlled*" means, direct or indirect, ownership of fifty percent (50%) or more of the shares of stock in issue and entitled to vote for the election of directors in the case of a corporation or fifty percent (50%) or more of the equity interest in the case of any other type of legal entity; status as a general partner in any partnership; or any other arrangement whereby the entity or Person controls or has the right to control the board of directors or equivalent governing body of a corporation or other entity or the power, direct or indirect, to cause the direction of the management or policies of a such Person, whether by contract or otherwise. The Parties acknowledge that in the case of Persons organized under the laws of certain countries where the maximum percentage ownership permitted by Law for a foreign investor is less than fifty percent (50%), such lower percentage shall be substituted in the preceding sentence, provided that such foreign investor has the power, direct or indirect, to cause the direction of the management and policies of such Person while owning, directly or indirectly, such lower percentage.

"**Agency**" means the Environmental Protection Agency in Ireland.

"**Ancillary Agreements**" means the Interim Entry Agreement, the Assignment and Assumption Agreement, the License Agreement, the Subcontract Agreement, the MDSA, the Transitional Services Agreement, the Quality Agreement and the Land Sale Contract.

"**Anti-Corruption Laws**" means all applicable U.S. and non-U.S. Laws relating to the prevention of corruption and bribery, including the FCPA and the UK Bribery Act of 2010 and the Irish Criminal Justice (Corruption Offences) Act 2018 (as amended).

"**Assets**" means, with respect to any Person, all assets, properties, rights and claims of every nature, kind and description, tangible and intangible, owned or leased or licensed, wheresoever located and whether or not carried or reflected on the books or records of such Person.

"**Authority**" means a Healthcare Regulatory Authority and any other Irish, United States, state, local or foreign Governmental Entity that is responsible for granting, issuing, or registering a Transferred Authorization.

"**Authorization**" means any consent, authorization, approval, order, license, registration, certification or permit, together with any documents, written submissions and records required to apply therefor or comply therewith, in each case pursuant to, of or from, or declaration or filing made with or pursuant to, any Governmental Entity having jurisdiction over, or any applicable Law relating to, the Transferred Assets, including the IE License and the HPRA Licenses.

"**Authorization Transfer Applications**" means the applications, including without limitation any required forms and/or declarations, to be made by the Seller or jointly by the Seller and the Purchaser or by the Purchaser (as appropriate for the applicable Transferred Authorization), in each case together with their

respective Affiliates, as necessary, in respect of the transfer, (re-)grant, (re-)issue, (re-)registration, or variation of the Transferred Authorizations proposed to be undertaken in connection with the transactions contemplated by this Agreement and the Ancillary Agreements.

"**Authorization Transfer Determinations**" means the determinations of the relevant Authorities with respect to the Authorization Transfer Applications.

"**Benefit Plan**" means each "employee benefit plan" and each other employment, change in control, retention, bonus, commission, defined benefit or defined contribution, pension, profit sharing, deferred compensation, stock ownership, stock purchase, stock option, stock appreciation, restricted stock, restricted stock unit, phantom stock or other equity-based compensation, retirement, vacation, severance, redundancy, termination, disability, death benefit, medical, dental, or other employee compensation and benefit plan, policy, program, agreement or arrangement, in each case, that the Seller or its Affiliates sponsor, maintain or contribute to (or are required to contribute to) with respect to any Transferred Employees or have any Liability with respect to or for the benefit of Transferred Employees and their beneficiaries and dependents.

"**[**] Agreements**" means, collectively, (A) [**] between the Seller and [**] (as subsequently amended); (B) the [**] between the Seller and [**] (the "[**] **Agreement**"); (C) the [**] between the Seller, [**] (as subsequently amended); and (D) the [**] between Seller and [**] (as subsequently amended), together with any side letters thereto.

"**[**] Equipment**" means the equipment listed in Annex 5 hereto.

"**Books and Records**" means all documents and data, including training plans, policy documents, qualifications, standard operating procedures, project records, facility design and construction records, commissioning and qualification records, procedures, backup systems, fire and other safety procedures, equipment manuals, warranty and repair records, maintenance procedures, serialization management records and data, people training and development management records, quality management records and non-product related chromatography data, all books, notebooks, ledgers, files, reports, plans, records, manuals, maps, engineering data and designs, blueprints, as-built plans, specifications, procedures, studies and equipment repair, safety, maintenance or service records owned by the Seller or its Affiliates related to the ownership, use, function or value of the Transferred Assets and/or the Transferred Liabilities whether stored in any physical or electronic form or medium, whether structured or unstructured, including historical data, but excluding system and disaster recovery backups and other copies made for similar purposes.

"**Building Control Act**" means the Building Control Acts 1990 to 2014.

"**Building Regulations**" means any regulations issued pursuant to the Building Control Act including, without prejudice to the generality of the foregoing, the Building Control (Amendment) Regulations 2014.

"**Business**" means the drug product development and manufacturing operations of the Seller as currently conducted at the Athlone Facility utilizing the Transferred Assets, other than the Excluded Business.

"**Business Day**" means a day (other than a Saturday, Sunday or a public holiday in Ireland, Denmark or Massachusetts, United States of America) on which banks are generally open for business in Dublin, Ireland, Copenhagen, Denmark and Waltham, Massachusetts, United States of America.

"**Capital Goods**" shall have the meaning attributed to that term under Section 2 and Section 63(1) of the VATCA.

"**Capital Goods Record**" shall have the meaning attributed to that term under Section 64(12) of the VATCA.

"**Cash Equivalents**" means freely available cash, checks, money orders, marketable securities, short-term instruments and other cash equivalents, funds in time and demand deposits or similar accounts. Notwithstanding the foregoing, Cash Equivalents of any Person shall (a) be reduced by the amount of issued but uncleared checks and drafts from any account of such Person and (b) include checks and drafts deposited for the account of such Person.

"**Closing Adjustment Amount**" means an amount, which may be a positive or negative number, equal to the sum of: (i) an amount equal to the [**], ***plus*** (ii) the [**] Amount, ***plus*** (iii) the Closing Property Tax Amount, ***plus*** (iv) an amount equal to the Seller Unpaid Expenses, ***less*** (v) an amount equal to the Seller Prepaid Expenses and ***plus*** (vi) the [**] (in each case, as of the Effective Time).

"**Closing Conditions**" means the conditions to the Closing set out in Article 4.

"**Closing Adjustment Statement**" means the statement, together with reasonably detailed supporting information, to be delivered by the Purchaser to the Seller in accordance with Section 3.4, setting forth the Purchaser's determination of (i) each of (a) the [**], (b) the [**] Amount, (c) the Closing Property Tax Amount, (d) the Seller Unpaid Expenses, and (e) the Seller Prepaid Expenses (in each case, as of the Effective Time) and (ii) the Purchase Price.

"**Closing Property Tax Amount**" means, as of the Effective Time, an amount, which may be a positive or negative number, equal to the Property Taxes allocable to the Pre-Closing Period on a *per diem* basis, ***less*** any prepayments made in respect of the Property Taxes which relate to the Post-Closing Period. To the extent that the Closing Property Tax Amount shall be unknown (or shall not then be readily ascertainable) as of the Closing Date, a good faith fair estimate of the Closing Property Tax Amounts as determined by the Seller based on the Property Taxes of the previous calendar year shall be made.

"**[**]**" means (i) a waiver for the purposes of the [**] Agreements, to the extent such waiver is required, of any and all rights or obligations under such Contracts to assign, novate or otherwise transfer such Contracts to the Purchaser in connection with this Agreement or any transaction contemplated by, or under, this Agreement (for the avoidance of doubt, including under the [**] Agreement) and (ii) any approvals, consents, ratifications or waivers, as applicable, required under the [**] for the Parties to enter into and perform their obligations under the [**], this Agreement and each of the other Ancillary Agreements; provided, however, that where any such approval, consent, ratification or waiver is given on terms that would result in [**].

"**Collateral Agent**" means Morgan Stanley Senior Funding, Inc.

"**Companies Act**" means the Companies Act 2014 and all Acts of the Oireachtas and statutory instruments which are to be read as one with, or construed or read together as one with, the Companies Act, and every statutory modification or re-enactment thereof for the time being in force (or, where the context so admits and requires, any one or more of such Acts) and all orders and regulations made thereunder.

"**[**] Agreement**" means the agreement dated 2 May 2023 entered between Alkermes Pharma Ireland Limited and [**] in respect of the [**].

"**[**]**" means, as of the Effective Time, the aggregate deferred payment(s) then due to [**] from the Seller in respect of certain [**] work to be completed by [**] pursuant to the [**] Agreement.

"**Construction Services Agreement**" means the services agreement entered into between Alkermes Pharma Ireland Limited and [**] dated 17 April 2019 between Alkermes Pharma Ireland Limited and [**].

"**Contaminant**" includes any material, substance, chemical, gas, liquid, waste, effluent, pollutant or contaminant which, whether on its own or admixed with another, is identified or defined in or regulated by or pursuant to any Environmental Law or which upon release into the environment presents a danger to the environment or to the health or safety or welfare of any person.

"**Contract**" means any agreement, contract, subcontract, license, sublicense, personal property lease, sublease, indenture, purchase order or other legally binding arrangement, commitment or undertaking of any nature, in each case including any rights or claims thereunder, excluding any of the foregoing under or pursuant to which all obligations have been performed, paid, terminated, completed and/or discharged, as applicable.

"**Credit Agreement(s)**" means the Amended and Restated Credit Agreement dated 16 September 2011 by and among Alkermes, Inc., Alkermes plc, the Seller, Alkermes US Holdings, Inc., Morgan Stanley Senior Funding, Inc., the Lenders party thereto and the Guarantors party thereto (as amended).

"**Data Protection Laws**" means any data protection and privacy laws applicable to the Seller and its Affiliates in the operation of the Business or Transferred Assets and to the Seller in its processing of Personal Data in connection with the operation of the Business or Transferred Assets, including, to the extent applicable, the GDPR, the e-Privacy Directive (Directive 2002/58/EC) and any and all laws and regulations governing privacy, cybercrime, use of electronic data or data privacy.

"**Disclosed**" or "**Disclosure**" means facts, matters or other information fairly and reasonably disclosed in the Seller Disclosure Letter (or deemed to be disclosure under the terms of this Agreement) in such a manner and with sufficient detail to enable a prudent buyer to identify the nature and extent of the matter disclosed and to make an informed assessment of the fact, matter or information.

"**Effective Time**" means 24:00 local time in each jurisdiction in which the Business is conducted on the Closing Date.

"**Employee Benefit Plans**" means all employee benefit plans, including the Employee Stock Option Plan, any share option, share purchase, incentive, profit-sharing, bonus, commission, private medical, life insurance and pension plans (including the Pension Scheme), in each case which are sponsored, maintained or contributed to by the Seller or any of its Affiliates for any Transferred Employee, excluding any obligations arising under applicable Law (such as the obligation to make social security/national insurance contributions).

"**Employee Stock Option Plan**" means the Alkermes Plc. 2018 Stock Option and Incentive Plan, including any amendments thereto.

"**Encumbrance**" means any encumbrance, claim, charge, hypothecation, lien (including any lien for unpaid Taxes), license, mortgage, pledge, lease, sublease, right of way, trust or title retention agreement, easement, defect in title, restrictive covenant, option, assignment, hypothecation adverse claim, right of first refusal or security interest of any kind, other than the Permitted Encumbrances.

"**Environmental Law**" means (a) the common law and (b) any Law concerning the protection of the environment or the community or occupational safety or health (including, without limitation, illness or injury arising from exposure to any Contaminant or Hazardous Substance), noise, sustainability, energy

use or efficiency, natural resources, pollution, contamination or the environment or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, management, registration, sale, import, export, release or disposal of, any Contaminant or Hazardous Substance.

"**Environmental Release**" means the spilling, leaking, pumping, pouring, emitting, releasing, emptying, discharging, injecting, escaping, leaching, dumping, leaving, discarding or disposing of any Contaminant into or upon the environment.

"**Excluded Business**" means all businesses of the Seller and its Affiliates including without limitation all design, development, manufacturing, marketing, distributing and selling activities related to the Seller Products.

"**Excluded Information**" means any (a) information of which the assignment or transfer is prohibited by applicable Law, (b) corporate minutes and statutory records of the Seller and its Affiliates, (c) governing instruments of the Seller and its Affiliates, (d) Tax Returns, including Tax accrual work papers, related to any Tax Returns of the Seller or its Affiliates, (e) employment records other than the Transferred Employees' Records, (f) information relating to any Excluded Asset or Excluded Liability or any operations or business of the Seller and its Affiliates, (g) laboratory notebooks, (h) financial records and books of account and (i) transient information including emails, calendars, invites, text messages and personal notes.

"**Fraud**" means an intentional misrepresentation in the making of any of the warranties set forth in this Agreement or in any other Transaction Document that constitutes common law fraud under Irish law.

"**Fundamental Warranties**" means, with respect to the Seller, the warranties in Sections 6.1, 6.2, 6.3, 6.4, 6.7 and 6.12 (the "**Seller's Fundamental Warranties**") and, with respect to the Purchaser, the warranties in Sections 7.1(a) through 7.1(c) and Section 7.1(g) (the "**Purchaser's Fundamental Warranties**").

"**GDPR**" means (as the context permits) the EU General Data Protection Regulation (EU 2016/679) or the General Data Protection Regulation as adopted in the UK pursuant to the European Union (Withdrawal Act) 2018.

"**Governmental Entity**" means any court, agency, authority, department, legislative or regulatory body or other instrumentality of any government or country or of any national, federal, state, provincial, regional, county, city or other political subdivision of any such government or any supranational organization of which any such country is a member or quasi-governmental authority or self-regulatory organization of competent authority.

"**Hazardous Substance**" means any substance that is listed, defined, designated or classified as hazardous, toxic or otherwise harmful under applicable Environmental Laws including petroleum products and byproducts, radioactive or nuclear materials, asbestos-containing material and polychlorinated biphenyls, or that is otherwise regulated under Environmental Laws, including greenhouse gases and per and polyfluoroalkyl substances.

"**Healthcare Regulatory Authority**" means the United States Food and Drug Administration, the European Medicines Agency, the HPRA and any other federal, state, local or foreign Governmental Entity that regulates the development and manufacturing of pharmaceutical products.

"**HPRA**" means the Irish Health Products Regulatory Authority.

"**HPRA Licenses**" means the Manufacturer Authorisation (no. M01067/00001) granted by the HPRA to the Seller, the Manufacturer Authorisation (no. IMP00074-00001) granted by the HPRA to the Seller, and the Registration of Manufacturer, Importer or Distributor of Active Substances to be used as Starting Materials in Medicinal Products for Human Use (no. ASR11383/00001) issued by the HPRA to the Seller.

"**HPRA License Determinations**" means the HPRA's (and/or if applicable the Minister for Health's) determinations with respect to the HPRA License Transfer Applications.

"**HPRA License Transfer Applications**" means the applications to be made by the Seller or jointly by the Seller and the Purchaser or by the Purchaser (as appropriate for the particular HPRA Licenses) in respect of the proposed transfer, (re-)grant, (re-)issue, or (re-)registration of the HPRA Licenses to or in the name of the Purchaser.

"**Identified Environmental Liabilities**" means any Liabilities under Environmental Laws arising out of or in connection with the [**].

"**Identified [**] Liabilities**" means any Liabilities under Environmental Laws arising out of or in connection with the [**] on the Athlone Facility and (ii) the [**].

"**IE License**" means the Industrial Emissions License granted by the Agency to the Seller (Reg. Ref. P0100-02).

"**IE License Determination**" means the Agency's determination with respect to the IE License Transfer Application.

"**IE License Transfer Application**" means the application to be made jointly by the Seller and the Purchaser in respect of the proposed transfer of the IE License to the Purchaser.

"**Indemnified Party**" means any Party who has a right to be indemnified pursuant to Article 10.

"**Indemnified Person**" means any Person who has a right to be indemnified pursuant to Article 10.

"**Indemnifying Party**" means any Party against whom another Party or Person has a right to be indemnified pursuant to Article 10.

"**Indemnity/Warranty Claim**" means any claim against the Purchaser or the Seller, as the case may be, in respect to a breach of (i) the indemnification provisions contained in Section 10.2, in the case of a claim against the Seller, or Section 10.3, in the case of a claim against the Purchaser or (ii) the warranties contained in Article 6, in the case of a claim against the Seller, or Article 7, in the case of a claim against the Purchaser.

"**Intellectual Property**" means all (a) patents, patent applications, inventions, discoveries, processes, designs, techniques, developments, technology, and related improvements and know-how, whether or not patented or patentable; (b) copyrights and works of authorship in any media, including computer hardware, software, firmware, applications, files, systems, networks, databases and compilations, documentation and related textual works, graphics, advertising, marketing and promotional materials, photographs, artwork, drawings, articles, textual works, and Internet site content, and all registrations of and applications to register regarding the forgoing; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos trade dress and other source indicators, all registrations of and applications to register regarding the foregoing together with all translations, adaptations, derivations

and combinations thereof and including all goodwill of any business symbolized thereby; (d) trade secrets, drawings, blueprints and all non-public, confidential or proprietary information, documents, materials, analyses, research and lists; (e) rights to sue for past, present and future infringement, misappropriation, dilution or other violations thereof; (f) rights in licenses to or from a Third Party in any of the foregoing; and (g) all tangible embodiments thereof.

"**Interim Entry Agreement**" means that certain Interim Entry Agreement to be entered into between the Purchaser and the Seller and/or one or more of the Seller's Affiliates, on the date of this Agreement, in the form attached hereto at Exhibit A.

[**]

"**Inventory**" means all stock of finished product or work-in-process product and any materials, components or spare parts used, or held for use, in the manufacture or development of drug products, including (a) raw ingredients, (b) intermediates, (c) excipients, (d) processing aids, (e) active ingredients, (f) bulk drug product and (g) packaging and labelling materials and components (including printed and non-printed components therefor), in each case that are maintained, held, stored or in transit by or on behalf of the Seller or its Affiliates and any Third Parties as of the Closing Date.

"**Irish Pensions Act**" means the Irish Pensions Acts 1990 to 2018 (as amended) and any statutory modification or re-enactment thereof for the time being in force and any statutory regulations made thereunder and the European Union (Occupational Pension Schemes) Regulations 2021 (as may be amended from time to time).

"**Knowledge**," or similar words or phrases, means, with respect to the Seller, the actual knowledge of the employees listed under the heading "*Seller Knowledge Persons*" in Annex 6 hereto [**].

"**Land Sale Contract**" means the contract for sale in respect of the Owned Real Property, incorporating the Law Society of Ireland General Conditions of Sale (2023 Edition), the agreed form of which is appended hereto at Exhibit G.

"**Law**" means any statute, law, treaty, EU Directive, EU Regulation, Order, ordinance, requirement, regulatory rule, administrative interpretation, code or order of any Governmental Entity or any other requirement having the force of law of any Governmental Entity.

"**Liabilities**" means any and all debts, liabilities, expenses, guarantees, commitments, claims, actions, proceedings, demands, damages, losses, debts, judgments or settlements and obligations, of any nature or kind whether accrued or fixed, known or unknown, absolute or contingent, matured or unmatured, liquidated or unliquidated or determined or determinable, including product liability, and, more generally, any liability arising under any Law, Action or governmental order, injunction or decree and any liability arising under any contract or undertaking.

"**License Agreement**" means the License Agreement to be entered into between the Purchaser Guarantor and the Seller and/or one or more of the Seller's Affiliates, on the Closing Date, embodying the mutually agreed terms attached hereto as Exhibit B, pursuant to which the Seller and its applicable Affiliates will grant to the Purchaser licenses to certain Intellectual Property of the Seller (the "**Licensed IP**"), on the terms and conditions set forth therein.

"**Long Stop Date**" means the date that is twelve (12) months after the date of this Agreement.

"**Loss**" means any and all loss, Liability, costs and expenses actually incurred by a Party, interest, awards, judgments and penalties (including reasonable attorneys' and consultants' fees and expenses); provided that, in the case of indirect and consequential damages, such damages are reasonably foreseeable and proximately caused by the asserted breach; provided, however, Losses shall not include any special, exemplary or punitive or any similar damages, or damages based upon diminution in value or any valuation multiplier, unless required to be paid to a Third Party as a result of a Third Party Claim.

"**Material Adverse Effect**" means a change, effect, event, occurrence or development (each, an "**Effect**") that (x) has, or is reasonably expected to have, a materially adverse effect on the Athlone Facility and / or Transferred Assets, taken as a whole or a substantial part thereof, or (y) prevents, or would reasonably be expected to prevent, the Seller from consummating the transactions contemplated by this Agreement or from performing its obligations hereunder; provided, however, that, in the case of clause (x), no Effect shall be deemed either alone or in combination to constitute, and no Effect shall be taken into account in determining whether there has been or will be, a Material Adverse Effect, to the extent such Effect relates to, or arises from, one or more of the following: (a) any adverse Effect attributable to changes in conditions generally affecting (i) the pharmaceutical industry or (ii) the economy, financial or securities markets or political, legislative or regulatory conditions, taken as a whole, (b) any adverse Effect to or on any Excluded Asset or Excluded Liability, (c) any adverse Effect caused by the entry into this Agreement, announcement of this Agreement and the pendency or closing of the transactions contemplated hereby or the identity of the Purchaser, (d) any adverse Effect due to acts of war, armed hostility or terrorism, (e) any act of God, hurricane, tornado, weather event, earthquake, landslide, other natural disaster, epidemic, plague, pandemic (including the COVID-19 pandemic), other outbreak of illness or public health event (whether human or animal) and any other force majeure events (for the avoidance of doubt, any Effect within the control of the Seller, including Effects related to the Seller's workforce shall not constitute a force majeure event), (f) any adverse Effect due to actions or inactions required to be taken by the Seller or any of its Affiliates pursuant to the provisions of this Agreement or (g) any adverse Effect resulting from any action by the Purchaser, except in the case of Effects referenced in clauses (a), (d) or (e), for any effects that disproportionately impacts the Transferred Assets, as compared to similarly situated Assets.

"**Material Contract**" means (i) any Contract [**], (ii) any Contract with a Governmental Entity and (iii) any other Contract which is of material importance to the business, profits or assets of the Seller in so far as they relate to the Transferred Assets.

"**MDSA**" means the Master Development and Services Agreement to be entered into between the Purchaser and the Seller and/or one or more of the Seller's Affiliates, on the Closing Date, embodying the mutually agreed terms attached hereto as Exhibit D.

"**Minister for Health**" means the Minister for Health of the Government of Ireland.

"**Morgan Stanley Charges**" means the security granted in favor of the Collateral Agent including each of the following documents pursuant to which the Seller granted certain security interests in favor of the Collateral Agent:

(a) a first lien guarantee and collateral agreement dated 16 September 2011 (the "**First Lien Guarantee and Collateral Agreement**"); and

(b) a first lien debenture dated 16 September 2011 (the "**Irish Debenture**").

"**Morgan Stanley Loan(s)**" mean the loans advanced pursuant to the Credit Agreement(s).

"**Neutral Accounting Firm**" means Deloitte or such other internationally recognized public accounting firm to be mutually agreed by the Seller and the Purchaser (or, if not agreed by then by the Seller and the Purchaser, to be appointed by the President of Chartered Accountants Ireland); provided that the Neutral Accounting Firm shall not have been retained by any Party in respect to the transactions contemplated hereunder; provided, further, that the team at such Neutral Accounting Firm dedicated to the matters set forth in Section 3.4(d)(ii) shall be independent from any other transactions involving the Seller or the Purchaser or their respective Affiliates.

"**Non-Transferred Employee**" means any person employed or engaged, or formerly employed or engaged, by the Seller or its Affiliates who is not a Transferred Employee or a Transferred Worker.

"**Order**" means any judgment, decree, order, writ, award, assessment, ruling or injunction of a court or other Governmental Entity of competent jurisdiction.

"**Ordinary Course**" means the conduct of the Business in accordance with the Seller's and its Affiliates' normal day-to-day customs, practices and procedures, consistent with past practice and/or as currently planned to be conducted.

"**Owned Real Property**" means only that real property described by street address and set forth on Annex 7, including any and all buildings, plants, structures, and the improvements located thereon and real estate fixtures attached thereto and all easements, rights-of-way, appurtenances and other rights benefiting such real property and all right, title and interest of the Seller, if any, in and to (a) all oil, gas and mineral rights related to the foregoing and (b) any condemnation award or any payment in lieu thereof for any taking thereof or for any change in grade of any street, road or avenue adjacent thereto which occurs subsequent to the date of this Agreement.

"**Pension Scheme**" means the Alkermes Defined Contribution Plan established by Declaration of Trust, dated 8 August 2011.

"**Permitted Encumbrances**" means the following:

(a) The easements reserved out of the lands assured by [**];

(b) The easements and covenants granted and reserved by Deed of Transfer dated 3 April 2012 and made between (1) Roscommon County Council and (2) Alkermes Pharma Ireland Limited (comprising PRA Instrument D2012LR075213K);

(c) [**];

(d) [**];

(e) [**];

(f) A letter of undertaking dated 1 June 2018 from Alkermes Pharma Ireland Limited to ESB Networks DAC in respect of which the provisions of the Land Sale Contract apply; and

(g) Any other Encumbrance evident from the provisions of the special conditions of the Land Sale Contract.

"**Person**" means any individual, partnership, limited liability company, firm, corporation, association, trust, unincorporated organization or other entity, including any Governmental Entity.

"**Personal Data**" shall have the meaning set forth in the GDPR.

"**Planning Acts**" means the Local Government (Planning and Development) Acts 1963 to 1999 and the Planning and Development Acts 2000 to 2020.

"**Post-Closing Period**" means any taxable period beginning on or after the Closing Date and that portion of a Straddle Period beginning on the Closing Date.

"**Processed**," "**Processing**," or similar words or phrases, when used in connection with Personal Data, shall have the meaning set forth in the GDPR.

"**Pre-Closing Period**" means any taxable period ending before the Closing Date and that portion of any Straddle Period ending before the Closing Date.

"**Pre-Closing Statement**" means the statement, together with reasonably detailed supporting information, to be delivered by the Seller to the Purchaser in accordance with Section 3.4, setting forth the Seller's reasonable and good faith estimates of (i) each of (a) the [**], (b) the [**] Amount, (c) the Closing Property Tax Amount, (d) the Seller Unpaid Expenses and (f) the Seller Prepaid Expenses (in each case, as of the Effective Time) and (ii) and the Closing Purchase Price payable to the Seller pursuant to Section 3.2(a)(ii).

"**Property Taxes**" means all rates levied by the relevant local authority and referable to the Owned Real Property apportioned on a per diem basis.

"**Purchaser**" shall have the meaning set forth in the caption hereto.

"**Purchase Price Allocation**" means the allocation of the Purchase Price between the Transferred Assets and the License Agreement as determined in accordance with Section 3.6.

"**Quality Agreement**" means the agreement on market standard terms to be entered into on the Closing Date between the Purchaser and the Seller in respect of quality system management related to the Athlone Facility and the Subcontract Agreement and the MDSA.

"**Representatives**" means, with respect to any Person, such Person's Affiliates and its and their respective directors, officers, employees, managers, agents, consultants, advisors (including legal counsel, accountants and financial advisors) and representatives.

[**]

"**Sanctions Authority**" means any relevant government, agency or legislature in the United States, the United Kingdom, the European Union or its member States, or other relevant jurisdiction, including but not limited to: the U.S. Treasury Department's Office of Foreign Asset Control (OFAC), the U.S. State Department, the United Nations Security Council and the European Commission.

"**Sanctions Laws**" means all applicable EU and non-EU laws relating to economic or trade sanctions, including the laws administered or enforced by a Sanctions Authority.

"**Sanctioned Country**" means any country or region that is, or has been in the last five years, the subject or target of a comprehensive embargo under Sanctions Laws (which presently includes Belarus, Cuba, Iran, North Korea, Russia, Sudan, Syria, and the Crimea, Luhansk and Donetsk regions of Ukraine).

"**Sanctions List**" means the Consolidated United Nations Security Council Sanctions List, the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the U.S. Department of Treasury, the Denied Persons List maintained by the U.S. Department of Commerce, the Consolidated list of persons, groups and entities subject to EU financial sanctions maintained by the European Union or any other list issued or maintained by any Sanctions Authorities of persons subject to Sanctions (including investment or related restrictions), each as amended, supplemented or substituted from time to time.

"**Sanctioned Person**" means any individual or entity that is listed on, or owned or controlled by a person listed on, any Sanctions List.

"**Seller Prepaid Expenses**" means, as of the Effective Time, all prepayments, security deposits, rebates, refunds and prepaid expenses, in each case, relating to the Transferred Assets.

"**Seller Unpaid Expenses**" means, as of the Effective Time, any accrued and unpaid payment obligations arising under or out of the Transferred Contracts or the Shared Contract Rights, in each case to the extent (i) the invoice in respect of which the accrued liability relates is expected to be issued to the Purchaser or one of its Affiliates following the Completion Date and (ii) the underlying acts, omissions, facts, purchase orders, circumstances, claims, provision of services or supply of goods, equipment or other items arose prior to the Closing (it being acknowledged and agreed by the Parties that, to the extent a single invoice or other request for payment covers provision of services or supply of goods, equipment or other items during a period starting prior to the Closing Date and ending on or after the Closing Date, (x) in the case of provision of services, such payment obligations shall be allocated between the Purchaser and the Seller *pro rata* based on the number of days on which the services were performed before or after the Closing or, (y) in the case of supply of goods, equipment or other items, such payment obligations shall be allocated to the Party receiving the goods, equipment or other items).

"**Seller's Account**" means the bank account specified by the Seller in writing to the Purchaser in the form of Valid Account Details no later than five (5) Business Days prior to the Closing Date. "**Valid Account Details**" means, with respect to any bank account, the valid (i) name of bank, (ii) address of bank, (iii) account number, (iv) account name and (v) ABA/Routing number.

"**Seller Products**" means any and all products researched, developed, manufactured, tested, stored, filled, labeled, packaged and/or supplied, or currently planned to be developed, manufactured, tested, stored, filled, labeled, packaged and/or supplied, by the Seller or its Affiliates at the Athlone Facility for its or their behalf or on behalf of any Third Parties, including without limitation those products listed in Annex 13 hereto.

"**Seller Warranties**" means the warranties given by the Seller pursuant to Article 6.

"**Shared Contracts**" means those Contracts listed in Annex 14 hereto.

"**Straddle Period**" means any taxable period beginning on or before, and ending after, the Closing Date.

"**Subcontract Agreement**" means the Subcontract Agreement to be entered into between the Purchaser and the Seller and/or one or more of the Seller's Affiliates, on the Closing Date, embodying the mutually agreed terms attached hereto as Exhibit C, pursuant to which, *inter alia*, the Seller and/or its applicable Affiliates will subcontract to the Purchaser certain obligations with respect to the [**], on the terms and conditions set forth therein.

"**Tax**" means all tax liabilities, including income taxes, capital taxes, gross receipts taxes, stamp duties, withholding taxes, sales taxes, VAT, franchise taxes, profits, payroll taxes, employment taxes, unemployment taxes, social security contributions, Property Taxes, Transfer Taxes, turnover taxes and all other taxes, duties, levies or imposts payable to any competent Taxation Authority in any jurisdiction, including all interest, penalties, costs, expenses and additions with respect thereto, whether disputed or not.

"**Tax Returns**" means all reports, declarations, returns, claims for refund or credit, schedule, estimate, information return or statement (including any attachment thereto or amendment thereof) required to be filed with respect to Taxes.

"**Taxation Authority**" means, in Ireland, the Revenue Commissioners, any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function competent to impose, administer, levy, assess or collect Tax.

"**TCA**" means the Irish Taxes Consolidation Act 1997.

"**Termination Date**" means the date on which this Agreement is terminated in accordance with Article 9.

"**Third Party**" means any Person other than a Party or any Affiliate of a Party.

"**Transaction Documents**" means, collectively, this Agreement, the Ancillary Agreements and any other documents in agreed form entered into or to be entered into pursuant to this Agreement or any of the Ancillary Agreements.

"**Transfer Regulations**" means the European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003.

"**Transfer Taxes**" means all Irish stamp duty and any similar Taxes incurred as a result of the transactions pursuant to this Agreement, including any penalties, interest and additions with respect to such Taxes, in each case, imposed in connection with this Agreement and the transactions contemplated by this Agreement; provided, that Transfer Taxes shall exclude all VAT.

"**Transferred Authorizations**" means those Authorizations held by the Seller or its Affiliates relating exclusively to the ownership, use, function or value of the Transferred Assets including the IE License, the HPRA Authorizations and the Authorizations expressly listed in Annex 8 hereto (which, for the avoidance of doubt, shall exclude any marketing authorizations relating to the Seller Products), to the extent such Authorizations are transferable by the Seller or its Affiliates to the Purchaser by assignment or otherwise (including without limitation upon request or application to a Governmental Entity, or which will pass to the Purchaser as successor in title to the Transferred Assets by operation of Law).

"**Transferred Employee**" means each employee of the Seller or its Affiliates [**].

"**Transferred Employees' Records**" means those personnel records that exclusively relate to the Transferred Employees that are listed in Annex 10 hereto.

"**Transferred Liabilities**" means only those Liabilities of the Seller listed in Annex 4 hereto, and does not include any other Liabilities of the Seller or any of its Affiliates.

"**Transferred Worker**" means each agency worker or independent contractor engaged by the Seller to provide services at the Athlone Facility whose name is set forth in Part 3 of Annex 9 hereto.

"**Transitional Services Agreement**" means the Transitional Services Agreement to be entered into between the Purchaser and the Seller and/or one or more of its Affiliates, on the Closing Date, embodying the mutually agreed terms attached hereto as Exhibit E, pursuant to which the Seller and/or its applicable Affiliates will provide the services set out therein on the terms and conditions set forth therein.

"**VAT**" means (a) value added tax charged under VATCA and (b) any other Tax charged in conformity to EU the Council Directive 2006/112/EC of 28 November 2006 and (c) any Tax similar to or replacing same, whether imposed in a member state of the European Union in substitution for, or levied in addition to, the tax referred to in (b), or elsewhere.

"**VATCA**" means Value Added Tax Consolidation Act 2010 of Ireland.

**1.2 Other Defined Terms**. Unless the express context otherwise requires each of the following terms is defined in the Section set forth opposite such term:

| **Term** | **Section** |
|---|---|
| "Agreement" | Preamble |
| "Assignment and Assumption Agreement" | Section 5.2(i) |
| "Athlone Facility" | Recitals |
| "Basket" | Section 10.4(c) |
| "Business Software" | Section 6.13(e) |
| "CGT Clearance Certificate" | Section 4.2(e) |
| "Claim Notice" | Section 10.7(a) |
| "Closing Date" | Section 5.1 |
| "Closing Overpayment" | Section 3.4(e) |
| "Closing Underpayment" | Section 3.4(e) |
| "[**]" | Annex 10 |
| "Consent" | Section 8.4 |
| "Deferred Asset" | Section 8.9 |
| "Direct Claim" | Section 10.6(b) |
| "Disputed Items" | Section 3.4(c) |
| "Employees' Representatives" | Section 8.5(f) |
| "Excluded Assets" | Annex 10 |
| "Excluded Claims" | Annex 10 |
| "Excluded Contracts" | Annex 10 |
| "Excluded Encumbrances" | Section 6.7(a)(ii) |
| "Excluded Liabilities" | Annex 2 |
| "Guaranteed Obligations" | Section 7.3 |
| "Indemnification Claim Notice" | Section 10.6(a) |
| "Interim Period" | Section 8.1(a) |
| "Notice of Disagreement" | Section 3.4(c) |
| "Other Excluded Assets" | Annex 10 |
| "Other Excluded Contracts" | Annex 10 |
| "Proceedings" | Section 11.10 |
| "Purchaser Claiming Parties" | Section 10.2 |
| "Purchaser TUPE Notice Information" | Section 8.5(i) |
| "Qualifying Loss" | Section 10.4(c) |
| "Restricted Person" | Section 8.13 |
| "Retention Deduction Amount Items" | Land Sale Contract |
| "Review Period" | Section 3.4(b) |

| | |
|---|---|
| "Seller Disclosure Letter" | Article 6 |
| "Seller Employee and Worker Charges" | Section 8.5(d) |
| "Seller Separation Costs" | Section 8.11 |
| "Seller TUPE Notice Information" | Section 8.5(j) |
| "Shared Contract Rights" | Annex 3 |
| "Third Party Claim" | Section 10.7 |
| "Transferred Assets" | Annex 3 |
| "Transferred Books and Records" | Annex 3 |
| "Transferred Contracts" | Annex 3 |
| "Transferred Individual Charges" | Section 8.5(d) |
| "Transferred IP" | Annex 3 |
| "Transferred Personal Property" | Annex 3 |
| "TUPE Notice" | Section 8.5(f) |
| "TUPE Process" | Section 8.5(g) |
| "Unresolved Objection" | Section 3.4(d)(ii) |

**1.3 Interpretative Provisions**. Unless the express context otherwise requires:

(a) the words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa;

(c) the terms "Dollars" and "$" mean United States Dollars and the terms "Euro" and "€" means the lawful currency for the time being of Ireland;

(d) references herein to a specific Section, Article, Schedule, Annex or Exhibit shall refer, respectively, to Sections, Articles, Schedules, Annexes or Exhibits of this Agreement and references to "this Agreement" shall refer to this Agreement and all of its Annexes, Schedules and Exhibits;

(e) wherever the words "include", "includes", "including" or words of similar import are used in this Agreement, it shall be deemed to be followed by the words "without limitation";

(f) references herein to any gender shall include each other gender;

(g) with respect to the determination of any period of time, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding";

(h) any reference to any Law shall include:

(i) any statute or statutory provision which:

(A) amends, extends, applies, consolidates, re-enacts or replaces any such statute or statutory provisions (whether before, on or after the date of this Agreement); or

(B) has been amended, extended, consolidated, re-enacted or replaced (whether before, on or after, the date of this Agreement) by any statute or statutory provision; and

(ii) any orders, regulations, instruments or other subordinate legislation made under the relevant statute (together the "**Subordinate Legislation**"),

except, in each case, to the extent that any such amendment, extension, application, consolidation, re-enactment or replacement or any Subordinate Legislation is [**];

(i) references to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms thereof;

(j) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if";

(k) "arising out of" means arising out of, or related to, and, if not solely arising out of, or related to, then to the extent arising out of, or related to;

(l) the use of the word "or" is not intended to be exclusive unless expressly indicated otherwise;

(m) any documents or materials referred to herein as being "made available" to the Purchaser shall have been provided to the Purchaser or its counsel at least three (3) Business Days prior to the date of this Agreement;

(n) a Party includes its permitted assignees and/or the respective successors in title to substantially the whole of its undertaking;

(o) any reference to "writing" or any similar expression includes transmission by email or other comparable means of electronic communication, provided, however, that where any notice is served under this Agreement by email, or other comparable means of electronic communication, it must clearly and unambiguously state in such communication that such commination constitutes a notice for the purpose of this Agreement;

(p) unless the context otherwise requires the words, "subsidiary", "holding company" and "financial year" shall have the same meanings in this Agreement as their respective definitions in the Companies Act;

(q) any reference in this Agreement to a specific Irish legal term or specific U.S. legal term for any action, remedy, method or form of judicial proceeding, legal document, legal status, court, official or any other legal concept, or thing will, in respect of any jurisdiction outside of Ireland or the United States of America, as applicable, relevant to the transactions contemplated by this Agreement, be deemed to include a reference to the corresponding or most similar legal term in that jurisdiction;

(r) any reference to "days" means calendar days unless Business Days are expressly specified. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day;

(s) any reference to Ireland does not include Northern Ireland; and

(t) any reference to:

(i) a time of day is to the time in Ireland;

(ii) a day or a Business Day is to a period of 24 hours running from midnight to midnight; and

(iii) a "month" shall mean a calendar month.

**1.4 Currency Conversion**. Where any conversion between Dollars and another currency is required to be made under, or in connection with, the provisions of this Agreement (a "**Conversion Calculation**"), the conversion rate to be used for the purpose of the Conversion Calculation shall be the daily fixing for such currency on the date on which the Conversion Calculation is made as calculated by the exchange rate office of the European Central Bank for such date or, where no such rate is published in respect of that currency for such date, at the rate quoted by Barclays bank as at the close of business in London on such date.

**1.5 Non-Application of Contra Proferentem**. The Parties have participated jointly in the negotiating and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

**1.6 Warranties**. Unless the context otherwise requires or unless otherwise specified, for the purpose of construction of the respective warranties of the Parties contained herein, any reference to an Irish legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than Ireland, be deemed to include or reference to that which most nearly approximates to the Irish legal term in that jurisdiction.

## ARTICLE 2
## SALE AND TRANSFER OF THE TRANSFERRED ASSETS

**2.1 Transferred Assets**. Upon the terms and conditions set forth in this Agreement and the Land Sale Contract (in respect of the Owned Real Property only) and subject to all applicable Laws, the Seller agrees to, and agrees to cause all of its Affiliates to, as legal and beneficial owner(s), at the Closing, sell, transfer, assign, novate, convey and deliver, as applicable, to the Purchaser (or one or more of its Affiliates, in the Purchaser's sole discretion), and the Purchaser (or one or more of its Affiliates, in the Purchaser's sole discretion) hereby agrees, in reliance upon, inter alia, the warranties and covenants given by the Seller pursuant to this Agreement and the other Transaction Documents, with effect on and from the Closing, to purchase, acquire, accept and assume, as applicable, from the Seller and each of its Affiliates, all of its and their respective rights, title and interest in and to the Transferred Assets, free and clear of all Encumbrances (other than the Transferred Liabilities), together with all rights attached to them at the Closing Date or subsequently becoming attached to them.

**2.2 Excluded Assets**. Notwithstanding anything herein to the contrary, from and after the Closing, the Seller and its Affiliates shall retain all of their existing right, title and interest in and to the Excluded Assets, and the Excluded Assets shall be excluded from the sale, conveyance, assignment or transfer to the Purchaser hereunder.

**2.3 Transferred Liabilities**. Upon the terms and conditions set forth in this Agreement and subject to all applicable Laws, the Purchaser agrees that, in reliance upon, inter alia, the warranties and covenants given by the Seller pursuant to this Agreement and the other Transaction Documents, with effect on and from the Closing, the Purchaser (or one or more of its Affiliates, in the Purchaser's sole discretion)

shall assume, pay, perform and discharge when due in accordance with their respective terms, all of the Transferred Liabilities and the Seller will promptly, and at its own cost and expense, provide all information and assistance and take all steps reasonably requested by the Purchaser to assist in the assumption, payment or discharge of the Transferred Liabilities. For the avoidance of doubt, nothing in this Section 2.3 or any other provision of this Agreement shall be construed as transferring any Liabilities related to or arising under or out of the [**], and any and all such Liabilities shall remain with the Seller following the Closing.

**2.4 Excluded Liabilities** Except as otherwise specifically set forth in Section 2.3, the Parties hereby agree that the Seller shall remain solely responsible for the Excluded Liabilities and the Purchaser (or any of its Affiliates) shall not be obligated to assume, pay, perform, discharge or be responsible for any of the Excluded Liabilities. Furthermore, the Seller hereby undertakes to and covenants with the Purchaser to pay, perform and discharge the Excluded Liabilities when due in accordance with their respective terms. For the avoidance of doubt, no Liability in respect of the Business or the Transferred Assets shall pass to or be assumed or construed as accepted by the Purchaser (or any of its Affiliates), except as otherwise specifically set forth in Section 2.3.

**2.5 Delivery**. To the extent permitted by applicable Laws, the title to such of the Transferred Assets which are capable of passing by delivery shall pass by delivery at the Closing Date, and such delivery shall take place at the location of the same at the Closing.

**2.6 Obligation to Complete**. Subject to Section 8.9, the Purchaser shall not be obliged to complete the purchase of any of the Transferred Assets or assume any liability hereunder unless the purchase of all the Transferred Assets is completed simultaneously in accordance with the provisions of this Agreement.

## ARTICLE 3
## PURCHASE PRICE; TAX

**3.1 Purchase Price**. The consideration payable by the Purchaser and/or the Purchaser Guarantor (or one or more of their respective Affiliates) on the Closing in respect of the purchase and sale transactions hereunder shall be the sum of: $92,500,000 ***less*** the Closing Adjustment Amount (which may be a positive or negative number), which sum comprises the aggregate purchase price to be paid on the Closing for the Transferred Assets (the "**Closing Purchase Price**"). The Closing Purchase Price shall be adjusted after the Closing in accordance with Section 3.4 and the Closing Purchase Price so adjusted is referred to herein as the "**Purchase Price**".

**3.2 Payment of the Closing Purchase Price**.

(a) At the Closing, the Purchaser agrees:

(i) to assume the Transferred Liabilities, in accordance with Section 2.3; and

(ii) to pay to the Seller the Closing Purchase Price in accordance with Section 5.3(b).

(b) The Closing Purchase Price and any payments due to the Seller pursuant to Section 3.4(e)(i) shall be paid by the Purchaser to the Seller's Account by way of wire transfer of immediately available funds. Receipt of the Purchase Price into the Seller's Account shall be an absolute discharge to the Purchaser of its obligation to make such payment.

**3.3 Closing Estimates**. No later than [**] prior to the Closing Date, the Seller shall deliver to the Purchaser the Pre-Closing Statement. Prior to the Closing, the Parties shall consider in good faith each other's reasonable comments on the Pre-Closing Statement and shall make any changes that both Parties agree based on the other's comments. Should any dispute arise between the Purchaser's opinion and the Seller's opinion as to the Closing Adjustment Amount and the related adjustments to be made to the Closing Purchase Price pursuant to Section 3.1, the adjustment to the Closing Purchase Price pursuant to Section 3.1 will be based on the Purchaser's determination of the Closing Adjustment Amount and the Purchaser shall notify the Seller of such determination not less than [**] prior to the Closing. For the avoidance of doubt, the Pre-Closing Statement shall be prepared in accordance with the Accounting Principles.

**3.4 Post-Closing Purchase Price Adjustments**

(a) [**] after the Closing Date, the Purchaser shall deliver to the Seller the Closing Adjustment Statement. The Purchaser may not modify the Closing Adjustment Statement once it has been delivered to the Seller in accordance with this Section 3.4(a).

(b) For [**] following the delivery of the Closing Adjustment Statement (the "**Review Period**"), the Purchaser shall, and shall cause its Affiliates to, permit the Seller and its Representatives reasonable access, during normal business hours upon reasonable advance notice and subject to a requirement to enter into any reasonable confidentiality agreements, to the relevant financial books and records relating to the Transferred Assets solely for the purposes of the Seller's exercise of its review and objection rights contemplated in this Section 3.4.

(c) The Seller shall notify the Purchaser within the Review Period if it objects to any matter set forth in the Closing Adjustment Statement delivered by the Purchaser, which notice shall include a reasonably detailed statement describing the basis for such objection which, for the avoidance of doubt, can include a re-calculation of any adjustments made to the Purchase Price based on further information received after the Closing (a "**Notice of Disagreement**"). If no Notice of Disagreement is received by the Purchaser within the Review Period, then the Closing Adjustment Statement shall be deemed to have been accepted by the Parties and will become final and binding upon the Parties. If the Seller delivers a Notice of Disagreement to the Purchaser within the Review Period, only those matters specified in such Notice of Disagreement shall be deemed to be in dispute (such matters, "**Disputed Items**"). Any Notice of Disagreement shall set forth in reasonable detail each Disputed Item, the disputed amount of each Disputed Item, the Seller's alternative amount of each Disputed Item and the basis for such alternative calculation and the Sellers alternative calculation of any such Disputed Item. Any component of the calculations set forth in the Closing Adjustment Statement that is a Disputed Item in a Notice of Disagreement delivered to the Purchaser within the Review Period shall be final and binding upon the Parties, unless the resolution of any Disputed Item affects an undisputed component of the Closing Adjustment Statement, in which case such undisputed component shall, notwithstanding the failure to object to such component in the Notice of Disagreement, be considered a Disputed Item to the extent affected by such resolved Disputed Item.

(d) Any Disputed Item shall be resolved as follows:

(i) The Seller and the Purchaser shall first negotiate in good faith to resolve such Disputed Item during the [**] delivery of a Notice of Disagreement. Any resolution agreed to in writing by the Seller and the Purchaser as to such Disputed Item shall be final and binding upon the Parties.

(ii) If the Seller and the Purchaser do not reach a resolution of such Disputed Item [**] after delivery of any Notice of Disagreement pursuant to Section 3.4(c), then any such unresolved objections (the "**Unresolved Objections**") may be resolved conclusively and bindingly for the Parties through a determination made by the Neutral Accounting Firm (acting solely as an expert and not as an

arbitrator) following a request by either the Purchaser or the Seller to refer the Unresolved Objections to the Neutral Accounting Firm. The Neutral Accounting Firm shall be instructed to make a determination with respect to the Unresolved Objections and the Neutral Accounting Firm shall only consider (A) whether the components of the Unresolved Objections were prepared in accordance with this Section 3.4 and (B) whether there were mathematical errors in the components of the Unresolved Objections. Any disagreement over the scope of the Unresolved Objections shall be resolved by the Neutral Accounting Firm. The Parties shall provide the Neutral Accounting Firm with all necessary documents as requested by it as soon as possible and shall instruct the Neutral Accounting Firm to render its decision in accordance with the terms set forth in this Section 3.4 and as promptly as reasonably practicable. The Neutral Accounting Firm shall be instructed to grant the Parties the opportunity to state their points of view and, if the Neutral Accounting Firm determines that a hearing would be appropriate, the Neutral Accounting Firm may conduct a hearing on the Unresolved Objections. All submissions by the Seller or the Purchaser to the Neutral Accounting Firm shall be in writing and shall simultaneously be delivered to the other Party and there shall be no *ex parte* communication with the Neutral Accounting Firm. The Neutral Accounting Firm shall be instructed to submit its decision and its reasoning in writing to the Parties. Absent Fraud, intentional misconduct or manifest error, the resolution by the Neutral Accounting Firm of the Unresolved Objections shall be final and binding upon the Parties. The fees and disbursements of the Neutral Accounting Firm shall be allocated between the Seller and the Purchaser in the same proportion that the aggregate amount of Unresolved Objections so submitted to the Neutral Accounting Firm are unsuccessfully disputed by each such Party (as finally determined by the Neutral Accounting Firm) bears to the total amount of the Unresolved Objections so submitted, as determined by the Neutral Accounting Firm in its final determination.

(e) [**] after the Closing Adjustment Statement becomes final and binding upon the Parties pursuant to Section 3.4(c) or any Closing Adjustment Statement (as modified) becomes final pursuant to Section 3.4(d), one of the following payments shall be made:

(i) If the Purchase Price, as finally determined in accordance with the foregoing provisions of this Section 3.4, is more than the Closing Purchase Price paid, or deemed to be paid, by the Purchaser to the Seller on the Closing Date (such amount, the "**Closing Underpayment**"), the Purchaser shall pay to the Seller an amount equal to the Closing Underpayment to the Seller's Account.

(ii) If the Purchase Price, as finally determined in accordance with the foregoing provisions of this Section 3.4, is less than the Closing Purchase Price paid, or deemed to be paid, by the Purchaser to the Seller on the Closing Date (such amount, the "**Closing Overpayment**"), the Seller shall pay to the Purchaser an amount equal to the Closing Overpayment to a bank account to be designated by the Purchaser.

(iii) If the Purchase Price, as finally determined in accordance with the foregoing provisions of this Section 3.4, is equal to the Closing Purchase Price, no payments shall be required to be made pursuant to this Section 3.4.

**3.5 Withholding Tax**. The Purchaser, the Seller, and any other applicable withholding agent shall be entitled to withhold, or cause to be withheld, from any payment made pursuant to this Agreement such amounts as are required to be withheld under applicable law (including any amounts required to be withheld in the event that a CGT Clearance Certificate is not produced by the Seller indicating that Irish Tax is not required to be deducted from the Purchase Price). In the event any amount payable is subject to withholding tax under applicable Law, payor shall deduct the respective amount from the Closing Purchase Price and pay the withholding tax to the relevant Taxation Authority; provided that, except for any deduction or withholding that is required as a result of the Seller's failure to deliver a CGT Clearance Certificate, (i) prior to any such deduction or withholding payor shall make all reasonable efforts to give the recipient notice of its intention to make such deduction or withholding and (ii) payor shall make all

reasonable efforts to cooperate with the recipient to the extent reasonably requested in order to obtain reduction or relief from such deduction or withholding, (iii) payor shall deliver [**] to payee proof of such payment to the relevant Taxation Authority and (iv) the Seller and the Purchaser shall make all reasonable efforts to obtain relief or reduction of withholding tax under the applicable tax treaties and applicable Laws, including but not limited to the submission or issuance of requisite forms and information. To the extent that amounts are so withheld and paid to the applicable Taxation Authority, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made. Upon any Party's reasonable written request, the Party which has made the relevant withholding shall provide the requesting Party with a tax payment certificate or other documentation (or copy thereof), to the extent issued by the applicable Taxation Authority, certifying payment of such amount.

**3.6 Purchase Price Allocation**. The Seller and the Purchaser shall seek to agree the allocation of the Purchase Price and any other amounts treated as consideration for applicable Tax purposes among the Transferred Assets, in accordance with the headings set out in Schedule 3.6 (with breakdowns in respect of each Transferred Asset as required) and the License Agreement [**] of the date of this Agreement. In circumstances where the Seller and the Purchaser cannot agree such allocation [**] of the date of this Agreement, [**], the allocation of the Purchase Price among the Transferred Assets and the License Agreement, which allocation may be amended from time to time, and shall deliver to the [**] determination of such allocation at or prior to the Closing. The Seller and the Purchaser agree that the Purchase Price Allocation may be adjusted by [**] on or before [**], if required for [**]; provided that [**] shall provide prompt notice to the Seller of any such adjustment to the Purchase Price Allocation and that the adjustment does not give rise to [**] for the Seller. The Parties agree that the Seller and the Purchaser shall use the Purchase Price Allocation (as adjusted in accordance with this Section 3.6) in their respective tax returns for the Straddle Period or the Post-Closing Period, (as applicable).

**3.7 Reduction in the Purchase Price**. The Purchase Price shall, to the extent legally permissible, be reduced or shall be deemed to have been reduced by the amount, if any, paid to the Purchaser in respect of any claim for breach of any of the Seller Warranties, indemnities or other terms of this Agreement or any Transaction Document. For the avoidance of doubt, any deemed reduction of the Purchase Price pursuant to this Section 3.7 [**].

## ARTICLE 4
## CONDITIONS TO CLOSING

**4.1 Conditions to Both Parties' Obligations to Close** . The obligations of the Parties to consummate the transactions contemplated by this Agreement at the Closing are subject to the fulfillment (or written waiver in whole or in part, by both Parties) at or prior to the Closing of each of the following conditions:

(a) Authorizations. All of the Transferred Authorizations set forth on Annex 8 shall have been approved, granted or obtained, as applicable (including by way of expiration of any waiting period, where applicable);

(b) IE License. To the extent not covered by Section 4.1(a), the IE License Determination will have issued and such IE License Determination shall effect the transfer of the IE License to the Purchaser;

(c) Transaction Documents. The final forms of each of the Transaction Documents (excluding this Agreement and the Interim Entry Agreement) shall have been agreed by the Parties and

both the Purchaser and the Seller shall have confirmed they are in a position to execute same on the Closing; and

(d) No Injunctions; Actions. Consummation of the transactions contemplated hereby or by the Ancillary Agreements shall not have been restrained, enjoined or otherwise prohibited or made illegal by any injunction issued by any Governmental Entity of competent authority under applicable Laws.

**4.2 Conditions to the Purchaser's Obligations to Close**. The obligations of the Purchaser to consummate the transactions contemplated by this Agreement at the Closing are subject to the fulfilment (or written waiver in whole or in part, by the Purchaser in its sole discretion, to the extent permitted by applicable Law) at or prior to the Closing of each of the following conditions:

(a) Warranties. (i) The warranties of the Seller contained in this Agreement, (other than the Seller's Fundamental Warranties) (disregarding any exception or qualification of such warranties that that are qualified by the terms "material", "in all material respects", or similar words or phrases) shall be true and correct on the Closing Date (except to the extent such warranties by their terms speak as of an earlier date, in which case they shall be true and correct as of such date), except where the failure of such warranty or warranties to be true and correct would not reasonably be expected to have a Material Adverse Effect; and (ii) the Seller's Fundamental Warranties shall be true and correct in all but *de minimis* respects on the Closing Date (except to the extent such warranties by their terms speak as of an earlier date, in which case they shall be true and correct in all but *de minimis* respects as of such date);

(b) No Breach of Covenant. The Seller shall not be in material breach of the covenants and agreements required to be performed by it hereunder on or prior to the Closing.

(c) Officer's Certificate. At the Closing, the Seller shall have delivered to the Purchaser a certificate, dated as of the Closing Date, executed by an officer of the Seller, certifying the fulfillment of the conditions specified in Sections 4.2(a) and 4.2(b);

(d) [**]. The Seller shall have obtained signed versions of the [**] from the relevant counterparties thereto (not including the Purchaser, where applicable). For the avoidance of doubt, the Purchaser shall not be required to [**];

(e) Section 980 of the TCA. The Seller shall have delivered to the Purchaser either (i) a copy certificate or certificates of the kind described in Section 980(8) of the Taxes Consolidation Act 1997 in respect of the disposal of the Transferred Assets (a "**CGT Clearance Certificate**") or (ii) or a letter from the auditors of the Seller addressed to (and in a form satisfactory to) the Purchaser confirming that none is required;

(f) Stamp Duty. The Seller shall have delivered its Irish tax reference number to the Purchaser to the extent reasonably required by the Purchaser in order to make an Irish stamp duty filing in connection with the purchase of the Transferred Assets;

(g) Transferred Employees. The Seller shall have complied with its obligations under Sections 8.5(f), 8.5(g) and 8.5(j); and

(h) Closing Deliverables. At the Closing, the Seller shall have delivered or caused to be delivered to the Purchaser the deliverables set forth in Section 5.2.

**4.3 Conditions to the Seller's Obligations to Close**. The obligations of the Seller to consummate the transactions contemplated by this Agreement at the Closing are subject to the fulfilment

(or written waiver in whole or in part, by the Seller in its sole discretion, to the extent permitted by applicable Law) at or prior to the Closing of each of the following conditions:

(a) Warranties. (i) The warranties of the Purchaser contained in this Agreement, (other than the Purchaser's Fundamental Warranties) (disregarding any exception or qualification of such warranties that that are qualified by the terms "material", "in all material respects", or similar words or phrases) shall be true and correct on the Closing Date (except to the extent such warranties by their terms speak as of an earlier date, in which case they shall be true and correct as of such date), except where the failure of such warranties to be true and correct would not reasonably be expected to have a Material Adverse Effect; and (ii) the Purchaser's Fundamental Warranties shall be true and correct in all but *de minimis* respects on the Closing Date (except to the extent such warranties by their terms speak as of an earlier date, in which case they shall be true and correct in all but *de minimis* respects as of such date);

(b) No Breach of Covenant. The Purchaser shall not be in material breach of the covenants and agreements required to be performed by it hereunder on or prior to the Closing;

(c) Officer's Certificate. At the Closing, the Purchaser shall have delivered to the Seller a certificate, dated as of the Closing Date, executed by an officer of the Purchaser, certifying the fulfillment of the conditions specified in Sections 4.3(a) and 4.3(b);

(d) Transferred Employees. The Purchaser shall have complied with its obligations under Sections 4.3, 8.5(f), 8.5(g) and 8.5(i); and

(e) Closing Deliverables. At the Closing, the Purchaser shall have delivered or caused to be delivered to the Seller the deliverables set forth in Section 5.3.

**4.4 Release of Encumbrances**. The Transferred Assets shall be released from the Morgan Stanley Charges upon the Closing.

## ARTICLE 5
## CLOSING

**5.1 Closing Date**. Unless this Agreement shall have been terminated pursuant to Article 9 and subject to the satisfaction or waiver of all the Closing Conditions in accordance with Article 4, the closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place (a) through the remote exchange of documents, save as may otherwise be required in respect of delivery of documents relating to the Owned Real Property pursuant to the Land Sale Contract and standard conveyancing practice, and wire transfer of funds and shall be deemed to have occurred at the offices of Matheson LLP, 70 Sir John Rogerson's Quay, Dublin 2 (and in such other places as are necessary to effect the transactions to be consummated at the Closing), at the Effective Time on (i) if the Closing Conditions (other than those conditions which, by their nature, may only be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) have been satisfied or waived more than [**] prior to the last Business Day of a month, on the last Business Day of such month or (ii) if the Closing Conditions (other than those conditions which, by their nature, may only be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) have been satisfied or waived less than [**] prior to the last Business Day of a month, on the last Business Day of the following month or (b) on such other date, time or place as mutually agreed in writing by the Parties. The "**Closing Date**" means the date upon which the Closing occurs. For the avoidance of doubt, the Parties acknowledge and agree that the Closing shall not be deemed to have occurred until the Seller shall have received the Closing Purchase Price into the Seller's Account.

**5.2 Closing Deliverables and Actions by the Seller**. At the Closing, the Seller and/or its applicable Affiliates shall deliver, or cause to be delivered, to the Purchaser or its Representatives, the following, or shall take, or cause to be taken, the following actions:

(a) a duly executed Irish law deed of partial release in respect of the Irish Debenture;

(b) a duly executed New York law release in respect of the First Lien Guarantee and Collateral Agreement;

(c) a duly executed Form 57A (Land Registry Deed of Discharge) in respect of the Owned Real Property;

(d) a certificate of a New York law qualified lawyer that the Form 57A was executed in accordance with the legal requirements governing execution of the Form 57A by such a body corporate in New York in accordance with Rule 74 of the Irish Land Registry Rules;

(e) an Irish Companies Registration Office Form C7 in relation to the Irish Debenture and the First Lien Guarantee and Collateral Agreement;

(f) if required, such UCC filings as are necessary in order to release the relevant liens created by the First Lien Guarantee and Collateral Agreement;

(g) all completion deliverables of the Seller or its Affiliates pursuant to the Land Sale Contract, which are set forth in Schedule 5.2(g);

(h) [**];

(i) a duly executed counterpart of an assignment and assumption agreement, in form and substance satisfactory to the Parties (the "**Assignment and Assumption Agreement**");

(j) a duly executed counterpart of each of the other Ancillary Agreements (other than the Interim Entry Agreement which is to be entered into contemporaneously with the entry by the Parties into this Agreement);

(k) a duly executed certificate as described in Section 4.2(c);

(l) a CGT Clearance Certificate;

(m) a tax reference number of the Seller for the purposes of Irish Stamp Duty (E-Stamping of Instruments and Self-Assessment) Regulations 2012; and

(n) such other customary instruments of transfer, assumptions, filings, releases or documents, in form and substance reasonably satisfactory to the Parties, as may be required to give effect to this Agreement.

**5.3 Closing Deliverables and Actions by the Purchaser**. At the Closing, the Purchaser and/or its applicable Affiliates shall deliver, or cause to be delivered, to the Seller or its Representatives or otherwise, the following, or shall take, or cause to be taken, the following actions:

(a) all completion deliverables of the Purchaser or its Affiliates pursuant to the Land Sale Contract, which are set forth in Schedule 5.2(g);

(b) the payment of the Closing Purchase Price in accordance with Section 3.1;

(c) a duly executed counterpart of the Assignment and Assumption Agreement;

(d) a duly executed counterpart of each of the other Ancillary Agreements (other than the Interim Entry Agreement which is to be entered into contemporaneously with the entry by the Parties into this Agreement);

(e) duly executed counterparts of other appropriate documents of transfer, in form and substance reasonably acceptable to the Parties, transferring any Transferred Assets and Transferred Liabilities not otherwise transferred pursuant to the Ancillary Agreements to the Purchaser;

(f) a duly executed certificate as described in Section 4.3(c); and

(g) such other customary instruments of transfer, assumptions, filings or documents, in form and substance reasonably satisfactory to the Parties, as may be required to give effect to this Agreement.

**5.4 Risk of Loss; Insurance**. The sale and purchase of each of the Transferred Assets is interdependent and shall be completed simultaneously. Subject to the terms and conditions of the Interim Entry Agreement, from the date of this Agreement until the Closing, any loss of or damage to the Transferred Assets from fire, casualty or any other occurrence of any kind shall be the sole responsibility of the Seller, provided such loss or damage occurs through or arises from no act or omission of the Purchaser or its Affiliates. Title and risk of loss or damage to the Transferred Assets shall pass to the Purchaser at the Closing. As of the Closing Date, the Transferred Assets shall cease to be insured by the Seller's insurance policies.

## ARTICLE 6
## SELLER WARRANTIES

The Seller warrants to the Purchaser, subject to the exceptions Disclosed in the disclosure letter provided to the Purchaser concurrently with the execution of this Agreement (the "**Seller Disclosure Letter**"), that the following warranties are true and correct as of the date of this Agreement and as of the Closing (except for such warranties that address matters as of a particular date which need be true and correct only as of the particular date in question, which shall be warranted as of such date(s) and for the purposes of any of the following warranties given pursuant to this Article 6, an express or implied reference to the "date of this Agreement" (or other similar term) in any such warranty is to be construed as a reference to the "Closing Date"):

**6.1 Organization; Qualification**. The Seller is a private limited company duly organized and validly existing under the laws of Ireland. The Seller is duly qualified to do business and in good standing (to the extent such concept is recognized by the applicable jurisdiction) as a foreign entity in each jurisdiction in which the nature of its business or the ownership, lease or operation of its assets and properties makes such qualification necessary and has the requisite corporate, limited liability company, partnership or similar power and authority to own, lease and operate its properties, rights and assets (including the Transferred Assets).

**6.2 Solvency**. The Seller is not insolvent or unable to pay its debts within the meaning of Section 509 or Section 570 of the Companies Act and has not ceased payment of any debt. No compromise or arrangement (pursuant to under Section 453 or Section 676 of the Companies Act or otherwise) with any of its creditors or any class of its creditors has been entered into or proposed with respect to the Seller. No

receiver or manager or similar officer has been appointed over, or taken possession of, the whole or any part of the Assets or undertaking of the Seller. No examiner or interim examiner is, or has been, appointed to the Seller and, to the Seller's Knowledge, there is no petition pending or threatened in writing in respect of such an appointment. No distress, execution or other process has been levied in respect of the Seller which remains undischarged and there is no unfulfilled or unsatisfied judgment or court order outstanding against the Seller.

**6.3 Authority; Enforceability**. The Seller has, and each of its Affiliates contemplated to be party to any Ancillary Agreement by the Closing will have, the requisite organizational power and authority to enter into this Agreement and the Ancillary Agreements, as applicable, and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Agreements by the Seller and its applicable Affiliates and the consummation of the transactions contemplated hereby and thereby have been, or in the case of any applicable Affiliate of the Seller will have been by the Closing, duly and validly authorized and no other organizational proceedings on the part of the Seller or any of its applicable Affiliates are, or on the part of any applicable Affiliates of the Seller at the Closing will be, required therefor. The Seller and its Affiliates have, and will have at or prior to the Closing, full shareholder, corporate, limited liability company, partnership or similar organizational (as applicable) power and authority to execute and deliver the Transaction Documents to which it is a party and to perform its obligations hereunder or thereunder. This Agreement has been, and by the Closing the Ancillary Agreements will have been, duly executed and delivered by the Seller and its applicable Affiliates and, assuming the due authorization, execution and delivery of this Agreement by the Purchaser, and the Ancillary Agreements by the Purchaser and its applicable Affiliates by the Closing, will constitute the legal, valid and binding obligations of the Seller and its applicable Affiliates, enforceable against them in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar Laws affecting or relating to the enforcement of creditors' rights generally from time to time in effect, and to general principles of equity and the implied covenant of good faith and fair dealing.

**6.4 No Violations; Consents**. The execution and delivery by the Seller, and by each of its Affiliates contemplated to be party to any Ancillary Agreement, of this Agreement and the Ancillary Agreements, as applicable, the performance by the Seller and each of its Affiliates of its obligations hereunder and thereunder, do not, and the consummation of the transactions contemplated hereby and thereby and the compliance with the terms hereof and thereof will not, (a) violate any Laws applicable to the Seller or its applicable Affiliates with respect to the Transferred Assets, (b) conflict with any provision of the charter or by-laws (or similar organizational documents) of the Seller or its applicable Affiliates, (c) assuming the accuracy of the warranties of the Purchaser, require any approval, Authorization, consent, license, exemption, filing or registration with any Governmental Entity or arbitrator (other than the Authorizations set forth on Schedule 6.4), or (d) result in any material violation or breach of, or constitute a material default or event that, with or without notice or lapse of time or both, would constitute a material default under or give rise to any right of termination, acceleration or cancellation of any material obligation or a loss of a material benefit under (i) for the purposes of this Warranty when given on the date of this Agreement, any [**] and (ii) for the purposes of this Warranty when given on Closing, any Transferred Contract or [**].

**6.5 Litigation**. There is no Action pending or, to the Seller's Knowledge, as of the date of this Agreement, threatened in writing [**] this Agreement against the Seller or any of its Affiliates, which (a) would be material to the Business and/or the Transferred Assets, (b) would reasonably be expected to prevent, interfere with or delay the consummation of the transactions contemplated by any of the Transaction Documents or materially interfere with Seller's performance of its obligations hereunder or (c) challenges or seeks to prevent or enjoin the transactions contemplated by this Agreement or the Ancillary Agreements. There are no outstanding or threatened (in writing [**] this Agreement) Actions, orders,

injunctions or decrees of any Governmental Entity that apply to any of the Transferred Assets that (a) restrict the ownership, disposition or use of any of the Transferred Assets (b) would prevent or reasonably be expected to prevent, interfere with or delay the consummation of the transactions contemplated by any of the Transaction Documents or interfere with the Seller's or any of its Affiliates' performance of its respective obligations thereunder, (c) would prevent or reasonably be expected to interfere with or delay the consummation of the transactions contemplated by the Transaction Documents, (d) seeks or threatens injunctive or non-monetary relief or (e) alleges criminal wrongdoing or could result in a criminal penalty.

**6.6 Sufficiency of Transferred Assets**. In each case except for the services and rights that are to be licensed, supplied or made available to the Purchaser pursuant to the Ancillary Agreements, (a) the Transferred Assets collectively constitute all of the material Assets of the Seller that are necessary for the operation and/or maintenance of the Athlone Facility, as operated as of the Closing Date, and the ownership or use of the Transferred Assets as of the Closing Date and (b) the Seller does not depend on any Assets owned, or services provided, by any of its Affiliates or any Third Parties which will not be transferred, licensed, supplied or made available to the Purchaser on the Closing Date.

**6.7 Title to Transferred Assets**.

(a) Except as set forth on Schedule 6.7 of the Seller Disclosure Letter, the Seller and/or its Affiliates are and will be at the Closing, the legal and beneficial owners, or in the case of leased Transferred Assets, the valid lessees, of the Transferred Assets with good and marketable title or valid and effective leases, as applicable:

(i) in the case of all Transferred Assets other than the Owned Real Property, all Encumbrances and the Purchaser will at the Closing acquire, full legal and beneficial ownership and good and marketable title to, or have valid and enforceable rights to use the Transferred Assets (other than the Owned Real Property), in all cases, free and clear of all Encumbrances;

(ii) in the case of the Owned Real Property, free and clear of all Encumbrances, which term "Encumbrances" shall for the purposes of this Section 6.7(a)(ii) exclude any right of way or easement (the "**Excluded Encumbrances**") and free and clear of any known Excluded Encumbrances (other than the Permitted Encumbrances) and the Purchaser will at the Closing acquire, full legal and beneficial ownership and good and marketable title to, or have valid and enforceable rights to use the Real Owned Property, in all cases, free and clear of all Encumbrances and any known Excluded Encumbrances (other than the Permitted Encumbrances).

(b) No Person, other than the Seller, has any interest in the Transferred Assets.

(c) The Seller has not acquired nor agreed to acquire any Transferred Asset on terms that title does not pass to the Seller until full payment is made. The Transferred Assets are in the possession and control of Seller and are sited within Ireland.

**6.8 Compliance With Applicable Laws**. Except as disclosed on Schedule 6.8 of the Seller Disclosure Letter, the Seller and its Affiliates are, and at all times have been, in material compliance with each Law that is or was applicable to (a) the Seller's and/or its Affiliates' conduct, acts or omissions with respect to any of the Transferred Assets or (b) any of the Transferred Assets, and the Seller has not received, and to the Knowledge of the Seller, none of its Affiliates has received, any written notice of any violation or alleged violation by the Business of any such Law.

**6.9 Authorizations**. Part 1 of Schedule 6.9 of the Seller Disclosure Letter contains a list of all Authorizations necessary for the lawful ownership, use or function of the Transferred Assets, to conduct

the Business as currently conducted, and to operate the Athlone Facility as currently operated. Except as set forth in Part 2 of Schedule 6.9 of the Seller Disclosure Letter, (a) all such Authorizations are in full force and effect and the Seller is in compliance with all such Authorizations, (b) the Seller has not received any written notification from any Governmental Entity alleging that it is in violation of any such Authorizations or threatening to revoke any such Authorization and (c) all such Authorizations were lawfully obtained.

**6.10 Tangible Personal Property**. All buildings, improvements, machinery, equipment, fixtures, personal properties, tangible tools, office equipment and other tangible assets included in the Transferred Assets (i) are adequate in all material respects to conduct the Business as currently conducted, (ii) are operated in material conformity with all applicable Laws, (iii) are in reasonably good operating condition and repair (normal wear and tear excepted) in the context of the Business as currently conducted, except for ordinary, routine maintenance and repairs, and (iv) have been maintained in accordance with the normal practice of the Business as currently conducted and do not require any material deferred maintenance or maintenance outside the Ordinary Course.

**6.11 Healthcare Regulatory and Compliance Matters**.

(a) Except as set forth on Schedule 6.11 of the Seller Disclosure Letter, to the Knowledge of the Seller, the operation of the Athlone Facility as currently operated, or currently planned to be operated, by the Seller and/or its Affiliates are, and [**], been, in compliance in all material respects with (i) all binding rules, regulations, policies and orders of Healthcare Regulatory Authorities with jurisdiction over the Transferred Assets and (ii) all Laws relating to healthcare regulatory matters, in each case with respect to the Transferred Assets.

(b) There are no, and there have been [**], recalls, corrective actions, or seizures initiated or other adverse regulatory actions taken by any Healthcare Regulatory Authorities with jurisdiction over the Transferred Assets with respect to the Athlone Facility. There have been no material deficiencies, material risks or any area requiring material improvement identified in any investigation or inspection of the Athlone Facility that have not been rectified, addressed, improved or remediated, as applicable, to the satisfaction of the applicable Healthcare Regulatory Authorities in all material respects. The Seller has made available to the Purchaser all material written communications with any Healthcare Regulatory Authorities with jurisdiction over the Transferred Assets relating to the Business, the licensing of the Athlone Facility for the Seller's manufacturing, development or general operations and scheduling of any Healthcare Regulatory Authorities inspections in connection with such licensure or otherwise. Except as set forth on Schedule 6.11 of the Seller Disclosure Letter, [**], all material reports, documents, claims, submissions and notices required to be filed, maintained or furnished to any Healthcare Regulatory Authority in any jurisdiction by the Seller or its Affiliates with respect to the Athlone Facility, the Business or the Transferred Assets have been so filed, maintained or furnished and were true, accurate and complete in all material respects as of the date made and, to the extent required to be updated, as so updated remain true, accurate and complete in all material respects as of the date of this Agreement, and do not materially misstate any of the statements or information included therein, or omit to state a material fact necessary to make the statements therein not misleading. Neither the Seller or any of its Affiliates nor, to the Knowledge of the Seller, any officer, employee or agent thereof, has, with respect to the Transferred Assets, committed or failed to commit any act, knowingly made any misstatement, untrue statement of a material fact or fraudulent statement or failed to make any required statement to a Healthcare Regulatory Authority with respect to the Business and the Transferred Assets, including any statement or failure to make a statement that would reasonably be expected to provide a basis for the United States Food and Drug Administration to invoke its policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (10 September 1991) and any amendments thereto or for any other Governmental Entity to invoke any comparable Laws. Neither the Seller nor any of the Transferred Employees has been convicted of any crime or engaged in any conduct that would reasonably be expected

to result, or has resulted, in (i) debarment under United States 21 U.S.C. Section 335a or any similar Law, or (ii) exclusion under United States 42 U.S.C. Section 1320a-7 or any similar Law.

(c) [**] the Seller and its Affiliates with respect to the Business have received reports of the audits or inspections by the HPRA or any other Healthcare Regulatory Authority set forth on Schedule 6.11 of the Seller Disclosure Letter, and the Seller has made available to the Purchaser all notices and material documentation relating to the results of such audits or inspections. The Seller has not received any notice of adverse finding, warning letters, untitled letters or other correspondence or notice from the HPRA or any other Healthcare Regulatory Authority, alleging or asserting material noncompliance with any applicable Laws or any Authorizations required by any applicable Laws that have not been rectified, addressed, improved or remediated, as applicable, to the satisfaction of the applicable Healthcare Regulatory Authorities in all material respects.

**6.12 Anti-Corruption; International Trade**.

(a) Since [**], neither the Business, nor any of its officers, directors, or employees, nor, to the Knowledge of the Seller, any of their respective agents or third-party representatives (acting on the Seller's behalf) in connection with the Business (i) has made, authorized, solicited or received any bribe, unlawful rebate, payoff, influence payment, or kickback, (ii) has established or maintained, or is maintaining, any unlawful fund of corporate monies or properties, (iii) has used or is using any corporate funds for any illegal contributions, gifts, entertainment, hospitality, travel, or other unlawful expenses, (v) has violated or is violating in any respect Anti-Corruption Laws or (v) has, directly or indirectly, made, offered, authorized, facilitated, or promised any unlawful payment, contribution, gift, entertainment, bribe, rebate, kickback, financial or other advantage, or anything else of value, regardless of form or amount, to any governmental official or any other Person, in each case of the foregoing clauses (i) – (v), in connection with or relating to the Business.

(b) Neither the Business, nor any of its officers, directors, or employees, nor, to the Knowledge of the Seller, any of their Affiliates, Representatives, respective agents or third-party representatives (acting on the Seller's behalf) in connection with the Business is currently or has been: (i) a Sanctioned Person; (ii) operating in, organized in, conducting business with, or otherwise engaging in dealings with or for the benefit of any Sanctioned Person or in any Sanctioned Country; or (iii) otherwise in violation of any applicable Sanctions Laws.

(c) The Seller has implemented and maintains in effect written policies, procedures and internal controls, including an internal accounting controls system, that are reasonably designed to prevent, deter and detect violations of applicable Anti-Corruption Laws and Sanctions Laws. The Seller has not received from any Governmental Entity any notice, inquiry, or internal or external allegation; or made any voluntary or involuntary disclosure to a Governmental Entity, in each case, concerning any actual or potential violation or wrongdoing related to Sanctions Laws or Anti-Corruption Laws, in each case, except as would not, individually or in the aggregate be material to the Transferred Assets.

**6.13 Intellectual Property**.

(a) The Seller has the right to grant the licenses under the Licensed IP to the Purchaser and/or Purchaser Guarantor on the terms set out in the License Agreement.

(b) To the Knowledge of the Seller, there is no Action (including any oppositions, interferences or re-examinations) pending or threatened in writing against the Seller (i) asserting or suggesting that any infringement or misappropriation of the Intellectual Property of any Third Party is or may be occurring or has or may have occurred, in each case, relating to the use of the Licensed IP in the

Business or (ii) challenging the validity, enforceability or use of any Licensed IP. To the Knowledge of the Seller, no Third Party is infringing, misappropriating, diluting or violating any Licensed IP in any material respect.

(c) No Licensed IP is subject to any outstanding Order that would restrict or limit the Purchaser's ability to license such Licensed IP on the terms set out in the License Agreement.

(d) The Business Software listed in Schedule 6.13(d) of the Seller Disclosure Letter is used in the operation of the Business. Except for the custom software identified in Schedule 6.13(d) of the Seller Disclosure Letter, which is included in the Transferred Assets, all of the Business Software is available for license on commercial terms from Third Parties.

(e) The Seller has implemented and maintained (or, where applicable, has required its vendors to maintain), materially consistent with commercially reasonable and standard industry practices and complying with its contractual obligations to other Persons in all material respects, reasonable security measures designed to protect all computers and all software, systems, networks and databases used in connection with the operation of the Business (the "**Business Software**"), from viruses and similar malware, and the Business Software and all confidential information, including Personal Data relating to the Business, from unauthorized physical or virtual access, use, modification, acquisition, disclosure or other misuse, including as required by applicable Laws. To the Knowledge of the Seller, there has been no unauthorized access to or use of the Business Software, nor has there been any unscheduled downtime or unavailability of the Business Software due to unauthorized access to or use of Business Software either of which resulting in a material disruption of the Business.

(f) To the Knowledge of the Seller, the Business Software included in the Transferred Assets does not contain any, and the Seller utilizes industry-standard anti-virus software designed to prevent the introduction of, "viruses", "worms", "time-bombs", "Trojan horse", "key-locks", or any other devices created that could disrupt or interfere with the operation of the Business Software or equipment upon which the Business Software operates, or the integrity of the data, information or signals the Business Software produces in a manner adverse to the Business.

(g) To the Knowledge of the Seller, the Business Software does not include or install any spyware, adware, or other similar software that monitors the use of the Business Software or contacts any remote computer without the knowledge and express consent of the user(s) of the applicable Business Software, as applicable.

(h) The Seller has disaster recovery arrangements in place, including a disaster recovery policy, for the Business Software.

**6.14 Privacy and Data Security**.

(a) The use, storage, sharing, disclosure, dissemination, Processing and disposal of any personally identifiable information and Personal Data of the Business is in compliance in all material respects with all applicable Data Protection Laws, including GDPR.

(b) To the extent required by Data Protection Laws, the Seller maintains complete, accurate and up to date records of their Personal Data Processing activities in relation to the Business and the Transferred Assets in accordance in all material respects with applicable Data Protection Laws, including GDPR.

(c) To the Knowledge of the Seller, [**] there have been no security breaches resulting in any unauthorized access of, any Personal Data used by or on behalf of the Seller in connection with the Business or the Transferred Assets, other than those that were resolved without material cost, material liability or the duty to notify any Person. Further, the Seller has:

(i) implemented appropriate technical and organizational measures designed to protect against the unauthorized or unlawful Processing of, and accidental loss of or damage to, Personal Data relating to the Business which is Processed by or on behalf of the Seller and its Affiliates;

(ii) put in place appropriate agreements, as required by applicable data protection and privacy Laws, with all Third Parties Processing Personal Data on their behalf relating to the Business and / or the Transferred Assets; and

(iii) undertaken reasonably appropriate privacy and information security due diligence on key or material data processors in accordance with, applicable data protection and privacy Laws.

(d) There is no, and there has been no, written complaint received by, or any audit, or, to the Knowledge of the Seller, proceeding, claim or investigation (formal or informal) against, the Seller with respect to the Business or the Transferred Assets by: (i) any private party; or (ii) any Governmental Entity, in each case with respect to the security, confidentiality, availability or integrity of Personal Data or of any information technology assets that Process Personal Data, except for any of the foregoing that arose prior to the date of this Agreement and have been fully resolved.

**6.15 Product Liability**. To the Seller's Knowledge, [**] no product manufactured by the Seller at the Athlone Facility [**] has been the subject of an Action, recall or investigation by a Healthcare Regulatory Authority or other Governmental Entity, in each case arising out of or relating to the activities of the Seller conducted at the Athlone Facility resulting in serious injury to or death of any individual, material property damage or material economic harm.

**6.16 Owned Real Property**. Except as Disclosed in the Land Sale Contract:

(a) The Owned Real Property is not subject to any lease, license relating to the occupation and use of the Owned Real Property or sublicense relating to the occupation and use of the Owned Real Property.

(b) The Seller has good and marketable fee simple/long leasehold title to the Owned Real Property.

(c) There are no pending compulsory proceedings relating to the Owned Real Property.

(d) The Owned Real Property has not suffered any material damage by fire, flood or other casualty which has not heretofore been repaired and restored in all respects. All improvements located on the Owned Real Property are in sufficiently good condition and repair ([**]) to allow the other Transferred Assets to be operated in all respects as currently operated by the Seller and/or its Affiliates. To the Knowledge of the Seller, no fact or condition exists which could result in the termination or reduction of the current access from the Owned Real Property to existing roads or to sewer or other utility services presently serving such real property that would materially impact the use of the Owned Real Property.

(e) All of the property at the Athlone Facility is registered in the Land Registry and there is no element of possessory title or unregistered title.

(f) To the Knowledge of the Seller, neither the Seller nor any of its Affiliates has received any enforcement notices or warning notices from the local authorities in relation to the Owned Real Property.

(g) The Seller's title to the Owned Real Property is registered in the Property Registration Authority and, to the Knowledge of the Seller, none of the burdens specified in Sections 59, 72 and 73 of the Registration of Title Act 1964 affect same.

**6.17 Environmental Matters**. Except for matters that are set forth on Schedule 6.17 of the Seller Disclosure Letter, to the Knowledge of the Seller:

(a) the operation of the Transferred Assets is currently and has [**] been in material compliance with all applicable Environmental Laws;

(b) the Seller and/or its Affiliates possess(es) all material permits, licenses, registrations, identification numbers, Authorizations and approvals required under applicable Environmental Laws for the operation of the Transferred Assets as presently operated;

(c) neither the Seller nor any of its Affiliates has received at any time [**] of this Agreement from any Governmental Entity any material written notice or demand relating to any material Liability or alleged Liability under any Environmental Law in connection with the ownership or operation of the Transferred Assets;

(d) there are no writs, injunctions, decrees, orders or judgments outstanding, or any Actions pending or threatened in writing received by the Seller or any of its Affiliates [**] of this Agreement relating to material compliance with any Environmental Law affecting the Transferred Assets;

(e) the Seller has not caused or contributed to any Environmental Release at or related to the Athlone Facility and to the Seller's Knowledge there are no circumstances which are reasonably likely to give rise to any Environmental Release at or related to the Athlone Facility; and

(f) no Contaminants are stored or contained on or under any of the Owned Real Property except in accordance with Environmental Law whether in storage tanks, land fills, pits, ponds, lagoons or otherwise.

**6.18 Transferred Contracts and Shared Contracts**.

(a) Part 3 of the Schedule to Annex 3 lists each of the Transferred Contracts.

(b) Annex 14 lists each of the Shared Contracts.

(c) Part 1 of the Schedule to Annex 1 lists each of the [**].

(d) The Seller has made available to the Purchaser true, complete and correct copies of each Transferred Contract and Shared Contract, together with any material amendments, modifications or supplements thereto, as in effect as of the date of this Agreement. Except as set forth in Part 1 of Schedule 6.18(d) of the Seller Disclosure Letter, all Transferred Contracts and Shared Contracts are in full force and effect in all material respects and are valid and binding agreements of the Seller and enforceable against

each party thereto in accordance with the express terms thereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar Laws affecting or relating to the enforcement of creditors' rights generally from time to time in effect, and to general principles of equity. Except as set forth in Part 2 of Schedule 6.18(d) of the Seller Disclosure Letter, there does not exist under any Transferred Contract or Shared Contract any material violation, breach or event of default, or alleged violation, breach or event of default, or event or condition that, after notice or lapse of time or both, would constitute a material violation, breach or event of default thereunder on the part of the Seller, its Affiliates or, to the Knowledge of the Seller, any other party thereto, except for such violations, breaches, events or conditions that have not and will not materially impair the ability of the Seller or the Purchaser to perform their respective obligations under this Agreement or any Ancillary Agreement. Except as set forth in Part 3 of Schedule 6.18(d) of the Seller Disclosure Letter, there are no Actions pending under any Transferred Contract or Shared Contract and the Seller has not, nor have any of the Seller's Affiliates received, from any counterparty any written notice of termination or written notice or claim of default by the Seller under any Transferred Contract or Shared Contract. To the Knowledge of the Seller, no event has occurred that, with or without notice or lapse of time or both, would result in a material breach or material default under any Transferred Contract or Shared Contract by the Seller.

(e) All Shared Contracts that are necessary for the management, operation, security and/or maintenance of the Athlone Facility and the other Transferred Assets are set out in Annex 14 [**].

(f) To the Seller's Knowledge, there is no threat of termination or suspension, in writing, by the counterparty to the [**] Agreement.

**6.19 Taxes**.

(a) All Property Taxes which were required to be paid in respect of the Transferred Assets have been paid and Seller has not availed itself of any extension or waiver in respect of the requirement to pay Property Taxes.

(b) In the [**], the Seller has duly and punctually paid all Tax relating to the Transferred Assets which it is or has been liable to pay or account for prior to the date of this Agreement.

(c) In the [**], the Seller has timely filed (taking into account any available extensions of time for such filings) all Tax Returns that it was required to file with respect to the Transferred Assets. All such Tax Returns are true, complete and accurate.

(d) In the [**], the Seller has, where required, in relation to Tax, duly and properly submitted all claims, elections, amendments to claims, withdrawals of claims and disclaimers relating to the Transferred Assets.

(e) In the [**], there is no dispute with any Taxation Authority in Ireland or elsewhere in relation to the Transferred Assets and to the Seller's Knowledge there are no circumstances which make it likely that such a dispute could arise.

(f) The qualifying expenditure on each of the Owned Real Properties [**] have been classified in the Seller's applicable Tax Returns as expenditure on an "industrial building or structure" within the meaning of section 268(1)(a)(i) TCA such that any expenditure incurred on their "construction", within the meaning of section 270 TCA, was treated as qualifying for writing down allowances under section 272 TCA.

(g) The Seller's Tax Returns reflect an amount of expenditure on "industrial buildings or structures" within the meaning of section 268(1)(a)(i) TCA for [**] respectively, including amounts relating to the "construction", within the meaning of section 270 TCA, of the Owned Real Property referred to as [**] of approximately [**], respectively.

(h) As at 31 December 2023, the remaining tax life for the purposes of Chapter 1, Part 9 TCA of the expenditure incurred on the Real Owned Property referred to as [**] in respect of the assets placed in service in the years ended [**] respectively.

(i) The Seller has claimed writing down allowances (pursuant to section 272 TCA) in respect of expenditure incurred on "construction" of Owned Real Property referred to as [**] for all accounting periods where the Seller held the relevant interest in [**].

(j) In determining the amount of a balancing charge or allowance arising to the Seller under section 274 TCA on a sale of the relevant interest it holds in [**], the full amount of consideration payable for [**] in accordance with this Agreement shall be allocated to the accounting period ending in [**] and subsequent periods.

(k) There are no Encumbrances for Taxes on any of the Transferred Assets.

(l) The amount of Tax chargeable on the Seller in respect of the Business in which the Transferred Assets have been used during any accounting period ending on or within [**] before the Closing has not, to any material extent, depended upon any concession, agreement or other formal or informal arrangement with any Taxation Authority.

(m) In the [**], the Seller has complied in all material respects with pay as you earn, universal social charge and social welfare contribution systems (including PRSI) in respect of their employees, deducting and accounting for Tax and retaining records as required by law.

(n) The Capital Goods Records required to be provided by the Seller under Section 8.14(a)(iv) are materially correct and up to date at the date of furnishing thereof and will remain materially correct and up-to-date on Closing save for such adjustment as may be necessary as a result of the passing of any Interval or Intervals (as defined in section 63 VATCA), in which case revised information and copy records to reflect such passing, will be furnished by Seller to the Purchaser on or prior to Closing.

**6.20 Employee Benefit Plans**

(a) Set forth on Schedule 6.20 of the Seller Disclosure Letter is a true, correct and complete list of each Employee Benefit Plan that covers any Transferred Employee.

(b) With respect to the Employee Benefit Plans, the Seller has delivered or made available to the Purchaser a current, accurate and complete copy (or to the extent no such copy exists, an accurate written summary) of any terms that apply to each such Employee Benefit Plan, and a list of Transferred Employees who are members of or are entitled to benefit under each Employee Benefit Plan (including without limitation, those Transferred Employees who will, if they remain in service, become eligible for membership of the Employee Benefit Plan) setting out all information required to determine their entitlement to benefits. The Seller has also provided details of the basis on which each of the Seller and its Affiliates has undertaken to contribute to the Pension Scheme and the rate, amount and frequency of the contributions in respect of each Transferred Employee who is a member of the Pension Scheme and there is no obligation other than in accordance with the terms of the Pension Scheme to increase such rate, (iii) all employer and employee contributions to each Employee Benefit Plan required by Law or by the

terms of such Employee Benefit Plan have been made in all material respects, or, if applicable, accrued, in accordance with normal accounting practices and all contributions to the Pension Scheme which have fallen due for payment for the period up to the Closing Date have been paid in full by the date prescribed in Section 58A of the Irish Pensions Act and in accordance with the provisions of the Pension Scheme and the trusts upon which it is held.

(c) The Pension Scheme is a defined contribution scheme as defined in the Irish Pensions Act, was established as such and was not established in succession to a defined benefit scheme as defined in the Irish Pension Act. Neither the Seller nor any of its Affiliates has ever participated in a defined benefit scheme and no current or former director, officer or employee of the Seller or any of its Affiliates have transferred into the employment of the Seller under the Transfer Regulations where prior to that transfer the employee had rights under a pension arrangement which may be payable other than on old age, invalidity or death.

(d) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement will not, alone or in combination with any other event, (i) entitle any Transferred Employee to [**], (ii) [**] to any Transferred Employee or (iii) cause any Transferred Employee to [**].

**6.21 Labour and Employment Matters**.

(a) The Seller does not [**] with respect to the Transferred Employees or the Transferred Workers and is not a party to [**] applicable to the Transferred Employees.

(b) Since [**], no trade union has made an application for recognition in respect of the Transferred Employees.

(c) Except as set forth on Schedule 6.21 of the Seller Disclosure Letter, since [**], there have been to the Knowledge of the Seller no [**] against the Seller involving any of the Transferred Employees or Transferred Workers.

(d) The Seller has not, at any time in [**] months, been under an obligation to give notice of any redundancies to the Minister or to consult in respect of collective redundancies under the provisions of the Protection of Employment Act 1977 and nor has the Seller failed to comply with any such obligation.

(e) No Transferred Employee has become [**].

(f) [**].

(g) [**].

(h) [**].

(i) All Transferred Workers are engaged by the Seller as independent contractors or as agency workers (as the case may be), whether through an intermediary company, individually or otherwise, and no individual engaged on this basis has been deemed to be a Transferred Employee by the Workplace Relations Commission, a Governmental Entity or the Revenue Commissioners and notified to the Seller in writing of such.

(j) The Seller has not offered to [**], of any Transferred Employee at any future date, nor is the Seller under any contractual or other obligation to do so, and no negotiations for any such [**] are current or are reasonably likely to take place prior to the Closing Date save in the Ordinary Course.

(k) Schedule 6.21 of the Seller Disclosure Letter contains (to the extent permitted by applicable Data Protection Laws and, where required by applicable Data Protection Laws, in pseudonymized form) a true and correct list of the following particulars with respect to each of the Transferred Employees and Transferred Workers as of the date of this Agreement:

(i) in the case of the Transferred Employees, the entity that is the employer;

(ii) details of any Transferred Employees who are [**];

(iii) in the case of the Transferred Employees, their date of commencement of employment, service or engagement and period of continuous employment, service or engagement;

(iv) [**] of the Transferring Employees;

(v) the job title and grade/banding structure of the Transferring Employees;

(vi) in the case of the Transferred Employees, whether they are fixed-term or permanent employees and, if permanent, their length of termination notice if such termination notice period is greater than three (3) months;

(vii) in the case of the Transferred Employees, whether they work on a part-time, full-time or other schedule; and

(viii) in the case of any Transferred Worker, a copy of the agency services agreement between the Seller and the applicable employment agency, where such Transferred Worker is an agency worker, or the services agreement between the Seller and such Transferred Worker, where such individual is an independent contractor.

(l) Part 2A of Annex 9 contains a list of any [**] in the Business as of the date of this Agreement.

(m) Part 2B of Annex 9 contains a list of any [**] in the Business as of the date of this Agreement.

(n) The Seller is in compliance in all material respects with all applicable Laws pertaining to the employment of the Transferred Employees and the engagement of the Transferred Workers, including but not limited to all Laws respecting the terms and conditions of employment, wages, hours, equal opportunities, agency workers, immigration and health and safety. The Seller and its Affiliates are not delinquent in any respect with regards to the [**].

(o) Since [**], there has not been any complaint pending against the Seller or threatened in writing to the Seller before the Workplace Relations Commission, Labour Court or before any other Governmental Entity responsible for the prevention of unlawful employment practices relating to any of the Transferred Employees or the Transferred Workers. No notices, fines or other sanctions have been issued by any competent regulator, with respect to the employment of the Transferred Employees or the engagement of the Transferred Workers and no complaint to any such regulator has been threatened in writing or is pending.

(p) There are no claims pending against the Seller or threatened in writing to the Seller by any [**].

(q) No Transferred Employee who [**] to any Transferred Worker in respect of their engagement.

(r) Except as set forth in Schedule 6.21 of the Seller Disclosure Letter, in the conduct of the Business, the Seller has no custom or practice of [**].

(s) The Seller is not liable [**] under the Redundancy Payments Acts 1967 to 2014 or the Protection of Employment Act 1977 in relation to the Business.

(t) There are no [**] made by the Seller to any [**] which are outstanding.

(u) No Transferred Employee is currently [**].

(v) The Seller and its Affiliates have complied in all material respects with their obligations under the Employment Permits Acts 2003–2014 in respect of the Transferred Employees.

**6.22 Finders' Fees**. There is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of the Seller or its Affiliates who might be entitled to any fee or commission in connection with the transactions contemplated hereby.

**6.23 Powers of Attorney**. In relation to the Business or any of the Transferred Assets, there are no powers of attorney granted by the Seller or any of its Affiliates, which are currently in force other than to the holder of an Encumbrance solely to facilitate its enforcement nor any other authority (express, implied or ostensible) given by the Seller or any of its Affiliates to any person to enter into any contract or commitment or do anything on its behalf other than any authority of Transferred Employees to enter into routine trading contracts in the normal course of their duties.

**6.24 Business Records**. All records and information, including the Transferred Books and Records are: (i) in the possession of the Seller, under the direct control of the Seller and subject to unrestricted access by the Seller; (ii) true and complete in all material respects; and (iii) where applicable, up to date in all material respects. The Seller has an up to date plant register in relation to the Business showing a materially complete and accurate record of the plant owned or used by it.

**6.25 Exclusivity of Warranties**. EXCEPT FOR THE WARRANTIES CONTAINED IN THIS Article 6 (AS MODIFIED BY THE SELLER DISCLOSURE LETTER), THE TRANSFERRED ASSETS ARE SOLD ON AN "AS IS, WHERE IS" BASIS AND NEITHER SELLER NOR ANY OTHER PERSON MAKES ANY OTHER EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE TRANSFERRED ASSETS, THE ASSUMED LIABILITIES, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AND SELLER DISCLAIMS ANY OTHER WARRANTIES, WHETHER MADE BY SELLER, ITS AFFILIATES ANY OF THEIR RESPECTIVE REPRESENTATIVES OR ANY OTHER PERSON. EXCEPT FOR THE WARRANTIES CONTAINED IN THIS Article 6 (AS MODIFIED BY THE SELLER DISCLOSURE LETTER), SELLER HEREBY DISCLAIMS ALL LIABILITY AND RESPONSIBILITY FOR ANY WARRANTY, PROJECTION, FORECAST, STATEMENT, OR INFORMATION MADE, COMMUNICATED, OR FURNISHED (WHETHER ORALLY OR IN WRITING, IN ANY "DATA ROOM" RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, IN MANAGEMENT PRESENTATIONS, FUNCTIONAL "BREAK-OUT" DISCUSSIONS, RESPONSES TO QUESTIONS OR REQUESTS SUBMITTED BY OR ON BEHALF OF PURCHASER OR IN ANY OTHER FORM IN

CONSIDERATION OR INVESTIGATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT) TO PURCHASER, ITS AFFILIATES OR ANY OF THEIR RESPECTIVE REPRESENTATIVES (INCLUDING ANY OPINION, INFORMATION, FORECAST, PROJECTION, OR ADVICE THAT MAY HAVE BEEN OR MAY BE PROVIDED TO PURCHASER, ITS AFFILIATES OR ANY OF THEIR RESPECTIVE REPRESENTATIVES BY ANY REPRESENTATIVE OF SELLER OR ITS AFFILIATES).

## ARTICLE 7
## PURCHASER WARRANTIES, GUARANTOR WARRANTIES AND GUARANTEE PROVISIONS

**7.1 Purchaser Warranties**. The Purchaser warrants to the Seller that the following warranties are true and correct as of the date of this Agreement and as of the Closing (except for such warranties that address matters as of a particular date which need be true and correct only as of the particular date in question, which shall be warranted as of such date(s), and for the purposes of any of the following warranties given pursuant to this Article 7, an express or implied reference to the "*date of this Agreement*" (or other similar term) in any such warranty is to be construed as a reference to the "*Closing Date*"):

(a) **Organization; Qualification**. The Purchaser is a duly organized, validly incorporated and existing and in good standing under the laws of its jurisdiction of incorporation (to the extent such concept is recognized). The Purchaser is duly qualified to do business and in good standing (to the extent such concept is recognized by the applicable jurisdiction) as a foreign company in each jurisdiction in which the nature of its business or the ownership, lease or operation of its assets and properties makes such qualification necessary, except where the failure to be so qualified or be in good standing would not reasonably be expected to prevent or delay the consummation of the transactions contemplated hereby.

(b) **Authority; Enforceability**. The Purchaser has, and each of its Affiliates contemplated to be party to any Ancillary Agreement by the Closing will have, the requisite organizational power and authority to enter into this Agreement and the Ancillary Agreements, as applicable, and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Agreements by the Purchaser and its applicable Affiliates and the consummation of the transactions contemplated hereby and thereby have been, or in the case of any applicable Affiliate of the Purchaser will have been by the Closing, duly and validly authorized and no other organizational proceedings on the part of the Seller or any applicable Affiliate of the Purchaser are, or on the part of any applicable Affiliates of the Purchaser at the Closing will be, required therefor. The Purchaser and its Affiliates has, and will have at or prior to the Closing, full shareholder, corporate, limited liability company, partnership or similar organizational (as applicable) power and authority to execute and deliver the Transaction Documents to which it is a party and to perform its obligations hereunder or thereunder. This Agreement has been, and by the Closing the Ancillary Agreements will have been, duly executed and delivered by the Purchaser and its applicable Affiliates and, assuming the due authorization, execution and delivery of this Agreement by the Seller, and the Ancillary Agreements by the Seller and its applicable Affiliates by the Closing, will constitute the legal, valid and binding obligations of the Purchaser and its applicable Affiliates, enforceable against them in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar Laws affecting or relating to the enforcement of creditors' rights generally from time to time in effect, and to general principles of equity and the implied covenant of good faith and fair dealing.

(c) **No Violations; Consents**. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby the compliance with the terms hereof will not (a) violate any Laws applicable to the Purchaser, (b) conflict with any provision of the charter or

by-laws (or similar organizational documents) of the Purchaser, or (c) require any approval, Authorization, consent, license, exemption, filing or registration with any court, arbitrator or Governmental Entity (other than the Authorizations set forth on Schedule 7.1 or any Authorizations whose failure to obtain would not be material), except in each case, as would not reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with the Purchaser's performance of its obligations hereunder.

(d) **Litigation**. To the knowledge of Purchaser, there is no Action pending against the Purchaser or any of its Affiliates, which (a) would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with the Purchaser Guarantor's performance of its obligations hereunder or (b) challenges or seeks to prevent or enjoin the transactions contemplated by this Agreement. There are no outstanding orders, injunctions or decrees of any Governmental Entity that apply to the Purchaser that interfere with the Purchaser's performance of its obligations hereunder.

(e) **Compliance with Applicable Law**. Neither the Purchaser nor its applicable Affiliates is in violation of any applicable Laws, which would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with the Purchaser's performance of its obligations hereunder.

(f) **Financial Capacity.** The Purchaser has and will have at the Closing all funds necessary to pay and satisfy in full the obligations pursuant to this Agreement to pay (i) the Purchase Price, (ii) the Transfer Taxes and (iii) all fees and expenses of the Purchaser and its Affiliates, including in connection with the transactions contemplated by this Agreement and the other Transaction Documents.

(g) **Brokers and Other Advisors.** None of the Purchaser nor any of its Affiliates has retained any financial advisor, investment banker, finder or broker who would have a valid claim for a fee, brokerage, commission or similar compensation from the Seller or its Affiliates in connection with the negotiation, execution or delivery of this Agreement or any of the other Transaction Documents or the consummation of any of the transactions contemplated hereby or thereby.

(h) **Purchaser [**]**. As of the date of this Agreement, the Purchaser is not [**] the Seller under this Agreement or any of the other Transaction Documents.

**7.2 Purchaser Guarantor's Warranties**. The Purchaser Guarantor warrants to the Seller, that the following warranties are true and correct as of the date of this Agreement and as of the Closing (except for such warranties that address matters as of a particular date which need be true and correct only as of the particular date in question, which shall be warranted as of such date(s)):

(a) **Organization; Qualification**. The Purchaser Guarantor is a duly organized, validly incorporated and existing and in good standing under the laws of its jurisdiction of incorporation (to the extent such concept is recognized). The Purchaser Guarantor is duly qualified to do business and in good standing (to the extent such concept is recognized by the applicable jurisdiction) as a foreign company in each jurisdiction in which the nature of its business or the ownership, lease or operation of its assets and properties makes such qualification necessary, except where the failure to be so qualified or be in good standing would not reasonably be expected to prevent or delay the consummation of the transactions contemplated hereby.

(b) **Authority; Enforceability**. The Purchaser Guarantor has, and, at the Closing, will have, the requisite organizational power and authority to enter into this Agreement and any other contemplated conveyance document and to consummate the transactions contemplated hereby and thereby.

The execution and delivery of this Agreement or any other contemplated conveyance document by The Purchaser Guarantor and its applicable Affiliates and the consummation of the transactions contemplated hereby and thereby have been, or in the case of any Affiliate of the Purchaser Guarantor will have been, duly and validly authorized and no other organizational proceedings on the part of the Purchaser Guarantor are, or, at the Closing, on the part of any of its Affiliates will be, required therefor. This Agreement has been, and, at the Closing, other contemplated conveyance documents will have been, duly executed and delivered by the Purchaser Guarantor and its applicable Affiliates and, assuming the due authorization, execution and delivery of this Agreement and, at the Closing, and other contemplated conveyance documents by the Seller and its applicable Affiliates, will constitute the legal, valid and binding obligation of the Purchaser Guarantor and its applicable Affiliates, enforceable against them in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar Laws affecting or relating to the enforcement of creditors' rights generally from time to time in effect, and to general principles of equity and the implied covenant of good faith and fair dealing.

(c) **No Violations; Consents**. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby the compliance with the terms hereof will not (a) violate any Laws applicable to the Purchaser Guarantor, (b) conflict with any provision of the charter or by-laws (or similar organizational documents) of the Purchaser Guarantor, or (c) require any approval, Authorization, consent, license, exemption, filing or registration with any court, arbitrator or Governmental Entity (other than the Authorizations set forth on Schedule 7.2 or any Authorizations whose failure to obtain would not be material), except in each case, as would not reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with Purchaser's performance of its obligations hereunder.

(d) **Litigation**. To the knowledge of Purchaser Guarantor, there is no Action pending against the Purchaser Guarantor or any of its applicable Affiliates, which (a) would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with the Purchaser Guarantor's performance of its obligations hereunder or (b) challenges or seeks to prevent or enjoin the transactions contemplated by this Agreement. There are no outstanding orders, injunctions or decrees of any Governmental Entity that apply to the Purchaser Guarantor that interfere with the Purchaser Guarantor's performance of its obligations hereunder.

(e) **Compliance with Applicable Law**. Neither the Purchaser Guarantor nor its applicable Affiliates are in violation of any applicable Laws, which would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby or materially interfere with the Purchaser Guarantor's performance of its obligations hereunder.

**7.3 Purchaser Guarantor's Guarantee**. The Purchaser Guarantor irrevocably guarantees the obligations of the Purchaser to pay the Purchase Price pursuant to Article 3 (the "**Guaranteed Obligations**") and the full and timely performance of the Guaranteed Obligations. This is a guaranty of performance, and not of collection, and the Purchaser Guarantor acknowledges and agrees that this guaranty is full and unconditional, and no release or extinguishments of the Purchaser's Liabilities, whether by decree in any bankruptcy proceeding or otherwise, will affect the continuing validity and enforceability of this guaranty. The Purchaser Guarantor hereby waives, for the benefit of each Indemnified Person, (i) any right to require any Indemnified Person as a condition of performance of the Guaranteed Obligations to proceed against the Purchaser or pursue any other remedies whatsoever and (ii) to the fullest extent permitted by applicable Law, any defenses or benefits that may be derived from or afforded by law that limit the liability of or exonerate guarantors or sureties, except to the extent that any such defense is available to the Purchaser. The Purchaser Guarantor understands that the Seller is relying on this guaranty in entering into this Agreement and that this guarantee is given to secure the Guaranteed Obligations and is irrevocable.

**7.4 Reliance**. PURCHASER AND PURCHASER GUARANTOR AGREE AND ACKNOWLEDGE THAT, EXCEPT FOR THE WARRANTIES EXPRESSLY SET FORTH IN Article 6 (AS MODIFIED BY THE SELLER DISCLOSURE LETTER), NEITHER SELLER NOR ITS AFFILIATES, OR ANY OF THEIR RESPECTIVE REPRESENTATIVES OR ANY OTHER PERSON HAS MADE OR IS MAKING, AND PURCHASER AND PURCHASER GUARANTOR HAVE NOT RELIED UPON AND ARE NOT RELYING UPON, ANY OTHER WARRANTIES, INCLUDING ANY WARRANTY, PROJECTION, FORECAST, STATEMENT, OR INFORMATION MADE, COMMUNICATED, OR FURNISHED (WHETHER ORALLY OR IN WRITING, IN ANY "DATA ROOM" RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, IN MANAGEMENT PRESENTATIONS, FUNCTIONAL "BREAK-OUT" DISCUSSIONS, RESPONSES TO QUESTIONS OR REQUESTS SUBMITTED BY OR ON BEHALF OF PURCHASER OR IN ANY OTHER FORM IN CONSIDERATION OR INVESTIGATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT) TO PURCHASER OR PURCHASER GUARANTOR, THEIR AFFILIATES OR ANY OF THEIR RESPECTIVE REPRESENTATIVES (INCLUDING ANY OPINION, INFORMATION, FORECAST, PROJECTION, OR ADVICE THAT MAY HAVE BEEN OR MAY BE PROVIDED TO PURCHASER OR PURCHASER GUARANTOR, THEIR AFFILIATES OR ANY OF THEIR RESPECTIVE REPRESENTATIVES BY SELLER, ITS AFFILIATES OR ANY REPRESENTATIVE OF SELLER OR ANY OF ITS AFFILIATES). WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASER AND PURCHASER GUARANTOR ACKNOWLEDGE AND AGREE THAT, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, PURCHASER IS ACQUIRING THE TRANSFERRED ASSETS ON AN "AS IS, WHERE IS" BASIS.

## ARTICLE 8
## COVENANTS

**8.1 Operation of the Business and the Athlone Facility**.

(a) During the period from the date of this Agreement until the Closing or earlier termination of this Agreement in accordance with Article 9 (such period, the "**Interim Period**"), except (i) as expressly contemplated or required by this Agreement or the Interim Entry Agreement, (ii) as consented to in writing by the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed) or (iii) as required by applicable Laws (with such determination being made by the Purchaser and the Seller in consultation with their respective legal counsel), the Seller shall, and shall cause its Affiliates to, operate and maintain the Business and the Athlone Facility in the Ordinary Course in all material respects and use their respective commercially reasonable efforts to preserve intact, in all material respects, the Transferred Assets and the Business, including existing relations and goodwill with Authorities, vendors and suppliers of the Business and Transferred Employees.

(b) Without limiting the generality of Section 8.1(a), except (i) to the extent Seller reasonably determines in consultation with its counsel that compliance with any restriction set forth in this Section 8.1 would violate applicable Laws, (ii) as otherwise expressly contemplated by this Agreement, (iii) for any matters set forth on Schedule 8.1(b), (iv) for any matter to the extent related to the Excluded Assets or the Excluded Liabilities, or (v) for such actions that Purchaser otherwise consents to in writing in advance (such consent not to be unreasonably withheld, conditioned or delayed), the Seller shall not, and shall cause its Affiliates not to, during the Interim Period, engage in any one or more of the following activities or transactions:

(i) initiate, solicit or accept any proposal or offer to acquire from the Seller or its Affiliates, in any manner, all or any portion of the Transferred Assets;

(ii) cause to arise or permit to exist any further Encumbrances upon any of the Transferred Assets;

(iii) (A) incur, guarantee, become liable for or assume any indebtedness and/or (B) make any loan, advance or capital contribution to or investment in any Person, in each case of clauses (A) and (B), as would impose any Liability on the Purchaser, its Affiliates or the Transferred Assets;

(iv) enter into or consummate any transaction involving the acquisition of the equity interests in or portion of the Transferred Assets (whether by merger, consolidation, exchange of equity securities or by any other manner in a single transaction or series of related transactions);

(v) sell, lease, license, transfer, assign, convey, abandon, allow to lapse or expire, exchange or swap, mortgage or otherwise encumber (including securitizations), or subject to any Encumbrances or otherwise dispose of any portion of the Transferred Assets;

(vi) cancel, compromise, release or waive any material right or claim of the Seller or its Affiliates, to the extent primarily relating to the ownership, use, function or value of any Transferred Asset;

(vii) commence or settle any Action or governmental investigation, or any appeal therefrom, to the extent primarily relating to or arising out of any Transferred Asset;

(viii) enter into any [**] other than in the Ordinary Course or if required by any applicable Law;

(ix) except as required pursuant to the terms of any Employee Benefit Plan, or any individual employment contract, offer letter, or letter of appointment, (or any agreement to vary the same), in each case in effect as of the date of this Agreement, (A) [**] other than changes made in the Ordinary Course; (B) [**]; or (C) [**];

(x) to the extent not captured by (ix) above, [**];

(xi) (A) modify, amend, fail to renew or terminate any Transferred Contract, or waive, release or assign any material rights or material claims under any Transferred Contract, or (B) enter into any Contract which would be a Transferred Contract if in existence as of the date of this Agreement, provided that the restrictions in the foregoing clauses (A) and (B) shall only be applicable to Contracts having [**]; and provided, further, that the Seller shall provide written notice to the Purchaser of the modification, amendment, failure to renew or termination of any Transferred Contract with [**];

(xii) modify, amend or otherwise alter or vary any [**], or waive, release or assign any material rights or material claims under any [**], save in all cases where any of the foregoing would not result in [**], this Agreement and each of the other Ancillary Agreements; provided, that the Seller may continue to accept purchase orders [**];

(xiii) terminate, modify or fail to renew any Transferred Authorization;

(xiv) settle or compromise any material claims against the Seller or any of its Affiliates (to the extent such claims primarily relate to or arise out of any Transferred Asset and are not Excluded Liabilities) other than settle or compromise any such claims solely for money damages payable prior to the Closing Date;

(xv) make material changes to any internal or posted policies and procedures with respect to data privacy and data security related to the Transferred Assets; or

(xvi) authorize or enter into any agreement or commitment with respect to any of the foregoing.

(c) Notwithstanding anything in this Agreement to the contrary, for purposes of any consent by the Purchaser under this Section 8.1, (i) such consent may be requested by the Seller and given by the Purchaser by email in accordance with Section 11.6, provided, however that such consent must come from an executive officer of the Purchaser or such other person as designated for that purpose by the Purchaser and (ii) were reasonable to do so, the Purchaser shall use its reasonable endeavors to give or deny consent within ten (10) Business Days of the request (subject to the Purchaser have been given sufficient information with respect to the circumstances in which such consent is being requested).

**8.2 Transfer of Transferred Authorizations**.

(a) Except as otherwise specifically set forth in this Agreement, each of the Seller and the Purchaser shall, and shall cause its respective Affiliates to, as applicable, cause the Authorization Transfer Applications to be completed and submitted to the relevant Authorities as soon as reasonably practicable after the date of this Agreement.

(b) Except as otherwise specifically set forth in this Agreement, each of the Seller and the Purchaser shall, and shall cause its respective Affiliates to, as applicable, use reasonable best efforts to provide all information and documentation necessary and take any actions required by the relevant Authorities for the purposes of the Authorization Transfer Applications and shall cooperate with the Seller or the Purchaser, as applicable, and its respective Affiliates, to procure that the Authorization Transfer Determinations issue as promptly as practicable.

(c) Except as otherwise specifically set forth in this Agreement, each Party will provide the other Party with a copy of all written communications received from relevant Authorities by it or any of its respective Affiliates relating to the Authorization Transfer Applications [**].

(d) HPRA Licenses:

(i) The Purchaser and the Seller shall jointly procure that the HPRA License Transfer Applications are completed and submitted to the HPRA [**].

(ii) Each of the Purchaser and the Seller agrees that it shall, and shall cause its Affiliates to, use best efforts (including to promptly (and in no event [**]) respond to any written queries or requests for information from the HPRA and/or the Minister for Health) to provide all information and documentation necessary and shall take any actions required by the HPRA for the purposes of the HPRA License Transfer Applications and shall cooperate with the other with a view to the HPRA License Determinations issuing as promptly as practicable (provided that in no event shall the Seller or its Affiliates be required to incur any cost, expense or other Liability in connection with the HPRA License Transfer Applications (except to the extent the Purchaser agrees to bear or reimburse such cost, expense or other Liability)).

(iii) The Purchaser and the Seller will provide one another with a copy of all written communications received from the HPRA and/or the Minister for Health [**].

(e) IE License:

(i) The Purchaser and the Seller shall jointly procure that a complete IE License Transfer Application is completed and submitted for electronic lodgment with the Agency [**].

(ii) Each of the Purchaser and the Seller agrees that it shall, and shall cause its Affiliates to use best efforts (including to promptly (and in no event [**]) respond to any written queries or requests for information from the Agency) to provide all information and documentation necessary and shall take any actions required by the Agency for the purposes of the IE License Transfer Application and shall cooperate with the other with a view to an IE License Determination issuing as promptly as practicable.

(iii) In connection with the IE License Transfer Application, the Purchaser shall be solely responsible for and shall use best efforts to agree as a matter of urgency the financial provision for environmental liability costs (ELRA) and care restoration and aftercare management plan costs (CRAMP) associated with the IE License, in a manner and form acceptable to the Agency.

(iv) The Purchaser and the Seller will provide one another with a copy of all written communications received from the Agency [**].

**8.3 Access and Information**.

(a) During the Interim Period, the Seller shall afford the Purchaser and its Representatives access to the Owned Real Property, the Athlone Facility and the Transferred Assets in accordance with the terms of the Interim Entry Agreement.

(b) Without prejudice to the generality of Section 8.3(a), during the Interim Period, and subject to applicable Laws, the terms of any confidentiality restrictions under Contracts to which the Seller or any of its Affiliates is a party as of the date of this Agreement and Section 8.8, the Purchaser shall be entitled, including through its Representatives, to have such reasonable access to the properties, businesses, operations, personnel and Books and Records of, or pertaining to, the Transferred Assets and the Business as it reasonably requests in connection with the Purchaser's efforts to consummate the transactions contemplated by this Agreement. Any such access and examination shall be at the Purchaser's expense and shall be conducted on reasonable advance written notice, during regular business hours and shall be subject to restrictions under applicable Law. The Seller shall use its commercially reasonable efforts to cause the Representatives of the Seller to reasonably cooperate with the Purchaser and its Representatives in connection with such access and examination, and the Purchaser and its Representatives shall reasonably cooperate with the Seller and its respective Representatives and shall minimize any unreasonable disruption to the Business and the Excluded Business. Notwithstanding anything herein to the contrary, no such access or examination shall be permitted to the extent that it would (i) unreasonably disrupt the operations of the Seller or (ii) require the Seller to disclose information subject to attorney-client privilege or conflict with any confidentiality or privacy obligations to which the Seller is bound solely on the basis that the disclosure of such information would, in the reasonable and good faith judgment of counsel to the Seller, violate such attorney-client privilege or conflict with such confidentiality obligations or Laws; provided, however, that the Seller shall promptly notify the Purchaser thereof and use commercially reasonable efforts to seek alternative means to disclose such information as nearly as possible without adversely affecting such attorney-client privilege or confidentiality obligations. All requests for information made pursuant to this Section 8.3(b) shall be directed to an executive officer of the Seller or such other person as designated for that purpose by the Seller.

(c) From and after the Closing, for a period of [**], the Purchaser shall, and shall cause its Affiliates to, retain all Transferred Books and Records, and, upon reasonable request by the Seller or its

applicable Affiliates, to the extent permitted by applicable Laws and confidentiality obligations existing as of the Closing Date, grant to the Seller and its Affiliates and their respective Representatives, during regular business hours and subject to reasonable rules and regulations of the Purchaser (including rules and regulations relating to COVID-19) and applicable Laws, the right, at the expense of the Seller, (i) to inspect and copy such Transferred Books and Records or (ii) to have personnel of the Purchaser or its Affiliates made available to the Seller or its Affiliates and their respective Representatives or have the Purchaser and its Affiliates otherwise cooperate, in each case to the extent reasonably necessary, including in connection with (A) preparing and filing Tax Returns and/or any Tax inquiry, audit, investigation or dispute, (B) any litigation or investigation (except in case of disputes under, or in connection with, this Agreement, any Ancillary Agreement or any conveyance document delivered hereunder) or (C) preparing financial or accounting reports of the Seller or its Affiliates; provided, however, that in the case of the foregoing clause (B), the aggregate amount of time for which personnel shall be made available [**] (thereafter personnel shall be made available as required [**]); provided, further that in no event shall the Seller and its Affiliates have access to any income Tax Returns of the Purchaser or any of its Affiliates or any information which is subject to attorney-client privilege, conflicts with any confidentiality or privacy obligations to which the Purchaser or any of its Affiliates is subject or is otherwise of a commercially sensitive nature to the Purchaser or any of its Affiliates or which the Purchaser is otherwise prohibited from providing pursuant to applicable Laws; provided, further, that the Purchaser shall promptly notify the Seller thereof and use commercially reasonable efforts to seek alternative means to disclose such information as nearly as possible without adversely affecting such attorney-client privilege or confidentiality obligations, breaching any applicable Laws or prejudicing the commercial position of the Purchaser or any of its Affiliates. The Seller shall reimburse the Purchaser promptly for reasonable expenses it incurs in complying with any such request pursuant to this Section 8.3(c) by or on behalf of the Seller. Prior to the expiry of the [**] of the Closing Date, no Books and Records related to, but not exclusively related to, the Excluded Business shall be destroyed by the Purchaser or any of its applicable Affiliates without first advising the Seller in writing and giving the Seller a reasonable opportunity to obtain possession thereof at the Seller's expense.

(d) From and after the Closing, for a period of [**], the Seller shall, and shall cause its Affiliates to, retain all Books and Records that are not Transferred Books and Records, and, upon reasonable request by the Purchaser or its applicable Affiliates, to the extent permitted by Law and confidentiality obligations existing as of the Closing Date, grant to the Purchaser and its Affiliates and their respective Representatives, during regular business hours and subject to reasonable rules and regulations of the Seller (including rules and regulations relating to COVID-19) and applicable Laws, the right, at the expense of the Purchaser, (i) to inspect and copy any such Books and Records (redacted as appropriate with respect to Excluded Information and matters that are not related to the Transferred Assets) to the extent reasonably necessary for the ownership, use, function or value of the Transferred Assets or (ii) to have personnel of the Seller or any of its applicable Affiliates made available to the Purchaser or any of its Affiliates and their Representatives or have the Seller and any of its applicable Affiliates otherwise cooperate to the extent reasonably necessary, including in connection with (A) preparing and filing Tax Returns and/or any Tax inquiry, audit, investigation or dispute, (B) any litigation or investigation (except in case of disputes under, or in connection with, this Agreement, any Ancillary Agreement or any conveyance document delivered hereunder) or (C) preparing financial or accounting reports of the Purchaser or its Affiliates; provided, however, that in the case of the foregoing clause (B), the aggregate amount of time for which personnel shall be made available [**] (thereafter personnel shall be made available as required [**]); provided, further that in no event shall the Purchaser and its Affiliates have access to any income Tax Returns of the Seller or any of its Affiliates or any information which is subject to attorney-client privilege, conflicts with any confidentiality or privacy obligations to which the Seller or any of its Affiliates is subject or is otherwise of a commercially sensitive nature to the Seller or any of its Affiliates or which the Seller is otherwise prohibited from providing pursuant to applicable Laws; provided, however, that the Seller shall promptly notify the Purchaser thereof and use commercially reasonable efforts to seek alternative means to disclose such information as nearly as possible without adversely affecting such attorney-client privilege or

confidentiality obligations, breaching any applicable Laws or prejudicing the commercial position of the Seller or any of its Affiliates. The Purchaser shall reimburse the Seller promptly for reasonable expenses it incurs in complying with any such request pursuant to this Section 8.3(d) by or on behalf of the Purchaser. Prior to the expiry of the [**] of the Closing Date, no Books and Records related to, but not exclusively related to, the Transferred Assets shall be destroyed by the Seller or any of its applicable Affiliates without first advising the Purchaser in writing and giving the Purchaser a reasonable opportunity to obtain possession thereof at the Purchaser's expense.

(e) No Party shall have any liability to any other Party in the event that any information exchanged or provided pursuant to this Section 8.3 is found to be inaccurate, provided that the disclosing Party was not aware of such inaccuracy when providing such information. No Party shall have any liability to any other Party if any information is destroyed or lost after commercially reasonable efforts by such Party to comply with the provisions of this Section 8.3.

**8.4 [**]**.

(a) [**] .

(b) [**].

(c) [**].

**8.5 Transferred Employees**.

(a) Each Party shall comply with its obligations under the Transfer Regulations in connection with the transactions contemplated by this Agreement. The Parties agree that the transactions contemplated by this Agreement give rise to a transfer of an undertaking under the Transfer Regulations and that accordingly the rights and obligations arising from contracts of employment between the Seller and the Transferred Employees will have effect from the close of business on the Closing Date as if those contracts were originally made between Purchaser and the Transferred Employees and Purchaser shall inherit all rights and Liabilities arising out of or in connection with those contracts, save as otherwise provided by applicable Law and any provision of this Agreement otherwise expressly allocating those Liabilities between the Seller and the Purchaser. For the avoidance of doubt, no right or related liability of a Transferred Employee to old age, invalidity or survivor's benefits under any pension scheme (including but not limited to the Pension Scheme) shall transfer to the Purchaser. The Parties agree that, with effect from the Closing, the Purchaser shall have in place a defined contribution plan which the Transferred Employees shall be eligible to join.

(b) Without prejudice to the generality of Section 8.5(a) and even if, contrary to the views of the Parties, the sale of Assets contemplated by this Agreement does not amount to a business transfer under the Transfer Regulations, the Purchaser agrees that it shall treat, for all purposes, any period of continuous service the Transferred Employees have spent with the Seller or any of its Affiliates, as if it were service with the Purchaser.

(c) If a vacancy is created between the date of this Agreement and the Closing Date as a result of the termination of employment, or resignation of any Transferred Employee, such departing individual shall be [**] and shall no longer be considered a Transferred Employee, and the individual who fills the resulting vacancy (it being agreed that the Seller has no obligation to fill such a vacancy) shall be [**] and thereafter be considered a Transferred Employee in place of the departing employee for purposes of this Agreement. Any individual who fills a vacancy [**] between the date of this Agreement and the

Closing Date shall be [**] and thereafter be considered a Transferred Employee for purposes of this Agreement.

(d) [**].

(e) [**].

(f) The Parties shall cooperate to prepare a written notice to the Transferred Employees and employees' representatives of the Transferred Employees within the meaning of the Transfer Regulations ("**Employees' Representatives**") in accordance with regulation 8 of the Transfer Regulations (the "**TUPE Notice**"), including that the Purchaser shall provide the Purchaser TUPE Notice Information and the Seller shall provide the Seller TUPE Notice Information. The Seller shall communicate to the Transferred Employees the TUPE Notice, which notice shall:

(i) inform the Transferred Employees that following the Closing they will be employed by the Purchaser; and

(ii) comply with the requirements of any applicable Laws.

(g) The Parties shall cooperate to permit and enable the Seller to conduct a process of information and consultation with the Transferred Employees and Employees' Representatives in accordance with regulation 8 of the Transfer Regulations (the "**TUPE Process**").

(h) Notwithstanding Sections 8.5(f) and 8.5(g), the Seller and the Purchaser agree to comply with any requirements imposed on each of them by applicable Laws, including the Transfer Regulations, to inform or consult with the Transferred Employees (or any of them), and/or any Employees' Representatives, and where required by applicable Laws, including the Transfer Regulations, to inform and consult with any other of their respective employees, or body of Representatives representing those other employees.

(i) For purposes of preparation of the TUPE Notice in accordance with Section 8.5(f), the Purchaser shall provide the Seller in a timely manner with:

(i) such assistance and prompt information in writing (including information as to any measures the Purchaser envisages taking which may affect the Transferred Employees after the Closing Date), as is, in the reasonable opinion of the Seller, necessary for the Seller (or any of its Affiliates) to comply with any legal requirement (whether pursuant to the Transfer Regulations or any written agreement with, or the constitution of, any works council, union, or other employee body) in relation to the transactions contemplated hereby, to consult with or inform the Transferred Employees (or any of them), a relevant trade union, a relevant works council or any other Employees' Representatives; and

(ii) all information that is necessary for purposes of the TUPE Notice and the TUPE Process and that is otherwise customarily provided by a purchaser in similar transactions, including all information in respect of the compensation, benefits and any measures that the Purchaser envisages taking in relation to the Transferred Employees following the Closing, and as may otherwise be reasonably required by the Seller to facilitate the information and consultation procedures in relation to the transactions contemplated hereby (the "**Purchaser TUPE Notice Information**").

(j) For purposes of preparation of the TUPE Notice in accordance with Section 8.5(f), the Seller shall include in the TUPE Notice the date or proposed date of the transfer and the reasons for the

transfer and any such information as is customarily provided by a seller in similar transactions (the "**Seller TUPE Notice Information**").

**8.6 Ancillary Agreements**.

During the Interim Period, and in any event at least [**] prior to the Closing, the Seller and the Purchaser shall, in each case in accordance with and subject to their respective obligations under the applicable Ancillary Agreement, each appoint a representative or representatives in writing in respect of the Ancillary Agreements who shall be generally responsible for managing the performance of each Party's obligations under the Ancillary Agreements.

**8.7 Confidentiality**.

(a) From and after the Closing, the Seller and its Affiliates shall treat as confidential and shall safeguard any and all confidential information, knowledge or data relating exclusively to, or included in, the Transferred Assets by using the same degree of care, but no less than a reasonable standard of care, to prevent the unauthorized use, dissemination or disclosure of such information, knowledge and data as the Seller or its Affiliates used with respect thereto prior to the execution of this Agreement; provided that nothing contained in this sub-paragraph shall restrict the Seller or any of its Affiliates in their respective use of the Excluded Assets, and any Intellectual Property and other property not sold or licensed by the Seller under this Agreement or any Ancillary Agreement.

(b) From and after the date of this Agreement, the Purchaser and its Affiliates shall treat as confidential and shall safeguard any and all confidential information, knowledge or data relating to the Business or Transferred Assets and any other business activities of the Seller or its Affiliates that becomes known to the Purchaser as a result of the transactions contemplated by this Agreement except as otherwise agreed to by the Seller in writing.

(c) The Purchaser and the Seller acknowledge that the confidentiality obligations set forth herein shall not extend to information, knowledge or data that is publicly available or becomes publicly available through no act or omission of the Party owing a duty of confidentiality, or becomes available on a non-confidential basis from a source other than a Party so long as such source is not subject to a contractual, legal, fiduciary or other obligation of confidentiality with respect to such information, knowledge or data.

(d) Notwithstanding anything to the contrary in this Section 8.7, either Party may disclose the other Party's confidential information, knowledge or data solely to the extent such disclosure is required by applicable Laws; provided that the disclosing Party shall (i) give the other Party prompt prior written notice of such requirement (to the extent permissible under applicable Laws) and (ii) use commercially reasonable efforts to obtain, or to assist the other Party in seeking to obtain, confidential treatment or a protective order for such information. In the event that a protective order or confidential treatment is not obtained, the disclosing Party may furnish only that portion of the information, knowledge or data which it is legally required to disclose.

(e) In the event of a breach of the obligations hereunder by either Party, the other Party shall be entitled, in addition to all other available remedies, to injunctive relief to enforce the provisions of this Section 8.7 in any court of competent jurisdiction.

**8.8 Press Releases and Other Disclosures**. The press release with respect to the execution of this Agreement that is attached as Exhibit F hereto shall be issued by the Seller, on the first Business Day following the execution of this Agreement or on such other date as mutually agreed between the Purchaser

and the Seller. The Seller may issue a press release with respect to the Closing, following the review and prior written consent of same by the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed) to the extent such press release (i) contains material information not contained in the press release attached as Exhibit F or (ii) contains disclosure related to the Purchaser and its Affiliates or the Athlone Facility that differs from the disclosure in the press release attached as Exhibit F, on the Closing Date or on the first Business Day following the Closing Date. Each of the Seller and the Purchaser agrees not to issue any other press release or trade announcement or make any other public announcement with regard to the transactions contemplated by this Agreement without the other Party's prior review and written consent, which shall not be unreasonably withheld, conditioned or delayed. This restriction shall not apply to announcements required by any Laws applicable to the Parties or any of their respective Affiliates, by a request by any Governmental Entity or pursuant to the rules and regulations of any stock exchange on which such Party's stock (or the stock of their direct or indirect holding company) is traded or quoted; provided, however, that in such event the Parties shall, to the extent reasonably practicable, reasonably cooperate to agree upon the content and wording of any such announcement. From and after the date of this Agreement, the Parties and their respective Affiliates shall have the right to (a) disclose a brief summary of the transactions contemplated by this Agreement in their respective required financial reports and (b) communicate with their Third Party customers, suppliers or distributors regarding this Agreement, the Ancillary Agreements and the transactions contemplated hereby or thereby, including in order to obtain the approval, authorization or consent of any such Person necessary or desirable to effect the consummation of the transactions contemplated hereby or thereby. To the extent any Party is required to file a copy of this Agreement or any Ancillary Agreement as an exhibit to any filings with, or otherwise publicly disclose the terms hereof or thereof to, any securities exchange or any Governmental Entity, the Parties shall coordinate in advance on the form of redacted version of this Agreement or applicable Ancillary Agreement or the terms to be so filed or disclosed and permit the other Party to provide comments and take such comments into account in good faith prior to making such filing.

**8.9 [**]**.

(a) [**].

(b) [**].

(c) [**].

**8.10 Wrong-Pockets**. From and after the Closing:

(a) If either the Purchaser or the Seller becomes aware that any of the Transferred Assets have not been transferred to the Purchaser or that any of the Excluded Assets have been transferred to the Purchaser (each such asset, a "**Held Asset**"), it shall promptly notify the other Party in writing and the Parties shall, as soon as reasonably practicable, ensure that such Held Asset is assigned and transferred (with all rights, title and interest in such Held Asset), with any necessary prior Third Party consent or approval, to (i) the Purchaser, in the case of any Transferred Asset which was not transferred to the Purchaser at the Closing; or (ii) the Seller, in the case of any Excluded Asset which was transferred to the Purchaser at the Closing, in all cases without delivery of any [**] therefor. Pending such transfer, the Purchaser or the Seller (as applicable) shall (A) hold in trust or similar arrangement such Held Asset and provide to the Purchaser or the Seller (as applicable) or its designated assignee all of the benefits associated with the ownership of the Held Asset, and (B) cause such Held Asset to be used or retained as may be reasonably instructed by the Purchaser of the Seller (as applicable); provided, that neither Party or any of its respective Affiliates shall be obligated to pay (or cause to be paid) (x) fees, costs or expenses in connection with such arrangements (other than immaterial administrative or legal costs and expenses) or (y) any [**] with respect to such arrangements.

(b) The Seller shall, or shall cause its applicable Affiliates to, promptly forward to the Purchaser (i) any payment which per the terms of this Agreement belongs to the Purchaser or one of its Affiliates that is received by the Seller or one of its Affiliates after the Closing and (ii) copies of any communications received by the Seller or one of its Affiliates after the Closing from a customer or other business partner to the extent related to the Transferred Assets.

(c) The Purchaser shall, or shall cause its applicable Affiliates to, promptly forward to the Seller (i) any payment which per the terms of this Agreement belongs to the Seller or one of its Affiliates that is received by the Purchaser or one of its Affiliates after the Closing and (ii) copies of any communications received by the Purchaser or one of its Affiliates after the Closing from a customer or other business partner to the extent related to the Seller or one of its Affiliates.

**8.11** [**]

(a) [**]

(b) [**]

(c) [**]

(d) [**]

(e) [**]

**8.12 Insurance**. Following the Closing, upon the Purchaser's reasonable request and only to the extent that (a) the applicable insurance policies of the Seller or its Affiliates provide any coverage or (b) the Seller has not otherwise remedied the applicable loss, Liability or damage prior to the Closing, by, for example, replacing the damaged equipment forming the basis of such claim, the Seller shall, or shall cause its Affiliates to, use commercially reasonable efforts to, on behalf of the Purchaser and at the Purchaser's sole cost and expense, file, notice and otherwise continue to pursue any claims (including using reasonable efforts to assert and maintain such claims) and recover proceeds under the terms of any applicable insurance policies for any covered amount in respect of the loss, Liability or damage to any Transferred Asset occurring after the date of this Agreement and prior to the Closing. To the extent the Seller or any of its Affiliates receives a cash payment following the Closing from any insurance carrier for any such insurance claims, then the Seller shall promptly remit any such cash payment to the Purchaser only to the extent that the Seller has not otherwise remedied the applicable loss, Liability or damage prior to the Closing, by, for example, replacing the damaged equipment forming the basis of such claim; provided, however, that such cash payment shall be (A) reduced by the amount of any applicable deductibles and copayment provisions or any payment or reimbursement obligations of the Seller or any of its Affiliates in respect thereof and (B) net of the amount of any related Tax costs; provided, further, that in the case of any insurance policy that is a business interruption or similar insurance policy or that otherwise covers a Loss borne by the Seller or one of its Affiliates prior to the Closing, the Seller shall be entitled to such portion of the insurance recoveries attributable to the portion of the Loss borne by the Seller or any of its Affiliates. Notwithstanding anything to the contrary in this Section 8.12, in no event shall the Purchaser be entitled to be compensated more than once for the same loss, Liability or damage, whether by way of inclusion in the current Liabilities, indemnification pursuant to Article 11 hereof, remediation by the Seller prior to the Closing or through insurance proceeds pursuant to this Section 8.12.

**8.13 Non-Solicitation**.

(a) For a period of [**] following the Closing Date, the Seller shall not, and shall cause its Affiliates not to, without the prior written consent of the Purchaser, solicit or otherwise attempt to induce [**] to terminate their employment relationship with the Purchaser and/or any of its Affiliates; provided, however, that the restrictions of this Section 8.13(a) shall not apply if (i) a [**] (as the case may be) responds to a general advertisement or any search firm engagement which, in any such case, is not directed or focused on such [**], or (ii) the Seller or its Affiliates hires or engages a [**] who applies for employment or otherwise approaches the Seller or its Affiliates with respect to a potential consulting or other independent contractor arrangement, as long as such [**] was not solicited by the Seller or its Affiliates in violation of this Section 8.13(a).

(b) For a period beginning on the date hereof and ending on the date that is [**] following the Closing Date, the Purchaser shall not, and shall cause its Affiliates not to, without the prior written consent of the Seller, solicit or otherwise attempt to induce any [**] (each, a "**Restricted Person**") to terminate their officer or employment relationship with the Seller or any of its Affiliates; provided, however, that the restrictions of this Section 8.13(b) shall not apply if (i) a Restricted Person responds to a general advertisement or any search firm engagement which, in any such case, is not directed or focused on any such Restricted Person, or (ii) the Purchaser or its Affiliates hires or engages a Restricted Person who applies for employment or otherwise approaches the Purchaser or its Affiliates with respect to a potential consulting or other independent contractor arrangement, as long as such Restricted Person was not solicited by the Purchaser or its Affiliates in violation of this Section 6.13(b).

(c) If any provision set forth in this Section 8.13 is invalid, illegal or incapable of being enforced by any law or public policy, such invalidity, illegality or unenforceability shall not affect any other provisions of this Section 8.13, but this Section 8.13 shall be construed as if such invalid, illegal or unenforceable provision alone had never been set forth in this Section 8.13. Notwithstanding any other provision of this Agreement, it is the intention of the Parties that if any of the restrictions or covenants contained in this Section 8.13 is held to cover a geographic area or to be for a length of time which is not permitted by applicable Law, or in any way construed to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under applicable Law, a court of competent jurisdiction shall construe and interpret or reform this Section 8.13 to provide for a covenant having the maximum enforceable geographic area, time period and other provisions, in each case not greater than those contained in this Section 8.13, as shall be valid and enforceable under such applicable Law.

**8.14 Taxes**.

(a) Transfer Taxes; VAT.

(i) The Purchaser shall be responsible for all Transfer Taxes (excluding, for the avoidance of doubt, VAT, which shall be payable in accordance with this Section 8.14) regardless of the Party on whom Liability is imposed under the provisions of the applicable Laws relating to such Transfer Taxes. At the option of the Purchaser, the Seller shall consult with, and cooperate with, the Purchaser on a reasonable basis and otherwise take commercially reasonable efforts to obtain any available exemptions from or reductions in such Transfer Taxes.

(ii) Each amount stated as payable by the Purchaser under or pursuant to this Agreement is exclusive of VAT. The Parties intend that the sale of the Transferred Assets under this Agreement shall constitute a transfer of a business and shall use all reasonable efforts to secure that the sale of the Transferred Assets under this Agreement is treated as neither a supply of goods nor a supply of

services for the purposes of VAT in accordance with Sections 20(2)(c) and 26(2) VATCA, such that no VAT shall be chargeable in respect of the sale and purchase under this Agreement. However, if all or any part of the sale of the Transferred Assets under this Agreement is treated as a supply of goods or services for the purposes of VAT, (A) the Seller shall deliver to the Purchaser a valid VAT invoice in respect of all or any of the Transferred Assets and (B) the Purchaser shall pay to the Seller an amount equal to all VAT so arising within thirty (30) days of receipt of such invoice.

(iii) If any amount of VAT charged by the Seller is subsequently found to have been charged in error, the Seller shall reimburse Purchaser for the amount of any such VAT paid by the Purchaser to the Seller [**] of the receipt by Seller of written confirmation, issued by the Revenue Commissioners to either the Seller or the Purchaser, that the VAT was incorrectly charged.

(iv) Within [**] of the signing of this Agreement the Seller shall furnish to the Purchaser copies of the Capital Goods Records in respect of the Owned Real Property and such other information in relation to the VAT history of the Owned Real Property as the Purchaser, acting reasonably, shall in writing require in order to comply with the Purchaser's obligations in respect of the Owned Real Property under the VAT Act.

(v) Within [**] of the signing of this Agreement, the Seller shall use commercially reasonable endeavours to furnish to the Purchaser copies of available invoices and other relevant documentation, which evidence expenditure on qualifying 'industrial buildings' (within the meaning of section 268 TCA) and, in particular, in respect of expenditure of the Owned Real Properties referred to as "building 15" and/or "building 16".

(vi) For the avoidance of doubt, each Party shall be responsible for any Tax obligations (other than obligations in respect of Transfer Taxes and VAT) of its own due to this Agreement (including corporation Tax, income Tax and capital gains Tax), and neither Party shall have any obligation towards the other Party in case that the other Party fails to fully comply with its Tax obligations.

(b) Straddle Periods. In the case of any Straddle Period, (i) all Property Taxes for any such period shall be apportioned between the Pre-Closing Period and the Post-Closing Period on a *per diem* basis and (ii) all other Taxes (other than Transfer Taxes and VAT) shall be apportioned between the Pre-Closing Period and the Post-Closing Period as if the Pre-Closing Period ended at the close of business on the date prior to the Closing Date.

(c) Cooperation and Audits. Notwithstanding anything to the contrary in Section 2.2, the Parties and their respective Affiliates shall cooperate on a reasonable basis with each other regarding Tax matters governed by this Agreement or relating to the Transferred Assets and will make available to the other as reasonably requested all information, records and documents relating to such Tax matters and the filing of Tax Returns (including any Tax Returns relating to Transfer Taxes) until the expiration of the applicable statute of limitations or extension thereof or the conclusion of all Actions with respect to such Taxes. Without prejudice to the generality of the foregoing, the Seller and its Affiliates covenant to provide such available information and assistance (including, without limitation, access to premises and personnel and available relevant historic documentation) as reasonably requested by the Purchaser or its Affiliates relating to the availability of 'industrial buildings allowances' on the Owned Real Properties referred to as [**]. For the avoidance of doubt, no Party shall be required to provide to the other Party (or any of its Affiliates) an income, corporation or capital gains Tax Return of such Party or any of its Affiliates pursuant to this Section 8.14(c).

## ARTICLE 9
## TERMINATION

**9.1 Termination**. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, prior to the Closing:

(a) at any time, by mutual written agreement of the Seller and the Purchaser;

(b) at any time after the Long Stop Date, by the Seller upon written notice to the Purchaser, if the Closing shall not have occurred for any reason other than a breach of this Agreement by the Seller; provided, however, that the Seller may not terminate this Agreement pursuant to this Section 9.1(b) if the Seller is then in material breach of the covenants and agreements required to be performed by it hereunder on or prior to the Closing;

(c) at any time after the Long Stop Date, by the Purchaser upon written notice to the Seller, if the Closing shall not have occurred for any reason other than a breach of this Agreement by the Purchaser; provided, however, that the Purchaser may not terminate this Agreement pursuant to this Section 9.1(c) if the Purchaser is then in material breach of the covenants and agreements required to be performed by it hereunder on or prior to the Closing;

(d) by the Seller if there shall have been a material breach by the Purchaser of warranty, covenant or other agreement set forth in this Agreement, which breach (i) would give rise to the failure of a condition to the Closing hereunder in favor of the Purchaser, and (ii) cannot be cured, or has not been cured [**] following receipt by the Purchaser of written notice of such breach (and, in any event, prior to the Long Stop Date);

(e) by the Purchaser if there shall have been any Environmental Release during the Interim Period that has caused a Material Adverse Effect or a material breach by the Seller of any warranty, covenant or other agreement set forth in this Agreement, which breach (i) would give rise to the failure of a condition to the Closing hereunder in favor of the Seller, and (ii) cannot be cured, or has not been cured [**] following receipt by the Seller of written notice of such breach (and, in any event, prior to the Long Stop Date); or

(f) by either the Purchaser or the Seller, upon delivery of written notice to the other, if a court of competent jurisdiction or other Governmental Entity shall have issued an order, judgment, decree, injunction or ruling permanently restraining or prohibiting the transactions contemplated by this Agreement, and such order, judgment, decree, injunction or ruling shall have become final and non-appealable.

**9.2 Effect of Termination**.

(a) In the event of a valid termination by either Party pursuant to Section 9.1, written notice thereof will forthwith be given to the other Party and the transactions contemplated by this Agreement will be terminated, without further action by any Party. If the transactions contemplated by this Agreement are terminated as provided herein, this Agreement shall become null and void and have no further force and effect and all obligations of the Parties under this Agreement shall terminate and there shall be no liability of any Party to the other Party, except that Section 8.5(a) (excluding any obligations in respect of confidential information described therein), Section 8.7, this Section 9.2, Section 10.4, Article 11 and Article 1 (to the extent defined terms therein are referenced in any of the foregoing Sections or Articles) shall survive any such termination of this Agreement, (b) nothing herein will relieve or release any Party in breach or default of any of its obligations under this Agreement from any liability for damages

suffered by the other Party as a result of such breach or default, (c) nothing herein will relieve or release any Party in breach or default of any of its obligations under any of the Ancillary Agreements from any liability for damages suffered by the other Party as a result of such breach or default.

## ARTICLE 10
## SURVIVAL; INDEMNIFICATION

**10.1 Survival**. Except in case of Fraud, claims for any breach of the warranties contained in this Agreement, other than the Fundamental Warranties and the warranties set forth in Section 6.19 (Taxes) shall be deemed time-barred if no respective Claim Notice (in case of a Third Party Claim) or corresponding notice of the relevant claim (in case of other claims) is delivered until the end of a period of [**] from the Closing Date. Except in case of Fraud, the warranties set forth in Section 6.19 (Taxes) shall be deemed time-barred if no respective Claim Notice (in case of a Third Party Claim) or corresponding notice of the relevant claim (in case of other claims) is delivered until the later of (i) the end of a period of [**] from the end of the accounting period which is current on the Closing Date or (ii) [**] after the expiration of the applicable statute of limitations for the underlying Third Party Claim or other claim. Except in case of Fraud, claims for any breach of the Fundamental Warranties shall be deemed time-barred if no respective Claim Notice (in case of a Third Party Claim) or corresponding notice of the relevant claim (in case of other claims) is delivered until the later of (i) the end of a period of [**] from the Closing Date or (ii) [**] after the expiration of the applicable statute of limitations for the underlying Third Party Claim or other claim. The right to make claims under the covenants and agreements of the Parties contained in this Agreement that are to be performed prior to the Closing shall survive the Closing until the date that is [**] after the Closing Date. The covenants and agreements required to be performed at or following the Closing shall survive the Closing until fully performed. The indemnity obligations under Sections 10.2 and 10.3 shall survive with respect to each underlying Third Party Claim until [**] after the expiration of the statute of limitations applicable to such underlying Third Party Claim. Any claim for Fraud shall survive until the expiration of the applicable statute of limitations.

**10.2 Indemnification by the Seller**. Subject to the limitations set forth elsewhere in this Article 10, at all times from and after the Closing, the Seller shall remain responsible for, and will promptly observe, perform, pay and discharge all of the Liabilities (excluding the Transferred Liabilities) and shall be solely responsible for and shall indemnify, defend and hold harmless the Purchaser and its Affiliates and their respective officers, directors and employees (collectively, the "**Purchaser Claiming Parties**"), irrespective of any fault, from and against any Losses suffered or incurred by the Purchaser Claiming Parties directly or indirectly to the extent that such Losses are in connection with, arising out of or resulting from the following:

(a) the breach of or failure to perform any covenant or agreement by the Seller or any of its Affiliates contained in the Transaction Documents;

(b) the Seller's failure to assume, perform, pay and discharge any and all Excluded Liabilities;

(c) [**];

(d) [**];

(e) any Environmental Release or Contaminant at or related to the Athlone Facility to the extent the underlying acts, omissions, facts, circumstances or claims arose prior to the Closing;

(f) the Seller's failure to pay and discharge the [**] after the Closing Date;

(g) any and all claims, Actions, proceedings, demands, liabilities, costs and expenses, of whatsoever nature in connection with any Excluded Assets or the Excluded Liabilities;

(h) all Liabilities to the extent arising directly out of, or from, the ownership or operation of the Owned Real Property prior to the Closing, except to the extent: (i) they are Permitted Encumbrances (ii) they are Liabilities relating to the state of repair and condition of the Owned Real Property; or (iii) they are Liabilities relating to non-compliance with the Planning Acts, the Building Control Act and the Building Regulations.

(i) where any [**] claims to be [**] of the Purchaser or makes any other claim against the Purchaser, in each case with respect to the period prior to the Closing, the Seller shall indemnify the Purchaser in respect of any Liabilities incurred by it in respect of defending or as a consequence of any such claim, [**];

(j) [**] save in the Ordinary Course, or that does not comply with applicable Laws;

(k) the enforcement by the Purchaser of any provision of the Transaction Documents;

(l) (i) the failure by the Seller or its Affiliates to comply with its obligations under the Transfer Regulations in connection with the transactions contemplated by this Agreement, including its failure to [**] or (ii) any omission, misstatement or inaccuracy in the Seller TUPE Notice Information;

(m) [**]; or

(n) [**].

**10.3 Indemnification by the Purchaser**. Subject to the limitations set forth elsewhere in this Article 10, at all times from and after the Closing, the Purchaser shall be responsible for, and will promptly observe, perform, pay and discharge all of the Liabilities (excluding the Excluded Liabilities) and shall be solely responsible for and shall indemnify, defend and hold harmless the Seller and its Affiliates and their respective officers, directors and employees (collectively, the "**Seller Claiming Parties**"), irrespective of any fault, from and against any Losses suffered or incurred by the Seller Claiming Parties directly or indirectly to the extent that such Losses are in connection with, arising out of or resulting from the following:

(a) the breach of or failure to perform any covenant or agreement by the Purchaser or any of its Affiliates contained in the Transaction Documents;

(b) the Purchaser's failure to assume, perform, pay and discharge any and all Transferred Liabilities;

(c) [**];

(d) any Environmental Release or Contaminant at or related to the Athlone Facility to the extent the underlying acts, omissions, facts, circumstances or claims arise following the Closing;

(e) the enforcement by the Seller of any provision of the Transaction Documents;

(f) all Liabilities to the extent arising directly out of, or from, the ownership or operation of the Owned Real Property following the Closing;

(g) any and all claims, Actions, proceedings, demands, liabilities, costs and expenses, of whatsoever nature in connection with any Transferred Assets or the Transferred Liabilities; and

(h) (i) the failure by the Purchaser or its Affiliates to comply with its obligations under the [**] in connection with the transactions contemplated by this Agreement, including any failure to comply with the Transfer Regulations in respect of the measures that the Purchaser or its Affiliates take, or propose to take, in relation to the Transferred Employees [**] or (ii) any omission, misstatement or inaccuracy in the Purchaser TUPE Notice Information.

**10.4 Limitations on Amounts of Losses**. Notwithstanding anything herein to the contrary and other than with respect to Fraud:

(a) The maximum aggregate liability of the Seller for Losses in connection with Indemnity/Warranty Claims shall be limited to [**]; provided, however, that the foregoing limitation on liability shall not apply to Losses in connection with Indemnity/Warranty Claims arising from, or in connection with a breach of (i) the Fundamental Warranties, for which the maximum aggregate liability of the Seller for Losses arising from or in connection with such breach shall not exceed [**] and (ii) the warranties set forth in Section 6.7(a), for which the maximum aggregate liability of the Seller for Losses arising from or in connection with such breach (together with any claims under the Land Sale Contract) shall not exceed [**].

(b) The maximum aggregate liability of the Purchaser for Losses in connection with Indemnity/Warranty Claims shall be limited to [**]; provided, however, that the foregoing limitation on liability shall not apply to Losses in connection with Indemnity/Warranty Claims arising from or in connection with a breach of the Fundamental Warranties, for which the maximum aggregate liability of the Purchaser for Losses arising from or in connection with such breach shall not exceed [**].

(c) No Party shall be liable for Losses unless the aggregate amount of Losses arising from or in connection with any breach of the warranties hereunder with respect to any such individual breach (with all claims arising out of substantially the same facts being aggregated for such purpose) exceeds [**] (each, a "**Qualifying Loss**") and for any Qualifying Loss unless the amount of all Qualifying Losses, when aggregated together, exceeds [**] (the "**Basket**"), in which case the liable Party shall be liable for [**]; provided, however, that the limitations on liability in this Section 10.4(c) shall not apply to a breach of the Fundamental Warranties.

(d) Except as otherwise provided herein, with respect to any indemnification obligation hereunder arising under any Ancillary Agreement, such indemnification obligation shall be subject to any applicable limitation on liability set forth in such Ancillary Agreement, if any.

**10.5 Other Limitations on Indemnification**. Notwithstanding anything herein to the contrary, except in the case of Fraud:

(a) All Losses for which any Indemnified Party would otherwise be entitled to indemnification under this Article 10 shall be reduced by the amount of insurance proceeds, indemnification payments and other Third Party recoveries actually received by any Indemnified Party in respect of any Losses incurred by such Indemnified Party. In the event any Indemnified Party is entitled to any insurance proceeds, indemnity payments or any Third Party recoveries in respect of any Losses for which such Indemnified Party is entitled to indemnification pursuant to this Article 10, such Indemnified Party shall use commercially reasonable efforts to obtain, receive or realize such proceeds, benefits, payments or recoveries. In the event that any such insurance proceeds, indemnity payments or other Third Party recoveries are realized by an Indemnified Party subsequent to receipt by such Indemnified Party of any

indemnification payment hereunder in respect of the claims to which such insurance proceeds, indemnity payments or other Third Party recoveries relate, appropriate refunds shall be made promptly by the relevant Indemnified Parties of all or the relevant portion of such indemnification payment previously received.

(b) No claim for misrepresentation or breach of warranty shall be made by any Purchaser Claiming Party if such fact or event was disclosed in this Agreement or, in accordance with and subject to Section 11.16, in the Seller Disclosure Letter.

(c) No Purchaser Claiming Party or Seller Claiming Party shall be entitled to be compensated more than once, under any of the Transaction Documents, for the same Loss.

**10.6 Procedures for Indemnification**.

(a) In order for any Indemnified Party to be entitled to make a claim for indemnification under this Article 10, such Indemnified Party shall deliver a written notice (an "**Indemnification Claim Notice**") to the Indemnifying Party, as promptly as reasonably practicable after it acquires knowledge of the fact, event or circumstance giving rise to a claim for Losses pursuant to this Article 10. Each Indemnification Claim Notice shall specify in reasonable detail the nature of, the facts, circumstances and the amount or a good faith estimate (only to the extent ascertainable) of the potential Losses against which such Indemnified Party seeks indemnification for, such claim asserted, and the provisions of this Agreement upon which such claim for indemnification is made; provided, however, that any failure by such Indemnified Party to give such prompt Indemnification Claim Notice shall not relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party is actually and materially prejudiced thereby. After delivery of an Indemnification Claim Notice to the Indemnifying Party, (i) the Indemnified Party which has provided such Indemnification Claim Notice shall, upon written request from the Indemnifying Party, supply and make available to the Indemnifying Party and its Representatives (at the Indemnifying Party's cost and expense) all relevant information in its or its Affiliates' possession relating to the claim reasonably requested by the Indemnifying Party (except to the extent that such action would result in a loss of attorney-client privilege; provided, that such Indemnified Party shall use its commercially reasonable efforts to provide such information in such format to the Indemnifying Party, or on an outside counsel only basis or in such other manner which would not result in the loss of such attorney-client privilege) and (ii) the Indemnified Party shall, and shall cause its Representatives, to (A) be reasonably available to the Indemnifying Party and its Representatives (at the Indemnifying Party's cost and expense) during normal business hours to discuss such claim, (B) render to the Indemnifying Party and its Representatives such assistance as may reasonably be requested, (C) provide reasonable access to such properties, facilities, books, records, accountant work papers and other documents or information in their possession or that may be reasonably obtained as the Indemnifying Party and/or its Representatives may reasonably require (at the Indemnifying Party's cost and expense) (provided, that the accountants of the Indemnified Party shall not be obligated to make any working papers available to the Indemnifying Party or its Representatives unless and until such Party or such Representative, as applicable, has signed a customary confidentiality and hold harmless agreement relating to such access to working papers in form and substance reasonably acceptable to such accountants), and (D) otherwise cooperate with the Indemnifying Party and its Representatives in good faith (at the Indemnifying Party's cost and expense). Without limiting the foregoing, such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party or its Representatives of books, records and other documents and information which are actually and reasonably relevant to such claim. Upon becoming aware of any such claim for indemnification under this Article 10, the Indemnifying Party shall not take any steps which might reasonably be expected to damage the commercial interests of the Indemnified Party or its Affiliates without prior approval of the Indemnified Party.

(b) Any claim by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a "**Direct Claim**") shall be asserted by the Indemnified Party by delivering an Indemnification Claim Notice with respect to such Direct Claim to the Indemnifying Party promptly; provided, however, that any failure by such Indemnified Party to give such prompt Indemnification Claim Notice shall not relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party is actually and materially prejudiced thereby. The Indemnified Party shall allow the Indemnifying Party and its Representatives to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party as provided in Section 10.6(a). The Indemnifying Party may, [**] receipt of an Indemnification Claim Notice with respect to such Direct Claim, deliver to the Indemnified Party a written response disputing such claim, which response must state in reasonable detail the reasons why the Indemnifying Party disputes such claim, together with reasonable supporting detail. [**].

(c) Save to the extent to which such Direct Claim has previously been satisfied, settled or withdrawn, any Direct Claim by an Indemnified Party shall not be enforceable against the Indemnifying Party and shall be deemed to have been withdrawn unless (except as agreed by the Parties otherwise) proceedings in respect of such claim are commenced, subject to Section 10.6(d), by the Indemnified Party [**] of service of notice of any dispute by the Indemnifying Party pursuant to Section 10.6(b).

(d) Where any Direct Claim by an Indemnified Party relates to a Loss which, at the time that such claim is notified to the Indemnifying Party is a contingent liability, the Indemnifying Party shall not be under any obligation to make any payment to an Indemnified Party in respect thereof and unless and until such time as the contingent liability ceases to be contingent and becomes actual and is due and payable. If an Indemnified Party has issued a notice in respect of such Direct Claim in accordance with Section 10.6(b) before the expiry of the relevant time periods for making such a claim against the relevant Indemnifying Party set out in Section 10.1, the [**] in Section 10.6(c) shall be deemed to commence upon the date which the liability ceases to be contingent and becomes an actual liability and is due and payable.

**10.7 Third Party Claims**.

(a) Promptly after an Indemnified Party has received notice or has knowledge of any Third Party claim or proceeding, or threatened claim or proceeding (a "**Third Party Claim**") which could result in a Loss for which such Party may be entitled to indemnification under this Article 10 the Indemnified Party shall without undue delay deliver to Indemnifying Party written notice of such Third Party Claim (the "**Claim Notice**"), which Claim Notice shall include, to the extent known, the nature and basis of such Third Party Claim, the basis for indemnification hereunder and the amount in dispute under the action, claim or proceeding; provided, however, that the failure of the Indemnified Party to provide the Claim Notice shall not release or waive the Indemnifying Party from its obligations to the Indemnified Party under this Article 10 except to the extent that the Indemnifying Party is actually and materially prejudiced thereby.

(b) The Parties agree to cooperate fully in connection with the defense, negotiation or settlement of any claim for indemnification arising from a Third Party Claim. Such cooperation shall include the retention and, upon the request of the Party defending, negotiating or settling the claim ("**Requesting Party**"), (at Requesting Party's cost) the provision to such Requesting Party of records and information which are reasonably relevant to such Third Party Claim, and making employees and other Representatives reasonably available on a mutually convenient basis to provide additional information and explanation of any materials provided hereunder.

(c) If the Indemnifying Party is not entitled to assume the defense of a Third Party Claim or fails or refuses to undertake the defense of a Third Party Claim [**] after the claim for

indemnification has been tendered to the Indemnifying Party by the Indemnified Party, pursuant to and in accordance with Section 10.6(c), or if the Indemnifying Party declares not to undertake the defense, or if the Indemnifying Party later fails to conduct in good faith the defense or withdraws from such defense, the Indemnified Party shall have the right to (i) undertake the defense of such claim with counsel of its own choosing, with the Indemnifying Party being responsible for the reasonable costs and expenses of such defense as Losses hereunder if and to the extent that such claim is determined to be a claim for which such Indemnified Person is entitled to be defended, indemnified, held harmless or reimbursed under this Article 10, and (ii) settle or compromise, or attempt to settle or compromise, the Third Party Claim; provided, however, that the Indemnified Party shall not settle or compromise such Third Party Claim without the Indemnifying Party's prior written consent (which shall not be unreasonably withheld, conditioned or delayed) and in assuming and/or defending such Third Party Claim the Indemnifying Party shall not do anything that would reasonably be expected to cause reputational damage to the Indemnified Party or any of its Affiliates.

**10.8 Mitigation of Losses**. Each Indemnified Party shall take commercially reasonable steps to mitigate all Losses promptly after its senior executives have actually become aware of any event which gives rise to any Losses that are indemnifiable hereunder.

**10.9 Tax Treatment**. To the extent permitted by applicable Law, the Purchaser and the Seller agree to treat any payments made pursuant to the indemnification provisions of this Agreement, in each case, as an adjustment to the Purchase Price, as applicable, for Tax purposes. Notwithstanding the foregoing, if the Indemnified Party is subject to Tax on any amounts received pursuant to the indemnification provisions of this Agreement (which, for the avoidance of doubt, includes withholdings or deductions applied by the Indemnifying Party or tax in the Indemnified Party's hands), then the Indemnifying Party shall pay such additional amount to the Indemnified Party and shall ensure that the total after-Tax amount received by the Indemnified Party, less the Tax chargeable on such amount, is equal to the amount that would otherwise have been received by the Indemnified Party under this Agreement.

**10.10 Setoff Rights**. Notwithstanding anything to the contrary in this Agreement, and without prejudice to any other right or remedy it has or may have, each Party (and its respective Affiliates) [**]. The payment obligations under each of this Agreement and the Ancillary Agreements remain independent obligations of each Party, irrespective of any amounts owed to any other Party under this Agreement or the respective Ancillary Agreements.

**10.11 Exclusive Remedy**. Except in respect of Fraud, from and after the Closing, the indemnification provisions contained in this Article 10 will constitute the sole and exclusive recourse and remedy of the Parties with respect to any claims for indemnification arising in connection with this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby. For the avoidance of doubt, the provisions of this Article 10 will not restrict the right of any Party to seek specific performance, injunctive relief or other remedies in connection with any covenants, or breach of any of the covenants, contained in this Agreement or any of the other Transaction Documents. The Parties agree that the provisions in this Agreement relating to indemnification, and the limits imposed on the Indemnified Parties' remedies with respect to this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby were specifically bargained for between sophisticated parties and were specifically taken into account in the determination of the amounts to be paid hereunder.

## ARTICLE 11
## MISCELLANEOUS

**11.1 Expenses**. Except as expressly provided herein or in any Ancillary Agreement, all costs and expenses incurred in connection with this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby shall be paid by the Party incurring such costs and expenses.

**11.2 Further Assurance**. Each of the Parties shall, and shall cause its respective Affiliates to, from time to time at the reasonable request and sole expense of the requesting Party, without any additional consideration, furnish to the other Party such further information or assurances, execute and deliver such additional documents, instruments and conveyances, and take such other actions and do such other things, as may be reasonably necessary or appropriate, in the opinion of counsel to the requesting Party, to carry out the provisions of this Agreement and each of the other Transaction Documents and give effect to the transactions contemplated hereby and thereby.

**11.3 Waiver and Amendment**. The failure of any Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party. No waiver shall be effective unless it has been given in writing and signed by the Party giving such waiver. No provision of this Agreement may be amended or modified except by an instrument in writing signed by or on behalf of each of the Parties.

**11.4 Entire Agreement**. This Agreement, including the Annexes, Schedules and Exhibits attached hereto which are deemed for all purposes to be part of this Agreement, the Ancillary Agreements, that certain Multi-Party Confidential Disclosure Agreement, dated as of 22 September 2023, by and among the Seller, the Purchaser Guarantor, [**], that certain Mutual Confidential Disclosure Agreement, dated as of 1 June 2023, by and between the Seller and the Purchaser Guarantor, that certain Data Transfer Agreement, dated as of 1 June 2023, by and between the Seller and the Purchaser Guarantor and any other documents delivered pursuant to this Agreement and the Ancillary Agreements constitute the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior communications, agreements and understandings, both oral and written, between the Parties with respect to the subject matter hereof and thereof. There are no contracts, agreements, warranties, promises, covenants or arrangements between the Parties hereto with respect to the transactions contemplated hereby, other than those expressly set forth in this Agreement, the Ancillary Agreements and any other documents delivered pursuant to this Agreement and the Ancillary Agreements.

**11.5 Headings**. The headings and table of contents contained in this Agreement are intended solely for convenience and shall not affect the meaning or interpretation of this Agreement nor the rights of the Parties.

**11.6 Notices**. All notices, consents, waivers and other communications required or permitted to be given hereunder shall in all cases be delivered by email (with receipt of such email acknowledged by a non-automated response by the applicable recipient [**] of receipt, or, in the event that receipt is not so acknowledged by the applicable recipient, with delivery by an internationally recognized courier service of a confirmatory hardcopy without undue delay) and shall be deemed given when sent by e-mail, or as a second method of delivery also be delivered (i) by personal delivery or (ii) by an internationally recognized overnight courier service, to the applicable address set forth below, unless another address has been previously specified in writing by such Party in the manner set forth above:

**If to the Seller:**

Alkermes Pharma Ireland Limited
Connaught House, 1 Burlington Road
Dublin 4, Ireland

Attention: Athlone Legal Notices
Email: [**]

With copies (which will not constitute notice) to:

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attention: Aaron Gardner and Julie Scallen
Email: aaron.gardner@lw.com; julie.scallen@lw.com

Arthur Cox LLP
Ten Earlsfort Terrace
Dublin 2, D02 T380, Ireland
Attention: Christopher McLaughlin
Email: Christopher.McLaughlin@arthurcox.com

**If to the Purchaser:**

Novo Nordisk Production Ireland Limited
First Floor, Block A, the Crescent Building
Northwood Business Park
Santry, Dublin 9, Ireland

Attention: CVP, Corporate Alliance management (with a copy to Corporate Development and General Counsel);

Email: [**]

With copies (which will not constitute notice) to:

Matheson LLP
70 Sir John Rogerson's Quay
Dublin 2, Ireland
Attention: David Fitzgibbon and John Coary
Email: david.fitzgibbon@matheson.com; john.coary@matheson.com

**If to the Purchaser Guarantor:**

Novo Nordisk A/S
Novo Alle 1
2880 Bagsværd, Denmark

Attention: CVP, Corporate Alliance management (with a copy to Corporate Development and General Counsel)

Email: [**]

With copies (which will not constitute notice) to:

Matheson LLP
70 Sir John Rogerson's Quay
Dublin 2, Ireland
Attention: David Fitzgibbon and John Coary
Email: david.fitzgibbon@matheson.com; john.coary@matheson.com

**11.7 Binding Effect; Assignment**. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their permitted successors, legal representatives and permitted assigns. No Party may assign or delegate, by operation of law or otherwise, all or any portion of its rights, obligations or liabilities under this Agreement without the prior written consent of the other Party; provided, however, that either Party may (a) assign its rights, obligations and liabilities under this Agreement or any part hereof to one or more of its Affiliates without the consent of the other Party; and (b) assign this Agreement in its entirety to a successor to all or substantially all of its business or Assets to which this Agreement relates. Any permitted assignee shall expressly agree to be bound by all obligations of the assigning Party under this Agreement, and no permitted assignment shall relieve the assignor of liability hereunder. Any purported assignment without such prior written consent shall be void and of no force or effect.

**11.8 Counterparts**. This Agreement may be signed in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. Delivery of an executed counterpart of this Agreement by electronic mail in portable document format (.pdf) shall be as effective as delivery of a manually executed counterpart hereof.

**11.9 Electronic Signature**. The Parties consent to the execution by or on behalf of each other Party to this Agreement and the Ancillary Agreements by electronic signature, provided that such manner of execution is permitted by law. The Parties (a) agree that an executed copy of this Agreement and the Ancillary Agreements may be retained in electronic form and (b) acknowledge that such electronic form shall constitute an original of the Agreement or the Ancillary Agreements (as applicable) and may be relied upon as evidence of the Agreement or the Ancillary Agreements (as applicable).

**11.10 Governing Law and Dispute Resolution**. This Agreement and any non-contractual obligations arising out of or in connection with this Agreement, all disputes arising out of or in any way relating to this Agreement and any disputes in any way connected with the subject matter of this Agreement, whether contractual or non-contractual ("**Proceedings**") shall be governed by, and interpreted in accordance with, the laws of Ireland, without giving effect to the conflict of laws provision thereof. Each of the Parties hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Ireland solely and specifically for the purposes of any Action or Proceeding arising out of or in connection with this Agreement and agrees not to claim that the courts of Ireland are not a convenient or appropriate forum; provided, however, that nothing contained in this Section 11.10 shall limit the right of any Party to bring enforcement Proceedings in another jurisdiction on foot of an Irish judgement or an order of the Irish courts or to seek interim, protective or provisional relief in the courts of another jurisdiction.

**11.11 Severability**. If any term, provision, agreement, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, agreements, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely

as possible in a reasonably acceptable manner so that the transactions contemplated hereby may be consummated as originally contemplated to the fullest extent possible.

**11.12 Specific Performance**. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity. It is therefore agreed that the Parties shall be entitled to seek a temporary, preliminary or permanent injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the performance of the terms of this Agreement, without posting any bond or other undertaking, in addition to any other remedy to which they are entitled at law or in equity.

**11.13 Relationship of the Parties**. Nothing contained in this Agreement shall be deemed to constitute a partnership, joint venture or legal entity of any type between the Seller and the Purchaser, or to constitute one as the agent of the other. Moreover, each Party agrees not to construe this Agreement, or any of the transactions contemplated hereby, as a partnership for any Tax purposes. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give any Party the power or authority to act for, bind or commit the other.

**11.14 English Language**. This Agreement is written and executed in the English language. Any translation into any other language shall not be an official version of this Agreement and in the event of any conflict in interpretation between the English version and such translation, the English version shall prevail.

**11.15 Construction**. The Parties agree that the terms and conditions of this Agreement are the result of negotiations between the Parties and that this Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party participated in its preparation.

**11.16 Seller Disclosure Letter**. The warranties of the Seller set forth in this Agreement are made and given subject to, and are qualified by, the matters Disclosed in the Seller Disclosure Letter. Any Disclosure set forth in one Section or subsection of the Seller Disclosure Letter shall be deemed to apply to and qualify the Section or subsection of this Agreement to which it corresponds in number and each other Section or subsection of this Agreement to the extent that it is reasonably apparent on its face that such information is relevant to such other Section or subsection. No Disclosure set forth in the Seller Disclosure Letter relating to any possible breach or violation of any contract or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. The inclusion of any information in the Seller Disclosure Letter shall not be deemed to be an admission or acknowledgment that such information is required by the terms of this Agreement to be disclosed.

**IN WITNESS WHEREOF**, the Parties hereto have executed and delivered this Agreement as a **DEED** as of the date first above written.

**PURCHASER**:

**SIGNED** for and on behalf of
**NOVO NORDISK PRODUCTION IRELAND LIMITED** by its lawfully appointed attorney and
**DELIVERED** as a **DEED**

/s/ Erik Lorin Rasmussen
**LAWFULLY APPOINTED ATTORNEY**

**in the presence of:**

**Name: Erik Lorin Rasmussen**

/s/ Ketty Frium Jorhøi
(Signature of witness)

**Date:** 13 December 2023

(Name of witness)

(Address of witness)

**IN WITNESS WHEREOF**, the Parties hereto have executed and delivered this Agreement as a **DEED** as of the date first above written.

**SELLER**:

**GIVEN** under the Common Seal of
**ALKERMES PHARMA IRELAND LIMITED**
and **DELIVERED** as a **DEED**

/s/ Declan O'Connor
**DIRECTOR**

**IN WITNESS WHEREOF**, the Parties hereto have executed and delivered this Agreement as a **DEED** as of the date first above written.

**PURCHASER GUARANTOR**:

**SIGNED** as a **DEED** for and on behalf of
**NOVO NORDISK A/S**
acting by its authorised signatories

/s/ Karsten Munk Knudsen

**Authorised Signatory**

**Name: Karsten Munk Knudsen**

**Date:** 13 December 2023

/s/ Henrik Ehlers Wulff

**Authorised Signatory**

**Name: Henrik Ehlers Wulff**

**Date:** 13 December 2023

**Exhibit 10.13A**

AMENDMENT TO EMPLOYEE MATTERS AGREEMENT

This amendment (the "Amendment") to that certain Employee Matters Agreement, dated November 13, 2023 (the "Employee Matters Agreement"), between Alkermes plc ("Alkermes"), an Irish public limited company, and Mural Oncology plc ("Mural"), an Irish public limited company, is entered into as of December 14, 2023 by and among Alkermes and Mural. Any term used in this Amendment without definition has the meaning set forth for such term in the Employee Matters Agreement.

WHEREAS, the Parties to the Employee Matters Agreement desire to amend the provisions of such agreement related to the treatment of Alkermes RSUs and Alkermes PRSUs held by Mural Participants.

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Amendments. The Employee Matters Agreement is hereby amended and modified as follows:

    a. Section 1.1 is amended to add a new subsection 46 as follows:

"(46) "Mural RSU Conversion Fraction" means a fraction, the numerator of which is the Alkermes Pre-Distribution Stock Value and the denominator of which is the opening trading price of Mural Ordinary Shares on the first trading day following the date upon which the Distribution Effective Time occurs, as reported on Bloomberg."

    b. Section 5.2(b)(ii) is hereby deleted and replaced in its entirety with the following:

"Alkermes RSUs held by Mural Participants. Upon the Distribution Effective Time, each Alkermes RSU held by a Mural Participant will be equitably adjusted solely into a Mural RSU. The number of Mural Ordinary Shares subject to the Mural RSU will be equal to the number of Alkermes Ordinary Shares subject to the Alkermes RSU immediately prior to the Distribution Effective Time multiplied by the Mural RSU Conversion Fraction, with the result being rounded down to the nearest whole share. Each Mural RSU shall be subject to the same terms and conditions regarding grant date, term, vesting (including for the avoidance of doubt, that each Mural Participant will receive service credit for purposes of vesting for periods of employment with Alkermes prior to the Distribution Effective Time), and other provisions regarding settlement as set forth in the original Alkermes RSU award. Such adjustment shall be done in a manner consistent with the requirements of Section 409A of the Code."

    c. Section 5.2(c)(ii) is hereby deleted and replaced in its entirety with the following:

"Alkermes PRSUs held by Mural Participants. Upon the Distribution Effective Time, each Alkermes PRSU held by a Mural Participant will be equitably adjusted solely into a Mural PRSU. The number of Mural Ordinary Shares subject to the Mural PRSU will be equal to the

number of Alkermes Ordinary Shares subject to the Alkermes PRSU immediately prior to the Distribution Effective Time multiplied by the Mural RSU Conversion Fraction, with the result being rounded down to the nearest whole share. Each Mural PRSU shall be subject to the same terms and conditions regarding grant date, term, vesting (including for the avoidance of doubt, that each Mural Participant will receive service credit for purposes of vesting for periods of employment with Alkermes prior to the Distribution Effective Time), and other provisions regarding settlement as set forth in the original Alkermes PRSU award (other than with respect to performance conditions). Such adjustment shall be done in a manner consistent with the requirements of Section 409A of the Code."

2. Effectiveness. Except as expressly amended by this Amendment, all of the terms of the Employee Matters Agreement remain unmodified and in full force and effect and are hereby confirmed in all respects. Any reference to the Employee Matters Agreement in the Employee Matters Agreement or any other agreement, document, instrument or certificate entered into or issued in connection therewith shall hereinafter mean the Employee Matters Agreement, as amended by this Amendment (or as the Employee Matters Agreement may be further amended or modified after the date hereof in accordance with the terms thereof).

3. Binding Effect. This Amendment shall be binding upon, and shall inure to the benefit of, the Parties and their respective successors and permitted assigns and be enforceable by (and against) the Parties and their respective successors (whether by merger, acquisition of assets or otherwise) and permitted assigns.

4. Counterparts; Electronic Delivery. This Amendment may be executed and delivered in any number of counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

5. Headings. The descriptive headings of the several Sections of this Amendment were formulated, used and inserted in this Amendment for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed as of December 14, 2023.

ALKERMES PLC

By: /s/ Tom Riordan

Name: Tom Riordan

Title: Assistant Company Secretary

MURAL ONCOLOGY PLC

By: /s/ Caroline Loew

Name: Caroline Loew

Title: CEO

**Exhibit 10.25M**

**2018 Plan Award Certificate –Performance-Vesting Restricted Stock Unit Award (Reporting Officer)_(rev. 2024)**

Alkermes plc
Connaught House
1 Burlington Road
Dublin 4, Ireland

| |
|---|
| Name: Participant Name |
| Address: Participant Address |
| Grant ID: Grant ID |
| Plan: Plan ID |
| ID: Optionee ID |

Effective [Grant Date] (the "Grant Date"), you have been granted a performance-vesting restricted stock unit award (the "PRSU"). The PRSU is for a total of [Award Grant Amount] ordinary shares, par value $0.01 per share (the "Shares"), of Alkermes plc (the "Company").

The PRSU was granted under the Alkermes plc 2018 Stock Option and Incentive Plan (the "Plan") and is governed by the terms and conditions thereof and of this award certificate (this "Award Certificate"). A copy of the Plan is posted on your local human resources page of the Company's website. Unless otherwise defined in this Award Certificate, all capitalized terms used in this Award Certificate shall have the respective meanings ascribed to them in the Plan.

Vesting details for the PRSU are as set forth on Exhibit A attached to this Award Certificate.

You must be employed by the Company on each vesting date in order to receive the Shares that vest on each such date, except as otherwise provided below. For purposes of the PRSU, and as set forth in Section 14 of the Plan, you will continue to be deemed employed by the Company for so long as you (x) remain employed by the Company or any Subsidiary, regardless of any transfer between the Company or such Subsidiary or between Subsidiaries, or any transfer from one eligibility category under Section 4 of the Plan to another, or (y) are on an approved leave of absence from the Company or any Subsidiary.

No portion of the PRSU shall vest prior to the one-year anniversary of the Grant Date, except as set forth in Section 7(a) of the Plan. Subject to this exception, if a vesting event or milestone is achieved and the compensation committee of the Company's board of directors acknowledges and recognizes the achievement of such vesting event or milestone during the 12-month period between the Grant Date and the one year anniversary of the Grant Date, the portion of the Shares subject to such vesting event or milestone shall vest on the first business day immediately following the one year anniversary of the Grant Date.

The Company will deliver to you a number of Shares equal to the number of vested Shares underlying your PRSU, subject to the satisfaction of tax withholding obligations as set forth in the Plan, within three business days of each applicable vesting date. Delivery of the Shares in settlement of your PRSU is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner.

In the event of the termination of your employment with the Company by reason of death or permanent disability prior to the end of the PRSU's performance period, the PRSU shall vest as follows at the end of the performance period:

(a) if the termination of employment due to death or permanent disability occurs in a calendar year subsequent to the calendar year in which the Grant Date falls, you will be entitled to the full amount of the PRSU to which you would otherwise have been entitled absent such termination, if any, as determined based on the terms of the PRSU at the end of the performance period; and

(b) if the termination of employment due to death or permanent disability occurs in the calendar year in which the Grant Date falls, then you will be entitled to a pro-rata amount of the PRSU to which you would have otherwise been entitled absent such termination, if any, as determined based on the terms of the PRSU at the end of the performance period, with such pro-rated amount equal to the product of the full amount to which you would otherwise have been entitled multiplied by the fraction which has as its numerator the number of full months of employment completed in the calendar year in which such termination of employment due to death or disability occurs, and has as its denominator 36 (being the number of months in the performance period).

In the event of a Sale Event, the following provisions shall apply in lieu of and expressly supersede Section 3(d) of the Plan:

- In the event of a Sale Event in which the surviving entity or acquiring entity (or the surviving or acquiring entity's parent company) does not assume or continue the PRSU, or substitute a similar award for the PRSU, then (i) to the extent the PRSU is outstanding and not vested immediately prior to the effective time of the Sale Event, the PRSU shall become fully vested as determined in accordance with Exhibit A attached to this Award Certificate as of the effective time of the Sale Event, provided that your employment or other service relationship with the Company has not terminated prior to the effective time of the Sale Event and (ii) the PRSU will terminate upon the effective time of the Sale Event.

- In the event of a Sale Event in which the surviving entity or acquiring entity (or the surviving or acquiring entity's parent company) assumes or continues the PRSU or substitutes a similar award for the PRSU, then upon such Sale Event (if such Sale Event is a Change in Control, as such term is defined in your employment agreement with the Company or any of its Subsidiaries ("Employment Agreement")) or upon a Change in Control following such Sale Event (if such Sale Event is not a Change in Control), these provisions shall apply regarding the vesting of the PRSU upon your termination of employment with the Company or any of its Subsidiaries (or its successor in interest), if such termination of employment occurs within twenty-four (24) months after the occurrence of the first event constituting a Change in Control, provided that such first event occurs during the Period of Employment, as such term is defined in your Employment Agreement. These provisions shall terminate and be of no further force or effect beginning twenty-four (24) months after the occurrence of a Change in Control.

  If within twenty-four (24) months after a Change in Control occurs, your employment is terminated by the Company or any of its Subsidiaries (or its successor in interest) without Cause (as such term is defined in your Employment Agreement) or you terminate your employment for Good Reason (as such term is defined in your Employment Agreement), then, to the extent the PRSU is outstanding and not vested immediately prior to the Date of Termination (as defined in your Employment Agreement), it shall become fully vested as determined in accordance with Exhibit A attached to this Award Certificate on the Date of Termination; *provided, however*, that if such Change in Control is not a Sale Event, the effective date of such vesting shall be the later of (i) the Date of Termination or (ii) the one-year anniversary of the Grant Date. For purposes of the foregoing, the determination of whether your employment is terminated without Cause or for Good Reason will be made by the Company (or its successor in interest) in accordance with the terms of your Employment Agreement.

The grant of the PRSU does not infer any right to, or expectation of, the grant of any additional Options or other Awards on the same basis or at all, in any future year. Participation in the Plan shall in no way give you any rights to compensation for any claim of loss in relation to the Plan, including without limitation:

(a) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of an employment relationship);

(b) any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; or

(c) the operation, suspension, termination or amendment of the Plan.

Any controversy or claim arising out of or relating to this Award Certificate and/or the PRSU shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("AAA") in Boston, Massachusetts, USA, in accordance with the *Employment Arbitration Rules and Mediation Procedures* of the AAA, including, but not limited

to, the rules and procedures applicable to the selection of arbitrators. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

You may not be issued any Shares in respect of the PRSU unless either (i) the Shares are registered under the Securities Act of 1933, as amended (the "Securities Act"); or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. The PRSU also must comply with other applicable laws and regulations governing the PRSU, and you will not receive such Shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

The Company has no duty or obligation to minimize the tax consequences to you of the PRSU and will not be liable to you for any adverse tax consequences to you arising in connection with the PRSU. You are advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of the PRSU.

This Award Certificate may not be modified or amended except in a writing signed by you and a duly authorized officer of the Company. Notwithstanding the foregoing, the Administrator reserves the right to modify or amend, by written notice to you, the terms of the PRSU and/or this Award Certificate in any way it may deem necessary or advisable (i) as a result of any change in applicable laws or regulations, or any future law, regulation, ruling, or judicial decision, in each case applicable to the PRSU, or (ii) for any other legal purpose, *provided that* (in each case of (i) or (ii) above), no such modification or amendment shall adversely affect your rights under the PRSU and/or this Award Certificate without your written consent. Notwithstanding the foregoing, in accordance with footnote 1 of the PRSU attached hereto as Exhibit A, in the event of a change in the Company's circumstances during the applicable performance period for the PRSU, adjustments or amendments to the PRSU may be made at discretion of the compensation committee of the Board upon notice to you and shall not require your written consent. Notwithstanding the foregoing, in accordance with the terms of the PRSU set forth on Exhibit A attached to this certificate, in the event of a change in the Company's circumstances during the applicable performance period for the PRSU, adjustments or amendments to the PRSU may be made at the discretion of the compensation committee of the Company's board of directors upon notice to you and shall not require your written consent.

Alkermes plc

By: _____

**Exhibit 10.25N**

**2018 Plan Award Certificate – Restricted Stock Unit (Performance-Vesting)_(rev. 2024)**

Alkermes plc
Connaught House
1 Burlington Road
Dublin 4, Ireland

| |
|---|
| Name: Participant Name |
| Address: Participant Address |
| Grant ID: Grant ID |
| Plan: Plan ID |
| ID: Grantee ID |

Effective [Grant Date] (the "Grant Date"), you have been granted a performance-vesting restricted stock unit award (the "PRSU"). The PRSU is for a total of [Award Grant Amount] ordinary shares, par value $0.01 per share (the "Shares"), of Alkermes plc (the "Company").

The PRSU was granted under the Alkermes plc 2018 Stock Option and Incentive Plan (the "Plan") and is governed by the terms and conditions thereof and of this award certificate (this "Award Certificate"). A copy of the Plan is posted on your local human resources page of the Company's website. Unless otherwise defined in this Award Certificate, all capitalized terms used in this Award Certificate shall have the respective meanings ascribed to them in the Plan.

Vesting details for the PRSU are as set forth on Exhibit A attached to this certificate.

You must be employed by the Company on each vesting date in order to receive the Shares that vest on each such date. For purposes of the PRSU, and as set forth in Section 14 of the Plan, you will continue to be deemed employed by the Company for so long as you (x) remain employed by the Company or any Subsidiary, regardless of any transfer between the Company or such Subsidiary or between Subsidiaries, or any transfer from one eligibility category under Section 4 of the Plan to another, or (y) are on an approved leave of absence from the Company or any Subsidiary.

No portion of the PRSU shall vest prior to the one-year anniversary of the Grant Date, except as set forth in Section 7(a) of the Plan. Subject to this exception, if a vesting event or milestone is achieved and the compensation committee of the Company's board of directors acknowledges and recognizes the achievement of such vesting event or milestone during the 12-month period between the Grant Date and the one year anniversary of the Grant Date, the portion of the Shares subject to such vesting event or milestone shall vest on the first business day immediately following the one year anniversary of the Grant Date.

The Company will deliver to you a number of Shares equal to the number of vested Shares underlying your PRSU, subject to the satisfaction of tax withholding obligations as set forth in the Plan, within three business days of each applicable vesting date. Delivery of the Shares in settlement of your PRSU is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner.

In the event of the termination of your employment with the Company by reason of death or permanent disability prior to the end of the PRSU's performance period, the PRSU shall vest as follows at the end of the performance period:

(a) if the termination of employment due to death or permanent disability occurs in a calendar year subsequent to the calendar year in which the Grant Date falls, you will be entitled to the full amount of the PRSU to which you would otherwise have been entitled absent such termination, if any, as determined based on the terms of the PRSU at the end of the performance period; and

(b) if the termination of employment due to death or permanent disability occurs in the calendar year in which the Grant Date falls, then you will be entitled to a pro-rata amount of the PRSU to which you would have otherwise been entitled absent such termination, if any, as determined based on the terms of the PRSU at the end of the performance period, with such pro-rated amount equal to the product of the full amount to which you would otherwise have been entitled multiplied by the fraction which has as its numerator the number of full months of employment completed in the calendar year in which such termination of employment due to death or disability occurs, and has as its denominator 36 (being the number of months in the performance period).

The grant of the PRSU does not infer any right to, or expectation of, the grant of any additional Awards on the same basis or at all, in any future year. Participation in the Plan shall in no way give you any rights to compensation for any claim of loss in relation to the Plan, including without limitation:

(a) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of an employment relationship);

(b) any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; or

(c) the operation, suspension, termination or amendment of the Plan.

Any controversy or claim arising out of or relating to this Award Certificate and/or the PRSU shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("AAA") in Boston, Massachusetts, USA, in accordance with the *Employment Arbitration Rules and Mediation Procedures* of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

You may not be issued any Shares in respect of the PRSU unless either (i) the Shares are registered under the Securities Act of 1933, as amended (the "Securities Act"); or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. The PRSU also must comply with other applicable laws and regulations governing the PRSU, and you will not receive such Shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

The Company has no duty or obligation to minimize the tax consequences to you of the PRSU and will not be liable to you for any adverse tax consequences to you arising in connection with the PRSU. You are advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of the PRSU.

This Award Certificate may not be modified or amended except in a writing signed by you and a duly authorized officer of the Company. Notwithstanding the foregoing, the Administrator reserves the right to modify or amend, by written notice to you, the terms of the PRSU and/or this Award Certificate in any

way it may deem necessary or advisable (i) as a result of any change in applicable laws or regulations, or any future law, regulation, ruling, or judicial decision, in each case applicable to the PRSU, or (ii) for any other legal purpose, *provided that* (in each case of (i) or (ii) above), no such modification or amendment shall adversely affect your rights under the PRSU and/or this Award Certificate without your written consent. Notwithstanding the foregoing, in accordance with the terms of the PRSU set forth on Exhibit A attached to this certificate, in the event of a change in the Company's circumstances during the applicable performance period for the PRSU, adjustments or amendments to the PRSU may be made at the discretion of the compensation committee of the Company's board of directors upon notice to you and shall not require your written consent.

Alkermes plc

By: _____, _____

**Exhibit 10.5A**

**Portions of this exhibit (indicated by "[**]") have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K. Schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K.**

# THIRD AMENDMENT TO DEVELOPMENT AND LICENSE AGREEMENT

**THIS THIRD AMENDMENT TO DEVELOPMENT AND LICENSE AGREEMENT** (the "Third Amendment") is entered into effective as of March 20, 2018, (the "Third Amendment Effective Date") between **AMYLIN PHARMACEUTICALS, LLC**, a Delaware limited liability corporation having a principal place of business at 9360 Towne Centre Drive, San Diego, CA 92121 ("Amylin"), and **ALKERMES PHARMA IRELAND LIMITED**, a private limited company incorporated in Ireland (registered number 448848) having a registered address at Connaught House, 1 Burlington Road, Dublin 4, Ireland ("APIL") who is the successor-in-interest to **ALKERMES CONTROLLED THERAPEUTICS INC. II** ("ACTII"). Amylin and APIL are referred to herein collectively as "Parties" and individually as a "Party".

**WHEREAS**, APIL and Amylin are parties to that certain Development and License Agreement dated May 15, 2000, as amended on October 24, 2005 and July 17, 2006 (the "Agreement"); and

**WHEREAS**, APIL and Amylin are also parties to a Technology Transfer and Construction Management Agreement dated October 24, 2005, as amended (the "Tech Transfer Agreement"); and

**WHEREAS**,, the Parties desire to amend the Agreement as set forth in this Third Amendment.

**NOW, THEREFORE**, in consideration of the premises and covenants herein contained, the Parties, intending to be legally bound, hereby agree as follows:

**1. Definitions.**

1.1 All capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement or the Tech Transfer Agreement, as applicable.

1.2 1.2 Section 1.4 of the Agreement is hereby amended and restated in its entirety as follows:

"1.4 "Affiliates" means any entity controlled by, controlling or under common control of any entity. For purposes of this Section 1.4, the term "under common control" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management of policies of such entity, whether through the ownership of voting securities, by contract, or otherwise. For clarity, unless otherwise expressly provided to the contrary herein, AstraZeneca Pharmaceuticals LP and AstraZeneca UK Limited shall be deemed to be Affiliates of Amylin for purposes of this Agreement from and after February 1, 2014."

1.3 1.3 Section 1.5 of the Agreement is hereby amended and restated in its entirety as follows:

"1.5 "Amylin Patents and Proprietary Information" means (i) the patents and patent applications necessary or useful in the development of a product in the Field under this Agreement, initially AC2993, together with any patents resulting therefrom, including divisionals, continuations, continuations-in-part, continued prosecution applications, reissues, re-examinations, extensions of term, substitutions, revalidations, renewals, supplemental protection certificates, registrations and confirmations thereof, (ii) the proprietary information, including data, results, knowledge, materials, compositions, formulas, specifications, designs, devices, methods, processes and techniques, whether patentable or not, developed, conceived, discovered, synthesized or acquired by or on behalf of Amylin, and/or its Affiliates, necessary or useful in the development of a product in the Field under this Agreement, initially AC2993, and (iii) the Suspension Patents."

1.4 1.4 Section 1.24 of the Agreement is hereby amended and restated in its entirety as follows:

"1.24 "Product" means any (a) Field Product the manufacture, use, sale, offer for sale, or import of which but for the licenses granted in this Agreement, would infringe a Valid Claim of any of the ACTII Patents or (b) Oil-Based Product."

1.5 1.5 Section 1 of the Agreement is hereby amended to include new Sections 1.47, 1.48, 1.49 and 1.50 as follows:

"1.47 "Amylin System Know-How" means any and all confidential information, data or knowledge developed, conceived, discovered, synthesized or acquired, in each case by or on behalf of Amylin involving any use of the System or any System formulations, including, without limitation any know-how, trade secrets, proprietary information, results, materials, compositions, formulas, specifications, designs, devices, methods, processes or techniques, whether patentable or not. Amylin System Know-How does not include Suspension Patents."

"1.48 "Oil-Based Product" means, except for Exenatide LAR and Four-Week Exenatide LAR, any Field Product the manufacture, use, sale, offer for sale, or import of which is covered by a Valid Claim of any of the Suspension Patents."

"1.49 "Suspension Patents" means (i) the patent applications listed in Exhibit A hereto, (ii) any patents resulting from the patent applications described in clause (i) hereof, and (iii) any divisionals, continuations, continuations-in-part, continued prosecution applications, reissues, re-examinations, extensions of term, substitutions, revalidations, renewals, supplemental protection certificates, registrations or confirmations to any one of the foregoing patent applications and patents described in clauses (i) and (ii) hereof. The Suspension Patents shall be owned by Amylin."

"1.50 "Unit" means one (1) week of therapy of any Product. For example, a formulation of the BYDUREON® Pen, which would be dispensed to fulfill a twenty eight

(28)-day supply, contains four (4) Dual Chamber Pens, and accordingly such formulation represents four (4) Units for purposes of Section 3.5."

**2. License Grants.**

2.1 Section 2.1 of the Agreement is hereby amended to include subsection (d) as follows:

"(d) Subject to the limitations, terms and conditions set forth in this Agreement, Amylin hereby grants to ACTII an exclusive (even as to Amylin), worldwide, irrevocable, perpetual, royalty-free, fully paid-up, sublicensable (through multiple tiers) license under the Suspension Patents and Amylin System Know-How for all purposes outside the Field."

**3. Payments to ACTII.**

3.1 Section 3.4 of the Agreement is hereby amended and restated in its entirety as follows:

"3.4 Payment for Four-Week Exenatide LAR. According to Section 6, Amylin shall pay to ACTII a transfer price based on Net Sales of all Four-Week Exenatide LAR manufactured by ACTII. For all Four-Week Exenatide LAR that is not manufactured by ACTII and is instead manufactured by a third party pursuant to Section 6.2 ("Failure to Supply"), below, Amylin shall pay to ACTII a royalty on Net Sales at the rate of [**] percent ([**]%). For all Four-Week Exenatide LAR that is not manufactured by ACTII and is instead manufactured by a third party pursuant to Section 6.3 ("Second Source"), below, Amylin shall pay to ACTII a royalty on Net Sales at the rate of [**] percent ([**]%). The royalty payable under this Section 3.4 will be payable only once with respect to a particular sale of Four-Week Exenatide LAR regardless of there being more than one Valid Claim of an ACTII Patent and/or Suspension Patent applicable to such Product."

3.2 Section 3.5 of the Agreement is hereby amended and restated in its entirety as follows:

"3.5 Royalties on Products Not Manufactured by ACTII.

"(a) Until December 31st of the tenth full calendar year following the year in which the First Commercial Sale of Exenatide LAR occurs, Amylin shall pay to ACTII a royalty on Net Sales of Exenatide LAR at the following rates: (i) eight percent (8%) of Net Sales of the first 40,000,000 Units of Exenatide LAR sold or commercially disposed of for value during any full calendar year, or portion thereof, during such period and (ii) five and one-half percent (5.5%) of Net Sales of the remaining Units of Exenatide LAR sold or commercially disposed of for value during such full calendar year, or portion thereof, during such period.

(b) Until December 31st of the tenth full calendar year following the year in which the First Commercial Sale of Exenatide LAR occurs, Amylin shall pay to ACTII a royalty on Net Sales of Oil-Based Products at the following rates: (i) eight percent (8%) of Net Sales

of the first 40,000,000 Units of Oil-Based Products sold or commercially disposed of for value during any full calendar year, or portion thereof, during such period and (ii) five and one-half percent (5.5%) of Net Sales of the remaining Units of Oil-Based Products sold or commercially disposed of for value during such full calendar year, or portion thereof, during such period.

(c) Except as otherwise provided in this Agreement and after the periods defined in Section 3.5 (a) – (b), Amylin shall pay to ACTII a royalty on Net Sales of Products not manufactured by ACTII at the rate of five and one-half percent (5.5%).

The royalties payable under Section 3.5 (a) – (c) will be payable only once with respect to a particular sale of a Product regardless of there being more than one Valid Claim of an ACTII Patent and/or Suspension Patent applicable to such Product."

3.3 Section 3.6(a) of the Agreement is hereby amended and restated in its entirety as follows:
"(a) [**]"

3.4 Section 3.6(d) of the Agreement is hereby amended and restated in its entirety as follows:
"(d) Termination of Obligation to Pay Royalties.

(i) Notwithstanding anything in this Agreement to the contrary, Amylin's obligations to pay royalties on Net Sales of a Product (except for an Oil-Based Product) shall cease on a country-by-country basis upon the later of (A) ten (10) years from first commercial sale of Product (except for an Oil-Based Product), and (B) the expiration or invalidation of the last Valid Claim of all patents within the ACTII Patents covering Product in such country.

(ii)Notwithstanding anything in this Agreement to the contrary, Amylin's obligations to pay royalties on Net Sales of an Oil-Based Product shall cease on a country-by-country basis upon ten (10) years from first commercial sale of such Oil-Based Product in such country."

**4. Term; Termination.**

4.1 Section 9.1 of the Agreement is hereby amended and restated in its entirety as follows:

"9.1 Term; Expiration at Full Term. This Agreement shall commence as of the Effective Date hereof and, unless terminated in accordance with this Section 9, will continue until the expiration of the last royalty payable by Amylin pursuant to Section 3.6(d). Upon expiration of this Agreement under this Section 9.1, all license rights and covenants granted pursuant to this Agreement, other than those granted pursuant to Sections 2.1(c) and 2.1(d), shall become non-exclusive, worldwide, fully paid-up licenses."

4.2 Section 9.2(c) of the Agreement is hereby amended and restated in its entirety as follows:

"(c) Licenses Terminated. Upon termination by Amylin under this Section 9.2, all license rights and covenants granted under this Agreement, other than those granted pursuant to Sections 2.1(c) and 2.1(d), shall automatically terminate and revert in their entirety back to the granting party."

4.3 Section 9.3 of the Agreement is hereby amended and restated in its entirety as follows:

"9.3 Breach. Any material breach by either Party of its material obligations contained in this Agreement shall entitle the other Party (the "Non-Defaulting Party") to give to the Party in default (the "Defaulting Party") written notice specifying the nature of the default and requiring it to cure such default. If such default is not cured within sixty (60) days after the receipt of such notice, the Non-Defaulting Party shall be entitled, without prejudice to any of its other rights conferred on it by this Agreement, by law or in equity, immediately to terminate this Agreement by giving written notice to the Defaulting Party. Any dispute between the Parties to be resolved under this Agreement as to whether a product is covered by a Valid Claim of any ACTII Patent or Suspension Patent shall not be grounds for termination. If ACTII terminates this Agreement under this Section 9.3 due to Amylin's breach, all license rights granted by ACTII under this Agreement shall automatically terminate and revert in their entirety back to ACTII. If Amylin terminates this Agreement under this Section 9.3 due to ACTII's breach, then Amylin's licenses and covenants granted pursuant to Sections 2.1(a), 2.1(c) and 2.1(d) shall survive and Amylin shall owe ACTII [**]% of the royalty on Net Sales of Products that would have otherwise been owed under this Agreement pursuant to Section 3.5, above."

4.4 Section 9.6 of the Agreement is hereby amended and restated in its entirety as follows:

"9.6 Accrued Rights; Survival. Termination of this Agreement for any reason shall be without prejudice to any rights which shall have accrued to the benefit of either Party prior to such termination. Such termination shall not relieve either Party from obligations including those under the following provisions which shall survive termination of this Agreement, Sections 2.1(c) and (d), 3.6(b), (c), and (e), 4.7(d) and (d), 8, 9, 10.1, 11, 12.1, 12.8 and 12.17, or any other obligations which are expressly indicated to survive termination of this Agreement."

**5. Prosecution and Maintenance of Patents.**

5.1 Section 10.2 of the Agreement is hereby amended to include subsections (d) and (e) as follows:

"(d) Amylin's Obligations to Prosecute. Amylin shall file and control prosecution and maintenance of the Suspension Patents and be responsible for related interference, opposition, post-grant review and reexamination proceedings in accordance with reasonable commercial standards and reasonable principles of intellectual property protection, all at Amylin's expense. Amylin shall provide ACTII with copies of all substantive and draft communications between Amylin and applicable patent offices

regarding the Suspension Patents sufficiently in advance of filing so that ACTII may have the opportunity to comment thereon, and at least 30 days prior to the contemplated filing date whenever possible. Any reasonable requests made by ACTII pertaining to such drafts shall be reflected in such drafts, provided that ACTII provides such input to Amylin sufficiently in advance of such proposed submission date to permit inclusion therein. Each Party shall be responsible for payment of the service fees and other fees and expenses charged by its own outside counsel in connection with such prosecution.

(e) ACTII's Standby Filing Rights. If Amylin elects not to continue prosecution or maintenance of patent protection for any Suspension Patents at all or in any particular country, Amylin shall provide ACTII with prompt notice of such election, and ACTII may file and control the prosecution and maintenance of such Suspension Patents, at ACTII's expense, with respect to such Suspension Patents everywhere or in any particular country, as the case may be. In the event ACTII elects to prosecute or maintain such Suspension Patents, Amylin will grant any necessary authority to ACTII to do so everywhere or in any particular country, as appropriate, and will cooperate as is reasonable, at ACTII's expense, with ACTII's prosecution and maintenance efforts."

**6. Infringement by Third Parties.**

6.1 Section 10.3(a) of the Agreement is hereby amended and restated in its entirety as follows:

"(a) Notice. Any Party learning of (i) any activities of a third party which are believed to infringe or misappropriate the ACTII Patents or patents that claim Joint Inventions in the Field, (ii) any activities of a third party which are believed to infringe or misappropriate any Suspension Patent, or (iii) any claim of a third party that any of the ACTII Patents or Suspension Patents are invalid or unenforceable shall promptly notify the other Party of such activities or such claim."

6.2 Section 10.3 of the Agreement is hereby amended to include subsection (d) as follows:

"(d) Infringement of Suspension Patents. Amylin shall have the primary right, but not the obligation, to institute, prosecute and control any action or proceeding with respect to any infringement or misappropriation of any of the Suspension Patents both inside the Field and outside the Field by counsel of its own choice and at Amylin's expense. If Amylin fails to bring an action or proceeding within a period of ninety (90) days after receiving written notice from ACTII or otherwise having knowledge of infringement of Suspension Patents outside the Field (or at least twenty (20) days before the expiration of any time limit set forth under 21 U.S.C. §355), then ACTII shall have the right to bring and control any such action by counsel of its own choice and at ACTII's expense. If ACTII reasonably determines that Amylin is an indispensable party to the action, Amylin hereby consents to be joined. In such event, Amylin shall have the right to be represented in that action by counsel of its own choice and at Amylin's expense. No settlement, consent judgment or other voluntary final disposition of a suit under this Section 10.3(d) may be entered into without the joint consent of Amylin and ACTII (which consent shall

not be unreasonably withheld). If Amylin fails to bring action and ACTII brings action, any damages or other monetary awards recovered by ACTII shall be applied pro-rata to defray the reasonable costs and expenses incurred in the action by both Parties. If any balance remains it shall be allocated to ACTII."

**7. Indemnification.**

7.1 Section 11.1 of the Agreement is hereby amended and restated in its entirety as follows:

"11.1 Indemnification by Amylin**.** Amylin hereby agrees to indemnify and hold harmless ACTII and its Affiliates and each of their respective agents, employees, officers and directors (the "ACTII Indemnitees") from and against any and all suits, claims, actions, demands, liabilities, expenses and/or losses, including reasonable investigation expenses, legal expenses and attorneys' fees ("Losses") resulting directly from (a) any material breach of this Agreement by Amylin, (b) the marketing, packaging, testing, labeling, manufacture, use or sale of Field Products or Products or (c) the performance of research and development by or on behalf of Amylin with respect to Products, including pursuant to the Product Development Plan (except that Amylin shall not indemnify ACTII for Losses resulting from the Product Development Plan or flaws or omissions in the Product Development Plan itself) except to the extent such Losses are required to be indemnified by ACTII pursuant to Section 11.2 hereof, and except to the extent such Losses are attributable to the gross negligence or willful misconduct of any ACTII Indemnitee."

**8. Miscellaneous Provisions.**

8.1 Section 12.3 of the Agreement is hereby amended and restated in its entirety as follows:

"12.3 Notices. All notices and other communications required or permitted hereunder shall be effective upon receipt and shall be in writing and may be delivered in person, by facsimile, overnight delivery service or United States mail, in which event it may be mailed by first-class, certified or registered, postage prepaid, addressed to the parties as follows:

If to Amylin:

Amylin Pharmaceuticals, LLC
9360 Towne Centre Drive
San Diego, California 92121, USA
Attention: CEO

With a copy to:

AstraZeneca Pharmaceuticals LP
1800 Concord Pike
Wilmington, Delaware 19803, USA
Attention: General Counsel

If to ACTII:

Alkermes Public Limited Company
Connaught House
1 Burlington Road
Dublin 4, Ireland
Attention: President

With a copy to:

Alkermes Public Limited Company
Connaught House
1 Burlington Road
Dublin 4, Ireland
Attention: Chief Legal Officer

or to such other addresses as may from time to time be given in writing by either Party to the other pursuant to the terms hereof."

8.2 Section 12 of the Agreement is hereby amended to include new Section 12.19 as follows:

"12.19. Performance by an Affiliate. Each Party shall always have the right to perform any or all of its obligations and exercise any or all of its rights under this Agreement through any of its Affiliates (but only for so long as such entity is and remains an Affiliate of such Party), provided that each of Amylin and Alkermes shall remain responsible for the performance of obligations under this Agreement, and the compliance with the terms and conditions hereof, by its Affiliates and any act or omission by an Affiliate of a Party shall constitute an act or omission by such Party."

**9. Release.**

9.1 APIL has alleged that Amylin has performed research and development in contravention of Section 4 of the Agreement, used APIL's materials (e.g., microspheres) outside the scope of the limitations set forth in Section 8.1 of the Agreement and used the ACTII Manufacturing Know-How outside the scope of the limitations set forth in Section 2.7 of the Tech Transfer Agreement resulting in the inventions that are exemplified, described, or claimed in the Suspension Patents. In consideration of Amylin's grant of rights and licenses pursuant to this Third Amendment, APIL, on behalf of itself and on behalf of each of its agents, officers, shareholders, directors, employees, Affiliates, predecessors, successors, and assigns (collectively, the "APIL Releasing Parties") hereby fully and forever releases and discharges Amylin and its agents, officers, shareholders, directors, employees, Affiliates, predecessors, successors, and assigns (collectively, the "Amylin Releasees") from all claims, demands, damages, liabilities, obligations, causes of action and complaints, whether known or unknown, in law or equity, including costs, expenses and attorneys' fees, arising out of, in connection with or based upon conduct occurring on or before the Third Amendment Effective Date (each a "Claim") with respect to: (a) Amylin Releasees' use of APIL Releasing Parties' materials (e.g., microspheres), ACTII Patents, or ACTII Know-How (including, but not limited to, ACTII Manufacturing

Know-How) to perform research and development regarding any invention that is exemplified, described or claimed in the Suspension Patents, (b) Amylin Releasees' use of APIL Releasing Parties' materials to develop, manufacture, commercialize, or otherwise exploit any Product, in each case that is covered by one or more claims of the Suspension Patents, (c) Amylin Releasees' ownership of the Suspension Patents, and (d) Amylin Releasees' filing and prosecution of the Suspension Patents without disclosure of such to APIL (the "APIL Released Claims").

9.2 Notwithstanding any release and discharge by the APIL Releasing Parties of the Amylin Releasees with respect to the APIL Released Claims hereunder, nothing in this Third Amendment shall be deemed to be a release or discharge by the APIL Releasing Parties of the Amylin Releasees with respect to any other Claim or a grant by APIL to Amylin of any right or license, by implication, estoppel or otherwise, to use APIL's materials or the ACTII Manufacturing Know-How, including but not limited to any use to conduct research, development or manufacturing of any Product, other than in accordance with the terms and conditions set forth in the Agreement, as amended by this Third Amendment, and the Tech Transfer Agreement, respectively, including without limitation Sections 4 and 8.1 of the Agreement and Section 2.7 of the Tech Transfer Agreement.

**10. Acknowledgement.** The Parties acknowledge that the licenses, covenants, releases and rights to be provided by either Party to the other under the Agreement, as amended by this Third Amendment constitute valuable intellectual property, trade secrets, know-how, rights and materials of such Party and that the ACTII Patents and Suspension Patents are a valuable contribution to the development of Products. The Parties acknowledge and agree that, for their mutual convenience and after considering other alternatives, the payments, covenants, releases and exchange of rights set forth in the Agreement, as amended by this Third Amendment, including Section 3 (Payments to ACTII), and the timing of and basis for the payments (including the period during which royalties are due) are an appropriate and mutually convenient method of compensation.

**11. Miscellaneous Provisions.**

11.1 Governing Law. This Third Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the principles of conflict of laws.

11.2 Entire Agreement. This Third Amendment, together with the Agreement, constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior understandings and agreements whether written or oral with respect to that subject. Except as expressly set forth herein, the Agreement shall remain in full force and effect. If there is any inconsistency or conflict between any provision in this Third Amendment and any provision in the Agreement, the provision in this Third Amendment shall control.

11.3 Headings. The headings and captions included herein are for convenience of reference only and shall not be used to construe this Third Amendment.

11.4 Counterparts. This Third Amendment shall become binding when any one or more counterparts hereof, individually or taken together, shall bear the signature of each of the Parties. This Third Amendment may be executed in counterparts, each of which shall be an original as against any Party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. This Third Amendment may be executed and delivered by facsimile or in Adobe™ Portable Document Format (PDF) by electronic mail and upon such delivery the facsimile or PDF signature will be deemed to have the same effect as if the original signature had been delivered to the other parties hereto.

[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the Parties have executed and delivered this Third Amendment as of the Third Amendment Effective Date above.

**AMYLIN PHARMACEUTICALS, LLC**

/s/ Richard J. Kenny
Richard J. Kenny (Assistant Secretary)

**ALKERMES PHARMA IRELAND LIMITED**

/s/ Richie Paul
RICHIE PAUL (DIRECTOR)

[SIGNATURE PAGE TO THE THIRD AMENDMENT TO THE DEVELOPMENT AND LICENSE AGREEMENT]

**Exhibit A**
**Suspension Patents**

**Exhibit 21.1**

**SUBSIDIARIES**

| Name | Jurisdiction |
|---|---|
| Alkermes Ireland Holdings Limited | Ireland |
| Alkermes Pharma Ireland Limited | Ireland |
| Daravita Pharma Ireland Limited | Ireland |
| Alkermes Finance Ireland (No 3) Limited | Ireland |
| Alkermes Science Four Limited | Ireland |
| Alkermes Science Five Limited | Ireland |
| Alkermes US Holdings, Inc. | Delaware |
| Alkermes, Inc. | Pennsylvania |
| Alkermes Controlled Therapeutics, Inc. | Pennsylvania |
| Rodin Therapeutics, Inc. | Delaware |

**Exhibit 23.1**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-179545, 333-184621, 333-200777, 333-214952, 333-226359, 333-232831, 333-240170, 333-258229, 333-266350 and 333-273456) of Alkermes plc of our report dated February 21, 2024 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
February 21, 2024

**Exhibit 31.1**

**CERTIFICATIONS**

I, Richard F. Pops, certify that:

1. I have reviewed this annual report on Form 10-K of Alkermes plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/s/ Richard F. Pops
Richard F. Pops

Chairman and Chief Executive Officer
(Principal Executive Officer)

**Exhibit 31.2**

**CERTIFICATIONS**

I, Blair C. Jackson, certify that:

1. I have reviewed this annual report on Form 10-K of Alkermes plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2024

/s/ Blair C. Jackson

Blair C. Jackson

Executive Vice President, Chief Operating Officer
(Interim Principal Financial Officer)

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Alkermes plc (the "Company") for the period ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Richard F. Pops, Chairman and Chief Executive Officer of the Company, and Blair C. Jackson, Executive Vice President, Chief Operating Officer and Interim Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2024

/s/ Richard F. Pops
Richard F. Pops

Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: February 21, 2024

/s/ Blair C. Jackson
Blair C. Jackson

Executive Vice President, Chief Operating Officer
(Interim Principal Financial Officer)

**Exhibit 97**

**ALKERMES PLC**

**INCENTIVE COMPENSATION RECOUPMENT POLICY**

## 1. Introduction

The Board of Directors (the "***Board***") of Alkermes plc (the "***Company***") has determined that it is in the best interests of the Company and its shareholders to adopt this Incentive Compensation Recoupment Policy (this "***Policy***"). This Policy provides for the Company's recoupment of Recoverable Incentive Compensation that is received by Covered Officers of the Company under certain circumstances. Certain capitalized terms used in this Policy have the meanings given to such terms in Section 3 below.

This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder ("***Rule 10D-1***") and Nasdaq Listing Rule 5608 (the "***Listing Standards***").

## 2. Effective Date

This Policy shall apply to all Incentive Compensation that is received by a Covered Officer on or after October 2, 2023 (the "***Effective Date***"). This Policy shall replace and supersede the Clawback Policy of Alkermes plc adopted on May 19, 2021 (the "***Prior Clawback Policy***") with respect to all Incentive Compensation that is received by a Covered Officer on or after the Effective Date; for clarity, the Prior Clawback Policy shall continue to apply to any incentive compensation, including Incentive Compensation (as such term is defined in the Prior Clawback Policy), received by a Covered Officer prior to the Effective Date. Incentive Compensation is deemed "***received***" in the Company's fiscal period in which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of such Incentive Compensation occurs after the end of that period.

## 3. Definitions

"***Accounting Restatement***" means an accounting restatement that the Company is required to prepare due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

"***Accounting Restatement Date***" means the earlier to occur of (a) the date that the Board, a committee of the Board authorized to take such action, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date that a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

"***Administrator***" means the Compensation Committee or, in the absence of such committee, the Board.

"***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"***Compensation Committee***" means the Compensation Committee of the Board.

"***Covered Officer***" means each current and former Executive Officer.

"***Exchange***" means the Nasdaq Stock Market.

"***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended.

"***Executive Officer***" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries are deemed executive officers of the Company if they perform such policy-making functions for the Company. Policy-making function is not intended to include policy-making functions that are not significant. Identification of an executive officer for purposes of this Policy would include at a minimum executive officers identified pursuant to Item 401(b) of Regulation S-K promulgated under the Exchange Act.

"***Financial Reporting Measures***" means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures derived wholly or in part from such measures, including Company stock price and total shareholder return ("***TSR***"). A measure need not be presented in the Company's financial statements or included in a filing with the SEC in order to be a Financial Reporting Measure.

"***Incentive Compensation***" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

"***Lookback Period***" means the three completed fiscal years immediately preceding the Accounting Restatement Date, as well as any transition period (resulting from a change in the Company's fiscal year) within or immediately following those three completed fiscal years (except that a transition period of at least nine months shall count as a completed fiscal year). Notwithstanding the foregoing, the Lookback Period shall not include fiscal years completed prior to the Effective Date.

"***Recoverable Incentive Compensation***" means Incentive Compensation received by a Covered Officer during the Lookback Period that exceeds the amount of Incentive Compensation that would have been received had such amount been determined based on the Accounting Restatement, computed without regard to any taxes paid (*i.e.*, on a gross basis without regarding to tax withholdings and other deductions). For any compensation plans or programs that take into account Incentive Compensation, the amount of Recoverable Incentive Compensation for purposes of this Policy shall include, without limitation, the amount contributed to any notional account based on Recoverable Incentive Compensation and any earnings to date on that notional amount. For any Incentive Compensation that is based on stock price or TSR, where the Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Administrator will determine the amount of Recoverable Incentive Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive Compensation was received. The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange in accordance with the Listing Standards.

"***SEC***" means the U.S. Securities and Exchange Commission.

**4. RECOUPMENT**

**(a) Applicability of Policy.** This Policy applies to Incentive Compensation received by a

Covered Officer (i) after beginning services as an Executive Officer, (ii) who served as an Executive Officer at any time during the performance period for such Incentive Compensation, (iii) while the Company had a class of securities listed on a national securities exchange or a national securities association, and (iv) during the Lookback Period.

**(b) Recoupment Generally.** Pursuant to the provisions of this Policy, if there is an Accounting Restatement, the Company must reasonably promptly recoup the full amount of the Recoverable Incentive Compensation, unless the conditions of one or more subsections of Section 4(c) of this Policy are met and the Compensation Committee, or, if such committee does not consist solely of independent directors, a majority of the independent directors serving on the Board, has made a determination that recoupment would be impracticable. Recoupment is required regardless of whether the Covered Officer engaged in any misconduct and regardless of fault, and the Company's obligation to recoup Recoverable Incentive Compensation is not dependent on whether or when any restated financial statements are filed.

**(c) Impracticability of Recovery.** Recoupment may be determined to be impracticable if, and only if:

(i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount of the applicable Recoverable Incentive Compensation; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on expense of enforcement, the Company shall make a reasonable attempt to recover such Recoverable Incentive Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the Exchange in accordance with the Listing Standards;

(ii) recoupment of the applicable Recoverable Incentive Compensation would violate the Company's home country law where that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on violation of home country law, the Company shall obtain an opinion of home country counsel, acceptable to the Exchange, that recoupment would result in such a violation, and shall provide such opinion to the Exchange in accordance with the Listing Standards; or

(iii) recoupment of the applicable Recoverable Incentive Compensation would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Code Section 401(a)(13) or Code Section 411(a) and regulations thereunder.

**(d) Sources of Recoupment.** To the extent permitted by applicable law, the Administrator shall, in its sole discretion, determine the timing and method for recouping Recoverable Incentive Compensation hereunder, provided that such recoupment is undertaken reasonably promptly. The Administrator may, in its discretion, seek recoupment from a Covered Officer from any of the following sources or a combination thereof, whether the applicable compensation was approved, awarded, granted, payable or paid to the Covered Officer prior to, on or after the Effective Date: (i) direct repayment of Recoverable Incentive Compensation previously paid to the Covered Officer; (ii) cancelling prior cash or equity-based awards (whether vested or unvested and whether paid or unpaid); (iii) cancelling or offsetting against any planned future cash or equity-based awards; (iv) forfeiture of deferred compensation, subject to compliance with Code Section 409A; and (v) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may effectuate recoupment under this Policy from any amount otherwise payable to the Covered Officer, including amounts payable to such individual under any otherwise applicable Company plan or program, *e.g.*, base salary, bonuses or commissions and compensation previously deferred by the Covered Officer. Notwithstanding anything to the contrary in any employment, equity plan, equity award, severance benefit plan, or other individual

agreement applicable to a Covered Officer, any recoupment of compensation pursuant to this Policy shall not constitute an event, condition or action taken by the Company for purposes of a Covered Officer's resignation for "Good Reason" (or similar concept, each as may be defined in the applicable plan or agreement). The Administrator need not utilize the same method of recovery for all Covered Officers or with respect to all types of Recoverable Incentive Compensation.

**(e) No Indemnification of Covered Officers.** Notwithstanding any indemnification agreement, applicable insurance policy or any other agreement or provision of the Company's articles of association to the contrary, no Covered Officer shall be entitled to indemnification or advancement of expenses in connection with any enforcement of this Policy by the Company, including paying or reimbursing such Covered Officer for insurance premiums to cover potential obligations to the Company under this Policy.

**(f) Indemnification of Administrator.** Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

## 5. Administration

Except as specifically set forth herein, this Policy shall be administered by the Administrator. The Administrator shall have full and final authority to make any and all determinations required under this Policy. Any determination by the Administrator with respect to this Policy shall be final, conclusive and binding on all interested parties and need not be uniform with respect to each individual covered by this Policy. In carrying out the administration of this Policy, the Administrator is authorized and directed to consult with the full Board or such other committees of the Board as may be necessary or appropriate as to matters within the scope of such other committee's responsibility and authority. Subject to applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions that the Administrator, in its sole discretion, deems necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

## 6. Severability

If any provision of this Policy or the application of any such provision to a Covered Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable.

## 7. No Impairment of Other Remedies

Nothing contained in this Policy, and no recoupment or recovery as contemplated herein, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Officer arising out of or resulting from any actions or omissions by the Covered Officer. This Policy does not preclude the Company from taking any other action to enforce a Covered Officer's obligations to the Company, including, without limitation, termination of employment and/or institution of civil proceedings. This Policy is in addition, without duplication except as required by law, to the requirements of Section 304 of the Sarbanes-Oxley Act of 2002 that are applicable to the Company's Chief Executive Officer and Chief Financial Officer and to any other compensation recoupment policy and/or

similar provisions in any employment, equity plan, equity award, or other individual agreement, to which the Company is a party or which the Company has adopted or may adopt and maintain from time to time.

**8. Amendment; Termination**

The Administrator may amend, terminate or replace this Policy or any portion of this Policy at any time and from time to time in its sole discretion. The Administrator shall amend this Policy as it deems necessary to comply with applicable law or any Listing Standard.

**9. Successors**

This Policy shall be binding and enforceable against all Covered Officers and, to the extent required by Rule 10D-1 and/or the applicable Listing Standards, their beneficiaries, heirs, executors, administrators or other legal representatives.

**10. Required Filings**

The Company shall make any disclosures and filings with respect to this Policy that are required by law, including as required by the SEC.