

# Ironwood Pharmaceuticals

Q4 and FY 2025 Investor Update

February 25, 2026



# Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned not to place undue reliance on these forward-looking statements, including statements about our ability to execute on our mission; our strategy, business, financial position and operations; our ability to drive growth and profitability; the commercial potential of LINZESS; our financial performance and results, and guidance and expectations related thereto; Ironwood's financial performance and results, and guidance and expectations related thereto; LINZESS U.S. net sales, total revenues and adjusted EBITDA in 2026; the expectation and timing for sites initiations and the key design elements of the confirmatory Phase 3 clinical trial, STARS-2, for apraglutide; our plan to continue to evaluate all options to maximize shareholder value; the belief that apraglutide has the potential to achieve over \$700 million in peak net sales in the U.S, the opportunity to be best-in-class GLP-2 as the only once-weekly for the treatment of SBS-IF patients and potentially significantly increase the number of GLP-2 treated patients, if successfully developed and approved; and the expectation that strong LINZESS cash flows to enable continued de-levering while simultaneously funding operations to drive long-term growth. These forward-looking statements speak only as of the date of this press release, and Ironwood undertakes no obligation to update these forward-looking statements. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include those related to the effectiveness of development and commercialization efforts by us and our partners; preclinical and clinical development, manufacturing and formulation development of linaclotide, apraglutide and our other product candidates; the risk of uncertainty relating to pricing and reimbursement policies in the U.S., which, if not favorable for our products, could hinder or prevent our products' commercial success; the risk that clinical programs and studies, including for linaclotide pediatric programs and apraglutide, may not progress or develop as anticipated, including that studies are delayed or discontinued for any reason, such as safety, tolerability, enrollment, manufacturing, economic or other reasons; the risk that findings from our completed nonclinical studies and clinical trials may not be replicated in later trials and earlier-stage clinical trials may not be predictive of the results we may obtain in later-stage clinical trials or of the likelihood of regulatory approval; the risk that apraglutide will not be approved by the FDA or other regulatory agencies; the risk of competition or that new products may emerge that provide different or better alternatives for treatment of the conditions that our products are approved to treat; the risk that we are unable to execute on our strategy to in-license externally developed products or product candidates; the risk that we are unable to successfully partner with other companies to develop and commercialize products or product candidates; the risk that healthcare reform and other governmental and private payor initiatives may have an adverse effect upon or prevent our products' or product candidates' commercial success; the efficacy, safety and tolerability of linaclotide and our product candidates; the risk that the commercial and therapeutic opportunities for LINZESS, apraglutide or our other product candidates are not as we expect; decisions by regulatory and judicial authorities; the risk we may never get additional patent protection for linaclotide, apraglutide and other product candidates, that patents for linaclotide, apraglutide or other products may not provide adequate protection from competition, or that we are not able to successfully protect such patents; the risk that we are unable to manage our expenses or cash use, or are unable to commercialize our products as expected; the risk that the development of any of our linaclotide pediatric programs and/or apraglutide is not successful or that any of our product candidates does not receive regulatory approval or is not successfully commercialized; outcomes in legal proceedings to protect or enforce the patents relating to our products and product candidates, including abbreviated new drug application litigation; the risk that financial and operating results may differ from our projections; developments in the intellectual property landscape; challenges from and rights of competitors or potential competitors; the risk that our planned investments do not have the anticipated effect on our company revenues; developments in accounting guidance or practice; Ironwood's or AbbVie's accounting practices, including reporting and settlement practices as between Ironwood and AbbVie; the risk that our indebtedness could adversely affect our financial condition or restrict our future operations; and the risks listed under the heading "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2024, and in our subsequent Securities and Exchange Commission filings.

Ironwood uses non-GAAP financial measures in this presentation, which should be considered only a supplement to, and not a substitute for or superior to, GAAP measures. Refer to the Reconciliation of Non-GAAP Financial Measures to GAAP Results table and to the Reconciliation of Adjusted EBITDA to GAAP net income table and related footnotes on pages 18 to 20 of this presentation. Further, Ironwood considers the net profit for the U.S. LINZESS brand collaboration with AbbVie in assessing the product's performance and calculates it based on inputs from both Ironwood and AbbVie. This figure should not be considered a substitute for Ironwood's GAAP financial results. An explanation of our calculation of this figure is provided in the U.S. LINZESS Brand Collaboration table and related footnotes on pages 21 to 22 of this presentation.

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# Today's Agenda

- **Introduction**  
Greg Martini, Chief Financial Officer
- **Strategic Priorities and Maximizing LINZESS**  
Tom McCourt, Chief Executive Officer
- **Advancing Apraglutide**  
Mike Shetzline, M.D., Ph.D., Chief Medical Officer
- **Financial Highlights and FY 2026 Guidance**  
Greg Martini, Chief Financial Officer

# In 2025, we took important steps that position us well to deliver shareholder value in 2026 and beyond

## 2025 Highlights

### Maximize LINZESS

- ✓ Achieved latest financial guidance, with \$865M<sup>1</sup> FY25 LINZESS U.S. net sales
- ✓ +11% Y/Y EUTRx demand growth<sup>2</sup>
- ✓ +8% Y/Y NBRx demand growth<sup>3</sup>
- ✓ Received FDA approval for IBS-C patients 7 to 17 years of age in November 2025
- ✓ Effective January 1, 2026 reduced LINZESS list price in response to evolving health care dynamics and to support ongoing patient access

### Advance Apraglutide

- ✓ Met with FDA in fourth quarter of 2025 to align on key elements of confirmatory Phase 3 design
- ✓ STARS-2 to be a 24-week global, randomized, double-blind, placebo-controlled trial, with primary endpoint measuring relative PS volume reduction
- ✓ Expect to begin site initiations for STARS-2 in the second quarter of 2026
- ✓ Continue to expect STARS Phase 3 data set to support eventual NDA submission

### Deliver Sustained Profits and Cash Flow

- ✓ Generated GAAP net income of \$24 million
- ✓ Generated adjusted EBITDA of \$138 million<sup>4</sup>
- ✓ Generated \$127 million in cash from operations
- ✓ Ended 2025 with \$215 million in cash and cash equivalents

<sup>1</sup> LINZESS U.S. net sales are reported by AbbVie and LINZESS costs incurred by each of us and AbbVie are reported in our respective financial statements. LINZESS costs include certain discounts recognized and cost of goods sold incurred by AbbVie, as well as commercial costs incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. <sup>2</sup> EUTRx, total prescription extended units; IQVIA Weekly National Prescription Audit, December 2025. <sup>3</sup> NBRx, new-to-brand prescriptions; IQVIA Weekly Patients Insights, December 2025. <sup>4</sup> Refer to the reconciliation of GAAP net income to adjusted EBITDA on slide 20 of this presentation.

# Strong 2026 outlook with expected **\$1.125** to **\$1.175 billion** of **LINZESS U.S. Net Sales**

With improved cash flows and strengthening balance sheet, we now have a clear path to execute our strategy and we continue to evaluate all options to maximize shareholder value

## OUR FOCUSED PRIORITIES:



Maximize LINZESS



Advance apraglutide



Deliver sustained profits & cash flow

**We believe  
apraglutide has the  
potential to achieve  
>\$700M in peak net  
sales in the U.S.**

Potential to be best-in-class GLP-2  
as the only once-weekly for the  
treatment of SBS-IF patients

## Apraglutide Target Product Profile<sup>1</sup>

Enabled by unique pharmacological properties and  
development strategy

- + Only once weekly GLP-2 with positive placebo-controlled phase 3 data in SBS-IF<sup>2</sup>
- + Long term outcomes, including enteral autonomy, continue to improve with longer time on therapy
- + Favorable safety and tolerability profile observed in the largest SBS-IF phase 3 clinical trial ever conducted<sup>2</sup>

**Potential to improve adherence and increase the  
number of GLP-2 treated patients, if successfully  
developed and approved**

<sup>1</sup> Management expectations, based on clinical trials to date. Apraglutide has not been proven effective or safe for its intended use and there is no guarantee that it will receive regulatory approval to commercialize <sup>2</sup> STARS Phase 3 published clinical trial results

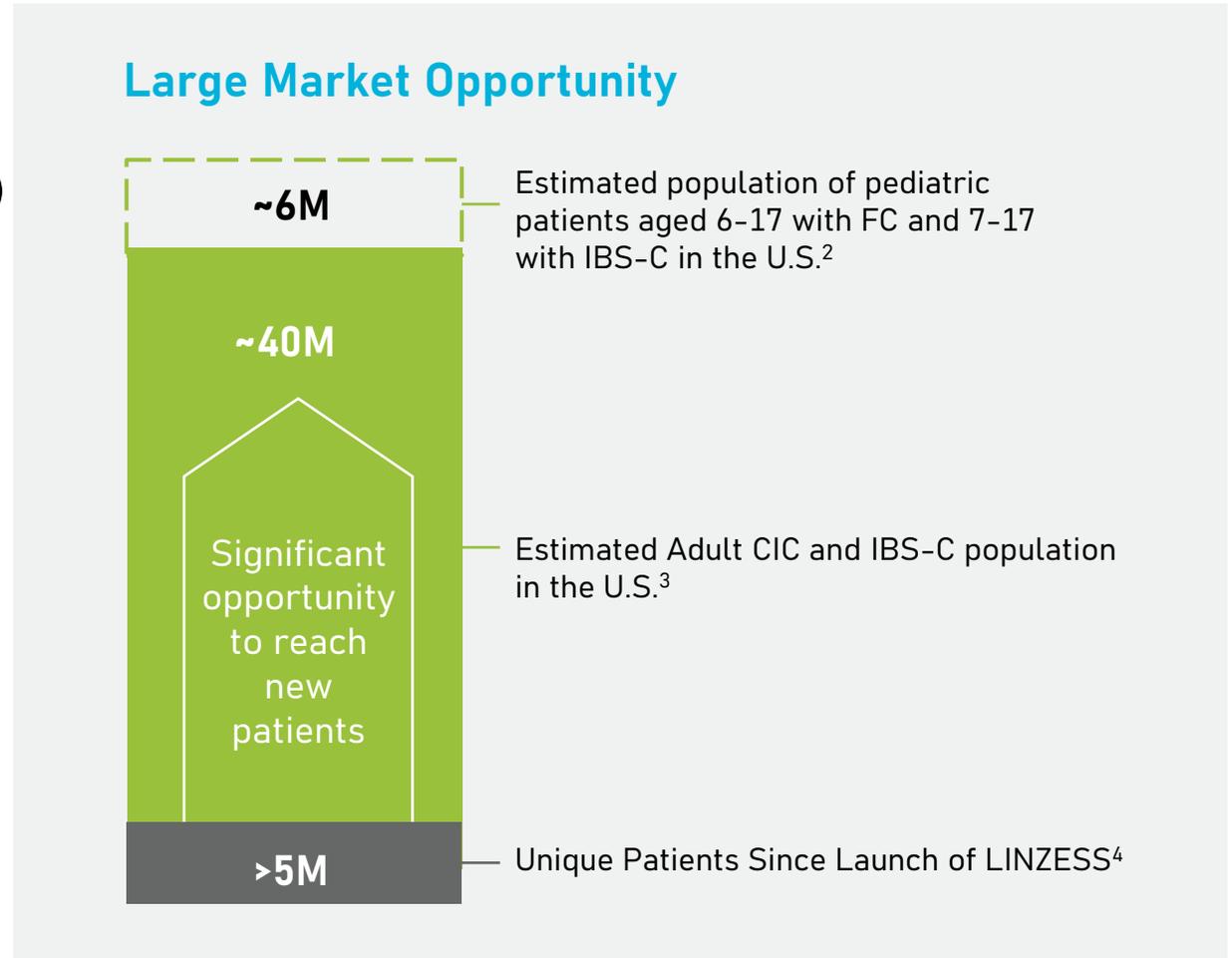
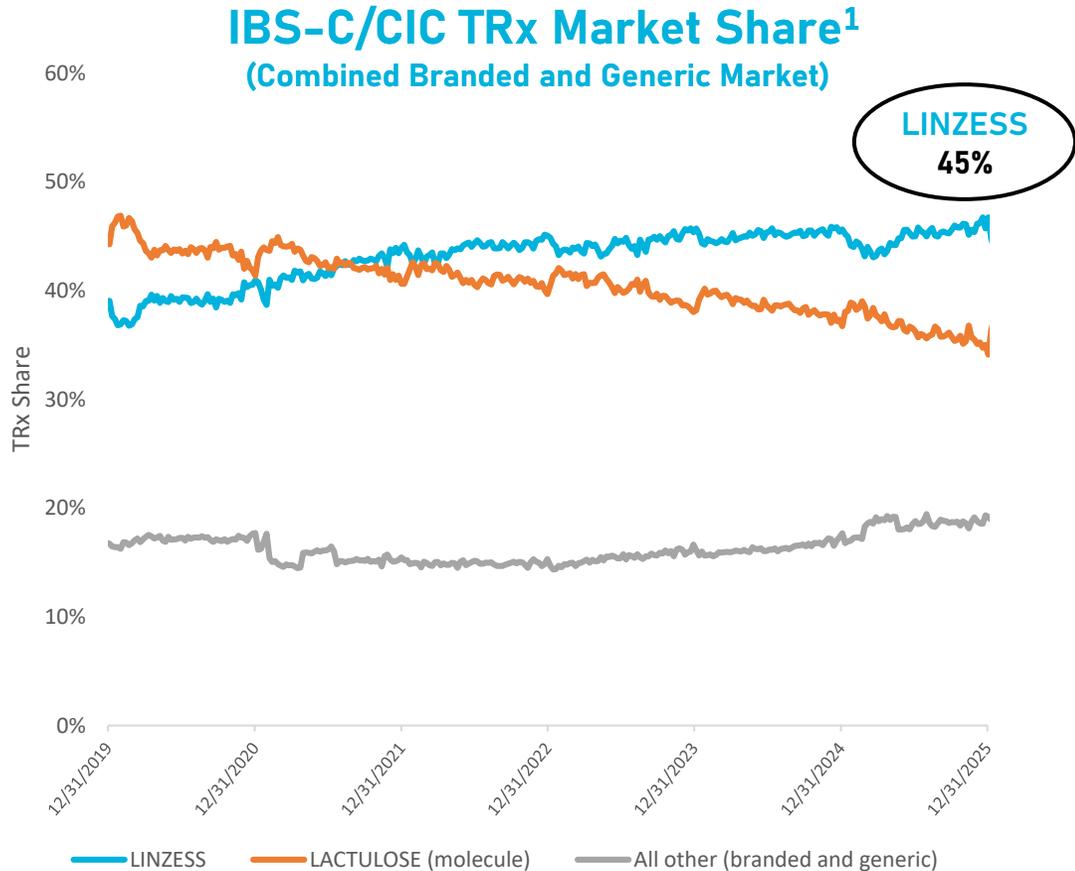


# Maximize LINZESS

The U.S. prescription market leader for adults with Irritable Bowel Syndrome with Constipation (IBS-C) and Chronic Idiopathic Constipation (CIC)



# LINZESS is the prescription market leader in the U.S. for adults with IBS-C/CIC with a large market opportunity

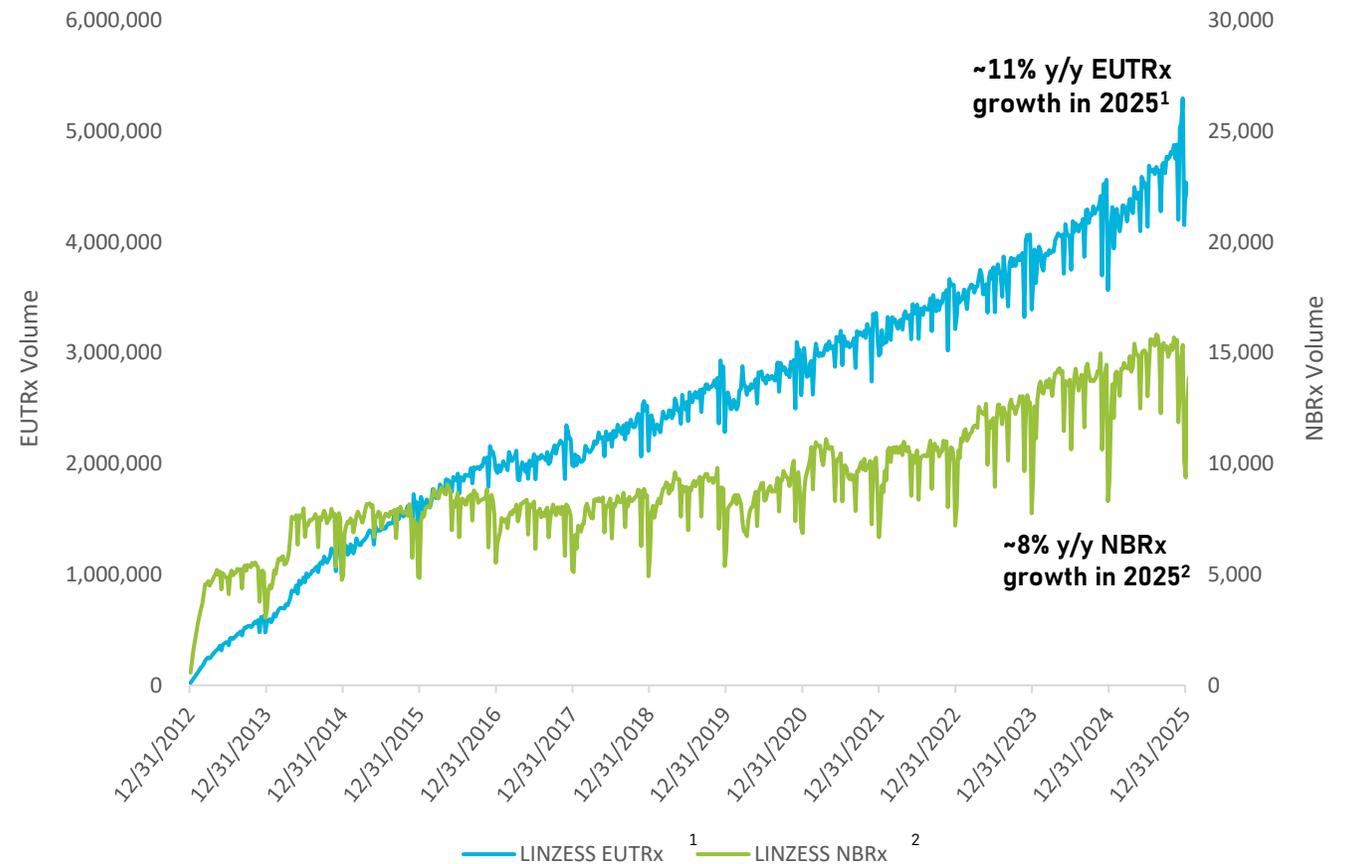


# Prescription Leader in IBS-C and CIC

LINZESS is a growing, market leading brand with a significant opportunity to address high unmet need

**Linzess**<sup>®</sup>  
*(linaclotide) capsules*  
72 mcg • 145 mcg • 290 mcg

## Consistent Strong LINZESS Demand Growth Since Launch

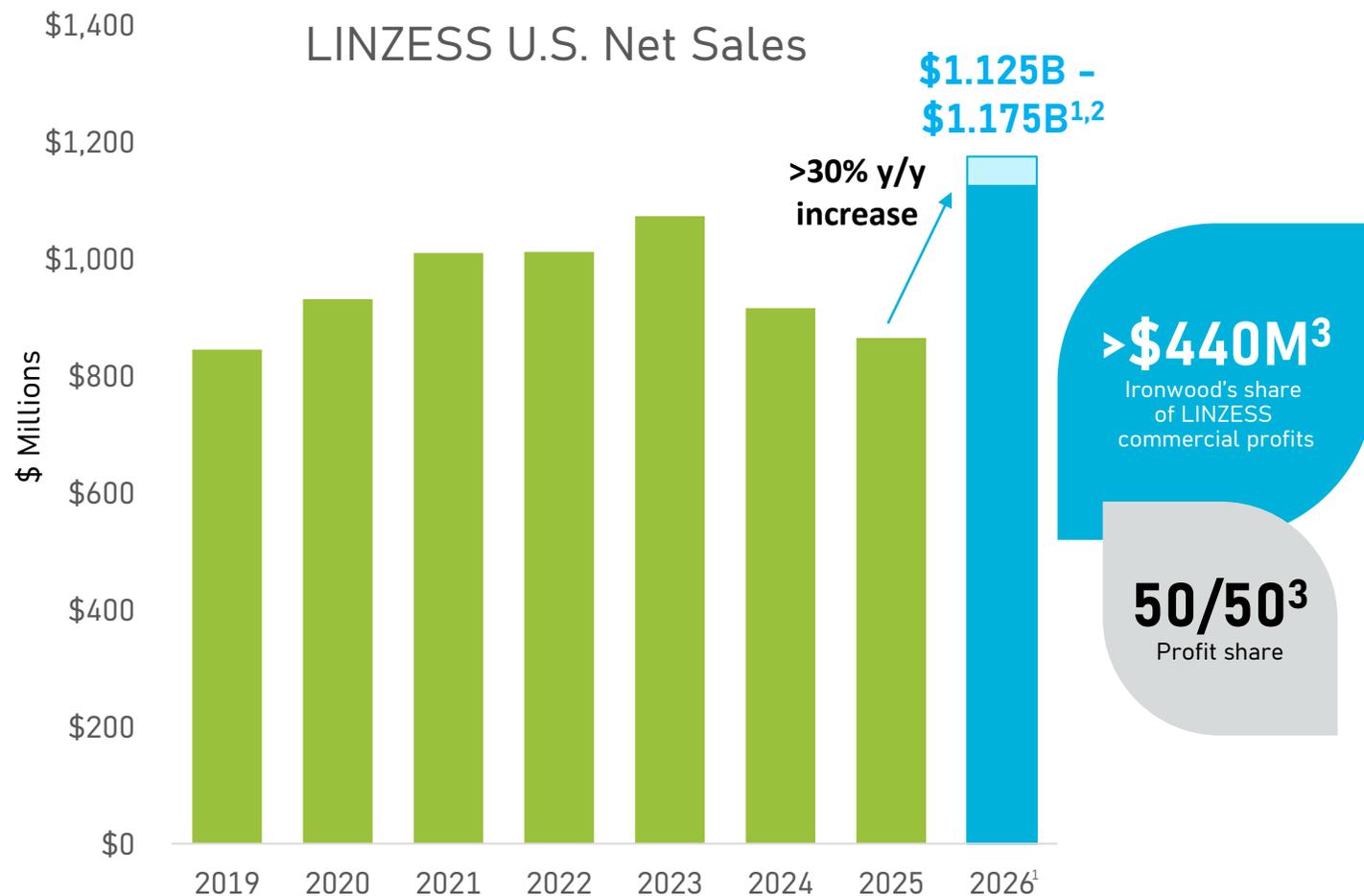


<sup>1</sup> EUTRx, total prescription extended units; IQVIA Weekly National Prescription Audit, December 2025

<sup>2</sup> NBRx, new-to-brand prescriptions; IQVIA Weekly Patients Insights, December 2025

# Expect increased LINZESS U.S. net sales growth in 2026, primarily driven by improved net price

LINZESS continues to generate strong brand profits and cash flows



<sup>1</sup> LINZESS U.S. net sales reflect our FY 2026 guidance range. <sup>2</sup> LINZESS U.S. net sales are recognized using AbbVie's revenue recognition accounting policies and reporting conventions. As a result, certain rebates and discounts are classified as LINZESS U.S. commercial costs, expenses and other discounts within Ironwood's calculation of collaborative arrangements revenue. <sup>3</sup> Ironwood collaborates with AbbVie on the development and commercialization of linaclotide in North America. Under the terms of the collaboration agreement, Ironwood receives 50% of the net profits and bears 50% of the net losses from the commercial sale of LINZESS in the U.S. This figure reflects the calculation of Ironwood's share of net profit (loss) generated from the sales of LINZESS in the U.S. and Ironwood's collaboration revenue/expense; however, the figure does not reflect the research and development expenses related to LINZESS in the U.S. that are shared equally between the parties under the collaboration agreement. See slides 21 and 22 for detailed breakdown.



# Advance Apraglutide

Glucagon-like peptide-2 (GLP-2) analog for Short Bowel Syndrome with Intestinal Failure (SBS-IF)



# STARS-2 Phase 3 confirmatory clinical trial site initiations expected to begin Q2'26

**24** week trial

**2 Arms** placebo and apraglutide

**1:1** apraglutide to placebo

**Apraglutide once weekly dosing**

PRIMARY ENDPOINT IN OVERALL POPULATION

**Relative PS volume change from baseline**

KEY SECONDARY ENDPOINTS IN OVERALL POPULATION

**Clinical response (>20% PS volume reduction)**

**Days off PS per week**

**Enteral autonomy**

Screening

Randomization

PS Stabilization /  
Optimization

Apraglutide

Placebo



# Financial Highlights and 2026 Guidance



# FY 2025 financial performance

**\$865M**

## LINZESS U.S. Net Sales<sup>1</sup>

Q4 2025 LINZESS net sales as reported by AbbVie were \$163M, down 27% year-over-year, driven by net price erosion<sup>2</sup>, partially offset by 13% demand growth YoY

**\$296M**

## Total Ironwood Revenues

Primarily driven by \$289M in U.S. LINZESS collaboration revenue

**\$24M**

## GAAP Net Income

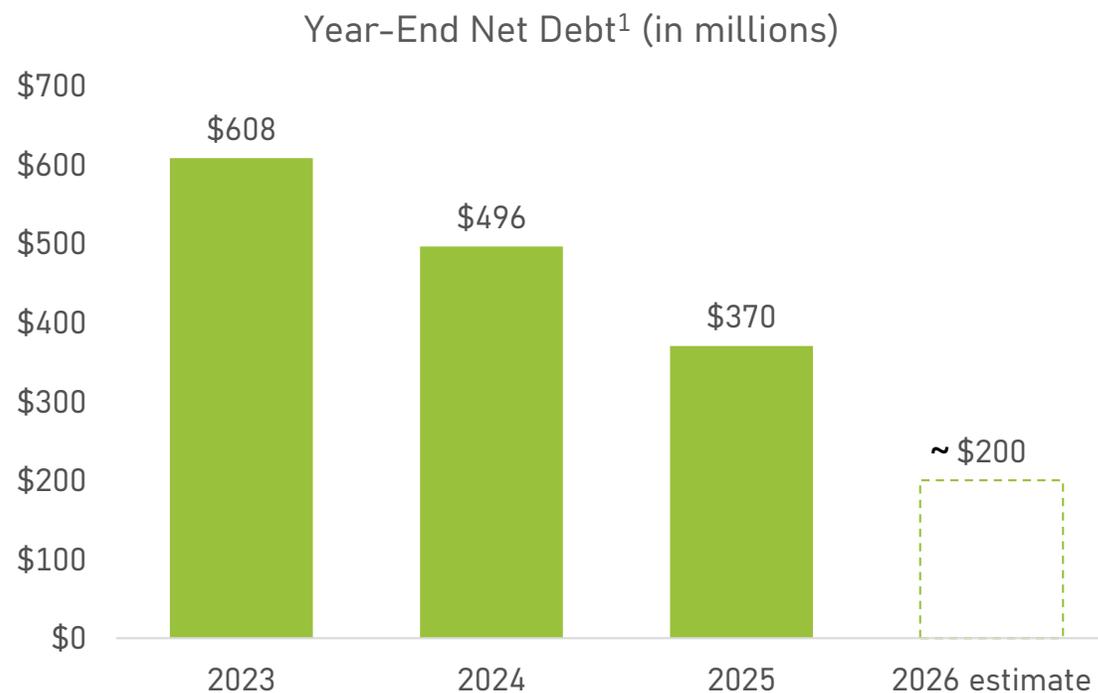
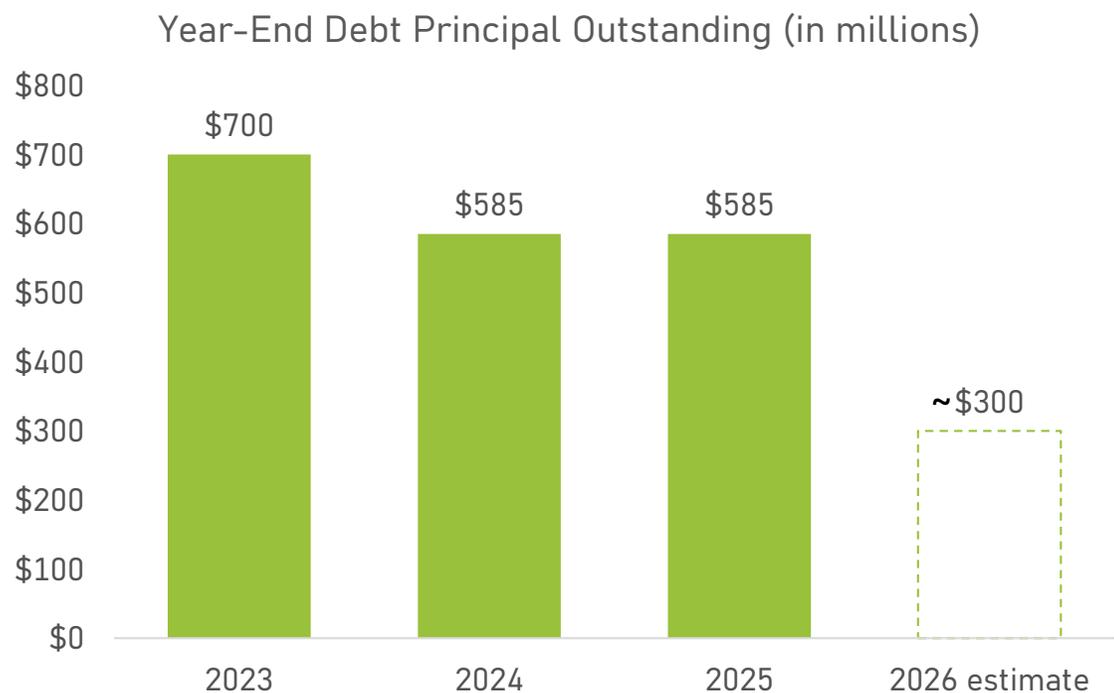
\$0.15/share – basic and diluted

**\$138M**

## Adjusted EBITDA<sup>3,4</sup>

<sup>1</sup> LINZESS U.S. net sales are reported by AbbVie and LINZESS costs incurred by each of us and AbbVie are reported in our respective financial statements. LINZESS costs include certain discounts recognized and cost of goods sold incurred by AbbVie, as well as commercial costs incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. See slides 21 and 22 for detailed breakdown. <sup>2</sup> As a reminder, gross-to-net rebate reserves in 2025 are based on rebates owed for units dispensed by channel in each applicable quarter. In its first quarter 2025 results, Ironwood stated that we expected gross-to-net rebate reserves based on units dispensed to impact quarterly phasing of 2025 LINZESS U.S. net sales and this dynamic as well as impact of Medicare Part D redesign contributed to unfavorable year-over-year net price in the fourth quarter of 2025. <sup>3</sup> Refer to the Reconciliation of GAAP net income to adjusted EBITDA on slide 20 of this presentation.

# Expect strong LINZESS cash flows to enable continued deleveraging while simultaneously funding investment to drive long-term growth



\$215 million in cash & cash equivalents as of December 31, 2025

# We are maintaining our FY 2026 financial guidance



FY 2026 Guidance  
(February 2026)

U.S. LINZESS net sales

\$1.125 to \$1.175 billion

Total revenue

\$450 – \$475 million

Adjusted EBITDA<sup>1</sup>

>\$300 million

<sup>1</sup> Adjusted EBITDA is calculated by subtracting stock-based compensation, restructuring expenses, net interest expense, income taxes, and depreciation and amortization, from GAAP net income (loss). For purposes of this guidance, we have assumed that Ironwood will not incur material expenses related to business development activities in 2026. Ironwood does not provide guidance on GAAP net income or a reconciliation of expected adjusted EBITDA to expected GAAP net income because, without unreasonable efforts, it is unable to predict with reasonable certainty the non-GAAP adjustments used to calculate adjusted EBITDA. These adjustments are uncertain, depend on various factors and could have a material impact on GAAP net income for the guidance period. Management believes this non-GAAP information is useful for investors, taken in conjunction with Ironwood's GAAP financial statements, because it provides greater transparency and period-over-period comparability with respect to Ironwood's operating performance. These measures are also used by management to assess the performance of the business. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies.

# APPENDIX

# Q4 and FY 2025 Financial Summary

## Reconciliation of GAAP results to non-GAAP financial measures (page 1)

	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
	(000s, except per share amounts)	(000s, except per share amounts)
GAAP net income (loss) <sup>1</sup>	\$ (2,276)	\$ 24,017
Adjustments:		
Amortization of acquired intangible assets	207	820
Restructuring expenses, net	(252)	20,257
Tax effect of adjustments	47	(5,003)
Non-GAAP income (loss) <sup>1</sup>	\$ (2,274)	\$ 40,901
GAAP net income (loss) per share – basic <sup>1</sup>	\$ (0.01)	\$ 0.15
Adjustments to GAAP net income per share (as detailed above)	-	0.10
Non-GAAP net income (loss) per share – basic <sup>1</sup>	\$ (0.01)	\$ 0.25

<sup>1</sup> The company presents non-GAAP net income and non-GAAP net income per share to exclude amortization of acquired intangible assets, restructuring expenses, and acquisition-related costs, all net of tax effect. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. For a reconciliation of the company's non-GAAP financial measures to the most comparable GAAP measures, please refer to the table above. Additional information regarding the non-GAAP financial measures is included in the company's press release dated February 25, 2026. Management believes this non-GAAP information is useful for investors, taken in conjunction with Ironwood's GAAP financial statements, because it provides greater transparency and period-over-period comparability with respect to Ironwood's operating performance. These measures are also used by management to assess the performance of the business. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies.

# Q4 and FY 2025 Financial Summary

## Reconciliation of GAAP results to non-GAAP financial measures (page 2)

	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
	(000s, except per share amounts)	(000s, except per share amounts)
GAAP net income (loss) per share – diluted <sup>1</sup>	\$ (0.01)	\$ 0.15
Adjustments to GAAP net income per share (as detailed above)	-	0.10
Non-GAAP net income (loss) per share – diluted <sup>1</sup>	\$ (0.01)	\$ 0.25

<sup>1</sup> The company presents non-GAAP net income and non-GAAP net income per share to exclude amortization of acquired intangible assets, restructuring expenses, and acquisition-related costs, all net of tax effect. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. For a reconciliation of the company's non-GAAP financial measures to the most comparable GAAP measures, please refer to the table above. Additional information regarding the non-GAAP financial measures is included in the company's press release dated February 25, 2026. Management believes this non-GAAP information is useful for investors, taken in conjunction with Ironwood's GAAP financial statements, because it provides greater transparency and period-over-period comparability with respect to Ironwood's operating performance. These measures are also used by management to assess the performance of the business. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies.

# Q4 and FY 2025 Financial Summary

## Reconciliation of GAAP net income to adjusted EBITDA

	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
	(000s)	(000s)
GAAP net income <sup>1</sup>	\$ (2,276)	\$ 24,017
Adjustments:		
Stock-based compensation	3,823	17,250
Restructuring expenses, net	(252)	20,257
Interest expense	7,886	32,746
Interest and investment income	(1,459)	(4,076)
Income tax expense	2,731	46,008
Depreciation and amortization	460	1,881
Adjusted EBITDA <sup>1</sup>	\$ 10,193	\$ 138,083

<sup>1</sup> Ironwood presents GAAP net income and adjusted EBITDA, a non-GAAP measure. Adjusted EBITDA is calculated by subtracting restructuring expenses, net interest expense, income taxes, depreciation and amortization and stock-based compensation, from GAAP net income. The exclusion of stock-based compensation from Adjusted EBITDA represents an update to our definition of Adjusted EBITDA, effective in the first quarter of 2025. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP. For a reconciliation of the company's non-GAAP financial measures to the most comparable GAAP measures, please refer to the table above. Additional information regarding the non-GAAP financial measures is included in the company's press release dated February 25, 2026. Management believes this non-GAAP information is useful for investors, taken in conjunction with Ironwood's GAAP financial statements, because it provides greater transparency and period-over-period comparability with respect to Ironwood's operating performance. These measures are also used by management to assess the performance of the business. In addition, these non-GAAP financial measures are unlikely to be comparable with non-GAAP information provided by other companies.

# Q4 and FY 2025 Financial Summary

## LINZESS U.S. Brand Collaboration

Commercial Profit & Collaboration Revenue <sup>1</sup>		
	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
	(000s)	(000s)
<b>LINZESS U.S. net product sales as reported by AbbVie<sup>2</sup></b>	\$ 163,173	\$ 864,507
<b>AbbVie &amp; Ironwood commercial costs, expenses and other discounts<sup>3</sup></b>	74,468	294,087
<b>Commercial profit on sales of LINZESS</b>	\$ 88,705	\$ 570,421
<i>Commercial Margin<sup>4</sup></i>	54%	66%
<b>Ironwood's share of net profit</b>	44,353	285,211
<b>Reimbursement for Ironwood's commercial expenses</b>	866	4,105
<b>Ironwood's collaborative arrangements revenue</b>	\$ 45,219	\$ 289,316

<sup>1</sup> Ironwood collaborates with AbbVie on the development and commercialization of linaclotide in North America. Under the terms of the collaboration agreement, Ironwood receives 50% of the net profits and bears 50% of the net losses from the commercial sale of LINZESS in the U.S. The purpose of this table is to present calculations of Ironwood's share of net profit (loss) generated from the sales of LINZESS in the U.S. and Ironwood's collaboration revenue/expense; however, the table does not present the research and development expenses related to LINZESS in the U.S. that are shared equally between the parties under the collaboration agreement. <sup>2</sup> LINZESS net sales are recognized using AbbVie's revenue recognition accounting policies and reporting conventions. As a result, certain rebates and discounts are classified as LINZESS U.S. commercial costs, expenses and other discounts within Ironwood's calculation of collaborative arrangements revenue. <sup>3</sup> Includes certain discounts recognized and cost of goods sold incurred by AbbVie; also includes commercial costs incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. <sup>4</sup> Commercial margin is defined as commercial profit on sales of LINZESS as a percent of total LINZESS U.S. net sales.

# Q4 and FY 2025 Financial Summary

## LINZESS U.S. Brand Collaboration

### Ironwood & AbbVie Total Net Profit<sup>1</sup>

	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
	(000s)	(000s)
LINZESS U.S. net sales as reported by AbbVie <sup>2</sup>	\$ 163,173	\$ 864,507
AbbVie & Ironwood commercial costs, expenses and other discounts <sup>3</sup>	74,468	294,087
AbbVie & Ironwood R&D expenses <sup>4</sup>	7,194	25,061
<b>Total net profit on sales of LINZESS</b>	<b>\$ 81,511</b>	<b>\$ 545,359</b>

<sup>1</sup> Ironwood collaborates with AbbVie on the development and commercialization of linaclotide in North America. Under the terms of the collaboration agreement, Ironwood receives 50% of the net profits and bears 50% of the net losses from the commercial sale of LINZESS in the U.S. The purpose of this table is to present calculations of the total net profit (loss) generated from the sales of LINZESS in the U.S., including the commercial costs and expenses and the research and development expenses related to LINZESS in the U.S. that are shared equally between the parties under the collaboration agreement. <sup>2</sup> LINZESS net sales are recognized using AbbVie's revenue recognition accounting policies and reporting conventions. As a result, certain rebates and discounts are classified as LINZESS U.S. commercial costs, expenses and other discounts within Ironwood's calculation of collaborative arrangements revenue. <sup>3</sup> Includes certain discounts recognized and cost of goods sold incurred by AbbVie; also includes commercial costs incurred by AbbVie and Ironwood that are attributable to the cost-sharing arrangement between the parties. <sup>4</sup> Expenses related to LINZESS in the U.S. are shared equally between Ironwood and AbbVie under the collaboration agreement.