# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 8-K

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

**Date of Report (Date of earliest event reported): October 25, 2023**

# ALKERMES PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

| **Ireland** | **001-35299** | **98-1007018** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**Connaught House, 1 Burlington Road**
**Dublin 4, Ireland D04 C5Y6**
(Address of principal executive offices)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

**Item 2.02 Results of Operations and Financial Condition.**

On October 25, 2023, Alkermes plc (the "Company") announced financial results for the three and nine months ended September 30, 2023. Copies of the related press release and the investor presentation to be displayed during the Company's conference call on October 25, 2023 discussing such financial results are furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively. This information, including Exhibits 99.1 and 99.2, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

**EXHIBIT INDEX**

| Exhibit No. | Description |
|---|---|
| 99.1 | Press release issued by Alkermes plc on October 25, 2023 announcing financial results for the three and nine months ended September 30, 2023. |
| 99.2 | Investor presentation to be displayed by Alkermes plc on October 25, 2023. |
| 104 | Cover page interactive data file (embedded within the Inline XBRL document). |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ALKERMES PLC**

Date: October 25, 2023

By: /s/ Iain M. Brown

Iain M. Brown

Senior Vice President, Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

**Exhibit 99.1**

Alkermes Contacts:
For Investors: Sandy Coombs +1 781 609 6377
For Media: Katie Joyce +1 781 249 8927

# Alkermes plc Reports Third Quarter 2023 Financial Results

*— Third Quarter Revenues of $380.9 Million; Net Sales of Proprietary Products Increased Approximately 16% Year-Over-Year —*

*— GAAP Net Income of $47.8 Million and Non-GAAP Net Income of $109.5 Million —*

*— Company Reiterates Financial Expectations for Full-Year 2023 —*

*— Separation of Oncology Business Expected to be Completed in November 2023 —*

**DUBLIN, Oct. 25, 2023 —** Alkermes plc (Nasdaq: ALKS) today reported financial results for the third quarter of 2023.

"With solid performance across our proprietary commercial portfolio, the successful settlement of the VIVITROL® patent litigation, and progress toward completion of the separation of our oncology business, we have made significant strides to evolve the business into a pure-play neuroscience company with the potential to generate strong profitability and cash flow," said Richard Pops, Chief Executive Officer of Alkermes. "Our presentation at this week's World Sleep Congress of the first-in-human safety and tolerability data and initial proof-of-concept data for ALKS 2680, our investigational, orexin 2 receptor agonist for the treatment of narcolepsy, represents an important milestone for that development program. We look forward to sharing additional data from the phase 1 study and advancing ALKS 2680 into a planned phase 2 program next year."

"Our third quarter results demonstrate the financial strength of the business, driven by top-line year-over-year growth, strategic capital allocation and our focus on delivering value to shareholders," commented Iain Brown, Chief Financial Officer of Alkermes. "Upon planned completion of the separation of the oncology business in the coming weeks, the remaining neuroscience business will be positioned to deliver enhanced profitability as we focus on growing our proprietary commercial products and advancing the key programs that we believe will drive future growth."

## Quarter Ended Sept. 30, 2023 Financial Results

Revenues

- Total revenues for the quarter were $380.9 million, compared to $252.4 million for the same period in the prior year.
- Net sales of proprietary products for the quarter increased approximately 16% to $231.8 million, compared to $199.4 million for the same period in the prior year.
    - Net sales of VIVITROL were $99.3 million, compared to $96.5 million for the same period in the prior year, representing an increase of approximately 3%.
    - Net sales of ARISTADA®i were $81.8 million, compared to $75.7 million for the same period in the prior year, representing an increase of approximately 8%.
    - Net sales of LYBALVI® were $50.7 million, compared to $27.1 million for the same period in the prior year, representing an increase of approximately 87%.

- Manufacturing and royalty revenues for the quarter were $149.1 million, compared to $52.9 million for the same period in the prior year.
    - Royalty revenues from INVEGA SUSTENNA®/XEPLION®, INVEGA TRINZA®/TREVICTA® and INVEGA HAFYERA®/BYANNLI® for the quarter were $76.1 million. The company recorded royalty revenues from these products of $26.7 million for the same period in the prior year. This increase was driven by the favorable resolution of the arbitration proceedings related to these products in the second quarter of 2023.
    - Manufacturing and royalty revenues from VUMERITY® for the quarter were $34.6 million, compared to $26.3 million for the same period in the prior year.

Costs and Expenses

- Total operating expenses for the quarter were $337.1 million, compared to $313.0 million for the same period in the prior year. This increase was driven primarily by investment in the launch of LYBALVI and expenses associated with the planned separation of the oncology business.
    - Cost of Goods Manufactured and Sold was $61.5 million, compared to $50.6 million for the same period in the prior year.
    - Research and Development (R&D) expenses were $97.1 million, compared to $100.4 million for the same period in the prior year.
    - Selling, General and Administrative (SG&A) expenses were $169.4 million, compared to $152.8 million for the same period in the prior year.

Profitability

- Net income according to generally accepted accounting principles in the U.S. (GAAP) was $47.8 million for the quarter, or a GAAP basic earnings per share of $0.29 and diluted earnings per share of $0.28, based on 166.6 million and 171.9 million shares outstanding, respectively. This compared to GAAP net loss of $64.0 million, or a basic and diluted GAAP loss per share of $0.39, for the same period in the prior year.
- Non-GAAP net income was $109.5 million for the quarter, or a non-GAAP basic earnings per share of $0.66 and diluted earnings per share of $0.64, based on 166.6 million and 171.9 million shares outstanding, respectively. This compared to non-GAAP net income of $3.5 million, or a non-GAAP basic and diluted earnings per share of $0.02, for the same period in the prior year.

Balance Sheet

- At Sept. 30, 2023, the company recorded cash, cash equivalents and total investments of $995.6 million, compared to $907.2 million at June 30, 2023. The company's total debt outstanding as of Sept. 30, 2023 was $291.4 million.

**Financial Expectations for 2023**

Alkermes reiterated its financial expectations for full-year 2023, as set forth in its press release dated June 6, 2023.

**Separation of Oncology Business**

- Alkermes expects to complete the separation of its oncology business into a new, independent publicly-traded company, Mural Oncology plc (Mural), in November 2023, subject to various customary conditions, including final approval from Alkermes' board of directors. Alkermes expects to capitalize Mural with cash of $275 million upon completion of the separation.

- In October 2023, members of Mural's designated management team held an investor webcast to provide an overview of its pipeline and strategy. A replay is available on the Investors section of Alkermes' website at www.alkermes.com.

**Recent Events**

Neuroscience

- In October 2023, the company presented initial phase 1 clinical data related to ALKS 2680, the company's novel, investigational orexin 2 receptor agonist in development for the treatment of narcolepsy, at the World Sleep Congress. The presentation included safety and tolerability data from single- and multiple-ascending dose evaluations in healthy volunteers and initial Maintenance of Wakefulness Test proof-of-concept data in four patients with narcolepsy type 1.
- In September 2023, the company presented multiple posters highlighting real-world and clinical data related to its psychiatry portfolio at Psych Congress 2023.

Corporate

- In September 2023, the company published its latest Corporate Responsibility Report, which details how the company integrates environmental, social and governance considerations into its business. A copy of the report is available on the Responsibility section of Alkermes' website.
- In August 2023, the company entered into a settlement agreement with Teva Pharmaceuticals USA, Inc. (Teva) to resolve the patent litigation between the parties related to VIVITROL. Pursuant to the terms of the settlement agreement, the company has granted Teva a license under the company's U.S. Patent No. 7,919,499 to market a generic version of VIVITROL in the United States beginning Jan. 15, 2027, or earlier under certain customary circumstances.

**Conference Call**

Alkermes will host a conference call and webcast presentation with accompanying slides at 8:00 a.m. ET (1:00 p.m. BST) on Wednesday, Oct. 25, 2023, to discuss these financial results and provide an update on the company. The webcast may be accessed on the Investors section of Alkermes' website at www.alkermes.com. The conference call may be accessed by dialing +1 877 407 2988 for U.S. callers and +1 201 389 0923 for international callers. In addition, a replay of the conference call may be accessed by visiting Alkermes' website.

**About Alkermes plc**

Alkermes plc is a fully-integrated, global biopharmaceutical company developing innovative medicines in the fields of neuroscience and oncology. The company has a portfolio of proprietary commercial products focused on alcohol dependence, opioid dependence, schizophrenia and bipolar I disorder, and a pipeline of product candidates in development for neurological disorders and cancer. 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. For more information, please visit Alkermes' website at www.alkermes.com.

**Non-GAAP Financial Measures**

This press release includes information about certain financial measures that are not prepared in accordance with GAAP, including non-GAAP net income and non-GAAP basic and diluted earnings per share. These non-GAAP measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similar measures presented by other companies.

Non-GAAP net income adjusts for certain one-time and non-cash charges by excluding from GAAP results: share-based compensation expense; amortization; depreciation; non-cash net interest expense;

change in the fair value of contingent consideration; certain other one-time or non-cash items; and the income tax effect of these reconciling items.

The company's management and board of directors utilize these non-GAAP financial measures to evaluate the company's performance. The company provides these non-GAAP financial measures of the company's performance to investors because management believes that these non-GAAP financial measures, when viewed with the company's results under GAAP and the accompanying reconciliations, are useful in identifying underlying trends in ongoing operations. However, non-GAAP net income and non-GAAP basic and diluted earnings per share are not measures of financial performance under GAAP and, accordingly, should not be considered as alternatives to GAAP measures as indicators of operating performance. Further, non-GAAP net income and non-GAAP basic and diluted earnings per share should not be considered measures of the company's liquidity.

A reconciliation of GAAP to non-GAAP financial measures has been provided in the tables included in this press release.

**Note Regarding Forward-Looking Statements**

Certain statements set forth in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, but not limited to, statements concerning: the company's expectations concerning its future financial and operating performance, business plans or prospects, including its ability to drive profitability and cash flow and to create value for shareholders; the company's plans and expected timelines for the clinical development activities for ALKS 2680, including initiation of the phase 2 study and presentation of additional data; and the company's expectations regarding the timing for completion, capitalization, structure, and anticipated benefits of the planned separation of its oncology business. The company cautions that forward-looking statements are inherently uncertain. The forward-looking statements are neither promises nor guarantees and they are necessarily subject to a high degree of uncertainty and risk. Actual performance and results may differ materially from those expressed or implied in the forward-looking statements due to various risks and uncertainties. These risks and uncertainties include, among others: the company may not ultimately separate its oncology business on the anticipated timeline or at all; unanticipated developments, costs or difficulties that may delay or otherwise negatively affect the planned separation of the company's oncology business; the planned separation may adversely impact the company's ability to attract or retain key personnel; the unfavorable outcome of arbitration or litigation, including so-called "Paragraph IV" litigation and other patent litigation which may lead to competition from generic drug manufacturers, or other disputes related to the company's products or products using the company's proprietary technologies; clinical development activities may not be completed on time or at all; the results of the company's development activities may not be positive, or predictive of final results from such activities, results of future development activities or real-world results; the U.S. Food and Drug Administration (FDA) or regulatory authorities outside the U.S. may not agree with the company's regulatory approval strategies or components of the company's marketing applications; the FDA or regulatory authorities outside the U.S. may make adverse decisions regarding the company's products; the company and its licensees may not be able to continue to successfully commercialize their products or support revenue growth from such products; there may be a reduction in payment rate or reimbursement for the company's products or an increase in the company's financial obligations to government payers; the company's products may prove difficult to manufacture, be precluded from commercialization by the proprietary rights of third parties, or have unintended side effects, adverse reactions or incidents of misuse; and those risks and uncertainties described under the heading "Risk Factors" in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2022 and in subsequent filings made by the company with the U.S. Securities and Exchange Commission (SEC), which are available on the SEC's website at www.sec.gov. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as required by law, the company disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this press release.

VIVITROL® is a registered trademark of Alkermes, Inc.; ARISTADA®, ARISTADA INITIO® and LYBALVI® are registered trademarks of Alkermes Pharma Ireland Limited, used by Alkermes, Inc. under license; BYANNLI®, INVEGA®, INVEGA HAFYERA®, INVEGA SUSTENNA®, INVEGA TRINZA®, TREVICTA® and XEPLION® are registered trademarks of Johnson & Johnson or its affiliated companies; and VUMERITY® is a registered trademark of Biogen MA Inc., used by Alkermes under license.

(tables follow)

[1] The term "ARISTADA" as used in this press release refers to ARISTADA and ARISTADA INITIO®, unless the context indicates otherwise.

**Alkermes plc and Subsidiaries**
**Selected Financial Information (Unaudited)**

| Condensed Consolidated Statements of Operations - GAAP (In thousands, except per share data) | Three Months Ended September 30, 2023 | Three Months Ended September 30, 2022 |
|---|---|---|
| Revenues: | | |
| Product sales, net | $ 231,822 | $ 199,380 |
| Manufacturing and royalty revenues | 149,113 | 52,941 |
| Research and development revenue | 3 | 36 |
| Total Revenues | 380,938 | 252,357 |
| Expenses: | | |
| Cost of goods manufactured and sold | 61,509 | 50,625 |
| Research and development | 97,140 | 100,430 |
| Selling, general and administrative | 169,446 | 152,777 |
| Amortization of acquired intangible assets | 8,995 | 9,166 |
| Total Expenses | 337,090 | 312,998 |
| Operating Income (Loss) | 43,848 | (60,641) |
| Other Income (Expense), net: | | |
| Interest income | 9,370 | 2,239 |
| Interest expense | (6,006) | (3,552) |
| Other income (expense) , net | 149 | (1,861) |
| Change in the fair value of contingent consideration | — | (3,553) |
| Total Other Income (Expense), net | 3,513 | (6,727) |
| Income (Loss) Before Income Taxes | 47,361 | (67,368) |
| Income Tax Benefit | (397) | (3,394) |
| **Net Income (Loss) — GAAP** | $ 47,758 | $ (63,974) |
| | | |
| **Earnings (Loss) Per Share:** | | |
| GAAP earnings (loss) per share — basic | $ 0.29 | $ (0.39) |
| GAAP earnings (loss) per share — diluted | $ 0.28 | $ (0.39) |
| Non-GAAP earnings per share — basic | $ 0.66 | $ 0.02 |
| Non-GAAP earnings per share — diluted | $ 0.64 | $ 0.02 |
| | | |
| **Weighted Average Number of Ordinary Shares Outstanding:** | | |
| Basic — GAAP and Non-GAAP | 166,607 | 164,282 |
| Diluted — GAAP | 171,903 | 164,282 |
| Diluted — Non-GAAP | 171,903 | 168,762 |
| | | |
| An itemized reconciliation between net income (loss) on a GAAP basis and non-GAAP net income is as follows: | | |
| **Net Income (Loss) — GAAP** | $ 47,758 | $ (63,974) |
| Adjustments: | | |
| Share-based compensation expense | 23,915 | 26,051 |
| Depreciation expense | 9,665 | 10,431 |
| Amortization expense | 8,995 | 9,166 |
| Separation expense | 9,640 | — |
| Restructuring expense | 5,938 | — |
| Income tax effect related to reconciling items | 3,511 | (17) |
| Non-cash net interest expense | 115 | 116 |
| Legal settlement | — | 15,905 |
| Change in the fair value of contingent consideration and other related assets | — | 5,835 |
| **Non-GAAP Net Income** | $ 109,537 | $ 3,513 |

**Alkermes plc and Subsidiaries**
**Selected Financial Information (Unaudited)**

| Condensed Consolidated Statements of Operations - GAAP (In thousands, except per share data) | Nine Months Ended September 30, 2023 | Nine Months Ended September 30, 2022 |
|---|---|---|
| Revenues: | | |
| Product sales, net | $ 678,026 | $ 561,435 |
| Manufacturing and royalty revenues | 607,888 | 243,437 |
| Research and development revenue | 16 | 249 |
| License revenue | — | 2,000 |
| Total Revenues | 1,285,930 | 807,121 |
| Expenses: | | |
| Cost of goods manufactured and sold | 182,944 | 164,144 |
| Research and development | 291,565 | 289,256 |
| Selling, general and administrative | 549,181 | 448,206 |
| Amortization of acquired intangible assets | 26,693 | 27,198 |
| Total Expenses | 1,050,383 | 928,804 |
| Operating Income (Loss) | 235,547 | (121,683) |
| Other Income (Expense), net: | | |
| Interest income | 21,105 | 3,708 |
| Interest expense | (16,978) | (8,271) |
| Other (expense) income, net | (415) | 2,380 |
| Change in the fair value of contingent consideration | — | (21,750) |
| Total Other Income (Expense), net | 3,712 | (23,933) |
| Income (Loss) Before Income Taxes | 239,259 | (145,616) |
| Income Tax Benefit | (3,719) | (15,603) |
| **Net Income (Loss) — GAAP** | $ 242,978 | $ (130,013) |
| | | |
| **Earnings (Loss) Per Share:** | | |
| GAAP earnings (loss) per share — basic | $ 1.46 | $ (0.79) |
| GAAP earnings (loss) per share — diluted | $ 1.42 | $ (0.79) |
| Non-GAAP earnings per share — basic | $ 1.24 | $ 0.21 |
| Non-GAAP earnings per share — diluted | $ 1.21 | $ 0.20 |
| | | |
| **Weighted Average Number of Ordinary Shares Outstanding:** | | |
| Basic — GAAP and Non-GAAP | 165,996 | 163,541 |
| Diluted — GAAP | 170,981 | 163,541 |
| Diluted — Non-GAAP | 170,981 | 167,687 |
| | | |
| An itemized reconciliation between net income (loss) on a GAAP basis and non-GAAP net income is as follows: | | |
| **Net Income (Loss) — GAAP** | $ 242,978 | $ (130,013) |
| Adjustments: | | |
| Share-based compensation expense | 75,062 | 67,771 |
| Depreciation expense | 29,693 | 30,988 |
| Amortization expense | 26,693 | 27,198 |
| Separation expense | 19,280 | — |
| Restructuring expense | 5,938 | — |
| Income tax effect related to reconciling items | 3,332 | (2,593) |
| Non-cash net interest expense | 346 | 350 |
| Final award in the Janssen arbitration (2022 back royalties and interest) | (197,092) | — |
| Legal settlement | — | 15,905 |
| Reduction in the fair value of contingent consideration and other related assets | — | 24,032 |
| **Non-GAAP Net Income** | $ 206,230 | $ 33,638 |

**Alkermes plc and Subsidiaries**
**Selected Financial Information (Unaudited)**

| Condensed Consolidated Balance Sheets (In thousands) | September 30, 2023 | December 31, 2022 |
|---|---|---|
| Cash, cash equivalents and total investments | $ 995,581 | $ 740,075 |
| Receivables | 337,697 | 287,967 |
| Inventory | 192,186 | 181,418 |
| Contract assets | 2,766 | 8,929 |
| Prepaid expenses and other current assets | 42,982 | 43,527 |
| Property, plant and equipment, net | 327,517 | 325,361 |
| Intangible assets, net and goodwill | 103,860 | 130,553 |
| Deferred tax assets | 162,184 | 115,602 |
| Other assets | 114,458 | 130,546 |
| **Total Assets** | $ 2,279,231 | $ 1,963,978 |
| Accounts payable and accrued expenses | $ 481,587 | $ 472,204 |
| Long-term debt — current portion | 3,000 | 3,000 |
| Other current liabilities | 18,520 | 22,538 |
| Long-term debt | 288,366 | 290,270 |
| Other long-term liabilities | 132,175 | 132,213 |
| Total shareholders' equity | 1,355,583 | 1,043,753 |
| **Total Liabilities and Shareholders' Equity** | $ 2,279,231 | $ 1,963,978 |
| | | |
| Ordinary shares outstanding (in thousands) | 166,714 | 164,377 |

This selected financial information should be read in conjunction with the consolidated financial statements and notes thereto included in Alkermes plc's Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2023, which the company intends to file in October 2023.

# Third Quarter 2023
# Financial Results & Business Update

October 25, 2023

# Forward-Looking Statements and Non-GAAP Financial Information

Certain statements set forth in this presentation constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, but not limited to, statements concerning: Alkermes plc's (the "Company") expectations concerning its future financial, commercial and operating performance, business plans or prospects; the Company's expectations regarding the timing of the planned separation of its oncology business; the potential therapeutic and commercial value of ALKS 2680 for the treatment of narcolepsy; and the Company's expectations regarding plans and timelines for further clinical development activities for ALKS 2680, including study design and dose selection. The Company cautions that forward-looking statements are inherently uncertain. The forward-looking statements contained in this presentation are neither promises nor guarantees and they are necessarily subject to a high degree of uncertainty and risk. Actual performance and results may differ materially from those expressed or implied in the forward-looking statements due to various risks, assumptions and uncertainties. These risks, assumptions and uncertainties include, among others: the Company may not ultimately separate its oncology business during 2023 or at all; unanticipated developments, costs or difficulties may delay or otherwise negatively affect the planned separation of the Company's oncology business; the unfavorable outcome of arbitration or litigation, including so-called "Paragraph IV" litigation or other patent litigation which may lead to competition from generic drug manufacturers, or other disputes related to the Company's products or products using the Company's proprietary technologies; clinical development activities may not be completed on time or at all; the results of the Company's development activities, including those related to ALKS 2680, may not be positive, or predictive of final results from such activities, results of future development activities or real-world results; potential changes in the cost, scope, design or duration of the Company's development activities, including the ALKS 2680 development program; the U.S. Food and Drug Administration ("FDA") or other regulatory authorities may not agree with the Company's regulatory approval strategies or components of the Company's marketing applications and may make adverse decisions regarding the Company's products; the Company and its licensees may not be able to continue to successfully commercialize their products; there may be a reduction in payment rate or reimbursement for the Company's products or an increase in the Company's financial obligations to government payers; the Company's products may prove difficult to manufacture, be precluded from commercialization by the proprietary rights of third parties, or have unintended side effects, adverse reactions or incidents of misuse; and those risks, assumptions and uncertainties described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended Dec. 31, 2022 and in subsequent filings made by the Company with the U.S. Securities and Exchange Commission ("SEC"), which are available on the SEC's website at www.sec.gov, and on the Company's website at www.alkermes.com in the 'Investors – SEC filings' section. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except as required by law, the Company disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this presentation.

**Non-GAAP Financial Measures**: This presentation includes information about certain financial measures that are not prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP"), including non-GAAP net income and non-GAAP earnings per share. The Company provides these non-GAAP financial measures of the Company's performance to investors because management believes that these non-GAAP financial measures, when viewed with the Company's results under GAAP and the accompanying reconciliations, are useful in identifying underlying trends in ongoing operations. These non-GAAP measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similar measures presented by other companies. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, to the extent reasonably determinable, can be found in the Appendix of this presentation.

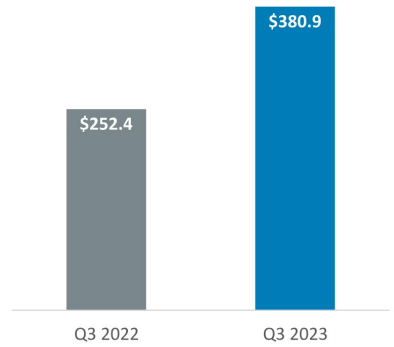
**Note Regarding Trademarks**: The Company and its affiliates are the owners of various U.S. federal trademark registrations (®) and other trademarks (™), including ARISTADA®, ARISTADA INITIO®, LYBALVI® and VIVITROL®. VUMERITY® is a registered trademark of Biogen MA Inc., used by Alkermes under license. Any other trademarks referred to in this presentation are the property of their respective owners. Appearances of such other trademarks herein should not be construed as any indicator that their respective owners will not assert their rights thereto.

# Q3 2023 Financial Performance

# Q3 2023 Financial Results Summary

## Total Revenue*

*In millions*

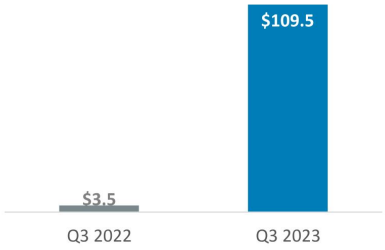



## GAAP Net Income (Loss)

*In millions*


## Non-GAAP Net Income**

*In millions*




*Reflects reinstatement of certain U.S. royalties following the successful outcome of the Company's arbitration with Janssen Pharmaceutica N.V., a subsidiary of Johnson & Johnson ("Janssen"), announced in June 2023.
**Reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure can be found in the Appendix of this presentation.

# Q3 2023 Revenue Summary

| In millions, except % | Q3'23 | Q3'22 | Δ Q3'23 vs. Q3'22 |
|---|---|---|---|
| Total Proprietary Net Sales | $231.8 | $199.4 | 16% |
| VIVITROL® | $99.3 | $96.5 | 3% |
| ARISTADA®* | $81.8 | $75.7 | 8% |
| LYBALVI®† | $50.7 | $27.1 | 87% |
| Manufacturing & Royalty Revenue** | $149.1 | $52.9 | 182% |
| Research & Development Revenue | $0.0 | $0.0 | - |
| Total Revenue** | $380.9 | $252.4 | 51% |

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

*Inclusive of ARISTADA INITIO®
†LYBALVI was commercially launched in October 2021.
**Reflects reinstatement of certain U.S. royalties following the successful outcome of the Company's arbitration with Janssen announced in June 2023.

# Alkermes: 2023 Financial Expectations[1]

| (in millions, except per share amounts) | Financial Expectations for Year Ending Dec. 31, 2023 |
|---|---|
| **Total Revenues** | **$1,550 – $1,680** |
| COGS | $230 – $250 |
| R&D Expense | $370 – $400 |
| SG&A Expense | $695 – $725 |
| Amortization of Intangible Assets | ~$35 |
| Interest Expense, net | $5 – $10 |
| Income Tax Benefit | $5 – $10 |
| **GAAP Net Income** | **$225 – $265** |
| **GAAP Earnings Per Share (Diluted)** | **$1.31 – $1.54** |
| **Non-GAAP Net Income‡** | **$230 – $270** |
| **Non-GAAP Earnings Per Share (Diluted)‡** | **$1.34 – $1.57** |

The Company's 2023 financial expectations continue to reflect Alkermes' combined neuroscience and oncology business for the full year. The Company continues to work toward the planned separation of its oncology business, which it expects to complete in November 2023.

**Total Revenues Breakdown:**

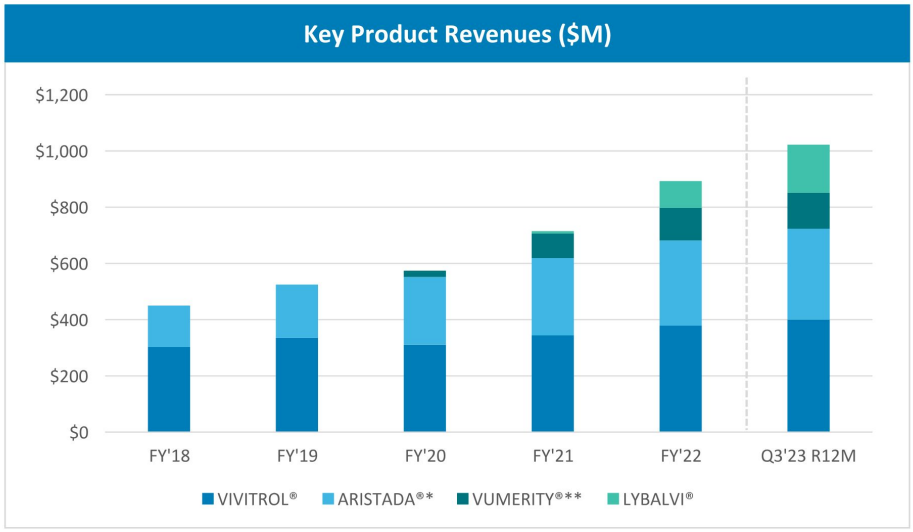
- Expected net sales of proprietary products:
  - VIVITROL® net sales of $380M – $410M
  - ARISTADA® net sales of $315M – $345M
  - LYBALVI®net sales of $180M – $205M
- *Janssen royalty expectations:*
  - *Long-acting INVEGA® franchise back royalties and interest on late payments related to 2022: ~$197M*
  - *INVEGA® franchise royalties related to 2023: $265M – $280M*

[1] "Financial Expectations for Year Ending Dec. 31, 2023" and "Janssen royalty expectations", on the one hand, and "Expected net sales of proprietary products", on the other hand, were initially provided by the Company on June 6, 2023 and Feb. 16, 2023, respectively. The Company reiterates these expectations as of Oct. 25, 2023, and such expectations are effective only as of this date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

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

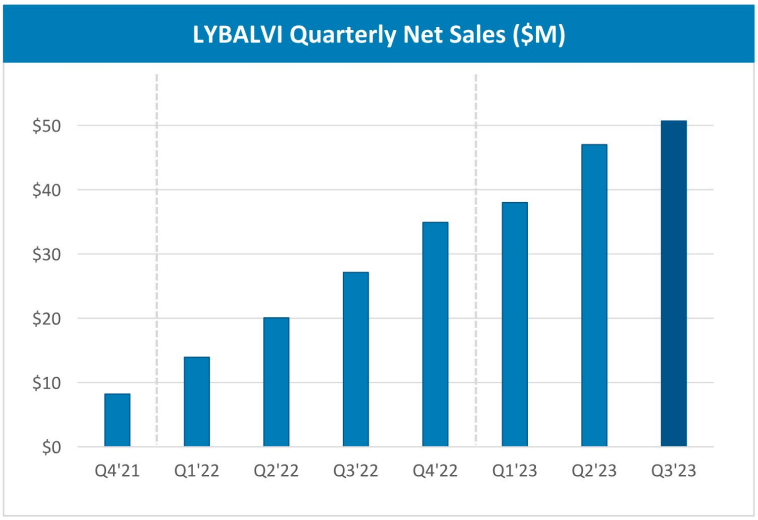
# Q3 2023 Commercial Review

# Topline Growth and Diversification Reflect Evolving Business




*Inclusive of ARISTADA INITIO®
**Licensed product (royalty & manufacturing revenue)
R12M = Rolling Twelve Months

# LYBALVI® Performance and Expectations




**Q3'23 net sales of $50.7M reflect 8% sequential growth compared to Q2'23**

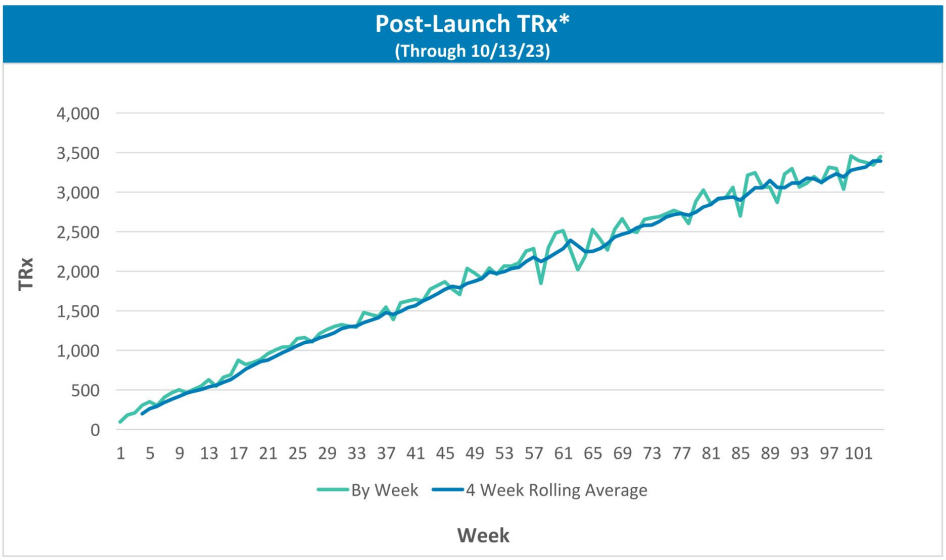
- Q3'23 gross-to-net deductions: ~25%

**Outlook:**

- FY'23 net sales expected to range from $180M – $205M*

*These expectations were initially provided by the Company on Feb. 16, 2023. The Company reiterates these expectations as of Oct. 25, 2023 and such expectations are effective only as of this date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

# LYBALVI® Prescription Growth Trends

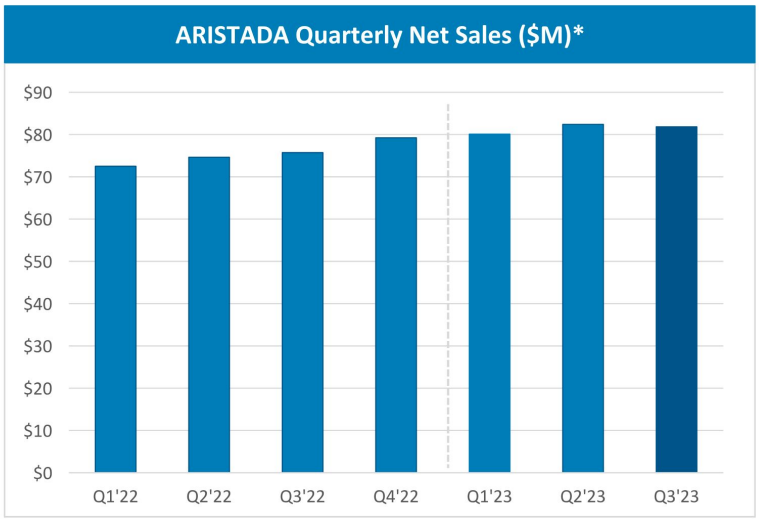



*Source: IQVIA NPA Weekly

**Q3'23 total TRx:**

- ~41,800 reflecting 10% sequential growth compared to Q2'23

# ARISTADA® Performance and Expectations




**Q3'23 year-over-year net sales increased 8% to $81.8M**

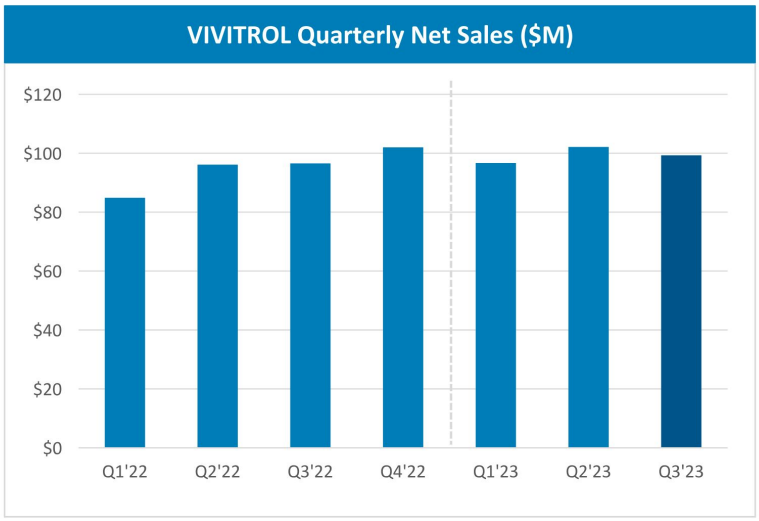
**Outlook:**

- FY'23 net sales expected to range from $315M – $345M[†*]

*Inclusive of ARISTADA INITIO®

† These expectations were initially provided by the Company on Feb. 16, 2023. The Company reiterates these expectations as of Oct. 25, 2023 and such expectations are effective only as of this date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

# VIVITROL® Performance and Expectations




**Q3'23 year-over-year net sales increased 3% to $99.3M**

**Outlook:**

- FY'23 net sales expected to range from $380M – $410M*

*These expectations were initially provided by the Company on Feb. 16, 2023. The Company reiterates these expectations as of Oct. 25, 2023 and such expectations are effective only as of this date. The Company expressly disclaims any obligation to update or reaffirm these expectations.

# Preliminary Results from a Phase 1 Study of ALKS 2680, an Orexin 2 Receptor Agonist, in Healthy Participants and Patients with Narcolepsy or Idiopathic Hypersomnia

World Sleep Congress | October 23, 2023

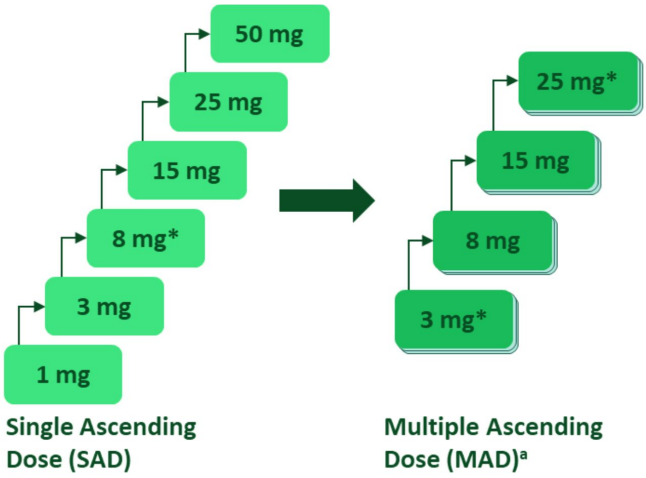
# ALKS 2680 Is an Investigational Oral Orexin 2 Receptor Agonist for the Treatment of Narcolepsy

- ALKS 2680 is a highly potent, orally bioavailable, selective OX2R agonist
  - ≥10 fold more potent than orexin A[a]
  - >5,000-fold selectivity relative to OX1R[a]
- Designed to address underlying pathology of narcolepsy and achieve:
  - Improved wakefulness duration and quality, with a PK/PD profile that mirrors natural sleep/wake cycle
  - Cataplexy control
  - Low therapeutic dose with once-daily oral dosing
  - Acceptable safety profile with wide therapeutic window
- ALKS 2680 demonstrated dose-dependent improvements in wake duration and cataplexy control in a mouse model of narcolepsy[b]
- Initial data from the ongoing Phase 1 study, which includes innovative translational approaches, has shown:
  - ALKS 2680 is generally well tolerated
  - Proof of concept in patients with narcolepsy type 1

[a]Data from preclinical studies using CHO cells. [b]Orexin DTA mice
CHO: Chinese Hamster Ovary; DTA: diphtheria toxin subunit A; OX1R: orexin receptor type 1; OX2R: orexin receptor type 2; PD: pharmacodynamic; PK: pharmacokinetic

# Ongoing Randomized, Double-Blind, Placebo-Controlled First-in-Human Study of ALKS 2680: SAD and MAD

- Each dose cohort in both SAD and MAD included 8 new participants
  - 6 on ALKS 2680, 2 on placebo
- Objectives:
  - Safety and tolerability
  - Pharmacokinetics (PK) and pharmacodynamics (PD)




*Denotes dynamic decision points for triggering subsequent cohorts
[a]In MAD, participants were dosed for 10 days once daily

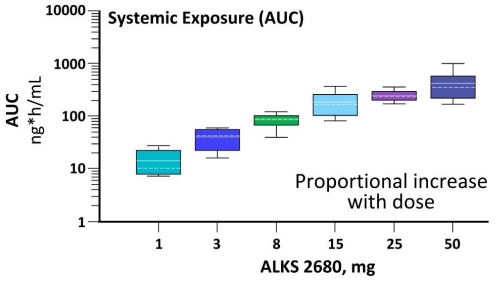
# ALKS 2680 Was Generally Well Tolerated in Healthy Volunteers in Both SAD and MAD

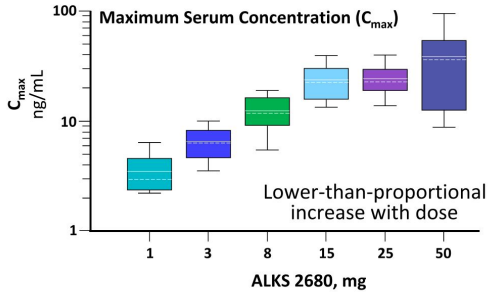
- Maximum tolerated dose not reached
- Most AEs were mild and observed at doses ≥15 mg (SAD) and ≥8 mg (MAD)
  - No severe AEs or serious adverse events (SAEs) were reported
  - Most AEs were transient and resolved without intervention or treatment interruption
  - AEs observed in >1 participant (>5%) and deemed related to study drug were:
    - SAD: dizziness, pollakiuria, nausea, and blurred vision
    - MAD: insomnia, dizziness, pollakiuria, and visual disturbance (described as blurred or distorted vision, increased light sensitivity)
- No safety signal identified in vital signs, laboratory parameters, or ECGs
- One participant in MAD discontinued after taking a single 25 mg dose due to transient, non-serious, non-severe AEs that resolved without treatment

AE: adverse event; ECG: electrocardiogram; MAD: multiple ascending dose; SAD: single ascending dose

# ALKS 2680 Achieved Desired Pharmacokinetic Profile With Once-Daily Dosing

- Overall PK profile supports once-daily dosing
  - Mimics natural sleep/wake cycle
  - Half life = 8-10 hours
- Wide safety margin
  - ~100-fold safety multiples for planned therapeutic doses relative to toxicology studies[a]
- 2 metabolites measured
  - Consistent with preclinical studies
  - Neither contribute to pharmacologic activity
  - No reactive metabolites have been identified

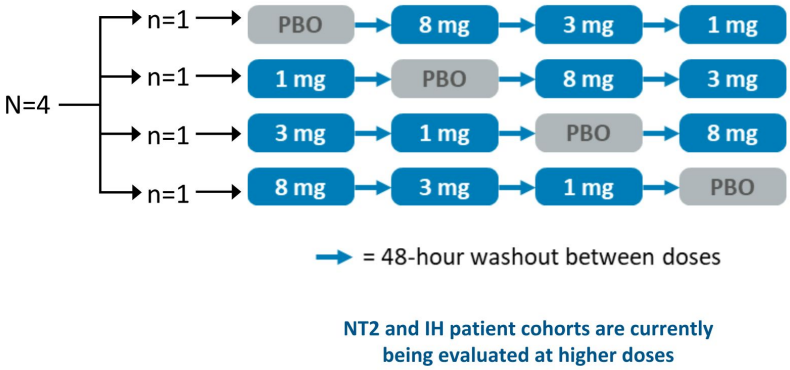



[a]Toxicology studies in mice up to 28 days of dosing completed
AUC: area under the curve; PK: pharmacokinetics

# Ongoing Randomized, Double-Blind, Placebo-Controlled First-in-Human Study of ALKS 2680 in Patients With NT1

- 1:1:1:1 randomization in a 4-way cross-over design
- Up to 8 patients per cohort
  - First 4 patients in the NT1 cohort completed
- Objectives:
  - Safety and tolerability
  - Sleep latency (MWT) at each cross-over




**NT2 and IH patient cohorts are currently being evaluated at higher doses**

IH: idiopathic hypersomnia; NT1: narcolepsy type 1; NT2: narcolepsy type 2; PBO: placebo; MWT: Maintenance of Wakefulness Test

# Demographics and Baseline Characteristics

| Demographic Characteristic | Total (N=4) |
|---|---|
| **Age**, years, mean (SD) | 23.5 (6.40) |
| **Female**, n (%) | 1 (25) |
| **White Race**, n (%) | 4 (100) |
| **Body Mass Index**, kg/m$^2$, mean (SD) | 30.5 (5.45) |

| Baseline Disease Severity | Total (N=4) |
|---|---|
| **Narcolepsy Severity Scale**, mean (SD)<br>Severe 29-42, very severe 43-54 | 39.8 (3.50) |
| **Epworth Sleepiness Scale**, mean (SD)<br>Score >10 suggests excessive daytime sleepiness | 16.0 (2.83) |
| **Weekly Cataplexy Rate**, mean (SD) | 9.0 (10.61) |

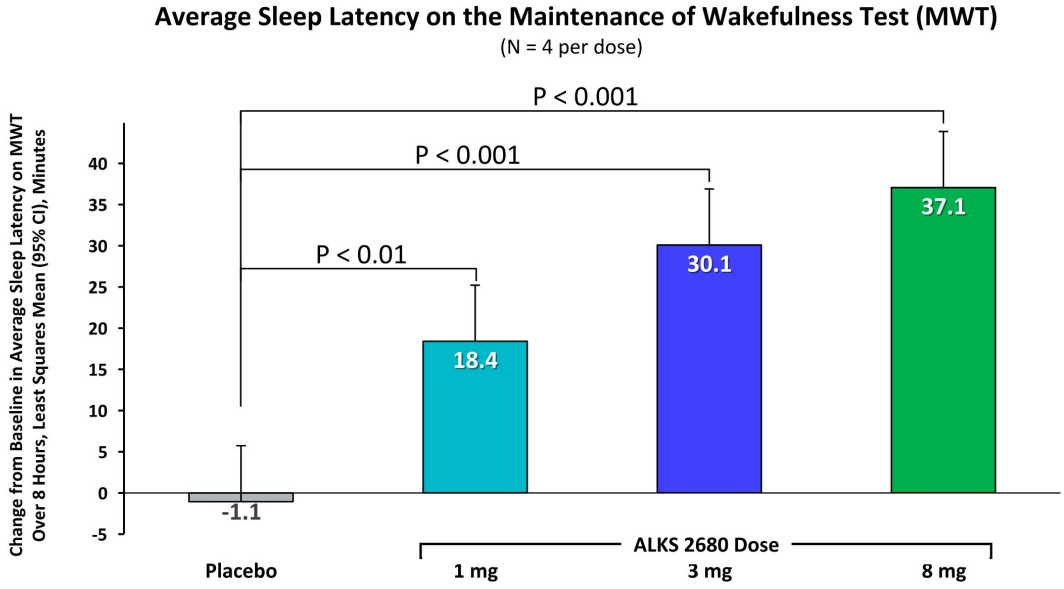
# Single Doses of ALKS 2680 Were Generally Well Tolerated

| | Placebo | ALKS 2680 | | |
|---|---|---|---|---|
| | n=4 | 1 mg n=4 | 3 mg n=4 | 8 mg n=4 |
| **Adverse events (AEs) reported as related to study drug, n (%)** | 0 | 0 | 0 | 4 (100) |
| Insomnia | 0 | 0 | 0 | 3 (75) |
| Pollakiuria | 0 | 0 | 0 | 2 (50) |
| Salivary hypersecretion | 0 | 0 | 0 | 2 (50) |
| Blood pressure increased | 0 | 0 | 0 | 1 (25) |
| Bruxism | 0 | 0 | 0 | 1 (25) |
| Dizziness | 0 | 0 | 0 | 1 (25) |
| Hyperhidrosis | 0 | 0 | 0 | 1 (25) |

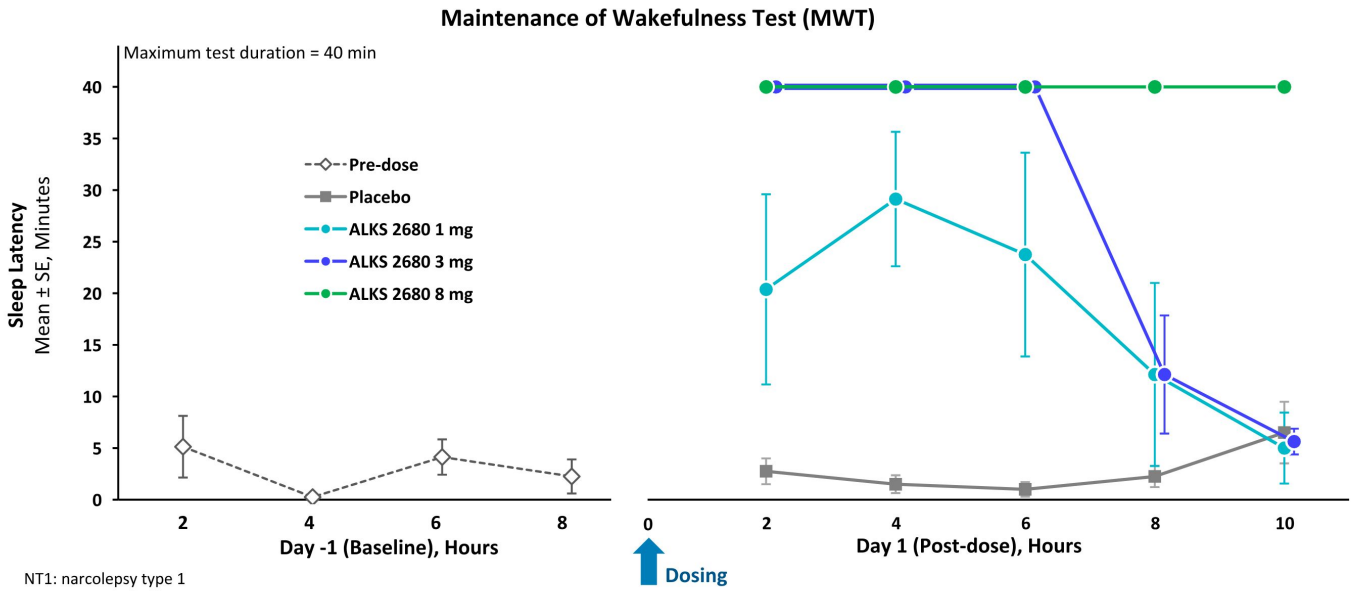
- All AEs were mild in severity; no serious AEs or AEs leading to discontinuation were reported
- No treatment-emergent, clinically meaningful changes in laboratory parameters or ECGs at any dose

AE: adverse event; ECG: electrocardiogram

# ALKS 2680 Significantly Improved Sleep Latency With a Clear Dose Response



# ALKS 2680 Single Dose Time Course Suggests a Therapeutic Dose Between 3 mg and 8 mg in NT1




NT1: narcolepsy type 1

# Conclusions

Initial benefit/risk profile supports continued clinical evaluation of ALKS 2680

**ALKS 2680 in Healthy Volunteers (N = 80)**

- Generally well tolerated up to doses of 50 mg
- Increased objective and subjective measures of alertness
- PK/PD profile supports once-daily oral dosing

**ALKS 2680 in NT1 Patients (N = 4)**

- Generally well tolerated at all doses tested; drug-related adverse events only observed at highest dose (8 mg)
- Statistically significant, clinically meaningful, and durable improvement of sleep latency
- Profile supportive of once-daily administration
- Improvement in sleep latency observed at a low therapeutic dose targeted between 3 and 8 mg in narcolepsy type 1

# Appendix

# Appendix: Financial Results GAAP to Non-GAAP Adjustments

| *(In millions)* | Three Months Ended September 30, 2023 |
|---|---|
| **Net Income — GAAP** | **$ 47.8** |
| Adjustments: | |
| Share-based compensation expense | 23.9 |
| Depreciation expense | 9.7 |
| Amortization expense | 9.0 |
| Separation expense | 9.6 |
| Restructuring expense | 5.9 |
| Income tax effect related to reconciling items | 3.5 |
| Non-cash net interest expense | 0.1 |
| **Non-GAAP Net Income** | **$ 109.5** |

# Appendix: 2023 Guidance GAAP to Non-GAAP Adjustments

| *(In millions, except per share data)* | Year Ending December 31, 2023 | Shares[+] | Earnings Per Share |
|---|---|---|---|
| **Projected Net Income — GAAP** | **$ 245.0** | **171.5** | **$ 1.43** |
| Adjustments: | | | |
| Share-based compensation expense | 97.5 | | |
| Depreciation expense | 42.5 | | |
| Amortization expense | 35.0 | | |
| Separation expense | 21.0 | | |
| Income tax effect related to reconciling items | 3.5 | | |
| Non-cash net interest expense | 0.5 | | |
| Final award in the Janssen arbitration (2022 back royalties and interest on late payments)* | (195.0) | | |
| **Projected Net Income — Non-GAAP** | **$ 250.0** | **171.5** | **$ 1.46** |

Projected GAAP and non-GAAP measures reflect the mid-points within the Company's financial expectations ranges.
[+]2023 per share expectations are calculated based on a weighted average diluted share count of approximately 171.5 million shares outstanding.
*Back royalties and interest on late payments related to 2022 pursuant to final award related to arbitration proceedings with Janssen.

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