Consolidated Statement of Comprehensive Income

for the year ended 31 December

	Notes	2025 $m	2024 $m	2023 $m
– Product Sales	2	***55,573***	*50,938*	*43,789*
– Alliance Revenue	2	***3,067***	*2,212*	*1,428*
Product Revenue		**58,640**	53,150	45,217
Collaboration Revenue	2	**99**	923	594
Total Revenue		**58,739**	54,073	45,811
Cost of sales		**(10,633)**	(10,207)	(8,268)
Gross profit		**48,106**	43,866	37,543
Distribution expense		**(579)**	(555)	(539)
Research and development expense	3	**(14,232)**	(13,583)	(10,935)
Selling, general and administrative expense	3	**(19,933)**	(19,977)	(19,216)
Other operating income and expense	3	**381**	252	1,340
Operating profit		**13,743**	10,003	8,193
Finance income	4	**360**	458	344
Finance expense	4	**(1,694)**	(1,742)	(1,626)
Share of after tax losses in associates and joint ventures	12	**(7)**	(28)	(12)
Profit before tax		**12,402**	8,691	6,899
Taxation	5	**(2,169)**	(1,650)	(938)
Profit for the period		**10,233**	7,041	5,961
Other comprehensive income:				
Items that will not be reclassified to profit and loss:				
Remeasurement of the defined benefit pension liability	22	**290**	80	(406)
Net gains on equity investments measured at fair value through Other comprehensive income		**188**	139	278
Fair value movements related to own credit risk on bonds designated as fair value through profit or loss		**–**	12	(6)
Tax (expense)/income on items that will not be reclassified to profit and loss	5	**(94)**	(43)	101
		384	188	(33)
Items that may be reclassified subsequently to profit and loss:				
Foreign exchange arising on consolidation	23	**2,387**	(957)	608
Foreign exchange arising on designated liabilities in net investment hedges	23	**18**	(122)	24
Fair value movements on cash flow hedges		**263**	(129)	266
Fair value movements on cash flow hedges transferred to profit and loss		**(314)**	177	(145)
Fair value movements on derivatives designated in net investment hedges	23	**14**	39	44
Gains/(costs) of hedging		**1**	(21)	(19)
Tax (expense)/income on items that may be reclassified subsequently to profit and loss	5	**(50)**	25	(12)
		2,319	(988)	766
Other comprehensive income/(expense) for the period, net of tax		**2,703**	(800)	733
Total comprehensive income for the period		**12,936**	6,241	6,694
Profit attributable to:				
Owners of the Parent		**10,225**	7,035	5,955
Non-controlling interests	26	**8**	6	6
Total comprehensive income attributable to:				
Owners of the Parent		**12,920**	6,236	6,688
Non-controlling interests	26	**16**	5	6
Basic earnings per $0.25 Ordinary Share	6	**$6.60**	$4.54	$3.84
Diluted earnings per $0.25 Ordinary Share	6	**$6.54**	$4.50	$3.81
Weighted average number of Ordinary Shares in issue (millions)	6	**1,550**	1,550	1,549
Diluted weighted average number of Ordinary Shares in issue (millions)	6	**1,562**	1,563	1,562
Dividends declared and paid in the period	25	**4,846**	4,602	4,487

All activities were in respect of continuing operations.

$m means millions of US dollars.

Consolidated Statement of Financial Position

at 31 December

	Notes	2025 $m	2024 $m
Assets			
Non-current assets			
Property, plant and equipment	8	**12,962**	10,252
Right-of-use assets	9	**1,741**	1,395
Goodwill	10	**21,242**	21,025
Intangible assets	11	**37,846**	37,177
Investments in associates and joint ventures	12	**302**	268
Other investments	13	**2,223**	1,632
Derivative financial instruments	14	**498**	182
Other receivables	15	**1,327**	930
Income tax receivable	5	**1,391**	–
Deferred tax assets	5	**5,819**	5,347
		85,351	78,208
Current assets			
Inventories	16	**6,557**	5,288
Trade and other receivables	17	**15,177**	12,972
Other investments	13	**30**	166
Derivative financial instruments	14	**90**	54
Income tax receivable	5	**1,158**	1,859
Cash and cash equivalents	18	**5,711**	5,488
		28,723	25,827
Total assets		**114,074**	104,035
Liabilities			
Current liabilities			
Interest-bearing loans and borrowings	19	**(3,104)**	(2,337)
Lease liabilities	9	**(382)**	(339)
Trade and other payables	20	**(25,280)**	(22,465)
Derivative financial instruments	14	**(81)**	(50)
Provisions	21	**(686)**	(1,269)
Income tax payable	5	**(1,084)**	(1,406)
		(30,617)	(27,866)
Non-current liabilities			
Interest-bearing loans and borrowings	19	**(24,715)**	(26,506)
Lease liabilities	9	**(1,421)**	(1,113)
Derivative financial instruments	14	**–**	(115)
Deferred tax liabilities	5	**(3,500)**	(3,305)
Retirement benefit obligations	22	**(1,105)**	(1,330)
Provisions	21	**(918)**	(921)
Income tax payable	5	**(700)**	(238)
Other payables	20	**(2,379)**	(1,770)
		(34,738)	(35,298)
Total liabilities		**(65,355)**	(63,164)
Net assets		**48,719**	40,871
Equity			
Capital and reserves attributable to equity holders of the Company			
Share capital	24	**388**	388
Share premium account		**35,266**	35,226
Capital redemption reserve		**153**	153
Merger reserve		**448**	448
Other reserves	23	**1,440**	1,411
Retained earnings	23	**10,972**	3,160
		48,667	40,786
Non-controlling interests	26	**52**	85
Total equity		**48,719**	40,871

The Financial Statements from pages 125 to 196 were approved by the Board and were signed on its behalf by

Pascal Soriot
Director
10 February 2026

Aradhana Sarin
Director

Consolidated Statement of Changes in Equity

for the year ended 31 December

	Share capital $m	Share premium account $m	Capital redemption reserve $m	Merger reserve $m	Other reserves $m	Retained earnings $m	Total attributable to owners $m	Non-controlling interests $m	Total equity $m
At 1 January 2023	387	35,155	153	448	1,468	(574)	37,037	21	37,058
Profit for the period	–	–	–	–	–	5,955	5,955	6	5,961
Other comprehensive income[1]	–	–	–	–	–	733	733	–	733
Transfer to Other reserves[2]	–	–	–	–	(4)	4	–	–	–
Transactions with owners									
Dividends (Note 25)	–	–	–	–	–	(4,487)	(4,487)	–	(4,487)
Dividends paid to non-controlling interests (Note 25)	–	–	–	–	–	–	–	(4)	(4)
Issue of Ordinary Shares	1	33	–	–	–	–	34	–	34
Share-based payments charge for the period (Note 29)	–	–	–	–	–	579	579	–	579
Settlement of share plan awards	–	–	–	–	–	(708)	(708)	–	(708)
Net movement	1	33	–	–	(4)	2,076	2,106	2	2,108
At 31 December 2023	388	35,188	153	448	1,464	1,502	39,143	23	39,166
Profit for the period	–	–	–	–	–	7,035	7,035	6	7,041
Other comprehensive expense[1]	–	–	–	–	–	(799)	(799)	(1)	(800)
Transfer to Other reserves[2]	–	–	–	–	15	(15)	–	–	–
Transactions with owners									
Dividends (Note 25)	–	–	–	–	–	(4,602)	(4,602)	–	(4,602)
Dividends paid to non-controlling interests (Note 25)	–	–	–	–	–	–	–	(4)	(4)
Issue of Ordinary Shares	–	38	–	–	–	–	38	–	38
Changes in non-controlling interests	–	–	–	–	–	–	–	61	61
Movement in shares held by Employee Benefit Trusts[2]	–	–	–	–	(68)	–	(68)	–	(68)
Share-based payments charge for the period (Note 29)	–	–	–	–	–	660	660	–	660
Settlement of share plan awards	–	–	–	–	–	(621)	(621)	–	(621)
Net movement	–	38	–	–	(53)	1,658	1,643	62	1,705
At 31 December 2024	388	35,226	153	448	1,411	3,160	40,786	85	40,871
Profit for the period	**–**	**–**	**–**	**–**	**–**	**10,225**	**10,225**	**8**	**10,233**
Other comprehensive (expense)/income[1]	**–**	**–**	**–**	**–**	**(61)**	**2,756**	**2,695**	**8**	**2,703**
Transfer to Other reserves[2]	**–**	**–**	**–**	**–**	**47**	**(47)**	**–**	**–**	**–**
Transactions with owners									
Dividends (Note 25)	**–**	**–**	**–**	**–**	**–**	**(4,846)**	**(4,846)**	**–**	**(4,846)**
Dividends paid to non-controlling interests (Note 25)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(6)**	**(6)**
Issue of Ordinary Shares	**–**	**40**	**–**	**–**	**–**	**–**	**40**	**–**	**40**
Changes in non-controlling interests	**–**	**–**	**–**	**–**	**–**	**(214)**	**(214)**	**(43)**	**(257)**
Movement in shares held by Employee Benefit Trusts[2]	**–**	**–**	**–**	**–**	**43**	**–**	**43**	**–**	**43**
Share-based payments charge for the period (Note 29)	**–**	**–**	**–**	**–**	**–**	**719**	**719**	**–**	**719**
Settlement of share plan awards	**–**	**–**	**–**	**–**	**–**	**(781)**	**(781)**	**–**	**(781)**
Net movement	**–**	**40**	**–**	**–**	**29**	**7,812**	**7,881**	**(33)**	**7,848**
At 31 December 2025	**388**	**35,266**	**153**	**448**	**1,440**	**10,972**	**48,667**	**52**	**48,719**

[1] Included within Other comprehensive income of $2,703m (2024: expense of $800m; 2023: income of $733m) is a gain of $1m (2024: charge of $21m; 2023: charge of $19m), relating to Gains/(costs) of hedging.

[2] Amounts charged or credited to Other reserves relate to exchange adjustments arising on goodwill and movements in shares held by Employee Benefit Trusts. Transfer to Other reserves includes $70m (2024: $nil; 2023: $nil) in respect of the opening balance on the cash flow hedge reserve. The cash flow hedge reserve was previously disclosed within Retained earnings but from 2025 is disclosed within Other reserves.

Consolidated Statement of Cash Flows

for the year ended 31 December

	Notes	2025 $m	2024 $m	2023 $m
Cash flows from operating activities				
Profit before tax		**12,402**	8,691	6,899
Finance income and expense	4	**1,334**	1,284	1,282
Share of after tax losses in associates and joint ventures	12	**7**	28	12
Depreciation, amortisation and impairment	3	**5,733**	6,688	5,387
Increase in trade and other receivables		**(1,728)**	(1,624)	(1,425)
Increase in inventories		**(755)**	(131)	(669)
Increase in trade and other payables and provisions		**1,346**	862	2,394
Gains on disposal of intangible assets	3	**(168)**	(64)	(251)
Fair value movements on contingent consideration arising from business combinations	20	**(97)**	311	549
Non-cash and other movements	18	**662**	(121)	(386)
Cash generated from operations		**18,736**	15,924	13,792
Interest paid		**(1,316)**	(1,313)	(1,081)
Tax paid		**(2,845)**	(2,750)	(2,366)
Net cash inflow from operating activities		**14,575**	11,861	10,345
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	27	**(66)**	(2,771)	(189)
Payments upon vesting of employee share awards attributable to business combinations	27	**–**	(3)	(84)
Payment of contingent consideration from business combinations	20	**(1,164)**	(1,008)	(826)
Purchase of property, plant and equipment		**(2,810)**	(1,924)	(1,361)
Disposal of property, plant and equipment		**13**	55	132
Purchase of intangible assets		**(3,095)**	(2,662)	(2,417)
Disposal of intangible assets		**136**	123	291
Movement in profit-participation liability	3	**–**	–	190
Purchase of non-current asset investments		**(229)**	(96)	(136)
Disposal of non-current asset investments		**–**	78	32
Movement in short-term investments, fixed deposits and other investing instruments		**131**	30	97
Payments to associates and joint ventures	12	**(10)**	(158)	(80)
Disposal of investments in associates and joint ventures		**–**	13	–
Interest received		**286**	343	287
Net cash outflow from investing activities		**(6,808)**	(7,980)	(4,064)
Net cash inflow before financing activities		**7,767**	3,881	6,281
Cash flows from financing activities				
Proceeds from issue of share capital		**40**	38	33
Own shares purchased by Employee Benefit Trusts		**(521)**	(81)	–
Payments to acquire non-controlling interests		**(183)**	–	–
Issue of loans and borrowings		**15**	6,492	3,816
Repayment of loans and borrowings		**(2,029)**	(4,652)	(4,942)
Dividends paid	25	**(4,971)**	(4,629)	(4,481)
Hedge contracts relating to dividend payments	25	**113**	16	(19)
Repayment of obligations under leases		**(372)**	(316)	(268)
Movement in short-term borrowings		**364**	(31)	161
Payment of Acerta Pharma share purchase liability		**–**	(833)	(867)
Net cash outflow from financing activities		**(7,544)**	(3,996)	(6,567)
Net increase/(decrease) in Cash and cash equivalents in the period		**223**	(115)	(286)
Cash and cash equivalents at the beginning of the period		**5,429**	5,637	5,983
Exchange rate effects		**46**	(93)	(60)
Cash and cash equivalents at the end of the period	18	**5,698**	5,429	5,637

Group Accounting Policies

Basis of accounting and preparation of financial information

The Consolidated Financial Statements (or Group Financial Statements) have been prepared under the historical cost convention, modified to include revaluation to fair value of certain financial instruments and pension plan assets and liabilities as described below, in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Consolidated Financial Statements also comply fully with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Accounting Standards as adopted by the European Union.

The Consolidated Financial Statements are presented in US dollars, which is the Company's functional currency.

New accounting requirements

The following amendments have been issued and adopted:

- amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates', effective for periods beginning on or after 1 January 2025 - endorsed by the United Kingdom Endorsement Board (UKEB) on 15 July 2024.

The above amendments did not have a significant impact on the Group's net results, net assets or disclosures.

Product revenue subtotal

Effective 1 January 2025, the Group has updated the presentation of Total Revenue on the face of the Consolidated Statement of Comprehensive Income to include a new subtotal 'Product Revenue'. This represents the summation of Product Sales and Alliance Revenue on the basis of the similar characteristics of the underlying product sales curve profiles related to the end customer. Product Revenue and Collaboration Revenue form Total Revenue. Product Sales and Alliance Revenue continue to be presented separately, with the new subtotal providing additional aggregation of revenue types with similar characteristics, reflecting the growing importance of Alliance Revenue.

There are no changes to the Revenue accounting policy regarding the types of transactions recorded in each revenue category. The comparative years have been retrospectively adjusted to reflect the additional subtotal, resulting in total Product Revenue being reported for the year ended 31 December 2024 of $53,150m and the year ended 31 December 2023 of $45,217m.

Basis for preparation of Financial Statements on a going concern basis

The Group has considerable financial resources available. As at 31 December 2025, the Group has $10.6bn in financial resources (cash and cash equivalent balances of $5.7bn and undrawn committed bank facilities of $4.9bn that are available until April 2030), with $3.5bn of borrowings due within one year. These facilities contain no financial covenants, and in January 2026 their maturity was extended to April 2031.

The Group has assessed the prospects of the Group over a period longer than the required 12 months from the date of Board approval of these Consolidated Financial Statements, with no deterioration noted requiring a further extension of this review. The Group's revenues are largely derived from sales of medicines covered by patents, which provide a relatively high level of resilience and predictability to cash inflows, although government price interventions in response to budgetary constraints are expected to continue to adversely affect revenues in some of our significant markets. The Group, however, anticipates new revenue streams from both recently launched medicines and those in development, and the Group has a wide diversity of customers and suppliers across different geographic areas.

Consequently, the Directors believe that, overall, the Group is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Estimates and judgements

The preparation of the Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accounting policy descriptions set out the areas where judgements and estimates need exercising, the most significant of which include the following Key Judgements KJ and Significant Estimates SE:

- revenue recognition – see Revenue accounting policy on page 130 KJ and Note 2 on page 141 SE
- expensing of internal development expenses – see Research and development accounting policy on page 131 KJ
- impairment reviews of Intangible assets – see Note 11 on page 153 SE
- useful economic life of Intangible assets – see Research and development accounting policy on page 131 KJ
- business combinations and Goodwill – see Business combinations and goodwill accounting policy on page 134 KJ
- litigation liabilities – see Legal proceedings within Note 30 on page 181 KJ
- operating segments – see Note 7 on page 147 KJ
- employee benefits – see Note 22 on page 168 SE
- taxation – see Note 30 on page 190 KJ.

The Group has assessed the impact of sustainability topics on its financial reporting. This includes an impact assessment on the valuation and useful lives of Intangible assets and the identification and measurement of provisions and contingent liabilities in response to climate and pollution risks.

Sustainability-related opportunities on innovation are integral to the Financial Statements with a key indicator of the Group's investment being Research and development (R&D) expense. Business conduct and patient safety are both considered as part of our recognition and measurement of provisions and contingent liabilities, noted within sections of Government investigations and proceedings and Product liability litigation as relevant, of Note 30. No material accounting impacts or changes to judgements or other required disclosures were noted.

KJ Key Judgements are those judgements made in applying the Group's accounting policies that have a material effect on the amounts of assets and liabilities recognised in the Financial Statements.

SE A Significant Estimate has a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Financial risk management policies are detailed in Note 28 to the Financial Statements from page 171.

AstraZeneca's management considers the following to be the material accounting policies in the context of the Group's operations.

Revenue

Revenue comprises Product Sales, Alliance Revenue and Collaboration Revenue.

Revenue excludes inter-company revenues and value-added taxes.

Group Accounting Policies *continued*

Product Sales

Product Sales represent net invoice value less estimated rebates, returns and chargebacks, which are considered to be variable consideration and include significant estimates. Sales are recognised when the control of the goods has been transferred to a third party. This is usually when title passes to the customer, either on shipment or on receipt of goods by the customer, depending on local trading terms. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Rebates are amounts payable or credited to a customer, usually based on the quantity or value of Product Sales to the customer for specific products in a certain period. Product Sales rebates, which relate to Product Sales that occur over a period of time, are normally issued retrospectively.

At the time Product Sales are invoiced, rebates and deductions that the Group expects to pay are estimated based upon assumptions developed using contractual terms, historical experience and market-related information. The rebates and deductions are recognised as variable consideration and recorded as a reduction to revenue with an accrual recorded. These rebates typically arise from sales contracts with government payers, third-party managed care organisations, hospitals, long-term care facilities, group purchasing organisations and various state programmes.

In markets where returns are significant, estimates of the quantity and value of goods which may ultimately be returned are accounted for at the point revenue is recognised. Our returns accruals are based on actual experience over the preceding 12 months for established products together with market-related information such as estimated stock levels at wholesalers and competitor activity which we receive via third-party information services. For newly launched products, we use rates based on our experience with similar products or a predetermined percentage.

When a product faces generic competition, particular attention is given to the possible levels of returns and, in cases where the circumstances are such that the level of Product Sales are considered highly probable to reverse, revenues are only recognised when the right of return expires, which is generally on ultimate prescription of the product to patients.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with returns is resolved, revenue is adjusted accordingly.

Under certain collaboration agreements which include a profit sharing mechanism, our recognition of Product Sales depends on which party acts as principal in sales to the end customer. In the cases where AstraZeneca acts as principal, we record 100% of sales to the end customer. In the cases where AstraZeneca does not act as principal, we record the share of gross profits received within Alliance Revenue.

Certain arrangements include bill-and-hold arrangements under which the Group invoices a customer for a product but retains physical possession of the product until it is transferred to the customer at a point in time in the future. For these types of arrangements, an assessment is made to determine when the performance obligation has been satisfied, which is when control of the product is transferred to the customer. If the customer has obtained control of the product even though that product remains in the Group's physical possession, the performance obligation to transfer a product has been satisfied and Product Sales are recognised. Control is considered to have transferred when the reason for the bill-and-hold arrangement is substantive, the product can be identified separately as belonging to the customer, the product is ready for physical transfer to the customer and AstraZeneca is unable to use or sell the product to another customer.

Alliance Revenue

Alliance Revenue comprises income arising from the ongoing operation of collaborative arrangements related to sales made by collaboration partners, where AstraZeneca is entitled to a share of gross profits, a share of revenues or royalties, which are recurring in nature while the collaboration agreement remains in place. Alliance Revenue does not include Product Sales where AstraZeneca is leading commercialisation in a territory, or reimbursement for AstraZeneca-incurred expenses such as R&D or promotion costs, which arise from the license of intellectual property.

The Group periodically enters into transactions where it acquires part of the rights to a product intangible (either on-market or in-process R&D), but for commercial reasons does not act as principal in selling the product to the customer and therefore does not recognise income from the product in the form of Product Sales. This may occur where, for example, a collaboration partner retains the right to commercialise in a specific territory, and has sufficient local control over that commercialisation to book Product Sales, while the Group instead receives a proportion of the value generated by those Product Sales, either in the form of a share of gross profits, a share of revenues or a royalty. This revenue is recognised when the Group's right to receive the share of the collaboration partner's income is established and can be reliably measured.

Where an out-licensing arrangement meets the definition of a licence agreement, sales royalties are recognised when achieved by applying the royalty exemption under IFRS 15 'Revenue from Contracts with Customers'. Where the arrangement meets the definition of a licence agreement, share of gross profits, share of revenues and sales royalties are recognised when achieved by applying the royalty exemption under IFRS 15. All other sales royalties are recognised when considered it is highly probable there will not be a significant reversal of cumulative income. The determination requires estimates to be made in relation to future Product Sales.

Collaboration Revenue

Collaboration Revenue includes income arising from entering into collaborative arrangements where the Group has out-licensed (sold) certain rights associated with products and where AstraZeneca retains a significant ongoing economic interest in the product. Significant interest can include ongoing supply of finished goods, profit sharing arrangements or being principal in the sales of medicines. These collaborations may include development, manufacturing and/or commercialisation arrangements with the collaborator. Income from out-licences may take the form of upfront fees and milestones.

KJ Timing of recognition of clinical and regulatory milestones is considered to be a Key Judgement. There can be significant uncertainty over whether it is highly probable that there would not be a significant reversal of cumulative revenue in respect of specific milestones if these are recognised before they are triggered due to them being subject to the actions of third parties. In general, where the triggering of a milestone is subject to the decisions of third parties (e.g. the acceptance or approval of a filing by a regulatory authority), the Group does not consider that the threshold for recognition is met until that decision is made.

Where Collaboration Revenue arises from the licensing of the Group's own intellectual property, the licences we grant are typically rights to use intellectual property which do not change during the period of the licence and therefore related non-conditional revenue is recognised at the point the licence is granted and variable consideration as soon as recognition criteria are met.

Other performance obligations in the contract might include the supply of product. These arrangements typically involve the receipt of an upfront payment, which the contract attributes to the license of the intangible assets, and ongoing receipts for supply, which the contract attributes to the sale of the product we manufacture. In cases where the transaction has two or more components, we account for the delivered item (for example, the transfer of title to the intangible asset) as a separate unit of account and record revenue on delivery of that component. Where practicable, consideration is allocated to performance obligations on the basis of the standalone selling price of each performance obligation. However, where there is a licence of intellectual property, it is not always possible to establish a reliable estimate of the standalone selling price of the licence as they are unique. Therefore, in these rare situations, the residual approach is used to determine the consideration attributable to the licence.

Where fixed amounts are payable over one year from the effective date of a contract, an assessment is made as to whether a significant financing component exists, and if so, the fair value of this component is deferred and recognised as financing income over the period to the expected date of receipt.

Where control of a right-to-use licence for an intangible asset passes at the outset of an arrangement, revenue is recognised at the point in time control is transferred. Where the substance of a licence arrangement is that of a right-to-access rights attributable to an intangible asset, revenue, in the form of an upfront fee, is recognised over time, normally on a straight-line basis over the life of the contract.

Where Collaboration Revenue is recorded and there is a related intangible asset that is licensed as part of the arrangement, an appropriate amount of that intangible asset is charged to Cost of sales based on an allocation of cost or value to the rights that have been licensed.

Cost of sales

Cost of sales are recognised as the associated revenue is recognised. Cost of sales include manufacturing costs, royalties payable on revenues recognised, movements in provisions for inventories, inventory write-offs and impairment charges in relation to manufacturing assets. Cost of sales also includes co-collaborator sharing of profit arising from collaborations, and foreign exchange gains and losses arising from business trading activities.

Research and development

Research expenditure is charged to profit and loss in the year in which it is incurred.

KJ Internal development expenditure is capitalised only if it meets the recognition criteria of IAS 38 'Intangible Assets'. This is considered a Key Judgement. Where regulatory and other uncertainties are such that the criteria are not met, the expenditure is charged to profit and loss and this is almost invariably the case prior to approval of the drug by the relevant regulatory authority. Where, however, recognition criteria are met, Intangible assets are capitalised and amortised on a straight-line basis over their useful economic lives from product launch. At 31 December 2025, no amounts have met the recognition criteria.

Payments to in-license products and compounds from third parties for new research and development projects (in process research and development) generally take the form of upfront payments, milestones and royalty payments. Where payments made to third parties represent consideration for future research and development activities, an evaluation is made as to the nature of the payments. Such payments are expensed if they represent compensation for sub-contracted research and development services not resulting in a transfer of intellectual property. By contrast, payments are capitalised if they represent compensation for the transfer of identifiable intellectual property developed at the risk of the third party. Such payments may be made once development or regulatory milestones are met and may also be made on the basis of sales volumes once a product is launched. Development and regulatory milestone payments are capitalised as the milestone is triggered. Sales-related payments are accrued and capitalised with reference to the latest Group sales forecasts for approved indications at the present value of expected future cash flows. Assets capitalised are amortised, on a straight-line basis, over their useful economic lives from product launch.

KJ The determination of useful economic life is considered to be a Key Judgement. On product launch, the Group makes a judgement as to the expected useful economic life with reference to the expiry of associated patents for the product, expectation around the competitive environment specific to the product and our detailed long-term risk-adjusted sales projections compiled annually across the Group and approved by the Board.

The useful economic life can extend beyond patent expiry dependent upon the nature of the product and the complexity of the development and manufacturing process. Significant sales can often be achieved post patent expiration.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairments. Intangible assets relating to products in development are subject to impairment testing at least annually. All Intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. The determination of the recoverable amounts includes key estimates which are highly sensitive to, and depend upon, key assumptions as detailed in Note 11 to the Financial Statements from page 151.

Impairment reviews have been carried out on all Intangible assets that are in development (and not being amortised), all major intangible assets acquired during the year and all other intangible assets that have had indicators of impairment during the year. Recoverable amount is determined as the higher of value in use or fair value less costs to sell using a discounted cash flow calculation, with the products' expected cash flows risk-adjusted over their estimated remaining useful economic life. Sales forecasts and specific allocated costs (which have both been subject to appropriate senior management review and approval) are risk-adjusted and discounted using appropriate rates based on our post-tax weighted average cost of capital or for fair value less costs to sell, a required rate of return for a market participant. Our weighted average cost of capital reflects factors such as our capital structure and our costs of debt and equity.

Any impairment losses are recognised immediately in Operating profit. Intangible assets relating to products which fail during development (or for which development ceases for other reasons) are also tested for impairment and are written down to their recoverable amount (which is usually nil).

If, subsequent to an impairment loss being recognised, development restarts or other facts and circumstances change indicating that the impairment is less or no longer exists, the value of the asset is re-estimated and its carrying value is increased to the recoverable amount, but not exceeding the original value, by recognising an impairment reversal in Operating profit.

Government grants

Government grants are recognised in the Consolidated Statement of Comprehensive Income so as to match with the related expenses that they are intended to compensate. Where grants are received in advance of the related expenses, they are initially recognised in the Consolidated Statement of Financial Position under Trade and other payables as deferred income and released to net off against the related expenditure when incurred.

Group Accounting Policies *continued*

Each contract is assessed to determine whether there are both grant elements and supply of product which need to be separated. In each case, the contracts set out the specified terms for the supply of the product and the provisions for funding for certain costs, primarily research and development associated with the intellectual property (IP). It is considered whether there are any conditions for the funding to be refunded. The consideration in the contract is allocated between the grant and supply elements. The standalone selling price for the supply of products is determined by reference to observed prices with other customers. The amount allocated as a government grant is determined by reference to the specific agreed costs and activities identified in the contract as not directly attributable to the supply of product. Government grants are recorded as an offset to the relevant expense in the Consolidated Statement of Comprehensive Income and are capped to match the relevant costs incurred.

Other operating income and expense

Other operating income and expense is generated from activities outside of the Group's normal course of business, which includes Other income from divestments of or full out-license of assets and businesses including royalties and milestones where the Group does not retain a significant continued interest. Where the arrangement meets the definition of a licence agreement, sales milestones and sales royalties are recognised when achieved by applying the royalty exemption under IFRS 15 'Revenue from Contracts with Customers'. All other milestones and sales royalties are recognised when it is considered highly probable that there will not be a significant reversal of cumulative income. The determination requires estimates to be made in relation to future Product Sales.

Joint arrangements and associates

The Group has arrangements over which it has joint control and which qualify as joint operations or joint ventures under IFRS 11 'Joint Arrangements'. For joint operations, the Group recognises its share of revenue that it earns from the joint operations and its share of expenses incurred. The Group also recognises the assets associated with the joint operations that it controls and the liabilities it incurs under the joint arrangement. For joint ventures and associates, the Group recognises its interest in the joint venture or associate as an investment and uses the equity method of accounting.

Employee benefits

The Group accounts for pensions and other employee benefits (principally healthcare) under IAS 19 'Employee Benefits'. In respect of defined benefit plans, obligations are determined using the projected unit credit method and are discounted to present value by reference to market yields on high-quality corporate bonds, while plan assets are measured at fair value. Given the extent of the assumptions used to determine the value of scheme assets and scheme liabilities, these are considered to be significant estimates. The operating and financing costs of such plans are recognised separately in profit and loss; current service costs are spread systematically over the working lives of employees and financing costs are recognised in full in the periods in which they arise. Remeasurements of the net defined benefit pension liability, including actuarial gains and losses, are recognised immediately in Other comprehensive income.

Where the calculation results in a surplus to the Group, the recognised asset is limited to the present value of any available future refunds from the plan or reductions in future contributions to the plan subject to consideration of the effect any minimum funding requirement for future service has on the benefit available as a reduction in future contributions.

Payments to defined contribution plans are recognised in profit and loss as they fall due.

Taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from reported profit because taxable profit excludes items that are either never taxable or tax deductible or items that are taxable or tax deductible in a different period. The Group's current tax assets and liabilities are calculated using tax rates that have been enacted or substantively enacted by the reporting date. Current tax includes the Group's charge for any Pillar Two income taxes.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognised unless they arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognised to the extent they arise from the initial recognition of non-tax deductible goodwill. Deferred tax assets are recognised to the extent that there are future taxable temporary differences or it is probable that future taxable profit will be available against which the asset can be utilised. This requires judgements to be made in respect of the availability of future taxable income.

The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 'Income Taxes' issued in May 2023.

No deferred tax asset or liability is recognised in respect of temporary differences associated with investments in subsidiaries and branches where the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The Group's deferred tax assets and liabilities are calculated using tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities relating to assets recognised because of a business combination which may qualify for intellectual property incentives are measured at the relevant statutory tax rate. Deferred tax assets and liabilities are offset in the Consolidated Statement of Financial Position if, and only if, the taxable entity has a legally enforceable right to set off current tax assets and liabilities, and the Deferred tax assets and liabilities relate to taxes levied by the same taxation authority on the same taxable entity.

Liabilities for uncertain tax positions require management to make judgements of potential exposures in relation to tax audit issues based upon interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Tax benefits are recognised when it is probable the tax positions will be accepted by the tax authorities. When a position is not considered probable of being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable result. This is measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty.

Further details of the estimates and assumptions made in determining our recorded liability for transfer pricing contingencies and other tax contingencies are included in Note 30 to the Financial Statements from page 189.

Share-based payments

All plans have been classified as equity settled after assessment. The grant date fair value of the market-based performance elements of employee share plan awards is calculated using a modified Monte Carlo model, with other elements at market price. In accordance with IFRS 2 'Share-based Payment', the resulting cost is recognised in profit on a straight-line basis over the vesting period of the awards. The value of the charge is adjusted to reflect expected and actual levels of awards vesting, except where the failure to vest is as a result of not meeting a market condition. Cancellations of equity instruments are treated as an acceleration of the vesting period and any outstanding charge is recognised in profit immediately.

Cash outflows relating to the purchase of shares by consolidated Employee Benefit Trusts (EBTs) relating to the vesting of share plans are recognised within financing activities. Cash outflows relating to the employer and employee taxes paid on vesting of share plans are recognised in operating activities as they relate to employee remuneration. The cost of shares held by EBTs at the period end is deducted from equity. The cash flows relating to replacement awards issued to employees as part of the Alexion Pharmaceuticals, Inc. (Alexion) acquisition are classified within investing activities, as they are part of the aggregate cash flows arising from obtaining control of the subsidiary.

Property, plant and equipment

The Group's policy is to depreciate the difference between the cost of each item of Property, plant and equipment and its residual value over its estimated useful life on a straight-line basis. Assets under construction are not depreciated until the asset is available for use, at which point the asset is transferred into either Land and buildings or Plant and equipment, and depreciated over its estimated useful economic life.

Reviews are made annually of the estimated remaining lives and residual values of individual productive assets, taking account of commercial and technological obsolescence as well as normal wear and tear. It is impractical to calculate average asset lives exactly. However, the useful economic lives range from approximately 10 to 50 years for buildings, and three to 15 years for plant and equipment. All items of Property, plant and equipment are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in Operating profit.

Leases

The Group's lease arrangements are principally for property, most notably a portfolio of office premises and employee accommodation, and for a global car fleet, utilised primarily by our sales and marketing teams.

The lease liability and corresponding right-of-use asset arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option, and
- amounts expected to be payable by the Group under residual value guarantees.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Judgements made in calculating the lease liability include assessing whether arrangements contain a lease and determining the lease term. Extension and termination options have been considered when determining the lease term, along with all facts and circumstances that may create an economic incentive to exercise an extension option, or not exercise a termination option. Extension periods (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease payments are discounted using incremental borrowing rates, as in the majority of leases held by the Group the interest rate implicit in the lease is not readily identifiable. Calculating the discount rate is an estimate made in calculating the lease liability. This rate is the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses a risk-free interest rate adjusted for credit risk, adjusting for terms specific to the lease including term, country and currency.

The Group is exposed to potential future increases in variable lease payments that are based on an index or rate, which are initially measured as at the commencement date, with any future changes in the index or rate excluded from the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the Consolidated Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. It is impractical to calculate average asset lives exactly. However, the total lives range from approximately 10 to 50 years for buildings, and three to 15 years for motor vehicles and other assets.

There are no material lease agreements under which the Group is a lessor.

Business combinations and goodwill

In assessing whether an acquired set of assets and activities is a business or an asset, management will first elect whether to apply an optional concentration test to simplify the assessment. Where the concentration test is applied, the acquisition will be treated as the acquisition of an asset if substantially all of the fair value of the gross assets acquired (excluding cash and cash equivalents, deferred tax assets, and related goodwill) is concentrated in a single asset or group of similar identifiable assets.

Where the concentration test is not applied, or is not met, a further assessment of whether the acquired set of assets and activities is a business will be performed.

Group Accounting Policies *continued*

KJ The determination of whether an acquired set of assets and activities is a business or an asset can be judgemental, particularly if the target is not producing outputs. Management uses a number of factors to make this determination, which are primarily focused on whether the acquired set of assets and activities include substantive processes that mean the set is capable of being managed for the purpose of providing a return. Key determining factors include the stage of development of any assets acquired, the readiness and ability of the acquired set to produce outputs and the presence of key experienced employees capable of conducting activities required to develop or manufacture the assets. Typically, the specialised nature of many pharmaceutical assets and processes is such that until assets are substantively ready for production and promotion, there are not the required processes for a set of assets and activities to meet the definition of a business in IFRS 3 'Business Combinations'.

On acquiring a business, fair values are assigned to identifiable assets and liabilities by the application of judgement. Contingent liabilities are recognised at fair value unless it cannot be measured reliably.

Where not all of the equity of a subsidiary is acquired, the non-controlling interest is recognised either at fair value or at the non-controlling interest's proportionate share of the net assets of the subsidiary, on a case-by-case basis.

The timing and amount of future contingent elements of consideration is an estimate. Contingent consideration, which may include development and launch milestones, revenue threshold milestones and revenue-based royalties, is fair valued at the date of acquisition using decision-tree analysis with key inputs including probability of success, consideration of potential delays and revenue projections based on the Group's internal forecasts. Unsettled amounts of consideration are held at fair value within payables with changes in fair value recognised immediately in profit.

Goodwill is the difference between the fair value of the consideration and the fair value of net assets acquired.

Goodwill arising on acquisitions is capitalised and subject to an impairment review, both annually and when there is an indication that the carrying value may not be recoverable.

Subsidiaries

A subsidiary is an entity controlled, directly or indirectly, by AstraZeneca PLC. Control is regarded as the exposure or rights to the variable returns of the entity when combined with the power to affect those returns. Control is normally evidenced by holding more than 50% of the share capital of the company, however other agreements may be in place that result in control where they give AstraZeneca finance decision-making authority over the relevant activities of the company.

The financial results of subsidiaries are consolidated from the date control is obtained until the date that control ceases.

Inventories

Inventories are stated at the lower of cost and net realisable value. The first in, first out or an average method of valuation is used. For finished goods and work in progress, cost includes directly attributable costs and certain overhead expenses (including depreciation). Selling expenses and certain other overhead expenses (principally central administration costs) are excluded. Net realisable value is determined as estimated selling price less all estimated costs of completion and costs to be incurred in selling and distribution.

Write-downs of inventory occur in the general course of business and are recognised in Cost of sales for launched or approved products and in Research and development expense for products in development.

Trade and other receivables

Financial assets included in Trade and other receivables are recognised initially at fair value. The Group holds the Trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less any impairment, based on expected credit losses.

Trade receivables that are subject to debt factoring arrangements are derecognised if they meet the conditions for derecognition detailed in IFRS 9 'Financial Instruments'.

Trade and other payables

Financial liabilities included in Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Contingent consideration payables are held at fair value within Level 3 of the fair value hierarchy as defined in Note 13.

Financial instruments

The Group's financial instruments include Lease liabilities, Trade and other receivables and payables, liabilities for contingent consideration under business combinations, and rights and obligations under employee benefit plans which are dealt with in specific accounting policies.

The Group's other financial instruments include:

i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current balances with banks and similar institutions, and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortised cost under the hold to collect classification, where they meet the hold to collect 'solely payments of principal and interest' test criteria under IFRS 9 'Financial Instruments'. Those not meeting these criteria are held at fair value through profit or loss. Cash and cash equivalents in the Consolidated Statement of Cash Flows include unsecured bank overdrafts at the balance sheet date where balances often fluctuate between a cash and overdraft position (such overdrafts are included within current Interest-bearing loans and borrowings in the Consolidated Statement of Financial Position).

ii) Fixed deposits

Fixed deposits, principally comprising funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently measured at amortised cost using the effective interest method at each reporting date. Changes in carrying value are recognised in the Consolidated Statement of Comprehensive Income.

iii) Other investments

Investments are classified as fair value through profit or loss (FVPL), unless the Group makes an irrevocable election at initial recognition for certain non-current equity investments to present changes in Other comprehensive income (FVOCI). If this election is made, there is no subsequent reclassification of fair value gains and losses to profit and loss following the derecognition of the investment.

iv) Bank and other borrowings

The Group uses derivatives, principally interest rate swaps, to hedge the interest rate exposure inherent in a portion of its fixed interest rate debt. In such cases the Group will either designate the debt as FVPL when certain criteria are met or as the hedged item under a fair value hedge.

If the debt instrument is designated as FVPL, the debt is initially measured at fair value (with direct transaction costs being included in profit and loss as an expense) and is remeasured to fair value at each reporting date with changes in carrying value being recognised in profit and loss (along with changes in the fair value of the related derivative), with the exception of changes in the fair value of the debt instrument relating to own credit risk which are recorded in Other comprehensive income in accordance with IFRS 9 'Financial Instruments'. Such a designation has been made where this significantly reduces an accounting mismatch which would result from recognising gains and losses on different bases.

If the debt is designated as the hedged item under a fair value hedge, the debt is initially measured at fair value (with direct transaction costs being amortised over the life of the debt) and is remeasured for fair value changes in respect of the hedged risk at each reporting date with changes in carrying value being recognised in profit and loss (along with changes in the fair value of the related derivative).

If the debt is designated in a cash flow hedge, the debt is measured at amortised cost (with gains or losses taken to profit and loss and direct transaction costs being amortised over the life of the debt). The related derivative is remeasured for fair value changes at each reporting date with the portion of the gain or loss on the derivative that is determined to be an effective hedge recognised in Other comprehensive income. The amounts that have been recognised in Other comprehensive income are reclassified to profit and loss in the same period that the hedged forecast cash flows affect profit. The reclassification adjustment is included in Finance expense in the Consolidated Statement of Comprehensive Income.

Other interest-bearing loans are initially measured at fair value (with direct transaction costs being amortised over the life of the loan) and are subsequently measured at amortised cost using the effective interest method at each reporting date. Changes in carrying value are recognised in the Consolidated Statement of Comprehensive Income.

v) Derivatives

Derivatives are initially measured at fair value (with direct transaction costs being included in profit and loss as an expense) and are subsequently remeasured to fair value at each reporting date. Changes in carrying value of derivatives not designated in hedging relationships are recognised in profit and loss.

The Group has agreements with some bank counterparties whereby the parties agree to post cash collateral, for the benefit of the other, equivalent to the market valuation of all of the derivative positions above a predetermined threshold. Cash collateral received from counterparties is included within current Interest-bearing loans and borrowings within the Consolidated Statement of Financial Position. Cash collateral pledged to counterparties is recognised as a financial asset and is included in current Other investments within the Consolidated Statement of Financial Position. Cash collateral received is included in Movement in short-term borrowings within financing activities in the Consolidated Statement of Cash Flows. Cash collateral paid is included in Movements in short-term investments within investing activities in the Consolidated Statement of Cash Flows. The cash flow presentation of cash paid and received follows the Consolidated Statement of Financial Position presentation of the financial asset and financial liability that is recognised from posting the collateral.

Foreign currencies

Foreign currency transactions, being transactions denominated in a currency other than an individual Group entity's functional currency, are translated into the relevant functional currencies of individual Group entities at average rates for the relevant monthly accounting periods, which approximate to actual rates.

Monetary assets and liabilities arising from foreign currency transactions are retranslated at exchange rates prevailing at the reporting date. Exchange gains and losses on loans and on short-term foreign currency borrowings and deposits are included within Finance expense. Exchange differences on all other foreign currency transactions are recognised in Operating profit in the individual Group entity's accounting records.

Non-monetary items arising from foreign currency transactions are not retranslated in the individual Group entity's accounting records.

In the Consolidated Financial Statements, income and expense items for Group entities with a functional currency other than US dollars are translated into US dollars at average exchange rates, which approximate to actual rates, for the relevant accounting periods. Assets and liabilities are translated at the US dollar exchange rates prevailing at the reporting date. Exchange differences arising on consolidation are recognised in Other comprehensive income.

If certain criteria are met, non-US dollar-denominated loans or derivatives are designated as net investment hedges of foreign operations. Exchange differences arising on retranslation of net investments, and of foreign currency loans which are designated in an effective net investment hedge relationship, are recognised in Other comprehensive income in the Consolidated Financial Statements. Foreign exchange derivatives hedging net investments in foreign operations are carried at fair value. Effective fair value movements are recognised in Other comprehensive income, with any ineffectiveness taken to profit. Gains and losses accumulated in the translation reserve will be recycled to profit and loss when the foreign operation is sold.

Provisions

Provisions are recognised when there is either a legal or constructive present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted at the relevant pre-tax discount rate. Where provisions are discounted, the increase in the provision resulting from the passage of time is recognised as a finance cost.

Litigation and environmental liabilities

AstraZeneca is involved in legal disputes, the settlement of which may involve cost to the Group. A provision is made where an adverse outcome is probable and associated costs, including related legal costs, can be estimated reliably. Determining the timing of recognition of when an adverse outcome is probable is considered a Key Judgement, refer to Note 30 to the Financial Statements on page 181.

Where it is considered that the Group is more likely than not to prevail, or in the extremely rare circumstances where the amount of the legal liability cannot be estimated reliably, legal costs involved in defending the claim are charged to the Consolidated Statement of Comprehensive Income as they are incurred.

Where it is considered that the Group has a valid contract which provides the right to reimbursement (from insurance or otherwise) of legal costs and/or all or part of any loss incurred or for which a provision has been established, the amount expected to be received is recognised as an asset only when it is virtually certain.

Group Accounting Policies *continued*

AstraZeneca is exposed to environmental liabilities relating to its past operations, principally in respect of soil and groundwater remediation costs. Provisions for these costs are made when there is a present obligation and where it is probable that expenditure on remedial work will be required and a reliable estimate can be made of the cost.

Restructuring

Restructuring costs are incurred in programmes that are planned and controlled by the Group which materially change either the scope of a business undertaken by the Group, or the manner in which that business is conducted.

A provision for restructuring costs is recognised when a detailed formal plan is in place and has either been announced to those affected or has started to be implemented. The general recognition criteria for provisions must also be met, as described in the Provisions policy.

Impairment

The carrying values of non-financial assets, other than Inventories and Deferred tax assets, are reviewed at least annually for indicators of impairment. For Goodwill, Intangible assets in development and any other assets where such indication exists, the asset's recoverable amount is estimated based on the greater of its value in use and its fair value less cost to sell. In assessing the recoverable amount, the estimated future cash flows, adjusted for the risks associated with the probability of success specific to each asset, as well as inflationary impacts, are discounted to their present value using a nominal discount rate that reflects current market assessments of the time value of money, the general risks affecting the pharmaceutical industry and other risks specific to each asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash flows of other assets. Impairment losses are recognised immediately in the Consolidated Statement of Comprehensive Income.

Applicable accounting standards and interpretations issued but not yet adopted

At the date of authorisation of these Financial Statements, certain new accounting standards and amendments were in issue relating to the following standards and interpretations but not yet adopted by the Group:

- IFRS 18 'Presentation and Disclosure in Financial Statements' is effective for accounting periods beginning on or after 1 January 2027 and will replace IAS 1 'Presentation of Financial Statements'. IFRS 18 sets out new presentation requirements for the Statement of Comprehensive Income, as well as more stringent and additional requirements on the aggregation, disaggregation and categorisation of income and expenses within the Statement of Comprehensive Income. Additionally, alternative performance measures included within the Annual Report which meet the definition of Management-defined Performance Measures are required to be disclosed within the Notes to the Financial Statements. IFRS 18 was endorsed by the UKEB on 10 December 2025.
- The Group continues to advance with the implementation of IFRS 18 and is well progressed with the adoption impact assessment. The Group is not seeking to early adopt this new standard. However, as a means of illustrating the impact of IFRS 18 on the presentation of the Group's results for the year ended 31 December 2025, the currently expected IFRS 18 adoption impacts for 2025 are shown in Note 1 to the Financial Statements. The Group continues to monitor IFRS 18 implementation guidance in advance of adoption for the accounting year beginning 1 January 2027.

In addition, the following amendments were issued but not yet adopted:

- amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', effective for periods beginning on or after 1 January 2026 – endorsed by the UKEB on 15 April 2025 and 23 July 2025.

Notes to the Group Financial Statements

1 IFRS 18 'Presentation and Disclosure in Financial Statements'

IFRS 18 'Presentation and Disclosure in Financial Statements' is effective for accounting periods beginning on or after 1 January 2027 and will replace IAS 1 'Presentation of Financial Statements'. There are also consequential amendments to IAS 7 'Cash Flows', IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', IAS 33 'Earnings per Share' and IAS 34 'Interim Financial Reporting', also effective for accounting periods beginning on or after 1 January 2027. The Group is well progressed with the impact assessment of the adoption of this new standard, with the expected impact for the year ended 31 December 2025 detailed below.

The Group will apply IFRS 18 retrospectively, in accordance with IAS 8. The Group has not elected to utilise the option to change the measurement of eligible investments in associates and joint ventures from the equity method to fair value through profit or loss at the date of transition.

The new standard introduces new requirements for the presentation, classification and disclosure of financial statement line items. The requirements were introduced to help achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. The key changes include the requirement to classify all income and expense into one of five categories; operating, investing, financing, taxation and discontinued operations, and introduces new mandated subtotals within the Consolidated Statement of Comprehensive Income, including Operating profit, Profit before financing and income tax and Profit for the period. In addition, details of management-defined performance measures ('MPMs') will now be disclosed as well as further detailed disclosure related to operating expense by nature. The new standard also offers enhanced guidance on aggregation and disaggregation of financial information.

Although the adoption of IFRS 18 will have no impact on the Group's Profit for the period or Total Revenue, the Group expects that grouping items of income and expense in the Consolidated Statement of Profit or Loss into the new categories will impact how Operating profit is reported.

The Group does not have a specified main business activity as defined in IFRS 18.

Reconciliation of the Consolidated Statement of Profit or Loss – Illustrative under IFRS 18 for the year ended 31 December 2025

IAS 1 presentation	Existing IAS 1 2025 $m	Transition adjustments $m	Adjusted for IFRS 18 2025 $m	Expected IFRS 18 presentation
– Product Sales	*55,573*	–	*55,573*	*– Product Sales*
– Alliance Revenue	*3,067*	–	*3,067*	*– Alliance Revenue*
Product Revenue	58,640	–	58,640	Product Revenue
Collaboration Revenue	99	–	99	Collaboration Revenue
Total Revenue	**58,739**	**–**	**58,739**	**Total Revenue**
Cost of sales	(10,633)	9	(10,624)	Cost of sales
Gross profit	**48,106**	**9**	**48,115**	**Gross profit**
Distribution expense	(579)	–	(579)	Distribution expense
Research and development expense	(14,232)	–	(14,232)	Research and development expense
		(12,529)	(12,529)	Selling and marketing expense
Selling, general and administrative expense	(19,933)	12,529	(7,404)	General and administrative expense
Other operating income and expense	381	13	394	Other operating income and expense
Operating profit	**13,743**	**22**	**13,765**	**Operating profit**
		343	343	Investing income
		(7)	(7)	Share of after tax losses in associates and joint ventures
		14,101	**14,101**	**Profit before financing and income tax**
Finance income	360	(360)		
Finance expense	(1,694)	(5)	(1,699)	Finance expense
Share of after tax losses in associates and joint ventures	(7)	7		
Profit before tax	**12,402**	**–**	**12,402**	**Profit before tax**
Taxation	(2,169)	–	(2,169)	Taxation
Profit for the period	**10,233**	**–**	**10,233**	**Profit for the period**

Explanation of the adjustments due to IFRS 18

Share of after tax losses in associates and joint ventures will be presented within the investing category of the Consolidated Statement of Comprehensive Income, within the new subtotal of Profit or loss before financing and income tax which totals an expected $14,101m in 2025.

Returns on deposits and equity securities, and interest income on tax balances, previously reported within Finance income will be reclassified under IFRS 18 to Investing income, totalling an expected $360m in 2025.

Notes to the Group Financial Statements *continued*

1 IFRS 18 'Presentation and Disclosure in Financial Statements' *continued*

Foreign exchange differences on cash and short-term deposits, previously included within Finance income and Finance expense, will be classified within the investing category under IFRS 18, expected to result in a reduction to Finance expense and a decrease in Investing income of $17m in 2025.

Gains and losses on certain designated hedges, previously included within Finance income and Finance expense, will be classified within the operating category under IFRS 18, resulting in an expected reduction to Finance expense and an increase in Other operating income and expense of $13m in 2025.

Under IFRS 18, Selling, general and administrative expense ($19,933m in 2025) will be disaggregated into Selling and marketing expense ($12,529m in 2025) and General and administrative expense ($7,404m in 2025).

Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows under the amended IAS 7 requirements will start with Operating profit ($13,765m for 2025 under IFRS 18), rather than the previous starting point of Profit before tax ($12,402m in 2025 under IAS 1), removing the need to add back Finance income and expense ($1,334m in 2025) and Share of after tax losses of associates and joint ventures ($7m in 2025). In addition, Interest paid ($1,316m in 2025) will be reclassified to Cash flows from financing activities under IFRS 18, previously classified within Cash flows from operating activities.

Operating expenses by nature

The Group currently presents expenses in the Consolidated Statement of Comprehensive Income by function. While IFRS 18 continues to permit this presentation, it introduces additional disclosure requirements in the Notes to the Financial Statements. The following table presents 2025 operating expenses split by nature according to the requirements of IFRS 18.

	Depreciation $m	Amortisation $m	Net impairment charges $m	Employee benefits $m	Net inventory write-downs $m
Total amount related to:					
Cost of sales	**404**	**86**	**3**	**1,633**	**314**
Distribution expense	**6**	**–**	**–**	**43**	**–**
Research and development expense	**456**	**47**	**214**	**4,879**	**–**
Selling and marketing expense	**210**	**9**	**–**	**6,346**	**–**
General and administrative expense	**205**	**4,064**	**26**	**1,759**	**–**
Other operating income and expense	**2**	**1**	**–**	**78**	**–**
Total amount relating to operating category	**1,283**	**4,207**	**243**	**14,738**	**314**

The amounts disclosed are those expensed during the year, except for depreciation and employee benefits which include amounts capitalised to inventory and software development costs.

Management-defined performance measures (MPMs)

The Group has identified Core Gross profit ($48,039m in 2025 under IFRS 18), Core Operating profit ($18,500m in 2025 under IFRS 18) and Core Profit attributable to owners of the Parent (numerator of core basic earnings per share, $14,201m in 2025 under IFRS 18) as MPMs used in its public communications to communicate management's view of an aspect of the operating performance of the Group as a whole. These measures are not specifically required to be presented or disclosed by IFRS, which means they may not be directly comparable with similarly labelled or described measures by other entities.

The reported IFRS results are adjusted to exclude certain significant items. In determining the adjustments to arrive at the Core result, we use a set of established principles relating to the nature or materiality of individual items or groups of items, excluding, for example, events which are (i) outside the normal course of business, (ii) incurred in a pattern that is unrelated to the trends in the underlying financial performance of our ongoing business, or (iii) related to major acquisitions, to ensure that investors' ability to evaluate and analyse the underlying financial performance of our ongoing business is enhanced. Group management believes that these adjusted measures offer a relevant alternative perspective on the Group's underlying operating performance by excluding the effects of the above mentioned items that are not indicative of the ongoing business activities. Group management considers this useful for understanding profitability trends and for evaluating the Group's ability to generate sustainable earnings from its core operations.

Our Core adjustments are summarised as:

Restructuring costs, including charges and provisions related to our global restructuring programmes on our capitalised manufacturing facilities and IT assets. These can take place over multiple reporting periods, given the long life-cycle of our business.

Why we use them: We adjust for these charges and provisions because they primarily reflect the financial impact of change to legacy arrangements, rather than the underlying performance of our ongoing business.

Intangible amortisation and impairments, including impairment reversals but excluding any charges relating to IT assets. Intangibles generally arise from business combinations and individual licence acquisitions.

Why we use them: We adjust for these charges because their pattern of recognition is largely uncorrelated with the underlying performance of the business.

Other specified items, principally comprise acquisition-related costs and credits, which include the imputed finance charges and fair value movements relating to contingent consideration on business combinations, imputed finance charges and remeasurement adjustments on certain Other payables arising from intangible asset acquisitions, remeasurement adjustments relating to Other payables and debt items assumed from the Alexion acquisition and legal settlements.

Why we use them: We adjust for these items to enable a more meaningful comparison of the performance of acquired businesses and products to that of internally developed products, as well as removing charges whose pattern of recognition is largely uncorrelated to the underlying performance of the business. It should be noted that some costs excluded from our Core results, such as intangible amortisation and finance charges related to contingent consideration, will recur in future years, and other excluded items such as impairments and legal settlement costs, along with other acquisition-related costs, may recur in the future.

Limitations: Core results exclude significant costs (such as restructuring, intangible amortisation and impairments, and other acquisition-related adjustments), but incorporate associated benefits, including Product Sales arising from business combinations, asset acquisitions and assets which have been amortised, as well as the benefits resulting from restructuring activities and, as such, they should not be regarded as a complete picture of the Group's financial performance, which is presented in its Reported results. The exclusion of the adjusting items may result in Core earnings being materially higher or lower than Reported earnings.

2025 Reconciliation of Expected Reported (IFRS 18) results to Expected Core (IFRS 18) results

	2025 Expected Reported (IFRS 18) $m	Restructuring costs $m	Intangible amortisation and impairments $m	Other $m	2025 Expected Core (IFRS 18) $m
Gross profit	**48,115**	**(138)**	**32**	**30**	**48,039**
Income tax[1]		18	(3)	(5)	
Profit attributable to non-controlling interests		–	–	–	
Distribution expense	(579)	–	–	–	(579)
Research and development expense	(14,232)	171	236	3	(13,822)
Selling and marketing expense	(12,529)	40	–	1	(12,488)
General and administrative expense	(7,404)	169	4,059	130	(3,046)
Other operating income and expense	394	(5)	–	7	396
Operating profit	13,765	237	4,327	171	**18,500**
Income tax[1]		(68)	(825)	(58)	
Profit attributable to non-controlling interests		–	–	–	
Net investing	336	–	–	–	336
Profit before financing and income tax	14,101	237	4,327	171	18,836
Finance expense	(1,699)	–	–	242	(1,457)
Taxation	(2,169)	(68)	(825)	(108)	(3,170)
Profit for the period	10,233	169	3,502	305	14,209
Profit attributable to non-controlling interests	(8)	–	–	–	(8)
Profit attributable to owners of the Parent	10,225	169	3,502	305	**14,201**
Income tax[1]		(68)	(825)	(108)	
Profit attributable to non-controlling interests		–	–	–	
Basic earnings per $0.25 Ordinary Share	**$6.60**	**$0.11**	**$2.26**	**$0.19**	**$9.16**

[1] The income tax effect for each adjusting item is calculated at the statutory tax rate applicable to that item in the relevant jurisdiction.

Notes to the Group Financial Statements *continued*

2 Revenue

Product Sales

	2025					2024					2023				
	US $m	Emerging Markets $m	Europe $m	Rest of World $m	Total $m	US $m	Emerging Markets $m	Europe $m	Rest of World $m	Total $m	US $m	Emerging Markets $m	Europe $m	Rest of World $m	Total $m
Oncology:															
Tagrisso	**3,064**	**1,971**	**1,423**	**796**	**7,254**	2,763	1,755	1,301	761	6,580	2,276	1,621	1,120	782	5,799
Imfinzi	**3,509**	**640**	**1,239**	**675**	**6,063**	2,603	479	948	687	4,717	2,171	355	742	751	4,019
Calquence	**2,339**	**233**	**784**	**162**	**3,518**	2,190	153	656	130	3,129	1,815	98	493	108	2,514
Lynparza	**1,434**	**669**	**914**	**262**	**3,279**	1,332	655	832	253	3,072	1,254	542	734	281	2,811
Enhertu	**–**	**668**	**207**	**102**	**977**	–	350	126	69	545	–	169	60	32	261
Zoladex	**19**	**842**	**157**	**88**	**1,106**	16	795	148	99	1,058	14	687	133	118	952
Truqap	**586**	**23**	**85**	**34**	**728**	408	2	12	8	430	6	–	–	–	6
Imjudo	**227**	**22**	**52**	**45**	**346**	180	16	36	49	281	146	5	16	51	218
Datroway	**–**	**2**	**–**	**–**	**2**	–	–	–	–	–	–	–	–	–	–
Others	**9**	**280**	**19**	**117**	**425**	18	297	23	125	463	37	351	34	143	565
	11,187	**5,350**	**4,880**	**2,281**	**23,698**	9,510	4,502	4,082	2,181	20,275	7,719	3,828	3,332	2,266	17,145
Cardiovascular, Renal & Metabolism:															
Farxiga	**1,730**	**3,324**	**2,941**	**405**	**8,400**	1,750	2,853	2,634	419	7,656	1,451	2,211	1,881	420	5,963
Crestor	**45**	**1,041**	**1**	**129**	**1,216**	46	934	37	136	1,153	55	862	52	138	1,107
Brilinta	**393**	**273**	**147**	**10**	**823**	751	294	268	20	1,333	744	285	271	24	1,324
Lokelma	**301**	**129**	**129**	**139**	**698**	256	86	92	108	542	214	50	58	90	412
Seloken	**–**	**586**	**18**	**3**	**607**	–	589	13	3	605	1	621	11	7	640
Roxadustat	**–**	**274**	**–**	**–**	**274**	–	331	–	–	331	–	271	–	–	271
Wainua	**204**	**4**	**4**	**–**	**212**	85	–	–	–	85	–	–	–	–	–
Others	**49**	**262**	**158**	**65**	**534**	187	252	226	78	743	287	286	230	65	868
	2,722	**5,893**	**3,398**	**751**	**12,764**	3,075	5,339	3,270	764	12,448	2,752	4,586	2,503	744	10,585
Respiratory & Immunology:															
Symbicort	**1,193**	**801**	**560**	**331**	**2,885**	1,187	805	559	328	2,879	726	753	549	334	2,362
Fasenra	**1,195**	**117**	**482**	**187**	**1,981**	1,049	92	404	144	1,689	992	64	355	142	1,553
Breztri	**614**	**298**	**191**	**96**	**1,199**	516	245	143	74	978	383	161	81	52	677
Tezspire	**–**	**40**	**297**	**121**	**458**	–	11	156	81	248	–	1	48	37	86
Saphnelo	**596**	**16**	**49**	**25**	**686**	425	7	26	16	474	260	2	8	10	280
Pulmicort	**5**	**414**	**63**	**36**	**518**	6	568	71	37	682	28	575	68	42	713
Airsupra	**162**	**4**	**–**	**–**	**166**	66	–	–	–	66	2	–	–	–	2
Others	**75**	**133**	**59**	**7**	**274**	167	169	57	7	400	156	215	55	8	434
	3,840	**1,823**	**1,701**	**803**	**8,167**	3,416	1,897	1,416	687	7,416	2,547	1,771	1,164	625	6,107
Vaccines & Immune Therapies:															
Beyfortus	**184**	**–**	**94**	**3**	**281**	232	–	84	2	318	87	–	19	–	106
Synagis	**(3)**	**214**	**50**	**31**	**292**	(8)	210	116	129	447	(1)	195	175	177	546
FluMist	**28**	**5**	**210**	**29**	**272**	28	1	204	25	258	23	1	188	4	216
Others	**–**	**1**	**–**	**–**	**1**	28	2	5	–	35	–	16	14	114	144
	209	**220**	**354**	**63**	**846**	280	213	409	156	1,058	109	212	396	295	1,012
Rare Disease:															
Ultomiris	**2,667**	**261**	**1,053**	**737**	**4,718**	2,261	141	884	638	3,924	1,750	71	668	476	2,965
Soliris	**1,092**	**405**	**200**	**140**	**1,837**	1,523	443	416	206	2,588	1,734	424	670	317	3,145
Strensiq	**1,332**	**104**	**123**	**119**	**1,678**	1,167	54	99	96	1,416	937	40	89	86	1,152
Koselugo	**219**	**228**	**161**	**54**	**662**	212	177	103	39	531	195	59	53	24	331
Others	**113**	**40**	**67**	**11**	**231**	100	34	66	9	209	85	29	49	8	171
	5,423	**1,038**	**1,604**	**1,061**	**9,126**	5,263	849	1,568	988	8,668	4,701	623	1,529	911	7,764
Other:															
Nexium	**67**	**611**	**50**	**88**	**816**	96	591	60	120	867	115	578	53	199	945
Others	**(4)**	**121**	**34**	**5**	**156**	15	144	43	4	206	18	153	52	8	231
	63	**732**	**84**	**93**	**972**	111	735	103	124	1,073	133	731	105	207	1,176
Product Sales	**23,444**	**15,056**	**12,021**	**5,052**	**55,573**	21,655	13,535	10,848	4,900	50,938	17,961	11,751	9,029	5,048	43,789

SE Rebates and chargebacks in the US

The major market where estimates are seen as significant is the US. When invoicing Product Sales in the US, we estimate the rebates and chargebacks we expect to pay and we consider there to be a significant estimate associated with the rebates for Managed Care, Medicaid and Medicare Part D. The total adjustment in respect of prior year net US Product Sales in 2025 was 0.7% (2024: 0.6%; 2023: 1.0%); this represents the difference between our prior year estimates for rebates and chargebacks against actual amounts paid for the US business. The most significant of these relate to the Medicaid and state programmes with an adjustment in respect of prior year net US Product Sales in 2025 of 0.2% (2024: 0.1%; 2023: 0.3%) and Managed Care and Medicare of 0.4% (2024: 0.6%; 2023: 0.5%).

The adjustment in respect of the prior year net US Product Sales, excluding the Rare Disease therapy area in 2025, was 0.9% (2024: 0.8%; 2023: 1.4%), with Medicaid and state programmes of 0.2% (2024: 0.1%; 2023: 0.4%) and Managed Care and Medicare of 0.5% (2024: 0.7%; 2023: 0.7%).

These values demonstrate the level of sensitivity; further meaningful sensitivity is not able to be provided due to the large volume of variables that contribute to the overall rebates, chargebacks, returns and other revenue accruals. These variables include assumptions in respect of aggregate future sales levels, segment mix and customers' contractual performance, and in addition for Managed Care, US Medicaid and Medicare Part D, the channel inventory levels, and assumptions related to lag time. These assumptions are built up on a product-by-product and customer-by-customer basis, taking into account specific contract provisions coupled with expected performance, and are then aggregated into a weighted average rebate accrual rate for each of our products. Accrual rates are reviewed and adjusted on an as-needed basis. There may be further adjustments when actual rebates are invoiced based on utilisation information submitted to AstraZeneca (in the case of contractual rebates) and claims/invoices are received (in the case of regulatory rebates and chargebacks).

Alliance Revenue

	2025 $m	2024 $m	2023 $m
Enhertu	**1,798**	1,437	1,022
Tezspire	**673**	436	259
Beyfortus	**422**	237	57
Datroway	**77**	–	–
Other royalty income	**92**	91	81
Other Alliance Revenue	**5**	11	9
	3,067	2,212	1,428

Collaboration Revenue

	2025 $m	2024 $m	2023 $m
Farxiga: sales milestones	**87**	56	29
Lynparza: sales milestone	**–**	600	–
Beyfortus: sales milestones	**–**	167	27
Koselugo: sales milestone	**–**	100	–
Lynparza: regulatory milestones	**–**	–	245
COVID-19 mAbs: licence fees	**–**	–	180
Beyfortus: regulatory milestones	**–**	–	71
tralokinumab: sales milestones	**–**	–	20
Other Collaboration Revenue	**12**	–	22
	99	923	594

3 Operating profit

Operating profit includes the following significant items:

Cost of sales

In 2025, Cost of sales includes a charge of $25m (2024: $nil; 2023: $114m) in relation to the release, in line with sales, of fair value uplift to inventory that was recognised under IFRS 3 'Business Combinations'.

Selling, general and administrative expense

In 2025, Selling, general and administrative expense includes a credit of $44m (2024: charge of $260m; 2023: charge of $520m) resulting from changes in the fair value of contingent consideration arising from the acquisition of the diabetes alliance from Bristol-Myers Squibb Company (BMS). These adjustments reflect revised estimates for future sales performance for the products acquired and, as a result, revised estimates for future royalties payable.

In 2025, Selling, general and administrative expense also includes a charge of $218m (2024: $48m; 2023: $1,013m) relating to a number of legal proceedings, including settlements in various jurisdictions in relation to several marketed products (see Note 30).

Research and development expense: Government grants

During the year $nil (2024: $nil; 2023: $74m) of government grants were recognised within Research and development expense relating to *Vaxzevria*.

Notes to the Group Financial Statements *continued*

3 Operating profit *continued*

Depreciation, impairment, amortisation and provision charges

The following items have been included in Operating profit:

	2025 $m	2024 $m	2023 $m
Depreciation of Property, plant and equipment (Note 8)	**879**	799	733
Impairment of Property, plant and equipment (Note 8)	**13**	42	8
Depreciation of Right-of-use assets (Note 9)	**404**	343	275
Impairment of Right-of-use assets (Note 9)	**–**	7	14
Amortisation of Intangible assets (Note 11)	**4,207**	3,923	3,926
Net impairment of Intangible assets (Note 11)	**230**	1,574	434
Net charges to Provisions, net of reversals (Note 21)	**541**	513	1,313

Other operating income and expense

	2025 $m	2024 $m	2023 $m
Royalty income	**160**	103	107
Gains on disposal of Intangible assets	**168**	64	251
Net (losses)/gains on disposal of other non-current assets	**(14)**	(4)	41
Update to the contractual relationships for *Beyfortus*	**–**	–	712
Other income[1]	**201**	210	393
Other expense	**(134)**	(121)	(164)
Other operating income and expense	**381**	252	1,340

[1] Other income in 2025 includes $nil of income from Allergan Plc. in respect of the development of brazikumab (2024: $nil; 2023: $75m).

Gains on disposal of intangible assets in 2023 includes $241m on disposal of commercial rights to *Pulmicort* Flexhaler to Cheplapharm Arzneimittel GmbH in the US.

As part of the total consideration received in respect of the agreement to sell US rights to *Synagis* in 2019, $400m in total was received related to the rights to participate in the future cash flows from the US profits or losses for *Beyfortus*, with $190m cash inflows in 2023 primarily relating to a cash receipt from Swedish Orphan Biovitrum AB (Sobi) following achievement of a regulatory milestone. All associated cash flows have been presented within investing activities as the Group has received the cash in exchange for agreeing to transfer future cash flows relating to an intangible asset. In 2023, the contractual relationship between AstraZeneca and Sobi relating to future sales of *Beyfortus* in the US was replaced by a royalty relationship between Sanofi Pasteur, Inc. and Sobi. As a result, in 2023 the Profit Participation Liability was extinguished and derecognised from the Consolidated Statement of Financial Position, with a gain of $712m recorded in Other operating income and expense.

Restructuring costs

In conjunction with the acquisition of Alexion in 2021, the enlarged Group initiated the Post Alexion Acquisition Group Review (PAAGR); a global restructuring programme aimed at integrating systems, structure and processes, optimising the global footprint and prioritising resource allocations and investments. During 2023, the Group identified all remaining activities and finalised the scope of the programme. During 2024, the Group undertook a further assessment of those planned activities. This included the commencement of work on the planned upgrade of the Group's Enterprise Resource Planning IT systems (Axial Project), which is expected to be substantially complete by the end of 2030. The Group has also continued to progress other legacy restructuring programmes.

During 2025, the Group has incurred $237m of restructuring costs, of which $232m resulted from activities that are part of the PAAGR, bringing the cumulative charges under this programme to $3,414m. Costs in 2025 included a $138m credit to Cost of sales primarily due to the reversal of inventory and related product provisions related to *Andexxa* following the decision to cease promotional activities, $209m expense within Selling, general and administrative expense in relation to severance, HR, Finance, IT and other integration costs and $171m expense within Research and development expense in relation to severance as well as the transformation of clinical, regulatory and other R&D data and systems.

Total restructuring costs in 2025 includes a net impairment reversal to Property, plant and equipment of $3m (2024: charge of $43m; 2023: charge of $7m).

The tables below show the costs that have been charged in respect of restructuring programmes by cost category and type. Severance provisions are detailed in Note 21.

	2025 $m	2024 $m	2023 $m
Cost of sales	**(138)**	569	109
Research and development expense	**171**	275	212
Selling, general and administrative expense	**209**	312	207
Other operating income and expense	**(5)**	(2)	(61)
Total charge	**237**	1,154	467

	2025 $m	2024 $m	2023 $m
Severance costs	**100**	213	57
Accelerated depreciation and impairment charges	**11**	64	68
Other[1]	**126**	877	342
Total charge	**237**	1,154	467

[1] Other costs are those incurred in designing and implementing the Group's various restructuring initiatives. In 2024, Other costs included $480m for inventory and related product provisions related to *Andexxa* following the decision to cease promotional activities which were partly reversed in 2025 following revised sales forecasts. In 2025, Other costs include the costs of integrating systems, structure and processes as part of the PAAGR, costs relating to the Alexion acquisition, internal project costs and external service fees.

Financial instruments

Included within Operating profit are the following net gains and losses on financial instruments:

	2025 $m	2024 $m	2023 $m
Gains/(losses) on forward foreign exchange contracts	**190**	(81)	42
Losses on receivables and payables	**(190)**	(143)	(260)
Total	**–**	(224)	(218)

4 Finance income and expense

	2025 $m	2024 $m	2023 $m
Finance income			
Returns on deposits and equity securities	**280**	339	291
Fair value gains on debt and interest rate swaps	**–**	113	43
Interest income on income tax balances	**80**	6	10
Total	**360**	458	344
Finance expense			
Interest on debt, leases and other financing costs	**(1,335)**	(1,391)	(1,132)
Net interest on post-employment defined benefit plan net liabilities (Note 22)	**(51)**	(50)	(38)
Net exchange losses	**(31)**	(42)	(34)
Discount unwind on contingent consideration arising from business combinations (Note 20)	**(60)**	(113)	(132)
Discount unwind on other long-term liabilities[1]	**(138)**	(116)	(200)
Fair value losses on debt and interest rate swaps	**(49)**	(18)	(3)
Interest expense on income tax balances	**(30)**	(12)	(87)
Total	**(1,694)**	(1,742)	(1,626)
Net finance expense	**(1,334)**	(1,284)	(1,282)

[1] Included within Discount unwind on other long-term liabilities is $nil relating to the Acerta Pharma B.V. (Acerta Pharma) share purchase liability (2024: $nil; 2023: $55m) and the discount unwind of other payables of $116m (2024: $91m; 2023: $100m) that have arisen from intangible asset additions, see Note 20 for further details.

There was no interest capitalised during the year.

Financial instruments

Included within Finance income and expense are the following net gains and losses on financial instruments:

	2025 $m	2024 $m	2023 $m
Interest and fair value adjustments in respect of debt designated at fair value through profit or loss, net of derivatives	**(46)**	107	13
Interest and changes in carrying values of debt designated as hedged items in fair value hedges, net of derivatives	**(76)**	(38)	–
Interest and fair value changes on fixed and short-term deposits, equity securities, other derivatives and tax balances	**314**	306	177
Interest on debt, commercial paper, overdrafts and lease liabilities held at amortised cost	**(1,177)**	(1,251)	(1,004)

The Group held derivatives that economically hedged a debt instrument designated at fair value through profit or loss. Both the derivatives and debt instrument matured in 2023. The Interest and fair value adjustments in respect of debt designated at fair value through profit or loss, net of derivatives, includes the following amounts related to these matured instruments: derivatives $nil (2024: $nil; 2023: loss of $1m) and debt $nil (2024: $nil; 2023: gain of $7m).

Notes to the Group Financial Statements *continued*

5 Taxation

Taxation charge/(credit) recognised in the Consolidated Statement of Comprehensive Income is as follows:

	2025 $m	2024 $m	2023 $m
Current tax			
Current year	**2,199**	2,314	2,417
Pillar Two income tax charge	**194**	238	–
Adjustment to prior years	**(60)**	(107)	28
Total	**2,333**	2,445	2,445
Deferred tax			
Origination and reversal of temporary differences	**(117)**	(818)	(1,473)
Adjustment to prior years	**(47)**	23	(34)
Total	**(164)**	(795)	(1,507)
Taxation charge recognised in the profit for the year	**2,169**	1,650	938

Taxation (charge)/credit recognised in Other comprehensive income is as follows:

	2025 $m	2024 $m	2023 $m
Current and deferred tax			
Items that will not be reclassified to profit and loss:			
Remeasurement of the defined benefit liability	**(69)**	(23)	102
Equity investments measured at fair value through Other comprehensive income	**(25)**	(20)	(1)
Total	**(94)**	(43)	101
Items that may be reclassified subsequently to profit and loss:			
Foreign exchange arising on designated liabilities in net investment hedges	**(66)**	28	(24)
Fair value movement on cash flow hedges	**16**	(3)	12
Total	**(50)**	25	(12)
Taxation (charge)/credit recognised in Other comprehensive income	**(144)**	(18)	89

The reported tax rate in the year was 18%.

Taxation has been provided at current rates on the profits earned for the years covered by the Group Financial Statements.

Factors affecting future tax charges

As a group with worldwide operations, AstraZeneca is subject to several factors that may affect future tax charges, principally the levels and mix of profitability in different jurisdictions, transfer pricing regulations, tax rates imposed and tax regime reforms.

Tax reconciliation to UK statutory rate

The table below reconciles the UK statutory tax charge to the Group's total tax charge:

	2025 $m	2024 $m	2023 $m
Profit before tax	**12,402**	8,691	6,899
Notional taxation charge at UK corporation tax rate of 25% (2024: 25%; 2023: 23.5%)	**3,101**	2,173	1,621
Differences in effective overseas tax rates	**(168)**	(60)	(224)
Deferred tax credit relating to change in tax rates[1]	**(23)**	(24)	(66)
Unrecognised deferred tax asset[2]	**86**	104	341
Items not deductible for tax purposes	**101**	64	46
Intellectual Property incentive regimes[3]	**(655)**	(561)	(367)
Pillar Two income taxes	**194**	238	–
Other items[4]	**(360)**	(200)	(406)
Adjustments to prior periods	**(107)**	(84)	(7)
Total tax charge for the year	**2,169**	1,650	938

[1] The 2023 item relates to the impact of the difference in the UK current and deferred tax rates during 2023.
[2] This includes the non-recognition of deferred tax assets where it is not probable that there will be sufficient forecast future profits to utilise the assets.
[3] The Group receives intellectual property incentives in certain jurisdictions.
[4] Other items in 2025 includes the release of tax provisions due to updates to estimates of prior period tax liabilities following settlements with tax authorities and the expiry of the relevant statute of limitations, and the impact of internal transfers of assets. Other items in 2024 includes a net credit following internal transfers of assets. Other items in 2023 include a favourable adjustment of $828m to deferred taxes arising from a UK company undertaking an intragroup purchase of certain intellectual property offset by a charge of $422m mainly relating to updates to tax liabilities following progress of reviews by tax authorities, administrative appeal processes and adjustments arising on expiry of the relevant statute of limitations (see Note 30 for more details).

AstraZeneca is domiciled in the UK but operates in other countries where the tax rates and laws are different to those in the UK. The impact on differences in effective overseas tax rates on the Group's overall tax charge is noted above.

Current tax

Current income tax balances on the Statement of Financial Position as at 31 December are as follows:

	2025 $m	2024 $m
Non-current income tax receivable	**1,391**	–
Current income tax receivable	**1,158**	1,859
Total income tax receivable	**2,549**	1,859
Current income tax payable	**(1,084)**	(1,406)
Non-current income tax payable	**(700)**	(238)
Total income tax payable	**(1,784)**	(1,644)
Net income tax receivable	**765**	215

Management assesses at each balance sheet date whether income tax receivables and payables will be realisable within 12 months. Amounts expected to be realisable after 12 months are reflected as non-current income tax receivables and payables.

Deferred tax

The total movement in the net deferred tax balance in the year was $277m. The movements are as follows:

	Intangibles, Property, plant and equipment $m	Elimination of unrealised profit on inventory $m	Untaxed reserves[1] $m	Losses and tax credits carried forward $m	Accrued expenses $m	Other $m	Total $m
Net deferred tax balance at 1 January 2024	(2,491)	2,386	(660)	1,106	889	644	1,874
Income statement	803	238	(186)	36	74	(170)	795
Other comprehensive income	34	–	–	–	–	(42)	(8)
Equity	–	–	–	–	–	(28)	(28)
Additions and disposals	(605)	–	–	127	2	(1)	(477)
Exchange	93	(152)	68	(70)	(40)	(13)	(114)
Net deferred tax balance at 31 December 2024	(2,166)	2,472	(778)	1,199	925	390	2,042
Income statement	**33**	**45**	**(46)**	**87**	**52**	**(7)**	**164**
Other comprehensive income	**(32)**	**–**	**–**	**–**	**–**	**(59)**	**(91)**
Equity	**–**	**–**	**–**	**–**	**–**	**105**	**105**
Exchange	**(92)**	**162**	**(147)**	**105**	**46**	**25**	**99**
Net deferred tax balance at 31 December 2025[2]	**(2,257)[3]**	**2,679**	**(971)**	**1,391**	**1,023**	**454**	**2,319**

[1] Untaxed reserves relate to taxable profits where the tax liability is deferred to later periods.

[2] The Group recognises deferred tax assets to the extent that there are either taxable temporary differences or that it is probable that sufficient future taxable profits will arise, against which these deductible temporary differences can be utilised. The US includes a net deferred tax asset of $94m as at 31 December 2025 which includes tax losses and other deductible temporary differences. The Group has performed an assessment of recovery of deferred tax assets and the Group has forecasted future taxable profits for relevant entities and considers that it is probable that sufficient future taxable profits will arise against which these deductible temporary differences can be utilised within 10 years. In arriving at these forecasts, the Group has reviewed the Group-level budgets and forecasts and the ability of relevant entities to generate future income from developing and commercialising products. Assessing the availability of future taxable income to support recognition of deferred tax assets relies upon our Group forecasts and changes in these Group forecasts will impact the recoverability of deferred tax assets. To the extent that there are neither taxable temporary differences nor sufficient taxable profits, no deferred tax asset is recognised and details of unrecognised deferred tax assets are included in the table below.

[3] Includes deferred tax assets of $178m on liabilities in respect of intangibles and $327m on lease liabilities in respect of right-of-use assets.

The net deferred tax balance, before the offset of balances within countries, consists of:

	Intangibles, Property, plant and equipment $m	Elimination of unrealised profit on inventory $m	Untaxed reserves $m	Losses and tax credits carried forward $m	Accrued expenses $m	Other $m	Total $m
Deferred tax assets at 31 December 2024	1,781	2,472	–	1,221	1,039	688	7,201
Deferred tax liabilities at 31 December 2024	(3,947)	–	(778)	(22)	(114)	(298)	(5,159)
Net deferred tax balance at 31 December 2024	(2,166)	2,472	(778)	1,199	925	390	2,042
Deferred tax assets at 31 December 2025	**2,020**	**2,679**	**3**	**1,424**	**1,201**	**672**	**7,999**
Deferred tax liabilities at 31 December 2025	**(4,277)**	**–**	**(974)**	**(33)**	**(178)**	**(218)**	**(5,680)**
Net deferred tax balance at 31 December 2025	**(2,257)**	**2,679**	**(971)**	**1,391**	**1,023**	**454**	**2,319**

Analysed in the Consolidated Statement of Financial Position, after offset of balances within countries, as follows:

	2025 $m	2024 $m
Deferred tax assets	**5,819**	5,347
Deferred tax liabilities	**(3,500)**	(3,305)
Net deferred tax balance	**2,319**	2,042

Notes to the Group Financial Statements *continued*

5 Taxation *continued*

Unrecognised deferred tax assets

Deferred tax assets (DTA) of $1,738m (2024: $1,523m) have not been recognised in respect of deductible temporary differences because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

	2025 Temporary differences $m	2025 Unrecognised DTA $m	2024 Temporary differences $m	2024 Unrecognised DTA $m
Temporary differences expiring:				
Within 10 years	**409**	**81**	161	37
More than 10 years	**152**	**32**	217	46
Indefinite	**4,460**	**885**	3,883	816
	5,021	**998**	4,261	899
Tax credits and State tax losses expiring:				
Within 10 years		**137**		162
More than 10 years		**386**		373
Indefinite		**217**		89
		740		624
Total		**1,738**		1,523

To the extent that dividends remitted from overseas subsidiaries, joint ventures and associates are expected to result in additional taxes, appropriate amounts have been provided for. Unremitted earnings or differences in the carrying value and tax basis of investments may be liable to additional taxes if distributed as dividends or on a liquidation event. Deferred tax is provided for such differences in relation to Group entities where management is intending to remit earnings in the foreseeable future. The aggregate amount of gross temporary differences associated with investments in subsidiaries, partnerships and branches for which deferred tax liabilities have not been recognised totalled approximately $8,460m at 31 December 2025, $3,657m of which has a corresponding deductible temporary difference of the same gross value which is not recognised as it is not probable of reversing in the foreseeable future but on which different tax rates apply.

6 Earnings per $0.25 Ordinary Share

	2025	2024	2023
Profit for the year attributable to equity holders ($m)	**10,225**	7,035	5,955
Basic earnings per Ordinary Share	**$6.60**	$4.54	$3.84
Diluted earnings per Ordinary Share	**$6.54**	$4.50	$3.81
Weighted average number of Ordinary Shares in issue for basic earnings (millions)	**1,550**	1,550	1,549
Dilutive impact of share incentive awards outstanding (millions)	**12**	13	13
Diluted weighted average number of Ordinary Shares in issue (millions)	**1,562**	1,563	1,562

The earnings figures used in the calculations above are post-tax. The weighted average number of Ordinary Shares in issue is calculated by taking the number of Ordinary Shares outstanding each day weighted by the number of days that those shares were outstanding.

7 Segment information

The Group has reviewed its assessment of reportable segments under IFRS 8 'Operating Segments' and concluded that the Group continues to have one reportable segment.

KJ This determination is considered to be a Key Judgement and this judgement has been taken with reference to the following factors:

1 The level of integration across the different functions of the Group's pharmaceutical business:
AstraZeneca is engaged in a single business activity of pharmaceuticals and the Group does not have multiple operating segments. AstraZeneca's pharmaceuticals business consists of the discovery and development of new products, which are then manufactured, marketed and sold. All of these functional activities take place (and are managed) globally on a highly integrated basis. These individual functional areas are not managed separately.

2 The identification of the Chief Operating Decision Maker (CODM) and the nature and extent of the financial information reviewed by the CODM:
The SET, established and chaired by the CEO, is the vehicle through which the CEO exercises the authority delegated to him from the Board for the management, development and performance of AstraZeneca as a whole. It is considered that the SET is AstraZeneca's Chief Operating Decision Making body (as defined by IFRS 8). The operation of the SET is principally driven by the management of the Commercial operations, R&D, manufacturing and supply and enabling functions. All significant operating decisions are undertaken by the SET. While members of the SET have responsibility for implementation of decisions in their respective areas, operating decision making is at SET level as a whole. Where necessary, these are implemented through cross-functional sub-committees that consider the Group-wide impact of a new decision. For example, product launch decisions would be initially considered by the SET and, on approval, passed to an appropriate sub team for implementation. The ability of the enterprise to develop, produce, deliver and commercialise a wide range of pharmaceutical products are central to the SET decision-making process.

In assessing performance, the SET reviews financial information on an integrated basis for the Group as a whole, substantially in the form of, and on the same basis as, the Group's IFRS Financial Statements. The high upfront cost of discovering and developing new products, coupled with the relatively insignificant and stable unit cost of production, means that there is not the clear link that exists in many manufacturing businesses between the revenue generated on an individual product sale and the associated cost and hence margin generated on a product. Consequently, the profitability of individual drugs or classes of drugs is not considered a key measure of performance for the business and is not monitored by the SET. The focus of additional financial information reviewed is at brand sales and Gross Margin level within specific geographies. Expenditure analysis is completed for the science units, operations and enabling functions; there is no allocation of these centrally-managed Group costs to the individual product or brands. The bonus of SET members' continues to be derived from the Group scorecard outcome as discussed in our Directors' Remuneration Report.

3 How resources are allocated:
Resources are allocated on a Group-wide basis according to need. In particular, capital expenditure, in-licensing, and R&D resources are allocated between activities on merit, based on overall therapeutic considerations and strategy under the aegis of the Group's Early-Stage Product Committees and Late-Stage Product Committees.

Geographic areas

The following table shows information for Total Revenue by geographic area and material countries. Product Sales by geographic area are included in the country/region where the legal entity resides and from which those sales were made. The additional tables show the Operating profit and Profit before tax made by companies located in that area, together with Non-current assets, Total assets, Assets acquired, Net operating assets, and Property, plant and equipment owned by the same companies.

	Total Revenue		
	2025 $m	2024 $m	2023 $m
UK	**4,359**	4,740	3,368
Rest of Europe			
France	**1,408**	1,283	1,152
Germany	**2,890**	2,524	2,099
Italy	**1,078**	949	813
Spain	**1,136**	994	847
Sweden	**2,623**	2,290	1,704
Others	**4,320**	3,663	3,110
	13,455	11,703	9,725
The Americas			
Canada	**954**	937	967
US	**23,970**	21,806	18,121
Others	**2,633**	2,246	1,683
	27,557	24,989	20,771
Asia, Africa & Australasia			
Australia	**454**	439	390
China	**6,636**	6,419	5,872
Japan	**3,556**	3,452	3,640
Others	**2,722**	2,331	2,045
	13,368	12,641	11,947
Total Revenue	**58,739**	54,073	45,811

Notes to the Group Financial Statements *continued*

7 Segment information *continued*

Total Revenue outside of the UK totalled $54,380m for the year ended 31 December 2025 (2024: $49,333m; 2023: $42,443m).

	Operating profit			Profit/(loss) before tax		
	2025 $m	2024 $m	2023 $m	**2025 $m**	2024 $m	2023 $m
UK	**7,066**	2,680	665	**6,152**	1,349	(577)
Rest of Europe	**5,233**	5,924	4,885	**5,468**	6,057	4,999
The Americas	**440**	423	1,495	**(213)**	318	1,328
Asia, Africa & Australasia	**1,004**	976	1,148	**995**	967	1,149
Continuing operations	**13,743**	10,003	8,193	**12,402**	8,691	6,899

	Non-current assets[1]		Total assets	
	2025 $m	2024 $m	**2025 $m**	2024 $m
UK	**10,328**	8,699	**21,983**	20,139
Rest of Europe	**31,974**	30,654	**41,596**	37,884
The Americas	**29,714**	28,730	**42,201**	38,544
Asia, Africa & Australasia	**2,409**	2,181	**8,294**	7,468
Continuing operations	**74,425**	70,264	**114,074**	104,035

	Assets acquired[2]		Net operating assets[3]	
	2025 $m	2024 $m	**2025 $m**	2024 $m
UK	**1,759**	582	**7,936**	7,173
Rest of Europe	**2,814**	2,225	**33,217**	30,852
The Americas	**1,877**	3,925	**26,374**	24,501
Asia, Africa & Australasia	**557**	1,394	**2,764**	2,602
Continuing operations	**7,007**	8,126	**70,291**	65,128

[1] Non-current assets exclude Deferred tax assets, Income tax receivable, Derivative financial instruments, certain other financial assets and post-employment benefit assets.
[2] Included in Assets acquired are those assets that are expected to be used during more than one period (Property, plant and equipment, Goodwill and Intangible assets) and include those acquired through business combinations (Note 27).
[3] Net operating assets exclude short-term investments, cash, short-term borrowings, loans, Derivative financial instruments, Retirement benefit obligations and non-operating receivables and payables.

	Property, plant and equipment	
	2025 $m	2024 $m
UK	**3,138**	2,847
Ireland	**1,645**	1,323
Sweden	**2,282**	1,692
US	**3,558**	2,856
Rest of the world	**2,339**	1,534
Continuing operations	**12,962**	10,252

Geographic markets

The table below shows Product Sales in each geographic market in which customers are located.

	2025 $m	2024 $m	2023 $m
UK	**1,111**	1,314	978
Rest of Europe	**12,412**	10,686	8,201
The Americas	**27,273**	25,081	20,855
Asia, Africa & Australasia	**14,777**	13,857	13,755
Continuing operations	**55,573**	50,938	43,789

Product Sales are recognised when control of the goods has been transferred to a third party. A significant proportion of this is upon delivery of the products to wholesalers. Two wholesalers (2024: one; 2023: one) individually represented greater than 10% of Product Sales. The value of Product Sales to the two wholesalers was $8,218m (2024: $7,567m; 2023: $6,513m) and $5,957m (2024: $4,468m; 2023: $3,795m), respectively.

8 Property, plant and equipment

	Land and buildings $m	Plant and equipment $m	Assets in course of construction $m	Total Property, plant and equipment $m
Cost				
At 1 January 2024	6,469	8,704	2,045	17,218
Additions through business combinations (Note 27)	1	15	2	18
Capital expenditure	27	63	1,905	1,995
Transfer of assets into use	312	729	(1,041)	–
Disposals and other movements	(44)	(271)	(40)	(355)
Exchange adjustments	(185)	(386)	(82)	(653)
At 31 December 2024	6,580	8,854	2,789	18,223
Additions through business combinations (Note 27)	**3**	**2**	**–**	**5**
Capital expenditure	**25**	**91**	**2,811**	**2,927**
Transfer of assets into use	**278**	**779**	**(1,057)**	**–**
Disposals and other movements	**(35)**	**(172)**	**1**	**(206)**
Exchange adjustments	**389**	**766**	**196**	**1,351**
At 31 December 2025	**7,240**	**10,320**	**4,740**	**22,300**
Depreciation and impairment				
At 1 January 2024	2,765	5,051	–	7,816
Depreciation charge for the year	231	568	–	799
Impairment charge	–	(7)	49	42
Disposals and other movements	(39)	(252)	(49)	(340)
Exchange adjustments	(101)	(245)	–	(346)
At 31 December 2024	2,856	5,115	–	7,971
Depreciation charge for the year	**249**	**630**	**–**	**879**
Impairment charge	**4**	**8**	**1**	**13**
Disposals and other movements	**(32)**	**(148)**	**(1)**	**(181)**
Exchange adjustments	**188**	**468**	**–**	**656**
At 31 December 2025	**3,265**	**6,073**	**–**	**9,338**
Net book value				
At 31 December 2024	3,724	3,739	2,789	10,252
At 31 December 2025	**3,975**	**4,247**	**4,740**	**12,962**

	2025 $m	2024 $m
The net book value of land and buildings comprised:		
Freeholds	**3,564**	3,329
Leaseholds	**411**	395

Notes to the Group Financial Statements *continued*

9 Leases

Right-of-use assets

	Land and buildings $m	Motor vehicles $m	Other $m	Total Right-of-use assets $m
Cost				
At 1 January 2024	1,352	495	36	1,883
Additions through business combinations (Note 27)	20	–	–	20
Additions – separately acquired	332	342	18	692
Disposals and other movements	(73)	(140)	(5)	(218)
Exchange adjustments	(43)	(33)	(2)	(78)
At 31 December 2024	1,588	664	47	2,299
Additions through business combinations (Note 27)	**1**	**–**	**–**	**1**
Additions – separately acquired	**362**	**215**	**10**	**587**
Disposals and other movements	**29**	**(91)**	**–**	**(62)**
Exchange adjustments	**68**	**48**	**4**	**120**
At 31 December 2025	**2,048**	**836**	**61**	**2,945**
Depreciation and impairment				
At 1 January 2024	549	215	19	783
Depreciation charge for the year	183	151	9	343
Impairment charge	7	–	–	7
Disposals and other movements	(71)	(115)	(6)	(192)
Exchange adjustments	(22)	(14)	(1)	(37)
At 31 December 2024	646	237	21	904
Depreciation charge for the year	**205**	**188**	**11**	**404**
Disposals and other movements	**(65)**	**(93)**	**2**	**(156)**
Exchange adjustments	**29**	**21**	**2**	**52**
At 31 December 2025	**815**	**353**	**36**	**1,204**
Net book value				
At 31 December 2024	942	427	26	1,395
At 31 December 2025	**1,233**	**483**	**25**	**1,741**

Lease liabilities

	2025 $m	2024 $m
The present value of lease liabilities is as follows:		
Within one year	**(382)**	(339)
Later than one year and not later than five years	**(991)**	(825)
Later than five years	**(430)**	(288)
Total lease liabilities	**(1,803)**	(1,452)

The interest expense on lease liabilities included within Finance expense was $80m (2024: $61m; 2023: $33m).

The total cash outflow for leases in 2025 was $452m (2024: $377m; 2023: $301m).

The Group has entered into lease contracts that have not yet commenced. The nominal value of estimated future lease payments under these lease contracts approximates $1,702m as of 31 December 2025. Of this value, $1,348m relates to a property lease in the US which is expected to commence in 2026 with a lease term of 15 years.

10 Goodwill

	2025 $m	2024 $m
Cost		
At 1 January	**21,335**	20,361
Additions through business combinations (Note 27)	**–**	1,083
Exchange and other adjustments	**223**	(109)
At 31 December	**21,558**	21,335
Amortisation and impairment losses		
At 1 January	**310**	313
Exchange and other adjustments	**6**	(3)
At 31 December	**316**	310
Net book value		
At 31 December	**21,242**	21,025

Goodwill is tested for impairment at the operating segment level, this being the level at which goodwill is monitored for internal management purposes. As detailed in Note 7, the Group does not have multiple operating segments and is engaged in a single business activity of pharmaceuticals.

Recoverable amount is determined on a fair value less costs to sell basis using the market value of the Company's outstanding Ordinary Shares. Our market capitalisation is compared to the book value of the Group's net assets and this indicates a significant surplus at 31 December 2025 (and 31 December 2024). No goodwill impairment was identified.

11 Intangible assets

	Product, marketing and distribution rights $m	Other intangibles $m	Software development costs $m	Total $m
Cost				
At 1 January 2024	69,207	2,707	1,575	73,489
Additions through business combinations (Note 27)	2,308	56	–	2,364
Additions – separately acquired	2,226	150	290	2,666
Disposals	(294)	–	(285)	(579)
Exchange and other adjustments	(964)	(13)	(50)	(1,027)
At 31 December 2024	72,483	2,900	1,530	76,913
Additions through business combinations (Note 27)	**50**	**–**	**–**	**50**
Additions – separately acquired	**3,392**	**170**	**463**	**4,025**
Disposals	**(312)**	**(128)**	**(8)**	**(448)**
Exchange and other adjustments	**2,151**	**131**	**118**	**2,400**
At 31 December 2025	**77,764**	**3,073**	**2,103**	**82,940**
Amortisation and impairment losses				
At 1 January 2024	32,266	2,061	1,073	35,400
Amortisation for year	3,761	78	84	3,923
Impairment charges	1,577	3	2	1,582
Impairment reversals	(8)	–	–	(8)
Disposals	(286)	–	(283)	(569)
Exchange and other adjustments	(561)	(13)	(18)	(592)
At 31 December 2024	36,749	2,129	858	39,736
Amortisation for year	**3,928**	**181**	**98**	**4,207**
Impairment charges	**218**	**12**	**–**	**230**
Disposals	**(312)**	**(128)**	**(8)**	**(448)**
Exchange and other adjustments	**1,247**	**61**	**61**	**1,369**
At 31 December 2025	**41,830**	**2,255**	**1,009**	**45,094**
Net book value				
At 31 December 2024	35,734	771	672	37,177
At 31 December 2025	**35,934**	**818**	**1,094**	**37,846**

Other intangibles consist mainly of research and device technologies and the Alexion brand name. Included within Software development costs are assets currently in development that will commence amortisation when ready for use.

Included within Additions – separately acquired are amounts accrued in Other payables of $1,624m (2024: $365m), relating to deferred payments and other non-cash consideration for the acquisition of Product, marketing and distribution rights, which are not reflected in the current year Consolidated Statement of Cash Flows. Disposals include amounts related to fully amortised or impaired assets that are no longer in use by the Group.

Notes to the Group Financial Statements *continued*

11 Intangible assets *continued*

Amortisation charges are recognised in the Consolidated Statement of Comprehensive Income as follows:

	Product, marketing and distribution rights $m	Other intangibles $m	Software development costs $m	Total $m
Year ended 31 December 2023				
Cost of sales	32	–	–	32
Research and development expense	–	28	–	28
Selling, general and administrative expense	3,739	47	80	3,866
Total	3,771	75	80	3,926
Year ended 31 December 2024				
Cost of sales	32	1	–	33
Research and development expense	3	22	–	25
Selling, general and administrative expense	3,726	55	84	3,865
Total	3,761	78	84	3,923
Year ended 31 December 2025				
Cost of sales	**32**	**–**	**54**	**86**
Research and development expense	**–**	**26**	**21**	**47**
Selling, general and administrative expense	**3,896**	**155**	**22**	**4,073**
Other operating income and expense	**–**	**–**	**1**	**1**
Total	**3,928**	**181**	**98**	**4,207**

Net impairment charges are recognised in the Consolidated Statement of Comprehensive Income as follows:

	Product, marketing and distribution rights $m	Other intangibles $m	Software development costs $m	Total $m
Year ended 31 December 2023				
Research and development expense	417	–	–	417
Selling, general and administrative expense	17	–	–	17
Total	434	–	–	434
Year ended 31 December 2024				
Research and development expense	1,065	–	–	1,065
Selling, general and administrative expense	504	3	2	509
Total	1,569	3	2	1,574
Year ended 31 December 2025				
Research and development expense	**210**	**–**	**–**	**210**
Selling, general and administrative expense	**8**	**12**	**–**	**20**
Total	**218**	**12**	**–**	**230**

Impairment charges and reversals

We perform a rigorous impairment trigger assessment for all our intangible assets. Intangible assets under development and not available for use are tested annually for impairment and other intangible assets are tested when there is an indication of impairment loss or reversal. Where testing is required, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss or reversal. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit (CGU) to which it belongs. The Group considers that as the intangible assets are linked to individual products and that product cash flows are considered to be largely independent of other product cash flows, the CGU for intangibles is predominantly at the product level. Group-level budgets and forecasts include forecast capital investment and operational impacts related to sustainability projects, as well as inflationary impacts, and form the basis for the value in use models used for impairment testing.

An asset's recoverable amount is determined as the higher of an asset's or CGU's fair value less costs to sell or value in use, in both cases using discounted cash flow calculations where the asset's expected post-tax cash flows are risk-adjusted over their estimated remaining period of expected economic benefit. Where the value in use approach is used, the post-tax risk-adjusted cash flows are discounted using AstraZeneca's post-tax weighted average cost of capital (7.5% for 2025 and 7.5% for 2024) which is a nominal rate. There is no material difference in the approach taken to using pre-tax cash flows and a pre-tax rate compared to post-tax cash flows and a post-tax rate, as required by IAS 36 'Impairment of Assets'. Where fair value less costs to sell is used to determine recoverable value, the discount rate is assessed with reference to a market participant, this is not usually materially different to the AstraZeneca post-tax weighted average cost of capital of 7.5%. Intangible assets have been tested for impairment under the value in use basis at risk-adjusted post-tax discount rates ranging between 7.5% to 9.5%.

SE Key assumptions and significant estimates used in calculating the recoverable amounts are highly sensitive and specific to the nature of the Group's activities including:

- outcome of R&D activities
- probability of technical and regulatory success
- market volume, share and pricing (to derive peak year sales)
- amount and timing of projected future cash flows
- sales erosion curves following patent expiry.

Whilst the intangible assets portfolio is generally exposed to significant impairment risk within the next financial year, no sensitivities have been disclosed since no specific asset has been identified as having a significant risk of a material impairment arising from reasonably possible changes in key assumptions.

For assets held at fair value less costs to sell, we make appropriate adjustments to reflect market participant assessments.

In 2025, the Group recorded impairment charges of $8m in respect of launched products. Impairment charges recorded against products in development totalled $210m.

In 2024, the Group recorded impairment charges of $504m in respect of launched products. Following a strategic review of our portfolio priorities, a business decision was made to cease promotional activity for *Andexxa* resulting in impairment charges of $504m recorded against the *Andexxa* intangible asset under a value in use model applying a discount rate of 7.5% (revised carrying amount: $nil). Impairment charges recorded against products in development totalled $1,073m. This included full impairments of vemircopan (ALXN2050, $753m, acquired as part of the Alexion business combination in 2021), following outcome of research activities, and FPI-2059 ($165m, acquired as part of the Fusion Pharmaceuticals, Inc. (Fusion) business combination in 2024) due to portfolio prioritisation decisions. The remaining impairments of $155m relate to impairments of various products in development, due to either management's decision to discontinue development as part of Group-wide portfolio prioritisation decisions, or due to the outcome of research activities.

In 2023, the Group recorded impairment charges of $17m in respect of launched products. Impairment charges recorded against products in development totalled $417m, including $244m related to ALXN1840 which was fully impaired following the decision to discontinue development.

The Group has performed an assessment on assets which have had impairments recorded in previous periods to determine if any reversals of impairments were required. No impairment reversals were recorded in 2025. Impairment reversals of $8m were recorded in 2024 against products in development. No impairment reversals were recorded in 2023.

When launched products are partially impaired, the carrying values of these assets in future periods are particularly sensitive to changes in forecast assumptions, including those assumptions set out above, as the asset is impaired down to its recoverable amount.

Significant assets

	Carrying value $m	Remaining amortisation period
C5 franchise (*Soliris*/*Ultomiris*) intangible assets arising from the acquisition of Alexion	10,981	2 to 10 years
Intangible assets arising from the acquisition of Acerta Pharma	3,371	7 years
Enhertu intangible assets acquired from Daiichi Sankyo, Inc.	3,331	8 years
Strensiq, *Kanuma* intangible assets arising from the acquisition of Alexion	2,846	7 to 13 years
Intangible asset products in development arising from the acquisition of Alexion[1]	1,944	Not amortised
Intangible assets arising from the acquisition of ZS Pharma, Inc.	1,460	6 years
Baxdrostat intangible asset acquired from CinCor Pharma, Inc.[1]	1,291	Not amortised
Intangible asset products in development arising from the acquisition of Fusion[1]	1,182	Not amortised
Datroway intangible assets acquired from Daiichi Sankyo, Inc.	1,020	13 years
Intangible asset products in development arising from the acquisition of Gracell Biotechnologies, Inc.[1]	975	Not amortised
Intangible asset products in development arising from the acquisition of Amolyt Pharma SAS[1]	861	Not amortised
Koselugo intangible asset acquired from Merck & Co., Inc.	835	6 years
Intangible asset products in development arising from the acquisition of Icosavax, Inc.[1]	639	Not amortised
Airsupra intangible asset acquired from Bond Avillion 2 Development LP	526	9 years
ENaBL platform asset arising from the acquisition of EsoBiotec SA[1]	441	Not amortised

[1] Assets in development are not amortised but are tested annually for impairment.

In 2025, the *Koselugo* intangible asset was recognised on acquisition of the remaining 50% of global rights from Merck & Co., Inc. (MSD) following the amendment of an existing global development and commercialisation arrangement.

The Engineered NanoBody Lentiviral (ENaBL) platform intangible asset recognised on acquisition of EsoBiotec SA in 2025 was assessed under the optional concentration test in IFRS 3 'Business Combinations' and was determined to be an asset acquisition, as substantially all of the value of the gross assets acquired was concentrated in this single asset.

In 2024, the intangible assets recognised on acquisition of Amolyt Pharma SAS and Icosavax, Inc. were separately assessed under the optional concentration test in IFRS 3 and were individually determined to be asset acquisitions, as substantially all of the value of the gross assets acquired in each transaction was concentrated in these single assets.

Notes to the Group Financial Statements *continued*

12 Investments in associates and joint ventures

	2025 $m	2024 $m
At 1 January	**268**	147
Additions	**14**	158
Share of after tax losses	**(7)**	(28)
Exchange and other adjustments	**27**	(9)
At 31 December	**302**	268

On 22 May 2024, AstraZeneca entered into an agreement with Fuse Biosciences (Cayman) Limited to acquire equity. Under the terms of the agreement, AstraZeneca contributed $11m in initial funds, holds 25% board representation, and holds an 18.75% interest in the associate entity.

On 1 November 2023, AstraZeneca entered into an agreement with Cellectis S.A., a clinical-stage biotechnology company, to accelerate the development of next generation therapeutics in areas of high unmet medical need, including oncology, immunology and rare diseases. Under the terms of the agreement, AstraZeneca contributed $80m in funds for a 22% interest in the associate entity. On 22 May 2024, a further contribution of $140m was made for a further 22% interest. AstraZeneca holds a 44% interest in the associate entity.

On 1 December 2020, AstraZeneca and China International Capital Corporation (CICC) entered into an agreement to set up a Global Healthcare Industrial Fund to drive healthcare system innovation by leveraging local capital and accelerating China-related innovation incubation. The agreement resulted in the formation of a new entity, Wuxi AstraZeneca-CICC Venture Capital Partnership (Limited Partnership). AstraZeneca holds a 22% interest in the associate entity and has contributed $74m in cumulative funds to date.

On 23 September 2021, AstraZeneca entered into an agreement with VaxEquity Limited (VaxEquity) to collaborate and develop self-amplifying RNA technology with the aim of generating treatments for target diseases. AstraZeneca contributed $14m in initial funds and holds a 40% interest in the associate entity. On 21 April 2025, VaxEquity was dissolved.

All investments are accounted for using the equity method. At 31 December 2025, unrecognised losses in associates and joint ventures totalled $209m (2024: $177m) which have not been recognised due to the investment carrying value reaching $nil value.

Aggregated summarised financial information for the associate and joint venture entities is set out below:

	2025 $m	2024 $m
Non-current assets	**690**	577
Current assets	**756**	508
Total liabilities	**(553)**	(516)
Net assets	**893**	569
Amount attributable to AstraZeneca	**122**	131
Goodwill	**161**	152
Exchange adjustments	**19**	(15)
Carrying value of investments in associates and joint ventures	**302**	268

Joint contractual arrangements were entered into between AstraZeneca and Daiichi Sankyo, Inc. (Daiichi Sankyo); in March 2019 for the co-development and co-commercialisation of *Enhertu* and in July 2020 for the co-development and co-commercialisation of *Datroway*. Each party shares global pre-tax net income from the collaboration on a 50:50 basis (with the exception of Japan where Daiichi Sankyo maintains exclusive rights and AstraZeneca receives a royalty). The joint operation is not structured through a separate legal entity, and it operates from AstraZeneca and Daiichi Sankyo's respective principal places of business.

13 Other investments

	2025 $m	2024 $m
Non-current investments		
Equity securities at fair value through Other comprehensive income	**2,212**	1,632
Equity securities at fair value through profit and loss	**11**	–
Total	**2,223**	1,632
Current investments		
Fixed income securities at fair value through profit or loss	**8**	37
Cash collateral pledged to counterparties	**22**	129
Total	**30**	166

Other investments held at FVOCI include equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category. Other investments held at FVPL comprise a mixture of equity securities and fixed income securities that the Group holds to sell.

The fair value of listed investments is based on year end quoted market prices. Fixed deposits and Cash collateral pledged to counterparties are held at amortised cost with carrying value being a reasonable approximation of fair value given their short-term nature.

Cash collateral pledged to counterparties relates to collateral pledged on derivatives entered into to hedge the Group's risk exposures.

Fair value hierarchy

The table below analyses equity securities and bonds, contained within Other investments and carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2025 FVPL $m	2025 FVOCI $m	2024 FVPL $m	2024 FVOCI $m
Level 1	**8**	**1,765**	37	1,279
Level 2	**–**	**–**	–	–
Level 3	**11**	**447**	–	353
Total	**19**	**2,212**	37	1,632

Assets are transferred in or out of each Level on the date of the event or change in circumstances that caused the transfer.

Equity securities that are analysed at Level 3 include investments in private biotech companies. In the absence of specific market data, these unlisted investments are held at fair value based on the cost of investment and adjusting as necessary for impairments and revaluations on new funding rounds, which approximates to fair value. Movements in Level 3 investments are detailed below:

	2025 FVPL $m	2025 FVOCI $m	2024 FVPL $m	2024 FVOCI $m
At 1 January	**–**	**353**	–	313
Additions	**11**	**124**	–	56
Revaluations	**–**	**(50)**	–	(9)
Impairments and exchange adjustments	**–**	**20**	–	(7)
At 31 December	**11**	**447**	–	353

14 Derivative financial instruments

	Non-current assets $m	Current assets $m	Current liabilities $m	Non-current liabilities $m	Total $m
Cross-currency swaps designated in a net investment hedge	148	–	–	–	148
Cross-currency swaps designated in a cash flow hedge	34	–	–	(71)	(37)
Cross-currency swaps designated in a fair value hedge	–	–	–	(44)	(44)
Forward foreign exchange designated in a cash flow hedge[1]	–	5	(1)	–	4
Other derivatives	–	49	(49)	–	–
31 December 2024	182	54	(50)	(115)	71

	Non-current assets $m	Current assets $m	Current liabilities $m	Non-current liabilities $m	Total $m
Cross-currency swaps designated in a net investment hedge	**171**	**2**	**–**	**–**	**173**
Cross-currency swaps designated in a cash flow hedge	**203**	**–**	**–**	**–**	**203**
Cross-currency swaps designated in a fair value hedge	**124**	**–**	**–**	**–**	**124**
Forward foreign exchange designated in a cash flow hedge[1]	**–**	**8**	**(2)**	**–**	**6**
Other derivatives	**–**	**80**	**(79)**	**–**	**1**
31 December 2025	**498**	**90**	**(81)**	**–**	**507**

[1] Forward foreign exchange (FX) designated in a cash flow hedge relates to contracts hedging anticipated CNY, EUR, GBP, JPY and SEK transactions occurring in the quarter immediately after the balance sheet date.

All derivatives at 31 December 2025 are held at fair value and fall within Level 2 of the fair value hierarchy as defined in Note 13. During 2024 the Group held an equity warrant classed as Level 3 in the fair value hierarchy, this warrant expired on 31 December 2024. No derivatives have been reclassified within the hierarchy during the year.

The fair value of interest rate swaps and cross-currency swaps is estimated using appropriate zero coupon curve valuation techniques to discount future contractual cash flows based on rates at the current year end.

The fair value of forward foreign exchange contracts and currency options are estimated by discounted cash flow models using appropriate yield curves based on market forward foreign exchange rates at the year end. The majority of forward foreign exchange contracts for existing transactions had maturities of less than one month from year end.

The interest rates used to discount future cash flows for fair value adjustments, where applicable, are based on market swap curves at the reporting date, and were as follows:

	2025	2024
Derivatives	**0.7% to 3.7%**	0.6% to 4.1%

Notes to the Group Financial Statements *continued*

15 Non-current other receivables

	2025 $m	2024 $m
Prepayments	**559**	356
Accrued income	**75**	60
Retirement benefit scheme surpluses (Note 22)	**106**	99
Other receivables	**587**	415
Non-current other receivables	**1,327**	930

16 Inventories

	2025 $m	2024 $m
Raw materials and consumables	**1,857**	1,489
Inventories in process	**2,777**	2,282
Finished goods and goods for resale	**1,923**	1,517
Inventories	**6,557**	5,288

The Group recognised $7,600m (2024: $7,001m; 2023: $6,038m) of inventories as an expense within Cost of sales during the year.

Net inventory write-downs in the year amounted to $314m (2024: $664m; 2023: $574m), principally arising from the reassessment of usage or demand expectations prior to inventory expiration. The decreased charge in the year is due to partial reversals of $407m *Andexxa* provisions previously recognised in 2024 following the decision to cease promotional activities.

17 Current trade and other receivables

	2025 $m	2024 $m
Trade receivables	**10,289**	8,335
Less: Expected credit loss provision (Note 28)	**(52)**	(33)
	10,237	8,302
Other receivables	**2,017**	1,579
Prepayments	**2,034**	1,737
Government grants receivable	**45**	25
Accrued income	**844**	1,329
Trade and other receivables	**15,177**	12,972

Trade receivables include $2,681m (2024: $667m) measured at FVOCI classified 'hold to collect and sell' as they are due from customers that the Group has the option to factor, or relate to bank acceptance drafts received in settlement of trade receivables per common practice in China.

All other financial assets included within Current trade and other receivables are held at amortised cost with carrying value being a reasonable approximation of fair value.

18 Cash and cash equivalents

	2025 $m	2024 $m	2023 $m
Cash at bank and in hand	**1,332**	1,215	1,325
Short-term deposits	**4,379**	4,273	4,515
Cash and cash equivalents	**5,711**	5,488	5,840
Unsecured bank overdrafts	**(13)**	(59)	(203)
Cash and cash equivalents in the Consolidated Statement of Cash Flows	**5,698**	5,429	5,637

AstraZeneca invests in constant net asset value funds, low-volatility net asset value funds and short-term variable net asset value funds with same day access for subscription and redemption. These investments fail the 'solely payments of principal and interest' test criteria under IFRS 9 'Financial Instruments'. They are therefore measured at FVPL, although the fair value is materially the same as amortised cost.

Non-cash and other movements, within operating activities in the Consolidated Statement of Cash Flows, includes:

	2025 $m	2024 $m	2023 $m
Share-based payments charge for the period (Note 29)	**719**	660	579
Settlement of share plan awards	**(353)**	(618)	(650)
Pension contributions	**(186)**	(166)	(188)
Pension charges recorded in Operating profit	**65**	86	55
Long-term provision charges recorded in Operating profit	**203**	106	460
Loss/(gain) on disposal of Property, plant and equipment	**13**	4	(41)
Update to the contractual relationships for *Beyfortus*	**–**	–	(729)
Foreign exchange and other[1]	**201**	(193)	128
Total operating activities non-cash and other movements	**662**	(121)	(386)

[1] Foreign exchange and other includes, among other items, the foreign exchange of inter-company transactions, including dividends, across Group entities and the related impact from hedging those transactions.

19 Interest-bearing loans and borrowings

		Repayment dates	2025 $m	2024 $m
Current liabilities				
Bank overdrafts		On demand	**13**	59
Other short-term borrowings excluding overdrafts			**158**	90
Collateral received from derivative counterparties			**473**	181
Lease liabilities			**382**	339
3.375% Callable bond	US dollars	2025	**–**	1,997
0.7% Callable bond	US dollars	2026	**1,200**	–
1.2% Callable bond	US dollars	2026	**1,250**	–
Other loans		Within one year	**10**	10
Total			**3,486**	2,676
Non-current liabilities				
Lease liabilities			**1,421**	1,113
0.7% Callable bond	US dollars	2026	**–**	1,198
1.2% Callable bond	US dollars	2026	**–**	1,249
4.8% Callable bond	US dollars	2027	**1,248**	1,247
3.625% Callable bond	euros	2027	**880**	780
3.125% Callable bond	US dollars	2027	**749**	748
4.875% Callable bond	US dollars	2028	**1,097**	1,096
1.25% Callable bond	euros	2028	**936**	829
1.75% Callable bond	US dollars	2028	**1,248**	1,247
4% Callable bond	US dollars	2029	**997**	996
4.85% Callable bond	US dollars	2029	**1,247**	1,246
0.375% Callable bond	euros	2029	**936**	829
4.9% Callable bond	US dollars	2030	**647**	646
3.121% Callable bond	euros	2030	**764**	682
1.375% Callable bond	US dollars	2030	**1,295**	1,295
4.9% Callable bond	US dollars	2031	**995**	994
2.25% Callable bond	US dollars	2031	**748**	747
5.75% Non-callable bond	pounds sterling	2031	**469**	438
3.75% Callable bond	euros	2032	**878**	778
4.875% Callable bond	US dollars	2033	**497**	497
3.278% Callable bond	euros	2033	**870**	786
5% Callable bond	US dollars	2034	**1,490**	1,489
6.45% Callable bond	US dollars	2037	**2,728**	2,727
4% Callable bond	US dollars	2042	**989**	989
4.375% Callable bond	US dollars	2045	**982**	982
4.375% Callable bond	US dollars	2048	**738**	738
2.125% Callable bond	US dollars	2050	**488**	487
3% Callable bond	US dollars	2051	**736**	735
Other loans	US dollars		**63**	31
Total			**26,136**	27,619
Total interest-bearing loans and borrowings[1]			**29,622**	30,295

[1] All loans and borrowings above are unsecured.

	Total loans and borrowings 2025 $m	Total loans and borrowings 2024 $m	Total loans and borrowings 2023 $m
At 1 January	**30,295**	28,622	29,232
Changes from financing cash flows			
Issue of loans and borrowings	**15**	6,492	3,816
Repayment of loans and borrowings	**(2,029)**	(4,652)	(4,942)
Movement in short-term borrowings	**364**	(31)	161
Repayment of obligations under leases	**(372)**	(316)	(268)
Total changes in cash flows arising on financing activities from borrowings	**(2,022)**	1,493	(1,233)
Movement in overdrafts	**(47)**	(144)	20
New lease liabilities	**566**	710	444
Additions through business combinations	**–**	12	–
Exchange	**692**	(361)	187
Other movements	**138**	(37)	(28)
At 31 December	**29,622**	30,295	28,622

Notes to the Group Financial Statements *continued*

19 Interest-bearing loans and borrowings *continued*

Included in prior year cash flows is $833m in 2024 and $867m in 2023 relating to the Acerta Pharma share purchase. This liability was fully extinguished in 2024.

Set out below is a comparison by category of carrying values and fair values of all the Group's interest-bearing loans and borrowings:

	Instruments designated in net investment hedge[1] $m	Instruments designated in cash flow hedge[2] $m	Instruments designated in fair value hedge[3] $m	Amortised cost $m	Total carrying value $m	Fair value $m
2024						
Overdrafts	–	–	–	59	59	59
Lease liabilities due within one year	–	–	–	339	339	339
Lease liabilities due after more than one year	–	–	–	1,113	1,113	1,113
Loans and borrowings due within one year	–	–	–	2,278	2,278	2,263
Loans and borrowings due after more than one year	1,267	2,387	1,468	21,384	26,506	25,405
Total at 31 December 2024	1,267	2,387	1,468	25,173	30,295	29,179
2025						
Overdrafts	**–**	**–**	**–**	**13**	**13**	**13**
Lease liabilities due within one year	**–**	**–**	**–**	**382**	**382**	**382**
Lease liabilities due after more than one year	**–**	**–**	**–**	**1,421**	**1,421**	**1,421**
Loans and borrowings due within one year	**–**	**–**	**–**	**3,091**	**3,091**	**3,068**
Loans and borrowings due after more than one year	**1,405**	**2,694**	**1,634**	**18,982**	**24,715**	**24,337**
Total at 31 December 2025	**1,405**	**2,694**	**1,634**	**23,889**	**29,622**	**29,221**

[1] Instruments designated in a net investment hedge are our euro 800m 0.375% 2029 Callable bond and our pounds sterling 350m 5.75% 2031 Non-callable bond. The 2024 value of $1,267m was previously presented within the Amortised cost column; from 2025 the presentation has been revised to present this within the Instruments designated in net investment hedge column.
[2] Instruments designated in cash flow hedges are our euro 750m 3.625% 2027 Callable bond, our euro 800m 1.25% 2028 Callable bond, and our euro 750m 3.75% 2032 Callable bond.
[3] Instruments designated in fair value hedges are our euro 650m 3.121% 2030 Callable bond, and our euro 750m 3.278% 2033 Callable bond.

The fair value of fixed-rate publicly traded debt is based on year end quoted market prices; the fair value of floating rate debt is nominal value, as mark-to-market differences would be minimal given the frequency of resets. The carrying value of loans designated at FVPL is the fair value; this falls within the Level 1 valuation method as defined in Note 13. For loans designated in a fair value hedge relationship, carrying value is initially measured at fair value and remeasured for fair value changes in respect of the hedged risk at each reporting date. All other loans are held at amortised cost. Fair values, as disclosed in the table above, are all determined using the Level 1 valuation method as defined in Note 13, with the exception of overdrafts and lease liabilities, where fair value approximates to carrying values.

The adjustment to the carrying value of bonds designated in a fair value hedge relationship in the year was a decrease in the liability of $21m, and the cumulative adjustment was a decrease in the liability of $5m. A gain of $4m was made during the year on the fair value of bonds designated in a fair value hedge. Under IFRS 9 'Financial Instruments', the Group records the component of fair value changes relating to the component of own credit risk through Other comprehensive income. Changes in credit risk had no material effect on any other financial assets and liabilities recognised at fair value in the Group Financial Statements. The change in fair value attributable to changes in credit risk is calculated as the change in fair value not attributable to market risk.

The interest rates used to discount future cash flows for fair value adjustments, where applicable, are based on market swap curves at the reporting date, and were as follows:

	2025	2024
Loans and borrowings	**1.9% to 2.6%**	2.0% to 2.9%

20 Trade and other payables

	2025 $m	2024 $m
Current liabilities		
Trade payables	**3,820**	3,640
Value-added and payroll taxes and social security	**580**	401
Rebates, chargebacks, returns and other revenue accruals	**9,681**	7,805
Clinical trial accruals	**1,780**	1,419
Other accruals	**7,258**	6,463
Collaboration Revenue contract liabilities	**–**	7
Vaccine contract liabilities	**142**	119
Deferred government grant income	**2**	–
Contingent consideration	**346**	1,170
Other payables	**1,671**	1,441
Total	**25,280**	22,465
Non-current liabilities		
Accruals	**85**	65
Deferred government grant income	**55**	–
Contingent consideration	**204**	581
Other payables	**2,035**	1,124
Total	**2,379**	1,770

Included within Rebates, chargebacks, returns and other revenue accruals are contract liabilities of $63m (2024: $114m). The revenue recognised in the year from opening contract liabilities is $107m, comprising $100m relating to other revenue accruals and $7m Collaboration Revenue contract liabilities. The major markets with Rebates, chargebacks, returns and other revenue accruals are the US where the liability at 31 December 2025 amounted to $5,941m (2024: $4,978m), of which Rare Disease comprises $336m (2024: $240m), and China where the liability at 31 December 2025 amounted to $619m (2024: $532m).

Trade payables includes $100m (2024: $105m) due to suppliers that have signed up to a supply chain financing programme, under which the suppliers can elect on an invoice-by-invoice basis to receive a discounted early payment from the relationship bank rather than being paid in line with the agreed payment terms. If the option is taken, the Group's liability is assigned by the supplier to be due to the relationship bank rather than the supplier. The value of the liability payable by the Group remains unchanged. The Group assesses the arrangement against indicators to assess if debts which vendors have sold to the funder under the supplier financing scheme continue to meet the definition of trade payables or should be classified as borrowings. At 31 December 2025, the payables met the criteria of Trade payables. The supply chain financing programme operates in the US, UK, Sweden, China and Germany, and as at 31 December 2025, the programme had 310 suppliers enrolled across these countries.

Vaccine contract liabilities relate to amounts received from customers, primarily government bodies, in advance of supply of product.

Included within current Other payables are liabilities relating to future sales related payments to Daiichi Sankyo totalling $673m (2024: $377m) resulting from the collaboration agreement in relation to *Enhertu* entered into in March 2019. Additionally, included within non-current Other payables are liabilities relating to future sales related payments totalling $579m (2024: $456m) as a result of the *Enhertu* collaboration agreement, $499m (2024: $462m) owed to Bond Avillion 2 Development LP as a result of the *Airsupra* collaboration agreement entered into in March 2018 and $201m (2024: $nil) owed to MSD as a result of the *Koselugo* collaboration agreement entered into in 2017 and amended in August 2025.

In November 2020, *Calquence* received marketing approval in the European Union, which removed all remaining conditionality in respect of the Acerta Pharma put and call options regarding the non-controlling interest; the option was exercised in April 2021. The payments were made in similar annual instalments in 2022 through to 2024, with the final payment of $833m made in 2024. Interest arising from amortising the liability was included within Finance expense (see Note 4). The associated cash flows were disclosed as financing activities within the Consolidated Statement of Cash Flows.

With the exception of Contingent consideration payables of $550m (2024: $1,751m) which are held at fair value within Level 3 of the fair value hierarchy as defined in Note 13, all other financial liabilities are held at amortised cost with carrying value being a reasonable approximation of fair value.

Contingent consideration

	2025 $m	2024 $m	2023 $m
At 1 January	**1,751**	2,137	2,222
Additions through business combinations	**–**	198	60
Settlements	**(1,164)**	(1,008)	(826)
Revaluations	**(97)**	311	549
Discount unwind (Note 4)	**60**	113	132
At 31 December	**550**	1,751	2,137

Contingent consideration arising from business combinations is fair valued using decision-tree analysis, with key inputs including the probability of success, consideration of potential delays and the expected levels of future revenues.

Notes to the Group Financial Statements *continued*

20 Trade and other payables *continued*

Revaluations of Contingent consideration are recognised in Selling, general and administrative expense and include a decrease of $44m in 2025 (2024: increase of $260m; 2023: increase of $520m) based on revenue and royalty forecasts, relating to the acquisition of BMS's share of the Global Diabetes Alliance. Discount unwind on the liability is included within Finance expense (see Note 4).

The discount rates used for the Contingent consideration balances range from 5% to 8%. The most significant Contingent consideration balance is the Global Diabetes Alliance which is discounted at 8% and is reviewed against comparable benchmarks on a regular basis.

Management has identified that reasonably possible changes in certain key assumptions, including the likelihood of achieving successful trial results, obtaining regulatory approval, the projected market share of the therapy area and expected pricing for launched products, may cause the calculated fair value of the above contingent consideration to vary materially in future years.

The contingent consideration balance relating to BMS's share of Global Diabetes Alliance of $257m (2024: $1,309m; 2023: $1,945m) is due for final payment in 2026.

The maximum development and sales milestones payable under outstanding Contingent consideration arrangements arising on business combinations are as follows:

Acquisitions	Year	Nature of contingent consideration	Maximum future milestones $m
Spirogen Sarl	2013	Milestones	171
Amplimmune, Inc.	2013	Milestones	150
Almirall, S.A.	2014	Milestones and royalties	345
Fusion Pharmaceuticals, Inc.	2024	Milestones	304
Gracell Biotechnologies, Inc.	2024	Milestones	149

The amount of royalties payable under the arrangements is inherently uncertain and difficult to predict, given the direct link to future sales and the range of outcomes. The maximum amount of royalties payable in each year is with reference to net sales.

21 Provisions

	Severance $m	Environmental $m	Employee benefits $m	Legal $m	Other provisions $m	Total $m
At 1 January 2024	176	112	168	1,016	683	2,155
Additions arising on business acquisitions	–	–	–	–	50	50
Charge for year	283	26	30	44	478	861
Cash paid	(101)	(33)	(7)	(189)	(146)	(476)
Reversals	(83)	–	(1)	(9)	(255)	(348)
Exchange and other movements	–	–	(24)	(3)	(25)	(52)
At 31 December 2024	275	105	166	859	785	2,190
Charge for year	**190**	**27**	**40**	**252**	**189**	**698**
Cash paid	**(217)**	**(25)**	**(5)**	**(720)**	**(282)**	**(1,249)**
Reversals	**(64)**	**–**	**(7)**	**(18)**	**(68)**	**(157)**
Exchange and other movements	**13**	**–**	**(4)**	**3**	**110**	**122**
At 31 December 2025	**197**	**107**	**190**	**376**	**734**	**1,604**

	2025 $m	2024 $m
Due within one year	**686**	1,269
Due after more than one year	**918**	921
Total	**1,604**	2,190

Provisions are often subject to substantial uncertainties with regard to the timing and final amounts of any payments. These uncertainties can also cause a reversal in previously established provisions once final settlement is reached. Once established, these amounts remain in Provisions even after settlement is reached and uncertainty resolved, with no transfer to Trade and other payables prior to payment. This is to provide more transparent disclosure of subsequent movements in brought forward and carried forward balances. Settled legal claims included within Provisions are held at amortised cost with carrying value being a reasonable approximation of fair value.

Severance provisions arise predominantly in connection with global restructuring initiatives, including the Alexion PAAGR, which involve rationalisation of the global supply chain, the sales and marketing organisation, IT and business support infrastructure, and R&D.

Employee costs in connection with the initiatives are recognised in severance provisions when a detailed formal plan has been communicated to those employees affected. Final severance costs are often subject to the completion of the requisite consultations on the areas impacted, with the majority of the cost expected to be paid within one year. AstraZeneca endeavours to support employees affected by restructuring initiatives to seek alternative roles within the organisation. Where the employee is successful, any severance provisions will be released.

Details of the Environmental provisions totalling $107m (2024: $105m) and ongoing matters are provided in Note 30.

A significant proportion of the total legal provision ($194m (2024: $626m) due within one year and $177m (2024: $210m) due after more than one year[1]) relates to matters settled, but not paid, in previous periods; further details are provided in Note 30.

The majority of Employee benefit provisions relate to Executive Deferred Compensation Plans, which include uncertainty over the ultimate timing and amount of payment to be made to the executives.

Other provisions comprise amounts relating to specific contractual or constructive obligations and disputes. Included within Other provisions are amounts associated with long-standing product liability settlements that arose prior to the merger of Astra and Zeneca, which given the nature of the provision, the amounts are expected to be settled over many years; the final settlement values and timings are uncertain. Also included in Other provisions is an amount of $166m (2024: $145m), in relation to third-party liability and other risks (including incurred but not yet reported claims); the claims are considered to be uncertain as to timing and amount. Charges to Other provisions in 2025 included $7m (2024: $184m) in relation to the PAAGR restructuring programme, which has a closing provision of $78m (2024: $80m), including $59m (2024: $58m) held in non-current provisions expected to be settled over time by 2028.

No provision has been released or applied for any purpose other than that for which it was established.

[1] The expected profile of future payments of legal provisions due after one year is as follows: in one to two years $19m (2024: $167m); in two to three years $131m (2024: $9m); in three to four years $11m (2024: $12m); in four to five years $9m (2024: $9m); and in more than five years $7m (2024: $13m).

22 Post-retirement pension and other defined benefit schemes

Background

This section predominantly covers defined benefit (DB) arrangements such as post-retirement pension and medical plans which make up the vast bulk of these liabilities. However, it also incorporates other benefits which fall under IAS 19 'Employee Benefits' rules and which require an actuarial valuation, including but not limited to: lump sum plans, long-service awards and defined contribution pension plans which have some DB characteristics (e.g. a minimum guaranteed level of benefit). In total, over 50 plans in 28 countries are covered.

The Group and most of its subsidiaries offer post-retirement pension plans which cover the majority of employees. The Group's policy is to provide defined contribution (DC) orientated pension provision to its employees unless otherwise compelled by local regulation. As a result, many of these retirement plans are DC, where the Group contribution and resulting charge is fixed at a set level, or is a set percentage of employees' pay. However, several plans, mainly in the UK and Sweden, are DB, where benefits are based on employees' length of service and salary. The major DB plans are largely legacy arrangements as they have been closed to new entrants since 2000, apart from the collectively bargained Swedish plan (which is still open to employees born before 1979). During 2010, following consultation with its UK employees' representatives, the Group introduced a freeze on pensionable pay at 30 June 2010 levels for DB members of the UK Pension Fund. The number of active members in the Fund continues to decline and is now 296 employees.

The Group's DB plans are largely funded through ring-fenced, fiduciary-administered assets. The cash funding of the plans, which may from time to time involve payments from the Group, is designed, in consultation with independent qualified actuaries, to ensure that the assets are sufficient to meet future obligations as and when they fall due. The funding level is monitored by the Group and local fiduciaries, who may take into account various factors, including: the strength of the Group's covenant, local regulation, cash flows, and the solvency and maturity of the pension plan.

Funding Framework

Eighty six per cent of the Group's total DB obligations (or 53% of net obligations) at 31 December 2025 are in plans within the UK and Sweden.

The Group has developed a long-term funding framework for such plans which targets either full funding on a low-risk funding measure, or buyout with an external third party as the pension plans mature, with pragmatic long-term de-risking of investment strategy along the way. Unless local regulation dictates otherwise, this framework determines the cash contributions payable.

UK

The UK Pension Fund represents approximately 64% of the Group's DB obligations at 31 December 2025. The funding framework is modified in light of the UK regulatory requirements (summarised below) and resulting discussions with the Trustee.

Role of Trustee and Regulation

The UK Pension Fund is governed and administered by a corporate Trustee. The Trustee Directors are comprised of representatives appointed by both the employer and Fund members and include an independent professional Trustee Director. The Trustee Directors are required by law to act in the interest of all relevant beneficiaries and are responsible, in particular, for investment strategy and the day-to-day administration of the benefits. They are also responsible for jointly agreeing, with the employer, the level of contributions required to ensure the funding objective is met.

The UK pensions industry is regulated by The Pensions Regulator whose statutory objectives and regulatory powers are described on its website, www.thepensionsregulator.gov.uk.

Guaranteed Minimum Pensions (GMP) equalisation of member benefits, as required by UK legislation, was completed for pensioner and dependent members in 2024 and, for non-pensioner members, a process is in place to equalise their benefits at their point of retirement. An estimate of the impact of these changes has already been recognised in 2018 and 2020, and actual experience is in line with the estimates previously recognised.

Notes to the Group Financial Statements *continued*

22 Post-retirement pension and other defined benefit schemes *continued*

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out DB pension plans were invalid if they were not accompanied by the correct actuarial confirmation. In July 2025, the UK Government confirmed that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The Trustee has considered this matter with their legal adviser. The Trustee has not conducted any detailed investigations as they have no reason to believe that any such confirmations were not provided and so no impact is expected on the UK Pension Fund.

Funding requirements and security

UK legislation requires that an actuarial valuation is completed for all DB pension schemes every three years, which compares the schemes' liabilities to its assets. As part of the triennial valuation process, the Trustee and the Group must agree on a set of assumptions to value the liabilities and determine the contributions required, if any, to ensure the UK Pension Fund is fully funded over an appropriate time period and on a suitably prudent measure. The assumptions used to value the liabilities for the triennial actuarial valuation are required to be prudent, whereas the assumptions used to prepare an IAS 19 accounting valuation are required to be 'best estimate'.

The last full actuarial valuation of the UK Pension Fund was carried out by a qualified actuary as at 31 March 2022 and finalised in May 2023, ahead of the statutory deadline. The funding assumptions used in this actuarial valuation were set out in the Group's 2023 annual report. The actuarial valuation at 31 March 2025 will be the first valuation under the Pensions Regulator's new DB funding code of practice, and is currently in progress, with a likely timescale for completion during the second quarter of 2026. However, the value of the Fund's obligations disclosed at 31 December 2025 incorporates data from this latest actuarial valuation including updated membership information and demographic assumptions.

Aspects of the triennial actuarial valuation are governed by a long-term funding agreement, effective since October 2016, which sets out a path to full funding on a low-risk measure. Under this agreement, if a deficit exists, the Group is required to provide security. This security takes the form of a charge in favour of the Trustee over all land and buildings on the Group's Cambridge Biomedical Campus site. This charge was enacted in December 2023, and provides long-term security to the Trustee in respect of the Group's future deficit recovery contributions. At the last assessment date (1 December 2023), the value of the charge was £317m ($427m at December 2025 exchange rates) and it is capped at £350m ($471m). The value of the charge will vary and is expected to reduce over time, before falling away. Under the terms of the charge, the Trustee can only exercise its right over the ownership of the site in a Group insolvency event.

In relation to deficit recovery contributions, in March 2025, the Group made a lump sum contribution of £39m ($49m). Further annual contributions of £39m are due before 31 March 2026 and each year up to 31 March 2028. Based on 31 December 2025 IAS 19 assumptions, it is expected that ongoing contributions (excluding past service deficit contributions) during the year ending 31 December 2026 for the UK will be approximately $17m.

GMP equalisation of member benefits has been completed for pensioner and dependent members and, for non-pensioner members, a process is in place to equalise their benefits at their point of retirement. The method of equalisation converts GMP to non-GMP pension to simplify the structure and administration of benefits.

A new, voluntary, Flexible Pension Option was introduced from 1 July 2025, allowing retiring members to reshape their pension benefit. A $33m past service credit was taken to the Consolidated Statement of Comprehensive Income in May 2025 reflecting expected take-up of this option.

Under the governing documentation of the UK Pension Fund, any future surplus in the Fund would be returnable to the Group by refund assuming gradual settlement of the liabilities over the lifetime of the Fund. In particular, the Trustee has no unilateral right to wind up the Fund without Company consent nor does it have the power to unilaterally use any surplus to augment benefits prior to wind-up. As such, there are no adjustments required in respect of IFRIC 14 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'.

Sweden

The Swedish plans account for 22% of the Group's DB obligations. They are governed by Fiduciary Bodies with responsibility for the investment of the assets. These plans are funded in line with the Group's long-term funding framework and local regulations.

The Swedish DB pension plans were actuarially valued at 31 December 2024, when plan obligations were estimated to amount to $1,508m and plan assets were $1,056m. The local Swedish GAAP funding position can influence contribution policy. Over 2025, for the largest pension plan, the Group did not request a reimbursement of benefit payments made throughout the year as the funding level was below 100% on the Swedish GAAP basis and so any such reimbursement is not permitted. These benefit payments over 2025, totalling approximately $60m, are therefore regarded as Group contributions.

Based on 31 December 2025 IAS 19 assumptions, it is expected that contributions during the year ending 31 December 2026 for Sweden will be approximately $64m.

Other defined benefit plans

The Group provides DB plans other than pensions which are reported under IAS 19. These include lump sum plans, long-service awards and defined contribution pension plans which have a guaranteed minimum benefit. However, the largest category of these 'other' non-pension plans are healthcare benefits.

The cost of post-retirement benefits other than pensions for the Group in 2025 was $1m (2024: $1m; 2023: $1m). Plan assets were $141m and plan obligations were $83m at 31 December 2025.

Financial assumptions

Qualified independent actuaries have updated the actuarial valuations under IAS 19 for the major DB plans operated by the Group to 31 December 2025. The assumptions used may not necessarily be borne out in practice, due to the inherent financial and demographic uncertainty associated with making long-term projections. These assumptions reflect the changes which have the most material impact on the results of the Group and were as follows:

			2024
	UK	Sweden	Rest of Group[1]
Inflation assumption	3.2%	1.8%	2.1%
Rate of increase in salaries	–[3]	3.3%	3.6%
Rate of increase in pensions in payment	3.0%	1.8%	2.1%
Discount rate – defined benefit obligation	5.5%	3.5%	3.5%
Discount rate – interest cost	5.4%	3.4%	3.5%
Discount rate – service cost	5.5%	3.5%	3.5%

			2025
	UK	**Sweden**	**Rest of Group[1]**
Inflation assumption	**2.8%[2]**	**1.7%**	**2.0%**
Rate of increase in salaries	**–[3]**	**3.2%**	**3.5%**
Rate of increase in pensions in payment	**2.7%**	**1.7%**	**2.0%**
Discount rate – defined benefit obligation[4]	**5.5%**	**3.8%**	**4.3%**
Discount rate – interest cost[5]	**5.1%**	**3.6%**	**3.9%**
Discount rate – service cost[5]	**5.7%**	**3.9%**	**4.5%**

1 Rest of Group reflects the assumptions in Germany as these have the most material impact on the Group.
2 The UK inflation assumption includes an allowance for some UK inflation experience over 2025.
3 Pensionable pay frozen at 30 June 2010 levels following UK fund changes.
4 Group defined benefit obligation as at 31 December 2025 calculated using discount rates based on market conditions as at 31 December 2025.
5 2025 interest costs and service costs calculated using discount rates based on market conditions as at 31 December 2024.

The weighted average duration of the post-retirement scheme obligations is approximately 10 years in the UK, 16 years in Sweden and 12 years for the Rest of the Group (including Germany).

Demographic assumptions

The mortality assumptions are based on country-specific mortality tables. These are compared to actual experience and adjusted where sufficient data are available. Additional allowance for future improvements in life expectancy is included for all major plans where there is credible data to support a continuing trend.

The table below illustrates life expectancy assumptions at age 65 for male and female members retiring in 2025 and male and female members expected to retire in 2045 (2024: 2024 and 2044 respectively).

	Life expectancy assumption for a male member retiring at age 65				Life expectancy assumption for a female member retiring at age 65			
Country	**2025**	**2045**	2024	2044	**2025**	**2045**	2024	2044
UK	**23.0**	**24.3**	22.1	23.1	**24.2**	**25.6**	23.7	24.8
Sweden	**22.8**	**24.3**	21.8	24.1	**24.4**	**25.3**	23.9	26.3

In the UK, the Group updated the mortality tables used, reflecting analysis carried out as part of the latest actuarial valuation and adopted the CMI Core 2024 Mortality Projections Model with core fitting parameters (H=1.0, SK=7.0), an addition to initial rates of improvement of 0.5% p.a. and a 1.0% p.a. long-term improvement rate. Other demographic assumptions were updated based on analysis carried out as part of the 2025 actuarial valuation. The Group has assumed that 15% of members (2024: 15%) will transfer out of the DB section of the UK Pension Fund at an average age of 59 (2024: 57).

In Sweden, the Group continues to use the most recently published mortality tables, DUS23, for the year.

Notes to the Group Financial Statements *continued*

22 Post-retirement pension and other defined benefit schemes *continued*

Risks associated with the Group's defined benefit pension plans

The UK DB plan accounts for 64% of the Group's DB obligations and exposes the Group to a number of risks, which the Group monitors and works with the Trustee to mitigate (noting it is the Trustee who has the remit and ultimate decision making powers). The most significant of which are:

Risk	Description	Mitigation
1 Asset pricing	The Defined Benefit Obligation (DBO) is calculated using a discount rate set with reference to AA-rated corporate bond yields; asset returns that differ from the discount rate will create an element of volatility in the solvency ratio. Approximately 45% of the UK Pension Fund is exposed to growth assets, including global investments, most of which are not sterling denominated. Although these growth assets are expected to outperform AA-rated corporate bonds in the long term, they can lead to volatility and mismatching risk in the short term. The allocation to growth assets is monitored to ensure it remains appropriate given the UK Pension Fund's long-term objectives and risk budget.	The Trustee invests in a suitably diversified range of asset classes with different return drivers and investment managers. Investment strategy will evolve to further improve the expected risk/return profile as opportunities arise and funding solvency improves. The Trustee has hedged approximately 87% of unintended non-sterling, overseas currency risk within the UK Pension Fund assets.
2 Interest rate	A decrease in corporate bond yields will increase the present value placed on the DBO under IAS 19.	The interest rate hedge of the UK Pension Fund is predominantly implemented via holding gilts (and gilt repurchase agreements or 'gilt repo') of appropriate duration. This hedge protects to a large degree against falls in long-term interest rates and the UK Pension Fund is 100% hedged as a percentage of assets at the end of 2025 (versus target of 100%). Nonetheless, there remain differences in the bonds and instruments held by the UK Pension Fund to hedge interest rate risk on the statutory and long-term funding basis (gilts and 'gilt repo') and the bonds included in the yield curve to set the DBO discount rate on an IAS 19 basis (AA corporate bonds). As such, there remains mismatching risk on an IAS 19 basis should yields on gilts diverge compared to AA corporate bonds.
3 Inflation	The majority of the DBO is indexed in line with price inflation (mainly inflation as measured by the UK Retail Price Index (RPI) but also for some members, a component of pensions is indexed by the UK Consumer Price Index (CPI)) and higher inflation will lead to higher liabilities (although, in the vast majority of cases, this is capped at an annual increase of 5%, known as Limited Price Indexation or LPI).	The UK Pension Fund holds RPI index-linked gilts and 'gilt repo'. The inflation hedge of the UK Pension Fund protects to some degree against higher-than-expected inflation increases on the DBO and is approximately 96% hedged as a percentage of assets at the end of 2025 (versus a target of 100%).
4 Longevity	The majority of the UK Pension Fund's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities.	In 2013, the Trustee entered into a longevity swap to hedge against the risk of increasing life expectancy over the next circa 70 years. The swap currently covers approximately 7,500 of the UK Pension Fund's pensioners, equivalent to $2.0bn of Pension Fund liability. A one-year increase in life expectancy would result in a $161m increase in Pension Fund obligations, which would be partially offset by a $81m increase in the value of the longevity swap and hence the pension fund assets.
5 Cash flow and liquidity	The UK Pension Fund is maturing and is cash flow negative. Assets are liquidated to meet benefit outgo and potentially from time to time, to supplement the collateral pool required to post margin for derivative holdings. There is a risk of the Trustee requesting liquidity support from the Group to meet margin calls or expenditure, if the liquidity position of the UK Pension Fund is not effectively monitored and managed.	The Trustee invests in a diversified portfolio of highly liquid assets to manage sequencing risk and operates a collateral management policy, maintaining a minimum liquidity 'buffer'. As at the end of 2025, the buffer is well above recommended regulatory guidelines and the minimum thresholds, and can be quickly supplemented in an orderly manner. At 31 December 2025, 8% of assets are invested in a cash-flow driven investment portfolio, consisting of investment-grade corporate bonds. The purpose of this portfolio is to generate income to help meet the Fund's benefit outgo. The portfolio is expected to grow over time as further de-risking occurs and when attractive pricing points present.

Other risks

There are a number of other risks of administering the UK Pension Fund which the Trustee manages with Group input. Some of the major risks include counterparty risks from using derivatives (mitigated by using a specialist investment manager to oversee a diversified range of counterparties of high standing and ensuring positions are collateralised daily). Furthermore, there are operational risks (such as paying out the wrong benefits) and regulatory risks (such as the UK Government introducing new legislation). These are mitigated so far as possible via the governance structure in place which oversees and administers the Pension Fund.

Fiduciary Boards who govern the Swedish pension plans also monitor and manage these key risks, where relevant and possible to do so, in a similar way, by investing in a diversified manner (to mitigate the first risk) and employing a framework to hedge interest rate risk where practicable (to mitigate the second risk). It is not possible to hedge inflation risk (third risk) nor longevity risk (fourth risk) due to a lack of available instruments in the local market. As the Swedish plans are less mature and have a longer investment horizon, the fifth risk is not as significant compared to the UK Pension Fund.

Fiduciary boards are aware of Environmental, Social and Governance (ESG) risks as they pertain to investment policy, and where local regulation allows, have policies in place to monitor and manage such risks and comply with local legislation and disclosure requirements.

Assets and obligations of defined benefit plans

The assets and obligations of the DB schemes operated by the Group at 31 December 2025, as calculated in accordance with IAS 19, are shown below.

Scheme assets

	UK		Sweden		Rest of Group		Total		2024
	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Total $m
Government bonds[1]	1,884	–	–	–	45	–	1,929	–	1,929
Corporate bonds[2]	352	–	–	–	6	–	358	–	358
Derivatives[3]	–	(355)	–	475	–	–	–	120	120
Investment funds: Listed Equities[4]	–	374	–	–	38	23	38	397	435
Investment funds: Absolute Return/Multi Strategy[4]	–	1,051	–	420	5	7	5	1,478	1,483
Investment funds: Corporate Bonds/Credit[4]	–	601	–	159	182	19	182	779	961
Cash and cash equivalents	32	336	–	2	2	2	34	340	374
Other	–	–	–	–	(6)	194	(6)	194	188
Total fair value of scheme assets[5]	2,268	2,007	–	1,056	272	245	2,540	3,308	5,848

	UK		Sweden		Rest of Group		Total		2025
	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Quoted $m	Unquoted $m	Total $m
Government bonds[1]	**2,231**	**–**	**–**	**–**	**2**	**48**	**2,233**	**48**	**2,281**
Corporate bonds[2]	**387**	**–**	**–**	**–**	**4**	**1**	**391**	**1**	**392**
Derivatives[3]	**–**	**(316)**	**–**	**(38)**	**–**	**(1)**	**–**	**(355)**	**(355)**
Investment funds: Listed Equities[4]	**–**	**215**	**–**	**–**	**51**	**3**	**51**	**218**	**269**
Investment funds: Absolute Return/Multi Strategy[4]	**–**	**1,021**	**–**	**529**	**–**	**6**	**–**	**1,556**	**1,556**
Investment funds: Corporate Bonds/Credit[4]	**–**	**628**	**–**	**205**	**186**	**–**	**186**	**833**	**1,019**
Cash and cash equivalents	**–**	**431**	**–**	**626**	**7**	**7**	**7**	**1,064**	**1,071**
Other	**–**	**–**	**–**	**–**	**1**	**247**	**1**	**247**	**248**
Total fair value of scheme assets[5]	**2,618**	**1,979**	**–**	**1,322**	**251**	**311**	**2,869**	**3,612**	**6,481**

[1] Predominantly developed markets in nature.
[2] Predominantly developed markets in nature and investment grade (AAA-BBB).
[3] Includes interest rate swaps, inflation swaps, longevity swaps, equity total return swaps and other contracts. More detail is given in the section Risks associated with the Group's defined benefit pension plans from page 164. Derivative fair values are determined by independent third parties.
[4] Investment funds are pooled, commingled vehicles, whereby the pension plan owns units in the fund, alongside other investors. The pension plans invest in a number of investment funds, including Listed Equities (primarily developed markets with some emerging markets), Corporate Bonds/Credit (a range of investment-grade and non-investment-grade credit) and Absolute Return/Multi Strategy (actively managed multi-asset exposure both across and within traditional and alternative asset classes). The price of the funds is set by independent administrators/custodians employed by the investment managers and based on the value of the underlying assets held in the fund. Details of pricing methodology is set out within internal control reports provided for each fund. Prices are updated daily, weekly or monthly depending upon the frequency of the fund's dealing.
[5] None of the Group's own assets were included in the scheme assets (2024: $nil).

Scheme obligations

	UK $m	Sweden $m	Rest of Group $m	2024 Total $m
Present value of scheme obligations in respect of:				
Active membership	(200)	(543)	(481)	(1,224)
Deferred membership	(667)	(393)	(197)	(1,257)
Pensioners	(3,725)	(572)	(301)	(4,598)
Total value of scheme obligations	(4,592)	(1,508)	(979)	(7,079)

	UK $m	Sweden $m	Rest of Group $m	2025 Total $m
Present value of scheme obligations in respect of:				
Active membership	**(150)**	**(577)**	**(532)**	**(1,259)**
Deferred membership	**(566)**	**(431)**	**(199)**	**(1,196)**
Pensioners	**(4,051)**	**(672)**	**(302)**	**(5,025)**
Total value of scheme obligations	**(4,767)**	**(1,680)**	**(1,033)**	**(7,480)**

Notes to the Group Financial Statements *continued*

22 Post-retirement pension and other defined benefit schemes *continued*

Net (deficit)/surplus in the scheme

	2024			
	UK $m	Sweden $m	Rest of Group $m	Total $m
Total fair value of scheme assets	4,275	1,056	517	5,848
Total value of scheme obligations	(4,592)	(1,508)	(979)	(7,079)
Deficit in the scheme as recognised in the Consolidated Statement of Financial Position	(317)	(452)	(462)	(1,231)
Included in Non-current other receivables (Note 15)	–	–	99[1]	99
Included in Retirement benefit obligations	(317)	(452)	(561)	(1,330)
	(317)	(452)	(462)	(1,231)

	2025			
	UK $m	**Sweden $m**	**Rest of Group $m**	**Total $m**
Total fair value of scheme assets	**4,597**	**1,322**	**562**	**6,481**
Total value of scheme obligations	**(4,767)**	**(1,680)**	**(1,033)**	**(7,480)**
Deficit in the scheme as recognised in the Consolidated Statement of Financial Position	**(170)**	**(358)**	**(471)**	**(999)**
Included in Non-current other receivables (Note 15)	**–**	**–**	**106[1]**	**106**
Included in Retirement benefit obligations	**(170)**	**(358)**	**(577)**	**(1,105)**
	(170)	**(358)**	**(471)**	**(999)**

[1] Surpluses were recognised in the US, Ireland and Belgium.

Fair value of scheme assets

	2025				2024			
	UK $m	**Sweden $m**	**Rest of Group $m**	**Total $m**	UK $m	Sweden $m	Rest of Group $m	Total $m
At beginning of year	**4,275**	**1,056**	**517**	**5,848**	4,759	1,068	652	6,479
Interest income on scheme assets	**232**	**40**	**17**	**289**	214	33	15	262
Expenses	**(5)**	**–**	**–**	**(5)**	(5)	–	–	(5)
Actuarial gains/(losses)	**61**	**25**	**(1)**	**85**	(370)	55	–	(315)
Exchange and other adjustments	**304**	**202**	**37**	**543**	(67)	(98)	(20)	(185)
Employer contributions	**65**	**57**	**64**	**186**	66	50	50	166
Participant contributions	**1**	**–**	**12**	**13**	1	–	12	13
Benefits paid	**(336)**	**(58)**	**(84)**	**(478)**	(323)	(52)	(76)	(451)
Settlements[1]	**–**	**–**	**–**	**–**	–	–	(116)	(116)
Scheme assets' fair value at end of year	**4,597**	**1,322**	**562**	**6,481**	4,275	1,056	517	5,848

[1] The 2024 settlement is the buyout of post-retirement pension plans in Norway and the Netherlands.

The actual return on the plan assets was a gain of $374m (2024: loss of $53m).

Movement in post-retirement scheme obligations

	2025				2024			
	UK $m	**Sweden $m**	**Rest of Group $m**	**Total $m**	UK $m	Sweden $m	Rest of Group $m	Total $m
Present value of obligations in scheme at beginning of year	**(4,592)**	**(1,508)**	**(979)**	**(7,079)**	(5,161)	(1,602)	(1,144)	(7,907)
Current service cost	**(5)**	**(41)**	**(40)**	**(86)**	(6)	(26)	(40)	(72)
Past service credit/(cost)	**32**	**(5)**	**(1)**	**26**	(2)	(8)	1	(9)
Participant contributions	**(1)**	**–**	**(12)**	**(13)**	(1)	–	(12)	(13)
Benefits paid	**336**	**58**	**84**	**478**	323	52	76	451
Interest expense on post-retirement scheme obligations	**(248)**	**(55)**	**(37)**	**(340)**	(231)	(47)	(34)	(312)
Actuarial gains/(losses)	**30**	**149**	**26**	**205**	416	(23)	2	395
Exchange and other adjustments	**(319)**	**(278)**	**(87)**	**(684)**	70	146	56	272
Settlements[1]	**–**	**–**	**13**	**13**	–	–	116	116
Present value of obligations in scheme at end of year	**(4,767)**	**(1,680)**	**(1,033)**	**(7,480)**	(4,592)	(1,508)	(979)	(7,079)

[1] The 2024 settlement is the buyout of post-retirement pension plans in Norway and the Netherlands.

The obligations arise from the following plans:

	2025				2024			
	UK $m	Sweden $m	Rest of Group $m	Total $m	UK $m	Sweden $m	Rest of Group $m	Total $m
Funded – pension schemes[1]	**(4,758)**	**(1,678)**	**(777)**	**(7,213)**	(4,582)	(1,505)	(717)	(6,804)
Funded – post-retirement healthcare	**–**	**–**	**(67)**	**(67)**	–	–	(78)	(78)
Unfunded – pension schemes[1]	**–**	**(2)**	**(179)**	**(181)**	–	(3)	(167)	(170)
Unfunded – post-retirement healthcare	**(9)**	**–**	**(10)**	**(19)**	(10)	–	(17)	(27)
Total	**(4,767)**	**(1,680)**	**(1,033)**	**(7,480)**	(4,592)	(1,508)	(979)	(7,079)

[1] Includes defined benefit pension schemes and other plans, such as lump sum, long-service awards and DC plans with underpins.

Consolidated Statement of Comprehensive Income disclosures

The amounts that have been charged to the Consolidated Statement of Comprehensive Income, in respect of DB schemes for the years ended 31 December 2025 and 31 December 2024, are set out below.

	2025				2024			
	UK $m	Sweden $m	Rest of Group $m	Total $m	UK $m	Sweden $m	Rest of Group $m	Total $m
Operating profit								
Current service cost	**(5)**	**(41)**	**(40)**	**(86)**	(6)	(26)	(40)	(72)
Past service credit/(cost)	**32**	**(5)**	**(1)**	**26**	(2)	(8)	1	(9)
Expenses	**(5)**	**–**	**–**	**(5)**	(5)	–	–	(5)
Total credit/(charge) to Operating profit	**22**	**(46)**	**(41)**	**(65)**	(13)	(34)	(39)	(86)
Finance expense								
Interest income on scheme assets	**232**	**40**	**17**	**289**	214	33	15	262
Interest expense on post-retirement scheme obligations	**(248)**	**(55)**	**(37)**	**(340)**	(231)	(47)	(34)	(312)
Net interest on post-employment defined benefit plan liabilities	**(16)**	**(15)**	**(20)**	**(51)**	(17)	(14)	(19)	(50)
Credit/(charge) before taxation	**6**	**(61)**	**(61)**	**(116)**	(30)	(48)	(58)	(136)
Other comprehensive income								
Difference between the actual return and the expected return on the post-retirement scheme assets	**61**	**25**	**(1)**	**85**	(370)	55	–	(315)
Experience gains/(losses) arising on the post-retirement scheme obligations	**17**	**60**	**(18)**	**59**	3	(33)	(10)	(40)
Changes in financial assumptions underlying the present value of the post-retirement scheme obligations	**87**	**89**	**44**	**220**	414	11	11	436
Changes in demographic assumptions	**(74)**	**–**	**–**	**(74)**	(1)	(1)	1	(1)
Remeasurement of the defined benefit liability	**91**	**174**	**25**	**290**	46	32	2	80

Past service cost includes granting early retirement in UK and Sweden.

Total Group pension costs in respect of defined contribution and DB schemes during the year are set out below (see Note 29).

	2025 $m	2024 $m
Defined contribution plans	**553**	528
Defined benefit plans – Current service cost and expenses	**91**	77
Defined benefit plans – Past service (credit)/cost	**(26)**	9
Pension costs	**618**	614

Notes to the Group Financial Statements *continued*

22 Post-retirement pension and other defined benefit schemes *continued*

SE Rate sensitivities

The following tables show the US dollar effect of a change in the significant actuarial assumptions used to determine the retirement benefits obligations in our two main DB pension obligation countries.

	2025		2024	
	+0.5%	−0.5%	+0.5%	−0.5%
Discount rate				
UK ($m)	**219**	**(238)**	219	(239)
Sweden ($m)	**116**	**(129)**	110	(126)
Total ($m)	**335**	**(367)**	329	(365)

	2025		2024	
	+0.5%	−0.5%	+0.5%	−0.5%
Inflation rate[1]				
UK ($m)	**(155)**	**142**	(148)	142
Sweden ($m)	**(104)**	**95**	(119)	104
Total ($m)	**(259)**	**237**	(267)	246

	2025		2024	
	+0.5%	−0.5%	+0.5%	−0.5%
Rate of increase in salaries[2]				
UK ($m)	**n/a**	**n/a**	n/a	n/a
Sweden ($m)	**(33)**	**32**	(46)	43
Total ($m)	**(33)**	**32**	(46)	43

	2025		2024	
	+1 year	−1 year	+1 year	−1 year
Mortality rate[3]				
UK ($m)	**(161)**[4]	**163**[5]	(178)	175
Sweden ($m)	**(58)**	**58**	(74)	54
Total ($m)	**(219)**	**221**	(252)	229

[1] Rate of increase in pensions in payment follows inflation. The inflation sensitivity allows for the impact of a change in inflation on salary increases and pension increases (where these assumptions are inflation-linked).
[2] The salary increase sensitivity reflects the impact of an increase of only salary relative to inflation.
[3] The sensitivity to the life expectancy assumption is estimated based on a revised mortality assumption that extends/reduces the current life expectancy by one year for a particular age.
[4] Of the $161m increase, $81m is covered by the longevity swap.
[5] Of the $163m decrease, $81m is covered by the longevity swap.

The sensitivity to the financial assumptions shown above has been estimated taking into account the approximate duration of the liabilities and the overall profile of the plan membership.

23 Reserves

Retained earnings

The cumulative amount of goodwill written off directly to reserves resulting from acquisitions, net of disposals, amounted to $603m (2024: $580m; 2023: $595m) using year-end rates of exchange.

At 31 December 2025, 147,547 shares, at a cost of $25m, have been deducted from Retained earnings (2024: 442,342 shares, at a cost of $68m; 2023: 1,580,137 shares, at a cost of $129m) to satisfy future vesting of employee share plans.

There are no significant statutory or contractual restrictions on the distribution of current profits of subsidiaries; undistributed profits of prior years are, in the main, permanently employed in the businesses of these companies. The undistributed income of AstraZeneca companies overseas might be liable to overseas taxes and/or UK taxation (after allowing for double taxation relief) if they were to be distributed as dividends (see Note 5).

	2025 $m	2024 $m	2023 $m
Cumulative translation differences included within Retained earnings			
At 1 January	**(4,069)**	(3,014)	(3,694)
Foreign exchange arising on consolidation	**2,387**	(957)	608
Exchange adjustments on goodwill (recorded against Other reserves)	**23**	(15)	4
Foreign exchange arising on designated liabilities in net investment hedges[1]	**18**	(122)	24
Fair value movements on derivatives designated in net investment hedges	**14**	39	44
Net exchange movement in Retained earnings	**2,442**	(1,055)	680
At 31 December	**(1,627)**	(4,069)	(3,014)

[1] Foreign exchange arising on designated liabilities in net investment hedges includes $(137)m in respect of designated bonds and $155m in respect of designated contingent consideration and other liabilities. The change in value of designated contingent consideration liabilities relates to $152m in respect of BMS' share of Global Diabetes Alliance.

The cumulative loss with respect to costs of hedging is $42m (2024: $43m; 2023: $22m) and the gain during the year was $1m (2024: loss of $21m; 2023: loss of $19m).

The balance remaining in the foreign currency translation reserve from net investment hedging relationships for which hedge accounting no longer applied is a gain of $527m. For further detail relating to hedging balances, please see the Hedge accounting section within Note 28, from page 176.

Other reserves

The Other reserves arose from the cancellation of £1,255m of share premium account by the Company in 1993 and the redenomination of share capital of $157m in 1999. The reserves are available for writing off goodwill arising on consolidation and, subject to guarantees given to preserve creditors at the date of the court order, are available for distribution.

In the prior year, following an amendment to the Employee Benefit Trust (EBT) Deed on 10 June 2024, AstraZeneca obtained control and commenced consolidation of the EBT. The value of shares held by the consolidated EBTs is reflected as an adjustment against Other reserves.

24 Share capital

	Allotted, called-up and fully paid		
	2025 $m	2024 $m	2023 $m
Issued Ordinary Shares ($0.25 each)	**388**	388	388
Redeemable Preference Shares (£1 each – £50,000)	**–**	–	–
At 31 December	**388**	388	388

The Redeemable Preference Shares carry limited class-voting rights and no dividend rights. This class of shares is capable of redemption at par at the option of the Company on the giving of seven days' written notice to the registered holder of the shares.

The Company does not have a limited amount of authorised share capital.

The movements in the number of Ordinary Shares during the year can be summarised as follows:

	No. of shares		
	2025	2024	2023
At 1 January	**1,550,546,239**	1,550,162,626	1,549,800,030
Issue of shares (share schemes)	**361,688**	383,613	362,596
At 31 December	**1,550,907,927**	1,550,546,239	1,550,162,626

Share issues

Issue of shares (share schemes) represents share capital issued as part of the Group's equity incentivisation schemes (see Note 29).

Share repurchases

No Ordinary Shares were repurchased by the Company in 2025 (2024: nil; 2023: nil).

Shares held by subsidiaries

At 31 December 2025, AstraZeneca-controlled Employee Benefit Trust arrangements held 147,547 (2024: 442,342) Ordinary Shares in the Company at a cost of $25m (2024: $68m). The market value of these Ordinary Shares at 31 December 2025 was $27m (2024: $58m). No comparable arrangements were in place at 31 December 2023.

25 Dividends to shareholders

	2025 Per share	2024 Per share	2023 Per share	**2025 $m**	2024 $m	2023 $m
Second interim (March 2025)	**$2.10**	$1.97	$1.97	**3,249**	3,052	3,047
First interim (September 2025)	**$1.03**	$1.00	$0.93	**1,597**	1,550	1,440
Total	**$3.13**	$2.97	$2.90	**4,846**	4,602	4,487

The Company has exercised its authority in accordance with the provisions set out in the Company's Articles of Association, that the balance of unclaimed dividends outstanding past 12 years be forfeited. Unclaimed dividends of $nil (2024: $nil; 2023: $nil) have been adjusted for in Retained earnings in 2025.

The 2024 second interim dividend of $2.10 per share was paid on 24 March 2025. The 2025 first interim dividend of $1.03 per share was paid on 8 September 2025.

Reconciliation of dividends charged to equity to the Consolidated Statement of Cash Flows:

	2025 $m	2024 $m	2023 $m
Dividends charged to equity	**4,846**	4,602	4,487
Exchange losses on payment of dividend	**6**	3	5
Hedge contracts relating to payment of dividends (Consolidated Statement of Cash Flows)	**113**	16	(19)
Dividends paid to non-controlling interests	**6**	4	4
Net movement of unclaimed dividends in the year	**–**	4	4
Dividends paid (Consolidated Statement of Cash Flows)	**4,971**	4,629	4,481

Notes to the Group Financial Statements *continued*

26 Non-controlling interests

The Group Financial Statements at 31 December 2025 reflect equity of $52m (2024: $85m; 2023: $23m) and Total comprehensive income of $16m (2024: $5m; 2023: $6m) attributable to the non-controlling interests in AstraZeneca Pharma India Limited, P.T. AstraZeneca Indonesia, AstraZeneca Algeria Pharmaceutical Industries SPA, and VaxNewMo LLC.

On 22 October 2025 AstraZeneca completed the acquisition of the remaining $35m non-controlling interest in SixPeaks Bio AG in exchange for $248m. The payment was recognised in equity.

27 Acquisitions of business operations

Acquisitions of business operations in 2025

FibroGen China

On 29 August 2025, AstraZeneca completed the acquisition of FibroGen International (Hong Kong) Limited (FibroGen China) and its subsidiaries, including the existing non-controlling interest in Beijing Falikang Pharmaceutical Co., Ltd. Through this acquisition AstraZeneca obtained control of all rights to roxadustat in China, including manufacturing in China.

The total consideration fair value of $221m comprised $189m to acquire the equity of FibroGen China, $12m for the purchase of an existing non-controlling interest in Beijing Falikang Pharmaceutical Co., Ltd, and $20m for the settlement of pre-existing net payables from AstraZeneca Group to FibroGen China. The transaction was recorded as a business combination under IFRS 3 'Business Combinations' using the acquisition method of accounting. The purchase price allocation review has been completed. Net assets acquired amounted to $203m, including cash and cash equivalents of $120m and intangible assets of $50m. FibroGen China's results were consolidated into the Group's results from 29 August 2025.

Acquisitions of business operations in 2024

Gracell

On 22 February 2024, AstraZeneca completed the acquisition of Gracell Biotechnologies Inc. (Gracell), a global clinical-stage biopharmaceutical company developing innovative cell therapies for the treatment of cancer and autoimmune-diseases. Gracell will operate as a wholly-owned subsidiary of AstraZeneca, with operations in China and the US.

The acquisition enriches AstraZeneca's growing pipeline of cell therapies with AZD0120 (formerly GC012F), a novel, clinical-stage T-cell (CAR-T: therapeutic chimeric antigen receptor) therapy. AZD0120 is a potential new treatment for multiple myeloma, as well as other haematologic malignancies and autoimmune-diseases, including Systemic Lupus Erythematosus (SLE).

The transaction was recorded as a business combination using the acquisition method of accounting in accordance with IFRS 3. Consequently, the assets acquired, and liabilities assumed are recorded at fair value. The purchase price allocation review has been completed.

	Fair value $m
Intangible assets	1,038
Cash and cash equivalents[1]	212
Net deferred tax liability	(260)
Other immaterial net balances	(89)
Total net assets acquired	901
Goodwill	136
Consideration	1,037

[1] Cash and cash equivalents acquired includes $3m relating to marketable securities.

The total consideration fair value of $1,037m comprises cash consideration of $983m and future regulatory milestone-based consideration of $54m. Intangible assets recognised related to products in development, principally AZD0120, and were fair valued using the multi-period excess earnings method, which uses several estimates regarding the amount and timing of future cash flows. The key assumptions in the cash flows were the probability of technical and regulatory success, peak year sales and revenue erosion profiles.

The net deferred tax liability of $260m principally arose from the deferred tax impact of the uplift in fair value of intangible assets.

Goodwill of $136m was recognised, which principally comprised the premium attributable to the core technological capabilities and knowledge base of the company. Goodwill was not expected to be deductible for tax purposes.

Gracell's results were consolidated into the Group's results from 22 February 2024.

Fusion

On 4 June 2024, AstraZeneca completed the acquisition of Fusion Pharmaceuticals Inc., (Fusion) a clinical-stage biopharmaceutical company developing next-generation radioconjugates. The acquisition marked a major step forward in AstraZeneca delivering on its ambition to transform cancer treatment and outcomes for patients by replacing traditional regimens like chemotherapy and radiotherapy with more targeted treatments. As a result of the acquisition, Fusion became a wholly owned subsidiary of AstraZeneca, with operations in Canada and the US.

Immediately prior to the acquisition, AstraZeneca held approximately 1% shareholding in Fusion considered to have a fair value of $24m.

This acquisition complemented AstraZeneca's leading oncology portfolio with the addition of the Fusion pipeline of radioconjugates, including their most advanced programme, FPI-2265, a potential new treatment for patients with metastatic castration-resistant prostate cancer (mCRPC), and brings new expertise and pioneering R&D, manufacturing and supply chain capabilities in actinium-based radioconjugates to AstraZeneca.

The transaction was recorded as a business combination using the acquisition method of accounting in accordance with IFRS 3. Consequently, the assets acquired, and liabilities assumed were recorded at fair value. The purchase price allocation review was completed.

	Fair value $m
Intangible assets	1,326
Cash and cash equivalents	30
Current investments	87
Net deferred tax liability	(246)
Other immaterial net balances	51
Total net assets acquired	1,248
Goodwill	947
Consideration	2,195

The total consideration fair value of $2,195m included cash consideration of $2,027m (net of $24m proceeds from disposal of the existing approximately 1% shareholding) and future regulatory milestone-based consideration of $144m. Intangible assets relating to products in development comprised the FPI-2265 ($848m), FPI-2059 ($165m) and AZD2068 ($313m) programmes. These were fair valued using the multi-period excess earnings method, which uses several estimates regarding the amount and timing of future cash flows. The key assumptions in the cash flows were the probability of technical and regulatory success, peak year sales and revenue erosion profiles.

The net deferred tax liability of $246m principally arose from the deferred tax impact of the uplift in fair value of intangible assets.

Goodwill amounting to $947m was recognised on acquisition and was underpinned by a number of elements, which individually could not be quantified. These included the premium attributable to a pre-existing, well positioned business in the innovation intensive biopharmaceuticals market with a highly skilled workforce, unidentified potential products that future research and development may yield, and the core capabilities and knowledge base of the company including radioisotope supply and manufacturing expertise. Goodwill was not expected to be deductible for tax purposes.

Fusion's results were consolidated into the Group's results from 4 June 2024.

In December 2024, the intangible asset relating to product in development FPI-2059 was fully impaired by $165m due to decisions made to terminate the related activities and prioritise resources on the development of FPI-2265 and AZD2068 (see Note 11).

28 Financial risk management objectives and policies

The Group's principal financial instruments, other than derivatives, comprise bank overdrafts, loans and other borrowings, lease liabilities, current and non-current investments, cash and short-term deposits. The main purpose of these financial instruments is to manage the Group's funding and liquidity requirements. The Group has other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The principal financial risks to which the Group is exposed are those of liquidity, interest rate, foreign currency and credit. Each of these is managed in accordance with Board-approved policies. These policies, together with the Group's approach to capital management, are set out below.

Capital management

The capital structure of the Group consists of Shareholders' equity (Note 24), Debt (Note 19), Other current investments (Note 13) and Cash (Note 18). For the foreseeable future, the Board will maintain a capital structure that supports the Group's strategic objectives through:

- managing funding and liquidity risk
- optimising shareholder return
- maintaining a strong, investment-grade credit rating.

The Group utilises factoring arrangements and bank acceptance draft discounting for selected trade receivables. These arrangements qualify for full derecognition of the associated trade receivables under IFRS 9 'Financial Instruments'. Amounts due on invoices that have not been factored at year end, from customers that are subject to these arrangements, are disclosed in Note 17.

Funding and liquidity risk are reviewed regularly by the Board and managed in accordance with the policies described below.

The Board regularly reviews its shareholders' distribution policy, which comprises a regular cash dividend and potentially a share repurchase component. No share repurchases have been made since 2012.

The Group's net debt position (loans and borrowings net of Cash and cash equivalents, Other investments and Derivative financial instruments) has decreased by $1,196m from a net debt position of $24,570m at the beginning of the year to a net debt position of $23,374m at 31 December 2025. Gross debt decreased from $30,295m to $29,622m, principally due to the repayment of $2,029m debt, partially offset by an increase of $692m resulting from foreign currency movements.

Notes to the Group Financial Statements *continued*

28 Financial risk management objectives and policies *continued*

Liquidity risk

The Board reviews the Group's ongoing liquidity risks annually as part of the planning process and on an ad hoc basis. The Board considers short-term requirements against available sources of funding, taking into account forecast cash flows. The Group manages liquidity risk by maintaining access to a number of sources of funding which are sufficient to meet anticipated funding requirements. Specifically, the Group uses US and European commercial paper, bank loans, committed bank facilities and cash resources to manage short-term liquidity and manages long-term liquidity by raising funds through the capital markets. At 31 December 2025, the Group was assigned short-term credit ratings of P-1 by Moody's and A-1 by Standard and Poor's. The Group's long-term credit rating was A1 by Moody's and A+ by Standard and Poor's.

In addition to Cash and cash equivalents of $5,711m, short-term fixed income investments of $8m, less overdrafts of $13m at 31 December 2025, the Group has committed bank facilities of $4,875m available to manage liquidity. These committed bank facilities have no financial covenants. The Group regularly monitors the credit standing of the banks providing the facilities and currently does not anticipate any issue with drawing on the committed facilities should this be necessary. Advances under these facilities currently bear an interest rate per annum based on Secured Overnight Financing Rate (SOFR), plus a margin.

At 31 December 2025, the Group has $5,733m outstanding from debt issued under a Euro Medium Term Note programme and $21,369m under an SEC-registered programme. The funds made available under these facility agreements may be used for the general corporate purposes of the Group.

The maturity profile of the anticipated future contractual cash flows including interest in relation to the Group's financial liabilities, on an undiscounted basis, which therefore differs from both the carrying value and fair value, is as follows:

	Bank overdrafts and other loans $m	Bonds and bank loans $m	Lease liabilities $m	Trade and other payables $m	Total non-derivative financial instruments $m	Derivative financial instruments receivable $m	Derivative financial instruments payable $m	Total derivative financial instruments $m	Total $m
Within one year	345	3,045	396	22,501	26,287	(16,227)	16,282	55	26,342
In one to two years	–	3,437	345	1,086	4,868	(207)	250	43	4,911
In two to three years	–	3,670	266	105	4,041	(917)	956	39	4,080
In three to four years	–	3,978	170	750	4,898	(941)	1,044	103	5,001
In four to five years	–	3,780	117	–	3,897	(627)	489	(138)	3,759
In more than five years	–	19,929	406	–	20,335	(2,437)	2,583	146	20,481
	345	37,839	1,700	24,442	64,326	(21,356)	21,604	248	64,574
Effect of interest	(15)	(9,173)	–	–	(9,188)	808	(1,068)	(260)	(9,448)
Effect of discounting, fair values and issue costs	–	(153)	(248)	(207)	(608)	36	(95)	(59)	(667)
31 December 2024	330	28,513	1,452	24,235	54,530	(20,512)	20,441	(71)	54,459

	Bank overdrafts and other loans $m	**Bonds and bank loans $m**	**Lease liabilities $m**	**Trade and other payables $m**	**Total non-derivative financial instruments $m**	**Derivative financial instruments receivable $m**	**Derivative financial instruments payable $m**	**Total derivative financial instruments $m**	**Total $m**
Within one year	**669**	**3,495**	**450**	**25,282**	**29,896**	**(17,182)**	**17,205**	**23**	**29,919**
In one to two years	**–**	**3,784**	**388**	**473**	**4,645**	**(1,031)**	**944**	**(87)**	**4,558**
In two to three years	**–**	**4,097**	**292**	**1,425**	**5,814**	**(1,052)**	**1,035**	**(17)**	**5,797**
In three to four years	**–**	**3,898**	**199**	**508**	**4,605**	**(637)**	**481**	**(156)**	**4,449**
In four to five years	**–**	**3,368**	**156**	**166**	**3,690**	**(849)**	**1,516**	**667**	**4,357**
In more than five years	**–**	**16,906**	**599**	**–**	**17,505**	**(1,913)**	**2,596**	**683**	**18,188**
	669	**35,548**	**2,084**	**27,854**	**66,155**	**(22,664)**	**23,777**	**1,113**	**67,268**
Effect of interest	**(25)**	**(8,223)**	**–**	**–**	**(8,248)**	**752**	**(2,370)**	**(1,618)**	**(9,866)**
Effect of discounting, fair values and issue costs	**–**	**(150)**	**(281)**	**(195)**	**(626)**	**10**	**(12)**	**(2)**	**(628)**
31 December 2025	**644**	**27,175**	**1,803**	**27,659**	**57,281**	**(21,902)**	**21,395**	**(507)**	**56,774**

It is not expected that the cash flows in the maturity profile could occur significantly earlier or at significantly different amounts, with the exception of $550m of Contingent consideration held within Trade and other payables (see Note 20).

Market risk

Interest rate risk

The Group maintains a Board-approved mix of fixed and floating rate debt and uses underlying debt, interest rate swaps and forward rate agreements to manage this mix.

The majority of surplus cash is currently invested in US dollar liquidity funds.

The interest rate profile of the Group's interest-bearing financial instruments is set out below. In the case of current and non-current financial liabilities, the profile includes the impact of interest rate swaps which convert the debt to floating rate.

	2025			2024		
	Fixed rate $m	Floating rate $m	Total $m	Fixed rate $m	Floating rate $m	Total $m
Financial liabilities						
Current	**2,842**	**644**	**3,486**	2,346	330	2,676
Non-current	**24,502**	**1,634**	**26,136**	26,151	1,468	27,619
Total	**27,344**	**2,278**	**29,622**	28,497	1,798	30,295
Financial assets						
Cash collateral pledged to counterparties	**–**	**22**	**22**	–	129	129
Cash and cash equivalents	**–**	**5,711**	**5,711**	–	5,488	5,488
Total	**–**	**5,733**	**5,733**	–	5,617	5,617

In addition to the financial assets above, there are $13,988m (2024: $11,115m) of other current and non-current asset investments and other financial assets.

The Group is also exposed to market risk on other investments.

	2025 $m	2024 $m
Equity securities at fair value through Other comprehensive income (Note 13)	**2,212**	1,632
Equity securities at fair value through profit and loss (Note 13)	**11**	–
Total	**2,223**	1,632

Foreign currency risk

The US dollar is the Group's most significant currency. As a consequence, the Group results are presented in US dollars and exposures are managed against US dollars accordingly.

Translational

Approximately 59% of Group Total Revenue in 2025 was denominated in currencies other than the US dollar, while a significant proportion of manufacturing and research and development costs were denominated in pound sterling and Swedish krona. Surplus cash generated by business units is substantially converted to, and held centrally in, US dollars. As a result, operating profit and total cash flow in US dollars will be affected by movements in exchange rates. This currency exposure is managed centrally, based on forecast cash flows. The impact of movements in exchange rates is mitigated significantly by the correlations which exist between the major currencies to which the Group is exposed and the US dollar. Monitoring of currency exposures and correlations is undertaken on a regular basis and hedging is subject to pre-execution approval.

As at 31 December 2025, before the impact of derivatives or other forms of hedging, the Group held $564m of interest-bearing loans and borrowings denominated in pound sterling and $5,620m denominated in euros.

Hedging arrangements for these loans are summarised in the table below:

	2025			2024		
	Euro denominated $m	Pound sterling denominated $m	Total $m	Euro denominated $m	Pound sterling denominated $m	Total $m
Interest-bearing loans						
In a net investment hedge[1]	**936**	**469**	**1,405**	829	438	1,267
In a cash flow hedge[2]	**2,694**	**–**	**2,694**	2,387	–	2,387
In a fair value hedge[2]	**1,634**	**–**	**1,634**	1,468	–	1,468
Not in a designated IFRS 9 hedge	**356**	**95**	**451**	192	110	302
Total	**5,620**	**564**	**6,184**	4,876	548	5,424

[1] Hedges of underlying net euro and pound sterling investments of the same amount as the loan.
[2] Loans in cash flow and fair value hedges are hedged by cross-currency swaps of the same notional value as the loan.

For further details of all designated hedging relationships, please refer to the Hedge accounting section within this Note 28, from page 176. The accounting treatment for any hedge ineffectiveness is disclosed in the Bank and other borrowings accounting policy from page 134 and the Foreign currencies accounting policy on page 135 within Group Accounting Policies.

As at 31 December 2025, the Group operates in three countries designated as hyperinflationary, being Argentina, Venezuela and Turkey. The foreign exchange risk of these markets has been assessed and deemed to be immaterial.

Transactional

The Group aims to hedge all its forecasted major transactional currency exposures on working capital balances, which typically extend for up to three months. Where practicable, these are hedged using forward foreign exchange contracts. In addition, external dividend payments in pound sterling to UK shareholders and in Swedish krona to Swedish shareholders are fully hedged from announcement date to payment date. Foreign exchange gains and losses on forward contracts transacted for transactional hedging are taken to profit and loss or to Other comprehensive income if the contract is in a designated cash flow hedge.

Notes to the Group Financial Statements *continued*

28 Financial risk management objectives and policies *continued*

Sensitivity analysis

The sensitivity analysis set out below summarises the sensitivity of the market value of our financial instruments to hypothetical changes in market rates and prices. The range of variables chosen for the sensitivity analysis reflects our view of changes which are reasonably possible over a one-year period. Market values are the present value of future cash flows based on market rates and prices at the valuation date. For long-term debt, an increase in interest rates results in a decline in the fair value of debt.

The sensitivity analysis assumes an instantaneous 100 basis point change in interest rates in all currencies from their levels at 31 December 2025, with all other variables held constant. Based on the composition of our debt portfolio and cash reserves as at 31 December 2025, a 1% increase in interest rates would result in an additional $23m in interest expense on the debt and an additional $57m interest income on the cash reserves.

The exchange rate sensitivity analysis assumes an instantaneous 10% change in foreign currency exchange rates from their levels at 31 December 2025, with all other variables held constant. The +10% case assumes a 10% strengthening of the US dollar against all other currencies and the -10% case assumes a 10% weakening of the US dollar.

Each incremental 10% movement in foreign currency exchange rates would have approximately the same effect as the initial 10% detailed in the table below and each incremental 1% change in interest rates would have approximately the same effect as the 1% detailed in the table below.

	Interest rates		Exchange rates	
31 December 2024	+1%	–1%	+10%	–10%
Increase/(decrease) in fair value of financial instruments ($m)	1,407	(1,561)	11	(20)
Impact on profit: (loss)/gain ($m)	–	–	(117)	133
Impact on equity: gain/(loss) ($m)	–	–	128	(152)

	Interest rates		Exchange rates	
31 December 2025	**+1%**	**–1%**	**+10%**	**–10%**
Increase/(decrease) in fair value of financial instruments ($m)	**1,266**	**(1,406)**	**88**	**(111)**
Impact on profit: (loss)/gain ($m)	**–**	**–**	**(13)**	**16**
Impact on equity: gain/(loss) ($m)	**–**	**–**	**101**	**(126)**

Credit risk

The Group is exposed to credit risk on financial assets, such as cash investments, derivative instruments, and Trade and other receivables. The Group was also exposed in its Net asset position to its own credit risk in respect of the 2023 debentures which were accounted for at FVPL. Under IFRS 9, the effect of the losses and gains arising from own credit risk on the fair value of bonds designated at FVPL are recorded in Other comprehensive income.

Financial counterparty credit risk

The majority of the Group's cash is centralised within the Group treasury entity and is subject to counterparty risk on the principal invested. The level of the Group's cash investments and hence credit risk will depend on the cash flow generated by the Group and the timing of the use of that cash. The credit risk is mitigated through a policy of prioritising security and liquidity over return and, as such, cash is only invested in high credit-quality investments. Counterparty limits are set according to the assessed risk of each counterparty and exposures are monitored against these limits on a regular basis.

The Group's principal financial counterparty credit risks at 31 December were as follows:

Current assets

	2025 $m	2024 $m
Cash at bank and in hand	**1,332**	1,215
Money market liquidity funds	**4,224**	4,177
Other short-term cash equivalents	**155**	96
Total Cash and cash equivalents (Note 18)	**5,711**	5,488
Fixed income securities at fair value through profit or loss (Note 13)	**8**	37
Cash collateral pledged to counterparties (Note 13)	**22**	129
Total derivative financial instruments (Note 14)	**90**	54
Current assets subject to credit risk	**5,831**	5,708

Non-current assets

	2025 $m	2024 $m
Derivative financial instruments (Note 14)	**498**	182
Non-current assets subject to credit risk	**498**	182

The majority of the Group's cash is invested in US dollar AAA-rated money market liquidity funds. The money market liquidity fund portfolios are managed by six external third-party fund managers to maintain an AAA rating. The Group's investments represent no more than 15% of each overall fund value. There were no other significant concentrations of financial credit risk at the reporting date.

All financial derivatives are transacted with commercial banks, in line with standard market practice. The Group has agreements with some bank counterparties whereby the parties agree to post cash collateral, for the benefit of the other, equivalent to the market valuation of the derivative positions above a predetermined threshold. The carrying value of such cash collateral held by the Group at 31 December 2025 was $473m (2024: $181m) and the carrying value of such cash collateral posted by the Group at 31 December 2025 was $22m (2024: $129m). Cash collateral held by the Group is unencumbered.

The impairment provision for other financial assets at 31 December 2025 was immaterial (2024: immaterial).

Offsetting of financial assets and liabilities
Financial assets and liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position where there is both a legally enforceable right and an intention to settle the balances on a net basis. There are also arrangements that would not normally meet the requirement for offsetting but may be offset in certain circumstances such as the termination of a contract or bankruptcy.

The tables below show the impact on the Consolidated Statement of Financial Position if all offset rights were exercised by the Group or its financial counterparties.

		Related amounts not offset		
31 December 2024	Gross financial assets/(liabilities) $m	Subject to master netting agreement $m	Financial instrument collateral $m	Net amount $m
Financial assets				
Derivatives	236	(45)	(169)	22
Other investments[1]	129	–	(112)	17
Total assets	365	(45)	(281)	39
Financial liabilities				
Derivatives	(165)	45	112	(8)
Other payables[1]	(181)	–	169	(12)
Total liabilities	(346)	45	281	(20)

		Related amounts not offset		
31 December 2025	**Gross financial assets/(liabilities) $m**	**Subject to master netting agreement $m**	**Financial instrument collateral $m**	**Net amount $m**
Financial assets				
Derivatives	**588**	**(63)**	**(448)**	**77**
Other investments[1]	**22**	**–**	**(17)**	**5**
Total assets	**610**	**(63)**	**(465)**	**82**
Financial liabilities				
Derivatives	**(81)**	**63**	**17**	**(1)**
Other payables[1]	**(473)**	**–**	**448**	**(25)**
Total liabilities	**(554)**	**63**	**465**	**(26)**

[1] Balances are collateral pledged/received.

Trade receivables
Trade receivable exposures are managed locally in the operating units where they arise and credit limits are set as deemed appropriate for the customer. The Group is exposed to customers ranging from government-backed agencies and large private wholesalers to privately-owned pharmacies, and the underlying local economic and sovereign risks vary throughout the world. Where appropriate, the Group endeavours to minimise risks by the use of trade finance instruments such as letters of credit and insurance. The Group applies the expected credit loss approach to establish an allowance for impairment that represents its estimate of expected losses in respect of Trade receivables.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance to Trade receivables. To measure expected credit losses, Trade receivables have been grouped based on shared credit characteristics and the days past due.

The expected loss rates are based on payment profiles over a period of 36 months before 31 December 2025 or 31 December 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customer to settle the receivables.

On that basis, the loss allowance was determined as follows:

31 December 2024	Current	0-90 days past due	90-180 days past due	Over 180 days past due	Total
Expected loss rate	0.01%	0.6%	3.5%	7.0%	
Gross carrying amount ($m)	7,679	171	86	399	8,335
Loss allowance ($m)	1	1	3	28	33

31 December 2025	**Current**	**0-90 days past due**	**90-180 days past due**	**Over 180 days past due**	**Total**
Expected loss rate	**0.03%**	**1.8%**	**3.9%**	**10.8%**	
Gross carrying amount ($m)	**9,529**	**272**	**128**	**360**	**10,289**
Loss allowance ($m)	**3**	**5**	**5**	**39**	**52**

Notes to the Group Financial Statements *continued*

28 Financial risk management objectives and policies *continued*

Trade receivables are written off where there is no reasonable expectation of recovery.

Impairment losses on Trade receivables are presented as net impairment losses within Operating profit, any subsequent recoveries are credited against the same line.

In the US, sales to three wholesalers accounted for approximately 78% (2024: 74%; 2023: 80%) of US sales.

The movements of the Group expected credit losses provision are as follows:

	2025 $m	2024 $m	2023 $m
At 1 January	**33**	45	59
Net movement recognised in the Consolidated Statement of Comprehensive Income	**20**	(3)	(14)
Amounts utilised, exchange and other movements	**(1)**	(9)	–
At 31 December	**52**	33	45

Given the profile of our customers, including large wholesalers and government-backed agencies, no further credit risk has been identified with the Trade receivables not past due other than those balances for which an allowance has been made.

Hedge accounting

The Group uses foreign currency borrowings, foreign currency forwards and swaps, currency options, interest rate swaps and cross-currency interest rate swaps for the purpose of hedging its foreign currency and interest rate risks. The Group may designate certain financial instruments as fair value hedges, cash flow hedges or net investment hedges in accordance with IFRS 9. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. Sources of hedge effectiveness will depend on the hedge relationship designation but may include:

- a significant change in the credit risk of either party to the hedging relationship
- a timing mismatch between the hedging instrument and the hedged item
- movements in foreign currency basis spread for derivatives in a fair value hedge
- a significant change in the value of the foreign currency-denominated net assets of the Group in a net investment hedge.

The hedge ratio for each designation will be established by comparing the quantity of the hedging instrument and the quantity of the hedged item to determine their relative weighting. For all of the Group's existing hedge relationships, the hedge ratio has been determined as 1:1. Designated hedges are expected to be effective and therefore the impact of ineffectiveness on profit and loss is not expected to be material. The accounting treatment for fair value hedges and debt designated as FVPL is disclosed in the Bank and other borrowings accounting policy in the Group Accounting Policies section from page 134.

The following table represents the Group's continuing designated hedge relationships under IFRS 9.

2023

			Other comprehensive income						
	Nominal amounts in local currency	Carrying value $m	Opening balance 1 January 2023 $m	Fair value (gain)/loss deferred to OCI $m	Fair value (gain)/loss recycled to the Income statement $m	Closing balance 31 December 2023 $m	Average maturity year	Average USD FX rate	Average pay interest rate
Cash flow hedges – foreign currency and interest rate risk[1, 3]									
Cross-currency interest rate swaps – Euro bonds	EUR 3,200m	49	34	(210)	139	(37)	2027	1.10	USD 3.80%
FX Forwards – short-term FX risk	USD 2,009m	15	12	(33)	6	(15)	2024	–	–
Net investment hedge – foreign exchange risk[2, 3]									
Transactions matured pre-2023		–	(527)	–	–	(527)	–	–	–
Cross-currency interest rate swap – JPY investment	JPY 58.3bn	100	(55)	(45)	–	(100)	2029	108.03	JPY 1.53%
Cross-currency interest rate swap – CNY investment	CNY 458m	(1)	4	(3)	–	1	2026	6.68	CNY 4.80%
Foreign currency borrowing – GBP investment	GBP 350m	444	(288)	24	–	(264)	2031	n/a	GBP 5.75%
Foreign currency borrowing – EUR investment[5]	EUR 800m	881	(102)	33	–	(69)	2029	n/a	EUR 0.38%
Contingent consideration liabilities and Acerta Pharma share purchase liability – AZUK and AZAB USD investments	USD 1,937m	(1,937)	2,216	(81)	–	2,135	–	–	–

2024

			Other comprehensive income						
	Nominal amounts in local currency	Carrying value $m	Opening balance 1 January 2024 $m	Fair value (gain)/loss deferred to OCI $m	Fair value (gain)/loss recycled to the Income statement $m	Closing balance 31 December 2024 $m	Average maturity year	Average USD FX rate	Average pay interest rate
Cash flow hedges – foreign currency and interest rate risk[1, 3]									
Cross-currency interest rate swaps – Euro bonds	EUR 2,300m	(36)	(37)	151	(180)	(66)	2029	1.08	USD 4.24%
FX Forwards – short-term FX risk	USD 2,252m	4	(15)	8	3	(4)	2025	–	–
Net investment hedge – foreign exchange risk[2, 3]									
Transactions matured pre-2024		–	(527)	–	–	(527)	–	–	–
Cross-currency interest rate swap – JPY investment	JPY 58.3bn	146	(100)	(45)	–	(145)	2029	108.03	JPY 1.53%
Cross-currency interest rate swap – CNY investment	CNY 458m	2	1	(4)	–	(3)	2026	6.68	CNY 4.80%
Foreign currency borrowing – GBP investment	GBP 350m	438	(264)	(7)	–	(271)	2031	n/a	GBP 5.75%
Foreign currency borrowing – EUR investment[5]	EUR 800m	829	(69)	(52)	–	(121)	2029	n/a	EUR 0.38%
Contingent consideration liabilities and Acerta Pharma share purchase liability – AZUK and AZAB USD investments	USD 1,367m	(1,367)	2,135	181	–	2,316	–	–	–

2025

			Other comprehensive income						
	Nominal amounts in local currency	**Carrying value $m**	**Opening balance 1 January 2025 $m**	**Fair value (gain)/loss deferred to OCI $m**	**Fair value (gain)/loss recycled to the Income statement $m**	**Closing balance 31 December 2025 $m**	**Average maturity year**	**Average USD FX rate**	**Average pay interest rate**
Cash flow hedges – foreign currency and interest rate risk[1, 3, 4]									
Cross-currency interest rate swaps – Euro bonds	**EUR 2,300m**	**203**	**(66)**	**(242)**	**305**	**(3)**	**2029**	**1.08**	**USD 4.24%**
FX Forwards – short-term FX risk	**USD 1,769m**	**6**	**(4)**	**(11)**	**9**	**(6)**	**2026**	**–**	**–**
Net investment hedge – foreign exchange risk[2, 3]									
Transactions matured pre-2025		**–**	**(527)**	**–**	**–**	**(527)**	**–**	**–**	**–**
Cross-currency interest rate swap – JPY investment	**JPY 58.3bn**	**171**	**(145)**	**(26)**	**–**	**(171)**	**2029**	**108.03**	**JPY 1.53%**
Cross-currency interest rate swap – CNY investment	**CNY 458m**	**2**	**(3)**	**1**	**–**	**(2)**	**2026**	**6.68**	**CNY 4.80%**
Foreign currency borrowing – GBP investment	**GBP 350m**	**469**	**(271)**	**31**	**–**	**(240)**	**2031**	**n/a**	**GBP 5.75%**
Foreign currency borrowing – EUR investment[5]	**EUR 800m**	**936**	**(121)**	**106**	**–**	**(15)**	**2029**	**n/a**	**EUR 0.38%**
Contingent consideration liabilities – AZUK and AZAB USD investments	**USD 323m**	**(323)**	**2,316**	**(155)**	**–**	**2,161**	**–**	**–**	**–**

[1] Hedge ineffectiveness recognised on swaps designated in a cash flow hedge during the period was $nil (2024: $nil; 2023: $nil).
[2] Hedge ineffectiveness recognised on swaps designated in a net investment hedge during the period was $nil (2024: $nil; 2023: $nil).
[3] Fair value movements on cross-currency interest rate swaps in cash flow hedge and net investment hedge relationships are shown inclusive of the impact of costs of hedging.
[4] Nominal amount of FX forwards in a cash flow hedge of $1,769m represents the USD equivalent notional of the FX forwards. By currency, the nominal amounts were SEK 8,319m at FX rate 9.2158, JPY 14,730m at 156.57, GBP 243m at 0.7430, CNY 1,926m at 6.9901 and EUR 144m at 0.9605. All FX forwards in a cash flow hedge mature on 27 January 2026.
[5] The EUR 800m 0.375% 2029 Non-callable bond is designated in a net investment hedge of the foreign currency exposure in relation to an equivalent amount of EUR-denominated net assets.

Key controls applied to transactions in derivative financial instruments are to use only instruments where good market liquidity exists, to revalue all financial instruments regularly using current market rates and to sell options only to offset previously purchased options or as part of a risk management strategy. The Group is not a net seller of options, and does not use derivative financial instruments for speculative purposes.

The table below summarises the change in the fair value of hedging instruments and the hedged item designated in a fair value hedging relationship used to calculate ineffectiveness in the period.

As at 31 December 2024	Nominal amounts in currency	Change in fair value of hedging instrument used to calculate ineffectiveness	Change in fair value of hedged item used to calculate ineffectiveness	Hedge ineffectiveness recognised in profit and loss
Interest rate and foreign currency risk on finance debt	EUR 1,400m	(56)	54	(2)

As at 31 December 2025	**Nominal amounts in currency**	**Change in fair value of hedging instrument used to calculate ineffectiveness**	**Change in fair value of hedged item used to calculate ineffectiveness**	**Hedge ineffectiveness recognised in profit and loss**
Interest rate and foreign currency risk on finance debt	**EUR 1,400m**	**172**	**(168)**	**4**

Notes to the Group Financial Statements *continued*

29 Employee costs and share plans for employees

Employee costs

The monthly average number of people, to the nearest hundred, employed by the Group is set out in the table below. In accordance with the Companies Act 2006, this includes part-time employees.

	2025	2024	2023
Employees			
UK	**10,600**	11,100	10,700
Rest of Europe	**26,900**	25,500	23,000
The Americas	**25,200**	24,700	22,400
Asia, Africa & Australasia	**32,400**	31,600	30,300
Continuing operations	**95,100**	92,900	86,400

Geographical distribution described in the table above is by location of legal entity employing staff. Certain staff will undertake some or all of their activity in a different location.

The number of people employed by the Group at the end of 2025 was 96,100 (2024: 94,300; 2023: 89,900).

The costs incurred during the year in respect of these employees were:

	2025 $m	2024 $m	2023 $m
Wages and salaries	**10,974**	10,340	9,341
Social security costs	**1,348**	1,224	1,100
Pension costs	**618**	614	537
Other employment costs	**1,608**	1,531	1,357
Total	**14,548**	13,709	12,335

Severance costs of $190m are not included above (2024: $283m; 2023: $123m).

The charge for share-based payments in respect of share plans is $719m (2024: $660m; 2023: $579m). During 2025, payments totalling $521m (2024: $81m) made to the EBT for the purchase of shares are recognised within financing cashflows. Prior to an amendment to the EBT on 10 June 2024, after which AstraZeneca obtained control and commenced consolidation of the EBT, $354m of payments to the EBT were recognised during 2024 within operating cash flows. The plans are equity settled.

Bonus and share plans

US

In the US, there are two employee short-term, cash settled, performance bonus plans in operation. In addition, the AstraZeneca Performance Share Plan and the AstraZeneca Global Restricted Share Plan, which are both equity settled, operate in respect of relevant employees in the US.

UK

The AstraZeneca UK Performance Bonus Plan

Employees of participating AstraZeneca UK companies are invited to participate in this cash settled bonus plan.

The AstraZeneca UK All-Employee Share Plans

AstraZeneca Share Incentive Plan (SIP)

The Company offers UK employees the opportunity to buy Partnership Shares (Ordinary Shares). Employees may invest up to £150 a month to purchase Partnership Shares in the Company at the current market value. One Matching Share is awarded for every four Partnership Shares purchased. Partnership Shares and Matching Shares are held in the HM Revenue & Customs (HMRC)-approved All-Employee Share Plan. New shares are issued for the purposes of the All-Employee Share Plan.

AstraZeneca Sharesave Plan

The Company provides UK employees with the opportunity to participate in the HMRC-approved Sharesave Plan. Employees can choose between a 3-year or 5-year savings contract, allowing them to contribute a minimum of £5 and a maximum of £500 per month. At the end of the savings term, participants have the option to purchase AstraZeneca shares at a predetermined share price.

Sweden

Bonuses are paid 50% into a fund investing in AstraZeneca equities and 50% in cash, with the exception of certain senior management who are paid 100% in cash.

Other bonus and share plans that operate across the Group are described below.

The AstraZeneca Executive Annual Bonus Scheme

This scheme is a performance bonus scheme for Directors and senior employees who do not participate in the AstraZeneca UK Performance Bonus Plan. Annual bonuses are paid in cash and reflect both corporate and individual performance measures. The Remuneration Committee has discretion to reduce or withhold bonuses if business performance falls sufficiently short of expectations in any year such as to make the payment of bonuses inappropriate.

The AstraZeneca Deferred Bonus Plan
A portion of the bonus earned under the AstraZeneca Executive Annual Bonus Scheme is deferred into AstraZeneca shares in the Company for a period of three years. The plan currently operates only in respect of Executive Directors and members of the SET (with awards granted as AstraZeneca ADRs for members of the SET employed within the US). Awards of shares under this plan are typically made in March each year.

The AstraZeneca Performance Share Plan
This plan was approved by shareholders in 2020 for a period of 10 years, and subsequently amended by approval of shareholders in 2021 and 2024. Generally, awards can be granted at any time, but not during a closed period of the Company. Awards granted under the plan vest after three years, or in the case of Executive Directors and members of the SET, after an additional two-year holding period, and is subject to the achievement of performance conditions. For awards granted to all participants in 2025, vesting is subject to a combination of measures focused on science and innovation, revenue growth, financial performance and carbon reduction. The Remuneration Committee has responsibility for agreeing any awards under the plan and for setting the policy for the way in which the plan should be operated, including agreeing performance targets and which employees should be eligible to participate.

The AstraZeneca Global Restricted Stock Plan
The Global Restricted Stock Plan (GRSP) was introduced in 2010. This plan provides for the grant of restricted stock unit (RSU) awards to selected below SET-level employees and is used in conjunction with the AstraZeneca Performance Share Plan to provide a mix of RSUs and performance share units (PSUs). Awards typically vest on the third anniversary of the date of grant and are contingent on continued employment with the Company. The Remuneration Committee has responsibility for agreeing any awards under the plan and for setting the policy for the way in which the plan should be operated.

The AstraZeneca Restricted Share Plan
This plan was introduced in 2008 and provides for the grant of restricted stock unit (RSU) awards to key employees, excluding Executive Directors. Awards are made on an ad hoc basis with variable vesting dates. The plan has been used four times in 2025 to make awards to 1,503 employees. The Remuneration Committee has responsibility for agreeing any awards under the plan and for setting the policy for the way in which the plan should be operated.

The AstraZeneca Extended Incentive Plan
This plan was introduced in 2018 and provides for the grant of awards to key employees, excluding Executive Directors. Awards are made on an ad hoc basis and 50% of the award will normally vest on the fifth anniversary of grant, with the balance vesting on the tenth anniversary of grant. The award can be subject to the achievement of performance conditions. The Remuneration Committee has responsibility for agreeing any awards under the plan and for setting the policy for the way in which the plan should be operated, including agreeing performance targets (if any) and which employees should be invited to participate.

Alexion employee share award plan
At acquisition in 2021 Alexion employee share awards were converted into AstraZeneca restricted stock awards that continued to have, and were subject to, the same terms and conditions as applied in the corresponding Alexion awards immediately prior to completion. The fair value at the grant date was $57.54. In 2023 an additional 267,000 shares were issued with a grant date fair value of $65.62 which vested in 2023. During 2023, 2,060,000 shares vested, 531,000 were forfeited/cancelled and the closing balance of these awards as of 31 December 2023 was 3,022,000. During 2024, 2,047,000 shares vested, 156,000 were forfeited and the closing balance of these awards as of 31 December 2024 was 819,000. During 2025, 792,000 shares vested, 27,000 were forfeited and the closing balance of these awards as of 31 December 2025 was nil. No further awards will be granted under this plan.

Details of share incentive awards outstanding during the year for the main share plans are shown below:

	The AstraZeneca Performance Share Plan		The AstraZeneca Global Restricted Stock Plan		The AstraZeneca Restricted Share Plan		The AstraZeneca Extended Incentive Plan	
	Ordinary Shares '000	ADR Shares '000	Ordinary Shares '000	ADR Shares[1] '000	Ordinary Shares '000	ADR Shares '000	Ordinary Shares '000	ADR Shares '000
Outstanding at 1 January 2023	3,630	5,724	2,469	11,683	233	678	259	195
Granted	976	2,071	1,185	6,343	208	436	71	95
Forfeited	(148)	(437)	(187)	(1,417)	(20)	(59)	(8)	–
Cancelled	–	–	–	(3)	–	–	–	(34)
Exercised	(813)	(1,470)	(570)	(2,738)	(86)	(288)	(107)	(9)
Outstanding at 31 December 2023	3,645	5,888	2,897	13,868	335	767	215	247
Granted	1,064	2,250	1,262	7,014	100	699	–	–
Forfeited	(137)	(400)	(235)	(1,414)	(8)	(57)	(31)	–
Cancelled	(2)	(2)	–	(6)	(1)	–	–	–
Exercised	(999)	(1,586)	(755)	(3,296)	(88)	(352)	(22)	–
Outstanding at 31 December 2024	3,571	6,150	3,169	16,166	338	1,057	162	247
Granted	**904**	**1,974**	**1,045**	**6,428**	**298**	**386**	**–**	**–**
Forfeited	**(99)**	**(553)**	**(250)**	**(1,616)**	**(33)**	**(214)**	**–**	**(48)**
Exercised	**(986)**	**(1,781)**	**(1,030)**	**(4,809)**	**(114)**	**(343)**	**–**	**–**
Outstanding at 31 December 2025	**3,390**	**5,790**	**2,934**	**16,169**	**489**	**886**	**162**	**199**

[1] Shares issued to Alexion employees under the GRSP are covered under the Alexion employee share award below.

Notes to the Group Financial Statements *continued*

29 Employee costs and share plans for employees *continued*

	The AstraZeneca Performance Share Plan		The AstraZeneca Global Restricted Stock Plan		The AstraZeneca Restricted Share Plan		The AstraZeneca Extended Incentive Plan	
	WAFV[1] pence	WAFV $	WAFV pence	WAFV $	WAFV pence	WAFV $	WAFV pence	WAFV $
WAFV of 2023 grants	9929	59.95	10822	65.38	11135	65.37	11,748	74.78
WAFV of 2024 grants	9028	57.99	10085	64.91	11111	75.23	–	–
WAFV of 2025 grants	**11054**	**70.34**	**11961**	**75.91**	**12142**	**78.96**	**–**	**–**

[1] Weighted average fair value.

The weighted average fair value for awards granted under the AstraZeneca Performance Share Plan is primarily based on the market price at the point of grant adjusted for the market-based performance elements which are valued using a Monte Carlo valuation model. The fair values of all other plans are set using the market price at the point of award. These awards are settled in equity including dividends accumulated from the date of award to vesting.

30 Commitments, contingent liabilities and contingent assets

Commitments	2025 $m	2024 $m
Contracts placed for future capital expenditure on Property, plant and equipment and software development costs not provided for in these Financial Statements	**1,727**	1,575

Guarantees and contingencies arising in the ordinary course of business, for which no security has been given, are not expected to result in any material financial loss.

Research and development collaboration payments

The Group has various ongoing collaborations, including in-licensing and similar arrangements with development partners. Such collaborations may require the Group to make payments on achievement of stages of development, launch or revenue milestones, although the Group generally has the right to terminate these agreements at no cost. The Group recognises research and development milestones as an intangible asset once it is committed to payment, which is generally when the Group reaches set trigger points in the development cycle. Revenue-related milestones are recognised as intangible assets on product launch at a value based on the Group's long-term revenue forecasts for the related product. The table below indicates potential development and revenue-related payments that the Group may be required to make under such collaborations.

	Total $m	Under 1 year $m	Years 1 and 2 $m	Years 3 and 4 $m	Years 5 and greater $m
Future potential research and development milestone payments	**10,182**	**1,226**	**3,698**	**3,013**	**2,245**
Future potential revenue milestone payments	**21,301**	**45**	**1,290**	**4,742**	**15,224**

The table includes all potential payments for achievement of milestones under ongoing research and development arrangements. Revenue-related milestone payments represent the maximum possible amount payable on achievement of specified levels of revenue as set out in individual contract agreements, but exclude variable payments that are based on unit sales (e.g. royalty-type payments) which are expensed as the associated sale is recognised. The table excludes any payments already capitalised in the Financial Statements for the year ended 31 December 2025 which have been capitalised with reference to the latest Group sales forecasts for approved indications.

The future payments we disclose represent contracted payments and, as such, are not discounted and are not risk-adjusted. As detailed in the Risk Overview section from page 47, the development of any pharmaceutical product candidate is a complex and risky process that may fail at any stage in the development process due to a number of factors (including items such as failure to obtain regulatory approval, unfavourable data from key studies, adverse reactions to the product candidate or indications of other safety concerns). The timing of the payments is based on the Group's current best estimate of achievement of the relevant milestone.

Environmental costs and liabilities

The Group's expenditure on environmental protection, including both capital and revenue items, relates to costs that are necessary for implementing internal systems and programmes, and meeting legal and regulatory requirements for processes and products. This includes investment to conserve natural resources and otherwise minimise the impact of our activities on the environment. They are an integral part of normal ongoing expenditure for carrying out the Group's research, manufacturing and commercial operations and are not separated from overall operating and development costs. There are no known changes in legal, regulatory or other requirements resulting in material changes to the levels of expenditure for 2023, 2024 or 2025.

In addition to expenditure for meeting current and foreseen environmental protection requirements, the Group incurs costs in investigating and cleaning up legacy land and groundwater contamination. In particular, AstraZeneca has environmental liabilities at some currently or formerly owned, leased and third-party sites.

In the US, Zeneca Inc., and/or its indemnitees, have been named as potentially responsible parties (PRPs) or defendants at a number of sites where Zeneca Inc. is likely to incur future environmental investigation, remediation, operation and maintenance costs under federal, state, statutory or common law environmental liability allocation schemes (together, US Environmental Consequences). Similarly, Stauffer Management Company LLC (SMC), which was established to own and manage certain assets and liabilities of Stauffer Chemical Company, and/or its indemnitees, have been named as PRPs or defendants at a number of sites where SMC is likely to incur US Environmental Consequences.

AstraZeneca has also given indemnities to third parties for a number of sites outside the US. These environmental liabilities arise from legacy operations that are not currently part of the Group's business and, at most of these sites, remediation, where required, is either completed or in progress. AstraZeneca has made provisions for the estimated costs of future environmental investigation, remediation, operation and maintenance activity beyond normal ongoing expenditure for maintaining the Group's R&D and manufacturing capacity and product ranges, where a present obligation exists, it is probable that such costs will be incurred and they can be estimated reliably. With respect to such estimated future costs, there were provisions at 31 December 2025 in the aggregate of $107m (2024: $105m), mainly relating to the US. Where we are jointly liable or otherwise have cost-sharing agreements with third parties, we reflect only our share of the obligation. Where the liability is insured in part or in whole by insurance or other arrangements for reimbursement, an asset is recognised to the extent that this recovery is virtually certain.

It is possible that AstraZeneca could incur future environmental costs beyond the extent of our current provisions. The extent of such possible additional costs is inherently difficult to estimate due to a number of factors, including: (1) the nature and extent of claims that may be asserted in the future; (2) whether AstraZeneca has or will have any legal obligation with respect to asserted or unasserted claims; (3) the type of remedial action, if any, that may be selected at sites where the remedy is presently not known; (4) the potential for recoveries from or allocation of liability to third parties; and (5) the length of time that the environmental investigation, remediation and liability allocation process can take. As per our Provisions accounting policy on page 135, Provisions for these costs are made when there is a present obligation and where it is probable that expenditure on remedial work will be required and a reliable estimate can be made of the cost. Notwithstanding and subject to the foregoing, we estimate the potential additional loss for future environmental investigation, remediation, remedial operation and maintenance activity above and beyond our provisions to be, in aggregate, between $115m and $192m (2024: $113m and $190m) which relates mainly to the US.

Legal proceedings

AstraZeneca is involved in various legal proceedings considered typical to its business, including actual or threatened litigation and actual or potential government investigations relating to employment matters, product liability, commercial disputes, pricing, sales and marketing practices, infringement of IP rights, and the validity of certain patents and competition laws. The more significant matters are discussed below.

Most of the claims involve highly complex issues. Often these issues are subject to substantial uncertainties and, therefore, the probability of a loss, if any, being sustained and/or an estimate of the amount of any loss is difficult to ascertain.

Unless specifically identified below that a provision has been taken, AstraZeneca considers each of the claims to represent a contingent liability and discloses information with respect to the nature and facts of the cases in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

We do not believe that disclosure of the amounts sought by plaintiffs, if known, would be meaningful with respect to these legal proceedings. This is due to a number of factors, including (i) the stage of the proceedings (in many cases trial dates have not been set) and the overall length and extent of pre-trial discovery; (ii) the entitlement of the parties to an action to appeal a decision; (iii) clarity as to theories of liability, damages and governing law; (iv) uncertainties in timing of litigation; and (v) the possible need for further legal proceedings to establish the appropriate amount of damages, if any.

While there can be no assurance regarding the outcome of any of the legal proceedings referred to in this Note 30, based on management's current and considered view of each situation, we do not currently expect them to have a material adverse effect on our financial position including within the next financial year. This position could of course change over time, not least because of the factors referred to above.

In cases that have been settled or adjudicated, or where quantifiable fines and penalties have been assessed and which are not subject to appeal (or other similar forms of relief), or where a loss is probable and we are able to make a reasonable estimate of the loss, we generally indicate the loss absorbed or make a provision for our best estimate of the expected loss.

Where it is considered that the Group is more likely than not to prevail, legal costs involved in defending the claim are charged to profit as they are incurred.

Where it is considered that the Group has a valid contract which provides the right to reimbursement (from insurance or otherwise) of legal costs and/or all or part of any loss incurred or for which a provision has been established, and we consider recovery to be virtually certain, the best estimate of the amount expected to be received is recognised as an asset.

KJ Assessments as to whether or not to recognise provisions or assets, and of the amounts concerned, usually involve a series of complex judgements about future events and can rely heavily on estimates and assumptions. AstraZeneca believes that the provisions recorded are adequate based on currently available information and that the insurance recoveries recorded will be received. However, given the inherent uncertainties involved in assessing the outcomes of these cases, and in estimating the amount of the potential losses and the associated insurance recoveries, we could in the future incur judgments or insurance settlements that could have a material adverse effect on our results in any particular period.

IP claims include challenges to the Group's patents on various products or processes and assertions of non-infringement of patents. A loss in any of these cases could result in loss of patent protection on the related product.

Notes to the Group Financial Statements *continued*

30 Commitments, contingent liabilities and contingent assets *continued*

The consequences of any such loss could be a significant decrease in Product Sales, which could have a material adverse effect on our results. The lawsuits filed by AstraZeneca for patent infringement against companies that have filed abbreviated new drug applications (ANDAs) in the US, seeking to market generic forms of products sold by the Group prior to the expiry of the applicable patents covering these products, typically also involve allegations of non-infringement, invalidity and unenforceability of these patents by the ANDA filers. In the event that the Group is unsuccessful in these actions or the statutory 30-month stay expires before a ruling is obtained, the ANDA filers involved will also have the ability, subject to US Food and Drug Administration (FDA) approval, to introduce generic versions of the product concerned.

AstraZeneca has full confidence in, and will vigorously defend and enforce, its IP.

Over the course of the past several years, including in 2025, a significant number of commercial litigation claims in which AstraZeneca is involved have been resolved, particularly in the US, thereby reducing potential contingent liability exposure arising from such litigation. Similarly, in part due to patent litigation and settlement developments, greater certainty has been achieved regarding possible generic entry dates with respect to some of our patented products. At the same time, like other companies in the pharmaceutical sector and other industries, AstraZeneca continues to be subject to government investigations around the world.

Patent litigation

Legal proceedings brought against AstraZeneca

***Enhertu* patent proceedings**	**Considered to be a contingent liability**
US	• In October 2020, Seagen Inc. (Seagen) filed a complaint against Daiichi Sankyo Company, Limited (Daiichi Sankyo) in the US District Court for the Eastern District of Texas (District Court) alleging that *Enhertu* infringes a Seagen patent. AstraZeneca co-commercialises *Enhertu* with Daiichi Sankyo in the US. After trial in April 2022, the jury found that the patent was infringed and awarded Seagen $41.82m in past damages. In July 2022, the District Court entered final judgment and declined to enhance damages on the basis of wilfulness. In October 2023, the District Court entered an amended final judgment that requires Daiichi Sankyo to pay Seagen a royalty of 8% on US sales of *Enhertu* from 1 April 2022 through to 4 November 2024, in addition to the past damages previously awarded by the District Court. AstraZeneca and Daiichi Sankyo have appealed the District Court's decision. • In December 2020 and January 2021, AstraZeneca and Daiichi Sankyo filed post-grant review (PGR) petitions with the US Patent and Trademark Office (USPTO) alleging, among other things, that the Seagen patent is invalid for lack of written description and enablement. The USPTO initially declined to institute the PGRs, but, in April 2022, the USPTO granted the rehearing requests and instituted both PGR petitions. Seagen subsequently disclaimed all patent claims at issue in one of the PGR proceedings. In July 2022, the USPTO reversed its institution decision and declined to institute the other PGR petition. AstraZeneca and Daiichi Sankyo requested reconsideration of the decision not to institute review of the patent. In February 2023, the USPTO reinstituted the PGR proceeding. In February 2024, the USPTO issued a decision that the claims were unpatentable. Seagen has appealed this decision; the USPTO has intervened in the appeal. • In December 2025, the US Court of Appeals for the Federal Circuit issued decisions in both the District Court and PGR appeals finding that Seagen's patent is invalid and vacating the District Court's prior judgment and damages award.
Factor Bioscience patent proceedings	**Considered to be a contingent liability**
US	• In September 2025, Factor Bioscience Inc. (Factor) filed a complaint against AstraZeneca, and others in the US District Court for the District of Delaware, alleging infringement of several Factor patents related to technology for producing gene-edited cells using synthetic messenger ribonucleic acid (mRNA) molecules encoding transcription activator-like effector nuclease (TALEN) gene-editing proteins. • The complaint alleges that certain drug research, design and development activities by AstraZeneca and others infringe Factor's patents.
***Forxiga* patent proceedings**	**Considered to be a contingent liability**
Europe	• In November 2025, in France, Biogaran SAS challenged one of AstraZeneca's patents covering *Forxiga*. No trial date has been set. • In Poland and in Portugal, multiple generic companies have challenged one of AstraZeneca's patents covering *Forxiga*. No trial date has been set. • In Poland, in January 2026, AstraZeneca obtained interim injunctions against the generic companies that have challenged the patent.
***Forxiga* patent proceedings**	**Matter concluded**
UK	• In the UK, one of AstraZeneca's patents relating to *Forxiga* was challenged by Generics (UK) Limited, Teva Pharmaceutical Industries Limited, and Glenmark Pharmaceuticals Europe Limited. • Trial regarding patent validity occurred in March 2025. In April 2025, the UK Patents Court held the patent invalid. AstraZeneca appealed the decision. In July 2025, the UK Court of Appeal dismissed AstraZeneca's appeal and upheld the lower court's invalidity decision. AstraZeneca's application for permission to appeal to the UK Supreme Court was denied. • In March 2025 and onward, AstraZeneca obtained injunctions against generic manufacturers' at-risk sales of dapagliflozin products in the UK. All injunctions have since been lifted. • This matter has concluded.

***Soliris* patent proceedings**	**Considered to be a contingent liability**
Turkey	• In November 2024, Salute HC İlaçları Sanayi ve Ticaret A.Ş served an action in the Industrial and Intellectual Property Rights Court in Turkey seeking to invalidate and enjoin enforcement of AstraZeneca's patent relating to eculizumab.

***Tagrisso* patent proceedings**	**Considered to be a contingent liability**
China	• In January 2025, an individual filed invalidity challenges against several Chinese patents protecting *Tagrisso*. • A hearing before the Chinese Patent Office (Patent Office) was held in July 2025. • In November 2025, the Patent Office issued decisions maintaining the compound patents. • In January 2026, the Patent Office dismissed the invalidity case against the formulation patent.

***Tagrisso* patent proceedings**	**Considered to be a contingent liability**
US	• In September 2021, Puma Biotechnology, Inc. (Puma) and Wyeth LLC (Wyeth) filed a patent infringement lawsuit in the US District Court for the District of Delaware (District Court) against AstraZeneca relating to *Tagrisso*. In March 2024, the District Court dismissed Puma. • The jury trial, with Wyeth as the plaintiff, took place in May 2024. The jury found Wyeth's patents infringed and awarded Wyeth $107.5m in past damages. The jury also found that the infringement was not wilful. • In proceedings following the jury award, the District Court rejected AstraZeneca's indefiniteness and equitable defences but granted judgment as a matter of law in favour of AstraZeneca on the grounds that the patents were invalid for lack of written description and enablement. • Wyeth has filed an appeal.

Legal proceedings brought by AstraZeneca

***Brilinta* patent proceedings**	**Considered to be a contingent asset**
US	• In 2015 and subsequently, in response to Paragraph IV notices from ANDA filers, AstraZeneca filed patent infringement lawsuits in the US District Court for the District of Delaware (District Court). In its complaints, AstraZeneca alleged that a generic version of *Brilinta*, if approved and marketed, would infringe patents that are owned or licensed by AstraZeneca. • In 2024, AstraZeneca entered into separate settlements and the District Court entered consent judgments to dismiss each of the corresponding litigations. • Additional proceedings are ongoing in the District Court. • No trial date has been set.

***Calquence* patent proceedings**	**Considered to be a contingent asset**
US	• AstraZeneca received Paragraph IV notices relating to patents listed in the FDA Orange Book with reference to *Calquence* tablets from Cipla USA, Inc. and Cipla Limited (collectively, Cipla) in April 2024 and from MSN Pharmaceuticals Inc. and MSN Laboratories Pvt. Ltd. (collectively, MSN) in November 2024. • In response to these Paragraph IV notices, AstraZeneca filed patent infringement lawsuits against Cipla in May 2024 and against MSN in January 2025 in the US District Court for the District of Delaware (District Court). In the complaints, AstraZeneca alleges that a generic version of *Calquence* tablets, if approved and marketed, would infringe patents that are owned or licensed by AstraZeneca. Trial has been scheduled for April 2027. • In December 2025, AstraZeneca entered into a settlement agreement with MSN and the District Court dismissed the corresponding litigation. The litigation with Cipla is ongoing.

***Daliresp* patent litigation**	**Considered to be a contingent asset**
US	• In 2015 and subsequently, in response to Paragraph IV notices from ANDA filers, AstraZeneca filed patent infringement lawsuits in the US District Court for the District of New Jersey (District Court) relating to patents listed in the FDA Orange Book with reference to *Daliresp*. • AstraZeneca has entered into separate settlement agreements and the District Court entered a consent judgment to dismiss the corresponding litigation. Additional ANDA challenges are pending.

***Farxiga* patent proceedings**	**Considered to be a contingent asset**
US	• In May 2021, AstraZeneca proceeded to trial against ANDA filer Zydus Pharmaceuticals (USA) Inc. (Zydus) in the US District Court for the District of Delaware (District Court). In October 2021, the District Court issued a decision finding the asserted claims of AstraZeneca's patent as valid and infringed by Zydus's ANDA product. In August 2022, Zydus appealed the District Court decision. Zydus's appeal has been dismissed. • In December 2023, AstraZeneca initiated ANDA litigation against Sun Pharmaceutical Industries Ltd. and Sun Pharmaceutical Industries, Inc. in the District Court. No trial date has been set.

***Forxiga* patent proceedings**	**Considered to be a contingent asset**
Australia	• In December 2025, in the Federal Court of Australia, AstraZeneca initiated patent infringement litigation against Pharmacor Pty Limited in reference to one of the patents that protects *Forxiga*. • No trial date has been set.

Notes to the Group Financial Statements *continued*

30 Commitments, contingent liabilities and contingent assets *continued*

***Lokelma* patent proceedings**	**Matter concluded**
US	• In August 2022, in response to Paragraph IV notices, AstraZeneca initiated ANDA litigation against five generic filers in the US District Court for the District of Delaware. • AstraZeneca alleged that a generic version of *Lokelma* would infringe patents that are owned or licensed by AstraZeneca. • AstraZeneca has entered into separate settlement agreements with the five generic manufacturers which resulted in dismissal of the corresponding litigations. • This matter is now concluded.

***Lynparza* patent proceedings**	**Considered to be a contingent asset**
Canada	• In July 2025, AstraZeneca was served with a Notice of Allegation from Cipla Ltd. challenging a patent relating to *Lynparza*. AstraZeneca commenced an action in response in August 2025. Trial is scheduled to begin in April 2027. • In August 2025, AstraZeneca was served with a Notice of Allegation from Natco Pharma (Canada) Inc. challenging a patent relating to *Lynparza*. AstraZeneca commenced an action in response in October 2025. Trial is scheduled to begin in June 2027. • In November 2025, AstraZeneca was served with a Notice of Allegation from Zydus Lifesciences Limited challenging a patent relating to *Lynparza*. AstraZeneca commenced an action in response in December 2025. No trial date has been set.

***Lynparza* patent proceedings**	**Considered to be a contingent asset**
US	• AstraZeneca received a Paragraph IV notice relating to *Lynparza* patents from Natco Pharma Limited (Natco) in December 2022, Sandoz Inc. (Sandoz) in December 2023, Cipla USA, Inc. and Cipla Limited (collectively, Cipla) in May 2024, and Zydus Pharmaceuticals (USA) Inc. (Zydus) in November 2024. • In response to these Paragraph IV notices, AstraZeneca, MSD International Business GmbH, and the University of Sheffield initiated ANDA litigations against Natco, Sandoz, Cipla, and Zydus in the US District Court for the District of New Jersey. In the complaints, AstraZeneca alleged that the defendants' generic versions of *Lynparza*, if approved and marketed, would infringe AstraZeneca's patents. • No trial date has been scheduled.

***Soliris* patent proceedings**	**Matter concluded**
Canada	• In May 2023, AstraZeneca initiated patent litigation in Canada alleging that Amgen Canada Inc.'s (Amgen) biosimilar eculizumab product infringed AstraZeneca's patents. • In September 2023, AstraZeneca initiated patent litigations in Canada alleging that Samsung Bioepis Co. Ltd.'s (Samsung) biosimilar eculizumab product infringed AstraZeneca's patents. • In June and November 2025, AstraZeneca settled with Samsung and Amgen, respectively.

***Soliris* patent proceedings**	**Matter concluded**
Europe	• In March 2024, AstraZeneca filed motions for provisional measures against the relevant corporate entities of Amgen Inc. (Amgen) and Samsung Bioepis Co. Ltd. (Samsung) at the Hamburg Local Division of the Unified Patent Court (UPC) on the basis that Amgen's and Samsung's biosimilar eculizumab products infringe an AstraZeneca patent. In November 2025 and January 2026, AstraZeneca entered into global settlement agreements with Amgen and Samsung, respectively, resolving all eculizumab patent disputes between the parties.

***Soliris* patent proceedings**	**Matter concluded**
UK	• In May 2024, AstraZeneca initiated patent infringement proceedings against Amgen Ltd. (Amgen) and Samsung Bioepis UK Limited (Samsung) in the UK High Court of Justice alleging that their respective biosimilar eculizumab products infringe an AstraZeneca patent; on the same day, Samsung initiated a revocation action for the same patent. • In November 2025 and January 2026, AstraZeneca settled the UK eculizumab patent matters with Amgen and Samsung, respectively.

Tagrisso patent proceedings	Considered to be a contingent asset
Russia	• In August 2023, AstraZeneca filed lawsuits in the Arbitration Court of the Moscow region (Court) against the Russian Ministry of Health (MOH) and Axelpharm LLC (Axelpharm) for improper use of AstraZeneca information in the authorisation of a generic version of *Tagrisso*. The suit against the MOH was dismissed in July 2024, after two appeals. The case against Axelpharm was dismissed in September 2024, and a subsequent appeal by AstraZeneca was also dismissed. • In November 2023, Axelpharm sought a compulsory licence under a patent related to *Tagrisso*; the action remains pending. The Axelpharm patent on which the compulsory licensing action was based was held invalid by the Russian Patent and Trademark Office (PTO) in August 2024 following challenge by AstraZeneca. The PTO's decision was upheld in June 2025, following an appeal by Axelpharm. At a further appeal hearing in November 2025, the Intellectual Property Court Presidium reversed earlier decisions and held Axelpharm's patent valid. In January 2026, AstraZeneca appealed to the Supreme Court, which was rejected. AstraZeneca expects to file a further appeal. • In July 2024, AstraZeneca filed a patent infringement claim against Axelpharm in relation to a generic version of *Tagrisso*. The action was stayed by the court pending resolution of the compulsory licensing action. • In August 2024, after AstraZeneca filed a complaint, the Federal Anti-Monopoly Service of Russia (FAS) initiated a case against Axelpharm and OncoTarget LLC (OncoTarget). In November 2024, the FAS found Axelpharm (but not OncoTarget) to have committed unfair competition. In June 2025, the finding against Axelpharm was reversed on appeal. In December 2025, on appeal by AstraZeneca, the appellate decision was affirmed. Also in December 2025, AstraZeneca filed a further appeal.

Product liability litigation

Legal proceedings brought against AstraZeneca

Farxiga and *Xigduo* XR	Considered to be a contingent liability
US	• AstraZeneca has been named as a defendant in lawsuits involving plaintiffs claiming physical injury, including Fournier's Gangrene and necrotising fasciitis, from treatment with *Farxiga* and/or *Xigduo* XR. • The parties have reached a settlement in principle for a non-material amount to resolve the single case scheduled for trial in March 2026. • All remaining claims are filed in Delaware State Court and the earliest trial is now scheduled for September 2026.
Nexium* and *Prilosec	**A provision has been taken**
US	• AstraZeneca has defended lawsuits brought in federal and state courts involving claims that plaintiffs have been diagnosed with various injuries following treatment with proton pump inhibitors (PPIs), including *Nexium* and *Prilosec*. Most of the lawsuits alleged kidney injury. • Between 2022 and 2024, AstraZeneca resolved the claims by way of settlement agreements. • A relatively small number of plaintiffs have opted out of the settlement.
Nexium* and *Losec	**Matter concluded**
Canada	• In Canada, in July and August 2017, AstraZeneca was served with three putative class action lawsuits. • As of September 2025, all three lawsuits have been dismissed. • The Canada proceedings are concluded.
Vaxzevria	**Considered to be a contingent liability**
UK	• AstraZeneca is defending lawsuits in multiple jurisdictions, including the UK, involving multiple claimants alleging injuries following vaccination with AstraZeneca's COVID-19 vaccine. Most of the lawsuits involve claims of thrombosis with thrombocytopenia syndrome. • No trial dates have been scheduled.

Commercial litigation

Legal proceedings brought against AstraZeneca

340B Antitrust litigation	Considered to be a contingent liability
US	• In September 2021, AstraZeneca was served with a class-action antitrust complaint filed in the US District Court for the Western District of New York (District Court) by Mosaic Health, Inc. alleging a conspiracy to restrict access to 340B discounts in the diabetes market through contract pharmacies. In September 2022, the District Court granted AstraZeneca's motion to dismiss the complaint. In February 2024, the District Court denied Plaintiffs' request to file an amended complaint and entered an order closing the matter. In March 2024, Plaintiffs filed an appeal. • In August 2025, the US Court of Appeals for the Second Circuit decided in the plaintiffs' favour, ordering the District Court to accept the amended complaint.
Amyndas Trade Secrets Litigation	**Considered to be a contingent liability**
US	• AstraZeneca has been defending a matter filed by Amyndas Pharmaceuticals Member P.C. and Amyndas Pharmaceuticals, LLC (collectively Amyndas), in the US District Court for the District of Massachusetts alleging trade secret misappropriation and breach of contract claims against AstraZeneca and Zealand Pharma U.S. Inc. related to Amyndas' C3 inhibitor candidate. • No trial date has been scheduled.

Notes to the Group Financial Statements *continued*

30 Commitments, contingent liabilities and contingent assets *continued*

Anti-Terrorism Act Civil Lawsuit	Considered to be a contingent liability
US	• In the US, in October 2017, AstraZeneca and certain other pharmaceutical and/or medical device companies were named as defendants in a complaint filed in the US District Court for the District of Columbia (District Court) by US nationals (or their estates, survivors, or heirs) who were killed or wounded in Iraq between 2005 and 2013. The plaintiffs allege that the defendants violated the US Anti-Terrorism Act and various state laws by selling pharmaceuticals and medical supplies to the Iraqi Ministry of Health. In July 2020, the District Court granted AstraZeneca's and the other defendants' motion to dismiss the lawsuit, which the DC Circuit Court of Appeals (the Appellate Court) reversed in January 2022. • In June 2024, the United States Supreme Court issued an order vacating the 2022 decision and remanding to the Appellate Court for reconsideration under new case law. In January 2026, after reconsideration, the Second Circuit issued a decision again allowing the claims to proceed and returning the matter to the District Court, where AstraZeneca has a separate motion to dismiss pending.

Definiens	Considered to be a contingent liability
Germany	• In July 2020, AstraZeneca received a notice of arbitration filed with the German Institution of Arbitration from the sellers of Definiens AG (Sellers) regarding the 2014 share purchase agreement (SPA) between AstraZeneca and the Sellers. The Sellers claim that they are owed approximately $140m in earn-outs under the SPA. In December 2023, after an arbitration hearing, the arbitration panel made a final award of $46m in favour of the Sellers. • In March 2024, AstraZeneca filed an application with the Bavarian Supreme Court (Court) to set aside the arbitration award. • In April 2025, the Court ruled in favour of AstraZeneca, annulled the arbitration award, and referred the dispute back to the same arbitration panel for a second determination. • In May 2025, the Sellers appealed the Court's decision to the German Federal Court of Justice (Court of Justice). AstraZeneca also appealed the decision to refer the dispute back to the same arbitration panel. • In January 2026, the Court of Justice upheld the Court's decision to annul the arbitration award and referred the dispute back to the same arbitration panel.

Employment Litigation	Considered to be a contingent liability
US	• AstraZeneca is defending against numerous other litigation matters pending in federal and state courts asserting claims of discrimination in connection with AstraZeneca's vaccine requirement. • All but one claim has been resolved by settlement or disposed of by motion practice.

Novartis Advertising Litigation	Considered to be a contingent liability
US	• In October 2025, Novartis Pharmaceuticals Corp. filed a lawsuit in the US District Court for the District of Delaware alleging false and misleading representation claims under the Lanham Act and state law unfair competition and deceptive practices claims. • The complaint alleges that statements in AstraZeneca's marketing for treatment for paroxysmal nocturnal hemoglobinuria are false and misleading.

Pay Equity Litigation	Considered to be a contingent liability
US	• AstraZeneca is defending a putative class and collective action in the US District Court for the Northern District of Illinois (District Court) brought by three named plaintiffs, who are former AstraZeneca employees. The case involves claims under the federal and Illinois Equal Pay Acts, with the plaintiffs alleging they were paid less than male employees who performed substantially similar and/or equal work. • In May 2024, the District Court conditionally certified a collective under the federal Equal Pay Act and authorised the sending of notice to potential collective action members. The notice was distributed in June 2024, and the opt-in period has closed.

Securities Litigation	Considered to be a contingent liability
US	• In December 2024, a putative securities class action lawsuit was filed in the US District Court for the Central District of California against AstraZeneca PLC and certain officers, on behalf of purchasers of AstraZeneca publicly traded securities between February 2022 and December 2024. • The case was subsequently transferred to the US District Court for the Southern District of New York.

Seroquel XR Antitrust Litigation	Matter concluded
US	• In 2019, AstraZeneca was named in several related complaints in US District Court in Delaware (District Court), including several putative class action lawsuits brought on behalf of classes of direct purchasers or end payors of *Seroquel* XR, alleging AstraZeneca and generic drug manufacturers violated US antitrust laws when settling patent litigation related to *Seroquel* XR. • In July 2022, the District Court dismissed claims relating to one of the generic manufacturers while allowing claims relating to the second generic manufacturer to proceed. • In September 2024, AstraZeneca reached a settlement agreement with one of the plaintiff classes which the court approved. • In May 2025, AstraZeneca resolved the matter with all remaining plaintiffs for a total payment of $97m. In September 2025, the District Court approved the class-related portion of the settlement. • This matter is now concluded.

Soliris Antitrust Class Action	Considered to be a contingent liability
US	• In April 2025, AstraZeneca was named in a lawsuit filed in the US District Court for the District of Massachusetts (District Court) alleging antitrust claims on behalf of a potential class of end payors for *Soliris* from March 2022. • The plaintiff alleges that AstraZeneca violated federal and state antitrust and business practices laws by obtaining improper patents for *Soliris*, delaying biosimilar entry and improperly extending *Soliris*' market exclusivity. • In December 2025, the District Court partially granted AstraZeneca's motion to dismiss.
Syntimmune Milestone Litigation	**Considered to be a contingent liability**
US	• In connection with AstraZeneca's acquisition of Syntimmune, Inc. (Syntimmune) in December 2020, AstraZeneca was served with a lawsuit filed by the stockholders' representative for Syntimmune in Delaware State Court (Court) that alleged, among other things, breaches of the 2018 merger agreement (Merger Agreement). • The stockholders' representative alleges that AstraZeneca failed to meet its obligations under the Merger Agreement to use commercially reasonable efforts to achieve the milestones. AstraZeneca also filed a claim for breach of the representations in the Merger Agreement. • A trial was held in July 2023. • In September 2024, the Court issued a partial decision, concluding that the first milestone in the amount of $130m was achieved, and that AstraZeneca had breached its contractual obligation to use commercially reasonable efforts to achieve the milestones. The Court requested additional briefing regarding damages and further proceedings regarding AstraZeneca's claim for breach. • In June 2025, the Court issued a further partial decision awarding an additional $181m in damages on its September 2024 breach determination. • Additional proceedings regarding AstraZeneca's claim are ongoing.
University of Sheffield Contract Dispute	**Considered to be a contingent liability**
UK	• In June 2024, AstraZeneca was served with a lawsuit filed by the University of Sheffield (Sheffield). In its complaint, Sheffield alleges that AstraZeneca made misrepresentations to induce Sheffield to amend a patent licence agreement relating to *Lynparza*. • Trial has been scheduled to begin in June 2026.
Viela Bio, Inc. Shareholder Litigation	**Matter concluded**
US	• In February 2023, AstraZeneca was served with a lawsuit filed in the Delaware State Court (Court) against AstraZeneca and certain officers (collectively, Defendants), on behalf of a putative class of Viela Bio, Inc. (Viela) shareholders. The complaint alleged that the Defendants breached their fiduciary duty to Viela shareholders in the course of Viela's 2021 merger with Horizon Therapeutics, plc. • In July 2024, the Court granted with prejudice AstraZeneca's motion to dismiss. • In August 2024, plaintiffs appealed the dismissal. • In March 2025, the Delaware Supreme Court affirmed the dismissal. • This matter is now concluded.

Legal proceedings brought by AstraZeneca

PARP Inhibitor Royalty Dispute	Considered to be a contingent asset
UK	• In October 2012, Tesaro, Inc. (now wholly owned by GlaxoSmithKline plc (GSK)) entered into two worldwide, royalty-bearing patent license agreements with AstraZeneca related to GSK's product, niraparib. • In May 2021, AstraZeneca filed a lawsuit against GSK in the Commercial Court of England and Wales (Trial Court) alleging that GSK had failed to pay all of the royalties due on niraparib sales under the license agreements. • In April 2023, after trial, the Trial Court issued a decision in AstraZeneca's favour. • In February 2024, the Court of Appeal reversed the decision. • In March 2024, AstraZeneca filed a request for permission to appeal with the Supreme Court of the United Kingdom. In May 2024, the Supreme Court denied permission to appeal. • The case will return to the Trial Court for further proceedings.

Notes to the Group Financial Statements *continued*

30 Commitments, contingent liabilities and contingent assets *continued*

Government investigations and proceedings

Legal proceedings brought against AstraZeneca

340B Qui Tam	**Considered to be a contingent liability**
US	• In July 2023, AstraZeneca was served with an unsealed civil lawsuit brought by a qui tam relator on behalf of the United States, several states, and the District of Columbia in the US District Court for the Central District of California (District Court). The complaint alleges that AstraZeneca violated the US False Claims Act and state law analogues. In March 2024, the District Court granted AstraZeneca's motion to dismiss the First Amended Complaint without leave to amend. • In April 2024, the relator filed an appeal.
***Beyfortus* Civil Investigative Demand**	**Considered to be a contingent liability**
US	• In March 2025, AstraZeneca received a subpoena from the US Attorney's Office seeking certain records relating to *Beyfortus*. The subpoena requests that the Company produce various documents from January 2020 to present, including communications related to specific batches of *Beyfortus*, customer complaints, and FDA inspection reports. • AstraZeneca is cooperating with this enquiry.
Boston US Attorney Investigation	**Considered to be a contingent liability**
US	• In June 2024, AstraZeneca was served with a subpoena issued by the US Attorney's Office in Boston, seeking documents and information relating to payments by AstraZeneca to healthcare providers. • AstraZeneca is cooperating with this enquiry.
Brazilian Tax Assessment Matter	**Considered to be a contingent liability**
Brazil	• In connection with an ongoing matter, in August 2019, the Brazilian Federal Revenue Service provided a Notice of Tax and Description of the Facts (the Tax Assessment) to two AstraZeneca subsidiaries in Brazil, as well as to two additional entities, a logistics provider utilised by AstraZeneca and a distributor. The Tax Assessment focuses on the importation of *Soliris* vials pursuant to AstraZeneca's free drug supply to patients' programme in Brazil. • AstraZeneca prevailed in the first level of administrative appeals in the Brazilian federal administrative proceeding system. The decision was subject to an automatic appeal to the second level of the administrative courts. • In March 2023, the second level of the administrative courts issued a decision to remand the matter to the first level of administrative courts for a determination on the merits.
China Personal Information Infringement and Illegal Trade Matters	**Considered to be a contingent liability**
China	• In relation to the personal information infringement allegation, in April 2025, AstraZeneca Investment (China) Co., Ltd. received a Notice of Transfer to the Prosecutor from the Shenzhen Bao'an District Public Security Bureau regarding suspected unlawful collection of personal information. • In relation to the illegal trade allegation, in October 2025, AstraZeneca Investment (China) Co., Ltd. received a final appraisal opinion from the Shenzhen City Customs Office, informing AstraZeneca Investment (China) Co., Ltd. that the total amount of unpaid import taxes is RMB 24m (approximately USD $3.5m). The import taxes mentioned in the Appraisal Opinion relate to *Imfinzi*, *Imjudo*, and *Enhertu*. In October 2025, AstraZeneca Investment (China) Co., Ltd. prepaid the full amount as voluntary compensation to the State. A fine of between one and five times the amount of these paid importation taxes may also be levied if AstraZeneca Investment (China) Co., Ltd. is found liable for illegal trade. • In November 2025, the Shenzhen Prosecutor concluded its evaluation. AstraZeneca Investment (China) Co., Ltd., the former EVP and one former senior employee were indicted on charges of unlawful collection of personal information and illegal trade, although no illegal gain to AstraZeneca Investment (China) Co., Ltd. was alleged resulting from unlawful collection of personal information. • The former EVP and former senior employee were additionally indicted on charges of medical insurance fraud. AstraZeneca Investment (China) Co., Ltd. has not been indicted on charges of medical insurance fraud. • The matters have been consolidated into one proceeding before the Shenzhen City Intermediate Court. No trial date has been scheduled.
Texas Qui Tam	**Considered to be a contingent liability**
US	• In December 2022, AstraZeneca was served with an unsealed civil lawsuit brought by qui tam relators on behalf of the State of Texas in Texas State Court in Harrison County, which alleges that AstraZeneca engaged in unlawful marketing practices. • In July 2025, the State of Texas intervened in the matter and filed an amended petition. • In November 2025, the case was transferred to the Texas State Court in Travis County. • No trial date has been scheduled.

US Department of Justice Civil Investigative Demand	Considered to be a contingent liability
US	• In January 2026, AstraZeneca was served with a civil investigative demand issued by the US Department of Justice, seeking documents and information relating to AstraZeneca's data purchases and quality improvement projects. • AstraZeneca is cooperating with this enquiry.

Vermont US Attorney Investigation	Considered to be a contingent liability
US	• In April 2020, AstraZeneca received a Civil Investigative Demand from the US Attorney's Office in Vermont and the Department of Justice, Civil Division, seeking documents and information relating to AstraZeneca's relationships with electronic health-record vendors. • AstraZeneca is cooperating in this enquiry.

Legal proceedings brought by AstraZeneca

340B State Litigation	Considered to be a contingent asset
US	• AstraZeneca has filed lawsuits against Arkansas, Colorado, Hawaii, Kansas, Louisiana, Maine, Maryland, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Dakota, Tennessee, Utah, Vermont, and West Virginia challenging the constitutionality of each state's 340B statute. • AstraZeneca has ongoing enforcement actions in Arkansas and Louisiana for alleged non-compliance with each state's 340B statute. In April 2025, an order was issued in the Arkansas proceeding requiring AstraZeneca to pause its contract pharmacy policy, which AstraZeneca has appealed. • In Arkansas, the Court denied a motion to dismiss. • In Colorado, the Court denied AstraZeneca's motion for a preliminary injunction, which AstraZeneca has appealed. • In Kansas, after obtaining a stipulation from the state that AstraZeneca's policy does not violate the Kansas 340B statute, AstraZeneca agreed to dismiss its complaint. • In Louisiana, the Court denied AstraZeneca's motion for summary judgement, which AstraZeneca has appealed. • In Maryland and Mississippi, the Court denied AstraZeneca's motion for a preliminary injunction. • In Minnesota, the Court found that the government officials lacked enforcement authority and dismissed AstraZeneca's complaint for lack of standing. • In Missouri, the Court granted in part and denied in part the state's motion to dismiss. • In Oklahoma, the Court granted AstraZeneca's motion for a preliminary injunction, which Oklahoma has appealed. • AstraZeneca's lawsuits are stayed in Rhode Island, Utah, and West Virginia.

Calquence Inflation Reduction Act Litigation	Considered to be a contingent asset
US	• In December 2025, AstraZeneca filed a lawsuit in the US District Court for the District of Maryland challenging the US Department of Health and Human Services' interpretation of "qualifying single source drug" under the Inflation Reduction Act and its application in selecting *Calquence* for drug price negotiation.

Farxiga Inflation Reduction Act Litigation	Considered to be a contingent asset
US	• In August 2023, AstraZeneca filed a lawsuit in the US District Court for the District of Delaware (District Court) against the US Department of Health and Human Services (HHS) challenging aspects of the drug price negotiation provisions of the Inflation Reduction Act and the implementing guidance and regulations. In March 2024, the District Court granted HHS' motions and dismissed AstraZeneca's lawsuit. • In May 2025, the US Court of Appeals for the Third Circuit affirmed the District Court's dismissal of AstraZeneca's challenge. • In September 2025, AstraZeneca sought review by the US Supreme Court.

Other

Additional government inquiries

As is true for most, if not all, major prescription pharmaceutical companies, AstraZeneca is currently involved in multiple inquiries into drug marketing and pricing practices. In addition to the investigations described above, various law enforcement offices have, from time to time, requested information from the Group. There have been no material developments in those matters.

Tax

AstraZeneca considers whether it is probable that a taxation authority will accept an uncertain tax treatment. Where acceptance of an uncertain tax treatment is not considered probable, a tax liability is recognised based on either the most likely amount method or the expected value method depending on which method management expects to better predict the resolution of the uncertainty. Due to inherent complexities in the resolution of the uncertain tax treatments and the resulting liabilities due, management exercise judgement in the measurement of the potential liability, based on information available at the present time.

Tax liabilities for uncertain tax treatments can be built up over a long period of time but the resolution occurs at a point in time. Therefore, to the extent the information changes in future periods, there may be adjustments to the liabilities, which may have either a negative or positive effect on our results. Such changes could arise from commencement, progress or conclusion of tax authority challenge, negotiations under competent authority arrangements in relevant double tax treaties and expiry of relevant statutes of limitation. Details of the movements of material uncertain tax treatments are included below.

Notes to the Group Financial Statements *continued*

30 Commitments, contingent liabilities and contingent assets *continued*

KJ AstraZeneca faces a number of audits and reviews in jurisdictions around the world and, in some cases, is in dispute with the tax authorities. The issues under discussion are often complex and can require many years to resolve. Tax liabilities recognised for uncertain tax treatments require management to make key judgements with respect to the outcome of current and potential future tax audits, and actual results could vary from these estimates. Management does not believe a significant risk exists of material change to uncertain tax positions in the next 12 months.

The total net tax liability recognised in the Group Financial Statements in respect of uncertain tax positions is $1,104m (2024: $1,321m). The net tax liability consists of $1,126m (2024: $1,157m) included within income tax payable, $1,628m (2024: $1,304m) included within deferred tax asset, partially offset by $205m (2024: $122m) included within deferred tax liabilities, and $1,445m (2024: $1,018m) included within income tax receivable.

Transfer pricing
The net tax liability included in the Group Financial Statements in relation to management's current assessment of tax risks in relation to worldwide transfer pricing exposures is $120m (2024: $384m). The decrease in the net tax liability for uncertain tax positions relating to transfer pricing of $264m compared with 2024 is mainly as a result of a decrease of tax liabilities arising from updates to estimates of prior period tax liabilities following progression of tax authority reviews.

The liability includes uncertain tax treatments which are estimated using the expected value method and depend on AstraZeneca's assessment of the likelihood of the approach taken by the tax authorities. These matters can be complex and judgemental and could change in the future, as discussed above.

For transfer pricing matters, including items under tax audit, AstraZeneca estimates the potential for additional tax liabilities above the amount provided where the possibility of the additional liabilities falling due is more than remote, to be up to $79m (2024: $422m) including associated interest.

Management continues to believe that AstraZeneca's positions on all its transfer pricing positions, audits and disputes are robust, and that AstraZeneca has recognised appropriate tax balances, including consideration of whether corresponding relief will be available under Mutual Agreement procedures or unilaterally.

Other uncertain tax treatments
Included in the net tax liability is $984m (2024: $937m) relating to a number of other uncertain tax treatments. The increase of $47m in the net tax liability relating to the other uncertain tax treatments mainly relates to an update to tax liabilities following progress of reviews by tax authorities which are offset by movements relating to uncertainty over the timing of tax deductions. This uncertainty includes movements between income taxes receivable of $1,391m (2024: $742m), and deferred tax liabilities of $234m (2024: $133m) offset by related deferred tax assets of $1,611m (2024: $929m) and income taxes payable of $496m (2024: $269m). The liability includes tax liabilities in respect of uncertain tax treatments which are estimated using the most likely amount method and the expected value method and depend on AstraZeneca's assessment of the likelihood of the approach taken by the tax authorities.

AstraZeneca estimates the potential for additional liabilities due to other uncertain tax treatments above the amount provided where the possibility of the additional liabilities falling due is more than remote, to be up to $127m (2024: $214m) including associated interest. AstraZeneca does not believe there are any significant other uncertain tax treatments where the possibility of the additional liabilities falling due is more than remote (2024: $nil). Management believes that it is unlikely that these additional liabilities will arise.

Timing of cash flows and interest
The Group is currently under audit in several countries and the timing of any resolution of these audits is uncertain.

It is possible that tax payments may be required in relation to a number of disputes which may be resolved over the next one to two years. AstraZeneca considers the tax liabilities set out above to appropriately reflect the expected value of any final settlement. Some of the items discussed above are not currently within the scope of tax authority audits and may take longer to resolve.

Included within other payables is a net amount of interest arising on tax contingencies of $126m (2024: $164m).

31 Statutory and other information

	2025 $m	2024 $m	2023 $m
Fees payable to PricewaterhouseCoopers LLP and its associates:			
Group audit fee	**12.5**	10.6	10.2
Fees payable to PricewaterhouseCoopers LLP and its associates for other services:			
The audit of subsidiaries pursuant to legislation	**15.8**	14.8	15.0
Attestation under s404 of Sarbanes-Oxley Act 2002	**3.7**	3.5	3.3
Audit-related assurance services	**1.3**	2.2	1.1
Other assurance services	**0.2**	0.3	0.2
Fees payable to PricewaterhouseCoopers Associates in respect of the Group's pension schemes:			
The audit of subsidiaries' pension schemes	**0.3**	0.4	0.3
	33.8	31.8	30.1

Fees payable in the year of $0.8m (2024: $0.2m) are in respect of the Group audit and audit of subsidiaries related to prior years.

Sustainability assurance

KPMG were appointed the Group's sustainability assurance provider for the year ended 31 December 2025, with $2.8m fees payable for the service. Fees of $0.5m for the audit of subsidiaries and $0.1m for other assurance services were also payable to KPMG and its associates in the year.

Related party transactions

The Group had no material related party transactions which might reasonably be expected to influence decisions made by the users of these Financial Statements.

Key management personnel compensation

Key management personnel are defined for the purpose of disclosure under IAS 24 'Related Party Disclosures' as the members of the Board and the members of the SET.

	2025 $'000	2024 $'000	2023 $'000
Short-term employee benefits	**39,483**	40,893	38,636
Post-employment benefits	**995**	1,045	1,354
Share-based payments	**58,915**	49,121	58,242
	99,393	91,059	98,232

Total remuneration is included within employee costs (see Note 29).

32 Subsequent events

There were no material subsequent events.

Group Subsidiaries and Holdings

In accordance with section 409 of the Companies Act 2006, a full list of subsidiaries, partnerships, associates, joint ventures and joint arrangements, the place of incorporation, registered office address, and the effective percentage of equity owned as at 31 December 2025 are disclosed below. Unless otherwise stated, the share capital disclosed comprises ordinary shares which are indirectly held by AstraZeneca PLC.

Unless otherwise stated, the accounting year ends of subsidiaries are 31 December. The Group Financial Statements consolidate the Financial Statements of the Company and its subsidiaries at 31 December 2025.

At 31 December 2025	Group Interest
Wholly owned subsidiaries	
Algeria	
AAPM SARL	100%
20, Zone Macro-Economique, Hydra, Dar El Medina, Algiers, Algeria	
Argentina	
AstraZeneca S.A.	100%
Olga Cossettini 363, 3° floor, Buenos Aires, Argentina	
Alexion Pharma Argentina SRL	100%
Avenida Leandro N. Alem 592 Piso 6, Buenos Aires, Argentina	
Australia	
AstraZeneca Holdings Pty Limited	100%
AstraZeneca Pty Limited	100%
Alexion Pharmaceuticals Australasia Pty Ltd	100%
66 Talavera Road, Macquarie Park, NSW 2113, Australia	
LogicBio Australia Pty Limited	100%
Level 40, 2-26 Park Street, Sydney, NSW 2000, Australia	
Austria	
AstraZeneca Österreich GmbH	100%
Alexion Pharma Austria GmbH	100%
Rechte Wienzeile 223, 1120 Wien, Austria	
Belgium	
AstraZeneca S.A. / N.V.	100%
Alfons Gossetlaan 40, bus 201, 1702 Groot-Bijgaarden, Belgium	
Alexion Pharma Belgium Sprl	100%
Alexion Services Europe Sprl	100%
Rue des Deux Eglises 29-33, 1000 Brussels, Belgium	
EsoBiotec SA[1]	100%
Rue André Dumont 5, 1435 Mont-Saint-Guibert, Belgium	
Bermuda	
Alexion Bermuda Holding ULC	100%
Alexion Bermuda Limited	100%
Alexion Bermuda Partners LP	100%
Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda	
Brazil	
AstraZeneca do Brasil Limitada	100%
Rod. Raposo Tavares, KM 26, 9, Cotia, Brazil	
Alexion Farmacêutica América Latina Serviços de Administração de Vendas Ltda.	100%
Alexion Serviços e Farmacêutica do Brasil Ltda.	100%
Av. Dr Chucri Zaidan, 1240, 15° andar, CEP 04711-130, Ed. Morumbi Corporate – Golden Tower Vila São Francisco, São Paulo, Brazil	

At 31 December 2025	Group Interest
British Virgin Islands	
Gracell Biotechnologies Holdings Limited	100%
Office of Sertus Incorporations (BVI) Limited, Sertus Chambers, P.O. Box 905, Quastisky Building, Road Town, Tortola, British Virgin Islands	
Bulgaria	
AstraZeneca Bulgaria EOOD	100%
51 Cherni Vrah Bld., Business Garden Office X, floor 10, Lozenets district, 1407 Sofia, Bulgaria	
Canada	
AstraZeneca Canada Inc.	100%
Evinova Canada Inc.	100%
Suite 5000, 1004 Middlegate Road, Mississauga, ON, L4Y 1M4, Canada	
Alexion Pharma Canada Corp.	100%
Suite 1300, 1969 Upper Water Street, Halifax, NS, B3J 3R7, Canada	
Fusion Pharmaceuticals Inc.	100%
270 Longwood Road South, Hamilton, ON, L8P 0A6, Canada	
Cayman Islands	
AZ Reinsurance Limited	100%
18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P.O. Box 69, Cayman Islands	
Gracell Biotechnologies Inc.	100%
P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	
Chile	
AstraZeneca S.A.	100%
AstraZeneca Farmaceutica Chile Limitada	100%
Av. Isidora Goyenechea 3477, 2nd Floor, Las Condes, Santiago, Chile	
China	
Alexion Pharmaceuticals (Shanghai) Company Limited (in liquidation)	100%
Room 1703, Level 17, No. 88 Xizang North Road, Jing'an District, Shanghai, China	
AstraZeneca Global R&D (Beijing) Co., Ltd	100%
Room 1101, Floor 11, Building No. 4, No. 8 Courtyard, No. 1 Kegu Street, Beijing Economic-Technological Development Area, Beijing, China	
AstraZeneca Global R&D (China) Co., Ltd.	100%
16F, 88 Xizang North Road, Jing'an District, Shanghai, China	
AstraZeneca Investment (China) Co., Ltd.	100%
199 Liangjing Road, Pilot Free Trade Zone, Shanghai, China	
AstraZeneca Investment Consulting (Wuxi) Co., Ltd.	100%
Room 808, 8F, Building 99-2 Linghu Avenue, Xinwu District, Wuxi, Jiangsu, China	
AstraZeneca Pharmaceutical Co., Ltd.	100%
No. 2, Huangshan Road, Wuxi, Jiangsu Province, China	

At 31 December 2025	Group Interest
AstraZeneca Pharmaceutical (Beijing) Co., Ltd.	100%
1F, Building No. 4, No. 8 Courtyard, No. 1 Kegu Street, Beijing Economic-Technological Development Area, Beijing, China	
AstraZeneca Pharmaceutical (Chengdu) Co., Ltd.	100%
10th Floor, Building 11 (Building E11), No. 366, Hemin Street, Chengdu High-tech Zone, China (Sichuan) Pilot Free Trade Zone, China	
AstraZeneca Pharmaceutical (Guangzhou) Co., Ltd.	100%
Room 406-178, No. 1, Yichuang Street, (China-Singapore Guangzhou Knowledge City) Huangpu District, Guangzhou City, China	
AstraZeneca Pharmaceutical (Hangzhou) Co., Ltd.	100%
12F & 14F, Building 1, Shuli Plaza, 758 Fei Jia Tang Road, Gongshu District, Hangzhou, Zhejiang Province, China	
AstraZeneca Pharmaceutical Manufacturing (Qingdao) Co., Ltd.	100%
AstraZeneca Pharmaceutical (Qingdao) Co., Ltd.	100%
Floor 8, Building 2, 82 Juxianqiao Road, High-tech Zone, Qingdao, Shandong Province, China	
AstraZeneca Pharmaceutical (Shanghai) Co., Ltd.	100%
B1F, 8F & 9F, 88 Xizang North Road, Jing'an District, Shanghai, China	
AstraZeneca Pharmaceuticals (China) Co., Ltd.	100%
88 Yaocheng Avenue, Jiangsu Province, Taizhou, China	
AstraZeneca Rare Disease R&D (Beijing) Co., Ltd	100%
Room 1102, Floor 11, Building No. 4, No. 8 Courtyard, No. 1 Kegu Street, Beijing Economic-Technological Development Area, Beijing, China	
AstraZeneca (Wuxi) Trading Co., Ltd.	100%
Building E (Building No. 5), Huirong Commercial Plaza, East Jinghui Road, Xinwu District, Wuxi, China	
Beijing Falikang Pharmaceutical Co., Ltd.	100%
Room 113, Floor 1, Unit 1, Building No. 6, No. 88 Kechuang 6th Street, Beijing Economic-Technological Development Area, Beijing, China	
FibroGen (China) Medical Technology Development Co., Ltd	100%
Building A2, No. 88 Kechuang 6th Street, Beijing Economic-Technological Development Area, Beijing, China	
Gracell Biomedicine (Shanghai) Co., Ltd.[2]	100%
12th Floor, Building 1, No. 926, Yishan Road, Xuhui District, Shanghai 200233, China	

At 31 December 2025	Group Interest
Shanghai Evinova Medical Technology Co., Ltd.[2]	100%
Building C, No. 888, Huanhu 2nd Road West, Lingang New District, Shanghai, Pilot Free Trade Zone, China	
Gracell Bioscience (Shanghai) Co., Ltd.	100%
1st-4th Floor, Building 1, No. 418 Guilin Road, Xuhui District, Shanghai 200233, China	
Suzhou Gracell Bioscience Co., Ltd.	100%
Unit E547, 5th Floor, Lecheng Plaza, Phase II, Biobay Industrial Park, 218 Sangtian Street, Suzhou Industrial Park, Suzhou Area, Jiangsu, Pilot Free Trade Zone 215123, China	
Colombia	
AstraZeneca Colombia S.A.S.	100%
Av Carrera 9 No. 101-67 Office 601, Bogotá, 110231, Colombia	
Costa Rica	
AstraZeneca CAMCAR Costa Rica, S.A.	100%
San José, Escazú, Roble Corporate Center, 5to piso, Costa Rica	
Croatia	
AstraZeneca d.o.o.	100%
Ulica Vjekoslava Heinzela 70, 10 000 Zagreb, Croatia	
Czech Republic	
AstraZeneca Czech Republic, s.r.o.	100%
Alexion Pharma Czech s.r.o.	100%
U Trezorky 921/2, 158 00 Prague 5, Czech Republic	
Denmark	
AstraZeneca A/S	100%
Johanne Møllers Passage 1, Dk-1799, Copenhagen V, Denmark	
Egypt	
AstraZeneca Egypt for Pharmaceutical Industries SAE	100%
6th of October City, 6th Industrial Zone, Plot 2, Giza, Egypt	
AstraZeneca Egypt LLC	100%
47 St. 270 New Maadi, Cairo, Egypt	
Drimex LLC	100%
Plot 133, Banks' District, 5th Settlement, New Cairo, Cairo, Egypt	
Estonia	
AstraZeneca Eesti OÜ	100%
Harju maakond, Tallinn, Lasnamäe linnaosa, Valukoja tn 8/1, 11415, Estonia	
Finland	
AstraZeneca Oy.	100%
Keilaranta 18, 02150 Espoo, Finland	
France	
Amolyt Pharma SAS[1]	100%
15 Chemin du Saquin, Espace Européen, 69130 Écully, France	
AstraZeneca SAS	100%
Tour Carpe Diem-31, Place des Corolles, 92400 Courbevoie, France	
AstraZeneca Reims Production SAS	100%
Chemin de Vrilly Parc, Industriel de la Pompelle, 51100 Reims, France	

At 31 December 2025	Group Interest
AstraZeneca Dunkerque Production SCS	100%
224 Avenue de la Dordogne, 59640 Dunkerque, France	
Alexion Europe SAS	100%
Alexion Pharma France SAS	100%
15 Chemin du Saquin, Espace Européen, 69130 Écully, France	
Germany	
AstraZeneca GmbH	100%
AstraZeneca Holding GmbH[3]	100%
Friesenweg 26, 22763, Hamburg, Germany	
AstraZeneca Computational Pathology GmbH[1]	100%
Alexion Pharma Germany GmbH	100%
Landsberger Straße 300, 80687, Munich, Germany	
Greece	
AstraZeneca S.A.	100%
Agisilaou 6-8 Marousi, Athens, Greece	
Hong Kong	
AstraZeneca HK Holdings Company Limited	100%
AstraZeneca Hong Kong Limited	100%
Unit 1 – 3, 11/F., China Taiping Finance Centre, 18 King Wah Road, North Point, Hong Kong	
FibroGen International (Hong Kong) Limited	100%
26th Floor, Three Exchange Square, 8 Connaught Place Central, Hong Kong	
Gracell Biotechnologies (HK) Limited	100%
C&F Secretarial Services Limited, Unit 3A, 12/F, Kaiser Centre, No. 18 Centre Street, Sai Ying Pun, Hong Kong	
Hungary	
AstraZeneca Kft	100%
1st floor, 4 building B, Alíz str., Budapest, 1117, Hungary	
India	
AstraZeneca India Private Limited[4]	100%
Block A, Neville Tower, 11th Floor, Ramanujan IT SEZ, Taramani, Chennai, Tamil Nadu, PIN 600113, India	
Alexion Business Services Private Limited	100%
9th Floor, Platina, G Block Plot No. C-59, Bandra-Kurla Complex Bandra (East), Mumbai 400051, India	
Evinova Health Tech India Private Limited[4]	100%
496/4, II Floor, 10th Cross, Near Bashyam Circle, Sadashivanagar, Bangalore – 560080, Karnataka, India	
Indonesia	
P.T. AstraZeneca Indonesia	100%
Perkantoran Hijau Arkadia, Tower G, 16th Floor, Unit 02-05, Jl. T.B. Simatupang Kav. 88, Kebagusan, Pasar Minggu, South Jakarta 12520, DKI Jakarta, Indonesia	
Iran	
AstraZeneca Pars Company	100%
Suite 1, 1st Floor No. 39, Alvand Ave., Argantin Sq., Tehran 1516673114, Iran	

At 31 December 2025	Group Interest
Ireland	
AstraZeneca Pharmaceuticals (Ireland) Designated Activity Company	100%
4th Floor, South Bank House, Barrow Street, Dublin 4, Republic of Ireland	
Alexion Pharma Holding Limited	100%
Alexion Pharma International Operations Limited	100%
Alexion Pharma Development Limited	100%
AstraZeneca Ireland Limited	100%
College Business & Technology Park, Blanchardstown Road North, Dublin 15, Republic of Ireland	
Israel	
AstraZeneca (Israel) Ltd	100%
Atirei Yeda 1, Building O-Tech 2, POB 8044, Kfar Saba, 4464301, Israel	
Alexion Pharma Israel Ltd	100%
1 Atirei Yeda Street O-Tech Building No. 2, 5th Floor Kfar Saba, 4464301, Israel	
Italy	
Simesa SpA	100%
AstraZeneca SpA	100%
Alexion Pharma Italy Srl	100%
Viale Decumano 39, 20157 Milan, Italy	
Japan	
AstraZeneca K.K.	100%
3-1, Ofuka-cho, Kita-ku, Osaka, 530-0011, Japan	
Alexion Pharma GK	100%
Tamachi Station Tower N 3-1-1, Shibaura, Minato-ku Tokyo 108-0023, Japan	
Kazakhstan	
AstraZeneca Kazakhstan Limited Liability Partnership	100%
Office 101, 77 Kunayev Street, Almaty 050000, Kazakhstan	
Kenya	
AstraZeneca Pharmaceuticals Limited	100%
L.R. No.1/1327, Avenue 5, 1st Floor, Rose Avenue, Nairobi, Kenya	
Latvia	
AstraZeneca Latvija SIA	100%
Skanstes iela 50, Riga, LV-1013, Latvia	
Lithuania	
AstraZeneca Lietuva UAB	100%
Spaudos g., Vilnius, LT-05132, Lithuania	
Luxembourg	
AstraZeneca Luxembourg S.A.	100%
Rue Nicolas Bové 2A – L-1253, Luxembourg	
Malaysia	
AstraZeneca Asia-Pacific Business Services Sdn Bhd	100%
12th Floor, Menara Symphony, No. 5 Jalan Prof, Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	
AstraZeneca Sdn Bhd	100%
The Bousteador, Level 11 & 12, No. 10, Jalan PJU 7/6, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia	

Group Subsidiaries and Holdings *continued*

At 31 December 2025	Group Interest
Mexico	
AstraZeneca Health Care Division, S.A. de C.V.	100%
AstraZeneca, S.A. de C.V.	100%
Av. Periferico Sur 4305 interior 5, Colonia Jardines en la Montaña, Mexico City, Tlalpan Distrito Federal, CP 14210, Mexico	
Alexion Pharma Mexico S. de R.L. de C.V.	100%
Paseo de los Tamarindos 90, Torre 1 piso 6 - A Col., Bosques de la Lomas, CP 05120 D.F, Mexico	
Morocco	
AstraZeneca Maroc SARLAU	100%
CFC (Casablanca Finance City), Le Continental Business Center, Bâtiment C, 7ème étage, Quartier Hay Hassani, Casablanca, Morocco	
The Netherlands	
Alexion Holding B.V.	100%
Alexion Pharma Foreign Holdings, B.V.	100%
Alexion Pharma Netherlands B.V.	100%
AstraZeneca B.V.	100%
AstraZeneca Continent B.V.	100%
AstraZeneca Gamma B.V.	100%
AstraZeneca Holdings B.V.	100%
AstraZeneca Jota B.V.	100%
AstraZeneca Rho B.V.	100%
AstraZeneca Sigma B.V.	100%
AstraZeneca Treasury B.V.	100%
AstraZeneca Zeta B.V.	100%
Prinses Beatrixlaan 582, 2595 BM, The Hague, The Netherlands	
AstraZeneca Nijmegen B.V.	100%
Lagelandseweg 78, 6545 CG Nijmegen, The Netherlands	
Acerta Pharma B.V.	100%
Aspire Therapeutics B.V.	100%
Kloosterstraat 9, 5349 AB, Oss, The Netherlands	
Portola Netherlands B.V. (in liquidation)	100%
Basisweg 10, 1043 AP, Amsterdam, The Netherlands	
Neogene Therapeutics B.V.	100%
35C Tafelbergweg, 1105 BC, Amsterdam, The Netherlands	
New Zealand	
AstraZeneca Limited	100%
Pharmacy Retailing (NZ) Limited t/a Healthcare Logistics, 58 Richard Pearse Drive, Mangere, Auckland, 1142, New Zealand	
Nigeria	
AstraZeneca Nigeria Limited	100%
42 Vibranium Valley, Local Airport Road, Ikeja, Lagos, Nigeria	
Norway	
AstraZeneca AS	100%
Karvesvingen 7, 0579 Oslo, Norway	

At 31 December 2025	Group Interest
Pakistan	
AstraZeneca Pharmaceuticals Pakistan (Private) Limited[5]	100%
Office No 1, 2nd Floor, Sasi Arcade, Block 7, Main Clifton Road, Karachi, Pakistan	
Panama	
AstraZeneca CAMCAR, S.A.	100%
Bodega #1, Parque Logistico MIT, Carretera Hacia Coco Solo, Colon, Panama	
Peru	
AstraZeneca Peru S.A.	100%
Calle Las Orquídeas N° 675, Int. 802, Edificio Pacific Tower, San Isidro, Lima, Peru	
Philippines	
AstraZeneca Pharmaceuticals (Phils.) Inc.	100%
18th Floor, EcoPrime Tower, 32nd Street corner 9th Avenue, Bonifacio Global City, Taguig City, 1634, Philippines	
Poland	
AstraZeneca Pharma Poland Sp.z.o.o.	100%
Alexion Pharma Poland Sp.z.o.o.	100%
Evinova Poland sp. z o.o	100%
Postępu 14, 02-676, Warszawa, Poland	
Portugal	
Astra Alpha Produtos Farmacêuticos Lda	100%
AstraZeneca Produtos Farmacêuticos Lda	100%
Novastra Promoção e Comércio Farmacêutico Lda	100%
Novastuart Produtos Farmacêuticos Lda	100%
Stuart-Produtos Farmacêuticos Lda	100%
Zeneca Epsilon – Produtos Farmacêuticos Lda	100%
Zenecapharma Produtos Farmacêuticos, Unipessoal Lda	100%
Rua Humberto Madeira, No 7, Queluz de Baixo, 2730-097, Barcarena, Portugal	
Puerto Rico	
IPR Pharmaceuticals, Inc.	100%
Road 188, San Isidro Industrial Park, Canóvanas, 00729, Puerto Rico	
Romania	
AstraZeneca Pharma S.R.L.	100%
Bucharest, 1A Tipografilor Street, MUSE Offices, 2nd and 3rd Floor, District 1, 013714, Romania	
Russia	
AstraZeneca Industries OOO LLC	100%
81 Vostochniy Lane, Dobrino Village, Borovskiy District, Kaluga Region, 249006, Russian Federation	
AstraZeneca Pharmaceuticals LLC	100%
1 Krasnogvardeyskiy Lane 21, Bld.1, Floors 20-30, Moscow, 123112, Russian Federation	
Alexion Pharma LLC	100%
12 Presnenskaya Embankment, Premises 1/36, Moscow, 123112, Russian Federation	

At 31 December 2025	Group Interest
Saudi Arabia	
AstraZeneca Continent – Regional Headquarter	100%
Al-Nakhlah Tower, Floor 13th Ath Thumamah Road, Al Sahafa District, P.O. Box 42150, Riyadh, Kingdom of Saudi Arabia	
AstraZeneca Trading Company	100%
8125 Prince Sultan, 2086 Ar Rawdah District, 23435, Jeddah, Kingdom of Saudi Arabia	
Singapore	
AstraZeneca Pharmaceuticals Singapore Pte. Limited	100%
AstraZeneca Singapore Pte Ltd	100%
10 Kallang Avenue #12-10, Aperia Tower 2, 339510, Singapore	
South Africa	
AstraZeneca Pharmaceuticals (Pty) Limited	100%
17 Georgian Crescent West, Northdowns Office Park, Bryanston, 2191, South Africa	
South Korea	
AstraZeneca Korea Co. Ltd	100%
21st Floor, Asem Tower, 517, Yeongdong-daero, Gangnam-gu, Seoul 06164, Republic of Korea	
Alexion Pharma Korea LLC	100%
41 FL., 152 Teheran-ro (Yeoksam-dong Gangnam Finance Center), Gangnam-gu, Seoul 06164, Republic of Korea	
Spain	
AstraZeneca Farmaceutica Holding Spain SA	100%
AstraZeneca Farmaceutica Spain SA	100%
Evinova Spain SL	100%
Fundación AstraZeneca	100%
Laboratorio Beta SA	100%
Laboratorio Lailan SA	100%
Laboratorio Tau SA	100%
Calle del Puerto de Somport, 21-23, Madrid 28050, Spain	
Alexion Pharma Spain SL	100%
Avinguda de Roma, 81, Floor 7, Barcelona 08028, Spain	
Sweden	
AstraZeneca AB	100%
AstraZeneca Biotech AB	100%
AstraZeneca BioVentureHub AB	100%
AstraZeneca International Holdings Aktiebolag	100%
AstraZeneca Pharmaceuticals Aktiebolag	100%
AstraZeneca Södertälje 2 AB	100%
SE-151 85 Södertälje, Sweden	
Evinova AB	100%
431, 53 Mölndal, Stockholm, Södertälje, Sweden	
Alexion Pharma Nordics Holding AB	100%
Alexion Pharma Nordics AB	100%
Hagaplan 4, 113 68 Stockholm, Sweden	

At 31 December 2025	Group Interest
Switzerland	
Alexion Pharma GmbH	100%
AstraZeneca AG	100%
Evinova AG	100%
Neuhofstrasse 34, 6340 Baar, Switzerland	
SixPeaks Bio AG	100%
Aeschenvorstadt 36, 4501 Basel, Switzerland	
Spirogen Sarl (in liquidation)	100%
Rue du Grand-Chêne 5, CH-1003 Lausanne, Switzerland	
Taiwan	
Alexion Pharma Taiwan Ltd	100%
AstraZeneca Taiwan Limited	100%
21st Floor, Taipei Metro Building 207, Tun Hwa South Road, SEC 2 Taipei, Taiwan	
Thailand	
AstraZeneca (Thailand) Limited	100%
Asia Centre 19th floor, 173/20, South Sathorn Rd, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand	
Tunisia	
AstraZeneca Tunisie SaRL	100%
Lot n°1.5.5 les jardins du lac, bloc B les berges du lac Tunis, Tunisia	
Turkey	
AstraZeneca İlaç Sanayi ve Ticaret Limited Şirketi	100%
Zeneca İlaç Sanayi ve Ticaret Anonim Şirketi (in liquidation)	100%
Esentepe Mah. Büyükdere Cad. Levent 199 No: 199 İç Kapı No: 93 Şişli, İstanbul, Turkey	
Alexion İlaç Ticaret Limited Şirketi	100%
İçerenköy Mahallesi Umut SK. and Ofis Sit. No: 10 12/73 Ataşehir, Istanbul 10-12/73, Turkey	
Ukraine	
AstraZeneca Ukraina LLC	100%
54 Simi Prakhovykh Street, Kyiv, 01033, Ukraine	
United Arab Emirates	
AstraZeneca FZ-LLC	100%
Dubai Sciences Park Towers, Tower South, S1706S, Dubai Sciences Park, Dubai, United Arab Emirates	
United Kingdom	
Alexion Pharma UK Limited	100%
Ardea Biosciences Limited	100%
Astra Pharmaceuticals Limited	100%
AstraPharm	100%
AstraZeneca China UK Limited	100%
AstraZeneca Death In Service Trustee Limited	100%
AstraZeneca Employee Share Trust Limited	100%
AstraZeneca Finance Limited	100%
AstraZeneca Intermediate Holdings Limited[6]	100%
AstraZeneca Investments Limited	100%
AstraZeneca Japan Limited	100%
AstraZeneca Nominees Limited	100%
AstraZeneca Quest Limited	100%

At 31 December 2025	Group Interest
AstraZeneca Share Trust Limited	100%
AstraZeneca Sweden Investments Limited	100%
AstraZeneca Treasury Limited	100%
AstraZeneca UK Limited	100%
AstraZeneca US Investments Limited[6]	100%
AZENCO4 Limited	100%
AZENCO6 Limited	100%
Cambridge Antibody Technology Group Limited	100%
Evinova Limited	100%
KuDOS Horsham Limited	100%
KuDOS Pharmaceuticals Limited	100%
Syntimmune Limited	100%
Zenco (No. 8) Limited	100%
Zeneca Finance (Netherlands) Company	100%
MedImmune Limited	100%
1 Francis Crick Avenue, Cambridge Biomedical Campus, Cambridge, CB2 0AA, United Kingdom	
MedImmune U.K. Limited	100%
Plot 6, Renaissance Way, Boulevard Industry Park, Liverpool, L24 9JW, United Kingdom	
United States	
Acerta Pharma LLC[7]	100%
121 Oyster Point Boulevard, South San Francisco, CA 94080, United States	
Alexion Pharmaceuticals, Inc.	100%
Achillion Pharmaceuticals Inc.	100%
Alexion US1 LLC[7]	100%
Syntimmune LLC[7]	100%
TeneoTwo, Inc.	100%
121 Seaport Boulevard Boston, MA 02210, United States	
AlphaCore Pharma, LLC[7, 12]	100%
333 Parkland Plaza, Suite 5, Ann Arbor, MI 48103, United States	
Amolyt Pharma Inc.	100%
185 Alewife Brook Pkwy, Suite 210, Cambridge, MA 02138, United States	
Amylin Ohio LLC[7]	100%
Amylin Pharmaceuticals, LLC[7]	100%
Ardea Biosciences, Inc.	100%
AstraZeneca Collaboration Ventures, LLC[7]	100%
AstraZeneca Finance and Holdings Inc.	100%
AstraZeneca Finance LLC[7]	100%
AstraZeneca Pharmaceuticals LP[8]	100%
Atkemix Nine Inc.	100%
Atkemix Ten Inc.	100%
AZ Biotech Holdings, Inc.	100%
Cincor Pharma Inc.	100%
Corpus Christi Holdings Inc.	100%
LogicBio Therapeutics, Inc.	100%
Omthera Pharmaceuticals, Inc.	100%
Optein, Inc.	100%
Stauffer Management Company LLC[7]	100%
Zeneca Inc.	100%
Zeneca Holdings Inc.	100%
Zeneca Wilmington Inc.[6]	100%
1800 Concord Pike, Wilmington, DE 19803, United States	

At 31 December 2025	Group Interest
AZ-Mont Insurance Company	100%
100 Bank Street, Suite 630, Burlington, VT 05401, United States	
Caelum Biosciences Inc.	100%
1200 Florence Columbus Road, Bordentown, NJ 08505, United States	
Evinova Inc.	100%
101 Orchard Ridge Drive, Gaithersburg, MD 20878, United States	
Fusion Pharmaceuticals US Inc.	100%
2 International Place, Suite 2310, Boston, MA 02110, United States	
Gracell Biopharmaceuticals, Inc.	100%
530 Lytton Avenue, 2nd Floor, Palo Alto, CA 94301, United States	
Icosavax, Inc.	100%
1930 Boren Avenue, Suite 1000, Seattle, WA 98101, United States	
MedImmune, LLC[7]	100%
MedImmune Ventures, Inc.	100%
One MedImmune Way, Gaithersburg, MD 20878, United States	
Modella AI, Inc.	100%
72, Winthrop Street, Charlestown, MA 02129, United States	
Pearl Therapeutics, Inc.	100%
200 Cardinal Way, Redwood City, CA 94063, United States	
Portola Pharmaceuticals LLC[7]	100%
ZS Pharma, Inc.	100%
1100 Park Place, Suite 300, San Mateo, CA 94403, United States	
Uruguay	
AstraZeneca S.A.	100%
Yaguarón 1407 of 1205, 11.100, Montevideo, Uruguay	
Venezuela	
AstraZeneca Venezuela S.A.	100%
Gotland Pharma S.A.	100%
Av. La Castellana, Torre La Castellana, Piso 5, Oficina 5-G, 5-H, 5-I, Urbanización La Castellana, Municipio Chacao, Estado Bolivariano de Miranda, Venezuela	
Vietnam	
AstraZeneca Vietnam Company Limited	100%
18th Floor, A&B Tower, 76 Le Lai, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam	

Group Subsidiaries and Holdings *continued*

At 31 December 2025	Group Interest
Subsidiaries where the effective interest is less than 100%	
Algeria	
AstraZeneca Algeria Pharmaceutical Industries SPA	49%
N° 20, Micro Zone d'Activité Hydra, Centre des Affaires Dar El Madina, Bloc A, 6th Floor, Hydra, Algiers, Algeria	
India	
AstraZeneca Pharma India Limited[4]	75%
Block N1, 12th Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road, Bangalore-560 045, India	
United States	
VaxNewMo, LLC[9,10]	19.66%
4447 McPherson Avenue, St. Louis, MO 63108, United States	
Joint Ventures	
Hong Kong	
IHP HK Holdings Limited (in liquidation)	50%
Unit 1402, 14th Floor, Henley Building, No. 5 Queen's Road Central, Hong Kong	
United States	
Montrose Chemical Corporation of California	50%
Suite 380, 600 Ericksen Ave N/E, Bainbridge Island, WA 98110, United States	

At 31 December 2025	Group Interest
Significant Holdings	
China	
Dizal (Jiangsu) Pharmaceutical Co., Ltd.	23.71%
Room 404, 405, 416, Building C, Huirong Business Plaza, 26 Hefeng Road, Xinwu City, Jiangsu 214028, China	
Wuxi AstraZeneca-CICC Venture Capital Partnership (Limited Partnership)	22.13%
Room 808, 8F, Building 99-2 Linghu Avenue, Xinwu District, Wuxi, Jiangsu, China	
United States	
C.C. Global Chemicals Company	37.50%
P.O. Box 7, MS2901, TX 76101-0007, United States	
Associated Holdings	
Cayman Islands	
Fuse Biosciences (Cayman) Limited[10]	18.75%
Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands	
HBM Holdings Limited	8.78%
P.O. Box 472, Harbour Place, 2nd Floor, 103 South Church Street, George Town, Grand Cayman, KY1-1106, Cayman Islands	
France	
Medetia SAS[10]	10%
Institute Imagine, 24 Boulevard du Montparnasse, 75015 Paris, France	
Cellectis S.A.[1]	43.85%
8, rue de la Croix Jarry, 75013 Paris, France	
Israel	
AION Labs Innovation Lab Ltd.	19.23%
CombinAble.AI Ltd.[10]	11.25%
ProPhet Bio Ltd.[10]	11.70%
Renasis Bio Ltd.[10]	11.25%
TenAces Biosciences Ltd.[10]	12.50%
4 Oppenheimer Street, Building B, Rehovot, 7670104, Israel	

At 31 December 2025	Group Interest
Sweden	
Swedish Orphan Biovitrum AB (publ)	9.72%
Norra Stationsgatan 93A, Stockholm, Sweden	
OnDosis AB	19.80%
GoCo House, 5 tr, Gemenskapens gata 9, 431 53 Mölndal, Sweden	
CCRM Nordic AB	19.90%
Förändringens Gata 10, 431 53 Mölndal, Sweden	
Sferical AI Holding AB[11]	20.00%
Arsenalsgatan 8C, Box 16066, 103 22 Stockholm, Sweden	
United Kingdom	
Niox Group plc	15.82%
Magdalen Centre, 1 Robert Robinson Ave, Science Park, Oxford, OX4 4GA, United Kingdom	
United States	
AbMed Corporation[1]	18.00%
68 Cummings Park Drive, Woburn, MA 01801, United States	
Amani Therapeutics, Inc.[10]	15.00%
251 Little Falls Drive, Wilmington, DE 19808, United States	
Pathos AI, Inc[10]	11.26%
600 W Chicago Ave, 510 Chicago, IL 60654, United States	
Regio Biosciences, Inc.[10]	19.54%
5237 River Road, #361 Bethesda, MD 20816, United States	
Employee Benefit Trusts	
The AstraZeneca Employee Benefit Trust	
AstraZeneca PSP/GRSP EBP for Canadian Employees	

1 Ownership held in ordinary and preference shares.
2 Ownership held by way of capital contribution.
3 10% directly held by AstraZeneca PLC.
4 Accounting year end is 31 March.
5 Accounting year end is 30 June.
6 Directly held by AstraZeneca PLC.
7 Ownership held as membership interest.
8 Ownership held as partnership interest.
9 Consolidated due to Zeneca Inc. having an option to acquire.
10 Ownership held in preference shares.
11 7.14% voting rights and preference shares.
12 Liquidated on 09 January 2026.

Company Balance Sheet
at 31 December

AstraZeneca PLC

	Notes	2025 $m	2024 $m
Fixed assets			
Fixed asset investments	1	**60,446**	62,019
		60,446	62,019
Current assets			
Debtors – other		**6**	8
Debtors – amounts owed by Group undertakings		**6,659**	5,807
Cash and cash equivalents		**17**	–
		6,682	5,815
Creditors: Amounts falling due within one year			
Other payables	2	**(203)**	(202)
Income tax payable		**(36)**	–
Interest-bearing loans and borrowings	3	**(1,200)**	(1,997)
		(1,439)	(2,199)
Net current assets		**5,243**	3,616
Total assets less current liabilities		**65,689**	65,635
Creditors: Amounts falling due after more than one year			
Interest-bearing loans and borrowings	3	**(13,801)**	(14,549)
Income tax payable		**–**	(36)
Other payables	2	**(37)**	(47)
		(13,838)	(14,632)
Net assets		**51,851**	51,003
Capital and reserves			
Called-up share capital	4	**388**	388
Share premium account		**35,266**	35,226
Capital redemption reserve		**153**	153
Other reserves		**1,583**	1,741
Profit and loss account		**14,461**	13,495
Shareholders' funds		**51,851**	51,003

$m means millions of US dollars.

The Company's profit for the year was $5,812m (2024: $457m).

The Company Financial Statements from pages 197 to 203 were approved by the Board and were signed on its behalf by

Pascal Soriot
Director
10 February 2026

Aradhana Sarin
Director

Company's registered number 02723534

Company Statement of Changes in Equity

for the year ended 31 December

	Share capital $m	Share premium account $m	Capital redemption reserve $m	Other reserves[1] $m	Profit and loss account[2] $m	Total equity $m
At 1 January 2024	388	35,188	153	1,779	17,640	55,148
Total comprehensive income for the period						
Profit for the period	–	–	–	–	457	457
Total comprehensive income for the period	–	–	–	–	457	457
Transactions with owners, recorded directly in equity						
Dividends	–	–	–	–	(4,602)	(4,602)
Capital reimbursements for share-based payments	–	–	–	(38)	–	(38)
Issue of Ordinary Shares	–	38	–	–	–	38
Total contributions by and distributions to owners	–	38	–	(38)	(4,602)	(4,602)
At 31 December 2024	388	35,226	153	1,741	13,495	51,003
Total comprehensive income for the period						
Profit for the period	**–**	**–**	**–**	**–**	**5,812**	**5,812**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**5,812**	**5,812**
Transactions with owners, recorded directly in equity						
Dividends	**–**	**–**	**–**	**–**	**(4,846)**	**(4,846)**
Capital reimbursements for share-based payments	**–**	**–**	**–**	**(158)**	**–**	**(158)**
Issue of Ordinary Shares	**–**	**40**	**–**	**–**	**–**	**40**
Total contributions by and distributions to owners	**–**	**40**	**–**	**(158)**	**(4,846)**	**(4,964)**
At 31 December 2025	**388**	**35,266**	**153**	**1,583**	**14,461**	**51,851**

[1] The Other reserves arose from the cancellation of £1,255m share premium by the Company in 1993 and the redenomination of share capital of $157m in 1999. Included within Other reserves at 31 December 2025 is a debit of $258m (31 December 2024: debit of $100m) in respect of cumulative share-based payment awards, which reduces the Company's ability to make distributions out of its distributable reserves by an equivalent amount.

[2] At 31 December 2025, all of the Profit and loss account reserve of $14,461m (31 December 2024: the overwhelming majority of $13,495m) was available for distribution, subject to filing these Financial Statements with Companies House. When making a distribution to shareholders, the Directors determine profits available for distribution by reference to guidance on realised and distributable profits under the Companies Act 2006 issued by the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Scotland in April 2017. The profits of the Company have been received in the form of receivables due from subsidiaries. The availability of distributable reserves in the Company is dependent on those receivables meeting the definition of qualifying consideration within the guidance, and in particular on the ability of subsidiaries to settle those receivables within a reasonable period of time. The Directors consider that, based on the nature of these receivables and the available cash resources of the Group and other accessible sources of funds, at 31 December 2025 all (31 December 2024: the overwhelming majority) of the Company's profit and loss reserves were available for distribution.

Company Accounting Policies

Basis of presentation of financial information

The Company is a public limited company, limited by shares, incorporated and domiciled in England & Wales. The registered address is 1 Francis Crick Avenue, Cambridge Biomedical Campus, Cambridge, CB2 0AA.

These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

In preparing these financial statements, the Company applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted International Accounting Standards), but made amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of Cash Flows and related notes
- disclosures in respect of transactions with wholly owned subsidiaries
- disclosures in respect of capital management
- the effects of new but not yet effective IFRSs
- disclosures in respect of the compensation of Key Management Personnel.

As the Group Financial Statements (presented on pages 125 to 196) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 'Share-based Payment' in respect of Group settled share-based payments
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures'.

No individual profit and loss account is prepared as provided by section 408 of the Companies Act 2006.

Basis of accounting

The Company Financial Statements are prepared under the historical cost convention and on a going concern basis, in accordance with the Companies Act 2006.

The following paragraphs describe the main accounting policies, which have been applied consistently.

Estimates and judgements

The preparation of the Company Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. There are no key judgements or significant estimates.

Foreign currencies

Foreign currency transactions, being transactions denominated in a currency other than the Company's functional currency, are translated into US dollars at average rates for the relevant monthly accounting periods, which approximate to actual rates.

Monetary assets and liabilities arising from foreign currency transactions are retranslated at exchange rates prevailing at the reporting date. Exchange gains and losses on loans and on short-term foreign currency borrowings and deposits are included within Finance expense. Exchange differences on all other foreign currency transactions are recognised in Operating profit.

Non-monetary items arising from foreign currency transactions are not retranslated in the Company's accounting records.

Taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from reported profit because taxable profit excludes items that are either never taxable or tax deductible or items that are taxable or tax deductible in a different period. The Company's current tax assets and liabilities are calculated using tax rates that have been enacted or substantively enacted by the reporting date. Current tax includes the Company's charge for any Pillar Two income taxes.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognised unless they arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognised to the extent they arise from the initial recognition of non-tax deductible goodwill. Deferred tax assets are recognised to the extent that there are future taxable temporary differences or it is probable that future taxable profit will be available against which the asset can be utilised. This requires judgements to be made in respect of the availability of future taxable income.

No deferred tax asset or liability is recognised in respect of temporary differences associated with investments in subsidiaries and branches where the Company is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The Company's deferred tax assets and liabilities are calculated using tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates that have been enacted or substantively enacted by the reporting date.

The Company applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 'Income Taxes' issued in May 2023.

Liabilities for uncertain tax positions require management to make judgements of potential exposures in relation to tax audit issues based upon interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Tax benefits are recognised when it is probable the tax positions will be accepted by the tax authorities. When a position is not considered probable of being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable result. This is measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty.

Company Accounting Policies *continued*

Investments
Fixed asset investments, including investments in subsidiaries, are stated at cost and reviewed for impairment if there are indications that the carrying value may not be recoverable.

Debtors
Amounts owed by Group undertakings are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

The recoverability of these balances has been assessed in accordance with IFRS 9 'Financial Instruments' and no impairment has been identified. The amounts owed by Group undertakings are considered to have low credit risk, due to timely payment of interest and settlement of principal amounts on agreed due dates, limiting the loss allowance to 12-month expected credit losses.

Amounts owed by Group undertakings are written off where there is no reasonable expectation of recovery. Impairment losses are presented as net impairment losses within Operating profit, any subsequent recoveries are credited against the same line.

Other payables
Liabilities included in Other payables are recognised initially at fair value. Subsequent to initial recognition they are remeasured at either amortised cost using the effective interest method or at fair value using an expected credit loss model.

Financial instruments
Interest-bearing loans are initially measured at fair value (with direct transaction costs being amortised over the life of the loan) and are subsequently measured at amortised cost using the effective interest method at each reporting date. Changes in carrying value are recognised in profit.

Share-based payments
The issuance by the Company to employees of its subsidiaries of a grant of awards over the Company's shares, represents additional capital contributions by the Company to its subsidiaries (or capital reimbursement from those subsidiaries). An additional investment/divestment in subsidiaries results in a corresponding increase/decrease in shareholders' equity. The additional capital contribution/reimbursement is based on the fair value of the grant issued, allocated over the underlying grant's vesting period, less the market cost of shares charged to subsidiaries in settlement of such share awards.

Litigation
Through the normal course of business, the AstraZeneca Group is involved in legal disputes, the settlement of which may involve cost to the Company. A provision is made where an adverse outcome is probable and associated costs, including related legal costs, can be estimated reliably. In other cases, appropriate disclosures are included.

Notes to the Company Financial Statements

1 Fixed asset investments

	Investments in subsidiaries		
	Shares $m	Loans $m	Total $m
At 1 January 2024	49,059	15,130	64,189
Additions during the year	33,745	–	33,745
Disposals during the year	(33,745)	–	(33,745)
Transfer to Debtors – amounts owed by Group undertakings	–	(1,997)	(1,997)
Capital reimbursement	(54)	–	(54)
Exchange	–	(156)	(156)
Amortisation	–	11	11
Other movements	26	–	26
At 31 December 2024	49,031	12,988	62,019
Return of capital from subsidiaries	**(500)**	**–**	**(500)**
Transfer to Debtors – amounts owed by Group undertakings	**–**	**(1,199)**	**(1,199)**
Capital reimbursement	**(207)**	**–**	**(207)**
Exchange	**–**	**335**	**335**
Amortisation	**–**	**8**	**8**
Other movements	**(10)**	**–**	**(10)**
At 31 December 2025	**48,314**	**12,132**	**60,446**

Loans to subsidiaries consists of bonds which are issued externally and are issued back to Group undertakings with comparable terms on interest rates and are repayable on maturity, details of which are disclosed in Note 3. The recoverability of these inter-company loans has been assessed in accordance with IFRS 9 'Financial Instruments' with no impairment identified. The inter-company balances are considered to have low credit risk due to timely payment of interest and settlement of principal amount on agreed due dates, limiting the loss allowance to 12-month expected credit losses. In 2025, there have been no credit losses (2024: $nil).

Return of capital from subsidiaries relates to an income dividend received, which has been accounted for as return of capital due to a potential future simplification of the organisational structure.

The other movements comprise a reduction of $10m representing revaluation of carrying value of guarantees provided by the Company to its subsidiary as explained in Notes 2 and 3.

2 Other payables

	2025 $m	2024 $m
Amounts falling due within one year		
Other creditors	**200**	199
Deferred income	**3**	3
	203	202
Amounts falling due after more than one year		
Other creditors	**37**	47

Other creditors due after more than one year comprise an amount representing the carrying value of the guarantees provided by the Company to its subsidiary for the bonds issued externally as explained in Note 3. As at 31 December 2025, the carrying value of the guarantees was $37m (2024: $47m).

Notes to the Company Financial Statements *continued*

3 Loans and borrowings

		Repayment dates	2025 $m	2024 $m
Amounts due within one year				
Interest-bearing loans and borrowings (unsecured)				
3.375% Callable bond	US dollars	2025	**–**	1,997
0.7% Callable bond	US dollars	2026	**1,200**	–
Total amounts due within one year			**1,200**	1,997
Amounts due after more than one year				
Interest-bearing loans and borrowings (unsecured)				
0.7% Callable bond	US dollars	2026	**–**	1,198
3.625% Callable bond	euros	2027	**880**	780
3.125% Callable bond	US dollars	2027	**749**	748
1.25% Callable bond	euros	2028	**936**	829
4% Callable bond	US dollars	2029	**997**	996
0.375% Callable bond	euros	2029	**936**	829
1.375% Callable bond	US dollars	2030	**1,295**	1,295
5.75% Non-callable bond	pounds sterling	2031	**469**	438
3.75% Callable bond	euros	2032	**878**	778
6.45% Callable bond	US dollars	2037	**2,728**	2,727
4% Callable bond	US dollars	2042	**989**	989
4.375% Callable bond	US dollars	2045	**982**	982
4.375% Callable bond	US dollars	2048	**738**	738
2.125% Callable bond	US dollars	2050	**488**	487
3% Callable bond	US dollars	2051	**736**	735
Total amounts due after more than one year			**13,801**	14,549
Total loans and borrowings			**15,001**	16,546

	2025 $m	2024 $m
Loans and borrowings are repayable:		
After five years from balance sheet date	**8,008**	9,169
From two to five years	**4,164**	4,182
From one to two years	**1,629**	1,198
Within one year	**1,200**	1,997
Total unsecured	**15,001**	16,546

All borrowings are issued with fixed interest rates.

In addition, the Company acts as guarantor for bonds issued by its wholly-owned subsidiary, AstraZeneca Finance LLC. AstraZeneca Finance LLC is the issuer of $1,250m 1.200% Notes due 2026, $1,250m 4.800% Notes due 2027, $1,100m 4.875% Notes due 2028, $1,250m 1.750% Notes due 2028, $1,250m 4.850% Notes due 2029, $650m 4.900% Notes due 2030, €650m 3.121% Notes due 2030, $1,000m 4.900% Notes due 2031, $750m 2.250% Notes due 2031, $500m 4.875% Notes due 2033, €750m 3.278% Notes due 2033 and $1,500m 5.000% Notes due 2034 (the 'AstraZeneca Finance Notes'). Each series of AstraZeneca Finance Notes has been fully and unconditionally guaranteed by the Company. Each of the guarantees by AstraZeneca PLC is full and unconditional and joint and several.

The guarantee by AstraZeneca PLC of the AstraZeneca Finance Notes is the senior unsecured obligation of AstraZeneca PLC and ranks equally with all of AstraZeneca PLC's existing and future senior unsecured and unsubordinated indebtedness. Each guarantee by AstraZeneca PLC is effectively subordinated to any secured indebtedness of AstraZeneca PLC to the extent of the value of the assets securing such indebtedness. The AstraZeneca Finance Notes are structurally subordinated to indebtedness and other liabilities of the subsidiaries of AstraZeneca PLC, none of which guarantee the AstraZeneca Finance Notes.

4 Called-up share capital

Details of share capital movements in the year are included in Note 24 to the Group Financial Statements.

5 Contingent liabilities

Securities Litigation	Considered to be a contingent liability
US	• In December 2024, a putative securities class action lawsuit was filed in the US District Court for the Central District of California against AstraZeneca PLC and certain officers, on behalf of purchasers of AstraZeneca publicly traded securities between February 2022 and December 2024. • The case was subsequently transferred to the US District Court for the Southern District of New York.

University of Sheffield Contract Dispute	Considered to be a contingent liability
UK	• In June 2024, AstraZeneca was served with a lawsuit filed by the University of Sheffield (Sheffield). In its complaint, Sheffield alleges that AstraZeneca made misrepresentations to induce Sheffield to amend a patent licence agreement relating to *Lynparza*. • Trial has been scheduled to begin in June 2026.

6 Statutory and other information

The Directors of the Company were paid by another Group company in 2025 and 2024.

7 Subsequent events

There were no material subsequent events.