



# Q3 2024 Results

October 24, 2024

## Important Cautionary Statement Regarding Forward-looking Statements

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This presentation contains certain statements that are forward-looking. Forward-looking statements include, among other things, express and implied statements regarding: strategic priorities, strategies for value creation, and operational goals; expected future growth and the timing and amount of sales of particular products; the Indivior Group's financial guidance including operating and profit margins for 2024 and its medium- and long-term growth outlook; our expectations regarding the final terms, scope, and timing of an expected settlement related to the provision we recorded regarding claims (i) in the opioid litigation (including the MDL) brought by certain municipalities and tribal nations and (ii) by Humana, Centene, and their affiliates to settle legacy antitrust claims; our product development pipeline and potential future products, expected timing of future clinical trials and the results thereof, expectations regarding regulatory approval of such product candidates, the timing of such approvals, and the timing of commercial launch of such products or product candidates, and eventual annual revenues of such future products; expectation regarding our ability to repurchase \$100 million of our shares and the timing of such repurchases; assumptions regarding future exchange rates; assumptions regarding expected changes in market share; expected share growth rates; expectations regarding the extent and impact of competition; expectations regarding the future effects of changes in customer stocking levels, variability in funding of certain criminal justice system accounts and related lead times to complete sales, including the timing and magnitude of such effects; potential future expense reductions, and the timing of such actions; expectations regarding potential expansion of our product labels; and other statements containing the words "believe," "anticipate," "plan," "expect," "intend," "estimate," "forecast," "strategy," "target," "guidance," "outlook," "potential," "project," "priority," "may," "will," "should," "would," "could," "can," "outlook," "guidance," the negatives thereof, and variations thereon and similar expressions. By their nature, forward-looking statements involve risks and uncertainties as they relate to events or circumstances that may or may not occur in the future.

Actual results may differ materially from those expressed or implied in these forward-looking statements due to a number of factors, including: lower than expected future sales of our products; greater than expected impacts from competition; failure to achieve market acceptance of OPVEE; unanticipated costs; whether we are able to identify efficiencies and fund additional investments that we expect to generate increased revenues, and the timing of such actions; and litigants who choose to "opt out" of proposed settlements or with whom we are otherwise unable or unwilling to agree to final terms. For information about some of the risks and important factors that could affect our future results and financial condition, see "Risk Factors" in Indivior's Annual Report on Form 20-F for the fiscal year 2023 and its other filings with the U.S. Securities and Exchange Commission.

We have based the forward-looking statements in this press release on our current expectations and beliefs concerning future events. Forward-looking statements contained in this press release apply only at the date of this press release and, except as required by law, we undertake no obligation to update or revise any forward-looking statement, whether due to new information, future developments, or otherwise.

# Mark Crossley

Chief Executive Officer

## Q3 2024 Highlights<sup>1</sup>

TOTAL NET REVENUE (NR)

**\$307m, 13%** ▲

SUBLOCADE<sup>®</sup> NR

**\$191m, 14%** ▲

REPORTED OP. PROFIT / ADJ. OP. PROFIT<sup>2</sup>

**\$4m / \$97m, 62%** ▲

## Q3 2024 Key Messages:

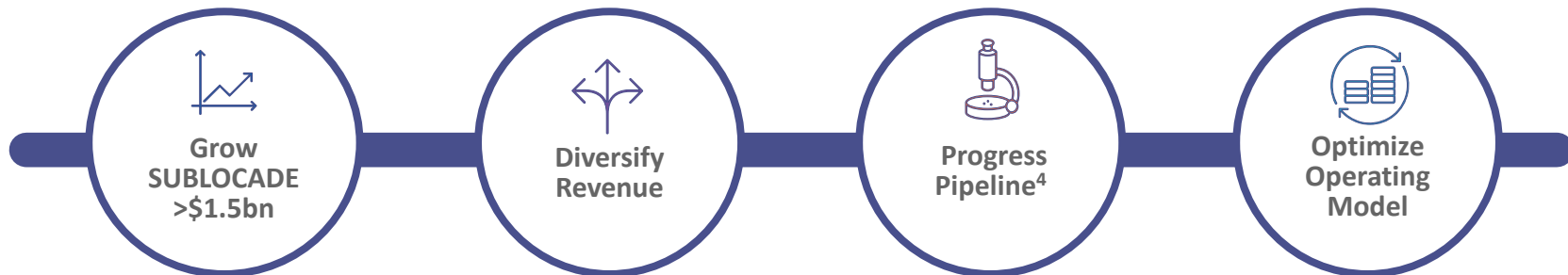
- Financial results in line with October 10<sup>th</sup> update
- Navigating headwinds while advancing SUBLOCADE's leadership position
- Pursuing streamlining actions to fuel SUBLOCADE growth, advance OUD<sup>3</sup> assets and support margins
- Continuing to create certainty – preliminary settlement reached on remaining antitrust litigation

<sup>1</sup> Comparisons versus Q3 2023

<sup>2</sup> OP=Operating, ADJ=Adjusted; See Adjusted Financial Measures in the Appendix for reconciliation

<sup>3</sup> OUD=Opioid Use Disorder

# Executing Against our Strategic Priorities



- SUBLOCADE Q3 2024 NR of \$191m, +14% vs. Q3 2023; -1% vs. Q2 2024.
- Ending patients<sup>1</sup> of 166.6k, +37% vs. Q3 2023 and +4% vs. Q2 2024; targeting >270k patients.
- U.S. dispenses<sup>2</sup> of 158.5k, +19% vs. Q3 2023 and +2% vs. Q2 2024.
- Alternate sites of care (ASOC) patient injections ~+60% in Q3 2024 vs. Q2 2024. Network now comprises 1,200+ locations in 23 states with 6 partners.

- SUBLOCADE ex-U.S. Q3 2024 NR \$13m, +30% vs. Q3 2023.
- Total ex-U.S. NR \$46m, +5% vs. Q3 2023 (+2% at constant currency), led by new products (SUBLOCADE and SUBOXONE® Film).
- OPVEE® Q3 2024 NR of \$15m from two BARDA<sup>3</sup> product orders.

- INDV-6001 (OUD<sup>5</sup>): Multiple dose clinical Phase 2 PK study (NCT06576843); First Subject First Visit September 2024; Estimated completion Q4 2025.
- INDV-2000 (OUD<sup>5</sup>): Phase 2 Proof of Concept study (NCT06384157); First Subject First Visit June 2024; Over 50 patients dosed through October 2024; Estimated completion Q4 2025.
- AE LIS AEF0117 (CUD<sup>5</sup>): Indivior does not expect to exercise option
- INDV-1000 (AUD<sup>5</sup>): Discontinued

- \$344m of gross cash and investments<sup>6</sup> at end of Q3 2024.
- Repurchased approximately 4.9m shares for approximately \$53m through October 11 as part of \$100m repurchase program announced July 25, 2024.
- Expected settlement reached with certain end payors to resolve remaining antitrust cases – parties negotiating final terms and conditions.

\*Note: % changes are vs. Q3 2023 unless otherwise specified

<sup>1</sup> Rolling 12-month patients estimate using both Specialty Pharmacy and Specialty Distributor proxy data  
<sup>2</sup> Total number of dispenses within the quarter (new and refill)

<sup>3</sup> BARDA= Biomedical Advanced Research and Development Authority

<sup>4</sup> Estimated timing, may be subject to change

<sup>5</sup> CUD = cannabis use disorder; OUD = opioid use disorder; AUD = alcohol use disorder

<sup>6</sup> See discussion of obligations in Notes 10 and 11, including our term debt and other payment obligations and liabilities from the Q3 2024 Results press release dated October 24, 2024

# Ryan Preblich

Chief Financial Officer

# Q3 2024 Financial Highlights

## Key Takeaways:

(vs. Q3 2023 unless otherwise indicated)

- ▶ Q3 2024 total NR growth of 13%
  - U.S. NR up 15%
  - ROW NR up 5% (up 2% at constant FX)
- ▶ Q3 2024 SUBLOCADE NR of \$191m, up 14% YOY, down 1% vs. Q2 2024
  - Continued Medicaid disenrollment dynamics, lower distributor stocking levels and Criminal Justice System activation and funding delays
  - Faster than expected initial adoption of competitive product to SUBLOCADE
- ▶ Q3 2024 adjusted gross margin<sup>1</sup> down reflecting favorable pricing on specific production batches in Q3 2023 and cost inflation partially offset by product mix
- ▶ Q3 2024 reported operating expenses primarily driven by settlement amounts, remaining PERSERIS® discontinuation expenses and SUBLOCADE sales and marketing investments; Q3 2024 adjusted operating expenses<sup>1</sup> down 8% reflecting lower PERSERIS and legal and other administrative expenses
- ▶ Q3 2024 reported operating profit of \$4m; Q3 2024 adjusted operating profit<sup>1</sup> up 62% to \$97m

## Operating Results:

(Reported and Adjusted<sup>1</sup>)

\$ mil	Q3 24	Q3 23	Change
<b>Net Revenue (NR):</b>	<b>307</b>	<b>271</b>	<b>13%</b>
U.S. NR	261	227	15%
ROW <sup>2</sup> NR	46	44	5%
<b>Gross Profit - Reported:</b>	<b>238</b>	<b>225</b>	<b>6%</b>
Reported Gross Margin	78%	83%	(500) Bps
<b>Gross Profit - Adjusted:</b>	<b>251</b>	<b>228</b>	<b>12%</b>
Adjusted Gross Margin	82%	84%	(200) Bps
<b>Operating Expenses - Reported:</b>	<b>230</b>	<b>408</b>	<b>(44%)</b>
SG&A	208	390	(47%)
R&D	22	18	22%
<b>Operating Expenses - Adjusted:</b>	<b>155</b>	<b>168</b>	<b>(8%)</b>
SG&A	133	150	(11%)
R&D (No Adjustments)	22	18	22%
<b>Other Op. Income - Reported:</b>	<b>(4)</b>	<b>-</b>	<b>NM</b>
<b>- Adjusted:</b>	<b>1</b>	<b>-</b>	<b>NM</b>
<b>Op. Profit / (Loss) - Reported:</b>	<b>4</b>	<b>(183)</b>	<b>NM</b>
<b>- Adjusted:</b>	<b>97</b>	<b>60</b>	<b>62%</b>

<sup>1</sup> See Adjusted Financial Measures in the Appendix for reconciliation

<sup>2</sup> At actual foreign exchange rates

NM = Not Meaningful

# Cash & Borrowing Position

## Cash & Borrowings:

(\$ in mil.)	September 30, 2024	December 31, 2023
Cash & Cash Equivalents	288	316
ST & LT Investments	<u>56</u>	<u>135</u>
Total Cash & Investments <sup>1</sup>	344	451
Current Borrowings	(3)	(3)
Long-term Borrowings	(235)	(236)
Loan issuance costs	(4)	(5)

## Key Takeaways:

### Cash & investments of \$344m<sup>1</sup>

- ▶ YTD cash flow from operations of \$94m includes \$158m in settlement items which includes the Q3 2024 anti-trust settlement payment of \$85m for Health Care Services Corporation
- ▶ Approximately \$122m used YTD for share repurchases through Q3 2024

### Consistent with capital allocation priorities

- ▶ Deliver against SUBLOCADE NR goal of >\$1.5 billion
- ▶ Diversify revenue (OPVEE, Ex.-U.S. new products)
- ▶ Progress committed Phase 2 OUD pipeline assets
- ▶ Maintain financial flexibility and de-risk balance sheet
- ▶ Progressing with \$100m buyback announced July 25<sup>th</sup>

<sup>1</sup> See discussion of obligations in Notes 10 and 11, including our term debt and other payment obligations and liabilities from the Q3 2024 Results press release dated October 24, 2024



# FY 2024 Guidance – Updated October 10<sup>th</sup> and reiterated today<sup>1</sup>

(\$ in mil.)

## Total Net Revenue

**\$1,125m to \$1,165m** (up 5% at mid-point)

## Key Products:

- SUBLOCADE NR (Total)
  - **\$725m to \$745m** (up 17% at mid-point)
- OPVEE NR
  - **Approximately \$15m**
- PERSERIS NR
  - **\$32m to \$37m** (promotion discontinued July 9, 2024)

## Adjusted Gross Margin %

**Low to mid 80% range**

## Adjusted. OPEX (SG&A + R&D):

**\$670m to \$680m**

- SG&A
  - **\$555m to \$560m**
- R&D
  - **\$115m to \$120m**

## Adjusted Op. Profit

**\$260m to \$280m** (mid-point flat vs. FY 2023)

## Top-Line Assumptions:

- ▶ Underlying U.S. BMAT<sup>2</sup> growth of mid- to high-single digits
- ▶ OPVEE NR based on two BARDA product orders
- ▶ U.S. SUBOXONE<sup>3</sup> Film NR:
  - Expect 1-2pts of share erosion in FY 2024 plus the impact from the fourth film generic having already entered the U.S.
- ▶ ROW NR:
  - Growth from newer products (SUBUTEX PR<sup>4</sup>, SUBOXONE Film) expected to more than offset continued pressure on legacy tablet products
  - No material change in key FX rates vs. FY 2023 average rates

## Margin & Expense Considerations:

- ▶ Adjusted gross margin: Low to mid 80% range
- ▶ Adjusted OPEX includes full year of growth investments for SUBLOCADE and full year of Opiant:
  - SG&A
    - ✓ Annualization of commercial investments for SUBLOCADE, including field force and justice system teams expansion
    - ✓ OPVEE launch expenses
    - ✓ PERSERIS sales discontinued
  - R&D
    - ✓ Pipeline progression including INDV-2000 (OX-1 receptor antagonist for OUD) and INDV-6001 (3-month LAI buprenorphine for OUD)

<sup>1</sup> As of October 24, 2024, before exceptional items and assuming no material change in key FX rates vs FY 2023 average rates; mid-point %'s are versus FY 2023 on same basis

<sup>2</sup> BMAT=buprenorphine medication-assisted treatment

<sup>3</sup> buprenorphine/naloxone

<sup>4</sup> buprenorphine prolonged release (a.k.a SUBLOCADE)

# Appendix

# Financial Reconciliations

## Reconciliation of gross profit to adjusted gross profit

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
<b>For the three and nine months ended September 30</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Gross profit	238	225	681	665
Exceptional items and other adjustments in cost of sales	13	3	60	5
<b>Adjusted gross profit</b>	<b>251</b>	<b>228</b>	<b>741</b>	<b>670</b>

We define adjusted gross margin as adjusted gross profit divided by net revenue.

## Reconciliation of selling, general and administrative expenses to adjusted selling, general and administrative expenses

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
<b>For the three and nine months ended September 30</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Selling, general and administrative expenses	(208)	(390)	(665)	(654)
Exceptional items and other adjustments in selling, general and administrative expenses	75	240	244	262
<b>Adjusted selling, general and administrative expenses</b>	<b>(133)</b>	<b>(150)</b>	<b>(421)</b>	<b>(392)</b>

## Reconciliation of operating profit/(loss) to adjusted operating profit

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
<b>For the three and nine months ended September 30</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Operating profit/(loss)	4	(183)	(64)	(65)
Exceptional items and other adjustments in cost of sales	13	3	60	5
Exceptional items and other adjustments in selling, general and administrative expenses	75	240	244	262
Exceptional items and other adjustments in net other operating income	5	—	5	—
<b>Adjusted operating profit</b>	<b>97</b>	<b>60</b>	<b>245</b>	<b>202</b>

## Reconciliation of net loss to adjusted net income

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
<b>For the three and nine months ended September 30</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Net income/(loss)	4	(135)	(57)	(52)
Exceptional items and other adjustments in cost of sales	13	3	60	5
Exceptional items and other adjustments in selling, general and administrative expenses	75	240	244	262
Exceptional items and other adjustments in net other operating income	5	—	5	—
Tax on exceptional items and other adjustments	(25)	(59)	(70)	(61)
Exceptional tax items	—	—	—	8
<b>Adjusted net income</b>	<b>72</b>	<b>49</b>	<b>182</b>	<b>162</b>