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.
65 quai Georges Gorse – 92100 Boulogne-Billancourt

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2023

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 31 December 2023.

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 31 Deecember 2023 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 1st January 2023 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 or in the French Code of ethics (code de déontologie) for statutory auditors.

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 of Ipsen's consolidated financial statements

Identified risk
As of December 31, 2023, the net value of the Group's intellectual property presented in "Other intangible assets" amounted to 2 577 m€ out of a total balance sheet of 6 323 m€.

Those assets relate to acquired rights for pharmaceutical specialties that can be:
- marketed and amortized on a straight-line basis over their useful life. The useful life periods vary depending on cash flow forecasts, which are based on the underlying patent-protection period;
- during the ongoing development phase and therefore not yet marketed, and thus not yet amortized.

As indicated in note 11, the not-yet-amortizable assets are mainly intellectual property rights and licenses and are subject to an annual impairment test or whenever there is a trigger event. The assets with a definite useful life are subject to an impairment test whenever events or changes in circumstances indicate that these assets may have been impaired.

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

The approach used for the impairment test is described in note 11.2.

We considered that the value of those assets is a key audit matter because i) it is significant in the Group financial statements and ii) the method of determining their recoverable value, based on future cash flow forecasts, requires the use of assumptions and estimates by management based on the future discounted cash flows used to perform these 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, 2023;
- 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.

Albireo Acquisition
Notes 1.1 and 3.1.2 of Ipsen’s consolidated financial statements

Identified risk
Ipsen completed the acquisition of Albireo, Inc. on March 2, 2023, for a price corresponding to $42 per share plus a CVR of $10.00 per share.

Albireo’s lead medicine is Bylvay (odevixibat), which is used in the treatment of cholestatic liver diseases, including PFIC, ALGS, and BA.

This transaction meets the definition of a business combination as set forth in IFRS 3 R "Business Combinations" and has been accounted for accordingly in Ipsen's consolidated financial statements at that date.

The implied equity value amounted to 918 m€ (including CVR). The tangible and intangible assets acquired, net of liabilities assumed, amount to 822 m€ and the goodwill recognized at the end of the transaction amounts to 97 m€.

The purchase price allocation remains provisional as of December 31, 2023.

We consider the assessment of the fair value of the assets acquired and liabilities assumed in the Albireo acquisition to be a key audit matter because of the significance of the transaction to the consolidated financial statements and the high level of judgment required of management in the provisional purchase price allocation.

Audit procedures implemented with regard to the identified risk
As part of the audit, we obtained the legal documentation related to the transaction as well as the report of the external valuator engaged by Management to perform the provisional purchase price allocation and to assist in the identification of the assets and liabilities recognized in the acquisition of Albireo.
We performed specific procedures on significant items of the acquired company opening balance sheet.
With the help of our valuation experts, our work also consisted in:

- reviewing the process implemented by management to identify liabilities, contingent liabilities assumed, and assets acquired, corroborating those with (i) the discussions we had with management and (ii) our understanding of Albireo's business;
- analyzing the valuation methods used by management to determine the fair value of the assets acquired and liabilities assumed;
- assessing the significant valuation assumptions used by management by comparing them to market data where possible;
- verifying the arithmetical accuracy of the valuations performed;
- assessing the overall consistency of the price allocation made and the amount of goodwill thus calculated;
- verifying that notes 1.1 and 3.1.2 to the consolidated financial statements provides appropriate information.

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.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (code de commerce) is included in the Group's management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

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 17 December 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.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, 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 18 June 2005 for KPMG S.A. and on 24 May 2022 for PricewaterhouseCoopers Audit.

As at 31 December 2023, KPMG S.A. and PricewaterhouseCoopers Audit were in the 19th year and 2nd year of total uninterrupted engagement.

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 15, 2024

PricewaterhouseCoopers Audit	KPMG S.A.
Stéphane Basset	Cédric Adens