April 28, 2022

Q1 2022 Results Announced; On Track to Achieve FY 2022 Guidance; New $100m Share Repurchase Announced

Quarter to March 31 (Unaudited)	2022 $m	2021 $m	% Change
Net Revenue	207	180	15
Operating Profit	54	57	-5
Net Income	41	80	-49
Basic EPS (cents per share)	6	11	-45
Adjusted Basis			
Adjusted Operating Profit*	54	51	6
Adjusted Net Income*	41	38	8
Adjusted Basic EPS* (cents per share)	6	5	20

Adjusted Basis excludes the impact of exceptional items as referenced and reconciled in Notes 4 and 6. Adjusted results are not a substitute for, or superior to, reported results presented in accordance with International Financial Reporting Standards.

This Release Contains Inside Information.

Comment by Mark Crossley, CEO of Indivior PLC

"Our first quarter results show a strong start to the year and put Indivior on track to meet our FY 2022 guidance. Our key growth driver, SUBLOCADE® (buprenorphine extended-release) injection, is continuing to make good progress in penetrating targeted Organized Health Systems (OHS) accounts following the growth investments we made in the second half of 2021. As a result, SUBLOCADE is increasingly available to meet the needs of opioid use disorder patients at a time when combating the U.S. opioid epidemic has never been more urgent, with over 80,000[1] Americans estimated to have died of an opioid-related overdose in the latest 12-month period.

Our balance sheet and cash position remain strong as a result of our continued good operating performance. We are today announcing a new share repurchase program for up to $100m which underscores our consistent and disciplined approach to capital allocation that appropriately balances returning capital to shareholders with maintaining our ability to execute on our strategic priorities. Lastly, we continue to consult widely with our shareholders on an additional US listing for Indivior shares and, if supported, we expect to seek formal shareholder approval in September of this year that would facilitate an additional listing in the US."

Q1 2022 Financial Highlights

- Net revenue (NR) of $207m +15% versus Q1 2021 NR of $180m.
- Reported operating profit of $54m (-5% vs. Q1 2021 op. profit of $57m). On an adjusted basis, Q1 2022 operating profit was $54m (+6% vs. adj. Q1 2021: $51m).
- Reported net income was $41m (-49% vs. Q1 2021 net income of $80m, which includes $42m of exceptional items). Adjusted net income of $41m (+8% vs. adj. Q1 2021: $38m).
- Cash of $874m and investments of $150m totaled $1,024m at the end of Q1 2022 (FY 2021 cash balance of $1,102m). The use of cash primarily reflects operating profit offset by the expected unwind of trade payables from year-end 2021 and the required 2022 DOJ payment. Net cash including investments was $776m (FY 2021 net cash of $853m). In Q1 2022 the Group invested in a portfolio of investment-grade debt securities ($139m) and ordinary shares of Aelis Farma ($11m).

Q1 2022 Operating Highlights

- Q1 2022 SUBLOCADE NR of $85m (+98% vs. Q1 2021; +13% vs. Q4 2021) from strong growth in the OHS channel and continued new US patient enrollments. Q1 2022 US dispenses were approximately 63,900 units (+79% vs. Q1 2021 and +14% vs. Q4 2021). Total SUBLOCADE patients at the end of Q1 2022 were approximately 57,000[2] (49,000[2] at the end of 2021).
- Q1 2022 PERSERIS® (risperidone) extended-release injection NR of $5m (+67% vs. Q1 2021).

1 Centers for Disease Control and Prevention (CDC).
2 On a 12-month rolling basis.

- Q1 2022 SUBOXONE® (buprenorphine and naloxone) Film share averaged 22% in Q1 2022 (Q1 2021: 20%) and exited Q1 2022 at 20% (Q1 2021: 20%). The Group does not promote SUBOXONE Film in the U.S.
- In Q2 22, the Aelis Farma asset (AEF 0117) is expected to commence the 330-patient Phase 2b study in cannabis use disorder (ClinicalTrials.gov Identifier: NCT05322941).

On Track to Achieve FY 2022 Guidance

FY 2022 guidance issued by Indivior on February 16, 2022, is unchanged.

Share Repurchase Program

Indivior will commence shortly a new share repurchase program of its ordinary shares for up to a maximum amount of $100m. To execute the program, Indivior will enter into a non-discretionary agreement to carry out on-market purchases of its ordinary shares. Further details and disclosures about the share repurchase program will be announced upon commencement.

Optimal Listing Structure for Indivior Shares

On March 31, 2022, the Group announced the commencement of formal shareholder consultations on the potential for an additional listing for Indivior shares on a major US exchange. If sufficient shareholders indicate their support for an additional listing during the consultation, the Board's current intention would be to seek formal shareholder approval in September of this year that would facilitate an additional listing in the US. A determination whether to seek formal shareholder approval is expected to be announced with the Group's H1 2022 results at the end of July.

U.S. Opioid Use Disorder (OUD) Market Update

In Q1 2022, the U.S. buprenorphine medication-assisted treatment (BMAT) market grew in mid-single digits. The Group continues to expect long-term U.S. market growth to be sustained in the mid- to high-single digit percentage range due to increased severity and overall public awareness of the opioid epidemic and approved treatments, together with regulatory and legislative actions that have expanded OUD treatment funding and treatment capacity. The number of physicians, nurse practitioners and physician assistants who have received a waiver to administer medication-assisted treatment and those able to treat up to the permitted level of 275 patients continued to grow in Q1 2022.

As a result, there is increasing patient access to BMAT. Indivior supports efforts to encourage more eligible healthcare practitioners (HCPs) to provide BMAT, and the Group continues to resource its compliance capabilities for the growing number of BMAT prescribers and patients.

The Group's focus is to continue to expand access to SUBLOCADE amongst OHS and core HCPs to ensure availability of this potentially important treatment option to the estimated 1 million+ patients per month who are prescribed BMAT by HCPs.

Financial Performance in Q1 2022

Total net revenue in Q1 2022 increased 15% to $207m (Q1 2021: $180m) at actual exchange rates and by 17% at constant exchange rates.

Q1 2022 U.S. net revenue increased 26% to $165m (Q1 2021: $131m). Growth in the overall U.S. BMAT market was in-line with Group expectations discussed above ("U.S. Market Update"). Underlying market growth, together with SUBLOCADE net revenue growth of 98% to $79m (Q1 2021: $40m) drove the U.S. net revenue increase. SUBOXONE Film share was resilient with Q1 2022 average share of 22% versus Q1 2021 average share of 20%. PERSERIS net revenue increased 67% to $5m (Q1 2021: $3m).

Q1 2022 Rest of World (ROW) net revenue decreased 14% at actual exchange rates to $42m (Q1 2021: $49m) and 10% at constant exchange rates. ROW SUBLOCADE net revenue contributed $6m in Q1 2022 (Q1 2021: $3m). The NR decline in ROW was mainly due to ongoing competitive pressure in the legacy tablet business in Western Europe and the disposal in 2021 of the legacy TEMGESIC®/ BUPREX® / BUPREXX® analgesic franchise ($2m of NR in Q1 21), partially offset by NR from new products.

Q1 2022 gross margin as reported was 82%, unchanged versus the year-ago period. Q1 2022 gross margin reflects favourable product mix primarily due to the continued growth of SUBLOCADE offset by the relative strength of SUBOXONE Film in the U.S., particularly in less profitable government channels, and by higher cost inflation.

Q1 2022 SG&A expenses as reported were $109m (Q1 2021: $83m). There were no exceptional items recorded in the current period. Q1 2021 SG&A expenses included an exceptional $5m release of DOJ related matters provisions. On an adjusted basis, Q1 2022 SG&A expenses increased 24% to $109m (Q1 2021: $88m). The increase primarily reflects sales and marketing investments to grow the Group's long-acting injectable technologies, SUBLOCADE and PERSERIS, along with increased travel and entertainment.

Q1 2022 R&D expenses were $8m (Q1 2021: $9m). The slight decrease over the year-ago period is due to the timing of certain post-marketing and early-stage pipeline studies and production capacity investments in 2022.

Q1 2022 operating profit as reported was $54m (Q1 2021: $57m). Exceptional benefits of $6m are included in the year-ago period. On an adjusted basis, Q1 2022 operating profit was $54m versus $51m in Q1 2021. The increase primarily reflects higher net revenue partially offset by increased SG&A expenses.

Q1 2022 net finance expense in the quarter was $6m (Q1 2021: $4m). The year-ago period includes interest income of $2m generated on tax refunds that did not repeat in the current period.

Q1 2022 tax expense was $7m giving an effective tax rate of 15% (Q1 2021 tax benefit: $27m or -51%). There were no exceptional items in the current period. On an adjusted basis, Q1 2021 tax expense was $9m (effective tax rate: 19%), excluding a $36m tax exceptional benefit which predominantly relates to the approval of tax credits by the Internal Revenue Service in relation to development credits for SUBLOCADE claimed for years 2014 to 2017.

Q1 2022 reported net income was $41m (Q1 2021: $80m). Exceptional benefits of $42m are included in the year-ago period. On an adjusted basis, Q1 2022 net income was $41m versus $38m in Q1 2021.

Basic earnings per share was 6 cents on both a reported and adjusted basis (Q1 2021 basic earnings per share of 11 cents and 5 cents on an adjusted basis).

Balance Sheet & Cash Flow

Cash and cash equivalents as of March 31, 2022, were $874m, a decrease of $228m versus the $1,102m position at year-end 2021. The decrease in cash and cash equivalents was primarily due to investing $150m in a portfolio of investment-grade debt securities ($139m) and ordinary shares of Aelis Farma ($11m). The remaining decrease was due to settlement payments made for the DOJ Resolution ($54m) and RB settlement ($8m) and timing of payments made on government rebate payables. Gross borrowings, before issuance costs, were $248m as of March 31, 2022 (ending FY 2021: $249m). As a result, net cash, including investments (as defined in Note 9) stood at $776m as of March 31, 2022 (FY 2021: $853m), a $77m decrease over the fiscal year.

Net working capital (inventory plus trade receivables, less trade and other payables) was negative $357m on March 31, 2022, versus negative $423m at the end of FY 2021. The change in the period was primarily a result of timing of payments made on government rebate and trade payables.

Cash used by operating activities in Q1 2022 was $64m (Q1 2021 cash generated: $95m), representing a change of $159m primarily due to settlement payments for the DOJ Resolution and RB settlement and timing of payments made on government rebates payables. Net cash outflow from operating activities was $75m in Q1 2022 (Q1 2021 cash inflow: $89m) reflecting interest paid on the Group's term loan facility and interest paid on settlement payments.

Q1 2022 cash outflow from investing activities was $149m (Q1 2021 cash inflow: $1m) which reflects investing $150m in a portfolio of investment-grade debt securities and ordinary shares of Aelis Farma offset by proceeds received from the out-licensing of nasal naloxone patents.

Q1 2022 cash outflow from financing activities was $2m (Q1 2021: $3m) reflecting the principal portion of lease payments and quarterly amortization of the Group's term loan facility offset by proceeds received from the issuance of shares.

R&D / Pipeline Update

Indivior's quarterly R&D and pipeline update may be found here.

Principal Risk Factors

The Group utilizes a formal process to identify, evaluate and manage significant risks. The Directors have reviewed the principal risks and uncertainties for the remainder of the 2022 financial year and do not consider there to be any changes from those reported within the 2021 Indivior PLC Annual Report. The principal risks and uncertainties affecting the Group's business activities are detailed on pages 47 to 56 of the 2021 Indivior PLC Annual Report. These include the following: business operations; product pipeline, regulatory and safety; commercialization; economic and financial; supply; legal and intellectual property; and compliance. Please click here to access the report or go to www.indivior.com/annual-reports/.

The person responsible for making this announcement is Kathryn Hudson, Company Secretary of Indivior PLC

Exchange Rates

The average and period end exchange rates used for the translation of currencies into U.S. dollars that have most significant impact on the Group's results were:

	Q1 2022	Q1 2021
GB £ period end	1.3086	1.3778
GB £ average rate	1.3433	1.3785
€ Euro period end	1.1080	1.1774
€ Euro average	1.1234	1.2069

Webcast Details

There will be a webcast today (April 28, 2022) at 1:00 PM BST (8:00 am EDT) hosted by Mark Crossley, CEO. The details are below. All required materials are available on the Group's website at www.indivior.com.

Webcast link: *https://edge.media-server.com/mmc/p/ogy6nn93*

Confirmation Code:	6687840
Participants, Local - London, United Kingdom:	+44 (0) 2071 928338
Participants, Local - New York, United States of America:	+1 646 741 3167

For Further Information

Investor Enquiries	Jason Thompson	VP, Investor Relations Indivior PLC	+1 804 402 7123 jason.thompson@indivior.com
	Tim Owens	Director, Investor Relations Indivior PLC	+1 804 263 3978 timothy.owens@indivior.com
Media Enquiries	Jonathan Sibun	Tulchan Communications	+44 (0) 2073 534200
		US Media Inquiries	+1 804 594 0836 Indiviormediacontacts@indivior.com

Corporate Website **www.indivior.com**

This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for or otherwise acquire or dispose of shares in the Group to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation.

About Indivior

Indivior is a global pharmaceutical company working to help change patients' lives by developing medicines to treat addiction and serious mental illnesses. Our vision is that all patients around the world will have access to evidence-based treatment for the chronic conditions and co-occurring disorders of addiction. Indivior is dedicated to transforming addiction from a global human crisis to a recognized and

treated chronic disease. Building on its global portfolio of opioid dependence treatments, Indivior has a pipeline of product candidates designed to both expand on its heritage in this category and potentially address other chronic conditions and co-occurring disorders of addiction, including alcohol use disorder. Headquartered in the United States in Richmond, VA, Indivior employs more than 800 individuals globally and its portfolio of products is available in over 40 countries worldwide. Visit www.indivior.com to learn more. Connect with Indivior on LinkedIn by visiting www.linkedin.com/company/indivior.

Forward-Looking Statements

This announcement contains certain statements that are forward-looking. 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 such statements because they relate to future events. Forward-looking statements include, among other things, statements regarding the Indivior Group's financial guidance for 2022 and its medium- and long-term growth outlook, its operational goals, its product development pipeline, ongoing litigation and other statements containing the words "subject to", "believe", "anticipate", "plan", "expect", "intend", "estimate", "potential", "project", "may", "will", "should", "would", "could", "can", the negatives thereof, variations thereon and similar expressions.

Various factors may cause differences between Indivior's expectations and actual results, including, among others, the risk factors described in the most recent Indivior PLC Annual Report and in subsequent releases, and: factors affecting sales of Indivior Group's products and financial position; the outcome of research and development activities; decisions by regulatory authorities regarding the Indivior Group's drug applications or authorizations; the speed with which regulatory authorizations, pricing approvals and product launches may be achieved, if at all; the outcome of post-approval clinical trials; competitive developments; difficulties or delays in manufacturing and in the supply chain; disruptions in or failure of information technology systems; the impact of existing and future legislation and regulatory provisions on product exclusivity; trends toward managed care and healthcare cost containment; legislation or regulatory action affecting pharmaceutical product pricing, reimbursement or access; challenges in commercial execution; claims and concerns that may arise regarding the safety or efficacy of the Indivior Group's products and product candidates; risks related to legal proceedings, including the Indivior Group's compliance with its agreements with the U.S. Department of Justice and with the Office of Inspector General of the Department of Health and Human Services, non-compliance with which could result in potential exclusion from participating in U.S. Federal health care programs; the ongoing investigative and antitrust litigation matters; the opioid national multi-district litigation and securities class action litigation; the Indivior Group's ability to protect its patents and other intellectual property; the outcome of patent infringement litigation relating to Indivior Group's products, including the ongoing ANDA lawsuits; changes in governmental laws and regulations; issues related to the outsourcing of certain operational and staff functions to third parties; risks related to the evolving COVID-19 pandemic and the potential impact of COVID-19 on the Indivior Group's operations and financial condition, which cannot be predicted with confidence; uncertainties related to general economic, political, business, industry, regulatory and market conditions; and the impact of acquisitions, divestitures, restructurings, internal reorganizations, product recalls and withdrawals and other unusual items.

Consequently, forward-looking statements speak only as of the date that they are made and should be regarded solely as our current plans, estimates and beliefs. You should not place undue reliance on forward-looking statements. We cannot guarantee future results, events, levels of activity, performance, or achievements. Except as required by law, we do not undertake and specifically decline any obligation to update, republish or revise forward-looking statements to reflect future events or circumstances or to reflect the occurrences of unanticipated events.

Condensed consolidated interim income statement

For the three months ended March 31	Notes	**Unaudited 2022 $m**	Unaudited 2021 $m
Net Revenue	2	**207**	180
Cost of sales		**(37)**	(32)
Gross Profit		**170**	148
Selling, general and administrative expenses	3	**(109)**	(83)
Research and development expenses	3	**(8)**	(9)
Other operating income	3	**1**	1
Operating Profit		**54**	57
Operating profit before exceptional items		**54**	51
Exceptional items	4	**-**	6
Finance income		**-**	2
Finance expense		**(6)**	(6)
Net Finance Expense		**(6)**	(4)
Profit Before Taxation		**48**	53
Income tax (expense)/benefit	5	**(7)**	27
Taxation before exceptional items		**(7)**	(9)
Exceptional items within taxation	4	**-**	36
Net Income		**41**	80
Earnings per ordinary share (cents)			
Basic earnings per share	6	**6**	11
Diluted earnings per share	6	**6**	10

Condensed consolidated interim statement of comprehensive income

For the three months ended March 31	**Unaudited 2022 $m**	Unaudited 2021 $m
Net income	**41**	80
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss in subsequent years:		
Net exchange adjustments on foreign currency translation	**(6)**	1
Other comprehensive (loss)/income	**(6)**	1
Total comprehensive income	**35**	81

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

Condensed consolidated interim balance sheet

	Notes	Unaudited Mar 31, 2022 $m	Audited Dec 31, 2021 $m
ASSETS			
Non-current assets			
Intangible assets		**78**	82
Property, plant, and equipment		**56**	58
Right-of-use assets		**34**	37
Deferred tax assets	5	**103**	105
Investments	7	**85**	-
Other assets	8	**105**	106
		461	388
Current assets			
Inventories		**91**	95
Trade receivables		**195**	202
Other assets	8	**25**	32
Current tax receivable	5	**13**	13
Investments	7	**65**	-
Cash and cash equivalents	9	**874**	1,102
		1,263	1,444
Total assets		**1,724**	1,832
LIABILITIES			
Current liabilities			
Borrowings	9	**(3)**	(3)
Provisions	10	**(5)**	(5)
Other liabilities	10	**(58)**	(61)
Trade and other payables	13	**(643)**	(720)
Lease liabilities		**(8)**	(8)
Current tax liabilities	5	**(11)**	(7)
		(728)	(804)
Non-current liabilities			
Borrowings	9	**(238)**	(239)
Provisions	10	**(76)**	(76)
Other liabilities	10	**(417)**	(474)
Lease liabilities		**(33)**	(36)
		(764)	(825)
Total liabilities		**(1,492)**	(1,629)
Net assets		**232**	203
EQUITY			
Capital and reserves			
Share capital	14	**71**	70
Share premium		**7**	7
Capital redemption reserve		**3**	3
Other reserves		**(1,295)**	(1,295)
Foreign currency translation reserve		**(26)**	(20)
Retained earnings		**1,472**	1,438
Total equity		**232**	203

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

Condensed consolidated interim statement of changes in equity

Unaudited	Notes	Share capital $m	Share premium $m	Capital redemption reserve $m	Other reserve $m	Foreign currency translation reserve $m	Retained earnings $m	**Total equity $m**
Balance at January 1, 2022		**70**	**7**	**3**	**(1,295)**	**(20)**	**1,438**	**203**
Comprehensive income								
Net income		-	-	-	-	-	41	41
Other comprehensive loss		-	-	-	-	(6)	-	(6)
Total comprehensive income		-	-	-	-	(6)	41	35
Transactions recognised directly in equity								
Shares issued		1	-	-	-	-	-	1
Share-based plans		-	-	-	-	-	3	3
Settlement of equity awards		-	-	-	-	-	(10)	(10)
Balance at March 31, 2022		**71**	**7**	**3**	**(1,295)**	**(26)**	**1,472**	**232**
Balance at January 1, 2021		**73**	**6**	**-**	**(1,295)**	**(13)**	**1,311**	**82**
Comprehensive income								
Net income		**-**	**-**	-	-	-	80	80
Other comprehensive income		**-**	**-**	**-**	**-**	1	-	1
Total comprehensive income		**-**	**-**	**-**	**-**	1	80	81
Transactions recognised directly in equity								
Share-based plans		**-**	-	-	-	-	1	1
Balance at March 31, 2021		**73**	**6**	**-**	**(1,295)**	**(12)**	**1,392**	**164**

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

Condensed consolidated interim cash flow statement

For the three months ended March 31	**Unaudited 2022 $m**	Unaudited 2021 $m
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Profit	**54**	57
Depreciation, amortization, and impairment	**3**	3
Depreciation and impairment of right-of-use assets	**2**	2
Gain on disposal of intangible assets	**(1)**	(1)
Share-based payments	**3**	-
Settlement of tax on employee awards	**(10)**	-
Decrease in trade receivables	**6**	13
Decrease in other assets	**7**	28
Decrease in inventories	**2**	3
(Decrease)/increase in trade and other payables	**(75)**	7
Decrease in provisions and other liabilities[1]	**(55)**	(17)
Cash (used in)/generated from operations	**(64)**	95
Interest paid	**(9)**	(4)
Taxes paid	**(2)**	(2)
Net cash (outflow)/inflow from operating activities	**(75)**	89
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(150)**	-
Proceeds from disposal of intangible assets	**1**	1
Net cash (outflow)/inflow from investing activities	**(149)**	1
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	**(1)**	(1)
Payment of lease liabilities	**(2)**	(2)
Proceeds from the issuance of ordinary shares	**1**	-
Net cash outflow from financing activities	**(2)**	(3)
Net (decrease)/increase in cash and cash equivalents	**(226)**	87
Cash and cash equivalents at beginning of the period	**1,102**	858
Exchange difference	**(2)**	-
Cash and cash equivalents at end of the period	**874**	945

[1]Changes in the line item provisions and other liabilities for Q1 2022 include exceptional payments of $50m for the DOJ Resolution and $8m for the RB settlement agreement (Q1 2021 includes a $10m initial payment to RB in accordance with the settlement agreement). $4m of interest paid on the DOJ Resolution has been recorded in the interest paid line item.

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

Notes to the condensed consolidated interim financial statements

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Indivior PLC (the 'Company') is a public limited company incorporated on September 26, 2014 and domiciled in the United Kingdom. In these condensed consolidated financial statements ('Condensed Financial Statements'), reference to the 'Group' means the Company and all its subsidiaries.

The Condensed Financial Statements have been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). The Condensed Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with UK-adopted International Accounting Standards and in conformity with the Companies Act 2006 as applicable to companies reporting under those standards. In preparing these Condensed Financial Statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2021, except for changes in estimates that are required in determining the provision for income taxes. In 2022, the Group purchased ordinary shares of a listed company and invested in a portfolio of investment-grade debt securities and has therefore adopted new accounting policies as disclosed in Note 7. The 2021 condensed consolidated income statement and Note 3 have been expanded to present other operating income as a separate line item to provide a consistent comparative presentation.

The Condensed Financial Statements have been reviewed and are unaudited and do not include all the information and disclosures required in the annual financial statements and therefore should be read in conjunction with the Group's annual financial statements as at December 31, 2021. These Condensed Financial Statements were approved for issue on April 27, 2022.

As disclosed in Notes 10, 11, and 12, the Group has liabilities and provisions totaling $477m (FY 2021: $537m) for the Department of Justice (DOJ) Resolution and related matters and the Reckitt Benckiser (RB) settlement. The Directors have assessed the Group's ability to comply with the minimum liquidity covenant in the Group's debt facility, maintain sufficient liquidity to fund its operations and fulfill obligations under the DOJ resolution and RB agreement. The Directors have also modeled the risk that SUBLOCADE will not meet revenue growth expectations (considering a 15% decline on forecasts), an accelerated reversion to generic analogues for SUBOXONE Film, and the risk the ongoing legal proceedings may result in reasonably possible payments in a severe but plausible downside scenario as part of the Group's going concern assessment. These risks were balanced against the Group's current and forecast working capital position. As a result of the factors set out above, the Directors have a reasonable expectation the Group has adequate resources to continue in operational existence for at least one year from the approval of these Condensed Financial Statements and therefore consider the going concern basis to be appropriate for the accounting and preparation of these Condensed Financial Statements.

The financial information contained in this document does not constitute statutory accounts as defined in section 434 and 435 of the Companies Act 2006. The Group's statutory financial statements for the year ended December 31, 2021, were approved by the Board of Directors on March 17, 2022. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (CEO). The Group is predominantly engaged in a single business activity, which is the development, manufacture, and sale of buprenorphine-based prescription drugs for treatment of opioid dependence and related disorders. The CEO reviews disaggregated net revenue on a geographical and product basis. Financial results are reviewed on a consolidated basis for evaluating financial performance and allocating resources. Accordingly, the Group operates in a single reportable segment.

Net revenue and non-current assets

Revenues are attributed to countries based on the country where the sale originates. The following tables represent net revenues from continuing operations and non-current assets, net of accumulated depreciation and amortization, by country. Non-current assets for this purpose consist of intangible assets, property, plant and equipment, right-of-use assets, and other assets. Net revenues and non-current assets for the three months to March 31, 2022 and 2021 were as follows:

Net revenue:

For the three months ended March 31	**2022 $m**	2021 $m
United States	**165**	131
Rest of World	**42**	49
Total	**207**	180

On a disaggregated basis, the Group's net revenue by major product line:

For the three months ended March 31	**2022 $m**	2021 $m
Sublingual/other	**117**	134
SUBLOCADE	**85**	43
PERSERIS	**5**	3
Total	**207**	180

Non-current assets:

	Mar 31 2022 $m	Dec 31 2021 $m
United States	**131**	133
Rest of World	**227**	150
Total	**358**	283

3. OPERATING EXPENSES AND OTHER OPERATING INCOME

The table below sets out selected operating costs and expense information:

Operating expenses

For the three months ended March 31	**2022 $m**	2021 $m
Research and development expenses	**(8)**	(9)
Selling and marketing expenses	**(53)**	(37)
Administrative and general expenses	**(56)**	(46)
Selling, general, and administrative expenses	**(109)**	(83)
Depreciation, amortization, and impairment[1]	**(3)**	(3)

[1] Depreciation and amortization expense is included in research and development and selling, general and administrative expenses. Additionally, depreciation and amortization expense in Q1 2022 of $2m (Q1 2021: $2m) for intangibles and ROU assets is included within cost of sales.

Medical affairs functional costs are included in administrative and general expenses. Administrative and general expenses include exceptional items in the prior period as outlined in Note 4.

Other operating income

For the three months ended March 31	**2022 $m**	2021 $m
Other operating income	**1**	1

Other operating income is credited to the income statement as incurred. Other operating income in the current and prior period includes the proceeds received from the out-licensing of nasal naloxone opioid overdose patents.

4. EXCEPTIONAL ITEMS AND ADJUSTED RESULTS

Exceptional Items

Where significant expenses or income occur that do not reflect the Group's ongoing operations, these items are disclosed as exceptional items in the income statement. Examples of such items could include income or restructuring and related expenses for the reconfiguration of the Group's activities and/or capital structure, impairment of current and non-current assets, proceeds from the sale of intangible assets, certain costs arising as a result of material and non-recurring regulatory and litigation matters, certain non-recurring benefits, and certain tax related matters. Exceptional items are excluded from adjusted results consistent with the internal reporting provided to Management and the Directors. Adjusted results are not a substitute for, or superior to, reported results presented in accordance with IFRS. Management performs a quantitative and qualitative assessment to determine if an item should be considered for exceptional treatment. Exceptional items with an impact of less than $1m are not considered for exceptional treatment.

The table below sets out exceptional items recorded in the quarter:

For the three months ended March 31	2022 $m	2021 $m
Exceptional items within SG&A		
Legal expenses/provision[1]	-	5
Total exceptional items within SG&A	-	5
Exceptional items within other operating income		
Other operating income[2]	-	1
Total exceptional items within other operating income	-	1
Total exceptional items before taxes	-	6
Exceptional tax item[3]	-	36
Total exceptional items	-	42

1. Negotiations with DOJ related plaintiffs in Q1 2021 led to a change in the Group's provision for DOJ related matters which resulted in a provision release of $5m.
2. Exceptional other operating income in Q1 2021 relates to the proceeds received from the out-licensing of nasal naloxone opioid overdose patents for $1m.
3. Exceptional tax benefit item of $36m in Q1 2021 relates to the approval of tax credits by the Internal Revenue Service in relation to development credits for SUBLOCADE claimed for years 2014 to 2017.

Adjusted results

The Board and management team use adjusted results and measures to provide incremental insight to the financial results of the Group and the way it is managed. The tables below show the list of adjustments between the reported and adjusted results for both Q1 2022 and 2021.

Reconciliation of operating profit to adjusted operating profit

For the three months ended March 31	2022 $m	2021 $m
Operating profit	**54**	57
Exceptional selling, general and administrative expenses	-	(5)
Exceptional other operating income	-	(1)
Adjusted operating profit	**54**	51

Reconciliation of profit before taxation to adjusted profit before taxation

For the three months ended March 31	2022 $m	2021 $m
Profit before taxation	**48**	53
Exceptional selling, general and administrative expenses	-	(5)
Exceptional other operating income	-	(1)
Adjusted profit before taxation	**48**	47

Reconciliation of net income to adjusted net income

For the three months ended March 31	2022 $m	2021 $m
Net income	**41**	80
Exceptional selling, general and administrative expenses	-	(6)
Tax exceptional	-	(36)
Adjusted net income	**41**	38

5. TAXATION

The Group calculates tax expense for interim periods using the expected full year rates, considering the pre-tax income and statutory rates for each jurisdiction. To the extent practicable, a separate estimated average annual effective income tax rate is determined for each taxing jurisdiction and applied individually to the interim period pre-tax income of each jurisdiction. Similarly, if different income tax rates apply to different categories of income (such as capital gains or income earned in particular industries), to the extent practicable a separate rate is applied to each individual category of interim period pre-tax income. The resulting expense is allocated between current and deferred taxes based upon the forecasted full year ratio. The change in the effective tax rate was primarily driven by the relative contribution to pre-tax income by taxing jurisdiction in the period and remains lower than the statutory tax rate in the UK due to permanent items such as the availability of tax incentives for innovation.

In the three months ended March 31, 2022, the reported total tax expense was $7m, or a rate of 15% (Q1 2021 tax benefit: $27m, -51%). On an adjusted basis tax expense was $7m (Q1 2021: $9m). There were no exceptional items recorded in the current period. In the prior period an exceptional benefit of $36m was recorded which relates to a tax credit receivable in relation to the development credits for SUBLOCADE claimed in prior years, resulting in a tax expense on adjusted profit of $9m and represented a 19% effective tax rate for Q1 2021.

The Group's balance sheet at March 31, 2022 includes a current tax receivable of $13m (FY 2021: $13m), a current tax payable of $11m (FY 2021: $7m), and deferred tax asset of $103m (FY 2021: $105m).

The Group recognizes deferred tax assets to the extent that sufficient future taxable profits are probable against which these future tax deductions can be utilized. At March 31, 2022, the Group's net deferred tax assets of $103m relate primarily to inventory costs capitalized for tax purposes, litigation liabilities (including exceptional items that are not expected to recur), share-based compensation, and other short term timing differences. Recognition of deferred tax assets is driven by the Group's ability to utilize the deferred tax asset which is reliant on forecast taxable profits arising in the jurisdiction in which the deferred tax asset is recognized. The Group has assessed recoverability of deferred tax assets using Group-level budgets and forecasts consistent with those used for the assessment of viability and asset impairments, particularly in relation to levels of future sales. These forecasts are therefore subject to similar uncertainties to those assessments. This exercise is reviewed each year and, to the extent required, an adjustment to the recognized deferred tax asset may be made. With the exception of specific assets that are not currently considered accessible, Management have concluded full recognition of deferred tax assets to be appropriate and do not consider there a significant risk of a material change in their assessment in the next 12 months.

Other tax matters

In 2019, a European Commission review into State Aid concluded that the UK's Finance Company Partial Exemption rules are only partly justified. The UK government was required to initiate recovery of the alleged State Aid where they assess a benefit of the potential State Aid has been received. As HMRC previously confirmed there has been no such benefit to the Group and therefore the enquiry in relation to this matter up to December 31, 2017 is closed. HMRC has opened enquiries in relation to the years ended December 31, 2018 and December 31, 2019 in relation to this matter. Based on the similar fact pattern applicable to the later years, the Group has determined no provision is required.

The enacted United Kingdom Statutory Corporation Tax rate is 19% for the year ended December 31, 2022. On March 3, 2021, the UK Chancellor announced an increase in the corporation tax rate from 19% to 25% with effect from April 1, 2023. The increase to the corporation tax rate was substantively enacted on May 24, 2021. The effect of the rate change is immaterial.

As a multinational group, tax uncertainties remain in relation to Group financing, intercompany pricing, the location of taxable operations and the tax treatment of exceptional items. Management have concluded tax provisions made to be appropriate and do not believe a significant risk of material change to uncertain tax positions exists in the next 12 months.

6. EARNINGS PER SHARE

For the three months ended March 31	**2022 cents**	2021 cents
Basic earnings per share	**6**	11
Diluted earnings per share	**6**	10
Adjusted basic earnings per share	**6**	5
Adjusted diluted earnings per share	**6**	5

Basic

Basic earnings per share ("EPS") is calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares in the form of stock options and awards. The weighted average number of shares is adjusted for the number of shares granted assuming the exercise of stock options.

The weighted average number of ordinary shares outstanding for Q1 2022 (on a basic basis) includes the favorable impact of 33,763,488 ordinary shares repurchased during the Group's share repurchase program which commenced in July 2021 and concluded in December 2021. In Q1 2022, conditional awards of 7,491k (Q1 2021: 14,175k) were granted under the Group's Long-Term Incentive Plan.

Weighted average number of shares	**2022 thousands**	2021 thousands
On a basic basis	**703,702**	734,220
Dilution from share awards and options	**41,322**	47,124
On a diluted basis	**745,024**	781,344

Adjusted Earnings

The Directors believe that diluted earnings per share, adjusted for the impact of exceptional items after the appropriate tax amount, provides more meaningful information on underlying trends to shareholders in respect of earnings per ordinary share. A reconciliation of net income to adjusted net income is included in Note 4.

7. INVESTMENTS

Investments comprise holdings in equity and debt securities. Investments in equity securities held for trading or for which the Group has not elected to recognize fair value gains and losses through other comprehensive income are initially recorded and subsequently measured at fair value through profit or loss (FVPL). Investments in debt securities are initially recorded at fair value plus or minus directly attributable transaction costs and remeasured on the basis of the Group's business model and the contractual cash flow characteristics. Interest income from debt securities is included in finance income using the effective interest method.

Current and non-current investments	**Mar 31 2022 $m**	Dec 31 2021 $m
Equity securities at FVPL	**11**	-
Debt securities held at amortized cost	**54**	-
Total investments, current	**65**	-
Debt securities held at amortized cost	**85**	-
Total investments, non-current	**85**	-
Total	**150**	-

Equity securities at FVPL

In February 2022, the Group purchased ordinary shares of Aelis Farma. The shares are subject to a holding period of 365 days from the acquisition. The investment is classified as a current investment at March 31, 2022 as the holding period expires in less than 12 months. Unrealized loss recorded in Q1 2022 was nominal and included as an offset within other operating income.

Debt securities held at amortized cost

In January 2022, the Group initiated purchases of a portfolio of investment-grade corporate debt securities. The Group's investments in debt securities are held at amortized cost based on the Group's intention to hold the investments to maturity and collect contractual cash flows that are solely payments of principal and interest. Debt securities held at amortized cost are classified as non-current investments, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current investments.

The Group's investments in debt securities do not result in significant changes to the Group's credit risk, liquidity risk, or interest rate risk. All the Group's investments in debt securities are considered to be of low credit risk based on investment-grade credit ratings from Standard and Poor's or Moody's (BBB-/Baa3 or higher). The majority of the Group's debt securities are issued at fixed interest rates and changes in floating rates would not have a significant impact on interest rate risk.

The Group applies an expected credit loss impairment model to financial instruments held at amortized cost. The recognition of a loss allowance is limited to 12-month expected credit losses unless credit risk increases significantly, which would require lifetime expected credit losses to be applied. When measuring expected credit losses, investments are grouped based on similar credit risk characteristics. The Group uses judgment in selecting the inputs to the impairment model based on historical loss rates for similar instruments, current conditions, and forecasts of future economic conditions. As of March 31, 2022, expected credit losses for the Group's investments in debt securities are deemed to be immaterial.

Fair value hierarchy

Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

The Group's only financial instruments which are measured at fair value are equity securities at FVPL. The fair value of equity securities at FVPL is based on quoted market prices on the measurement date.

The following table categorizes the Group's financial assets measured at fair value by valuation methodology used in determining their fair value at March 31, 2022.

Financial assets at fair value	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Equity securities at FVPL	**11**	**-**	**-**	**11**

The Group also has certain financial instruments which are not measured at fair value. The carrying value of cash and cash equivalents, trade receivables, other assets, and trade and other payables is assumed to approximate fair value due to their short-term nature. At March 31, 2022, the carrying value of debt securities held at amortized cost was below the fair value by $1m. The fair value of the debt securities held at amortized cost was calculated based on quoted market prices which would be classified as Level 1 in the fair value hierarchy above.

8. CURRENT AND NON-CURRENT OTHER ASSETS

Current and non-current other assets	Mar 31 2022 $m	Dec 31 2021 $m
Short-term prepaid expenses	**15**	18
Other current assets	**10**	14
Total other current assets	**25**	32
Long-term prepaid expenses	**23**	22
Other non-current assets	**82**	84
Total other non-current assets	**105**	106
Total	**130**	138

Other non-current assets primarily represent the funding of surety bonds in relation to intellectual property related matters (see Note 12 for further discussion). Long-term prepaid expenses relate primarily to payments for contract manufacturing capacity.

9. FINANCIAL LIABILITIES – BORROWINGS

The table below sets out the current and non-current portion obligation of the Group's term loan:

Term loan	Mar 31 2022 $m	Dec 31 2021 $m
Term loan – current	**(3)**	(3)
Term loan – non-current	**(238)**	(239)
Total term loan	**(241)**	(242)

The Directors and management use the term net cash and investments, as presented below, to provide incremental insight to the Group and the management of short and long-term liquidity needs.

Analysis of net cash and investments	Mar 31 2022 $m	Dec 31 2021 $m
Cash and cash equivalents	**874**	1,102
Investments	**150**	-
Term loan borrowings*	**(248)**	(249)
Total net cash and investments	**776**	853

*Borrowings reflect the principal amount drawn before debt issuance costs of $7m (FY 2021: $7m). These do not include lease liabilities of $41m (FY 2021: $44m).

Reconciliation of net cash and investments	Mar 31 2022 $m	Dec 31 2021 $m
The movements in the period were as follows:		
Net cash at beginning of period	**853**	623
Net (decrease)/increase in cash and cash equivalents	**(226)**	245
New borrowings	**-**	(250)
Repayment of borrowings	**1**	236
Purchase of investments	**150**	-
Exchange adjustments	**(2)**	(1)
Net cash and investments at end of period	**776**	853

At March 31, 2022, the term loan fair value was approximately 99% (FY 2021: 99%) of par value. The key terms of the term loan in effect at March 31, 2022, are as follows:

	Currency	Nominal interest margin	Maturity	Required annual repayments	Minimum liquidity
Term Loan facility	USD	Libor* (0.75%) + 5.25%	2026	1%	Larger of $100m or 50% of Loan Balance

*While the term loan is USD LIBOR based, the term loan contains fallback language to convert to a new reference rate when USD LIBOR is discontinued or becomes non-representative, which is expected to occur in early 2023.

- Nominal interest margin is calculated over three-month USD LIBOR subject to a floor of 0.75%.
- The minimum liquidity is the larger of $100m or 50% of the outstanding loan balance.
- There are no revolving credit commitments under the term loan.

10. PROVISIONS AND OTHER LIABILITIES

The Group is involved in legal and intellectual property disputes as described in Note 12, "Legal Proceedings."

Provisions

Current and non-current provisions	Current $m	Non-Current $m	Total Mar 31 2022 $m	Current $m	Non-Current $m	Total Dec 31 2021 $m
DOJ related matters	**(5)**	**-**	**(5)**	**(5)**	**-**	**(5)**
Intellectual property related matters	**-**	**(73)**	**(73)**	**-**	**(73)**	**(73)**
Other	**-**	**(3)**	**(3)**	**-**	**(3)**	**(3)**
Total provisions	**(5)**	**(76)**	**(81)**	**(5)**	**(76)**	**(81)**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, an outflow of resources to settle that obligation is probable, and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The Group carries a provision of $5m (FY 2021: $5m) pertaining to all outstanding DOJ related matters as discussed in Note 12. DOJ related matters of $5m are expected to be settled within the next 12 months.

The Group carries provisions totaling $73m (FY 2021: $73m) for intellectual property related matters, all of which relate to potential redress for ongoing intellectual property litigation with Dr. Reddy's Laboratories, S.A., and Dr. Reddy's Laboratories Inc. (collectively, "DRL") and Alvogen Pharmaceuticals (Alvogen), should the Group not be successful with those cases outlined in Note 12, Intellectual property related matters - ANDA litigation. The provision represents the Group's best estimate of potential damages owed to DRL and Alvogen for the period between FDA approval and lifting of the preliminary injunction. This provision has been recorded at the net present value, using a risk-free rate, considering the estimated timing of settlement in 2023/2024. In Q1 2022, the Group recorded finance expense totaling $nil (Q1 2021: $1m) for time value of money on this provision. The Group does not expect this matter to be settled within a year and therefore the provision of $73m is classified as non-current.

Other provisions totaling $3m (FY 2021: $3m) primarily represent retirement benefit costs which are not expected to be settled within one year.

Other liabilities

Current and non-current other liabilities	Current $m	Non-Current $m	Total Mar 31 2022 $m	Current $m	Non-Current $m	Total Dec 31 2021 $m
DOJ resolution	**(50)**	**(390)**	**(440)**	(53)	(439)	(492)
RB indemnity settlement	**(8)**	**(24)**	**(32)**	(8)	(32)	(40)
Other	**-**	**(3)**	**(3)**	-	(3)	(3)
Total other liabilities	**(58)**	**(417)**	**(475)**	(61)	(474)	(535)

Other liabilities represent contractual obligations to third parties where the amount and timing of payments is fixed. Where other liabilities are not interest-bearing and the impact of discounting is significant, other liabilities are recorded at their present value, generally using a risk-free rate.

On July 24, 2020, the Group reached a resolution with the DOJ and other litigants described in Note 12 under "DOJ Resolution", which was finalized in November 2020 and the first payment of $103m (including interest) was made. Subsequently, six annual instalments of $50m will be due every January 15 from 2022 to 2027 with the final instalment of $200m due in December 2027. Interest accrues on certain portions of the resolution which will be paid together with the annual instalment payments. For non-interest-bearing portions, the liability has been recorded at the net present value based on timing of the estimated payments. The discount rate and interest rate are 1.25%. In Q1 2022, the Group recorded interest expense totaling $2m (Q1 2021: $2m). As of March 31, 2022, $50m has been classified as current on the Group's balance sheet.

On January 25, 2021, the Group reached a resolution with Reckitt Benckiser (RB) to resolve claims which RB issued in the Commercial Court in London on November 13, 2020, seeking indemnity under the 2014 Demerger Agreement. Pursuant to the settlement, RB

withdrew the US $1.4b claim to release Indivior from any claim for indemnity under the Demerger Agreement relating to the DOJ and FTC settlements which RB entered into in July 2019, as well as other claims for indemnity arising from those matters. The Group has agreed to pay RB a total of $50m and has agreed to release RB from any claims to seek damages relating to its settlement with the DOJ and the FTC. The Group made an initial payment of $10m in February 2021, following the resolution. Subsequently, annual instalment payments of $8m will be due every January from 2022 to 2026. The Group carries a liability totaling $32m (FY 2021: $40m) related to this settlement. The effect of discounting was not material.

Other liabilities primarily represent deferred revenue related to a supply agreement which is non-current as of March 31, 2022.

11. CONTINGENT LIABILITIES

The Group has assessed certain legal and other matters to be not probable based upon current facts and circumstances, including any potential impact the DOJ resolution could have on these matters. Where these matters are determined to be possible, they represent contingent liabilities. Except for those matters discussed in Note 12 under “DOJ Resolution”, “Reckitt Benckiser”, “DOJ-Related Matters” and “Intellectual Property Related Matters”, for which provisions have been recognized, Note 12 sets out the contingent liabilities for legal and other disputes for which the Group has assessed as contingent liabilities. Where the company believes that it is possible to reasonably estimate a range for the contingent liability this has been disclosed. Refer to Note 5 for discussion on State Aid and other tax related contingent liabilities.

12. LEGAL PROCEEDINGS

DOJ Resolution

Agreement to Resolve Criminal Charges and Civil Complaints Related to SUBOXONE Film

- The Group settled with the United States Department of Justice (Justice Department or DOJ), the US Federal Trade Commission (FTC), and US state attorneys general the criminal and civil liability in connection with a multi-count indictment brought in April 2019 by a grand jury in the Western District of Virginia, a civil lawsuit joined by the Justice Department in 2018, and an FTC investigation. Under the terms of the resolution agreement with the Justice Department, the Group has agreed to compliance terms regarding its sales and marketing practices. Compliance with these terms is subject to annual Board and CEO certifications submitted to the US Attorney’s Office.
- As part of the resolution with the FTC and as detailed in the text of the stipulated order, for a ten-year period Indivior Inc. is required to make specified disclosures to the FTC and is prohibited from certain conduct.
- Under the terms of the five-year Corporate Integrity Agreement with the HHS Office of the Inspector General (HHS-OIG), the Group will continue its commitment to promote compliance with laws and regulations and its ongoing evolution of an effective compliance program, including written standards, training, reporting, and monitoring procedures. The Group is subject to reporting and monitoring requirements, including annual reports and compliance certifications from key management and the Board’s Nominating & Governance Committee, which is submitted to HHS-OIG. In addition, the Group is subject to monitoring by an Independent Review Organization, which submits audit findings to HHS-OIG, and review by a Board Compliance Expert, who prepared a compliance assessment report in the first reporting period and will prepare a compliance assessment report in the third reporting period. To date, the Group reasonably believes it has met all of the requirements specified in these three agreements.
- In November 2020, the Group made a payment of $103m (including interest) when the resolution was approved by the Court and made a subsequent payment in January 2022 of $54m (including interest). Subsequently, five annual installments of $50m plus appropriate interest will be due every January 15 from 2023 through 2027. The final installment of $200m plus appropriate interest will be due in December 2027. The Group carries a liability totalling $440m (FY 2021: $492m) pertaining to the DOJ resolution.

Reckitt Benckiser

- On January 25, 2021, the Group reached a resolution with Reckitt Benckiser as discussed in Note 10.

DOJ Related Matters

Federal False Claims Act Qui Tam Suits

- In August 2018, the United States unsealed three qui tam suits pending in the Western District of Virginia that made a variety of allegations under state and federal False Claims Act statutes regarding marketing and promotion practices related to SUBOXONE, and in some instances claiming unlawful retaliation. The suits also sought reasonable attorney’s fees and costs. Three other cases were filed in the District Court of the District of New Jersey that also made a variety of allegations under state and federal False Claims Act statutes regarding marketing and promotion practices related to SUBOXONE, and in some instances claiming unlawful retaliation. The Group settled these matters in 2020 and 2021.

State and Local Matters

- In November 2016, Indivior was served with a subpoena for records from the State of California Department of Insurance under its civil California insurance code authority. Certain of the qui tam suits filed in the Western District of Virginia and the District of New Jersey assert claims under the civil California insurance code. The Group settled with the relators and the California Department of Insurance regarding these matters in 2021.
- In June 2019, the Group learned that the State of Illinois Insurance Department is investigating potential violations of its civil Insurance Claims Fraud Prevention Act with respect to its sales and marketing activity. Certain of the qui tam suits filed in the

Western District of Virginia and the District of New Jersey assert claims under this statute, including claims for associated attorney's fees and costs. The Group settled with the relators and the Illinois Insurance Department regarding these matters in 2021.

- In addition to the federal and state health program claims, claims have been asserted under the city false claims acts of Chicago and New York City regarding the promotion of SUBOXONE film. The Group resolved the matter with the City of Chicago in 2020.

False Claims Act Allegations

- In August 2018, the United States District Court for the Western District of Virginia unsealed a declined qui tam complaint alleging causes of action under the Federal and state False Claims Acts against certain entities within the Group predicated on best price issues and claims of retaliation. *See United States ex rel. Miller v. Reckitt Benckiser Group PLC et al.*, Case No. 1:15-cv-00017 (W.D. Va.). The suit also seeks reasonable attorneys' fees and costs. The Group was served with the complaint in January 2021. The Group filed a Motion to Dismiss in June 2021. The case was stayed for mediation in September 2021 and the parties did not reach agreement.
- In May 2018, Indivior Inc. received an informal request from the United States Attorney's Office ("USAO") for the Southern District of New York, seeking records relating to the SUBOXONE Film manufacturing process. The Group is discussing with the USAO certain information and allegations that the government received regarding SUBOXONE Film.

Securities Class Action Litigation

- In April 2019, Michael Van Dorp filed a putative class action lawsuit in the United States District Court for the District of New Jersey on behalf of holders of publicly-traded Indivior securities alleging violations of the Securities Exchange Act of 1934. The complaint names Indivior PLC, Shaun Thaxter, Mark Crossley and Cary J. Claiborne as defendants. In February 2021, the parties reached a settlement agreement. A Motion for Entry of Order Preliminarily Approving Settlement was granted by the court in September 2021. A settlement fairness hearing occurred in January 2022. The Court approved the settlement, and the case was dismissed.

Intellectual Property Related Matters

ANDA Litigation

- Indivior filed actions against Dr, Reddy's Laboratories S.A. and Dr. Reddy's Laboratories, Inc. (together, "DRL") in the United States District Court for the District of New Jersey ("NJ District Court") alleging that DRL's generic buprenorphine/naloxone film product infringes US Patent Nos. 9,687,454 and 9,931,305 ("the '454 and '305 Patents") in 2017 and 2018, respectively. The cases were consolidated in May 2018. DRL received final FDA approval for all four strengths of its generic buprenorphine/naloxone film product in June 2018, and immediately launched its generic buprenorphine/naloxone film product "at-risk." In July 2018, the NJ District Court granted Indivior a Preliminary Injunction (PI) pending the outcome of a trial on the merits of the '305 Patent and required Indivior to post a surety bond for $72m in connection with the PI. In November 2018, the Court of Appeals for the Federal Circuit (CAFC) issued a decision vacating the PI against DRL. On remand, and after claim construction by the NJ District Court, Indivior and DRL stipulated to noninfringement of the '305 Patent under the court's claim construction, but Indivior retained its rights to appeal the construction and pursue its infringement claims pending appeal. Separately, DRL filed an amended answer alleging various antitrust counterclaims. Indivior's infringement claims concerning the '454 patent and DRL's antitrust counterclaims remain pending in the NJ District Court. Summary judgment motions have been fully briefed, but the NJ District Court has not ruled on those motions. No trial date has been set. In February 2022, the NJ District Court ordered the parties to mediation. Mediation is anticipated to occur during Q2 2022.
- In November 2018, DRL filed two petitions for inter partes review ("IPR") of the '454 Patent with the US Patent and Trademark Office's Patent Trial and Appeal Board ("PTAB"). The PTAB denied institution of one IPR petition but granted institution for the other. The PTAB issued a decision in June 2020, finding that claims 1-5, 7, and 9-14 were unpatentable, but that DRL had not shown that claim 8 is unpatentable. Claim 6 was not challenged and therefore was not addressed in the PTAB decision. Indivior appealed to the CAFC, which affirmed the PTAB's decision.
- Indivior filed actions against Alvogen Pine Brook LLC and Alvogen Inc. (together, "Alvogen") in the NJ District Court alleging that Alvogen's generic buprenorphine/naloxone film product infringes the '454 and '305 Patents in 2017 and 2018, respectively. The cases were consolidated in May 2018. In January 2019, the NJ District Court granted Indivior a temporary restraining order ("TRO") to restrain the launch of Alvogen's generic buprenorphine/naloxone film product pending a trial on the merits of the '305 Patent and Indivior was required to post a surety bond of $36m. Indivior and Alvogen entered into an agreement whereby Alvogen was enjoined from selling in the US its generic buprenorphine/naloxone film product unless and until the CAFC issued a mandate vacating Indivior's separate PI against DRL. The CAFC's mandate vacating Indivior's PI as to DRL issued in February 2019 and Alvogen launched its generic product. Any sales in the US by Alvogen are on an "at-risk" basis, subject to the ongoing litigation against Alvogen in the NJ District Court. In November 2019, Alvogen filed an amended answer alleging various antitrust counterclaims. In January 2020, Indivior and Alvogen stipulated to noninfringement of the '305 Patent under the court's claim construction, but Indivior retained its rights to appeal the construction and pursue its infringement claims pending appeal. Indivior's infringement claims concerning the '454 patent and Alvogen's antitrust counterclaims remain pending in the NJ District Court. Summary judgment motions have been fully briefed, but the NJ District Court has not ruled on those motions. No trial date has been set. In February 2022, the NJ District Court ordered the parties to mediation. Mediation is anticipated to occur during Q2 2022.

Opposition to SUBLOCADE European Patent

- In October 2018, Teva Pharmaceutical Industries Ltd. ("Teva") filed a Notice of Opposition with the European Patent Office ("EPO") seeking to revoke European Patent No. EP 2579874 ("EP 874"), which relates to the formulation for SUBLOCADE. Oral proceedings

took place in September 2021 and the patent was maintained as granted. Teva filed a notice of appeal with their grounds for such appeal, and the Group's deadline to respond in writing to such appeal is June 21, 2022.

- In March 2021, the law firm Elkington & Fife LLP filed a Notice of Opposition with the EPO seeking to revoke European Patent No. EP 3215223 ("EP 223"), which relates to the dosing regimen for SUBLOCADE. The Opposition alleges that the claims of EP 223 lack inventive step and extend beyond the content of the application as originally filed. The Group responded to the Opposition in August 2021. The oral hearing date has been set for October 10, 2022.

Antitrust Litigation and Consumer Protection

Antitrust Class and State Claims

- Civil antitrust claims have been filed by (a) a class of direct purchasers, (b) a class of end payor plaintiffs, and (c) a group of states, now numbering 41, and the District of Columbia. The various plaintiffs generally allege, among other things, that Indivior violated US federal and/or state antitrust and consumer protection laws in attempting to delay generic entry of alternatives to SUBOXONE Tablets. Plaintiffs further allege that Indivior unlawfully acted to lower the market share of these products. These antitrust cases are pending in federal court in the Eastern District of Pennsylvania. The court has not set a trial date. Summary judgment motions related to the Direct Purchaser, End Payor, and States actions were fully briefed and were argued in December 2021. The deadline for the class exclusion or "opt out" is June 5, 2022.

- In 2013, Reckitt Benckiser Pharmaceuticals, Inc. (now known as Indivior Inc.) received notice that it and other companies were defendants in a lawsuit initiated by writ in the Philadelphia County (Pennsylvania) Court of Common Pleas. See *Carefirst of Maryland, Inc. et al. v. Reckitt Benckiser Inc., et al.*, Case. No. 2875, December Term 2013. The plaintiffs include approximately 79 entities, most of which appear to be insurance companies or other providers of health benefits plans. The Carefirst Plaintiffs have not served a complaint, but they have indicated that their claims are related to those asserted by the plaintiffs in *In re SUBOXONE*, MDL No. 2445 (E.D. Pa.). The Carefirst case remains pending.

- The Group has evaluated the antitrust class and state claims in light of the DOJ settlement under which a Group subsidiary pled guilty to one count of making a false statement relating to health care matters in one state in 2012 (as discussed above under DOJ Resolution). The Group continues to believe its defenses and continues to vigorously defend itself. Select plaintiffs in these matters have previously made settlement demands (which were not accepted and most of which are not current offers), totalling approximately $290m, which was used for contingency planning only to model possible downside financial effects. The final aggregate cost of these matters, whether resolved by litigation or by settlement, may be materially different. If the Group were to entertain further settlement discussions, we make no representations as to what amounts, if any, it may agree to pay, nor regarding what amounts the plaintiffs will demand.

Other Antitrust and Consumer Protection Claims

- In July 2019, the Indiana Attorney General issued a Civil Investigative Demand investigating potential violations of Indiana's Civil Deceptive Consumer Sales Act with respect to sales and marketing activity by the Company. The Group has cooperated fully in this civil investigation.

- In 2020, the Group was served with lawsuits filed by several insurance companies, some of whom are proceeding both on their own claims and through the assignment of claims from affiliated companies. Cases filed by (1) Humana Inc. and (2) Centene Corporation, Wellcare Healthcare Plans, Inc., New York Quality Healthcare Corp. (d/b/a Fidelis Care), and Health Net, LLC were pending in the Eastern District of Pennsylvania. The complaints were dismissed in July 2021. Plaintiffs filed Notices of Appeal in August 2021 to the United States Court of Appeals for the Third Circuit ("Third Circuit"). The Third Circuit heard oral arguments on this appeal on March 31, 2022. Humana also filed a Complaint in state court in Kentucky with substantially the same claims as were raised in the Federal Court case. That case has been stayed pending a decision in the Third Circuit appeal. Cases filed by (1) Blue Cross and Blue Shield of Massachusetts, Inc., Blue Cross and Blue Shield of Massachusetts HMO Blue, Inc., (2) Health Care Service Corp., (3) Blue Cross and Blue Shield of Florida, Inc., Health Options, Inc., (4) BCBSM, Inc. (d/b/a Blue Cross and Blue Shield of Minnesota) and HMO Minnesota (d/b/a Blue Plus), (5) Molina Healthcare, Inc., and (6) Aetna Inc. (collectively, the "Roanoke Plaintiffs") are pending in the Circuit Court for the County of Roanoke, Virginia. These plaintiffs have asserted claims under federal and state RICO statutes, state antitrust statutes, state statutes prohibiting unfair and deceptive practices, state statutes prohibiting insurance fraud, and common law fraud, negligent misrepresentation, and unjust enrichment. In June 2021, defendants' motion to stay was denied and certain claims were dismissed without prejudice. The Roanoke Plaintiffs have filed amended complaints, and the Group has filed demurrers, seeking dismissal of some of the asserted claims. Oral arguments on the demurrers are scheduled to occur on September 1, 2022.

- The Group has begun its evaluation of the claims, believes in its defenses, and intends to vigorously defend itself. Engagement with the claimants has been minimal. Accordingly, no estimate of the range of potential loss can be made at this time.

Civil Opioid Litigation

- Indivior has been named as a defendant in more than 400 civil lawsuits brought by state and local governments, public health agencies, and individuals against manufacturers, distributors, and retailers of opioids alleging that they engaged in a longstanding practice to market opioids as safe and effective for the treatment of long-term chronic pain to increase the market for opioids and their own market share. Most of these cases have been consolidated and are pending in a federal multi-district litigation (MDL) in US District Court for the Northern District of Ohio. At the present time, litigation against Indivior in the MDL is stayed. The Court has ordered the parties to provide status updates by June 22, 2022 regarding case management issues. Given the status and preliminary stage of litigation in both the MDL and state courts, no estimate of possible loss in the opioid litigation can be made at this time.

13. TRADE AND OTHER PAYABLES

	Mar 31 2022 $m	Dec 31 2021 $m
Sales returns and rebates	**(454)**	(436)
Trade payables	**(64)**	(137)
Accruals	**(112)**	(136)
Other tax and social security payables	**(13)**	(11)
Total	**(643)**	(720)

Sales return and rebate accruals, primarily in the U.S., are provided in respect of the estimated rebates, discounts, or allowances payable to direct and indirect customers. Accruals are made at the time of sale while the actual amounts to be paid are based on claims made some time after the initial recognition of the sale. The estimated amounts may not reflect the final outcome and are subject to change dependent upon, amongst other things, the payor channel (e.g., Medicaid, Medicare, Managed Care, etc.) and product mix. Accrual balances are reviewed and adjusted quarterly in the light of actual experience of rebates, discounts or allowances given and returns made and any changes in arrangements. Future events may cause the assumptions on which the accruals are based to change, which could affect the future results of the Group.

14. SHARE CAPITAL

	Equity ordinary shares	Nominal value paid per share	Aggregate nominal value $m
Issued and fully paid			
At January 1, 2022	**702,439,638**	**$0.10**	**70**
Ordinary shares issued	**3,840,414**	**$0.10**	**1**
Shares cancelled	**(256,055)**	**$0.10**	**-**
At March 31, 2022	**706,023,997**		**71**

	Equity ordinary shares	Nominal value paid per share	Aggregate nominal value $m
Issued and fully paid			
At January 1, 2021	733,635,511	$0.10	73
Ordinary shares issued	985,478	$0.10	-
At March 31, 2021	734,620,989		73

Ordinary shares issued

During the period 3,840,414 ordinary shares (2021: 985,478) were issued to satisfy vesting/exercises under the Group's Long-Term Incentive Plan and U.S. Employee Stock Purchase Plan. Ordinary shares of 256,055 purchased as part of the Group's share repurchase program were cancelled in January 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors declare that, to the best of their knowledge:

- This set of Condensed Consolidated Interim Financial Statements, which have been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), gives a true and fair view of the assets, liabilities, financial position, and profit or loss of Indivior; and
- The interim management report gives a fair review of the information in line with regulations 4.2.7 and 4.2.8 of the Disclosure Guidance and Transparency Rules.

The Directors are responsible for the maintenance and integrity of the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Indivior PLC's Directors are listed in the Annual Report and Accounts for 2021.

Details of Indivior PLC's Directors are available on our website at **www.indivior.com** and are included in the Indivior Annual Report and Accounts 2021.

By order of the Board

Mark Crossley
Chief Executive Officer

Ryan Preblick
Chief Financial Officer

April 27, 2022

Independent review report to Indivior PLC

Report on the Condensed consolidated interim financial statements

Our conclusion

We have reviewed Indivior PLC's Condensed consolidated interim financial statements (the "interim financial statements") in the Q1 2022 Results of Indivior PLC for the 3 month period ended 31 March 2022 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34).

The interim financial statements comprise:

- the Condensed consolidated interim balance sheet as at 31 March 2022;
- the Condensed consolidated interim income statement and Condensed consolidated interim statement of comprehensive income for the period then ended;
- the Condensed consolidated interim statement of changes in equity for the period then ended;
- the Condensed consolidated interim cash flow statement for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Q1 2022 Results of Indivior PLC have been prepared in accordance with IAS 34.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Q1 2022 Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with this ISRE. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Q1 2022 Results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Q1 2022 Results in accordance with IAS 34. In preparing the Q1 2022 Results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Q1 2022 Results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
27 April 2022