

Ipsen presents strong full-year 2022 results and guidance for 2023

- 2022 total sales up by 8.5% at CER¹ (14.4% as reported) with growth platforms² sales increasing by 20.9%¹ and Somatuline® (lanreotide) sales declining by 5.6%¹
- 2022 core operating margin of 36.9%, broadly in line with 2021; IFRS operating margin of 24.1%, down by 7.1% points, reflecting the impact of the acquisition of Epizyme and impairment losses on intangible assets
- Successful delivery of strategy, driving strong growth, advancement of the pipeline and further external-innovation transactions, including the acquisition of Epizyme and the divestment of Consumer HealthCare
- 2023 financial guidance: total-sales growth greater than 4.0% at CER¹; core operating margin around 30% of total sales

Paris (France), 9 February 2023

Ipsen (Euronext: IPN; ADR: IPSEY), a global specialty-driven biopharmaceutical company, presents today its financial results for the year and the fourth quarter of 2022.

Extract of consolidated results for FY 2022 and FY 2021³:

	FY 2022	FY 2021	% change	
	€m	€m	Actual	CER ¹
Total Sales	3,025.0	2,643.3	14.4%	8.5%
Core Operating Income	1,115.4	983.1	13.5%	
Core operating margin	36.9%	37.2%	-0.3% pts	
Core Consolidated Net Profit	872.4	740.1	17.9%	
Core earnings per share (fully diluted)	10.51	8.88	18.4%	
IFRS Operating Income	729.9	824.7	-11.5%	
IFRS operating margin	24.1%	31.2%	-7.1% pts	
IFRS Consolidated Net Profit	647.5	646.7	0.1%	
IFRS earnings per share (fully diluted)	7.81	7.76	0.6%	
Dividend per share	€1.20 ⁴	€1.20	—	
Free Cash Flow	817.2	780.7	4.7%	
Net cash ⁵	398.8	28.0 ⁶	n/a	

David Loew, Chief Executive Officer, commented:

“2022 was a year of strong results and clear progress on our strategic roadmap. Improving execution supported another excellent sales performance from our growth platforms in Oncology and Neuroscience. I was particularly pleased with the progress of the pipeline, including the recent clinical-trial results for Onivyde, which could significantly benefit patients with pancreatic cancer. We have also been replenishing the pipeline at pace through the acquisition of Epizyme in Oncology and, more recently, the announcement of Albireo in Rare Disease.

¹ At constant exchange rates (CER), which exclude any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

² Dysport® (botulinum toxin type A), Decapeptyl® (triptorelin), Cabometyx® (cabozantinib) and Onivyde® (irinotecan).

³ Extract of consolidated results. The Company's auditors performed an audit of the consolidated financial statements.

⁴ Decided by the Ipsen SA Board of Directors and to be proposed at the annual shareholders' meeting on 31 May 2023.

⁵ Net cash excluding contingent liabilities (earnouts and CVR), previously part of the net cash/(debt) definition.

⁶ FY 2021 net cash of €28.0m adjusted to exclude contingent liabilities (versus FY 2021 reported net debt of €126.4m)

Our external-innovation strategy, underpinned by a strong balance sheet and increasing cash generation, is expanding the number of potential medicines we have across our three therapy areas, and we have the ambition to enlarge the pipeline further. With the Company fully focused on Specialty Care, the outlook is promising, reflecting our commitment to bringing more medicines to patients and ensuring the sustainable growth of Ipsen.”

Delivering on strategy

Ipsen delivered successfully on the second year of the implementation of its strategy: *Focus. Together. For patients and society.*

The divestment of the Consumer HealthCare (CHC) business in 2022 was a major step forward towards building a more focused Ipsen, centering on Specialty Care. The growth platforms produced a double-digit performance, including Dysport, which grew by 29.4%⁷ and Cabometyx, up by 23.9%⁷. There were also favorable developments from the existing pipeline, including positive results from the Phase III trial of the Onivyde-based regimen in pancreatic cancer, as well as the initiation of new trials, including a Phase II trial of elafibranor in rare liver disease.

It was also a particularly strong period of replenishment of the pipeline, founded on the strong execution of Ipsen’s external-innovation model. Through a combination of in-licensing and acquisitions, the Company has added 20 new assets to the pipeline in the last two years across the three strategic therapy areas of Oncology, Rare Disease and Neuroscience. In 2022, Ipsen strengthened its position in Oncology by acquiring Epizyme, a fully integrated, commercial-stage biopharmaceutical company developing and delivering transformative therapies against novel epigenetic targets for cancer patients. More recently, Ipsen announced its intention to acquire Albireo⁸, a leading innovator in bile-acid modulators to treat pediatric and adult cholestatic liver diseases. This anticipated acquisition is designed to enrich Ipsen’s Rare Disease portfolio and pipeline.

Finally, the Company continued to drive benefits from its global efficiencies program, yielding savings across the entire cost base, which enabled significant further investment in Ipsen’s priorities for growth.

Full-year 2023 guidance

Ipsen has set the following financial guidance for FY 2023, assuming the completion of the planned acquisition of Albireo, expected to close in the first quarter of the year:

- Total-sales growth greater than 4.0%, at constant currency. Based on the average level of exchange rates in January 2023, an anticipated adverse impact on total sales of around 2% from currencies
- Core operating margin around 30% of total sales, excluding any potential impact of incremental investments from future external-innovation transactions

Ipsen intends to provide a mid-term outlook before the end of 2023, following the anticipated completion of the acquisition of Albireo⁸, as well as a number of pipeline milestones.

Business development update

In January 2023, Ipsen and Albireo announced that they had entered into a definitive merger agreement under which Ipsen will acquire Albireo, a leading innovator in bile-acid modulators to treat pediatric and adult cholestatic liver diseases. The anticipated acquisition will enrich Ipsen’s Rare Disease portfolio and pipeline. The lead medicine in Albireo’s pipeline is Bylvay[®] (odevixibat), the first-approved treatment in progressive familial intrahepatic cholestasis in the U.S. and E.U., with potential in other rare diseases. The transaction is anticipated to close in the first quarter of 2023.

⁷ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

⁸ The acquisition of Albireo, anticipated to close in Q1 2023, is subject to the satisfaction of customary deal closing conditions.

Pipeline update

In November 2022, Ipsen announced that the NAPOLI 3 Phase III trial of Onivyde plus 5 fluorouracil/leucovorin and oxaliplatin (NALIRIFOX regimen), compared to nab-paclitaxel plus gemcitabine in previously untreated patients with metastatic pancreatic ductal adenocarcinoma, met its primary endpoint, demonstrating a clinically meaningful and statistically significant improvement in overall survival. The full trial results were presented in January 2023 at the American Clinical Society of Oncology Gastrointestinal Cancers Symposium in San Francisco, U.S.

In December 2022, Ipsen announced that the CONTACT-01 Phase III trial of Cabometyx, in combination with atezolizumab, compared to docetaxel in patients with unmutated metastatic non-small cell lung cancer who experienced disease progression on or after treatment with an immune checkpoint inhibitor and platinum-containing chemotherapy, did not meet its primary endpoint of an improvement in overall survival.

In December 2022, the U.S. FDA issued a Complete Response Letter (CRL) regarding the New Drug Application for palovarotene, an investigational treatment for the reduction of new abnormal bone formation (heterotopic ossification) in people living with fibrodysplasia ossificans progressiva. The CRL was related to the regulatory agency's previous request for additional information on palovarotene clinical-trial data communicated to Ipsen in October 2022, which was not a request for additional efficacy or safety data beyond existing studies. Ipsen anticipates responding to the request in the first quarter of 2023, with an expected six-month U.S. FDA review cycle. In January 2023, Ipsen received a negative opinion from the CHMP⁹ for palovarotene in the same indication. The Company will request a re-examination of the opinion, based on scientific data available from the existing palovarotene clinical-trial program.

Environment, Social and Governance: *Generation Ipsen*

Ipsen is committed to science-based reductions in greenhouse-gas emissions and its near-term climate targets were independently validated by the *Science Based Target* initiative in 2022. Ipsen now uses 100% green electricity for all operations in the U.K., the Republic of Ireland and France. This increased the Company's use of electricity from renewable sources to 90%, in line with a commitment to 100% renewable-electricity use by 2025. Another action was a further decarbonizing of Ipsen's processes that have traditionally used fossil fuels to produce heat and steam for the manufacturing process, while a new *Fleet For Future* program is focused on the transitioning of at least 30% of Ipsen's vehicle fleet to battery-electric vehicles by 2025.

The Company is focused on patients' access to medicines, including the provision in 2022 of humanitarian relief in response to the crisis in Ukraine via patient support, medicine donations and funding to the *Red Cross* and *Tulipe* charities. The partnership with *Access Accelerated*, a not-for-profit collective that works in communities that lack sufficient access to healthcare to address non-communicable diseases, also continued to thrive. Finally, Fondation Ipsen, under the aegis of the Fondation de France, again reached millions of people impacted by rare diseases, helping to improve lives across around 100 countries.

Consolidated financial statements

The Board of Directors approved the consolidated financial statements on 8 February 2023. The consolidated financial statements have been audited and the Statutory Auditors' report is in the process of being published. Ipsen's comprehensive audited financial statements will be available in due course on [ipsen.com](https://www.ipsen.com) (regulated-information section).

Conference call

A conference call and webcast for investors and analysts will begin today at 1.45pm, Paris time. Participants can access the call and its details by registering [here](#); webcast details can be found [here](#).

⁹ The Committee for Medicinal Products for Human Use, the European Medicines Agency's committee responsible for human medicines.

Calendar

Ipsen intends to publish its first-quarter sales update on 27 April 2023.

Notes

All financial figures are in € millions (€m). The performance shown in this announcement covers the twelve-month period to 31 December 2022 (the year or FY 2022) and the three-month period to 31 December 2022 (the fourth quarter or Q4 2022), compared to twelve-month period to 31 December 2021 (FY 2021) and the three-month period to 31 December 2021 (Q4 2021), respectively, unless stated otherwise. Commentary is based on the performance in FY 2022, unless stated otherwise. The performance of the CHC business, divested in July 2022, has been excluded from all commentary and comparisons to prior performance.

Ipsen

Ipsen is a global, mid-sized biopharmaceutical company focused on transformative medicines in Oncology, Rare Disease and Neuroscience. With total sales of €3.0bn in FY 2022, Ipsen sells medicines in over 100 countries. Alongside its external-innovation strategy, the Company's research and development efforts are focused on its innovative and differentiated technological platforms located in the heart of leading biotechnological and life-science hubs: Paris-Saclay, France; Oxford, U.K.; Cambridge, U.S.; Shanghai, China. Ipsen has around 5,000 colleagues worldwide and is listed in Paris (Euronext: IPN) and in the U.S. through a Sponsored Level I American Depositary Receipt program (ADR: IPSEY). For more information, visit [ipсен.com](https://www.ipсен.com).

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Total sales by therapy area and medicine

FY 2022	FY 2022	FY 2021	% change		Q4 2022	Q4 2021	% change	
	€m	€m	Actual	CER ¹⁰	€m	€m	Actual	CER ¹⁰
Oncology	2,379.5	2,153.5	10.5%	4.7%	612.3	588.1	4.1%	-1.1%
Somatuline	1,218.0	1,202.7	1.3%	-5.6%	306.1	328.3	-6.8%	-13.3%
Decapeptyl	529.7	459.6	15.3%	12.4%	133.7	127.0	5.3%	3.9%
Cabometyx	448.7	354.6	26.6%	23.9%	121.0	96.0	26.1%	23.1%
Onivyde	162.4	127.4	27.4%	14.1%	40.4	34.4	17.3%	5.9%
Tazverik®	12.7	0.0	n/a	n/a	9.9	0.0	n/a	n/a
Other Oncology	8.0	9.1	-12.2%	-12.3%	1.1	2.4	-52.0%	-51.6%
Neuroscience	604.4	440.7	37.2%	29.7%	196.7	131.1	50.1%	40.6%
Dysport	593.6	434.6	36.6%	29.4%	193.2	129.3	49.4%	40.4%
Other Neuroscience	10.8	6.1	78.8%	52.1%	3.5	1.7	99.3%	59.7%
Rare Diseases	41.1	49.1	-16.4%	-18.3%	7.6	11.8	-36.1%	-36.1%
NutropinAq®	27.2	32.0	-15.1%	-15.3%	6.4	7.5	-14.8%	-14.8%
Increlex®	13.9	17.1	-18.7%	-23.8%	1.2	4.3	-73.1%	-73.7%
Total Sales	3,025.0	2,643.3	14.4%	8.5%	816.4	731.0	11.7%	5.8%

Commentary is based on the performance in FY 2022, unless stated otherwise.

- **Somatuline:** in North America, sales fell by 7.5%¹⁰, despite continued demand growth, with impacts from increased competition and adverse U.S. pricing, driven by an increased level of commercial rebates and unfavorable movements in channel mix, as well as lower wholesaler inventories. In the fourth quarter, Somatuline sales in North America declined by 17.6%¹⁰, augmented by the difference in year-on-year levels of inventories in the U.S. In Europe, sales declined by 11.6%¹⁰, reflecting the larger effects of the launches of generic lanreotide in more markets, including Germany, France, Spain and Italy. Sales in the Rest of the World grew by 36.7%¹⁰, a result of strong performances in several geographies, including the Middle East, Japan, Russia, and Brazil.
- **Dysport:** The performance was driven by growth in the aesthetics market, including increased sales to Ipsen's partner, Galderma, in North America, Brazil and Australia, and strong demand in most therapeutics markets. Stronger growth in the second half of the year reflected a recent manufacturing-capacity increase that benefitted supply to meet aesthetics-market demand.
- **Decapeptyl:** the performance was mainly driven by continued market-share gains in Europe, primarily in France, the U.K. and Italy, along with higher volumes in the Rest of the World. In China, sales continued to grow, despite the impact of the ongoing effects of the COVID-19 pandemic. Reduced growth in the fourth quarter reflected a particular impact from the response to the COVID-19 pandemic in China, as well as the phasing of various shipments.

¹⁰ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

- **Cabometyx:** the performance reflected strong volume uptakes in renal cell carcinoma across most geographies, mainly as a second-line monotherapy and, more recently, as a first-line therapy in combination with nivolumab.
- **Onivyde:** sales growth was primarily driven by a strong performance in the U.S., as well as increased sales to Ipsen’s ex-U.S. partner.
- **Tazverik:** sales in the U.S. were consolidated for the four months from 1 September 2022.

Total sales by geographical area

	FY 2022	FY 2021	% change		Q4 2022	Q4 2021	% change	
	€m	€m	Actual	CER ¹¹	€m	€m	Actual	CER ¹¹
North America	1,032.1	916.3	12.6%	0.4%	272.9	266.5	2.4%	-8.7%
Europe ¹²	1,237.3	1,205.5	2.6%	2.4%	312.6	318.3	-1.8%	-1.4%
Rest of the World	755.6	521.4	44.9%	36.7%	231.0	146.2	57.9%	47.4%
Total Sales	3,025.0	2,643.3	14.4%	8.5%	816.4	731.0	11.7%	5.8%

Commentary is based on the performance in FY 2022.

- **North America:** sales growth of 0.4%¹¹ was driven by a continued strong performance from Dysport in the therapeutics market and, in the aesthetics market, through Galderma, and from Onivyde, offset by a Somatuline sales decline of 7.5%¹¹.
- **Europe:** sales growth of 2.4%¹¹ mainly reflected strong Cabometyx performances in France, Spain, Poland and Germany, Decapeptyl’s continued market-share uptakes and Onivyde’s performance through Ipsen’s partner. Dysport sales grew by 9.8%¹¹, a result of volume uptakes in the therapeutics market. Following the advance of generic lanreotide in a larger number of European markets, Somatuline sales declined by 11.6%¹¹.
- **Rest of the World:** sales growth of 36.7%¹¹ was driven by a solid volume performance in both Oncology and Neuroscience. In Oncology, the increase in Decapeptyl sales reflected volume growth in China, with continued share gains in several markets. The strong performance of Cabometyx was also a result of market-share gains across a number of geographies, including Brazil, Taiwan and the Middle East. The performance also reflected strong Somatuline sales, including in the Middle East, Japan and Brazil. In Neuroscience, the strong growth of Dysport sales was a result of volume uptakes in aesthetics markets, primarily in Latin America, Australia and the Middle East, as well as solid performances in therapeutics markets.

¹¹ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

¹² Defined in this announcement as the E.U., the U.K., Iceland, Liechtenstein, Norway and Switzerland.

Comparison of core consolidated income statement

In accordance with IFRS 5, FY 2022 consolidated net profit and free cash flow resulting from the CHC business have been reclassified in separate line items: 'Net profit/(loss) from discontinued operations' in the profit and loss account and 'Change in net cash/(debt) from discontinued operations' in the cash-flow statement. The comparative figures for the prior year have been restated accordingly.

FY 2022 opening net cash €28.0m, versus FY 2021 closing net debt of €126.4m, reflected the reclassification of the contingent liabilities (earnouts and CVRs¹³), previously part of the definition of net debt. In the profit and loss account, the change in earnouts related to the probability of success and currency effects, previously impacting the financial results, was recognized in non-core operating income and expenses. The effect of unwinding is still presented in the financial results. FY 2021 was restated for these impacts.

Epizyme was fully consolidated from 1 September 2022.

Core financial measures are performance indicators. A reconciliation between these indicators and IFRS aggregates is presented in Appendix 4, 'Bridges from IFRS consolidated net profit to core consolidated net profit'.

	FY 2022		FY 2021		% change
	€m	% of total sales	€m	% of total sales	
Total Sales	3,025.0	100%	2,643.3	100%	14.4%
Other revenue	131.5	4.3%	105.4	4.0%	24.7%
Total Revenue	3,156.4	104.3%	2,748.6	104.0%	14.8%
Cost of goods sold	(527.7)	(17.4)%	(438.6)	(16.6)%	20.3%
Selling expenses	(833.4)	(27.6)%	(728.1)	(27.5)%	14.5%
Research and development expenses	(445.3)	(14.7)%	(424.4)	(16.1)%	4.9%
General and administrative expenses	(205.8)	(6.8)%	(188.2)	(7.1)%	9.3%
Other core operating income	0.4	—	13.9	0.5%	n/a
Other core operating expenses	(29.2)	(1.0)%	(0.1)	—	n/a
Core Operating Income	1,115.4	36.9%	983.1	37.2%	13.5%
Net financing costs	(18.5)	(0.6)%	(21.8)	(0.8)%	(15.2)%
Core other financial income and expense	(13.4)	(0.4)%	(14.5)	(0.5)%	(7.2)%
Core income taxes	(210.8)	(7.0)%	(207.1)	(7.8)%	1.8%
Share of net profit/(loss) from equity-accounted companies	(0.3)	—	0.4	—	n/a
Core Consolidated Net Profit	872.4	28.8%	740.1	28.0%	17.9%
- Attributable to shareholders					
of Ipsen S.A.	873.5	28.9%	740.0	28.0%	18.1%
- Attributable to non-controlling interests	(1.3)	—	0.1	—	n/a
Core EPS¹⁴ fully diluted: attributable to Ipsen S.A. shareholders	€10.51		€8.88		18.4%

¹³ Contingent value rights.

¹⁴ Earnings per share.

Reconciliation from core consolidated net profit to IFRS consolidated net profit

Total sales

Total sales grew in 2022 by 8.5% at CER¹⁵, or 14.4% as reported, which included a positive impact from currencies of 5.9%.

Other revenue

Other revenue totaled €131.5m, an increase of 24.7%, reflecting the growth in royalties received from partners, primarily Galderma for Dysport.

Cost of goods sold

Cost of goods sold of €527.7m represented 17.4% of total sales, an increase as a percentage of total sales of 0.8 percentage points (FY 2021: €438.6m, or 16.6%), mainly due to an unfavorable mix impact and an increase in royalties paid to Ipsen's Cabometyx partner.

Selling expenses

Selling expenses increased by 14.5% to €833.4m, driven by the integration of Epizyme, commercial efforts deployed to support sales growth and the impact of foreign exchange, partly offset by the Company's efficiency program. Selling expenses represented 27.6% of total sales, in line with the prior year (FY 2021: 27.5%).

Research and development expenses

Research and development expenses totaled €445.3m, representing growth of 4.9%, with reduced lifecycle-management investment in Oncology for Onivyde and Cabometyx offset by the impact of the acquisition of Epizyme and increased investment in Neuroscience, notably for next-generation neurotoxins, and in Rare Disease for elafibranor. Research and development expenses represented 14.7% of total sales, a decline of 1.3 percentage points versus the prior year (FY 2021: 16.1%).

General and administrative expenses

General and administrative expenses increased by 9.3% to €205.8m. The ratio to total sales declined to 6.8% (FY 2021: 7.1%).

Other core operating income and expenses

Other core operating income and expenses amounted to an expense of €28.8m (FY 2021: an income of €13.8m), reflecting the impact of Ipsen's currency-hedging policy.

Core operating income

Core operating income amounted to €1,115.4m, growing by 13.5%, with a core operating margin at 36.9% of total sales, a decline of 0.3 percentage points, reflecting the dilutive impact from the acquisition of Epizyme.

Core net financing costs and other financial income and expense

Ipsen incurred net financial expenses of €31.9m (FY 2021: €36.3m). Net financing costs declined by €3.3m to €18.5m, driven by higher interest rates on investment income. Other financial income and expense declined by €1.1m to €13.4m, mainly reflecting reduced foreign-exchange impacts on non-commercial transactions.

¹⁵ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

Core income taxes

Core income tax expense of €210.8m reflected a higher profit before tax, combined with a lower core effective tax rate of 19.5% (FY 2021: 21.9%), mainly impacted by the reclassification of Orphan Drug tax credits from research and development expenses to income taxes.

Core consolidated net profit

Core consolidated net profit increased by 17.9% to €872.4m (FY 2021: €740.1m).

Core EPS

Fully-diluted core EPS came to €10.51, representing growth of 18.4% (FY 2021: €8.88).

From core financial measures to IFRS reported figures

	FY 2022 €m	FY 2021 €m
Core Consolidated Net Profit	872.4	740.1
Amortization of intangible assets (excluding software)	(78.7)	(59.6)
Other operating income and expenses	(105.4)	(36.3)
Restructuring costs	(20.2)	(14.6)
Impairment losses	(86.1)	(6.5)
Others	65.5	23.6
IFRS Consolidated Net Profit	647.5	646.7
IFRS EPS Fully Diluted - Attributable To Ipsen S.A. Shareholders	€7.81	€7.76

Amortization of intangible assets (excluding software)

Amortization of intangible assets (excluding software) amounted to €103.6m before tax (FY 2021: €79.4m). The variation mainly related to the amortization of intangible assets for Cabometyx.

Other operating income and expenses

Other non-core operating expenses of €140.6m before tax mainly related to the acquisition of Epizyme and transaction costs, Ipsen's transformation programs, the divestment of the CHC business, the discontinuation of clinical trials and the change in Onivyde earnouts following clinical-trial results for new indications. Other non-core operating expenses in FY 2021 totaled €50.3m before tax, mainly related to costs arising from Ipsen's transformation programs.

Restructuring costs

Restructuring costs came to €26.9m before tax, mainly related to Epizyme-integration costs. Restructuring costs in 2021 amounted to €19.6m before tax, reflecting transformation projects in France and the U.S.

Impairment losses

Ipsen recognized an impairment losses on intangible assets of €114.3m before tax, including €55.1m for palovarotene, following the issuance of a Complete Response Letter by the U.S. FDA and the negative opinion

from the European Medicines Agency's committee responsible for human medicines, and €59.3m on Neuroscience and Oncology intangible assets, following unfavorable clinical-trial results. In FY 2021, the Company recognized an impairment loss on intangible assets of €9.1m before tax, following an unfavorable clinical-trial result.

Others

Financial income and expenses and income taxes amounted to an income of €11.3m (FY 2021: €8.1m). Net profit from discontinued operations of €55.4m corresponded to the gain on the CHC divestiture and the contribution of the CHC business in the first half of 2022.

IFRS financial measures

Operating income

Operating profit amounted to €729.9m, declining by 11.5% (FY 2021: €824.7m), mainly due the recognition of impairment losses in FY 2022.

Consolidated net profit

Consolidated net profit was €647.5m, in line with last year (2021: €646.7m).

EPS

Fully-diluted EPS amounted to €7.81 per share, in line with the prior year (FY 2021: €7.76 per share).

Net cash flow and financing

FY 2022 opening net cash amounted to €28.0m versus FY 2021 closing net debt of €126.4m, reflecting the reclassification of contingent liabilities (earnouts and CVRs), previously part of the definition of net debt.

	FY 2022	FY 2021
	€m	€m
Opening Net Cash/(Debt) Including Contingent Liabilities (Earnouts & CVRs)	(126.4)	(525.3)
Contingent liabilities (earnouts & CVRs)	154.4	137.2
Opening Net Cash/(Debt)	28.0	(388.0)

Ipsen had a net cash increase of €370.8m, bringing closing net cash to €398.8m.

	FY 2022	FY 2021
	€m	€m
Opening Net Cash/(Debt)	28.0	(388.0)
Core Operating Income	1,115.4	983.1
Non-cash items	105.1	143.4
Change in operating working capital requirement	(77.6)	10.7
(Increase)/decrease in other working capital requirement	77.4	(25.3)
Net capital expenditures (excluding milestones paid)	(140.6)	(109.7)
Dividends received from entities accounted for using the equity method	—	—
Operating Cash Flow	1,079.6	1,002.3
Other non-core operating income and expenses and restructuring costs	(63.3)	(48.7)
Financial income	(23.6)	(28.9)
Current income tax	(167.2)	(144.8)
Other operating cash flow	(8.3)	0.9
Free Cash Flow	817.2	780.7
Distributions paid	(100.2)	(83.1)
Net investments (business development and milestones)	(564.5)	(240.4)
Share buyback	(11.3)	(36.7)
FX on net indebtedness	(20.4)	(30.3)
Change in cash/(debt) from discontinued activities	249.0	25.7
Other	1.0	—
Shareholders Return And External Growth Operations	(446.4)	(364.7)
CHANGE IN NET CASH/(DEBT)	370.8	416.0
Closing Net Cash/(Debt)	398.8	28.0

Operating cash flow

Operating cash flow totaled €1,079.6m, an increase of €77.3m (+7.7%), driven by higher core operating income (an increase of €132.3m) and a better other working-capital-requirement change (€102.7m, reflecting the reimbursement in FY 2022 of tax refunds, combined with a variable-compensation increase), partly offset by higher operating working-capital requirements (€88.3m mainly from higher trade receivables), higher capital expenditures (€30.9m, including projects to increase capacity and efficiency at industrial sites, as well as IT and digital projects), and lower other non-cash items, impacted by transformation projects, mostly in the U.S., and the termination of R&D trials.

Free cash flow

Free cash flow grew by €36.5m to €817.2m (FY 2021: €780.7m), reflecting higher operating cash flow, partly offset by an increase in income tax and other non-core expenses and restructuring costs.

Shareholders' return and external growth operations

The distribution payout to Ipsen S.A. shareholders amounted to €100.2m in FY 2022, corresponding to a 2021 dividend per share of €1.20, paid in 2022 (FY 2021: €83.1m, for a 2020 dividend of €1.00 per share, paid in 2021).

Net investments of €564.5m were mainly related to the acquisition of Epizyme for €400.3m and the in-licensing agreement with Marengo Therapeutics for €44.9m, as well as additional Cabometyx commercial and regulatory milestones paid to Exelixis for €122.8m and a development milestone for fidrisertib paid to Blueprint Medicines for €28.5m. Net investments in FY 2021 amounted to €240.4m, mainly driven by investments in external innovation, including the upfront payment related to the licensing agreement for elafibranor and the purchase of shares for a total of €148.0m, and Cabometyx commercial milestones of €50.7m paid to Exelixis. Foreign exchange on net indebtedness adversely impacted net debt, mainly due to a higher U.S. dollar versus Euro.

Reconciliation of cash and cash equivalents and net cash

	FY 2022	FY 2021
	€m	€m
Current Financial Assets (Derivative Instruments On Financial Operations)	2.5	0.6
Closing Cash And Cash Equivalents	1,165.5	809.1
Non-current loans	(581.8)	(562.8)
Other non-current financial liabilities (excluding derivative instruments) ¹⁶	(85.1)	(100.0)
Non-Current Financial Liabilities	(666.9)	(662.8)
Credit lines and bank loans	—	—
Other current financial liabilities (excluding derivative instruments) ¹⁶	(102.3)	(118.9)
Current Financial Liabilities	(102.3)	(118.9)
Debt	(769.2)	(781.8)
Net Cash/(Debt)¹⁷	398.8	28.0

¹⁶ Financial liabilities mainly exclude €11.4m in derivative instruments related to commercial operations in FY 2022, compared with €10.7m in FY 2021.

¹⁷ Net cash/(debt): derivative instruments booked in financial assets and related to financial operations, cash and cash equivalents, less bank overdrafts, bank loans and other financial liabilities and excluding financial derivative instruments on commercial operations.

Analysis of cash

- On 16 June 2016, Ipsen S.A. issued €300m in unsecured, seven-year public bonds.
- On 24 May 2019, Ipsen S.A. signed an initial five-year Revolving Credit Facility (RCF) of €1,500m, which has been extended twice to May 2026.
- On 23 July 2019, Ipsen S.A. issued \$300m through a U.S. Private Placement (USPP) in two tranches of 7 and 10-year maturities.
- Ipsen must comply with a net debt / EBITDA covenant to remain below 3.5 times at each financial closing in both the RCF and the USPP. Ipsen complied with its covenant ratio for the RCF and the USPP. The RCF also includes specific indicators linked to Corporate Social Responsibility, assessed annually.
- On 31 December 2022, the RCF was fully undrawn and Ipsen S.A.'s program of emission of NEU CP – Negotiable European Commercial Paper of €600m, was drawn for €65m.

Appendix 1: consolidated income statement

	FY 2022	FY 2021 ¹⁸
	€m	€m
Total Sales	3,025.0	2,643.3
Other revenue	131.5	105.4
Total Revenue	3,156.4	2,748.6
Cost of goods sold	(527.7)	(438.6)
Selling expenses	(833.4)	(728.1)
Research and development expenses	(445.3)	(424.4)
General and administrative expenses	(205.8)	(188.2)
Other operating income	32.1	52.5
Other operating expenses	(305.1)	(168.4)
Restructuring costs	(26.9)	(19.6)
Impairment losses	(114.3)	(9.1)
Operating Income	729.9	824.7
Net financing costs	(18.5)	(21.8)
Other financial income and expenses	(5.5)	(13.8)
Income taxes	(112.3)	(158.3)
Share of net profit/(loss) from equity-accounted companies	(1.5)	0.4
Net Profit/(Loss) From Continuing Operations	592.1	631.2
Net profit (loss) from discontinued operations	55.4	15.5
Consolidated Net Profit/(Loss)	647.5	646.7
- Attributable to shareholders of Ipsen S.A.	648.6	646.6
- Attributable to non-controlling interests	(1.1)	0.1
Basic earnings per share, continuing operations (in euros)	€7.20	€7.64
Diluted earnings per share, continuing operations (in euros)	€7.14	€7.57
Basic earnings per share, discontinued operations (in euros)	€0.67	€0.19
Diluted earnings per share, discontinued operations (in euros)	€0.66	€0.19
Basic Earnings Per Share (In Euros)	€7.87	€7.82
Diluted Earnings Per Share (In Euros)	€7.81	€7.76

¹⁸ The data published for FY 2021 has been restated to account for the impacts related to the sale of the CHC (see note 3.2 to the consolidated financial statements for the year ended 31 December 2022).

Appendix 2: consolidated balance sheet before allocation of net profit

	31 December 2022	31 December 2021 ¹⁹
	€m	€m
ASSETS		
Goodwill	579.9	623.2
Other intangible assets	1,585.4	1,370.0
Property, plant & equipment	581.4	647.5
Equity investments	109.8	106.9
Investments in equity-accounted companies	26.4	26.2
Non-current financial assets	0.1	0.1
Deferred tax assets	321.1	258.7
Other non-current assets	6.1	4.3
Total Non-Current Assets	3,210.3	3,036.7
Inventories	284.1	219.4
Trade receivables	632.5	564.3
Current tax assets	41.2	122.8
Current financial assets	31.0	11.7
Other current assets	239.5	221.0
Cash and cash equivalents	1,169.3	814.7
Total Current Assets	2,397.6	1,953.8
TOTAL ASSETS	5,607.9	4,990.5
EQUITY AND LIABILITIES		
Share capital	83.8	83.8
Additional paid-in capital and consolidated reserves	2,547.4	1,967.7
Net profit (loss) for the period	648.6	646.6
Foreign exchange differences	57.4	37.2
Equity Attributable To Ipsen S.A. Shareholders	3,337.3	2,735.2
Equity attributable to non-controlling interests	(0.6)	2.5
Total Shareholders' Equity	3,336.7	2,737.7
Retirement benefit obligation	18.7	40.7
Non-current provisions	68.5	64.0
Other non-current financial liabilities	667.0	662.9
Deferred tax liabilities	77.9	101.8
Other non-current liabilities	103.7	155.1
Total Non-Current Liabilities	935.7	1,024.4
Current provisions	55.6	41.6
Current financial liabilities	113.8	129.7
Trade payables	647.1	594.7
Current tax liabilities	11.8	10.0
Other current liabilities	503.3	446.8
Bank overdrafts	3.8	5.5
Total Current Liabilities	1,335.4	1,228.4
TOTAL EQUITY & LIABILITIES	5,607.9	4,990.5

¹⁹ The financial statements were restated to retroactively apply the IFRIC decision on Software as a Service (SaaS) as from 1 January 2021 (see note 11.1 to the consolidated financial statements for the year ended 31 December 2022). Data related to FY 2021 have been restated after changing the presentation of assets and liabilities associated with contingent payments (see note 2.2 of the accounting principles). Assets totalling €42.4m linked to contingent payments have been reclassified from the 'Current financial assets' line item to the 'Other current assets' line item. Liabilities totalling €109.3m linked to contingent payments have been reclassified from the 'Non-current financial liabilities' line item to the 'Other non-current liabilities' line item and another €45.1m were reclassified from the 'Current financial liabilities' line item to the 'Current financial liabilities' line item.

Appendix 3.1: consolidated statement of cash flow

	FY 2022	FY 2021 ²⁰
	€m	€m
Consolidated Net Profit	647.5	646.7
Share of profit/(loss) from equity-accounted companies	1.2	(0.4)
Net profit from discontinued operations	(55.4)	(15.5)
Net Profit/(Loss) Before Share From Equity-Accounted Companies	593.4	630.8
Non-cash and non-operating items:		
- Depreciation, amortization, impairment losses and provisions	336.5	246.4
- Change in fair value of financial derivatives	4.4	0.5
- Net gains or losses on disposals of non-current assets	(7.5)	5.3
- Unrealized foreign exchange differences	(9.5)	2.3
- Net financing costs	18.5	21.8
- Income taxes	111.8	158.3
- Share-based payment expense	26.5	26.9
- Other non-cash items ²¹	67.3	(3.6)
Cash Flow From Operating Activities Before Changes In Working Capital Requirement	1,141.2	1,088.6
- (Increase)/decrease in inventories	(19.9)	(4.4)
- (Increase)/decrease in trade receivables	(86.8)	(65.8)
- Increase/(decrease) in trade payables	29.1	80.9
- Net change in income tax liability	0.0	0.0
- Net change in other operating assets and liabilities	38.5	(24.9)
Change in working capital requirement related to operating activities	(39.1)	(14.2)
Tax paid	(130.7)	(181.1)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	971.4	893.3
Acquisition of property, plant & equipment	(96.6)	(87.7)
Acquisition of intangible assets	(156.3)	(330.2)
Proceeds from disposal of intangible assets and property, plant & equipment	10.0	1.0
Acquisition of shares in non-consolidated companies	(7.8)	(28.4)
Impact of changes in the consolidation scope	(131.5)	17.4
Change in working capital related to investment activities	(89.5)	98.6
Other cash flow related to investment activities	13.2	(2.8)
NET CASH PROVIDED (USED) BY INVESTMENT ACTIVITIES	(458.6)	(332.0)

²⁰ The data published for FY 2021 have been restated to account for the impacts related to the sale of the CHC business (see note 3.2 to the consolidated financial statements for the year ended 31 December 2022).

²¹ Other items without impact on cash and cash equivalents mainly correspond to a change in fair value of contingent assets and liabilities related to business combinations.

	FY 2022	FY 2021 ²⁰
	€m	€m
Additional long-term borrowings	16.0	29.4
Repayment of long-term borrowings	(1.1)	(0.6)
Additional short-term borrowings	1,212.8	657.0
Repayment of short-term borrowings	(1,262.2)	(965.4)
Contingent payments related to acquisitions	(0.1)	0.1
Capital increase	0.0	0.0
Treasury shares	(11.3)	(36.7)
Distributions paid by Ipsen S.A.	(99.3)	(82.9)
Dividends paid by subsidiaries to non-controlling interests	(0.9)	(0.2)
Change in working capital related to financing activities	0.0	(1.0)
Paid interests	(18.2)	(21.5)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(164.2)	(421.8)
CHANGE IN CASH AND CASH EQUIVALENTS FROM CONTINUING ACTIVITIES	348.6	139.5
CHANGE IN CASH AND CASH EQUIVALENTS FROM DISCONTINUED ACTIVITIES	1.9	24.1
Impact Of Exchange Rate Fluctuations	5.9	5.8
CLOSING CASH AND CASH EQUIVALENTS	1,165.5	809.1

Appendix 3.2: consolidated net cash flow statement

	FY 2022	FY 2021
	€m	€m
Opening Net Cash/(Debt)²²	28.0	(388.0)
CORE OPERATING INCOME	1,115.4	983.1
Non-cash items	105.1	143.4
(Increase) /decrease in inventories	(19.9)	(4.4)
(Increase) / decrease in trade receivables	(86.8)	(65.8)
Increase / (decrease) in trade payables	29.1	80.9
Change In Operating Working Capital Requirement	(77.6)	10.7
Change in income tax liability	38.4	(36.0)
Change in other operating assets and liabilities (excluding milestones received)	39.1	10.7
Other Changes In Working Capital Requirement	77.4	(25.3)
Acquisition of property, plant & equipment	(96.6)	(87.7)
Acquisition of intangible assets (excluding milestones paid)	(46.0)	(30.6)
Disposal of fixed assets	1.5	(0.1)
Change in working capital related to investment activities	0.6	8.6
Net capital expenditures (excluding milestones paid)	(140.6)	(109.7)
Dividends received from entities accounted for using the equity method	0.0	0.0
Operating Cash Flow	1,079.6	1,002.3
Other non-core operating income and expenses and restructuring costs	(63.3)	(48.7)
Financial income	(23.6)	(28.9)
Current income tax	(167.2)	(144.8)
Other operating cash flow	(8.3)	0.9
Free Cash Flow	817.2	780.7
Distributions paid (including payout to non-controlling interests)	(100.2)	(83.1)
Acquisition of shares in non-consolidated companies	(7.8)	(10.6)
Acquisition of other financial assets	(0.1)	0.0
Impact of changes in consolidation scope ²³	(400.8)	13.7
Milestones paid ²⁴	(200.5)	(280.1)
Milestones received	12.5	25.2
Other Business Development operations	32.0	11.5
Net Investments (Business Development And Milestones)	(564.5)	(240.4)
Share buyback	(11.3)	(36.7)
FX on net indebtedness	(20.4)	(30.3)
Change in cash / (debt) from discontinued activities	249.0	25.7
Other	1.0	0.0
Shareholders Return And External Growth Operations	(446.4)	(364.7)
CHANGE IN NET CASH/(DEBT)	370.8	416.0
Closing Net Cash/(Debt)	398.8	28.0

²² FY 2022 opening net cash at €28.0m versus FY 2021 closing net debt of €126.4m, reflecting the reclassification of the contingent liabilities (earnout and CVR) - previously part of the net-debt definition.

²³ In FY 2022, impact of change in consolidation scope includes the acquisition of Epizyme for €400.3m. In FY 2021, the impact of change in consolidation scope included the proceeds from the divestiture in equity-accounted companies for €24.0m and the purchase of an equity investment in BAKX Therapeutics Inc. for €10.3m.

²⁴ Milestones paid in 2022 correspond to the upfront paid to Marengo Therapeutics for €44.9m, additional Cabometyx commercial and regulatory milestones paid to Exelixis for €122.8m and a development milestone for Fidisertib paid to Blueprint Medicines for €28.5m. Milestones paid in 2021 correspond to payments subject to the terms and conditions set out in the Group's partnership agreements, including €148.0m related to the partnership with GENFIT and €51.3m milestones paid to Exelixis.

Appendix 4: bridges from IFRS Consolidated Net Profit to Core Consolidated Net Profit

FY 2022	IFRS						CORE
	FY 2022	Amortization of intangible assets (excl software)	Other operating income or expenses	Restructuring	Impairment losses	Other	FY 2022
	€m	€m	€m	€m	€m	€m	€m
Total Sales	3,025.0	—	—	—	—	—	3,025.0
Other revenue	131.5	—	—	—	—	—	131.5
Total Revenue	3,156.4	—	—	—	—	—	3,156.4
Cost of goods sold	(527.7)	—	—	—	—	—	(527.7)
Selling expenses	(833.4)	—	—	—	—	—	(833.4)
Research and development expenses	(445.3)	—	—	—	—	—	(445.3)
General and administrative expenses	(205.8)	—	—	—	—	—	(205.8)
Other operating income	32.1	—	(31.7)	—	—	—	0.4
Other operating expenses	(305.1)	103.6	172.3	—	—	—	(29.2)
Restructuring costs	(26.9)	—	—	26.9	—	—	—
Impairment losses	(114.3)	—	—	—	114.3	—	—
Operating Income	729.9	103.6	140.6	26.9	114.3	—	1,115.4
Net financing costs	(18.5)	—	—	—	—	—	(18.5)
Other financial income and expense	(5.5)	—	—	—	—	(7.9)	(13.4)
Income taxes	(112.3)	(24.9)	(35.1)	(6.8)	(28.3)	(3.4)	(210.8)
Share of profit/(loss) from equity-accounted companies	(1.5)	—	—	—	—	1.2	(0.3)
Net Profit/(Loss) From Continuing Operations	592.1	78.7	105.4	20.2	86.1	(10.1)	872.4
Net profit/(loss) from discontinued operations	55.4	—	—	—	—	(55.4)	—
Consolidated Net Profit	647.5	78.7	105.4	20.2	86.1	(65.5)	872.4
– Attributable to shareholders of Ipsen S.A.	648.6	78.7	105.4	20.2	86.1	(65.5)	873.5
– Attributable to non-controlling interests	(1.1)	—	—	—	—	(0.1)	(1.3)
Earnings Per Share Fully Diluted – Attributable To Ipsen S.A. Shareholders (In € Per Share)	€7.81	€0.95	€1.27	€0.24	€1.04	(€0.79)	€10.51

The reconciliation items between core consolidated net profit and IFRS consolidated net profit are described in the paragraph ‘From core financial measures to IFRS reported figures’.

FY 2021	IFRS						CORE
	FY 2021	Amortization of intangible assets (excl software)	Other operating income or expenses	Restructuring	Impairment losses	Other	FY 2021
	€m	€m	€m	€m	€m	€m	€m
Total Sales	2,643.3	—	—	—	—	—	2,643.3
Other revenues	105.4	—	—	—	—	—	105.4
Total Revenue	2,748.6	—	—	—	—	—	2,748.6
Cost of goods sold	(438.6)	—	—	—	—	—	(438.6)
Selling expenses	(728.1)	—	—	—	—	—	(728.1)
Research and development expenses	(424.4)	—	—	—	—	—	(424.4)
General and administrative expenses	(188.2)	—	—	—	—	—	(188.2)
Other operating income	53.1	—	(39.2)	—	—	—	13.9
Other operating expenses	(169.0)	79.4	89.5	—	—	—	(0.1)
Restructuring costs	(19.6)	0.0	0.0	19.6	—	—	0.0
Impairment losses	(9.1)	0.0	0.0	0.0	9.1	—	0.0
Operating Income	824.7	79.4	50.3	19.6	9.1	—	983.1
Net financing costs	(21.8)	—	—	—	—	—	(21.8)
Other financial income and expense	(13.8)	—	—	—	—	(0.7)	(14.5)
Income taxes	(158.3)	(19.7)	(14.1)	(5.0)	(2.6)	(7.4)	(207.1)
Share of profit/(loss) from equity-accounted companies	0.4	—	—	—	—	—	0.4
Net Profit/(Loss) From Continuing Operations	631.2	59.6	36.3	14.6	6.5	(8.1)	740.1
Net profit/(loss) from discontinued operations	15.5	—	—	—	—	(15.5)	—
Consolidated Net Profit	646.7	59.6	36.3	14.6	6.5	(23.6)	740.1
– Attributable to shareholders of Ipsen S.A.	646.6	59.6	36.3	14.6	6.5	(23.6)	740.0
– Attributable to non-controlling interests	0.1	—	—	—	—	—	0.1
Earnings Per Share Fully Diluted – Attributable To Ipsen S.A. Shareholders (In € Per Share)	€7.76	€0.72	€0.44	€0.18	€0.08	(€0.28)	€8.88

Appendix 5.1: full-year geographic breakdowns of total sales by medicine

FY	Total				North America				Europe				Rest of World			
	FY 2022	FY 2021	% change		FY 2022	FY 2021	% change		FY 2022	FY 2021	% change		FY 2022	FY 2021	% change	
	€m	€m	Actual	CER ²⁵	€m	€m	Actual	CER ²⁵	€m	€m	Actual	CER ²⁵	€m	€m	Actual	CER ²⁵
Oncology	2,379.5	2,153.5	10.5%	4.7%	864.4	799.0	8.2%	-3.6%	1,043.9	1,021.7	2.2%	1.9%	471.2	332.8	41.6%	33.5%
Somatuline	1,218.0	1,202.7	1.3%	-5.6%	706.5	680.7	3.8%	-7.5%	379.1	429.0	-11.6%	-11.6%	132.5	93.0	42.4%	36.1%
Decapeptyl	529.7	459.6	15.3%	12.4%	0.0	0.0	—	—	297.3	274.0	8.5%	8.5%	232.4	185.6	25.2%	18.1%
Cabometyx	448.7	354.6	26.6%	23.9%	17.4	14.0	24.0%	14.5%	327.6	287.0	14.2%	14.0%	103.7	53.6	93.6%	79.1%
Onivyde	162.4	127.4	27.4%	14.1%	127.6	103.8	22.9%	9.4%	32.4	23.1	39.9%	28.1%	2.4	0.5	n/a	n/a
Tazverik	12.7	0.0	n/a	n/a	12.7	0.0	n/a	n/a	0.0	0.0	—	—	0.0	0.0	—	—
Other Oncology	8.0	9.1	-12.2%	-12.3%	0.3	0.6	-45.0%	-49.2%	7.5	8.5	-10.9%	-10.7%	0.2	0.1	n/a	n/a
Neuroscience	604.4	440.7	37.2%	29.7%	160.1	106.1	50.9%	34.7%	161.4	147.2	9.7%	9.8%	282.9	187.4	51.0%	42.5%
Dysport	593.6	434.6	36.6%	29.4%	160.1	106.1	50.9%	34.7%	161.4	147.2	9.7%	9.8%	272.0	181.3	50.0%	42.2%
Other Neuroscience	10.8	6.1	78.8%	52.1%	0.0	0.0	—	—	0.0	0.0	—	—	10.8	6.1	78.8%	52.1%
Rare Diseases	41.1	49.1	-16.4%	-18.3%	7.6	11.2	-32.1%	-39.5%	31.9	36.7	-13.0%	-13.1%	1.6	1.3	25.4%	16.6%
NutropinAq	27.2	32.0	-15.1%	-15.3%	0.0	0.0	—	—	26.1	30.9	-15.7%	-15.8%	1.1	1.1	0.1%	-2.3%
Increlex	13.9	17.1	-18.7%	-23.8%	7.6	11.2	-32.1%	-39.5%	5.9	5.8	1.1%	1.3%	0.5	0.2	n/a	n/a
Total Sales	3,025.0	2,643.3	14.4%	8.5%	1,032.1	916.3	12.6%	0.4%	1,237.3	1,205.5	2.6%	2.4%	755.6	521.4	44.9%	36.7%

²⁵ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

Appendix 5.2: quarterly geographic breakdowns of total sales by medicine

Q4	Total				North America				Europe				Rest of World			
	Q4 2022	Q4 2021	% change		Q4 2022	Q4 2021	% change		Q4 2022	Q4 2021	% change		Q4 2022	Q4 2021	% change	
	€m	€m	Actual	CER ²⁶	€m	€m	Actual	CER ²⁶	€m	€m	Actual	CER ²⁶	€m	€m	Actual	CER ²⁶
Oncology	612.3	588.1	4.1%	-1.1%	229.9	228.2	0.8%	-10.3%	254.6	265.5	-4.1%	-3.7%	127.7	94.4	35.4%	27.9%
Somatuline	306.1	328.3	-6.8%	-13.3%	181.0	195.4	-7.4%	-17.6%	86.3	107	-19.3%	-18.7%	38.8	26	49.4%	40.3%
Decapeptyl	133.7	127.0	5.3%	3.9%	0.0	0.0	—	—	76.1	73.6	3.3%	3.7%	57.7	53.4	8.0%	4.3%
Cabometyx	121.0	96.0	26.1%	23.1%	4.5	4.1	8.8%	3.8%	85.2	77	10.7%	11.0%	31.3	14.8	n/a	91.8%
Onivyde	40.4	34.4	17.3%	5.9%	34.5	28.6	20.6%	7.3%	5.9	5.7	3.4%	0.7%	0.0	0.1	n/a	n/a
Tazverik	9.9	0.0	n/a	n/a	9.9	0.0	n/a	n/a	0.0	0.0	n/a	n/a	0.0	0.0	—	—
Other Oncology	1.1	2.4	-52.0%	-51.6%	0.1	0.1	-44.5%	-45.9%	1.1	2.2	-50.8%	-50.2%	0.0	0.1	n/a	n/a
Neuroscience	196.7	131.1	50.1%	40.6%	43.4	35.3	23.0%	10.5%	50.6	44.2	14.3%	15.0%	102.7	51.6	99.3%	82.2%
Dysport	193.2	129.3	49.4%	40.4%	43.4	35.3	23.0%	10.5%	50.6	44.2	14.3%	15.0%	99.3	49.8	99.3%	82.9%
Other Neuroscience	3.5	1.7	99.3%	59.7%	0.0	0.0	—	—	0.0	0.0	—	—	3.5	1.7	99.3%	59.7%
Rare Diseases	7.5	11.8	-37.0%	-36.9%	-0.5	3.0	n/a	n/a	7.4	8.5	-13.1%	-13.0%	0.5	0.3	63.3%	54.3%
NutropinAq	6.4	7.5	-14.8%	-14.8%	0.0	0.0	—	—	6.1	7.2	-15.0%	-15.0%	0.3	0.3	-9.8%	-10.5%
Increlex	1.2	4.3	-73.1%	-73.7%	-0.4	3.0	n/a	n/a	1.3	1.3	-3.1%	-2.6%	0.3	0.0	n/a	n/a
Total Sales	816.4	731.0	11.7%	5.8%	272.9	266.5	2.4%	-8.7%	312.6	318.3	-1.8%	-1.4%	231.0	146.2	57.9%	47.4%

²⁶ At CER, which excludes any foreign-exchange impact by recalculating the performance for the relevant period by applying the exchange rates used for the prior period.

Forward-looking statements

The forward-looking statements, objectives and targets contained herein are based on Ipsen's management strategy, current views and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated herein. All of the above risks could affect Ipsen's future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today. Use of the words 'believes', 'anticipates' and 'expects' and similar expressions are intended to identify forward-looking statements, including Ipsen's expectations regarding future events, including regulatory filings and determinations. Moreover, the targets described in this document were prepared without taking into account external-growth assumptions and potential future acquisitions, which may alter these parameters. These objectives are based on data and assumptions regarded as reasonable by Ipsen. These targets depend on conditions or facts likely to happen in the future, and not exclusively on historical data. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties, notably the fact that a promising medicine in early development phase or clinical trial may end up never being launched on the market or reaching its commercial targets, notably for regulatory or competition reasons. Ipsen must face or might face competition from generic medicine that might translate into a loss of market share. Furthermore, the research and development process involves several stages each of which involves the substantial risk that Ipsen may fail to achieve its objectives and be forced to abandon its efforts with regards to a medicine in which it has invested significant sums. Therefore, Ipsen cannot be certain that favorable results obtained during preclinical trials will be confirmed subsequently during clinical trials, or that the results of clinical trials will be sufficient to demonstrate the safe and effective nature of the medicine concerned. There can be no guarantees a medicine will receive the necessary regulatory approvals or that the medicine will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements. Other risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and healthcare legislation; global trends toward healthcare cost containment; technological advances, new medicine and patents attained by competitors; challenges inherent in new-medicine development, including obtaining regulatory approval; Ipsen's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of Ipsen's patents and other protections for innovative medicines; and the exposure to litigation, including patent litigation, and/or regulatory actions. Ipsen also depends on third parties to develop and market some of its medicines which could potentially generate substantial royalties; these partners could behave in such ways which could cause damage to Ipsen's activities and financial results. Ipsen cannot be certain that its partners will fulfil their obligations. It might be unable to obtain any benefit from those agreements. A default by any of Ipsen's partners could generate lower revenues than expected. Such situations could have a negative impact on Ipsen's business, financial position or performance. Ipsen expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, targets or estimates contained in this press release to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law. Ipsen's business is subject to the risk factors outlined in its registration documents filed with the French Autorité des Marchés Financiers. The risks and uncertainties set out are not exhaustive and the reader is advised to refer to Ipsen's latest Universal Registration Document, available on ipсен.com.