Ipsen Acquisition of Oncology Assets from Merrimack Pharmaceuticals

Accelerating Ipsen's Oncology Capabilities and Leadership Position, Fueling Near- and Long-Term Growth

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IPSEN
Innovation for patient care

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The implementation of the strategy has to be submitted to the relevant staff representation authorities in each country concerned, in compliance with the specific procedures, terms and conditions set forth by each national legislation.

Safe Harbor

The Group operates in certain geographical regions whose governmental finances, local currencies or inflation rates could be affected by the current crisis, which could in turn erode the local competitiveness of the Group's products relative to competitors operating in local currency, and/or could be detrimental to the Group's margins in those regions where the Group's drugs are billed in local currencies.

In a number of countries, the Group markets its drugs via distributors or agents: some of these partners' financial strength could be impacted by the crisis, potentially subjecting the Group to difficulties in recovering its receivables. Furthermore, in certain countries whose financial equilibrium is threatened by the crisis and where the Group sells its drugs directly to hospitals, the Group could be forced to lengthen its payment terms or could experience difficulties in recovering its receivables in full.

Finally, in those countries in which public or private health cover is provided, the impact of the financial crisis could cause medical insurance agencies to place added pressure on drug prices, increase financial contributions by patients or adopt a more selective approach to reimbursement criteria.

All of the above risks could affect the Group's future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today.

Acquisition of oncology assets from Merrimack Pharmaceuticals

- Key product ONIVYDE®

Approved for the treatment of patients with metastatic pancreatic cancer following gemcitabine-based therapy, in combination with fluorouracil and leucovorin

- Generic doxorubicin HCl liposome injection

Wholly-owned product	Rights for current and potential future ONIVYDE indications in the United States Ex-U.S. rights held by Shire through a licensing agreement (and PharmaEngine in Taiwan)
Infrastructure	Manufacturing and commercial structure

$575m cash at closing and up to $450m upon FDA approval of additional indications in the U.S.

Unique transaction with compelling rationale

Strategic

- ✓ Clinically differentiated FDA approved product for patients with high unmet medical needs
- ✓ Unique opportunity to secure a marketed wholly-owned asset with current U.S. revenues, based on solid clinical data and potential approvals in additional indications already in clinical development
- ✓ Partnership with Shire for ex-U.S. rights and co-development of future indications

Financial

- ✓ Attractive transaction value given future forecasted product performance in approved indication
- ✓ Significant growth and profitability enhancement
- ✓ Long-term upside to financial performance from potential additional indications

Integration

- ✓ High level of commercial synergies with existing Ipsen U.S. oncology infrastructure
- ✓ Experienced U.S. oncology commercial team with proven track record with Somatuline®

Accelerating transformation of Ipsen

Strengthening Oncology focus

- Emerging as recognized market leader in several specialized markets
- Global oncology currently representing >50% of sales
- New oncology products important growth contributor

Growing U.S. presence

- U.S. establishing meaningful presence in oncology market
- Oncology commercial team has strong expertise and a proven track record
- Leveraging current infrastructure to optimize resources

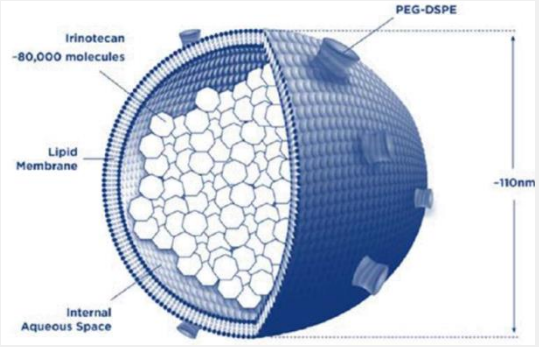
Increasing growth and profitability

- Substantial synergies to further leverage profitability with limited short-term dilution
- Accretive from 2018 to Ipsen's growth, profitability and earnings
- Supporting confidence to achieve longer-term goals and sustained profitability

Transactions over the last 12 months have accelerated Ipsen's transformation into a leading global specialty care company with a growing Oncology franchise

New product in tumor with high unmet medical need with overall survival data and established safety profile

Differentiated product for metastatic pancreatic cancer



- ✓ First and only FDA-approved therapy in post-gemcitabine pancreatic cancer
- ✓ Novel encapsulation of irinotecan
  - Superior PK profile
  - Selective accumulation at tumor site
- ✓ Market exclusivity until 2028

Strong clinical profile in NAPOLI-1 study published in Lancet

THE LANCET

NCCN

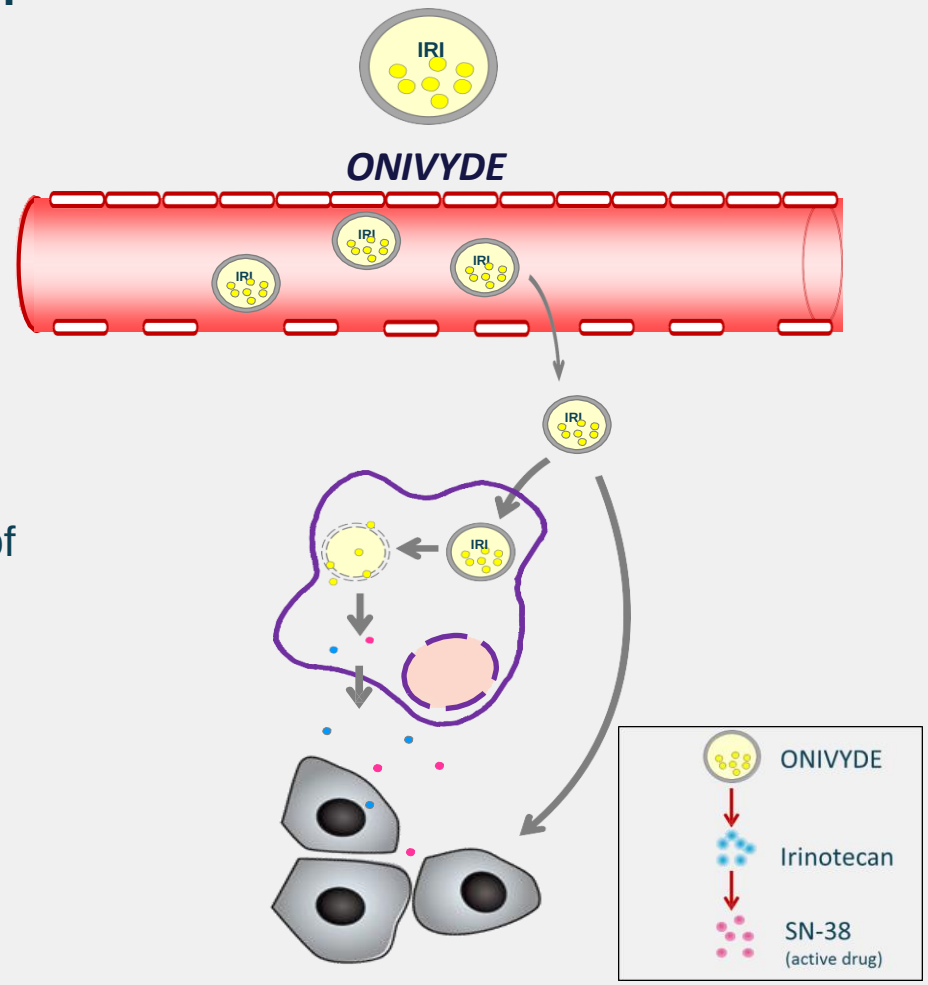
- ✓ ONIVYDE + 5-FU/LV significantly improved OS among patients previously treated with gemcitabine-based therapy
- ✓ Superior PFS, ORR and TTF in patients receiving ONIVYDE + 5-FU/LV
- ✓ Category 1 evidence in NCCN guidelines for 2L treatment

Note: IP: Intellectual Property; NCCN: National Comprehensive Cancer Network; FU/LV = fluorouracil/ leucovorin; ORR: Objective Response Rate; OS: Overall Survival; PFS: Progression-Free Survival; PK: Pharmacokinetics ; TTF: Time to Treatment Failure

Highly differentiated and novel formulation of irinotecan

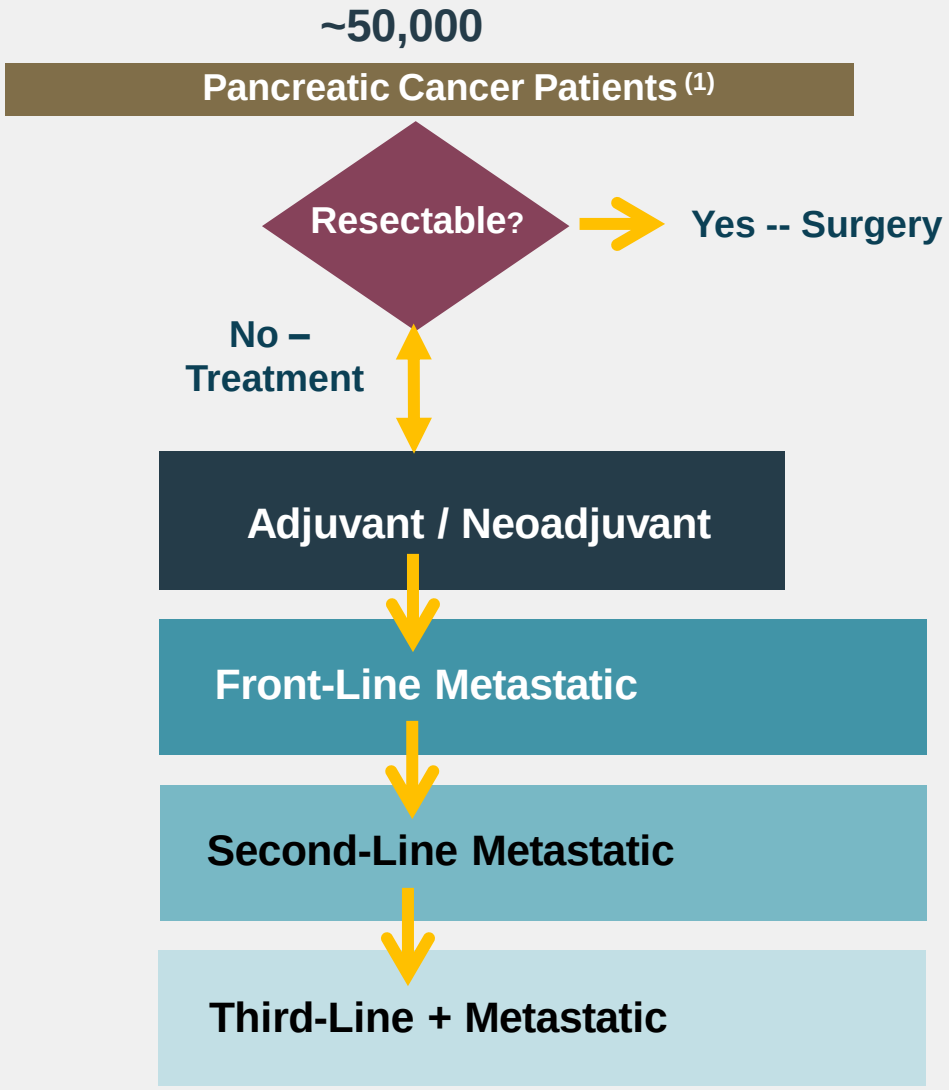
The liposome is designed to keep irinotecan in circulation and in the tumors

- **Long Half-Life**
  - ✓ Longer half life keeps drug circulating in the system longer
- **Increase and prolong intra-tumor levels of drug**
  - ✓ Increases level of drug within the tumor - 95% of irinotecan remains liposome encapsulated for up to 169.5 hours following administration
  - ✓ ~5-fold higher level of drug found in tumors compared with plasma at 72 h suggests local metabolic activation of irinotecan



ONIVYDE (irinotecan) inhibits topoisomerasel, a crucial enzyme in DNA replication via its active metabolite (SN-38)

Significant commercial opportunity in metastatic pancreatic cancer in the U.S.



ONIVYDE approved for the treatment of patients with metastatic adenocarcinoma of the pancreas after disease progression following gemcitabine-based therapy, in combination with fluorouracil and leucovorin

ONIVYDE-eligible patients

- ✓ **Metastatic pancreatic cancer**
- ✓ **Disease progression following gemcitabine**

(1) National Comprehensive Cancer Network.

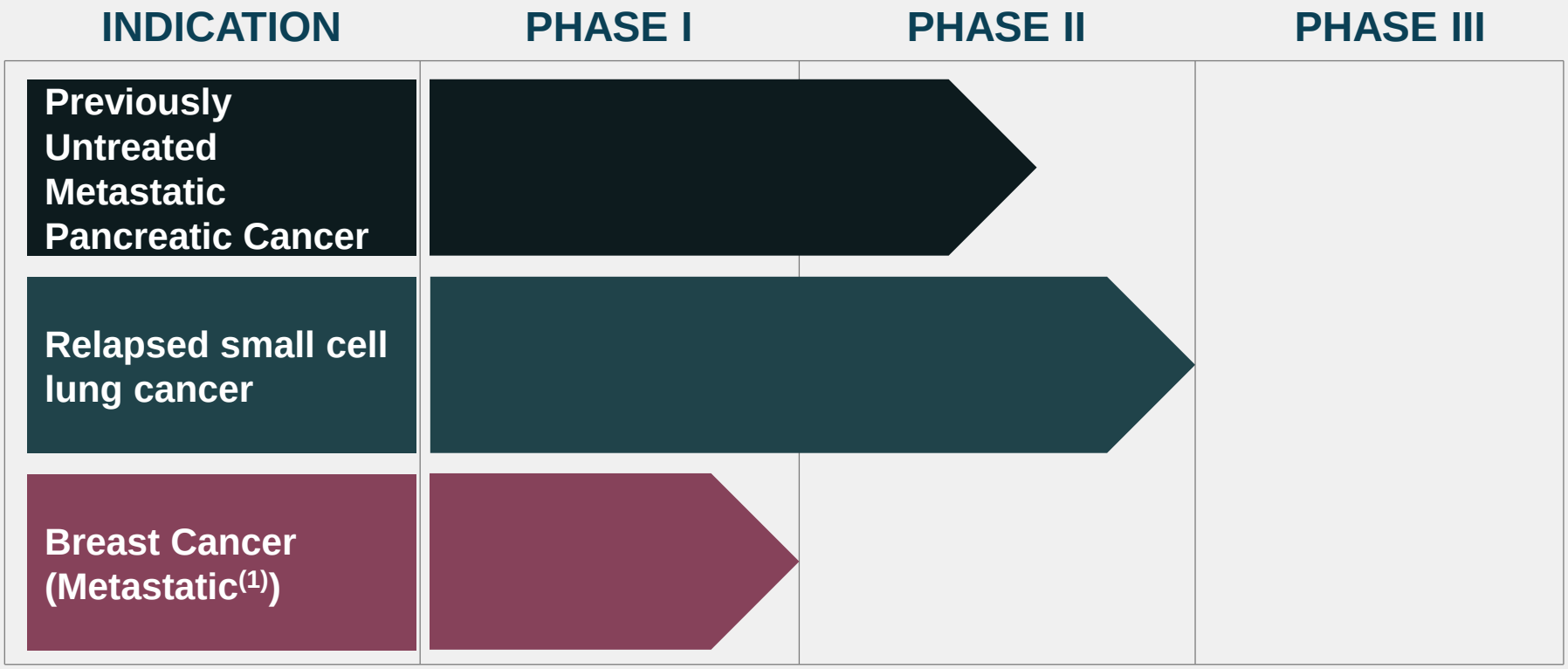
There have been few improvements to the treatment paradigm in the last 20 years…

1996	2005	2010	2013	2015
Gemcitabine Improved survival compared to 5-FU	**Gemcitabine + Erlotinib** Improved survival by a marginal amount compared to Gemcitabine	**FOLFIRINOX (FFX)** Improved survival compared to Gemcitabine (good ECOG PS 0-1) however, with high toxicity	**nab-Paclitaxel (Abraxane) + Gemcitabine (Nab-P/G)** Improved survival compared to Gemcitabine	**Nanoliposomal irinotecan (ONIVYDE)** Approved for post-Gemcitabine therapy compared to 5-FU/LV

…And the pancreatic cancer landscape has experienced a large number of Phase 3 trials reporting disappointing results

Dec 2015	Jan 2016	Feb 2016	Mar 2016	May 2016	Aug 2016
✘ **Threshold** TH-302	✘ **Oncomed** Tarextumab	✘ **Incyte** Jakafi	✘ **Immunomedics** Y90-clivatuzumab	✘ **NewLink** Alegnpanucel **Aduro** CRS-207 +/- GVAX	✘ **Momenta** Necuparanib + Gemcitabine/Abraxane

ONIVYDE development program provides upside potential



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Ongoing programs partnered with Shire

19

Ongoing investigator-initiated studies in various tumor types and a variety of combination targeted agents

ONIVYDE Franchise

Exploring further opportunities for expansion

(1) Metastatic breast cancer which is either hormone receptor-positive, triple-negative, or where active brain metastases are present

U.S. oncology commercial organizational expertise to accelerate growth trajectory and maximize product potential

Current team with extensive experience in oncology treating pancreatic cancer

Track record of successfully launching to key stakeholders in the pancreatic cancer market, making ONIVYDE a natural fit

Team of over 130 dedicated (sales, marketing, reimbursement, medical affairs, patient services, GPO, payer services, HEOR) with deep oncology experience, well-positioned to take on new opportunity in the space

Note: GPO: Group Purchasing Organization; HEOR: Health Economics and Outcomes Research

Financial terms of transaction

Cash consideration of $575 million payable at closing

Additional contingent payments up to $450 million upon approval of additional indications in the U.S.

Transaction to be fully financed with existing cash and long-term lines of credit (€600 million)

Licensing agreement with Shire to provide tiered royalties and milestones(1) on ex-U.S. sales to Ipsen, shared development costs

(1) Excluding some milestones to be retained by Merrimack in 2017 under the agreement between the parties

Financial impact for Ipsen

- ✓ ONIVYDE net sales run rate of $60 million(1) (12 months after launch)
- ✓ Significant transaction synergies with existing U.S. commercial organization
- ✓ Shire partnership meaningful contribution to share future development costs
- ✓ Transaction expected to be dilutive in 2017(2) and accretive from 2018 and beyond to both core operating margin and EPS
- ✓ Significant long-term upside to financial performance from potential additional indications

Accelerates both near- and long-term growth trajectory,
increases U.S. sales and profitability
and supports Ipsen's financial outlook

(1) Estimate based on Q3 2016 sales as reported by Merrimack ; (2) Depending upon closing date and conditions
Note: EPS: Earnings Per Share

Next steps to closing

Closing timeline

- Subject to customary closing conditions, including governmental regulatory clearances
- Subject to approval by Merrimack shareholders
- Expected by end of Q1 2017

Integration

- Transfer of manufacturing facility and supply chain
- Transfer of over 100 employees
- Preparation for U.S. commercial synergies

Ipsen establishing global leadership in specialty Oncology markets

Prostate Cancer	Neuroendocrine Tumors (NET)	Renal Cell Carcinoma	Pancreatic Cancer
Mature but growing product in EU and ROW (China)	Best-in-class SSA leadership position in NET market	Ongoing EU launch in 2L RCC supported by strong clinical profile	Differentiated product for high unmet medical need
Decapeptyl® SR 3mg, 11.25mg & 22.5mg triptorelin	Somatuline autogel	CABOMETYX™ (cabozantinib) tablets 60 mg | 40 mg | 20 mg	onivyde™ (irinotecan liposome injection)
	*		*

Growing U.S. Oncology Presence

* Including U.S. commercial rights

Thank you