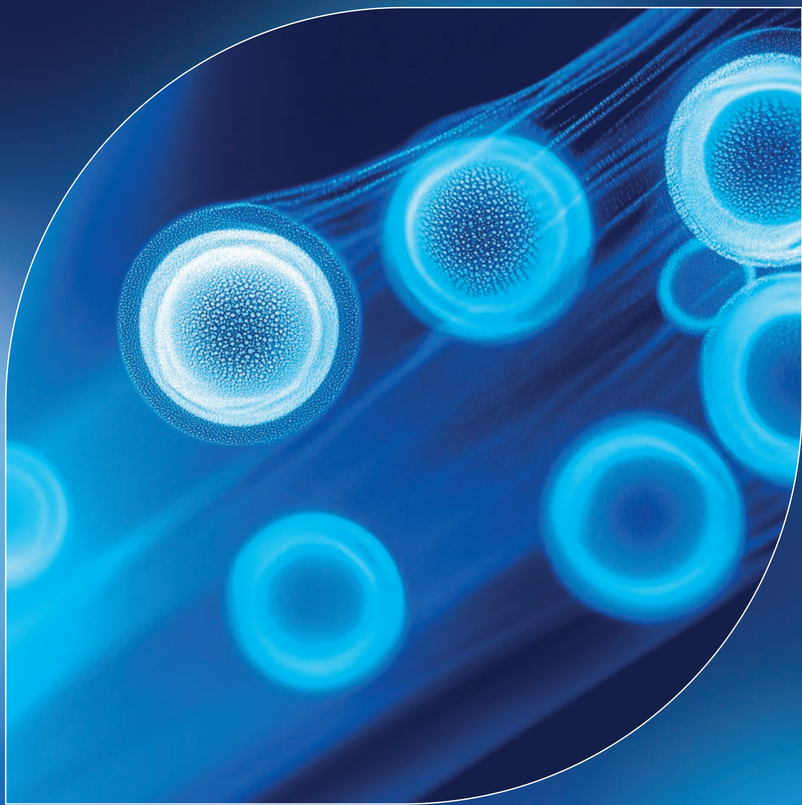

Consolidated Financial Statements 2025

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3.2 Consolidated financial statements 2025

3.2.1 Consolidated income statement

(in millions of euros)	Notes	2025	2024
Sales	**5.1 & 5.2**	**3,675.9**	**3,400.6**
Other revenues	5.3	253.3	173.9
Revenue		**3,929.2**	**3,574.5**
Cost of sales (1)	6.1	(750.9)	(704.4)
Selling expenses (1)		(944.4)	(871.5)
Research and development expenses	6.2	(754.0)	(686.6)
General and administrative expenses		(219.0)	(216.3)
Other operating income	6.3	49.9	120.6
Other operating expenses	6.3	(332.7)	(424.7)
Restructuring costs	6.4	(4.9)	(14.1)
Impairment losses	6.5	(347.4)	(280.9)
Operating Income		**625.9**	**496.7**
Net financing costs	8	(8.0)	(8.6)
Other financial income and expenses	8	(39.1)	(56.4)
Income taxes	9.1	(133.6)	(74.9)
Share of net profit/(loss) from equity-accounted companies	14	(0.6)	0.5
Net profit/(loss) from continuing operations		**444.5**	**357.3**
Net profit/(loss) from discontinued operations	3.2	–	(10.0)
Consolidated net profit		**444.5**	**347.3**
– Attributable to shareholders of Ipsen S.A.		443.5	345.9
– Attributable to non-controlling interests		1.0	1.4
Basic earnings per share, continuing operations (in euros)	18.2	€5.37	€4.30
Diluted earnings per share, continuing operations (in euros)	18.2	€5.32	€4.27
Basic earnings per share, discontinued operations (in euros)	18.2	€0.00	€(0.12)
Diluted earnings per share, discontinued operations (in euros)	18.2	€0.00	€(0.12)
Basic earnings per share (in euros)	18.2	€5.37	€4.18
Diluted earnings per share (in euros)	18.2	€5.32	€4.15

(1) The income statement includes the reclassification of distribution expenses previously recognized in Selling expenses to the Cost of sales line. The reclassification in 2024 totaled €85.7 million.

Comprehensive income statement

(in millions of euros)	2025	2024
Profit from continuing operations	*444.5*	*357.3*
Profit from discontinued operations	*—*	*(10.0)*
Consolidated net profit	444.5	347.3
Actuarial gains/(losses), net of taxes	0.5	2.4
Financial assets at fair value through other items of comprehensive income (OCI), net of taxes	36.0	(4.3)
Other items of comprehensive income that will not be reclassified to the income statement	36.5	(2.0)
Revaluation of financial derivatives for hedging, net of taxes	34.2	(25.1)
Foreign exchange differences, net of taxes	(208.2)	141.0
Other items of comprehensive income likely to be reclassified to the income statement	(174.0)	115.9
Other items of comprehensive income from continuing operations	*(137.5)*	*113.9*
Other items of comprehensive income from discontinued operations	*—*	*—*
Comprehensive income: consolidated net profit (loss) and gains and (losses) recognized directly in equity [1]	(137.5)	**113.9**
Comprehensive income from continuing operations	*307.0*	*471.2*
Comprehensive income from discontinued operations	*—*	*(10.0)*
Group Consolidated Comprehensive income	**307.0**	**461.2**
– Attributable to shareholders of Ipsen S.A.	306.2	459.8
– Attributable to non-controlling interests	0.7	1.5

(1) Impacts from taxes on other items of comprehensive income included €11.8 million in expenses for 2025, versus €7.3 million in income for 2024.

3.2.2 Consolidated balance sheet

(in millions of euros)	Notes	31 December 2025	31 December 2024
ASSETS			
Goodwill	10	633.8	699.5
Other intangible assets	11	2,288.2	2,518.3
Property, plant & equipment	12	668.0	664.2
Equity investments	13	171.3	157.9
Investments in equity-accounted companies	14	—	17.3
Non-current financial assets	20.1	—	0.2
Deferred tax assets	9.2	298.0	284.7
Other non-current assets	15	54.5	75.7
Total non-current assets		4,113.7	4,417.8
Inventories	16.1	240.9	285.5
Trade receivables	16.2	786.8	697.2
Current tax assets	9	67.2	58.9
Current financial assets	20.1	9.4	8.5
Other current assets	16.4	194.2	293.1
Cash and cash equivalents	17	1,525.5	678.1
Total current assets		2,824.1	2,021.2
TOTAL ASSETS		**6,937.8**	**6,439.0**
EQUITY AND LIABILITIES			
Share capital	18.1	83.8	83.8
Additional paid-in capital and consolidated reserves		3,889.5	3,616.2
Net profit/(loss) for the period		443.5	345.9
Foreign exchange differences		(80.9)	135.8
Equity attributable to Ipsen S.A. shareholders		4,335.9	4,181.6
Equity attributable to non-controlling interests		0.9	0.2
Total shareholders' equity		4,336.9	4,181.8
Retirement benefit obligation	7.3.2.2	26.0	24.2
Non-current provisions	19	20.9	35.7
Non-current financial liabilities	20.2	834.2	392.8
Deferred tax liabilities	9.2	52.7	55.2
Other non-current liabilities	15	227.3	243.8
Total non-current liabilities		1,161.0	751.7
Current provisions	19	27.4	47.5
Current financial liabilities	20.2	142.8	149.8
Trade payables	16.3	854.2	854.8
Current tax liabilities		14.3	24.9
Other current liabilities	16.5	397.2	427.9
Bank overdrafts	17	4.0	0.6
Total current liabilities		1,439.9	1,505.4
TOTAL EQUITY & LIABILITIES		**6,937.8**	**6,439.0**

3.2.3 Consolidated statement of cash flow

(in millions of euros)	Notes	2025	2024
Consolidated net profit		**444.5**	**347.3**
Share of net profit/(loss) from equity-accounted companies	14	0.6	(0.5)
Net profit from discontinued operations	3.2	—	10.0
Net profit/(loss) before share from equity-accounted companies		**445.1**	**356.8**
Non-cash and non-operating items:			
– Depreciation, amortization, provisions	11, 12.1, 19	625.2	705.9
– Change in fair value of financial derivatives	20 & 21	(4.9)	1.9
– Net gains or losses on disposals of non-current assets		18.9	(82.1)
– Net financing costs	8	8.0	8.6
– Income tax	9.2	156.2	80.1
– Share-based payment expense	7.4	39.3	29.5
Other non cash items [1]	6.3 & 8	32.2	43.2
Cash flow from operating activities before changes in working capital requirements		*1,320.1*	*1,143.9*
– (Increase)/decrease in inventories	16.1	22.7	(20.0)
– (Increase)/decrease in trade receivables	16.2	(132.3)	(45.3)
– Increase/(decrease) in trade payables	16.3	41.5	58.8
– Net change in other operating assets and liabilities	16.4 & 16.5	68.4	(48.0)
Change in working capital requirements related to operating activities		*0.3*	*(54.5)*
– Tax paid		(182.0)	(173.9)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES		**1,138.4**	**915.5**
Acquisition of property, plant & equipment	12.1	(105.3)	(173.0)
Acquisition of intangible assets	11	(223.4)	(609.5)
Proceeds from disposal of intangible assets and property, plant & equipment	1.4	0.1	173.3
Acquisition of shares in non-consolidated companies	13	(2.4)	(65.2)
Impact of changes in the consolidation scope	3.1 & 3.2	(341.2)	—
Change in working capital related to investment activities	16	33.8	(16.9)
Other cash flow related to investment activities		23.3	14.7
NET CASH PROVIDED/(USED) BY INVESTMENT ACTIVITIES		**(615.2)**	**(676.6)**
Additional long-term borrowings	20	510.2	77.0
Repayment of long-term borrowings	20	(1.7)	(1.2)
New short-term borrowings	20	0.4	0.2
Repayment of short-term borrowings	20	(32.0)	(31.8)
Treasury shares		(67.7)	(36.5)
Distributions	18.3	(116.2)	(99.6)
Interest paid		5.3	(8.2)
NET CASH PROVIDED/(USED) BY FINANCING ACTIVITIES		**298.4**	**(100.0)**
CHANGE IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS		**821.5**	**138.9**
CHANGE IN CASH AND CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS		**18.2**	**—**
OPENING CASH AND CASH EQUIVALENTS	**17**	**677.6**	**519.5**
Impact of exchange rate fluctuations		4.2	19.2
CLOSING CASH AND CASH EQUIVALENTS	**17**	**1,521.5**	**677.6**

3.2.4 Statement of change in consolidated shareholders' equity

(in millions of euros)	Share capital	Share premiums or contributions	Consolidated reserves [2]	Foreign exchange differences	Reserves related to retirement benefit obligations	Cash flow hedge reserves	Treasury shares	Net profit/ (loss) for the period	Total Group equity	Equity attributable to non-controlling interests	Total equity
Balance at 01 January 2025	**83.8**	**122.3**	**3,644.7**	**135.8**	**(12.0)**	**(24.9)**	**(114.1)**	**345.9**	**4,181.6**	**0.2**	**4,181.8**
Consolidated net profit/ (loss) for the period	—	—	—	—	—	—	—	443.5	**443.5**	1.0	**444.5**
Gains and (losses) recognized directly in equity [1]	—	—	36.0	(208.0)	0.5	34.2	—	—	**(137.3)**	(0.2)	**(137.5)**
Consolidated net profit/(loss) and gains and losses recognized directly in equity	**—**	**—**	**36.0**	**(208.0)**	**0.5**	**34.2**	**—**	**443.5**	**306.3**	**0.7**	**307.0**
Allocation of net profit (loss) from the prior period	—	—	348.3	(2.4)	—	—	—	(345.9)	**—**	—	**—**
Capital increases/ (decreases)	—	—	—	—	—	—	—	—	**—**	—	**—**
Share-based payments	—	—	14.7	—	—	—	24.6	—	**39.3**	—	**39.3**
Own share purchases and disposals	—	—	—	—	—	—	(68.7)	—	**(68.7)**	—	**(68.7)**
Distributions	—	—	(116.2)	—	—	—	—	—	**(116.2)**	—	**(116.2)**
Change of consolidation scope	—	—	—	(6.3)	—	—	—	—	**(6.3)**	—	**(6.3)**
Other changes	—	—	(0.1)	—	—	—	—	—	**(0.1)**	—	**(0.1)**
Balance at 31 December 2025	**83.8**	**122.3**	**3,927.4**	**(80.9)**	**(11.5)**	**9.3**	**(158.1)**	**443.5**	**4,335.9**	**0.9**	**4,336.9**

(1) Detailed items in note 3.2.1 – "Comprehensive income statement".
(2) The main sources of consolidated reserves were as follows:
- Reserves on financial assets at fair value through other items of comprehensive income;
- Retained earnings.

(in millions of euros)	Share capital	Share premiums or contributions	Consolidated reserves (2)	Foreign exchange differences	Reserves related to retirement benefit obligations	Cash flow hedge reserves	Treasury shares	Net profit/ (loss) for the period	Total Group equity	Equity attributable to non-controlling interests	Total equity
Balance at 01 January 2024	**83.8**	**122.3**	**3,100.0**	**(3.9)**	**(14.4)**	**0.3**	**(107.5)**	**644.4**	**3,825.2**	**(1.3)**	**3,823.9**
Consolidated net profit/ (loss) for the period	—	—	—	—	—	—	—	345.9	**345.9**	1.4	**347.3**
Gains and (losses) recognized directly in equity (1)	—	—	(4.3)	141.0	2.4	(25.1)	—	—	**113.9**	—	**113.9**
Consolidated net profit/(loss) and gains and losses recognized directly in equity	**—**	**—**	**(4.3)**	**141.0**	**2.4**	**(25.1)**	**—**	**345.9**	**459.7**	**1.5**	**461.2**
Allocation of net profit (loss) from the prior period	—	—	645.8	(1.3)	—	—	—	(644.4)	**—**	—	**—**
Capital increases/ (decreases)	—	—	—	—	—	—	—	—	**—**	—	**—**
Share-based payments	—	—	2.4	—	—	—	27.1	—	**29.5**	—	**29.5**
Own share purchases and disposals	—	—	—	—	—	—	(33.7)	—	**(33.7)**	—	**(33.7)**
Distributions	—	—	(99.6)	—	—	—	—	—	**(99.6)**	—	**(99.6)**
Change of consolidation scope	—	—	—	—	—	—	—	—	**—**	—	**—**
Other changes	—	—	0.6	—	—	—	—	—	**0.6**	—	**0.6**
Balance at 31 December 2024	**83.8**	**122.3**	**3,644.7**	**135.8**	**(12.0)**	**(24.9)**	**(114.1)**	**345.9**	**4,181.6**	**0.2**	**4,181.8**

(1) Detailed in section 3.2.1 – "Comprehensive income statement".
(2) The main sources of consolidated reserves were as follows:
- Reserves on financial assets at fair value through other comprehensive income;
- Retained earnings.

3.2.5 Notes

Introduction

- Ipsen is a global biopharmaceutical group focused on innovation and Specialty Care.
- Its registered office is located at 70 rue Balard, 75015 Paris, France.
- These notes form an integral part of Ipsen Group's consolidated financial statements (hereafter the "Consolidated financial statements").
- All amounts are expressed in millions of euros unless otherwise specified.
- The consolidated financial statements are closed on 31 December every year. Individual statements included in the consolidated financial statements are prepared on the closing date of the consolidated financial statements, 31 December, and cover the same period.
- The Group's Board of Directors approved the Ipsen S.A. consolidated financial statements on 11 February 2026. They will be submitted to the Annual General Meeting for approval on 13 May 2026.

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Note 1 Significant events and transactions during the period that had an impact on the consolidated financial statements as of 31 December 2025

Note 1.1 Acquisition of ImCheck Therapeutics

On 15 December 2025, Ipsen completed the acquisition of ImCheck Therapeutics, a private French biotechnology company pioneering next-generation immuno-oncology therapies. The acquisition is focused on a lead clinical-stage program ICT01 in acute myeloid leukemia, where data from the ongoing Phase I/II EVICTION trial showed high treatment response. ICT01 has the potential to be a new first-line standard of care as a combination drug for acute myeloid leukemia, an aggressive blood cancer affecting older adults, for patients who are unable to tolerate intensive chemotherapy.

Under the terms of the agreement, Ipsen has acquired all of ImCheck Therapeutics's shares for a final purchase price of €348 million paid to ImCheck Therapeutics shareholders on a cash-free and debt-free basis at transaction closing. Deferred payments totaling up to €725 million contingent upon achieving regulatory and sales-based milestones are also on the table.

The Group has applied the optional fair value concentration test defined in section B7A of IFRS 3, and the Group recognized the transaction as an acquisition of an asset group (see note 11.1).

Note 1.2 New licensing agreement and partnership with Simcere Zaiming

On 22 December 2025, Ipsen and Simcere Zaiming signed an exclusive licensing agreement for global rights outside of Greater China for SIM0613, an antibody-drug conjugate (ADC) with best-in-class potential. Targeting the LRRC15 protein, SIM0613 is designed for enhanced tumor penetration and differentiated anti-tumor activity in solid tumors with the highest unmet needs.

Under the terms of the agreement, Simcere Zaiming is eligible to receive up to $1.06 billion, comprising an upfront $45 million payment as well as development, regulatory, and commercial milestone payments, as well as tiered royalties on sales, contingent upon successful development and regulatory approvals (see note 11.1)f.

Note 1.3 Disappointing results from the Phase II trial

On 19 December 2025, Ipsen announced that the pivotal Phase II trial did not meet its primary endpoint of reducing new heterotopic ossification (HO) in adults and children living with fibrodysplasia ossificans progressiva (FOP) vs placebo. As a result, Ipsen closed the study. The investigational medicinal product (fidrisertib) was generally well tolerated, with no safety concerns in the trial (see notes 6.5 and 11.2).

As a result, on 31 December 2025, Ipsen recorded a €66 million pre-tax impairment loss related to the impairment of the intangible asset related to Fidrisertib.

Note 1.4 Impairment of Tazverik

The business plan for Tazverik has been revised in light of the strengthened competition and now reflects lower-than-expected sales projections.
Consequently, as of 31 December 2025, Ipsen recorded a €145 million pre-tax impairment loss related to the impairment of Tazverik intangible assets (see notes 6.5 and 11.2).

Note 1.5 Group Refinancing

On 19 March 2025, Ipsen issued a €500 bond with a 3.875% coupon that matures in March 2032. Ipsen launched this transaction shortly after S&P and Moody's both gave the Group 'Investment Grade' credit ratings—BBB by S&P and Baa3 by Moody's—both of which with a stable outlook.

At the same time, the Group renewed its €1.5 billion syndicated credit facility for a five-year term with two additional one-year extension options.

Note 2 Accounting principles and methods, and compliance statement

Note 2.1 General principles and compliance statement

The main accounting methods used to prepare the consolidated financial statements are described below. Unless otherwise stated, Ipsen Group used these methods consistently for all financial years presented.

In compliance with European regulation No. 1606 / 2002 adopted on 19 July 2002 by the European Parliament and the European Council, the Group's consolidated financial statements for 2025 were prepared in accordance with International Financial Reporting Standards (IFRS). The IFRS as endorsed by the European Union differ in certain aspects from the IFRS published by the IASB. Nevertheless, the Group has verified that the financial information for the periods presented would not have been substantially different if it had applied IFRS as published by the IASB.

International accounting standards include International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), as well as the interpretations issued by the Standing Interpretations Committee (SIC), and the International Financial Reporting Standards Interpretations Committee (IFRIC).

All the standards adopted by the European Union are available on the European Commission's website: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en#ifrs-endorsement-process.

The consolidated financial statements are prepared using the historical cost principle, except for certain asset and liability classes, in accordance with IFRS. The related classes are described in the notes below.

Note 2.2 Climate change

In 2025, Ipsen continued implementing its climate strategy and made several notable achievements. The Group obtained validation of its short- and long-term emission reduction targets from the Science Based Targets Initiative (SBTi). This validation confirms that Ipsen's decarbonization trajectory is aligned with a scenario of reducing global temperature increase to 1.5° C by committing to reduce its greenhouse gas (GHG) emissions , and in particular by:

- reducing absolute GHG emissions from the Group's infrastructure and automotive fleet;
- working with value chain partners upstream and downstream to reduce indirect GHG emissions.

The Group is also working to improve the energy efficiency of its facilities, optimize the energy mix of its fleet and invest in innovative heat recovery technologies. As a result, in 2025, 100% of the electricity used across all manufacturing sites, R&D centers, and offices is renewable.

The roll-out of these programs is reflected in the Group's financial statements under expenses and operating investments made during the year (Transition Plan). They have been accounted for, where applicable, in the accounting assumptions formulated by management when preparing these financial statements, especially when estimating the 2025 budget and the medium-term forecast which form the basis for the business plan used for 2025 annual impairment tests (notes 10.2 and 11.2). No other material impact related to the climate is reflected in the 2025 financial statements.

Note 2.3 Standards, amendments and interpretations that took effect on 1 January 2025

The mandatory standards, amendments and interpretations published by the IASB and applicable as of 1 January 2025 are listed below:

- Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*.

These amendments did not have a material impact on the Group's consolidated financial statements as of 31 December 2025.

Note 2.4 Standards, amendments and interpretations endorsed by the European Union and not adopted early by the Group

The Group did not opt for early adoption of the standards, amendments and improvements endorsed by the European Union for which the application was not mandatory on 1 January 2025:

- Annual improvements - Volume 11;
- Amendments to IFRS 9 and IFRS 7 - *Classification and Measurement of Financial Instruments*;
- Amendments to IFRS 9 and IFRS 7 - *Power Purchase Agreements*.

The Group was still reviewing the impact of these standards and amendments as of the date the Board approved the consolidated financial statements.

Note 2.5 Standards, amendments and interpretations published but not yet endorsed by the European Union

Note 2.5.1 IASB publications not yet endorsed by the European Union

The standards, amendments and interpretations published but not yet endorsed by the European Union are listed below:

- IFRS 18 - *Presentation and Disclosure in Financial Statements;*
- IFRS 19 - *Subsidiaries without Public Accountability: Disclosures;*
- Amendments to IFRS 19 - *Subsidiaries without Public Accountability: Disclosures;*
- Amendments to IAS 21 - *Translation to a Hyperinflationary Presentation Currency*.

1 2 3 4 5 6

The Group was still reviewing the standards and amendments published by the IASB but not yet endorsed by the European Union as of the date these consolidated financial statements were approved.

Note 2.5.2 IASB publications after the closing date

No standards or interpretations were published by the IASB since the closing date or up to the date these consolidated financial statements were approved.

Note 2.6 Reclassification of distribution expenses

Distribution expenses have been reclassified from Selling, general and administrative expenses to Cost of Sales in order to provide a more relevant presentation of the Group's performance indicators. As a result, the presentation of the 2024 income statement has been restated to reflect this change.

Note 2.7 Use of estimates

Preparing financial statements in accordance with international financial reporting standards requires Group management to make estimates and use certain assumptions that are likely to impact the carrying value of assets and liabilities, shareholders' equity, income and expense items, and information provided in the notes to the financial statements.

Group management has regularly made these estimates and assumptions based on its past experience and other factors deemed reasonable. Changing assumptions, in particular as a result of the economic or financial environment, which could weaken some of the Group's partners and make it difficult to estimate future outlook, could ultimately lead to different amounts.

The estimates were made based on information available at the closing date, after taking into account subsequent events.

The main material estimates made by Group management concern changes to how employee benefits are measured (see note 7), any impairment of goodwill (see note 10) or intangible assets (see note 11), deferred tax asset assessments (see note 9), measuring the value of contingent payments to be paid or earnouts to be received (see notes 15 and 16) as well as measuring the value of provisions (see note 19).

Note 2.8 Translation of financial statements in foreign currencies

The Group's consolidated financial statements are denominated in euros. In accordance with IAS 21, the assets and liabilities of subsidiaries whose functional currency is not the euro are translated at the exchange rates prevailing on the closing date. No Group entity operates in a hyper-inflationary economy. Their income statements and the items in their cash flow statement are translated at the average rate for the year, which comes close to the prevailing exchange rate as of the date of the different transactions, as long as there are no significant fluctuations.

Exchange differences from translating balance sheets and income statements are recorded under the "Cumulative translation reserves" line item, which forms an integral part of shareholders' equity, and under "Non-controlling interests" for the share attributable to third parties. These differences arise from:

- any difference between the exchange rates used for the opening and closing balance sheets found when translating balance sheet items;
- any difference between the year's average rate and closing rate.

Goodwill and fair value adjustments arising when a foreign entity is acquired are treated as the foreign entity's assets and liabilities. As such, they are expressed in the entity's functional currency and translated at the exchange rate prevailing on the closing date.

During consolidation, exchange differences due to the translation of net investments in businesses abroad and of loans and other exchange instruments designated as hedging instruments for these investments are recognized in equity. When a foreign entity is sold, these translation differences, initially recognized as equity, are recorded in profits or losses on disposals.

Note 2.9 Translation of receivables, payables, transactions, and flows denominated in foreign currencies

Receivables and payables denominated in foreign currencies are initially translated at the exchange rates prevailing on the transaction date and then revalued at the closing rates prevailing on the reporting date.

Exchange differences on monetary assets denominated in foreign currencies are recognized in the income statement.

Exchange differences arising from eliminating foreign currency transactions between fully-consolidated companies are recorded in "Cumulative translation reserves" under shareholders' equity and under "Non-controlling interests" for the share attributable to third parties, to eliminate their impact on consolidated results. Exchange differences arising from foreign currency cash flow movements between fully-consolidated companies are accounted for under a separate line item in the consolidated statement of cash flows.

Note 3 Changes in the scope of consolidation

Note 3.1 Business Combinations

Note 3.1.1 Accounting principles

Business combinations are accounted for using the acquisition method.

The cost of an acquisition is based on the fair value of the assets acquired, equity instruments issued, and liabilities incurred or assumed from the previous owners on the acquisition date. The costs directly attributable to the combination are accounted for as “Other operating expenses” in the period they are incurred.

As a result, when an exclusively-controlled company is consolidated for the first time, identifiable assets and liabilities are measured at their fair value, apart from exceptions specifically provided for in IFRS 3 – *Business Combinations*.

Under business combinations, other intangible assets acquired related to Research and Development in progress that can be reliably measured are identified separately in goodwill and recorded under “Other intangible assets” in accordance with IFRS 3 – *Business Combinations,* and IAS 38 – *Intangible Assets*. A related deferred tax liability is also recorded, if applicable.

When the value of the assets and liabilities is recognized on a provisional basis, adjustments resulting from facts and circumstances existing on the transaction date and carried out within 12 months from the purchase date, are recorded on the balance sheet as a retroactive adjustment in accordance with IFRS 3 – *Business Combinations*.

Lastly, if the Group deems it appropriate, Ipsen may use the optional fair value concentration test defined in IFRS 3 to determine if the transaction correspond to a business combination as defined by the standard or a simple asset or similar asset group acquisition.

Note 3.1.2 Purchase of ImCheck Therapeutics

ImCheck Therapeutics is a Biotech company pioneering next-generation immuno-oncology therapies.

On 15 December 2025, the Group completed the purchase of the ImCheck Therapeutics, acquiring 100% of the company’s share capital.

The acquisition focuses on the lead clinical program ICT01 in first line acute myeloid leukemia (AML)3. The Group applied the optional fair value concentration test set forth in paragraph B7A of IFRS 3 and recognized the transaction as an asset group purchase. The primary asset, ICT01 accounted for almost all of the fair value of the group acquired.

The total price of €357 million has been allocated to the product ICT01 and the Group has presented it under the Other intangible assets line item in the Group consolidated balance sheet. The difference with the consideration paid corresponds to the other assets and liabilities recognized following the transaction including the transaction costs.

The amount of cash paid totaled €342 million.

Ipsen has fully consolidated ImCheck Therapeutics SAS into the Group scope of consolidation.

ImCheck Therapeutics’s net income after the acquisition is not material in 2025..

Note 3.2 Disposals, non-current assets held for sale and discontinued operations

Note 3.2.1 Accounting principles

A non-current asset, or group of assets and liabilities, is classified as held for sale if its carrying value will be recovered mainly through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group held for sale must be available for immediate sale and the sale must be highly likely.

For the sale to be highly likely, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active program to locate a buyer and complete the plan must be initiated.

A business is classified as discontinued if the Group has sold it or it is classified as held for sale, and:

- it represents a principal and distinct business line or geographic region;
- it is part of a specific and coordinated plan to dispose of a principal and distinct business line or geographic region; or
- it is a subsidiary acquired exclusively for resale.

During the sale of a business or subsidiary, the loss of exclusive control leads to derecognizing assets and liabilities (including goodwill) as well as non-controlling interests. On the date control is lost, the total income from the sale is determined by comparing proceeds from the sale to the carrying amount of the sold asset. This is shown in the income statement under the “Income from discontinued operations” line item.

Note 3.2.2 Divestment of an equity-investment company

During the first half of 2025, the Group sold its equity-accounted company Linnea S.A. The gain on disposal is not material to the Group’s consolidated net profit.

Note 3.3 Other changes in scope

In 2025, the Group created and fully consolidated the subsidiary Naïapharm.

Note 4 Segment reporting

In accordance with IFRS 8 – *Operating Segments*, the segment reporting shown was prepared based on management data the Executive Leadership Team (the chief operating decision maker) uses to analyze operating performance and to decide how to allocate resources.

The Group only uses one operating segment now—the Specialty Care segment.

The Group uses **Core Operating Income** to measure performance and to allocate resources. Core Operating Income is operating income that excludes amortization expenses for intangible assets (excluding software), restructuring costs, impairment losses on intangible assets and property, plant and equipment, as well as other items arising from significant events that could distort the reading of the Group's performance from one year to another.

This performance indicator does not replace IFRS indicators and should not be viewed as such. The Group uses it in addition to IFRS indicators.

Note 4.1 Core Operating Income

(in millions of euros)	2025	2024
Sales	3,675.9	3,400.6
Revenue	3,929.2	3,574.5
Core Operating Income	1,294.1	1,109.4
% of net sales	**35.2%**	**32.6%**

A reconciliation between Core Operating Income and Operating Income is presented in the table below:

(in millions of euros)	2025	2024
Core Operating Income	**1,294.1**	**1,109.4**
Amortization of intangible assets, excluding software	(264.5)	(273.4)
Other operating income and expenses [1]	(51.5)	(44.2)
Restructuring costs	(4.9)	(14.1)
Impairment losses	(347.4)	(280.9)
Operating Income	**625.9**	**496.7**

(1) Other operating income and expenses represented a €51.5 million expense, which mainly related to halting clinical studies. In 2024, other operating income/(expenses) primarily included selling software related to a technology platform and proceeds from selling an intangible asset.

Note 5 Revenue and other operating income

The Group's revenue mainly includes pharmaceutical sales. It is recognized when control of the goods or services are transferred to the customer. Revenue is recorded for the amount that the Group expects to receive:

- proceeds from pharmaceutical sales are recognized when transfer of control occurs; in most agreements, when products are physically transferred (delivery), in accordance with the delivery and acceptance terms agreed upon with the customer;
- revenue from product sales comes from pharmaceutical sales net of returns, rebates and discounts granted to customers as well as certain payments due to public health authorities determined based on sales. The Group recognizes rebates and discounts at the same time as the sales and identifies them as being a variable pricing element pursuant to IFRS 15.

Regarding agreements signed with distributors, sales are recorded when the products are physically transferred to the distributors if the agreement is a consignment agreement, or when the distributor is an agent. In this case, the sale is recognized on the date control is transferred to the end customer. The commissions paid are recorded under the "Selling costs" line item.

Note 5.1 Sales by geographical region

	2025		2024	
(In millions of euros)	Amounts	% share	Amounts	% share
North America	1,290.6	35%	1,167.7	34%
of which United States	1,210.3		1,092.3	
Europe	1,461.0	40%	1,336.1	39%
of which France	293.0		281.1	
Rest of the World	924.3	25%	896.9	26%
Group Sales	**3,675.9**	**100%**	**3,400.6**	**100%**

Note 5.2 Sales by therapeutic area and product

(in millions of euros)	2025	2024
Oncology	2,545.0	2,504.6
Somatuline®	*1,135.4*	*1,121.3*
Cabometyx®	*613.2*	*594.8*
Decapeptyl®	*542.9*	*535.9*
Onivyde®	*207.4*	*202.3*
Tazverik®	*40.6*	*46.7*
Other Oncology products	*5.5*	*3.6*
Neurosciences	746.6	700.5
Dysport®	*734.1*	*689.7*
Other Neuroscience products	*12.5*	*10.8*
Rare Diseases	384.3	195.5
Bylvay®	*180.0*	*135.9*
Iqirvo®	*184.0*	*21.9*
Sohonos®	*20.7*	*20.8*
Increlex®	*–*	*13.7*
NutropinAq®	*(0.4)*	*3.3*
Group Sales	**3,675.9**	**3,400.6**

Note 5.3 Other revenue

Other revenue includes:

- royalties received;
- revenue received for license agreements signed with partners, and miscellaneous services.

Note 5.3.1 Royalties received

Royalties received are recorded under "Other revenue" according to the sales generated over the period by partners and contractual royalty rates.

Note 5.3.2 Revenue received under licensing agreements with partners ("upfront payments" or "milestone payments")

Revenue received under licensing agreements break down into two distinct types, as follows:

- Revenue from static licenses when control has been transferred to the customer and under which the Group has an enforceable payment right. This revenue is recognized on the date when control of the licensed asset is transferred;
- Revenue received from dynamic licenses correspond to either the right held by the customer to use an intangible asset without a transfer of control (commercialization right for a defined period of time), or to a situation where the licensing agreement cannot be separated from the sale of the goods or services. This type of revenue is spread over the lifespan of the licensing agreement.

Off balance-sheet commitments to be received as milestone payments defined in the Group's main agreements are presented in note 23.1.2. Payments received for these milestones are recognized on the date when the regulatory triggering event occurs and after both parties give their approval.

Note 5.3.3 Miscellaneous services

Revenue generated by various services provided are recognized based on the goods or services delivered to the other contracting party.

(in millions of euros)	2025	2024
Royalties received	184.2	153.4
Milestone payments – Licenses	68.8	20.0
Other (co-promotion revenues, re-billings)	0.3	0.5
Other revenues	**253.3**	**173.9**

Other revenue amounted to €253.3 million in 2025 (€173.9 million reported in 2024). The increase mainly reflects higher royalties received from Galderma for Dysport® and in other income, such as milestone payments from licensing agreement, including Onivyde®.

Note 6 Operating income

Note 6.1 Cost of sales

Cost of sales primarily includes the industrial cost of goods sold, royalties paid under licenses, and distribution costs.

The cost of sales includes the reclassification of distribution costs previously recorded under Selling, General and Administrative Expenses to Cost of sales to provide a more relevant presentation of the Group's performance indicators. Consequently, the 2024 income statement has been adjusted to reflect this change (see note 2.6).

The industrial cost of goods sold includes the cost of raw materials consumed, including in-bound freight costs, direct and indirect costs for manufacturing services, personnel, manufacturing-related depreciation, all types of external costs related to manufacturing activities, such as electricity, water, maintenance, and equipment costs, and indirect costs, such as the share of purchasing, human resources and IT costs. Manufacturing costs also include quality control, production quality assurance, engineering, and third-party logistics expenses.

Note 6.2 Research and Development

Note 6.2.1 Research costs

Internal research costs are recorded under expenses when they are incurred.

Note 6.2.2 Development costs

In-house pharmaceutical development costs are expensed in the period during which they are incurred as long as capitalization criteria are not deemed to be met.

In accordance with IAS 38, internal development costs are recognized as intangible assets only if the following six criteria have been met:

- the development project is technically feasible;
- the Group intends to complete the project;
- the Group is able to use the intangible asset;
- the Group can demonstrate the probable future economic benefit of the asset;
- the Group has the technical, financial and other resources to complete the project; and
- the Group can reliably measure development costs.

Due to the risks and uncertainties associated with regulatory approvals and the research and development process, the six criteria for intangible assets are not deemed to be fulfilled until marketing authorization for the drugs has been granted, *i.e.* approval of the Marketing Authorization Application (MAA).

As a result, internal development expenses, primarily consisting of clinical study costs arising before approval of the MAA, are generally recognized in "Research and development expenses" as soon as they are incurred.

Note 6.2.3 Research and Development Tax Credits in France

The Research tax credit in France is classified as an operating grant, which is common practice within the pharmaceutical industry. In accordance with IAS 20 – *Accounting for Government Grants*, operating grants are recognized in "Operating income", after the R&D expenses to which they are directly linked have been deducted.

Research and Development tax credits in the Group's other tax jurisdictions are typically accounted for by deducting the tax expense as they can only be deducted and are not refundable.

Note 6.3 Other operating income and expenses

Other operating income and expenses primarily include amortization expenses for intangible assets (excluding software), the impact of cash flow hedges related to commercial transactions, capital gains and losses on asset disposals, and any item not directly related to operations.

(in millions of euros)	2025	2024
Other operating income	49.9	120.6
of which gain on disposal of fixed assets	—	82.0
of which cash flow hedges	33.0	13.6
of which adjustment of the fair value of contingent assets and liabilities	—	7.9
of which group transformation projects	1.8	—
of which other income	15.1	17.2
Other operating expenses	(332.7)	(424.7)
of which amortization of intangible assets (excluding software)	(264.5)	(273.4)
of which group transformation projects	(26.3)	(111.1)
of which clinical studies termination	(25.1)	(19.7)
of which other expenses	(16.8)	(20.5)
Other operating income/(expenses)	**(282.8)**	**(304.1)**

Other operating income and expenses accounted for a €282.8 million net expense in 2025, mainly related to amortizing the Cabometyx, Bylvay, Onivyde, Tazverik, and Iqirvo intangible assets, as well as costs associated with the discontinuation of clinical studies and the integration of Epizyme.

In 2024, other operating income and expenses came to €304.1 million in net expenses, mainly related to amortizing the Bylvay, Cabometyx, Sohonos, Onivyde and Tazverik intangible assets, the write-off of software linked to a technology platform program, costs associated with the discontinuation of clinical studies, and the integrations of Albireo and Epizyme, partly offset by by a disposal gain, notably relating to the sale of the Priority Review Voucher (PRV).

Note 6.4 Restructuring costs

Restructuring costs accounted for €4.9 million in expenses and primarily pertained to transformation projects.

In late December 2024, this expense totaled €14.1 million.

Note 6.5 Impairment losses

Impairment losses for the period amounted to €347 million and mainly relate to the impairment of intangible assets associated with:

- Tazverik, totaling €145 million, reflecting lower sales forecasts than expected due to increased competition. Tazverik's net carrying value at the end of 2025 amounted to €80.7 million (see note 11.2);
- Fidrisertib for the full intangible asset's net book value, totaling €66 million, following the negative results of the phase II pivotal study.

Other impairment losses related to the discontinued programs and business plans revisions that are individually not material.

Note 6.6 Operating income per type of expense

(in millions of euros)	2025	2024
Revenue	**3,929.2**	**3,574.5**
Personnel expenses [1]	(919.9)	(878.1)
Net provisions	33.4	(0.3)
Net depreciation and amortization of property, plant and equipment and software	(65.9)	(98.0)
Amortization of intangible assets (excluding software)	(264.5)	(273.4)
Impairment losses on intangible assets (excluding software)	(347.4)	(280.9)
Other cost of goods sold (including royalties paid)	(543.2)	(493.2)
Research and development expenses	(527.4)	(475.4)
Sales and marketing costs	(346.6)	(291.9)
Others	(321.9)	(286.6)
Total operating income/(expense)	**625.9**	**496.7**

(1) Personnel expenses are detailed in note 7 to the consolidated financial statements.

Note 7 Personnel

Note 7.1 Headcount

At the end of 2025, the Group totaled 5,535 employees (5,358 at the end of 2024).

The average headcount in 2025 was 5,347 employees (5,196 in 2024).

Note 7.2 Employee expenses

Employee expenses, which are included in the cost of goods sold, selling costs, corporate overheads, research and development expenses, and restructuring costs, encompass the following items:

(in millions of euros)	2025	2024
Wages and salaries	(653.9)	(636.9)
Employer's Social security contributions and payroll taxes	(204.8)	(190.7)
Interest on employee benefits	(4.9)	(4.6)
Share-based payment expenses	(39.3)	(33.5)
Employee profit-sharing	(16.6)	(13.1)
Other personnal charges	(0.5)	0.5
Total - Employee expenses	**(919.9)**	**(878.1)**

In 2025, the average rate of Social security contributions and payroll taxes amounted to 31.2% of gross payroll, compared to 29.8% in 2024.

Note 7.3 Long-term employee benefits

Note 7.3.1 Benefit Plans

Note 7.3.1.1 Retirement benefit obligations

In some countries, the Group's employees are eligible for:

- supplementary retirement in the form of pensions paid out after the employee retires;
- or a retirement payment upon departure paid out in a lump sum at time of retirement.

The main countries that have defined benefit plans are France and the United Kingdom. In France, a small number of employees also receive a supplementary pension plan.

The corresponding commitments are taken into account according to rights acquired by the beneficiaries either as:

- contributions to independent organizations (insurance companies) responsible for paying the pensions and other benefits (defined contribution plans);
- provisions (defined benefit plans).

For basic plans and other defined contribution plans, the Group recognizes contributions to be paid under expenses when they are due, as the Group has no commitment beyond the contributions paid out.

For defined benefit plans, pension expenses are determined by third-party actuaries using the projected unit credit method.

Note 7.3.1.2 Other long-term commitments

The Group also pays out amounts to reward employees for their years of service in the form of bonuses. Essentially they are long service awards, mostly in France.

The Group creates provisions for these commitments.

Note 7.3.2 Measuring and recognizing commitments

The Group's obligations regarding all of these services are calculated by an outside actuary using applicable assumptions in the countries where the plans are located.

Discount rates are determined by referring to market rates based on high-quality corporate bonds. The main reference index used for the euro zone and the United Kingdom is the iBoxx Corporate AA Benchmark Indices.

Assumptions for staff turnover and mortality rates are specific to each country.

Some commitments are covered by financial assets corresponding to funds invested with insurance companies (plan assets).

The impact of profit from asset returns used to cover plans on the income statement is determined based on the discount rate of the commitments.

Unfinanced commitments and underfunded plans are recorded under "Provisions for employee commitments" on the balance sheet.

Note 7.3.2.1 Assumptions used

The main actuarial assumptions the Group used as of 31 December 2025 are described below:

	31 December 2025		
	Europe (excluding UK)	United Kingdom	Asia - Oceania
Discount rate	3.95%	5.55%	3.40%
Inflation rate	2.00%	2.40%	N/A
Rate of increase in salaries, net of inflation	Varies by socio-procesionnal category	N/A	5.60%
Rate of increase in pensions	N/A	2.40%	N/A

A 1.0% increase in the discount rate would result in a 9.31% decrease in commitments in France, a 9.43% decline in commitments in Europe, a 10.05% decrease in commitments in the Asia-Oceania region, and a 11.49% decline in commitments in the United Kingdom.

	31 December 2024		
	Europe (excluding UK)	United Kingdom	Asia - Oceania
Discount rate	3.45%	5.50%	2.90%
Inflation rate	2.00%	2.75%	N/A
Rate of increase in salaries, net of inflation	Varies by socio-professional category	N/A	5.60%
Rate of increase in pensions	N/A	2.65%	N/A

Note 7.3.2.2 Reconciliation between balance sheet assets and liabilities

(in millions of euros)	31 December 2025			31 December 2024
	Post-employment benefits	Other long-term benefits	Total long-term personnel benefits	Total long-term personnel benefits
Defined benefit plan obligations - Opening balance	**47.5**	**4.1**	**51.5**	**53.0**
Current service costs	3.3	0.7	4.0	3.7
Past service costs (plan amendments and curtailments)	—	—	—	—
Interest expense on obligations	1.9	0.2	2.1	1.9
Actuarial gains and (losses) – changes to demographic assumptions	—	—	—	—
Actuarial gains and (losses) – changes to discount rate	(2.4)	(0.1)	(2.5)	(2.8)
Actuarial gains and (losses) – experience adjustments	0.4	—	0.4	(1.9)
Benefits paid	(2.6)	(0.2)	(2.8)	(3.0)
Changes in scope	—	—	—	—
Exchange differences	(0.8)	—	(0.8)	0.5
Other	—	—	—	—
Defined benefit plan obligations - Closing balance	**47.3**	**4.6**	**51.9**	**51.5**
Fair value of assets allocated to plans – Opening balance	**28.4**	**—**	**28.4**	**28.6**
Interest income on plan assets	1.2	—	1.2	1.1
Actuarial gains/(losses) on plan assets	(1.5)	—	(1.5)	(0.4)
Employee contributions to plan assets	—	—	—	—
Employer's contributions to plan assets	1.1	—	1.1	0.8
Benefits paid from plan assets	(0.7)	—	(0.7)	(2.3)
Changes in scope	—	—	—	—
Exchange differences	(0.8)	—	(0.8)	0.6
Other	—	—	—	—
Fair value of assets allocated to plans – Closing balance	**27.6**	**—**	**27.6**	**28.4**
Closing net liability recognized in the balance sheet	**19.7**	**4.6**	**24.3**	**23.1**
Impact on comprehensive income				
Operating expenses	(3.3)	(0.7)	(4.0)	(3.7)
Interest expenses recognized in financial result	(0.7)	(0.2)	(0.9)	(0.9)
Other	—	—	—	—
Income statement expenses	(4.1)	(0.8)	(4.9)	(4.6)
Actuarial gains/(losses) on defined benefit obligations	1.9	0.1	2.0	4.7
Actuarial gains/(losses) on plan assets	(1.5)	—	(1.5)	(0.4)
Items recognized in comprehensive income	0.5	0.1	0.6	4.3
Impact on comprehensive income	**(3.6)**	**(0.7)**	**(4.3)**	**(0.3)**

Note 7.3.2.3 Asset allocation to finance plans

(in millions of euros)	31 December 2025			Total
	Shares	Bonds	Other [1]	
Europe (excluding UK)	6.7	2.3	5.4	14.3
United Kingdom	—	—	12.1	12.1
Asia-Oceania	1.0	0.2	—	1.2
Total	**7.7**	**2.4**	**17.5**	**27.6**
Total (as a percentage)	**28%**	**9%**	**63%**	**100%**

(1) Real Estate, cash, and other.

Financial assets as of 31 December 2025 primarily broke down by country as follows: 44% in the United Kingdom and 40% in France.

(in millions of euros)	31 December 2024			Total
	Shares	Bonds	Other (1)	
Europe (excluding UK)	6.9	2.3	3.8	13.0
United Kingdom	—	—	13.8	13.8
Asia-Oceania	1.4	0.2	—	1.6
Total	**8.3**	**2.5**	**17.6**	**28.4**
Total (as a percentage)	**29%**	**9%**	**62%**	**100%**

(1) Real Estate, cash, insurance policy, and other.

Note 7.3.2.4 Future probable plan benefits

(in millions of euros)	31 December 2025		Total
	Post-employment benefits	Other long-term benefits	
2026	3.9	0.7	4.6
2027	0.7	0.9	1.6
2028	0.7	0.9	1.6
2029	0.8	0.8	1.7
2030	0.8	0.8	1.6
2031-2035	16.8	3.8	20.6

Note 7.4 Share-based payments

Bonus share plans are granted to Group directors and executives as well as certain Group employees. This incentive policy results in bonus shares being granted. They vest when:

- in-house and outside performance conditions as well as financial and non-financial performance conditions plus continued employment conditions are met;
- continued employment conditions are met without performance conditions.

In accordance with IFRS 2 – *Share-based payments*, these options and shares are measured at fair value on the grant date, which is determined using the valuation method that most suits the payment and features of each bonus share plan granted ("Black & Scholes" or "Monte Carlo").

This value is recorded under personnel expenses (broken down by destination in the income statement), on a straight-line basis over the vesting period (period between the grant date and the plan maturity date) with a direct counterparty in shareholders' equity.

At each closing date, the Group reassesses the number of options likely to be exercised and the number of shares that could be distributed. If applicable, the impact of revising the estimates is recognized in the income statement with a corresponding adjustment in shareholders' equity.

Note 7.4.1 Bonus share grants

Ipsen granted various bonus share plans within the scope of IFRS 2 – *Share-Based Payments,* that were still vesting as of 31 December 2025.

Expenses for 2025 amounted to €38.2 million, compared to €29.6 million in 2024.

(in millions of euros/number of shares)	Vesting period	Number of granted shares	Number of granted shares outstanding	Value of shares on date granted	Fair value of bonus share	2025 Personnel expenses	2024 Personnel expenses
Plan dated May 27, 2021		427,333	—			—	(1.5)
Shares not subject to performance conditions	2 years	172,930	n/a	€85.78	€83.76		
Shares not subject to performance conditions	3 years	93,090	n/a	€85.78	€82.74		
Shares subject to performance conditions	3 years	161,313	n/a	€85.78	€84.37		
Plan dated May 24, 2022		323,999	—			(0.5)	(5.6)
Shares not subject to performance conditions	2 years	131,149	n/a	€94.00	€91.61		
Shares not subject to performance conditions	3 years	70,513	n/a	€94.00	€90.50		
Shares subject to performance conditions	3 years	122,337	n/a	€94.00	€91.14		
Plan dated May 31, 2023		384,791	169,229			(7.0)	(11.8)
Shares not subject to performance conditions	2 years	159,110	0	€107.00	€104.70		
Shares not subject to performance conditions	3 years	91,720	62,197	€107.00	€103.59		
Shares subject to performance conditions	3 years	67,390	45,224	€107.00	€103.04		
Shares subject to performance conditions – ELT	3 years	66,571	61,808	€107.00	€103.17		
Plan dated May 28, 2024		425,195	337,485			(16.5)	(10.8)
Shares not subject to performance conditions	2 years	181,336	137,481	€121.10	€118.81		
Shares not subject to performance conditions	3 years	112,348	83,979	€121.10	€117.72		
Shares subject to performance conditions	3 years	68,988	53,502	€121.10	€117.72		
Shares subject to performance conditions – ELT	3 years	62,523	62,523	€121.10	€111.80		
Plan du 21 mai 2025		765,435	728,733			(14.2)	
Shares not subject to performance conditions	2 years	220,293	201,942	€103.40	€100.68		
Shares not subject to performance conditions	3 years	126,160	117,294	€103.40	€99.37		
Shares subject to performance conditions	3 years	94,132	84,647	€103.40	€99.37		
Shares subject to performance conditions – ELT	3 years	78,617	78,617	€103.40	€89.71		
Shares subject to performance conditions - ELT	5 years	123,117	123,117	€103.40	€98.69		
Shares subject to performance conditions - ELT	5 years	123,117	123,117	€103.40	€63.89		
TOTAL						**(38.2)**	**(29.6)**

Note 8 Net financial income/expense

(in millions of euros)	2025	2024
Investment income	28.0	14.5
Financing costs	(36.1)	(23.1)
Net financing costs	(8.0)	(8.6)
Foreign exchange gain / (loss) on non-operating activities	10.0	(9.6)
Change in fair value of equity investments	(9.4)	(6.3)
Net interest on employee benefits	(0.8)	(0.7)
Change in fair value of contingent assets and liabilities	(7.4)	(18.0)
Other financial liabilities	(31.5)	(21.8)
Other financial income and expenses	(39.1)	(56.4)
Financial income/(expenses)	**(47.2)**	**(65.0)**
of which total financial income	*166.2*	*140.8*
of which total financial expense	*(213.4)*	*(205.8)*

The change in fair value of contingent assets and liabilities mainly included a €7.4 million expense related to discounting effects. Other financial income and expenses included, in particular, foreign exchange gains and losses on non-commercial transactions.

As of 31 December 2025, net financing costs included interest paid and interest income received from the new €500 million government bond issued in March 2025.

Note 9 Income taxes

Tax expense for the year comprised:

- Current tax expense;
- Deferred tax expense.

The Group has elected to recognize the CVAE, the business tax (*Cotisation sur la Valeur Ajoutée des Entreprises*) as an income tax expense in the income statement. In accordance with IAS 12, the total amount of the current and deferred expenses related to the CVAE is presented on the “Income Tax” line item.

The tax credits that are not used in determining taxable income and that are reimbursed by the tax authorities when they are not deducted from corporate income tax are recognized as subsidies and deducted as expenses under their corresponding line item.

Applying the variable carryover method, deferred taxes are recorded on all temporary differences between the carrying value and tax base of assets and liabilities, and on tax loss carryforwards.

The main temporary differences in the Group’s consolidated financial statements stem from tax loss carryforwards, restatements to eliminate internal margins on inventory, and provisions for retirement benefits.

The Group only recognizes deferred tax assets for deductible temporary differences when it is likely that taxable profits will be available for the temporary differences to be offset.

The Group measures deferred tax assets and liabilities using the expected tax rate for the period in which the asset will be realized and the liability will be settled, based on the tax rates enacted or virtually enacted as of the balance sheet date. Deferred tax assets undergo a recoverability analysis based on Group forecasts.

Deferred tax assets and liabilities are not discounted, in accordance with IAS 12 – *Income Taxes*.

Ipsen calculates the amount of deferred taxes to recognize in the Group’s consolidated financial statements per entity included in the scope of consolidation.

Note 9.1 Tax expenses

Note 9.1.1 Effective tax rate

(in millions of euros)	2025	2024
Net profit/(loss) from continuing operations	444.5	357.3
Share of net profit/(loss) from equity-accounted companies	(0.6)	0.5
Net profit/(loss) from continuing operations before share of results from equity-accounted companies	445.1	356.8
Current tax	(167.9)	(190.6)
Deferred tax	34.3	115.7
Income taxes	(133.6)	(74.9)
Pre-tax profit from continuing operations before share of results from equity-accounted companies	578.7	431.7
Effective tax rate	**23.1%**	**17.4%**

In 2025, €133.6 million in income tax expenses resulted in an effective tax rate of 23.1% on pre-tax profit from continuing operations, excluding the share of profit/(loss) from equity-accounted companies.

In 2024, €74.9 million in income tax expenses resulted in an effective tax rate of 17.4% on pre-tax profit from continuing operations, excluding the share of profit/(loss) from equity-accounted companies.

Note 9.1.2 Reconciliation between the effective and nominal tax expense

The following table shows the reconciliation between the effective tax expense and nominal tax expense based on pre-tax profit from continuing operations taxed at the standard French rate of 25.83% for the two years presented:

(in millions of euros)	2025	2024
Pre-tax profit from continuing operations before share of results from equity-accounted companies	578.7	431.7
Group tax rate	25.8%	25.8%
Nominal tax expense	**(149.5)**	**(111.5)**
(Increase)/Decrease in tax expense arising from:		
– Difference between French tax rate and tax rates applicable to foreign subsidiaries.	34.6	22.2
– Tax credits	26.2	37.1
– Non-recognition of tax impact on certain losses during the year	(48.2)	(49.0)
– Utilization of tax losses not recognized as deferred tax assets	—	—
– Recognition of deferred tax assets	—	—
– Other permanent differences	3.4	26.3
Effective tax expense	**(133.6)**	**(74.9)**
Effective tax rate	**23.1%**	**17.4%**

In 2025, items impacting tax expenses included:

- differences in the effective tax rate of 25.83% and the effective tax rates where the Group's subsidiaries are located ;
- research tax credits essentially in the United States;
- the non-recognition of deferred tax assets related to losses from the fiscal year in Canada, including the impairment loss from the intangible asset Fidrisertib;
- other permanent differences.

In 2024, items impacting tax expenses included:

- differences in the effective tax rate of 25.83% and the effective tax rates where the Group's subsidiaries are located;
- research tax credits essentially in the United States;
- the non-recognition of a portion of the previous tax loss carryforwards in Canada that had not been recognized up to that point, after Sohonos received marketing authorization in 2023;
- other permanent differences,.

Note 9.2 Deferred tax assets and liabilities

Changes in deferred tax assets and liabilities in 2025 broke down as follows:

(in millions of euros)	31 December 2024	(Loss) / profit in income statement	Deferred taxes recorded directly to reserves	Change in consolidation scope	Foreign Exchange differences	Transfers and other movements	31 December 2025
Deferred tax assets	284.7	(44.9)	0.2	—	(35.8)	93.9	298.0
Deferred tax liabilities	(55.2)	79.2	(11.9)	—	28.9	(93.7)	(52.7)
Net deferred tax assets	**229.5**	**34.3**	**(11.7)**	**—**	**(6.9)**	**0.2**	**245.4**

Changes in "Income statement income/(expenses)" totaling €34.3 million mainly included:

- a €44.9 million net expense for deferred tax assets, mainly due to a €67.4 million expense associated with using previously recognized tax loss carryforwards that were partially offset by €37 million in deferred tax asset income related to the impairment of the intangible asset Tazverik in the United States.
- €79.2 million in net income for deferred tax liabilities mainly due to €35.4 million in income related to deferred tax liabilities correlated to amortization and impairment of intangible assets identified during acquisitions, and €22.6 million in income related to reversing provisions for tax risks.

Changes in deferred tax assets and liabilities in 2024 break down as follows:

(in millions of euros)	31 December 2023	(Loss) / profit in income statement	Deferred taxes recorded directly to reserves	Change in consolidation scope	Foreign exchange differences	Transfers and other movements	31 December 2024
Deferred tax assets	324.8	(8.0)	(1.5)	—	14.0	(44.6)	284.7
Deferred tax liabilities	(226.4)	123.7	8.7	—	(20.2)	58.9	(55.2)
Net deferred tax assets	**98.4**	**115.7**	**7.3**	**—**	**(6.2)**	**14.3**	**229.5**

Changes in income statement income/(expenses) totaling €115.7 million mainly included:

an €8.0 million net expense for deferred tax assets, mainly due to a €47.0 million expense associated with a change in tax loss carryforwards in Canada that was partially offset by €28 million in deferred tax asset income related to a research tax credit in the United States concerning Albireo Pharma;

€123.7 million in net income for deferred tax liabilities, mainly due to €73.9 million in income related to deferred tax liabilities correlated to impairment of Sohonos in Canada, €33.4 million in income from reversing deferred tax liabilities related to amortizing assets identified during acquisitions, and €19.6 million in income related to reversing deferred tax liabilities after selling a Priority Review Voucher (PRV) stemming from the approval of Sohonos.

Note 9.3 Type of deferred taxes recognized on the balance sheet and the income statement

(in millions of euros)	31 December 2025	31 December 2024
Deferred tax related to employee benefits	9.1	8.6
Deferred tax related to internal profit margin elimination	151.7	157.6
Deferred tax assets related to tax loss carryforwards	51.2	124.8
Other deferred tax assets	301.7	303.5
Offset of deferred tax assets and liabilities by fiscal entity	(215.7)	(309.8)
Deferred tax assets	**298.0**	**284.7**
Deferred tax liabilities related to the remeasurement of acquired intangibles assets	(193.0)	(250.6)
Other deferred tax liabilities	(75.4)	(108.8)
Offset of deferred tax assets and liabilities by fiscal entity	215.7	309.8
Deferred tax liabilities	**(52.7)**	**(49.5)**

The Group recognized €51.2 million in tax loss carryforwards as of 31 December 2025 (compared to €124.8 million in 2024). This decrease mainly stemmed from the use of recognized tax loss carryforwards in France, in Sweden, and in the United States in 2025.

Deferred tax assets are recognized based on results forecasts for each tax consolidation group. These forecasts take into account the time frames in relation to the duration of the tax loss carryforwards and the specific situation of each tax consolidation group.

The “Deferred taxes related to the remeasurement of acquired intangible assets” line item mainly included the amount of deferred tax liabilities recorded for the Bylvay intangible asset.

Note 10 Goodwill

Note 10.1 Changes in Goodwill

Goodwill recorded in the consolidated balance sheet represents the difference between:

- the total amount of the following items:
  - the acquisition cost on the date when control is obtained;
  - the total non-controlling interests in the acquired company determined either at fair value on the acquisition date (full goodwill method), or based on their share in the fair value of the identifiable net assets acquired and liabilities assumed (partial goodwill method). The Group reviews this option on a transaction-by-transaction basis;
  - for business combinations achieved in stages, the fair value of the share held by the Group on the acquisition date, but before the date when control is obtained;
  - and the estimated impact of any potential adjustments in the acquisition cost, such as earnouts. These contingent earnouts are measured by applying the criteria set out in the purchase agreement, such as sales and earnings targets, to forecasts deemed to be highly likely. The contingent earnouts are then re-measured at each closing date, with any changes recognized on the income statement after the acquisition date. They are discounted over their useful life if the impact is material. Any discounting adjustments to the carrying amount of the liability are recognized in "Other financial income and expenses";
- and the net amount of identifiable assets acquired and identifiable liabilities assumed are measured at their fair value on the acquisition date.

(in millions of euros)	Net goodwill
1st January 2024	**663.9**
Changes in consolidation scope	–
Foreign exchange differences	35.6
31 December 2024	**699.5**
Changes in consolidation scope	–
Foreign exchange differences	(65.8)
31 December 2025	**633.8**

Note 10.2 Impairment of goodwill

The Group conducts impairment tests on goodwill in accordance with IAS 36 – *Impairment of Assets*, at least once per year, or if there are indicators of impairment.

Indicators of impairment loss can be related particularly to the results of successive phases of clinical trials, to pharmacovigilance, to patent protection, to the arrival of competing products and/or generics and the comparison between actual and forecast sales. These impairment indices are applied to all intangible assets with both finite and indefinite useful lives, pursuant to IAS 36.

Impairment tests involve comparing an asset's carrying value (asset groups or cash-generating units) with its recoverable amount. The recoverable amount is the higher of fair value less selling costs and value-in-use. Impairment tests are conducted at the Cash Generating Unit (CGU) level: Specialty Care.

An impairment loss is recorded under the "Impairment loss" line item in the income statement when the recoverable amount is less than the asset's, the group of assets, or the cash generating unit's net carrying amount. If the Group identifies impairment on a cash generating unit, it is deducted from goodwill. Goodwill impairment cannot be reversed.

The assumptions used for the goodwill impairment tests are reviewed once a year and are based on:

- a five-year cash flow estimate made by the Group's operating entities;
- if longer estimates are warranted, cash flows are extrapolated by applying the long-term expected market growth rate.

(in millions of euros)	
Net carrying value at 31 December 2024	
Goodwill	699.5
Net underlying assets	2,965.7
Total	**3,665.2**
Perpetuity growth rate	*1.5%*
Discount rate	*9.0%*
Net carrying value at 31 December 2025	
Goodwill	633.8
Net underlying assets	2,752.3
Total	**3,386.1**
Perpetuity growth rate	*1.5%*
Discount rate	*9.0%*

As of 31 December 2025, no goodwill impairment had been recorded.

Tests were performed to assess the sensitivity of the recoverable amount to probable changes in certain actuarial assumptions, primarily to the discount rate (range +/- 2 points), sales growth (range +/- 5 points) and the long-term growth rate (range +/- 1 point). Implementing sensitivity tests would not lead to the recognition of significant goodwill impairments.

Note 11 Intangible assets

Note 11.1 Changes to intangible assets

Note 11.1.1 Intellectual Property

Intellectual property primarily consists of patents, intellectual property rights, and licenses to use intellectual property.

Patents

Acquired patents are capitalized at their purchase price or at fair value for business combinations.

Research and Development fees acquired separately

Payments made to purchase research and development work separately are recorded under assets in the "Intangible assets" line item when the assets meet the definition of a controlled resource that the Group expects to receive identifiable future economic benefits on (separately or arising from contractual or legal rights).

In accordance with IAS 38, the first accounting criteria relating to probable future economic benefits generated by the intangible asset is presumed to be met for Research and Development work when they are acquired separately. The second recognition criterion related to the reliable measurement of the asset is satisfied as well when payment amounts are determined.

Internal development costs

Internal development costs such as:

- industrial development costs incurred after obtaining market authorization to improve the industrial process for a major asset;
- some clinical trials to expand geographically for a molecule that has already received marketing authorization in one major market.

These assets are included in the project assessment and recorded in assets under the "Intangible assets" line item as they are incurred, and once the six criteria for IAS 38 – Intangible Assets – are met:

- the technical feasibility required to complete the development project;
- the Group intends to complete the project;
- the Group can use the intangible asset;
- the Group can demonstrate the asset's probable future economic benefit;
- the Group has technical, financial and other resources to complete the project; and
- the Group can reliably measure development costs.

Identified rights regarding intellectual property are amortized on a straight-line basis as soon as the product hits the market over their estimated useful lives, which in practice is between 8 and 20 years. These useful life periods vary depending on cash flow forecasts, which are based on the underlying patent-protection period.

Note 11.1.2 Software

Development costs for software developed in-house are recognized on the assets side of the balance sheet under the "Intangible Assets" line item as they are incurred and once the six criteria for IAS 38 – *Intangible Assets* – are met.

Capitalized expenses mainly include the salaries of personnel involved in the project and third-party consulting fees. The software is amortized on a straight-line basis over the duration of its useful life.

Software and application licenses acquired under a SaaS distribution model (Software as a Service) are recognized in the Income Statement and are not recognized as an intangible asset or a lease agreement for the most part. Development costs related to these applications and software are accounted for the same way and are recognized in the Income Statement.

Acquired software licenses are amortized on a straight-line basis over the duration of their useful lives (from 1 to 10 years).

(in millions of euros)	Intellectual property	Software	Other intangible assets and intangible assets in progress	Total other intangible assets
Gross value at 01 January 2024	**4,021.4**	**133.3**	**76.9**	**4,231.6**
Change in scope	—	—	—	—
Acquisitions / increases	418.3	2.9	25.2	446.4
Disposals / decreases	(282.7)	(1.6)	(48.9)	(333.2)
Foreign exchange differences	169.8	1.0	—	170.8
Transfers and other movements	7.7	14.7	(9.2)	13.1
Gross value at 31 December 2024	**4,334.5**	**150.4**	**44.0**	**4,528.8**
Change in scope	356.9	—	—	356.9
Acquisitions / increases	146.7	8.2	21.1	176.1
Disposals / decreases	(46.8)	(6.7)	(17.5)	(71.1)
Foreign exchange differences	(290.5)	(2.1)	(0.1)	(292.6)
Transfers and other movements	0.8	14.5	(14.0)	1.2
Gross value at 31 December 2025	**4,501.6**	**164.2**	**33.5**	**4,699.4**
Amortization and impairment at 01 January 2024	**(1,444.1)**	**(90.9)**	**(17.8)**	**(1,552.8)**
Change in scope	—	—	—	—
Amortization	(273.4)	(15.5)	—	(289.0)
Impairment (losses & reversal)	(251.5)	—	—	(251.5)
Disposals / decreases	158.3	0.5	—	158.8
Foreign exchange differences	(75.3)	(0.7)	—	(76.1)
Transfers and other movements	—	—	—	—
Amortization and impairment at 31 December 2024	**(1,886.1)**	**(106.6)**	**(17.8)**	**(2,010.6)**
Change in scope	—	—	—	—
Amortization	(264.5)	(15.3)	—	(279.8)
Impairment (losses & reversal)	(300.7)	—	—	(300.7)
Disposals / decreases	—	4.9	17.6	22.5
Foreign exchange differences	156.8	1.4	—	158.2
Transfers and other movements	(0.9)	—	—	(0.9)
Amortization and impairment at 31 December 2025	**(2,295.4)**	**(115.6)**	**(0.2)**	**(2,411.2)**
Net value at 31 December 2024	2,448.3	43.7	26.2	2,518.3
Net value at 31 December 2025	**2,206.2**	**48.6**	**33.3**	**2,288.2**

In 2025, the change in gross value of intangible assets was mainly due to the ICT01 program, which the Group recognized at fair value after the purchase of ImCheck Therapeutics for a total of €356.9 million, and new licensing and partnership agreements regarding preclinical assets, which were partially offset by foreign exchange impacts and halting preclinical trials.

During 2024, changes in gross value of intangible assets were mainly due to the following items:

- an increase in intangible assets related to Cabometyx and Iqirvo, as well as new collaboration agreements with preclinical assets;
- the sale of the intangible asset Increlex and disposal of the software related to a technological platform.

Note 11.2 Impairment of intangible assets

Note 11.2.1 Intangible assets not yet amortized

Intangible rights acquired from a third party for drugs not yet marketed are tested for impairment at least once a year and whenever there is an indication that the asset may be impaired.

These assets involve rights acquired for special advanced development phase medications in the fields of Oncology, Neuroscience and Rare Diseases that have not yet been marketed.

Note 11.2.2 Intangible assets with a defined useful life

Intangible assets with a defined useful life are only tested for impairment when events or circumstances indicate that the assets may have been impaired.

For these intangible assets, the recoverable value is the value-in-use based on expected future cash flow estimates.

Note 11.2.3 Determining the recoverable value

The period taken into account for estimating anticipated cash flows is based on the economic life intrinsic to each intangible asset. When the economic life exceeds Group forecasts, the terminal value may be used.

Estimated cash flows are discounted to present value using the weighted average cost of capital of each cash-generating unit.

When it is not possible to estimate the recoverable amount of a particular fixed asset, the Group determines the recoverable amount of the cash-generating unit that holds it.

Note 11.2.4 Impairment losses

Impairment on intangible assets (excluding software) are shown with property, plant and equipment and goodwill under the "Impairment losses" line item of the income statement.

Impairment tests on intangible assets (excluding software) led the Group to recover impairment losses and record impairment losses on the following intangible assets in 2025 and 2024:

(in millions of euros)	2025	2024
Impairment losses on assets (excluding software)	**(347.4)**	**(280.9)**
Research and development projects - Specialty Care	(159.0)	–
Marketed products - Specialty Care	(188.3)	(280.9)

Comments on the impairment recovered and recorded that Ipsen recognized in 2025 are shown in note 6.5 to the consolidated financial statements.

In 2025, the Group conducted an impairment test to remeasure the intangible asset Sohonos's recoverable amount as part of an annual review of intangible assets. The recoverable amount corresponds the discounted value of expected future cash flows from these scenarios over the product's estimated life cycle, including new clinical data and potential development and sales forecasts as well as estimated approval dates.

The Group used 9% as the discount rate given the risk level of the business.

These assumptions reflect management's best estimate as well as information management knew at the time the impairment test was conducted.

The results of impairment tests led to €347.4 million in impairment (see note 6.5).

An increase or decrease in sales could impact the value of the asset tested, as follows:

- a 10% increase in forecasted sales would increase the recoverable value by €58 million;
- a 10% decrease in forecasted sales would reduce the recoverable value by €52million.

The Group has performed sensitivity analyses based on a change of only one parameter. As a result, these sensitivity analyses correspond to a mechanical calculation method that does not reflect a consistent change in all parameters (regulatory and commercial), nor does it incorporate additional measures the Group could take in such circumstances.

Note 11.3 Breakdown of intangible assets by asset type

(in millions of euros)	31 December 2025 Gross value	31 December 2025 Amortization & impairment	31 December 2025 Net value	31 December 2024 Gross value	31 December 2024 Amortization & impairment	31 December 2024 Net value
Brands and Trademarks	0.7	(0.5)	0.2	0.7	(0.5)	0.2
Licenses	3,727.3	(2,137.1)	1,590.2	3,903.4	(1,838.7)	2,064.7
Research acquired	767.7	(151.8)	615.8	424.2	(40.8)	383.4
Patents	5.9	(5.9)	—	6.1	(6.1)	—
Software	164.2	(115.6)	48.6	150.4	(106.6)	43.7
Other intangible assets	0.4	(0.2)	0.2	0.4	(0.3)	0.1
Intangible assets in progress	33.1	—	33.1	43.6	(17.5)	26.1
TOTAL	**4,699.4**	**(2,411.2)**	**2,288.2**	**4,528.8**	**(2,010.6)**	**2,518.3**
Of which impairment losses		(1,129.0)			(937.9)	

As of 31 December 2025, the Group has a net total carrying value of €615.8 million in "Licenses" not yet amortized and classified under "Intellectual Property" (€383.4 million in 2024).

Note 12 Property, plant & equipment

Property, plant and equipment items are accounted for at acquisition price, at fair value for business combinations, or at production cost less cumulative depreciation and impairment loss, if any.

Subsequent costs are included in the asset's carrying value, or, if applicable, they are recognized as a separate asset if the future economic benefits associated with the asset are likely to go to the Group, and the cost of the asset can be measured reliably.

Depreciation is usually calculated on a straight-line basis over the assets' estimated useful lives. For fixtures and fittings related to lease assets, the Group determines their lease term in line with the term of the leases themselves. Some industrial assets are depreciated based on production volumes.

Estimated useful lives are usually as follows:

- buildings, fixtures and fittings 5 to 30 years
- industrial plant & equipment 5 to 10 years
- other property, plant and equipment 3 to 10 years

Land is not depreciated.

Residual values and the duration of the assets' useful lives are revised and, if applicable, adjusted at each closing.

The carrying value of an asset is depreciated immediately to bring it back to its recoverable amount when the asset's carrying value is greater than its estimated recoverable amount.

Property, plant and equipment are also tested for impairment any time an event or change in circumstance signals that these accounting values may not be recoverable in accordance with IAS 36 – *Impairment of Assets*.

Impairment losses on property, plant and equipment are reported together with losses on intangible assets and losses on goodwill under the "Impairment losses" line item in the income statement.

Gains and losses on asset disposals, included in "Other operating income and expenses", are determined by comparing proceeds from disposals with the carrying value of the disposed asset.

1 2 3 4 5 6

Note 12.1 Property, plant and equipment movements

(in millions of euros)	Land	Buildings	Equipment and tools	Other assets	Tangible assets in progress	Total property, plant and equipment
Gross value at 01 January 2024	**17.0**	**512.1**	**282.3**	**153.2**	**165.7**	**1,130.3**
Change in scope	—	—	—	—	—	—
Acquisitions / increases	0.2	52.0	1.9	33.1	85.8	173.0
Disposals / decreases	—	(15.2)	(6.1)	(19.7)	—	(41.0)
Foreign exchange differences	0.1	10.0	6.2	3.0	5.1	24.4
Transfers and other movements	0.6	4.1	15.2	5.5	(31.0)	(5.7)
Gross value at 31 December 2024	**17.9**	**563.1**	**299.4**	**175.1**	**225.6**	**1,281.0**
Change in scope	—	1.9	0.7	0.3	—	2.9
Acquisitions / increases	0.3	12.3	1.2	24.3	67.2	105.3
Disposals / decreases	—	(79.1)	(6.8)	(21.9)	—	(107.8)
Foreign exchange differences	(0.1)	(14.9)	(6.9)	(5.5)	(7.3)	(34.6)
Transfers and other movements	—	10.4	36.9	(12.4)	(39.2)	(4.2)
Gross value at 31 December 2025	**18.0**	**493.8**	**324.6**	**160.1**	**246.3**	**1,242.7**
Amortization and impairment at 01 January 2024	**(1.9)**	**(282.8)**	**(186.2)**	**(78.7)**	**(6.0)**	**(555.7)**
Change in scope	—	—	—	—	—	—
Amortization	(0.5)	(38.9)	(19.3)	(19.7)	—	(78.4)
Impairment losses[1]	—	(3.4)	5.6	—	—	2.3
Disposals / decreases	—	8.8	3.9	13.7	—	26.5
Foreign exchange differences	—	(6.1)	(3.9)	(1.5)	—	(11.6)
Transfers and other movements	—	0.1	(0.2)	0.2	—	0.1
Amortization and impairment at 31 December 2024	**(2.5)**	**(322.4)**	**(200.1)**	**(85.9)**	**(6.0)**	**(616.8)**
Change in scope	—	(1.3)	(0.7)	(0.3)	—	(2.2)
Amortization	(0.5)	(33.0)	(20.0)	(23.0)	—	(76.5)
Impairment losses [1]	—	7.6	1.4	0.5	5.6	15.1
Disposals / decreases	—	68.4	6.5	13.3	—	88.1
Foreign exchange differences	—	10.1	4.5	2.7	—	17.4
Transfers and other movements	—	—	(3.5)	3.6	—	0.1
Amortization and impairment at 31 December 2025	**(3.0)**	**(270.6)**	**(211.8)**	**(89.0)**	**(0.4)**	**(574.7)**
Net value at 31 December 2024	15.4	240.7	99.3	89.2	219.6	664.2
Net value at 31 December 2025	**15.0**	**223.2**	**112.8**	**71.1**	**246.0**	**668.0**

[1] Impairment losses related to Research and Development are included in note 11.2.4 –"Impairment Losses".

In 2025, acquisitions of property, plant and equipment totaled €105.3 million, compared with €173.0 million in 2024. These acquisitions primarily related to necessary investments in the Group's industrial sites to grow production capacities in France, in the United Kingdom and in Ireland.

Note 12.2 Rights of use of leased assets

Leases are accounted for using a single recognition model that leads to a right of use being recognized for an asset under property, plant and equipment and lease liabilities recorded in "Current financial liabilities" or "Non-current financial liabilities". The Group recognizes leases in the balance sheet as soon as the lease is created for the discounted value of future cash outflows. They are amortized according to the lease term of the agreement, which corresponds to the economic life of similar tangible assets.

Amortization expenses are accounted for in the Income Statement under each line of Operating income that involves leases— "Cost of goods sold", "Selling expenses", "Research and development expenses", etc., and interest expenses in "Net financing costs".

The Group has two main types of leases — property leases and vehicle leases. In accordance with options authorized by the standard, lease agreements with a term of less than 12 months or new leases with an asset value totaling less than 5 thousand U.S. dollars are not recognized under assets in the balance sheet.

Commercial lease reviews rely on contractual provisions to determine which assumptions to use to estimate rights-of-use assets or lease liabilities.

- The term of the lease used corresponds to the non-cancellable period defined in the agreement, unless the Group is reasonably sure it will renew the lease.
- The Group has assessed the term of the lease used for properties in line with the term used for depreciating fixtures and fittings recognized as an asset for these properties.
- The Group has measured lease liabilities from lease agreements at the present value of remaining lease payments and discounts using each lease agreement's incremental borrowing rate and taking into account the remaining term of the lease commitment. The Group applies the marginal incremental interest rate and uses a swap curve adjusted for Ipsen's financing spread depending on the currency zone where the lease operates.
- Ipsen applies a discount rate based on the amortization schedule of these payments.

In accordance with the standard, Ipsen applies IFRS 16 provisions to all lease agreements except low value (less than U.S. $5 thousand) and/or short-term (less than twelve-month) agreements. Payments related to lease agreements (rent) under the exemption are recognized as operating expenses.

(in millions of euros)	Real estate	Cars	Other	Total assets rights of use
Net value at 31 December 2024	**76.2**	**25.4**	**0.2**	**101.8**
Change in scope	0.6	—	—	0.6
Acquisitions / increases	6.0	13.7	—	19.7
Disposals / decreases	(1.5)	(1.4)	—	(2.9)
Impairment / amortization	(16.8)	(10.9)	—	(27.8)
Foreign exchange differences	(1.9)	(1.4)	—	(3.3)
Transfers and other movements	(3.7)	—	—	(3.7)
Net value at 31 December 2025	**58.9**	**25.4**	**0.2**	**84.4**

An analysis of changes in lease liabilities is shown in note 20. As of 31 December 2025, the increase in rights of use for leased assets primarily stemmed from new lease agreements as well as updating the automotive fleet to electric vehicles.

As of 31 December 2025, amortization of lease assets amounted to a €26.2 million expense. Depreciation totaled €0.6 million in net income.

As of 31 December 2025, interest expense totaled €5.8 million.

For 2025, cash outflows amounted to €32.0 million. It is shown in the Statement of Cash Flows under "Repayment of short-term borrowings".

Note 13 Equity investments

IFRS 9 provides an option to classify equity instruments irrevocably on an instrument-by-instrument basis as instruments measured at fair value though other comprehensive income, as long as these instruments meet the IAS 32 definition of equity.

The Group opted to irrevocably classify its investments in non-consolidated companies in this category, as they represent equity instruments. They are measured at fair value through equity without later recycling gains or losses to the income statement. The associated dividends are recognized in the income statement.

The shares the Group owns in investment funds do not meet the definition of equity instruments, but do meet the definition of debt instruments instead; these shares are recorded in assets for the amount of their fair value, and changes in fair value are recognized in the Income Statement.

For investments in listed equity instruments, fair value is the quoted market price. For investments in unlisted equity instruments, fair value is determined by referring to recent market transactions or using a valuation technique that provides reliable and objective price estimates in line with those used by other players active in the market.

(in millions of euros)	Equity investments at fair value through other comprehensive income	Equity investments at fair value through profit and loss	Equity investments
31 December 2024	**110.2**	**47.6**	**157.9**
Change in fair value	32.5	(9.4)	23.1
Acquisitions/increase	—	2.4	2.4
Disposals/decrease	—	(6.8)	(6.8)
Other movements including foreign exchange differences	(4.0)	(1.4)	(5.4)
31 December 2025	**138.8**	**32.5**	**171.2**

Note 13.1 Equity investments at fair value through other items of comprehensive income

The change in fair value mainly related to:

- an increase in the fair value of shares in Rhythm Pharmaceuticals Inc. totaling €31.0 million, in Genfit totaling €6.9 million, and in RTW Biotech Opportunities Ltd. totaling €4.8 million.;
- offset in particular by a €2.9 million decrease in fair value of Sutro Biopharma and a €6.4 million decrease in fair value of Day One Biopharmaceuticals Inc.

Note 13.2 Equity investments at fair value through profit/(loss)

Acquisitions mainly included €2.4 million in payments made to Agent Capital Funds II and III.

Decreases mainly corresponded to capital distributions received from Agent Capital Funds I and II totaling €6.8 million.

The change in fair value of these shares mainly related to the decrease in fair value of Agent Capital Funds I amounting to €9.5 million, as well as the Innobio 2 Funds amounting to €1.3 million, and offset by an increase in the fair value of the Agent Capital II and III Funds totaling €1.4 million.

Note 14 Investments in equity-accounted companies

Goodwill arising from the acquisition of an equity-accounted company is included in the carrying amount of the equity-accounted investment. The costs directly related to the combination are included in the measurement of the investment acquisition price.

For impairment losses related to the goodwill and intangible assets of equity-accounted companies, goodwill and impairment losses are recognized under "Share of income from equity-accounted companies."

	31 December 2024	Movements during the year					31 December 2025
		Acquisition	Divestiture / Refunds	Impairment losses	Net profit/ (loss) of the period	Foreign exchange differences and other movements	
Investments accounted for using the equity method	17.3	—	(8.9)	—	(8.1)	(0.2)	—

After selling the Group's equity investment in Linnea S.A., the Group no longer holds any shares or investment in an equity-accounted company (joint ventures) as of 31 December 2025.

Note 15 Other non-current assets and liabilities

(in millions of euros)	31 December 2025	31 December 2024
Non-current R&D prepaids	25.5	45.2
Contingent assets related to business combinations	26.4	26.2
Liquidity agreement	0.6	1.5
Deposits paid	1.8	2.6
Other non-current assets	0.1	0.1
Total other non-current assets	**54.5**	**75.7**
Non-current deferred income	33.5	36.8
Contingent liabilities related to business combinations	193.8	207.0
Total other non-current liabilities	**227.3**	**243.8**

As of 31 December 2025, non-current prepaid expenses mainly corresponded to new licensing agreements signed in 2024.

Contingent liabilities related to business combinations as of 31 December 2025 included the Contingent Value Rights (CVR) resulting from the purchase of Albireo and Epizyme, amounting to €164 million. This line item also included a liability of the same amount for royalties on Elobixibat sales in Japan for €26.4 million which is also reflected under assets in the same amount.

Note 16 Current assets and liabilities

Note 16.1 Inventories

Inventories are measured at the lower of cost and net realizable value. The internal cost price is determined using the weighted average cost method.

Net realizable value is the estimated sales price in the normal course of business, less the estimated costs necessary to make the sale.

The cost of finished goods includes all purchasing costs, transformation costs and other costs incurred to ship inventories to their present location and in their current condition.

	31 December 2025			31 December 2024
(in millions of euros)	Gross value	Depreciations	Net value	Net value
Raw materials and supplies	68.2	(5.1)	63.1	70.4
Work in progress	73.2	(11.4)	61.8	103.7
Finished goods	140.6	(24.6)	116.0	111.4
Total	**282.0**	**(41.1)**	**240.9**	**285.5**

Changes during the period are mainly due to the disposal of Increlex inventories as part of the transition services agreement, as well as foreign exchange impacts.

Note 16.2 Trade receivables

The Group uses the expected loss model, as introduced by IFRS 9 – *Financial Instruments,* for its trade receivables. The impairment allowance for trade receivables is based on a historical loss rate observed over the three previous years on a receivable-by-receivable basis and adjusted for prospective events that take into account individualized credit risks and the economic outlook of the relevant market.

(in millions of euros)	31 December 2025	31 December 2024
Gross value	794.7	702.5
Depreciation	(7.9)	(5.4)
Net value	**786.8**	**697.2**

Changes during the period included an increase related to growth in the Group's business which was partially offset by foreign exchange effects.

(in millions of euros)	Total overdue trade receivables - gross value	Trade receivables < 3 months	Trade receivables from 3 to 6 months	Trade receivables from 6 to 12 months	Trade receivables > 12 months
31 December 2025	82.8	54.9	13.7	2.6	11.7
31 December 2024	117.4	96.2	9.2	9.7	2.4

The decrease in receivables less than three months overdue mainly stemmed from the positive impact of payments for invoices due at the end of December 2025.

Note 16.3 Trade payables

(in millions of euros)	31 December 2025	31 December 2024
Trade payables	854.2	854.8

Changes during the period included a rise related to business growth offset by a decline related to foreign exchange impacts.

Note 16.4 Other current assets

(in millions of euros)	31 December 2025	31 December 2024
Contingent assets related to business combinations	10.1	42.2
Advance payments to suppliers	15.7	14.6
Prepayments	90.2	117.8
Recoverable VAT	49.8	82.2
Other assets	28.3	36.3
Total other current assets	**194.2**	**293.1**

Note 16.5 Other current liabilities

(in millions of euros)	31 December 2025	31 December 2024
Amounts due to non-current asset suppliers	81.9	51.1
Employment-related liabilities	237.1	224.3
VAT payable	28.3	36.1
Other current tax liabilities (excluding VAT and Corporate Tax)	16.6	18.3
Current deferred income	5.4	5.6
Contingent liabilities related to business combinations	9.8	72.0
Other liabilities	18.0	20.4
Total other current liabilities	**397.2**	**427.9**

Amounts due to non-current asset suppliers as of 31 December 2025 included the initial payment of the exclusive licensing agreement with Simcere Zaiming (see note 1).

The change in fair value of contingent liabilities related to business combinations included the €48 million Onivyde milestone payment.

Note 17 Cash and cash equivalents

Cash includes cash on hand in demand deposits with banks.

Cash equivalents include term deposits, short-term, highly-liquid investments (with a maturity of less than three months), and that are not subject to a material risk of changes in value if interest rates fluctuate.

Cash equivalents are classified as financial assets at fair value held for transactions. They are measured at fair value and any changes are recognized in the Income Statement. Given the nature of these assets, their fair value is generally close to their net carrying value.

(in millions of euros)	31 December 2025	31 December 2024
Cash	259.6	301.1
Cash equivalents	1,265.9	377.0
Bank overdrafts	(4.0)	(0.6)
Total cash	**1,521.5**	**677.6**

Note 18 Consolidated shareholders' equity

Note 18.1 Share capital

As of 31 December 2025, Ipsen's share capital comprised 83,814,526 ordinary shares each with a par value of €1, including 48,199,165 shares with double voting rights, compared with 83,814,526 ordinary shares each with a par value of €1, including 48,,199,165shares with double voting rights as of 31 December 2025.

Note 18.2 Earnings per share

Basic earnings per share were calculated by dividing consolidated net profit for the year attributable to Ipsen S.A. shareholders by the weighted average number of shares outstanding during the period.

The weighted average number of shares outstanding is calculated according to movements in share capital, less any treasury shares held by the Group.

Diluted earnings per share were calculated by dividing consolidated net profit for the year attributable to Ipsen S.A. shareholders by the weighted average number of ordinary shares outstanding plus any potentially dilutive ordinary shares not yet issued.

Bonus share plans

As of 31 December 2025:

- bonus shares granted by the plans dated, 31 May 2023, and 28 May 2024 and 21 May 2025 are not included in the weighted average number of shares used to calculate basic earnings;
- the portion of bonus shares not subject to achieving performance conditions in the 31 May 2023, 28 May 2024, and 21 May 2025 plans are included in calculating the weighted average number of shares from diluted earnings.

(in millions of euros/number of shares)	31 December 2025	31 December 2024
Net profit from continuing operations – attributable to Ipsen S.A. shareholders	443.5	355.9
Net profit from discontinued operations – attributable to Ipsen S.A. shareholders	—	(10.0)
Consolidated net profit – attributable to Ipsen S.A. shareholders	443.5	345.9
Number of ordinary shares at start of year	83,814,526	83,814,526
Treasury shares (weighted average number)	(1,160,858)	(1,051,068)
Weighted average number of shares outstanding during the year	82,653,668	82,763,458
Basic earnings per share (in euros)	**€5.37**	**€4.18**
Basic earnings per share, continuing operations (in euros)	€5.37	€4.30
Basic earnings per share, discontinued operations (in euros)	€0.00	€(0.12)
Weighted average number of shares outstanding during the year	82,653,668	82,763,458
Dilutive effect of bonus shares	722,637	628,236
Weighted average number of shares outstanding to calculate diluted earnings per share	83,376,305	83,391,694
Diluted earnings per share (in euros)	**€5.32**	**€4.15**
Diluted earnings per share, continuing operations (in euros)	€5.32	€4.27
Diluted earnings per share, discontinued operations (in euros)	€0.00	€(0.12)

Note 18.3 Distributions

		31 December 2025	31 December 2024
Distribution payout (in euros)	(a)	116,169,823	99,629,080
Number of shares on the payment date	(b)	82,978,445	83,024,233
Distribution per share (in euros)	**(a)/(b)**	**1.40**	**1.20**

The Board of Directors will be proposing a €1.40 per share dividend at the 2025 Annual General Meeting.

Note 19 Provisions

Provisions are recognized in accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* to cover all liabilities to third parties that are neither financial guarantees nor commitments but are likely or certain to cause an outflow of resources to this third party without a counterparty, provided the amount of the provision can be reliably estimated.

These provisions are estimated based on the most likely assumptions at the closing date.

In the case of restructurings, a liability is recorded as soon as the restructuring has been announced and the Group has drawn up or started to implement a detailed restructuring plan.

Provisions are discounted if the time value is material. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks inherent to the liability. The provision increase resulting from the restatement at historical value is recorded as a financial expense.

(in millions of euros)	Provisions for business and operating risks	Provision for restructuring costs	Other provisions	Total Provisions
31 décembre 2023	**29.2**	**6.6**	**53.8**	**89.6**
Charges	17.5	6.9	15.4	39.7
Applied reversals	(14.0)	(4.6)	(6.1)	(24.8)
Released reversals	(5.8)	(0.7)	(8.2)	(14.6)
Foreign exchange differences, transfers and other movements	0.6	0.6	(8.0)	(6.8)
31 December 2024	**27.5**	**8.8**	**46.9**	**83.2**
Charges	17.2	4.0	4.8	25.9
Applied reversals	(16.3)	(7.0)	(11.9)	(35.2)
Released reversals	(8.2)	(3.4)	(12.6)	(24.1)
Foreign exchange differences, transfers and other movements	(1.1)	(0.4)	–	(1.6)
31 December 2025	**19.0**	**2.0**	**27.2**	**48.3**
of which non-current	*2.5*	*0.1*	*18.4*	*20.9*
of which current	*16.6*	*1.9*	*8.9*	*27.4*

As of 31 December 2025, provisions broke down as follows:

- **Business and operating risks**

These provisions included certain economic risks reflecting costs that the Group could be held responsible for to terminate commercial contracts and research and development studies or resolve various commercial disagreements.

- **Provisions for restructuring costs**

These provisions mainly corresponded to costs incurred by the Group for corporate restructuring and transformation costs.

Allowances and reversals during 2025 were recognized in Operating Income.

- **Other provisions**

These provisions included, in particular, the risk of additional taxes on certain items from tax reassessment by local authorities that certain Group subsidiaries may be required to pay (not including corporate income tax).

Note 20 Financial assets and liabilities

Note 20.1 Financial assets

Financial assets, excluding cash and derivative financial assets used for hedging purposes, are classified in one of the three following categories:

- financial assets at amortized cost;
- financial assets at fair value through other items of comprehensive income;
- financial assets at fair value through profit or loss.

The Group classifies financial assets upon initial recognition based on the characteristics of their contractual cash flows and the Group's management model.

Note 20.1.1 Financial assets at amortized cost

Financial assets at amortized cost primarily comprise Group issued loans and receivables.

The Group uses the effective interest rate method to calculate interest income from financial assets.

Note 20.1.2 Financial assets at fair value through other items of comprehensive income

Financial assets at fair value through other items of comprehensive income primarily consist of non-consolidated equity interests. Related dividends are recorded in the income statement. If a sale is involved, accumulated gains and losses in shareholders' equity are not recycled into the income statement.

Note 20.1.3 Financial assets at fair value through profit/(loss)

Financial assets at fair value through profit or loss mainly include:

- short-term investments. These investments are held for trading purposes and do not meet the classification criteria for cash equivalents (as per IAS 7 – Statement of Cash Flows), but which nonetheless show limited volatility;
- interests the Group owns in investment funds. The interests held in these funds do not meet the definition of equity instruments but do meet the definition of debt instruments instead.

(in millions of euros)	31 December 2024	New assets / Increases	Repayments / Decreases	Change in fair value	Other movements including foreign exchange differences	31 December 2025
Non-current financial assets	0.2	—	—	—	(0.2)	—
Derivative instruments	7.4	—	—	1.0	—	8.4
Other current financial assets	1.1	—	—	—	(0.1)	1.0
Current financial assets	8.5	—	—	1.0	(0.1)	9.4
Total financial assets	**8.7**	**—**	**—**	**1.0**	**(0.3)**	**9.4**

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Note 20.2 Financial liabilities

Financial liabilities include loans and are initially recognized at fair value. They are then recognized using the amortized cost method based on the effective interest rate.

(in millions of euros)	31 December 2024	New loans / Increases	Repayments / Decreases	Change in fair value	Other movements including foreign exchange differences	31 December 2025
Bonds and bank loans	287.5	490.5	–	–	(29.7)	748.2
Lease liabilities	102.1	18.4	(6.3)	–	(30.5)	83.6
Other financial liabilities	3.2	0.5	(1.3)	–	–	2.3
Non-current financial liabilities (measured at amortized cost)	392.8	509.3	(7.6)	–	(60.3)	834.1
Non-current financial liabilities measured at fair value	0.1	–	–	–	–	0.1
Non-current financial liabilities (measured at fair value)	0.1	–	–	–	–	0.1
Total non-current financial liabilities	**392.8**	**509.3**	**(7.6)**	**–**	**(60.3)**	**834.2**
Credit lines and bank loans	—	—	—	—	—	—
Lease liabilities	36.6	0.8	(31.7)	–	25.6	31.3
Other financial liabilities [1]	85.7	0.4	(0.3)	–	15.1	100.9
Current financial liabilities (measured at amortized cost)	122.3	1.2	(32.0)	–	40.7	132.2
Other current financial liabilities measured at fair value	–	–	–	–	–	–
Derivative financial instruments	27.5	–	–	(17.0)	–	10.5
Current financial liabilities (measured at fair value)	27.5	–	–	(17.0)	–	10.5
Total current financial liabilities	**149.8**	**1.2**	**(32.0)**	**(17.0)**	**40.7**	**142.8**
Total financial liabilities	**542.6**	**510.5**	**(39.6)**	**(17.0)**	**(19.6)**	**977.0**

(1) Additions and repayments of other current financial liabilities measured at amortized cost primarily included commercial paper.

As of 31 December 2025, the Group's financing mainly included:

- a €300 million, unsecured, public bond (U.S. Private Placement – USPP) taken out on 23 July 2019 with two tranches maturing in 7 and 10 years, respectively;
- a €1.5 billion Revolving Credit Facility (RCF) taken out on the 7th of March 2025 with an initial maturity of five years and two one-year extension options. The Group exercised one tranche in 2025, making the maturity March 2031. The revolving credit facility (RCF) was unused as of 31 December 2025;
- an unsecured €500 million government bond maturing in seven years with a 3.875% annual coupon taken out on 25 March 2025;
- a €600 million commercial paper program (NEU CP – Negotiable EUropean Commercial Paper), €80 million of which has been drawn as of 31 December 2025.

The Group is subject to one single covenant ratio, involving the U.S. private placement. The Group is in compliance with the ratio as of 31 December 2025.

The revolving credit facility includes specific sustainability indicators the Group has to meet, which are assessed yearly.

Other transactions included -€35.2 million in foreign exchange losses, as well as reclassifications between non-current and current liabilities.

Note 21 Financial risks, hedge accounting and fair value of financial instruments

Note 21.1 Financial risks

Note 21.1.1 Foreign exchange exposure

Part of the Group's business is conducted in countries where the euro, the Group's reporting currency, is the functional currency. Nevertheless, owing to its international business scope, the Group is exposed to exchange rate fluctuations that can affect the consolidated net income.

Transactional foreign exchange risk

The Group's hedging policy aims to protect operating income from foreign exchange rate fluctuations compared to its company forecasts. Accordingly, the effective portion of the hedge is recorded in operating income. The Group hedges its main foreign currencies, including the USD, GBP, CNY, CHF, AUD, and BRL.

A 10% increase or decrease in the U.S. dollar, the pound sterling, and the Chinese yuan against the euro (the main currencies in which the Group operates) would impact sales by plus 5% or minus 4%, and Group Operating income by plus 5% or minus 4%.

The Group's policy is not aimed at carrying out derivative financial instrument transactions for speculative gain.

Foreign exchange risk

Financing foreign exchange risk is related to financing contracted in a currency other than the Group entities' functional currencies. To consolidate this risk, the Group usually labels intercompany financing in the borrowing subsidiary's functional currency.

The Group hedges financial current accounts denominated in its subsidiaries' functional currencies through financial instruments that match current account balances. These include currency swaps and loans and borrowings contracted from counterparty banks.

Note 21.1.2 Interest Rate Exposure

The Group's financing consists of fixed-rate debt from bond debts (bonds and U.S. Private Placement – USPP), as well as variable-rate debt from revolving credit facilities and a commercial paper program (NEU CP – Negotiable EUropean Commercial Paper.

Note 21.1.3 Liquidity and counterparty risk

The Group's policy involves diversifying its business counterparties to avoid risks by spreading out revenue streams and choosing these counterparties wisely. In addition, the Group monitors the credit risks associated with the financial instruments it invests in by selecting its investments according to the credit rating of its business counterparties. The Group manages these funds and mainly invests them as fixed-term investments (term deposits and term accounts). The Group invests its surpluses in short-term money-market financial instruments negotiated with counterparties whose credit ratings are at least investment grade.

Note 21.2 Hedge accounting

As part of its overall strategy for managing foreign exchange risk, the Group buys and sells derivative financial instruments (primarily currency futures) to manage and reduce the risk to exchange rate fluctuations. The Group only works with first-class financial institutions. Hedge accounting is applied to instruments formally designated as such and requires well-organized and detailed documentation from their inception, in accordance with IFRS 9 – *Financial Instruments*.

The Group also sets up net investment hedge transactions in foreign countries and have accounted for them in a similar way as cash flow hedges. Exchange rate exposure in foreign subsidiaries has been hedged with debt instruments.

The Group has not set up any interest rate swaps.

In addition, the Group has not designated any derivative instruments as a fair value hedge.

Changes in fair value of hedging instruments are recorded:

- as equity in the comprehensive income statement, for the effective portion of the hedging relationship, then are recycled in the income statement under "Other operating income/(expenses)" when the hedged transaction falls under hedged operating activities and is completed;
- as "Other financial income/(expenses)" for the ineffective portion, which includes swap points and foreign currency basis spread components of foreign exchange contracts.

When the Group does not expect to complete a planned transaction any longer, the cumulative gains and losses previously recognized as equity are immediately recorded under income.

Derivative instruments that do not qualify as hedge accounting are initially and subsequently measured at fair value. Any changes in fair value are recognized in "Other financial income and expenses".

As of 31 December 2025 and 31 December 2024, derivative financial instruments held by the Group broke down as follows:

(in millions of euros)		31 December 2025						31 December 2024		
		Face value	Fair value		Nominal value by maturity			Face value	Fair value	
			Assets	Liabilities	Less than 1 year	1 to 5 years	Over 5 years		Assets	Liabilities
Exchange rate risk hedging - Business transactions										
Put forward contracts	Cash Flow Hedge	1,032.7	2.7	(9.8)	1,032.7	—	—	961.0	5.6	(23.9)
Put option contracts	Cash Flow Hedge	—	—	—	—	—	—	—	—	—
Seller at maturity foreign exchange swaps	Cash Flow Hedge	75.0	0.2	0.0	75.0	—	—	88.9	0.4	(0.4)
Call forward contracts	Cash Flow Hedge	208.9	0.9	(0.1)	208.9	—	—	76.1	0.5	(0.3)
Call option contracts	Cash Flow Hedge	0.0	0.0	0.0	0.0	—	—	—	—	—
Buyer at maturity foreign exchange swaps	Cash Flow Hedge	26.6	—	(0.1)	26.6	—	—	—	—	—
Total business transactions		1,343.2	3.8	(10.0)	1,343.2	**—**	**—**	**1,126.0**	**6.5**	**(24.5)**
Exchange rate risk hedging - Financial transactions										
Put forward contracts	Non-hedging derivatives	—	—	—	—	—	—	—	—	—
Seller at maturity foreign exchange swaps	Non-hedging derivatives	423.5	1.1	(0.4)	423.5	—	—	483.0	0.2	(3.0)
Call forward contracts	Non-hedging derivatives	16.6	0.1	0.0	16.6	—	—	—	—	—
Buyer at maturity foreign exchange swaps	Non-hedging derivatives	603.3	3.3	(0.1)	603.3	—	—	470.0	0.8	(0.1)
Total financial transactions		1,043.5	4.4	(0.5)	1,026.8	**—**	**—**	**953.0**	**1.1**	**(3.1)**
Total hedging of business and financial transactions		2,386.7	8.2	(10.5)	2,370.1	**—**	**—**	**2,079.0**	**7.5**	**(27.6)**

- **Impact of financial instruments used for future cash flow hedges on "Shareholders' Equity"**

  As of 31 December 2025, the future cash flow hedge reserve for business transactions came to €2.2 million pre-tax, compared to a reserve of -€10.9 million pre-tax as of 31 December 2024.

- **Impact of financial instruments used for future cash flow hedges on "Operating Income"**

  As of 31 December 2025, the impact of financial instruments used for future cash flow hedges on business transactions on Operating income totaled €30.4 million.

- **Impact of financial instruments used for future cash flow hedges on "Net financial income/(expense)"**

  As of 31 December 2025, the impact of financial instruments used for future cash flow hedges recognized in Net financial income/(expense) came to a -€35.1 million expense.

- **Impact of financial instruments not qualified for future cash flow hedges on "Net financial income/(expense)"**

  As of 31 December 2025, the impact of financial instruments not qualified for future cash flow hedges is included in the *"Foreign exchange gain/(loss) on non-operating activities"* line item on net financial income/(expense) and came to €10.0 million as of 31 December 2025. The impact of these financial instruments on "Net financial income/(expense)" came to a -€4.3 million expense over the period.

- **Impact of financial instruments used for net investment hedges on "Shareholders' equity"**

  As of 31 December 2025, the net investment hedge reserve accounted for €10.4 million in pre-tax income.

Note 21.3 Fair value of financial instruments

The Group measures their financial instruments at fair value. These instruments include derivative instruments, listed and unlisted financial assets, and variable payments recognized as part of business combinations.

Financial instruments reported in the balance sheet as of 31 December 2025 broke down as follows:

	31 December 2025	Breakdown by financial instrument class - balance sheet value					Level of fair value		
(in millions of euros)	Carrying value	Fair value through income statement	Financial assets at fair value through other comprehensive income	Assets at amortized cost	Liabilities at amortized cost	Derivative financial instruments	Level 1	Level 2	Level 3
Equity investments	171.2	32.5	138.8	—	—	—	138.7	—	32.5
Non-current financial assets	—	—	—	—	—	—	—	—	—
Other non-current assets	54.5	27.0	—	27.4	—	—	0.6	—	—
Trade and account receivables	786.8	—	—	786.8	—	—	—	—	—
Current financial assets	9.4	—	—	1.0	—	8.4	—	8.4	—
Other current assets	194.2	10.1	—	184.0	—	—	—	—	10.1
Cash and cash equivalents	1,525.5	1,525.5	—	—	—	—	1,525.5	—	—
ASSETS	**2,741.7**	**1,595.2**	**138.8**	**999.3**	**—**	**8.4**	**1,664.8**	**8.4**	**42.7**
Non-current financial liabilities	834.2	—	—	—	834.2	—	—	—	—
Other non-current liabilities	227.3	193.8	—	—	33.5	—	—	—	193.8
Current financial liabilities	142.8	—	—	—	132.2	10.5	—	10.5	—
Trade payables	854.2	—	—	—	854.2	—	—	—	—
Other current liabilities	397.2	9.8	—	—	387.4	—	—	—	9.8
Bank overdrafts	4.0	4.0	—	—	—	—	4.0	—	—
LIABILITIES	**2,459.7**	**207.6**	**—**	**—**	**2,241.5**	**10.5**	**4.0**	**10.5**	**203.6**

- Level 1: fair value calculated using quoted prices in an active market for identical assets and liabilities;
- Level 2: fair value calculated using valuation techniques based on observable market data such as prices of similar assets and liabilities or parameters quoted in an active market;
- Level 3: fair value calculated using valuation techniques based wholly or partly on unobservable inputs such as prices in an inactive market or a valuation based on multiples for unlisted securities.

Financial instruments recorded in the balance sheet as of 31 December 2024 broke down as follows:

	31 December 2024	Breakdown by financial instrument class - balance sheet value					Level of fair value		
(in millions of euros)	Carrying value	Fair value through income statement	Financial assets at fair value through other comprehensive income	Assets at amortized cost	Liabilities at amortized cost	Derivatives	Level 1	Level 2	Level 3
Equity investments	157.9	47.6	110.2	—	—	—	110.1	—	47.8
Non-current financial assets	0.2	—	—	0.2	—	—	—	—	—
Other non-current assets	75.7	1.5	—	74.1	—	—	1.5	—	—
Trade and account receivables	697.2	—	—	697.2	—	—	—	—	—
Current financial assets	8.5	—	—	1.1	—	7.4	—	7.4	—
Other current assets	293.1	—	—	293.1	—	—	—	—	—
Cash and cash equivalents	678.1	678.1	—	—	—	—	678.1	—	—
ASSETS	**1,910.7**	**727.3**	**110.2**	**1,065.7**	**—**	**7.4**	**789.7**	**7.4**	**47.8**
Non-current financial liabilities	392.8	—	—	—	392.8	—	—	—	—
Other non-current liabilities	243.8	207.0	—	—	36.8	—	—	—	207.0
Current financial liabilities	149.8	—	—	—	122.3	27.5	—	27.5	—
Trade payables	854.8	—	—	—	854.8	—	—	—	—
Other current liabilities	427.9	72.0	—	—	355.8	—	—	—	72.0
Bank overdrafts	0.6	0.6	—	—	—	—	0.6	—	—
LIABILITIES	**2,069.7**	**279.6**	**—**	**—**	**1,762.5**	**27.5**	**0.6**	**27.5**	**279.1**

Note 22 Related-party information

Note 22.1 Director and Executive compensation

In 2025, the total compensation paid to Board and Executive Leadership Team members amounted to €28,3 million, €5,6 million of which was paid to members of the Board of Directors and €22,7 million of which was paid to members of the Executive Leadership Team (see Chapter 5).

Pension and similar benefits for Board members and members of the Executive Leadership Team totaled €2,7 million as of 31 December 2025, with €1,1 million paid to members of the Board of Directors and €1,6 million paid to Executive Leadership Team members.

Note 22.2 Related-party transactions

The Group did not record any material related-party transactions in 2024 or 2025.

Note 23 Commitments and contingent liabilities

Note 23.1 Operating commitments

Within the scope of its business, and in particular with strategic development operations that lead to partnerships, the Group regularly enters into agreements that may result in potential financial commitments, subject to the completion of certain events.

The probability-weighted and discounted value of the commitments represents the amount that the Group actually expected to pay or to receive as of 31 December 2025. The value of these commitments was determined by weighing the future commitments by the following criteria:

- probabilities of occurrence of each milestone payment planned in the agreement. The probabilities of occurrence are estimated between 0% and 100% and are reviewed and approved by the Group management team;
- discount rate corresponding to the Group's Cash Generating Unit – Specialty Care for commitments related to milestone payments for products being marketed and sold;
- cost of debt for commitments related to milestone payments for products in development.

The maximum amounts that may be owed (commitments given) or received (commitments received) represent the maximum amounts if all the contractual terms and conditions were met, not probability-weighted, and not discounted.

Note 23.1.1 Operating commitments given

As part of its key agreements, the Group could make the regulatory or marketing milestone payments shown below:

(in millions of euros)	31 December 2025	31 December 2024
Probable and discounted commitments given	767.3	667.0

The maximum amount of commitments given as of 31 December 2025 and 31 December 2024 is detailed below:

(in millions of euros)	31 December 2025	31 December 2024
Key agreements in Oncology	7,811.0	7,417.7
Key agreements in Rare Diseases	817.4	954.5
Key agreements in Neuroscience	1,511.4	1,702.1
Total	**10,139.7**	**10,074.3**

The increase in commitments given was mainly due to new agreements in Oncology resulting from signing a new license agreement in 2025 with Simcere Zaiming, purchasing ImCheck Therapeutics, and signing a new partnership and collaboration agreement in 2025 with IRICoR.

In addition, other major agreements signed previously are:

in Oncology:

- an exclusive licensing agreement with IRICoR and the University of Montreal where Ipsen has exclusive rights of a preclinical program with potential application in oncology;
- an exclusive licensing agreement with Exelixis where Ipsen owns the exclusive marketing rights for cabozantinib, which has indications outside the United States, Canada and Japan;
- a partnership with Queen's University of Belfast (QUB) that gives Ipsen access to their novel first-in-class FLIP inhibitor program.

in Rare Diseases:

- an exclusive worldwide license with GENFIT to develop, manufacture and market elafibranor for people living with Primary Biliary Cholangitis (PBC);

Note 23.1.2 Operating commitments received

As part of its key agreements, the Group could receive regulatory or marketing milestone payments:

(in millions of euros)	31 December 2025	31 December 2024
Probable and discounted commitments received	91.9	104.6

The maximum amount of commitments received as of 31 December 2025 and 31 December 2024 broke down as follows:

(in millions of euros)	31 December 2025	31 December 2024
Key agreements in Oncology	1,018.8	1,145.9
Key agreements in Neuroscience	8.9	9.7
Key agreements in Rare Diseases	28.2	51.2
Key agreements in Hematology	114.7	153.5
Total	**1,170.6**	**1,360.3**

As of 31 December 2025, the decrease in commitments received mainly related to milestone payments received under partnership and collaboration agreements in Oncology.

As of 31 December 2024, the increase in commitments received primarily related to partnership and collaboration agreements in Oncology.

Note 23.2 Financial commitments

Ipsen Group has taken out a worldwide liability insurance policy from a third-party insurer. The insurance company itself is underwritten by the captive reinsurance company Ipsen Ré, a wholly-owned subsidiary of the Group, for up to the first €30 million for any potential claim made.

To cover that financial commitment and address any potential default by Ipsen Ré, the Ipsen S.A. parent company issued a letter of guarantee payable upon first demand to the third-party insurer for a total amount of €3.7 million. This first demand guarantee took effect on 1 January 2025 and expires on 31 December 2029 if it has not already been used in its entirety. It can be renewed annually.

Note 23.3 Other commitments

Note 23.3.1 Capital expenditure commitments

Future Group expenditures resulting from existing investment commitments amounted to €11.9 million as of 31 December 2025, and broke down as follows:

	Maturity			
(in millions of euros)	Less than one year	From one to five years	Over five years	Total
Industrial assets	11.7	0.0	0.0	11.7
Research and Development assets	0.2	0.0	0.0	0.2
Total	**11.9**	**0.0**	**0.0**	**11.9**

Note 23.3.2 Endorsements, pledges and guarantees given

Total guarantees given amounted to €47.8 million as of 31 December 2025. These commitments primarily correspond to guarantees given to government authorities to participate in calls for tender.

Note 23.3.3 Commitments arising from Research and Development agreements

The Group regularly enters into Research and Development agreements with partners that may result in potential financial commitments as part of its business. As of 31 December 2025, those commitments totaled €281.9 million.

Note 23.4 Contingent liabilities

The Group may be involved in litigation, arbitration and other legal proceedings. Such proceedings are generally related to civil litigation concerning product liability, intellectual property rights, competition law, trading practices, trade rules, labor rights, or tax issues. Provisions related to litigation and arbitration are recognized in accordance with the principles described in note 3.2.1.

Most of the questions raised by these claims are complex and subject to significant uncertainties. As a result, it is sometimes difficult to measure how likely it is that the Group will have to recognize an expense and measure how much to provision for. Contingent liabilities relate to instances where either it is not reasonably possible to provide a reliable estimate of the financial impact that could arise from a case being settled, or where it is not likely that a case will result in payment by the Group.

In general, risks are measured according to a series of complex assumptions about future events. These measurements are based on estimates and assumptions deemed reasonable by management. The Group believes that the total amount of provisions recognized for the aforementioned general risks is adequate based on information currently available. However, given the uncertainties inherent to such litigation and to contingent liability estimates, the Group cannot rule out the possibility of future rulings that could have an unfavorable material impact on its results.

The Group set up a tax pool in France for all Group companies operating in France that meet legal requirements. The system provides for various penalty provisions when entities leave the tax group, mentioned here for informational purposes.

Arbitration proceedings with Galderma closed

On 21 January 2026, Ipsen announced that the ICC had issued a final decision in its favor, dismissing Galderma's claim and confirming Ipsen's full rights over its clinical-stage toxin programs in the aesthetic field. In November 2023, Galderma initiated arbitration proceedings against Ipsen before the International Court of Arbitration of the International Chamber of Commerce ("ICC") following Ipsen's termination of the July 2024 R&D collaboration agreement covering the parties' respective R&D programs in the aesthetic fiel use of clinical stage toxins, including IPN10200.

Tax audit - France

In December 2024, the French tax authorities sent to Ipsen S.A. a proposition of tax reassessment rejecting a tax deductibility of a capital loss generated in 2020 related to a Group legal restructuring. The financial consequences notified from 2020 to 2023 amount to €215 million in taxes, interest, late payment interests and penalties.

After consulting its tax advisors, the Group considers that the Tax authorities' arguments are unfounded, it will challenge this proposed tax reassessment and considers its chances of success to be likely.

Consequently, the Group has not recorded any provision for this matter in its financial statements as of 31 December 2025.

Note 24 Subsequent events with no impact on the consolidated financial statements as of 31 December 2025

None.

Note 25 Consolidation scope

Note 25.1 Consolidation methods

Subsidiaries controlled by the Group are fully consolidated.

Companies controlled jointly with one or several outside partners and are consolidated either as a joint venture using the equity method, or as a joint operation, whereby Ipsen recognizes its assets and liabilities proportionally to its rights and obligations in the arrangement, in accordance with IFRS 11.

Companies over which the Group exercises significant influence are consolidated using the equity method.

If the accounting methods used by subsidiaries, joint operations, joint ventures, and equity-accounted companies do not comply with those used by Ipsen, the Group makes all necessary changes to ensure that the financial statements of those companies comply with the Group's accounting principles. Transactions between consolidated companies and intragroup results are eliminated.

Investments in companies that are not consolidated are recognized as equity investments.

Note 25.2 Fully-consolidated companies

Name and legal form	Country	Registered office	31 December 2025	31 December 2024
			% interest	% interest
Ipsen S.A. (consolidating entity)	France	Paris (75)	100	100
Ipsen Innovation S.A.S.	France	Paris (75)	100	100
Ipsen Pharma S.A.S.	France	Paris (75)	100	100
Ipsen PharmSciences S.A.S.	France	Dreux (28)	100	100
Ipsen Pharma Biotech S.A.S.	France	Signes (83)	100	100
ImCheck Therapeutics (1)	France	Marseille (13)	99	–
Naiapharm SAS (1)	France	Paris (75)	100	–
Ipsen Pharma Algérie S.P.A.	Algeria	Algiers	49	49
Ipsen Pharma GmbH	Germany	Munich	100	100
OctreoPharm Sciences GmbH	Austria	Berlin	100	100
Ipsen Pty Limited	Australia	Glen Waverley	100	100
Ipsen Pharma Austria GmbH	Austria	Vienna	100	100
Ipsen N.V.	Belgium	Merelbeke	100	100
Beaufour Ipsen Farmaceutica LTDA	Brazil	Sao Paulo	100	100
Ipsen Biopharmaceuticals Canada Inc.	Canada	Mississauga	100	100
Clementia Pharmaceuticals, Inc.	Canada	Montreal	100	100
Ipsen (Beijing) Pharmaceutical science and technology development Co. Ltd	China	Beijing	100	100
Ipsen (Tianjin) Pharmaceutical Trade Co. Ltd	China	Tianjin	100	100
Ipsen (Shanghai) innovation pharmaceuticals Co., Ltd	China	Shanghai	100	100
Ipsen (Shanghai) Trade Co., Ltd	China	Shanghai	100	100
Ipsen Colombia S.A.S	Colombia	Bogota	100	100
Ipsen Korea	Korea	Seoul	100	100
Ipsen Pharma S.A.	Spain	Barcelona	100	100
Ipsen Biopharmaceuticals, Inc.	United States	New Jersey	100	100
Ipsen Bioscience Inc.	United States	Massachusetts	100	100
Albireo Pharma, Inc.	États-Unis	Boston	100	100
Epizyme Inc.	États-Unis	Cambridge	100	100

Name and legal form	Country	Registered office	31 December 2025	31 December 2024
			% interest	% interest
Ipsen Epe	Greece	Athens	100	100
Ipsen Pharma Hungary Kft	Hungary	Budapest	100	100
Ipsen Manufacturing Ireland Limited	Ireland	Dublin	100	100
Ipsen Pharmaceuticals Limited	Ireland	Dublin	100	100
Ipsen S.p.A.	Italy	Milan	100	100
IPSEN K.K.	Japan	Tokyo	100	100
Ipsen Pharma Kazakhstan	Kazakhstan	Almaty	100	100
Ipsen Ré S.A.	Luxembourg	Luxembourg	100	100
Ipsen Mexico S. de R.L. de C.V.	Mexico	Mexico	100	100
Ipsen Farmaceutica B.V.	Netherlands	Hoofddorp	100	100
Ipsen Poland LLC	Poland	Warsaw	100	100
Ipsen Portugal – Produtos Farmaceuticos S.A.	Portugal	Alges	99	99
Ipsen Pharma s.r.o.	Czech Republic	Prague	100	100
Ipsen Pharma Romania S.R.L.	Romania	Bucharest	100	100
Ipsen Limited	United Kingdom	Berkshire	100	100
Ipsen BioInnovation Limited	United Kingdom	Oxford	100	100
Ipsen Biopharm Limited	United Kingdom	Wrexham	100	100
Ipsen Developments Limited	United Kingdom	Berkshire	100	100
Sterix Limited	United Kingdom	Slough	100	100
Ipsen OOO	Russia	Moscow	100	100
Ipsen Pharma Singapore PTE Ltd	Singapore	Singapore	100	100
Institut Produits Synthèse (Ipsen) AB	Sweden	Kista	100	100
Albireo AB	Sweden	Göteborg	100	100
Elobix AB	Sweden	Göteborg	100	100
IPSEN Pharma Schweiz GmbH	Switzerland	Zug	100	100
Ipsen Pharma Tunisie S.A.R.L.	Tunisia	Tunis	100	100
Ipsen Ukraine Services LLC	Ukraine	Kyiv	100	100

(1) Companies that entered the Group in 2025.

Note 25.3 Equity-accounted companies

Name and legal form	Country	Registered office	31 December 2025	31 December 2024
			% interest	% interest
Linnea S.A. (2)	Switzerland	Riazzino	—	50

(2) Companies that left the Group in 2025.

Changes in the scope of consolidation are detailed in note 3.

Note 26 Fees paid to the Statutory Auditors

The fees paid by the Group to the Statutory Auditors and members of their networks are presented in the following table:

	Amount net of VAT		%		Amount net of VAT		%	
	PWC		PWC		KPMG		KPMG	
(in thousands of euros)	2025	2024	2025	2024	2025	2024	2025	2024
separate and consolidated financial statements								
Issuer	292	264	18%	20%	294	264	32%	33%
Fully consolidated subsidiaries	966	693	60%	53%	575	543	62%	67%
Sub-total	1,258	957	78%	74%	869	807	94%	100%
Services other than the certification of the financial statements (1)								
Issuer	354	336	22%	26%	53	0	6%	0%
Fully consolidated subsidiaries	0	8	0%	1%	2	2	0%	0%
Sub-total	354	343	22%	26%	55	2	6%	0%
Total	**1,612**	**1,301**	**100%**	**100%**	**924**	**809**	**100%**	**100%**

(1) The services other than the certification of financial statements the Statutory Auditors provide to the consolidating entity and to its controlled subsidiaries include verifying the sustainability information in the report in addition to the audit review related to the issuance of the bond in March 2025.

3.2.6 Statutory Auditors' Report on the consolidated financial statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

IPSEN S.A.
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75015 Paris

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2025

To the annual general meeting of IPSEN S.A.

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of IPSEN S.A. ("the Group") for the year ended December 31, 2025.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2025 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1st, 2025 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

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Emphasis of Matter

We draw attention to the following matter described in Note 2.6 “Distribution expenses reclassification” of the consolidated financial statements relating to a change in the presentation of distribution expenses in the statement of profit or loss.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Intellectual property valuation

Note 11 “Other intangible assets” of IPSEN’s consolidated financial statements

Identified risk

As of December 31, 2025, the net carrying amount of the Group’s intellectual property presented in “Other intangible assets” amounted to 2 206m€ out of a total balance sheet of 6 938m€. Management recognized impairment losses on these assets amounting to 347.4m€ for the financial year ended 31 December 2025.

Those assets essentially relate to acquired rights and licensing agreements for pharmaceutical specialties. They are divided into two categories:

- Assets relating to marketed products are amortized on a straight-line basis over their useful lives. The useful life is determined based on the forecasted cash flows associated with these assets and the duration of the underlying patents. These assets are subject to impairment testing only when events or circumstances indicate that they may have incurred an impairment loss.
- Assets relating to products in development phase, and therefore not yet marketed, are not amortized and are subject to impairment testing at least annually or whenever there are indications of impairment.

Impairment tests consist in comparing the net carrying amount of the asset to its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The value in use is determined based on estimated future cash flows expected from the use of the asset.

The procedures applied for impairment testing are described in Note 11.2 “Impairment of intangible assets” to the consolidated financial statements.

We considered that the assessment of the recoverable amount of these intangible assets related to intellectual property constitutes a key audit matter due to the material significance of these assets in the consolidated financial statements and the approach to determining their recoverable amount, which is largely based on management’s judgment and the use of estimates in connection with forecasted discounted future cash flows used for the impairment tests.

Audit procedures implemented with regard to the identified risk

Our work consisted in particular in:

- obtaining an understanding of the process put in place by management to perform impairment tests on those assets;
- corroborating the existence of an indication of impairment identified by management as of December 31, 2025;
- assessing the methods used to implement the impairment tests performed by management. With the support of our valuation experts, we assessed the reasonableness of the discount rates applied to the cash flows. We also verified the correct calculation of these tests;
- verifying the consistency of cash-flow projections with management's business plans. Where possible, we also assessed the consistency of certain assumptions with external market and industry data, and the consistency of these assumptions with evidence obtained elsewhere during the audit, such as internal company communications and presentations and external communications;
- performing our own sensitivity analyses on impairment tests to corroborate those prepared by management;
- assessing the appropriateness of the information provided in the note 11 to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group’s information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of IPSEN S.A. by the annual general meeting held on June 18, 2005 for KPMG S.A. and on May 24, 2022 for PricewaterhouseCoopers Audit.

As at December 31, 2025, KPMG S.A. and PricewaterhouseCoopers Audit were in the 21st year and 4th year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company'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 it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris la Défense, on February 17, 2026

PricewaterhouseCoopers Audit	KPMG S.A.
Stéphane Basset	Cedric Adens

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