

LIGAND

Biopharma's Technology
and Capital Partner

DECEMBER 9, 2025

2025 Investor Day

Safe Harbor Statement and Disclaimers

- This presentation contains forward-looking statements, as defined in Section 21E of the Securities Exchange Act of 1934, by Ligand and its partners that involve risks and uncertainties and reflect Ligand's and its partners' judgment as of the date of this presentation. All statements, other than statements of historical fact, could be deemed to be forward-looking statements, including statements that express Ligand's or its partners' opinions, expectations, objectives, assumptions, plans or projections regarding future events or future results. In some instances, words such as "plans," "believes," "expects," "anticipates," and "will," and similar expressions, are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect our good faith beliefs (or those of the indicated third parties) and speak only as of the date hereof. These forward-looking statements include, without limitation: Ligand's ability to expand its portfolio with life sciences royalty opportunities; the timing of clinical and regulatory events of Ligand's partners and other commercialization and marketing efforts; the timing of the initiation or completion of preclinical studies and clinical trials by Ligand and its partners; the timing of product launches by Ligand or its partners; and guidance regarding projected 2025 and 2026 financial results. Actual events or results may differ from Ligand's expectations due to risks and uncertainties inherent in Ligand's business, including, without limitation: Ligand relies on collaborative partners for milestone payments, royalties, materials revenue, contract payments and other revenue projections and may not receive expected revenue; Ligand may not receive expected revenue from Captisol material sales; Ligand and its partners may not be able to timely or successfully advance any product(s) in its internal or partnered pipeline or receive regulatory approval and there may not be a market for the product(s) even if successfully developed and approved; Ligand may not achieve its financial guidance for 2025 and 2026; Ligand faces competition in acquiring royalties and locating suitable royalties to acquire; Ligand may not be able to create future revenues and cash flows through the acquisition of royalties or by developing innovative therapeutics; products under development by Ligand or its partners may not receive regulatory approval; the total addressable market for our partners' products may be smaller than estimated; Ligand faces competition with respect to its technology platforms which may demonstrate greater market acceptance or superiority; Ligand is currently dependent on a single source sole supplier for Captisol and failures by such supplier may result in delays or inability to meet the Captisol demands of its partners; Ligand's partners may change their development focus and may not execute on their sales and marketing plans for marketed products for which Ligand has an economic interest; Ligand's collaboration partners may become insolvent; Ligand's and its partners' products may not be proved to be safe and efficacious and may not perform as expected and uncertainty regarding the commercial performance of such products; Ligand or its partners may not be able to protect their intellectual property and patents covering certain products and technologies may be challenged or invalidated; cyber-attacks or other failures in telecommunications or information technology systems could result in information theft, data corruption and/or significant disruption to Ligand's business operations; Ligand's partners may terminate any of their agreements or the development or commercialization of any of its products; Ligand and its partners may experience delays in the commencement, enrollment, completion or analysis of clinical testing for its product candidates, or significant issues regarding the adequacy of its clinical trial designs or the execution of its clinical trials, challenges, costs and charges associated with integrating acquisitions with Ligand's existing businesses; Ligand may not be able to successfully implement its strategic growth plan and continue the development of its proprietary programs; restrictions under Ligand's credit agreement may limit its flexibility in operating its business and a default under the agreement could result in a foreclosure of the collateral securing such obligations; changes in general economic conditions, including as a result of war, conflict, epidemic diseases, the imposition and/or announcement of tariffs and ongoing or future litigation could expose Ligand to significant liabilities and have a material adverse effect on Ligand; and other risks and uncertainties described in our public filings with the Securities and Exchange Commission (the "SEC"), available at www.sec.gov. Information regarding partnered products and programs comes from information publicly released by our partners. Our trademarks, trade names and service marks referenced herein include Ligand, Captisol, NITRICIL and ZELSUVMI. Each other trademark, trade name or service mark appearing in this presentation belongs to its owner.
- This presentation presents certain non-GAAP measures. A reconciliation between the non-GAAP adjusted financial numbers and corresponding GAAP figures is shown in our investor day presentation and in our quarterly earnings press releases or the fiscal year annual report, available at <https://investor.ligand.com/news-and-events/press-releases/>.
- All forward looking statements are qualified in their entirety by this cautionary statement, and Ligand undertakes no obligation to revise or update this presentation to reflect events or circumstances or updated third party research numbers occurring after the date hereof. This caution is made under the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934.

Agenda

Program 10:30am – 12:00 pm ET

LIGAND STRATEGY

Business Overview, Strategy & 2025 Accomplishments

Todd Davis

CEO

FINANCIAL UPDATE

Financial Review & Growth Expectations

Tavo Espinoza

CFO

INVESTMENT ACTIVITY

Recent Transactions & Deal Pipeline

Paul Hadden

SVP, Investments & Business Development

PELTHOS AND NITRICIL UPDATE

Pelthos and NITRICIL

Rich Baxter

SVP, Investment Operations

ZELSUVM LAUNCH

Zelsuvmi Launch & Other Business Updates

Scott Plesha

CEO, Pelthos

PORTFOLIO REVIEW

Portfolio Management & Product Updates

Lauren Hay

VP, Strategic Planning & Investment Analytics

CAPTISOL UPDATE

Captisol Updates

Karen Reeves, MD

SVP, Investments & Head of Clinical Strategy

CLOSING REMARKS

Todd Davis

CEO

INVESTOR & ANALYST Q&A

Management Team



Ligand Strategy

Business Overview, Strategy, & 2025 Accomplishments

LIGAND

Ligand Overview

2 Platform Technologies

NITRICIL™ and Captisol®

\$1B in Deployable Capital

including ~\$665M in cash and investments

Scaling Investment Team

expanding investment capacity

12 Major Royalty Generating Assets

estimated \$150M+ in 2025¹ royalty revenue

Significant Investment Opportunities

>170 investments reviewed in 2025



**Royalty
Monetization**

**Project
Finance**

**Special
Situations**

Platforms

Ligand 2022 to 2025 Comparison

During the last three years, Ligand has transformed its business model to an operationally light strategy focused on profitable and compounding growth

	2022	2023	2024	2025 ¹
Royalty Revenue	\$73M	\$85M	\$109M	\$147M – 157M
Cash OpEx	\$92M	\$40M	\$38M	\$40M
Adjusted EPS	\$2.44 ⁴	\$4.06 ⁴	\$5.74 ⁴	~\$7.50 ²
EPS Growth	–	66%	41%	31% ³
Platforms	Captisol, OmniAb, Pelican	Captisol	Captisol, NITRICIL	Captisol, NITRICIL
FTEs	170	35	42	45

1. Aggregate amounts for 2025 are estimated based upon guidance provided during the third quarter 2025 earnings call, as set forth in our press release announcing financial results for the three and nine months ended September 30, 2025 (furnished as Exhibit 99.1 to our Current Report on Form 8-K which was filed with the SEC on November 6, 2025).

2. See reconciliation of forward looking adjusted core EPS to its most directly comparable GAAP measure

3. Calculated using the mid-point range of guidance

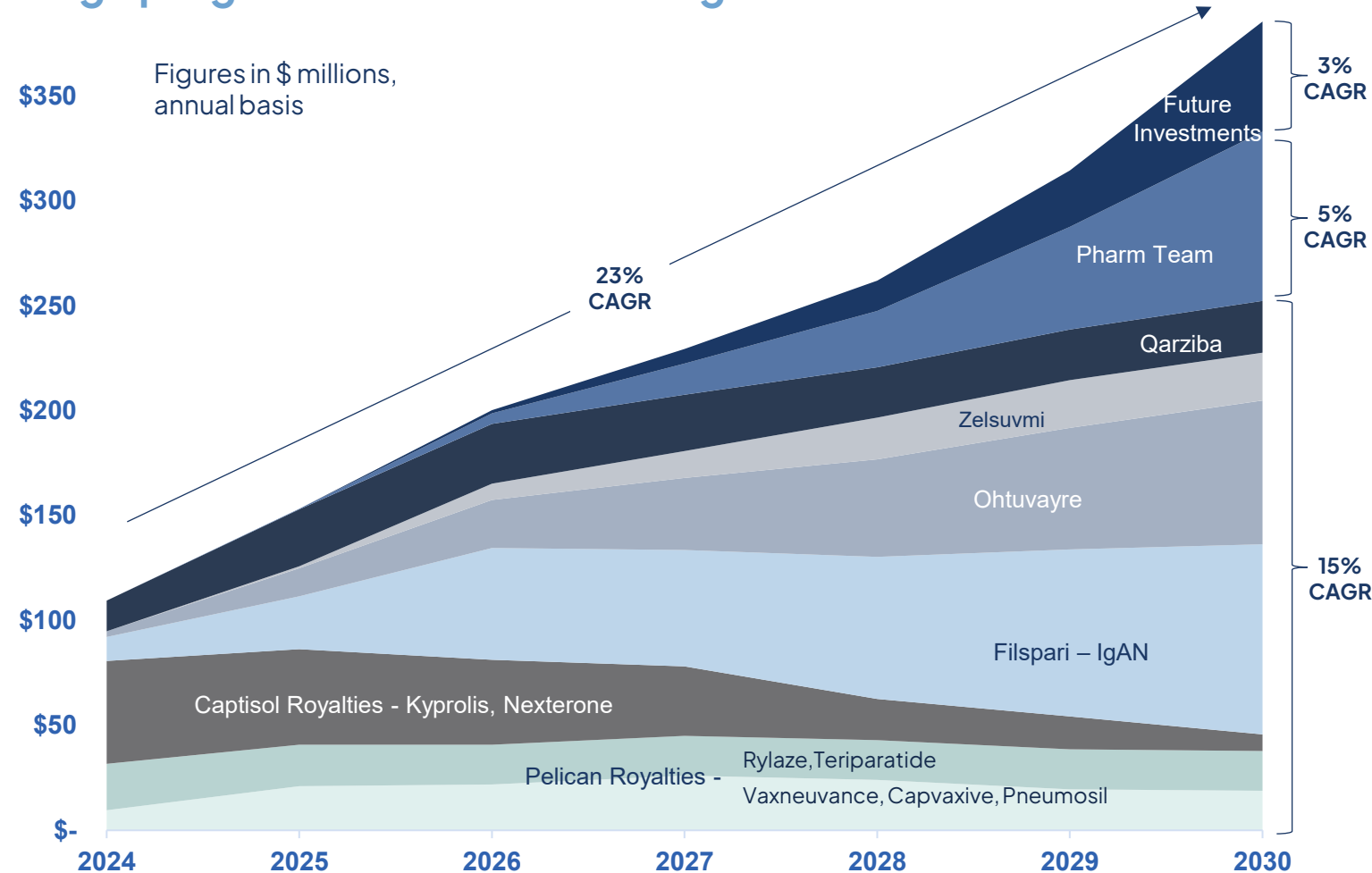
4. Adjusted EPS represents a non-GAAP measure. See our earnings releases for a reconciliation to the corresponding GAAP measure

Updated 5 - Year Outlook

Expected Royalty Receipts CAGR 23% from 2025-2030

Current portfolio of commercial and late-stage programs + new deals drive growth

- Updating long-term royalty receipt outlook to meet or exceed **23% CAGR**.
 - 22% CAGR previously shared at analyst day in December 2023 and 2024
 - Increase driven by Filspari, Ohtuvayre, & Zelsuvmi
- Existing commercial programs (15%)** and **late-stage pipeline ("Pharm Team") (5%)** supports Royalty Receipts CAGR of 20%
- Pharm Team includes risk-adjusted development stage programs including **Palvella's QTORIN rapamycin**, **Castle Creek's D-Fi**, **Orchestra's AVIM/Virtue SAB**, **Filspari in FSGS**, **Merck's Phase 2 Ohtuvayre**, **Agenus' BOT/BAL**, **Viking's VK-2809**, and other mid to late-stage programs
 - Contribution from Filspari for **FSGS** is an **estimated \$4M** and **\$40-45M** in 2026 and 2030, respectively



Sell-side consensus sales estimates used to arrive at royalty revenue from commercial programs when available

Benefits Of Royalty Investing

A royalty is a percentage of a biopharmaceutical product net sales



Royalty acquisition requires minimal corporate infrastructure



Royalties are non-dilutable and transfer to a new marketer upon company acquisition



Royalty cash flows can be protected in bankruptcy



Royalties do not assume P&L risk of the developer / marketer

Royalty investing offers high-margin, predictable, and profitable growth, as well as superior returns

Attractive Business Model



LIGAND

- ✓ Small infrastructure
- ✓ Therapeutically diverse
- ✓ Compounding strategy with uncapped upside
- ✓ Limited exposure to single asset PTRS



BIOTECH COMPANY

- × Large infrastructure
- × Narrow therapeutic focus
- × Capital intensive to scale
- × High exposure to single asset PTRS

Investment Tactics & Methods

Ligand utilizes multiple investment approaches to add late-stage programs to the portfolio

Royalty Monetization

Acquire existing royalties

- Inventors
- Universities
- Non-strategic assets held by companies

Project Finance

Fund late-stage clinical trials for royalty interest

- Applicable in all market conditions
- De-risked late-stage assets
- Favorable time to market

Special Situations

Identify companies with attractive royalty contracts and technology

Significant discounts in current equity environment

Operational team capable of cutting costs and restructuring

Platforms

Focus on infrastructure-light and leverageable platforms

- **Scalable**
Limited operations
- **Broad applicability**
Large market opportunity
- **Enabling**
Higher royalties
- **Commercially validated**
Existing royalties

Leadership Team

Differentiated Relationships & Biopharma Investment Experience

Deep network of biopharma relationships enable proprietary deal sourcing and rigorous diligence

CORPORATE MANAGEMENT



Todd Davis
Chief Executive Officer



Tavo Espinoza
Chief Financial Officer



Andrew Reardon
Chief Legal Officer



INVESTMENTS



Paul Hadden
SVP, Investments & Business Development



Rich Baxter
SVP, Investment Operations



Lauren Hay
VP, Strategic Planning & Investment Analytics



Michael Vigilante
VP, Investments & Business Development



CLINICAL OPERATIONS & TECHNOLOGY



Karen Reeves, M.D.
SVP, Investments & Head of Clinical Strategy; General Manager, Captisol



Vince Antle, Ph. D.
SVP, Technical Operations & Quality



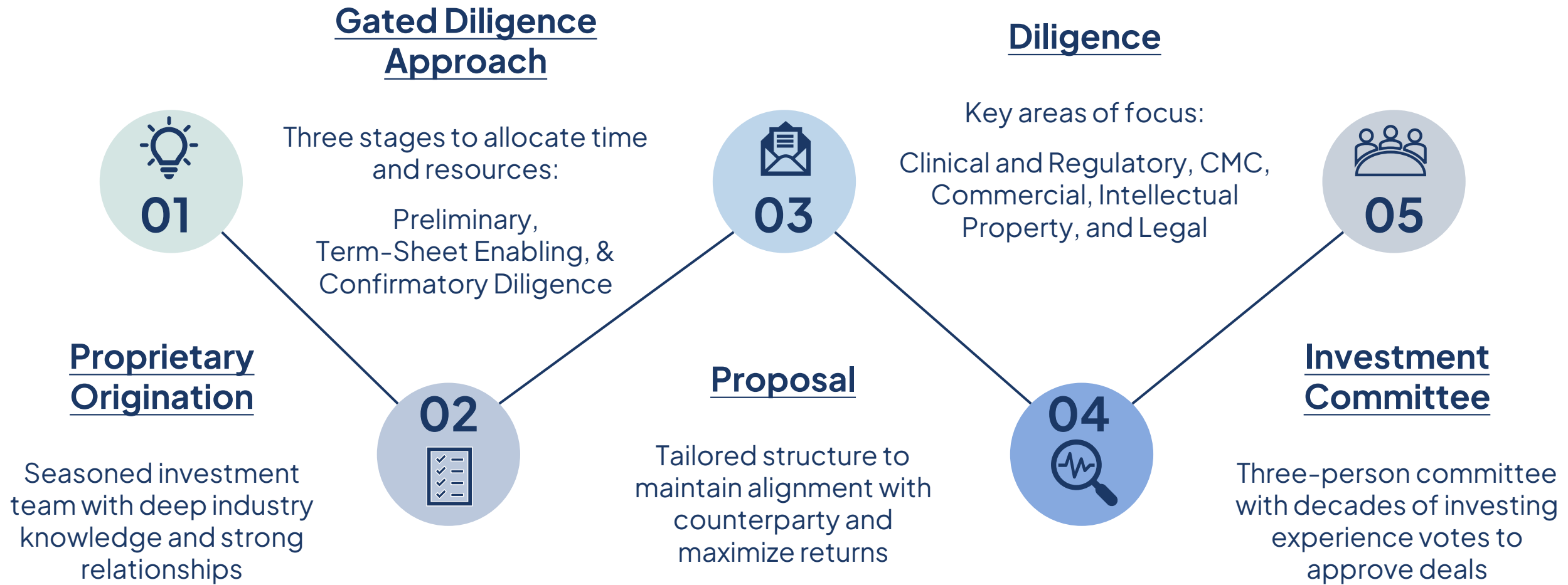
James Pipkin, Ph.D.
VP, New Product Development



Keith Marschke, Ph. D.
SVP, Biology & Scientific Affairs



Our Investment Process



Investing In Products To Address High Unmet Clinical Needs

AVIM Therapy & Virtue SAB



- Novel, high-impact, device-based hypertension and arterial disease therapies
- FDA Breakthrough Device Designation

Low-double-digit to mid-single digit royalty

D-Fi



- Cell-based gene therapy for treatment of dystrophic epidermolysis bullosa
- FDA Orphan Drug/FDA Fast Track/Rare Pediatric Disease Designations

Mid-single-digit royalty

Zelsuvmi



- First and only at home treatment option for molluscum contagiosum
- Novel drug designation

13% royalty

QTORIN Rapamycin 3.9%



- Treatment of several rare genetic skin diseases with no approved therapies
- FDA Breakthrough Therapy/ Fast Track/ FDA Orphan Drug Designations

8 to 9.8% royalty

Qarziba



- Only immunotherapy approved ex-US for treatment of high-risk neuroblastoma

Mid-teens royalty

Bot/Bal



- Relapsed/refractory microsatellite stable colorectal cancer
- FDA Fast Track Designation

Low-single-digit royalty

Tziold

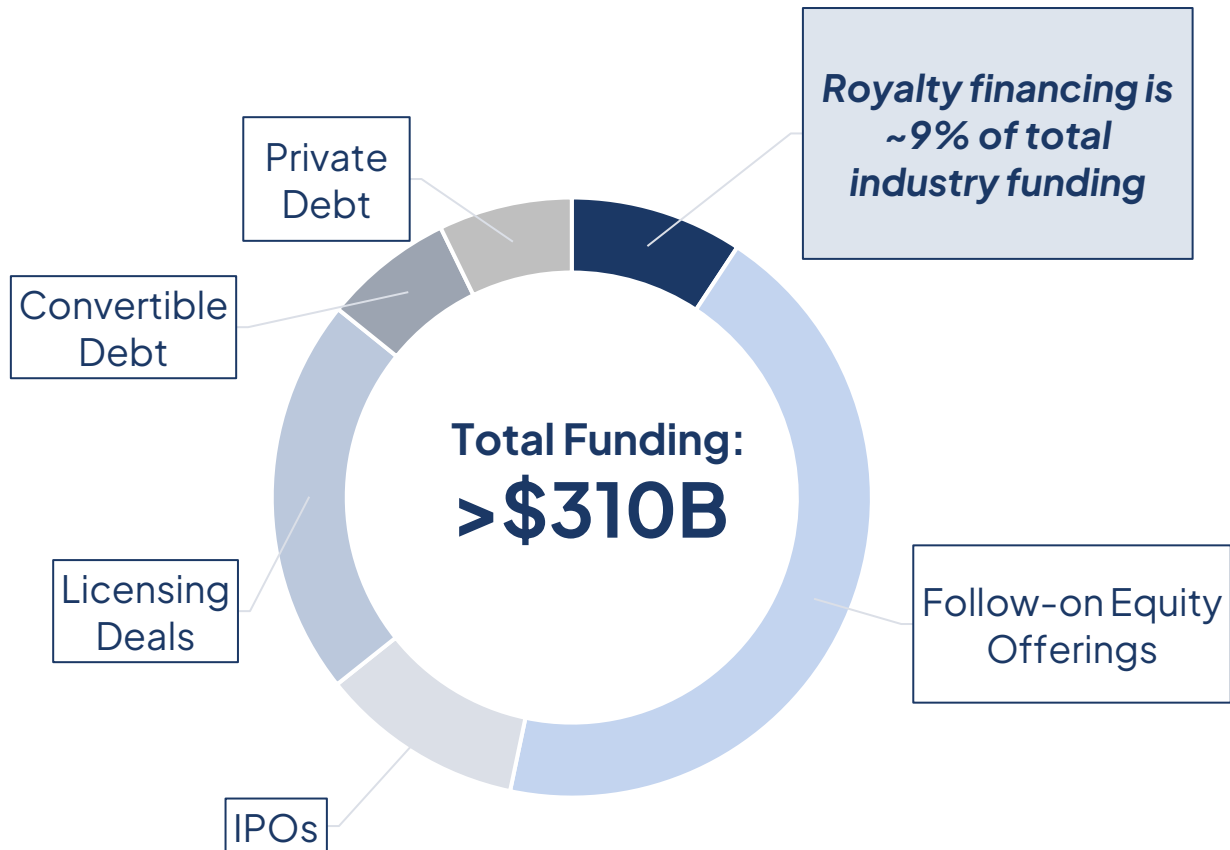


- First disease-modifying therapy in type 1 diabetes
- FDA Breakthrough Therapy Designation / FDA Commissioner's National Priority Voucher

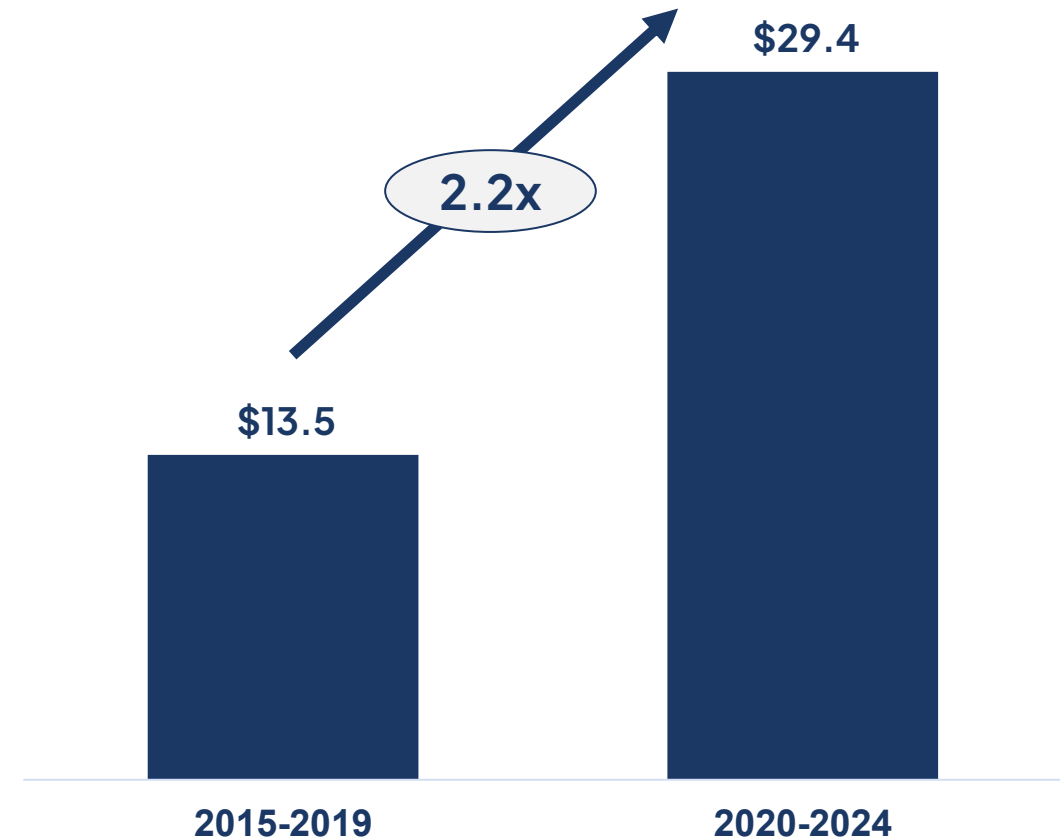
Less than 1% royalty

Biopharma Funding Landscape

Biopharma Industry Funding 2020-2024¹



Royalty Funding Market Size (\$B)¹



Progress Since 2022 Investor Day

FINANCIALS
INVESTMENTS
OPERATIONS

What we did in 2023...

- ✓ Revenue \$131M, 21% YoY increase²

- ✓ \$62M committed
 - Tzield
 - Soticlestat
 - Novan

- ✓ Spun out Pelican
 - Reduced Cash Op Ex by ~50%
 - Opened Boston office
 - Hired senior investment team

What we did in 2024 ...

- ✓ Revenue \$167M, 27% YoY increase
 - Increased guidance

- ✓ \$192M committed
 - Qarziba
 - Bot/Bal
 - 4 Ohtuvayre inventors
 - Palvella

- ✓ Approval of 3 commercial assets:
 - Zelsuvmi
 - Ohtuvayre
 - Capvaxive
 - Continued to build investment team

What we did in 2025 ...

- ✓ Revenue \$225M - 235M, 38%¹ YoY increase
 - Increased guidance twice

- ✓ \$130M committed
 - Castle Creek
 - Orchestra BioMed
 - Pelthos
 - Arecor
 - 1 Ohtuvayre inventor

- ✓ Merged Pelthos with Channel, launching Zelsuvmi
 - Formalized portfolio management
 - Scaled investment team

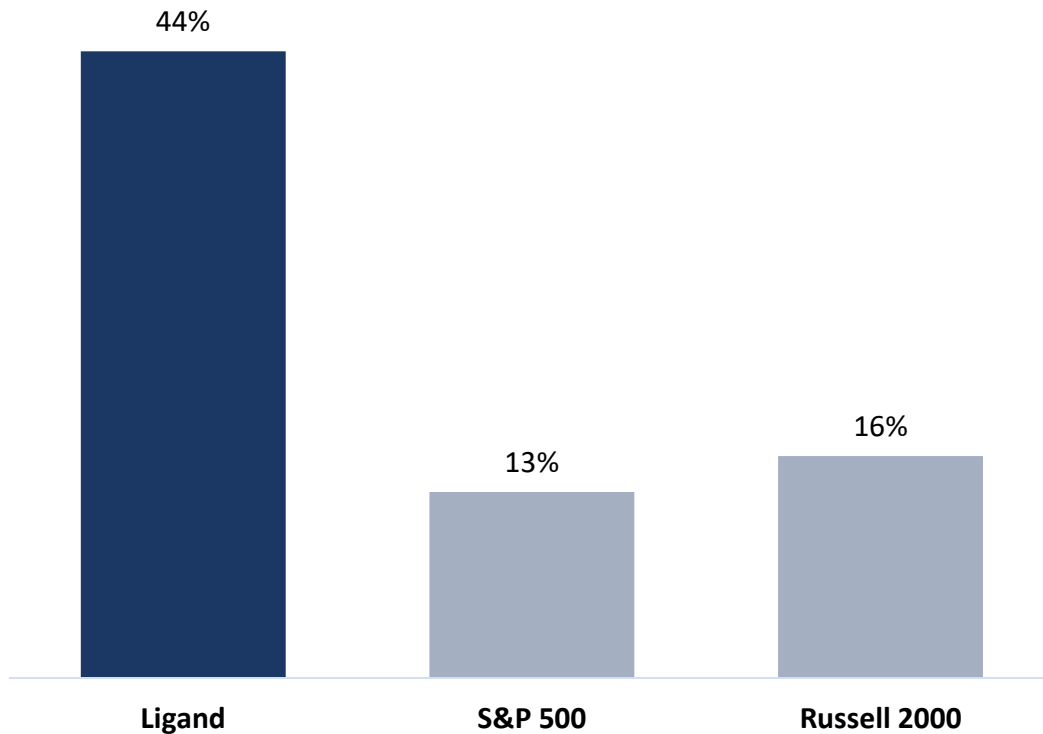
¹ Calculated using the mid-point range of guidance

² Excluding sales related to COVID-19

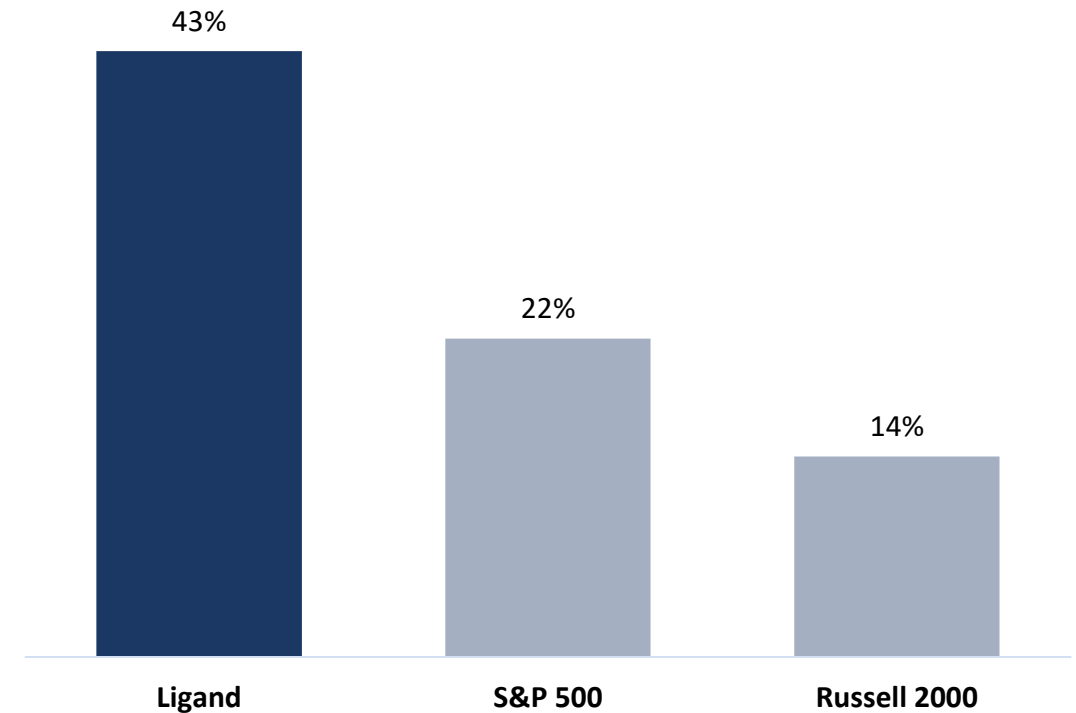
Ligand's Track Record of Execution & Value Creation

Performance vs. Market Indices Since Restructuring in 2022

EPS Growth 4Q22 to 3Q25⁽¹⁾



Total Shareholder Returns 4Q22 to 3Q25⁽²⁾



Ligand has consistently outperformed across EPS growth and TSR since its restructuring in 2022

Source: FactSet, and Company Filings.

(1) LTM median growth figures for S&P500 and Russell 2000 excludes companies with negative EPS or negative growth over measurement period. Ligand calculations based on core, continued operations metrics and excludes impact of COVID. Adjusted EPS represents a non-GAAP measure. See our earnings releases for a reconciliation to the corresponding GAAP measure.

(2) TSR calculated as price appreciation plus dividends received assuming dividend reinvestment as of ex-dividend date.

LIGAND

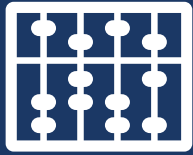


Financial Update

Financial Review & Growth Expectations

LIGAND

Overview



**2025 review and
2026 outlook
preview**



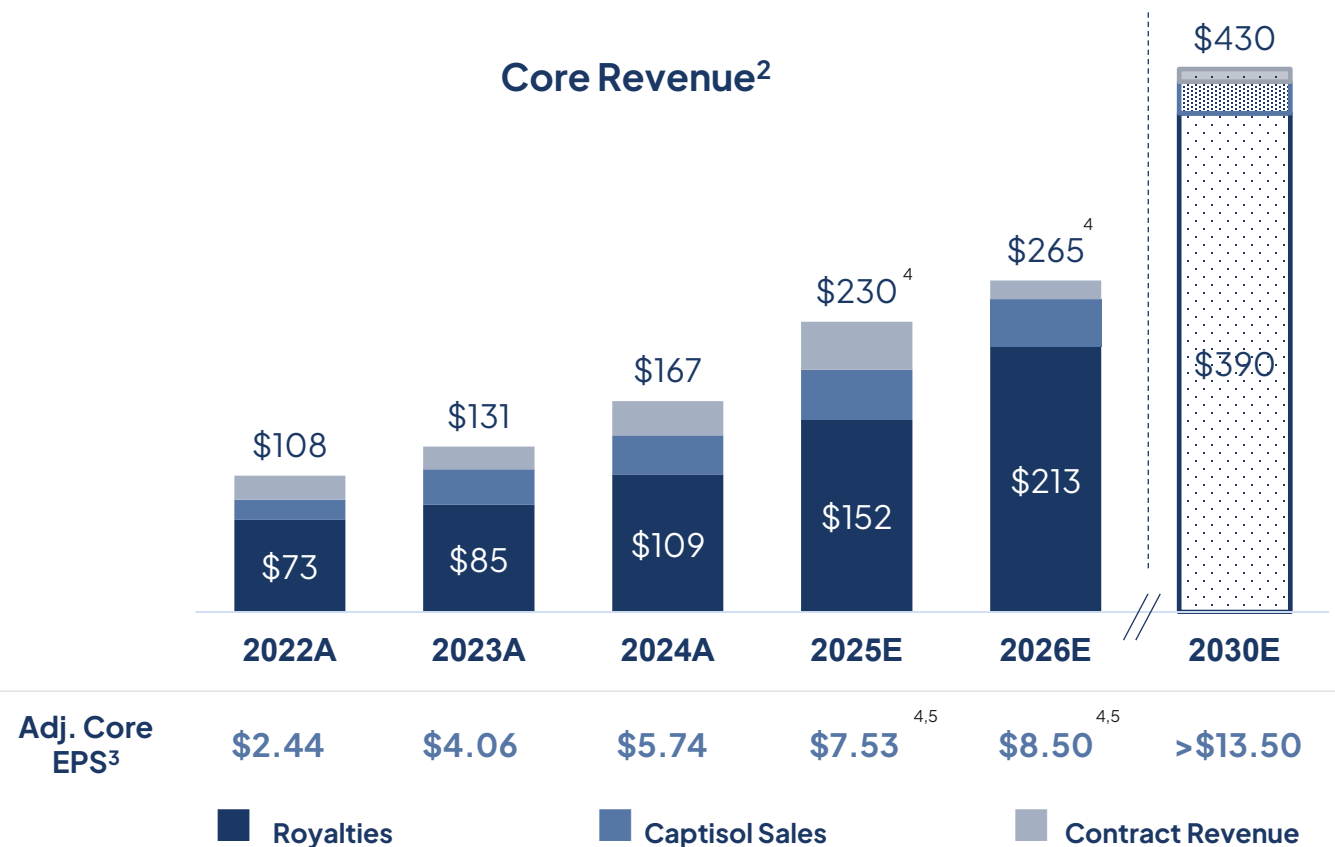
**Deep dive into our
long-term 2030
outlook**



**Balance sheet and
capital capacity**

Proven Execution & Positioned For Continued Growth

Profits have tripled since 2022, driving strong share price performance



- Strong operating leverage driving margin expansion and sustained EPS growth
- Past catalysts include the OmniAb, Pelican and Pelthos spinouts, Apeiron acquisition and approvals of Filspari, Ohtuvayre, & Capvaxive
- 22% revenue CAGR and 24% EPS CAGR from 2022 through 2030, driven by royalty aggregation and portfolio expansion
- Commercial portfolio and BD pipeline expected to deliver >\$400M revenue and EPS >\$13.50 by 2030

1. Figures from 11/2/2022 to 9/30/2025.

2. Excludes Covid-19 related Captisol sales in 2022 and gains associated with the sale of Pelthos to Channel Therapeutics in Q3 2025, except the Zelsuvmi out-license component, as it represents a core element of the Company's value creation strategy. See our Q3 25 earnings release for a reconciliation to the corresponding GAAP measure other than the 2025 guidance.

3. Excludes gains from short-term investments on the sale of Viking Therapeutics stock. Actual historical Adjusted Core EPS represents a non-GAAP measure. See our Q3 25 earnings release for a reconciliation to the corresponding GAAP measure.

4. Calculated using the midpoint of management guidance.

5. See reconciliation of forward looking adjusted core EPS to its most directly comparable GAAP measure

Financial Headlines – Reiterating 2025 Guidance

Total Core Revenue²
\$225M – 235M

Royalty revenue ~\$150M, growth of ~40%¹

~\$175M

Operating cash flow generation⁴

Adjusted Core EPS²
\$7.40 – 7.65

~30% growth over 2024¹

Cash & Investments³
\$665M

~\$1B in Deployable Capital as of 9/30/25

1. Growth % based on mid-point of range; excludes the impact on gross profit, net of tax, from COVID-related Captisol and gains from Viking Therapeutics Stock sales. See our Q3 25 earnings release for a reconciliation to the corresponding GAAP measure
2. See reconciliation of forward looking total core revenue and adjusted core EPS to its most directly comparable GAAP measure
3. Cash & Investments includes \$26M in VKTX stock as of 9/30/2025. See non-GAAP reconciliation in the third quarter 2025 earnings press release.
4. Expected operating cash flow on an annualized basis as of 9/30/2025

2025 Financial Guidance

Projecting 40% Royalty Revenue Growth, 31% Adjusted Core EPS Growth¹

	2024(A)	2025(G)	% Change ¹
Royalty Revenue	\$109M	\$147–157M	40%
Captisol Sales	\$31M	\$40M	29%
Contract Revenue	\$27M	\$38M	41%
Total Core Revenue*	\$167M	\$225–235M	38%
COGS	\$11M	\$14M	(27%)
Core Cash OpEx*	\$39M	\$40M	(3%)
Cash Operating Profit*	\$117M	\$171 – 181M	50%
Share Count	18.9M	20.5M	8%
Adjusted Core EPS*	\$5.74 ²	\$7.40–7.65 ³	31%

- Royalty revenue growth driven by Filspari, Ohtuvayre, Qarziba, & Capvaxive
- Contract revenue is event driven / not linear
 - 2024 driven primarily by the Ohtuvayre approval and launch milestones of ~\$20M
 - 2025 driven primarily by Zelsuvmi outlicense of ~\$25M
- Increase in share count driven by ATM issuance in 2024 and equity award dilution due to higher stock price
- Increase in Adjusted Core EPS driven by increase in operating profit, offset by increase in share count

*Excludes costs incurred to incubate the Pelthos business and the gain on the sale of the Pelthos business where applicable.

1. Calculated using the midpoint of guidance range where applicable

2. Actual historical Adjusted Core EPS represents a non-GAAP measure. See our earnings releases for a reconciliation to the corresponding GAAP measure.

3. See reconciliation of forward looking total core revenue and adjusted core EPS to its most directly comparable GAAP measure

Strong Tailwinds Heading into 2026

- ✓ **Traverse's Filspari – Full FDA approval and label expansion; Ligand earns 9% royalty**
 - Assumed 2026 product sales: ~\$600 million (includes modest risk-adjusted assumption for FSGS)
- ✓ **Merck's Ohtuvayre – Acquisition of Verona by Merck in November**
 - Consensus peak sales: \$3.1B; potential upside by capturing 4% of 8.6M US patients
- ✓ **Merck's Capvaxive – Outperformed expectations in the first-year post-launch**
 - Merck investing heavily in marketing to drive growth
- ✓ **Recordati's Qarziba – Continues to outperform initial underwriting assumptions**
- ✓ **Pelthos' Zelsuvmi – Strong Q3 2025 launch; momentum expected to accelerate into 2026**

2026 Financial Guidance Preview

Royalty Revenue¹

\$200 – 225M

Royalty revenue growth of 40% over 2025*
Driven by Filspari, Ohtuvayre, Capvaxive and Zelsuvmi

Total Revenue

\$245 – 285M

Total revenue increase ~15% over 2025

Adjusted Core EPS*¹

\$8.00 – 9.00

Adjusted EPS increase ~13% over 2025

Non-Royalty Revenue

Captisol: \$35 – 40M

Contract: \$10 – 20M

2026 Financial Guidance Preview

	2025 Guidance Reiterated	2026 Guidance Preview
Total Revenue	\$225 – 235M	\$245 – 285M
COGS	\$15M	\$13 – 15M
Core Cash OpEx	\$40M	\$45M
Cash Operating Profit*	\$171 – 181M	\$187 – 225M
Other Income	\$20 – 22M	\$28 – 32M
Adjusted Net Income*	\$150 – 160M	\$170 – 200M
Share Count	20.3 – 20.9M	21.3 – 22.2M
Adjusted Core EPS*	\$7.40 – 7.65	\$8.00 – 9.00

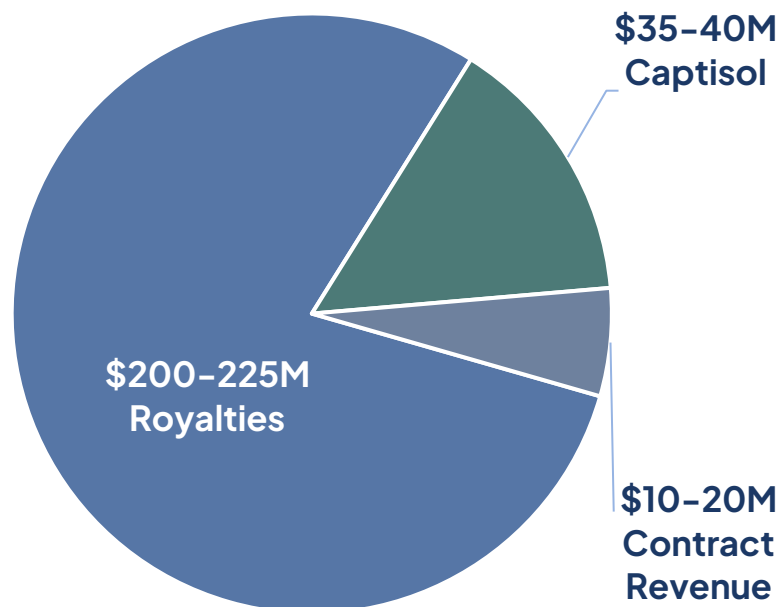
- **Total Revenue** up ~15% at the mid-point driven by royalty revenue growth
- **Core Cash Opex** reflects continued scaling of the BD and Investment teams
- **Cash Operating Profit** grows 17% at the midpoint, reflecting operating leverage and continued royalty growth
- **Other Income** benefits from higher interest income on a larger cash balance and assumed realized equity gains in 2026
- **Adjusted Core EPS** up ~13% vs 2025 at the midpoint

2026 Revenue Guidance Components

Royalty revenue ~40% growth expected vs. 2025¹

Forecasting Total 2026 Revenue of \$245–\$285M

(in millions)



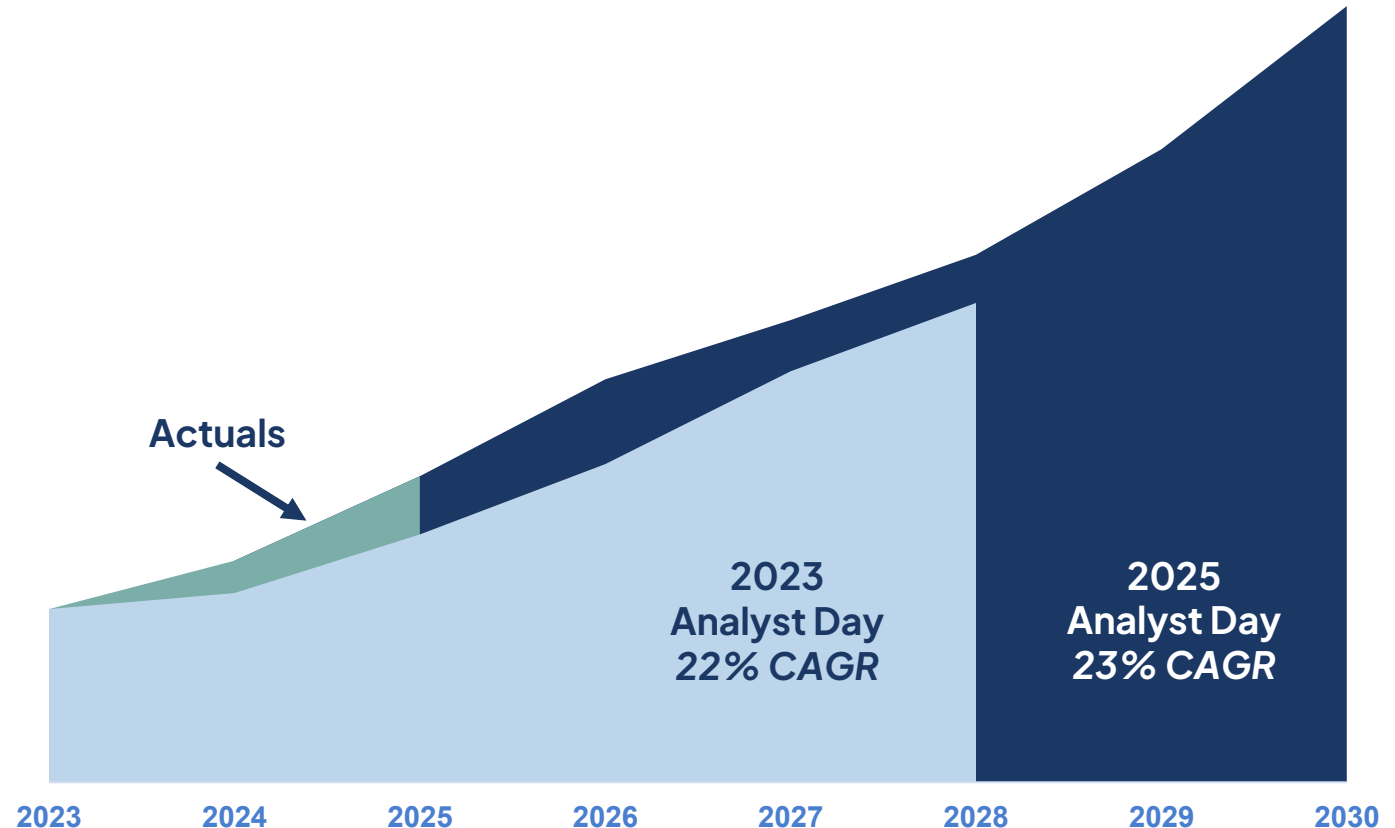
Royalty Revenue Forecast ²			
Product	2025	2026	% Change
Filspari	\$30–32M	↑ ↑	~75%
Ohtuvayre	\$10–11M	↑ ↑ ↑	~150%
Qarziba	\$23–25M	↑	–
Capvaxive	\$8–9M	↑ ↑	~70%
Zelsuvmi	\$2–3M	↑ ↑ ↑	~200%
Kyprolis	\$35–36M	–	–
Other*	\$39–41M	↑ ↑	~65%
Total	\$147–157M	\$200–225M	~40%

Growth in 2026 driven by Filspari, Ohtuvayre, Zelsuvmi, & Capvaxive

5-Year Outlook Comparison – Then & Now

We exceeded our 2024–2025 royalty outlook and raised our long-term CAGR expectations

- Royalty receipts over the last two years have exceeded our prior outlook
 - Stronger than expected performance from Capvaxive, Ohtuvayre, & Filspari
 - Driven by accretive acquisitions such as Qarziba and the Ohtuvayre inventor royalty monetization
- Conservative assumptions across the portfolio and new investments supports outperformance vs. the original 5-year CAGR

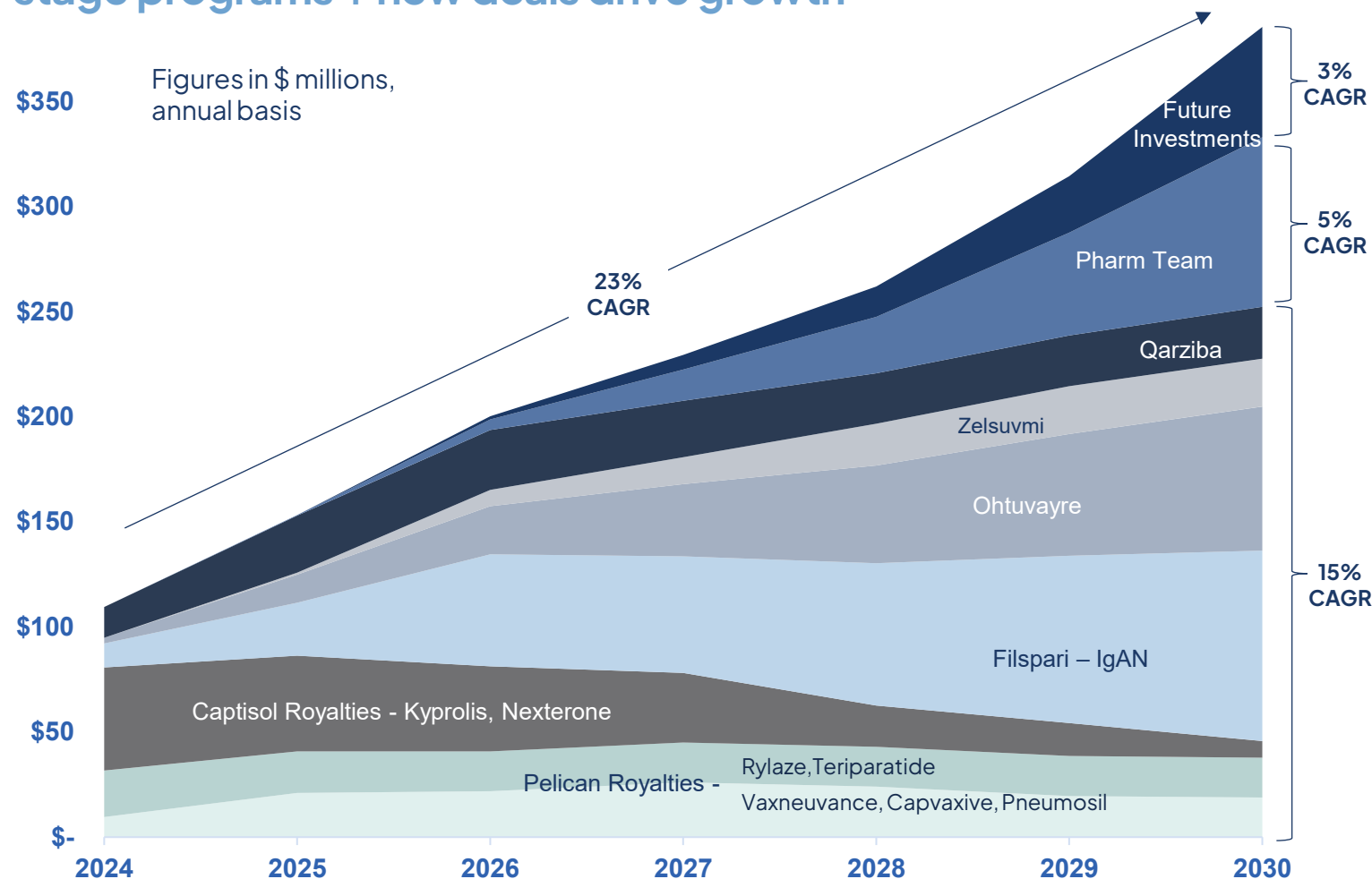


Updated 5 - Year Outlook

Expected Royalty Receipts CAGR 23% from 2025-2030

Current portfolio of commercial and late-stage programs + new deals drive growth

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 - Contribution from Filspari for **FSGS** is an **estimated \$4M** and **\$40-45M** in 2026 and 2030, respectively



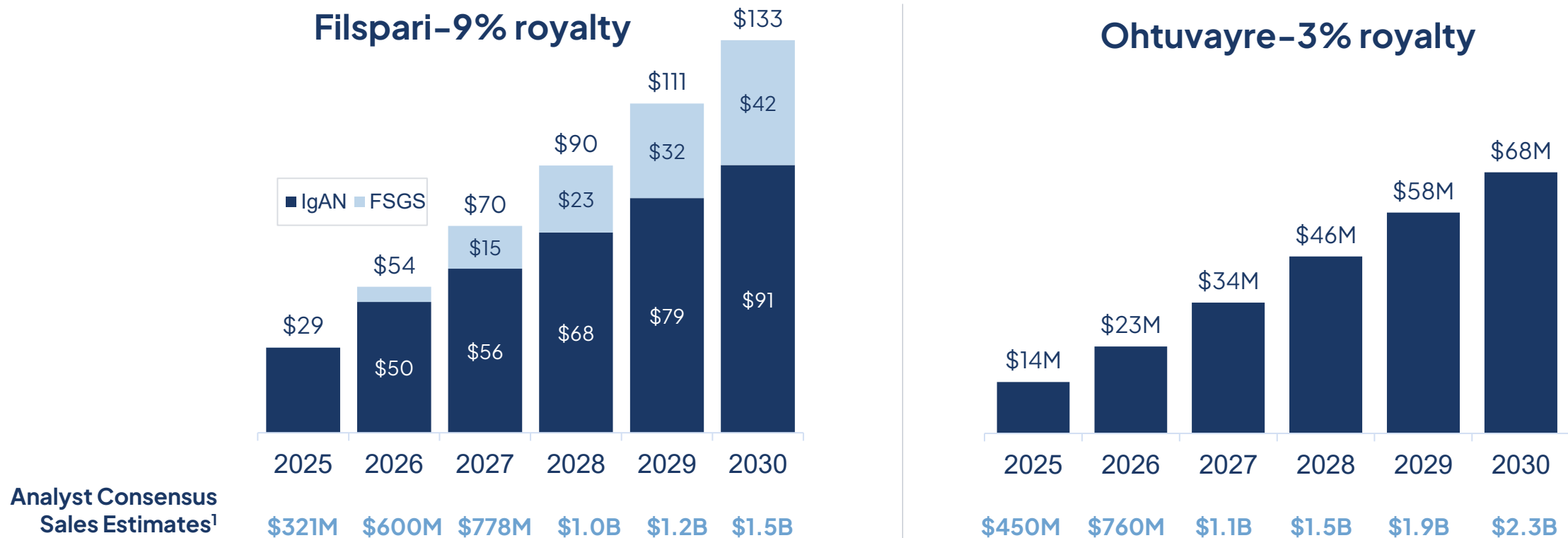
Sell-side consensus sales estimates used to arrive at royalty revenue from commercial programs when available

Filspari & Ohtuvayre – Key Drivers of Long-Term Royalty Growth

Based on sell-side consensus sales forecasts

Consensus points to combined royalties of ~\$200 million by 2030

Ligand Potential Royalty Receipts



Balance Sheet Strength & Deployable Capital

Positioned to drive long-term royalty growth through disciplined allocation

~\$1B

Deployable Capital

Cash & ST Investments: ~\$665M,
Credit Facility: \$200M

Equity Portfolio (as of 9/30/2025)

Holdings	MV	Cost	Gain/Loss
Pelthos	\$138M	\$62M	\$76M
Viking	26M	1M	25M
Palvella	15M	3M	12M
Orchestra	5M	5M	-
Other	2M	5M	-3M
Sub Total	\$186M	\$76M	\$110M

Deploying Capital to Drive Long-Term Growth



Royalty Portfolio Expansion

- Capital for high-value program acquisitions
- Strengthen and extend long-term royalty curve



Equity Monetization (2026+)

- Phased monetization approach
- Realized gains flow through adjusted earnings



Strong Internal Cash Generation

- ~\$175M annual operating cash flow
- Recurring inflow strengthens deployable capital base

Designed to compound royalty value through disciplined capital deployment

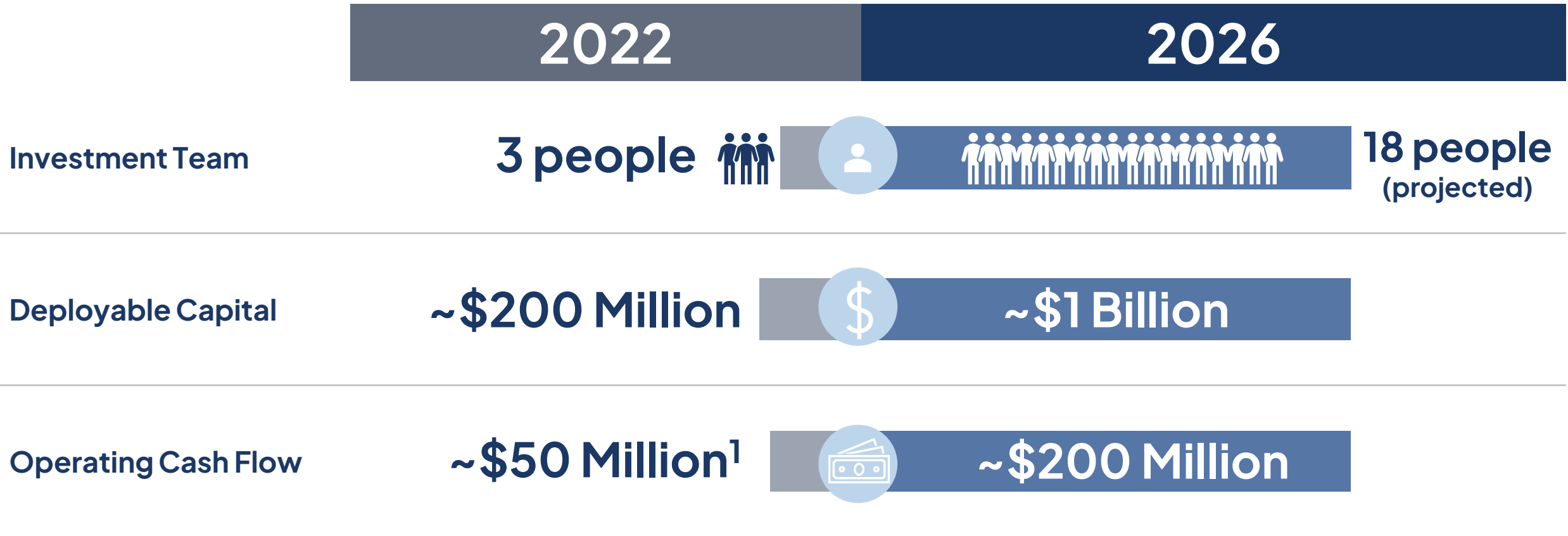


Investment Activity

Recent Transactions & Deal Pipeline

LIGAND

Investment Strategy & Execution Progress



Origination Strengths

01

Seasoned investment team with decades of experience

02

Robust outbound efforts driven by focused investment criteria

03

Relationships with numerous potential royalty sellers

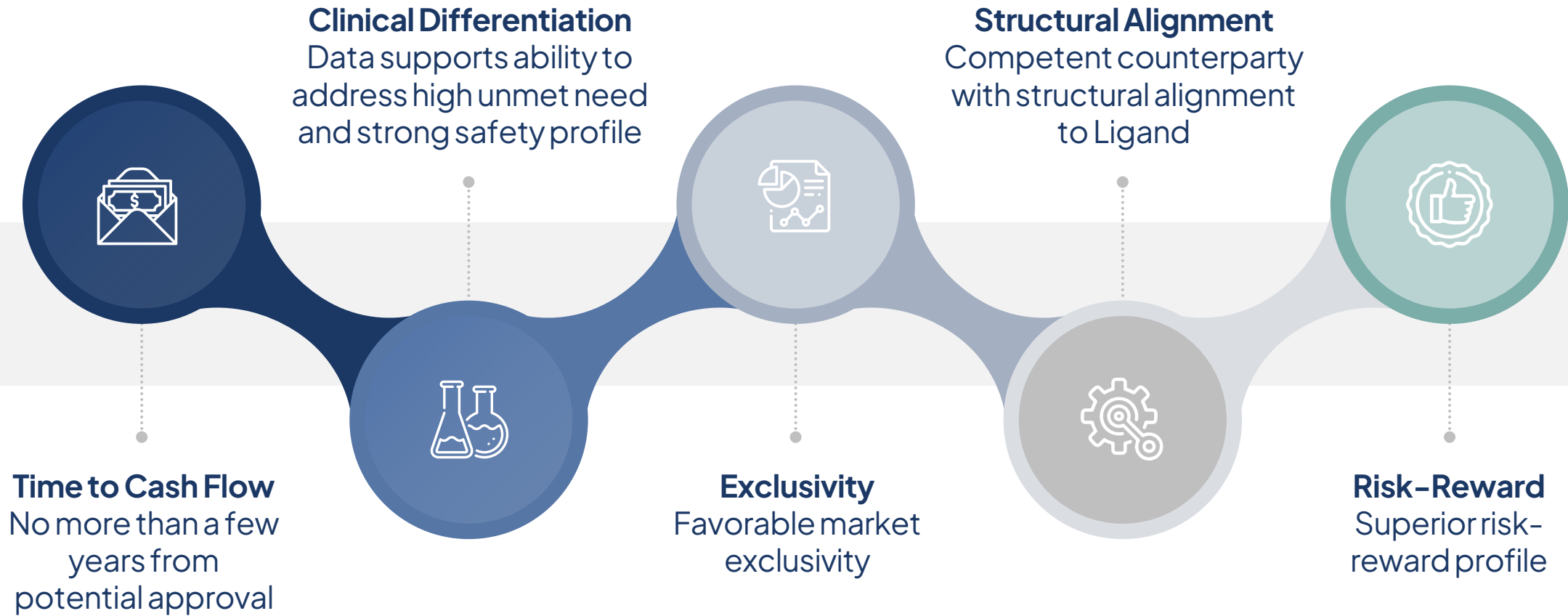
04

Structural flexibility to participate across the capital structure

05

Nimble organization with ability to move quickly

Investment Criteria



Diligence Process

Clinical & Regulatory

- ✓ Ligand's scientific expertise is supplemented with **therapeutic area-specific consultant** input on PTRS
- ✓ KOLs are interviewed to understand the **treatment paradigm, product selection drivers, competitive landscape, unmet needs, and asset opportunity**

CMC

- ✓ Ligand engages deep subject matter experts to review and validate all CMC processes and protocols and provide comprehensive insights into **potential risks of delayed approval or post-approval supply chain disruption**

Commercial

- ✓ Highly specialized disease experts are engaged across three major commercial areas: **Sales and Marketing, Forecasting, and Market Access**

Intellectual Property

- ✓ Counsel conducts a thorough **review of all IP** protecting the asset
- ✓ Diligence first quickly focuses on any potential **dealbreakers** on patent term and strength, followed by a more **fulsome review of the IP estate**

Legal

- ✓ Initial focus is on **underlying contracts**, as well as definitions of **valuation criteria**
- ✓ Subsequent focus involves **contracting**, seeking to protect Ligand from any contractual risks

2025 Investment Activity

**175+ Investments
Reviewed**

Leveraged team's extensive experience across therapeutic categories and technologies to facilitate quick kills and focus on highest value opportunities

69 CDAs Signed

Initiated in-depth research and engaged external consultants to rapidly identify and focus on key opportunities, risks, and diligence questions. Evaluated revenue and valuation dynamics

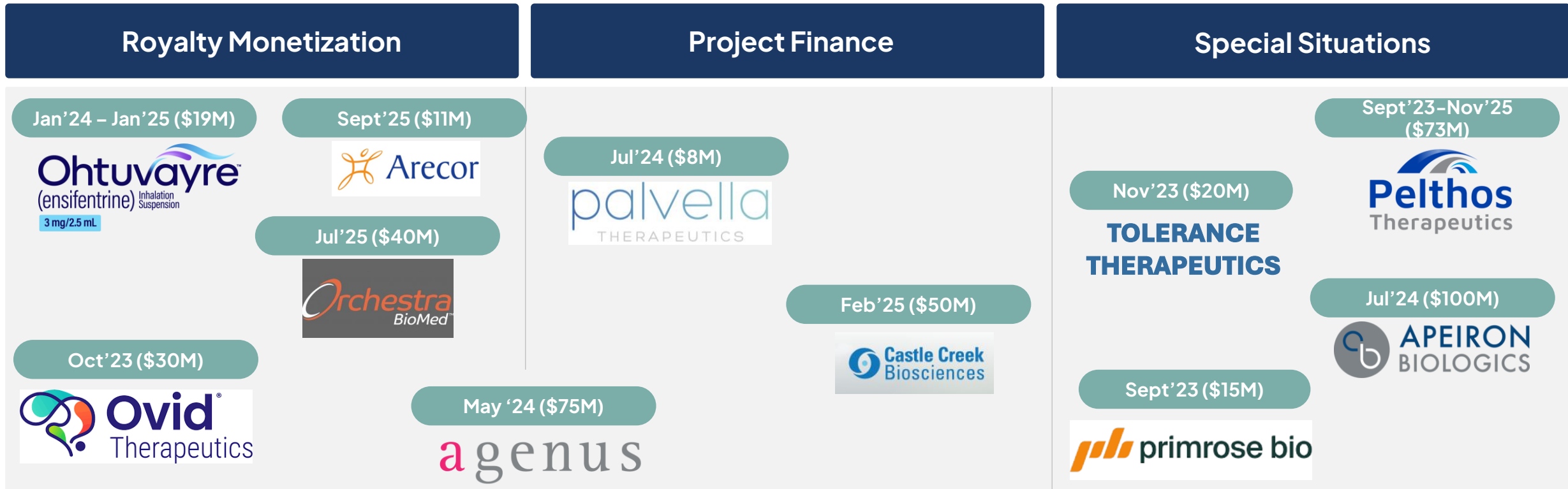
**6
Investments
Closed**

Conducted thorough due diligence across clinical, regulatory, commercial, CMC, IP, and legal categories to qualitatively and quantitatively characterize the investment opportunity

Ligand Investment Activity

During the past 2 years, Ligand has committed over \$400M into 11 investments which reflect the diverse strategic approaches we can pursue

Investment Approach and Counterparties



Castle Creek Investment Overview



Provides royalty on global net sales of Castle Creek's Phase 3 D-Fi in DEB
Investment proceeds will be used to fund Phase 3 trial through topline data results

Transaction Highlights

Transaction Value • \$50M Ligand investment

Royalty Rate • Mid-single digit royalty (worldwide)

Additional Structural Details • \$25M syndicated co-investment
• Warrant consideration

D-Fi Overview

Indication • Dystrophic Epidermolysis Bullosa (DEB)

Value Proposition • Commercially validated, > \$1B market potential
• Clinically validated COL7A1 target
• Potential to address difficult to treat wounds
• Future treatment paradigm likely to involve combination approaches

Developer • Castle Creek Biosciences

Orchestra BioMed Investment Overview



Provides royalty on revenues received by Orchestra on AVIM and Virtue SAB therapies

Transaction Highlights

- Transaction Value**
- \$40M Ligand investment
 - \$20M initial investment
 - \$5M equity investment
 - \$15M to be funded on the 9 month anniversary of closing

- Royalty Rate**
- High-teens royalty on Orchestra's revenues <\$100M related to AVIM therapy and Virtue SAB in all indications
 - Mid-single-digit royalty on Orchestra's revenues >\$100M related to AVIM in uncontrolled hypertension and increased cardiovascular risk indications and Virtue SAB in coronary artery disease

AVIM Therapy & Virtue SAB Overview

- Indication**
- AVIM therapy in uncontrolled hypertension and increased cardiovascular risk
 - Virtue SAB in coronary artery disease

- Value Proposition**
- Breakthrough Device Designation
 - Partnerships with Medtronic for AVIM therapy and Terumo for Virtue SAB

- Developer**
- Orchestra BioMed

2026 Investment Outlook



INVESTMENT PIPELINE

Ligand's Q4 pipeline has over 30+ actionable opportunities representing in excess of \$1B of potential investments



2026 OUTLOOK

Ligand is well positioned and resourced to close multiple investments in 2026, depending on the size and quality of the opportunities



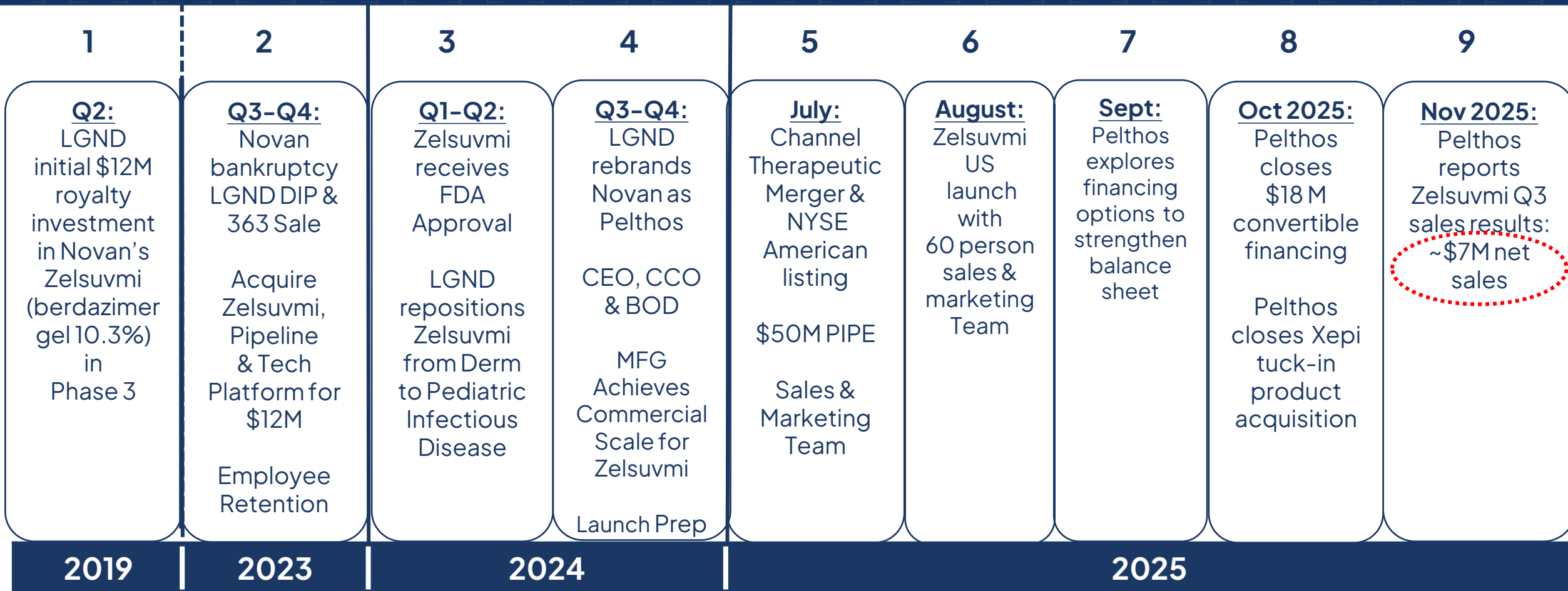
Ligand Special Situations Approach, Pelthos, & NITRICIL™

LIGAND

Ligand Special Situations Investment Approach



Pelthos Past...



Pelthos Present...

In ~2-years, Ligand:

- Took Pelthos from insolvency to a standalone, NYSE American listed, ~\$300M market cap (fully diluted)
- Executed a complex, highly complementary, product acquisition with Xepi
- Created immense operating leverage, option value, potential for future capital gains and royalty income
- Structured a **13% royalty on future net sales of Zelsuvmi**, a **2.5% royalty on net sales of Xepi** as well as a **convertible financing** with additional **potential royalty income from the future Japan launch of Zelsuvmi**, all with excellent risk adjusted returns

Ligand owns ~50% of Pelthos
2-year mark-to-market MOIC of ~2x and IRR of ~46%
before receiving \$1 of royalty income



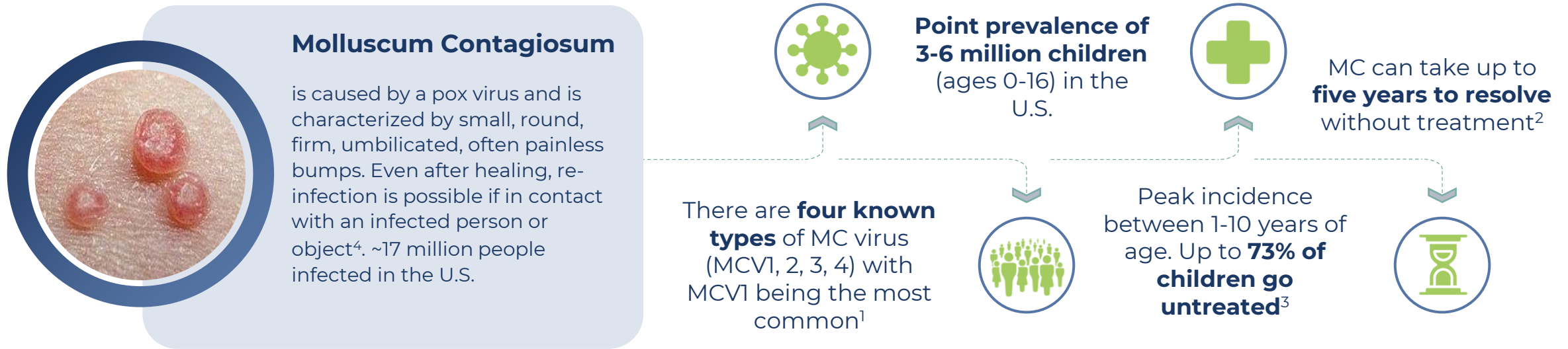
Pelthos & Zelsuvmi Launch Update

Scott Plesha - Pelthos CEO

LIGAND

Molluscum Contagiosum

A highly infectious viral condition primarily affecting children 1 year of age or older



Untreated Molluscum Contagiosum Has Severe Effects

Infection, Persistence, and Spread

Auto-inoculation²

Highly contagious to others

↑ risk of secondary bacterial infections²

Pain & Skin Irritation

Potential worsening of atopic dermatitis

Itching, redness

Inflammation

Visible and Psychological Impacts

Anxiety

Social withdrawal

Zelsuvmi™ Has Potential To Shift MC Treatment Paradigm

Current Options



- Other available topical treatment **requires in-office visits every 3 weeks**²



- **Painful, destructive** treatments³



- Necessitates travel to HCP offices, adding to the **time burden for MC patients and caregivers**²



- Remaining treatment options such as off-label drugs / natural remedies have **unproven** efficacy⁴



**Breakthrough Product,
Breakthrough Results**

58.1%

Mean MC Lesion
reduction count⁽¹⁾

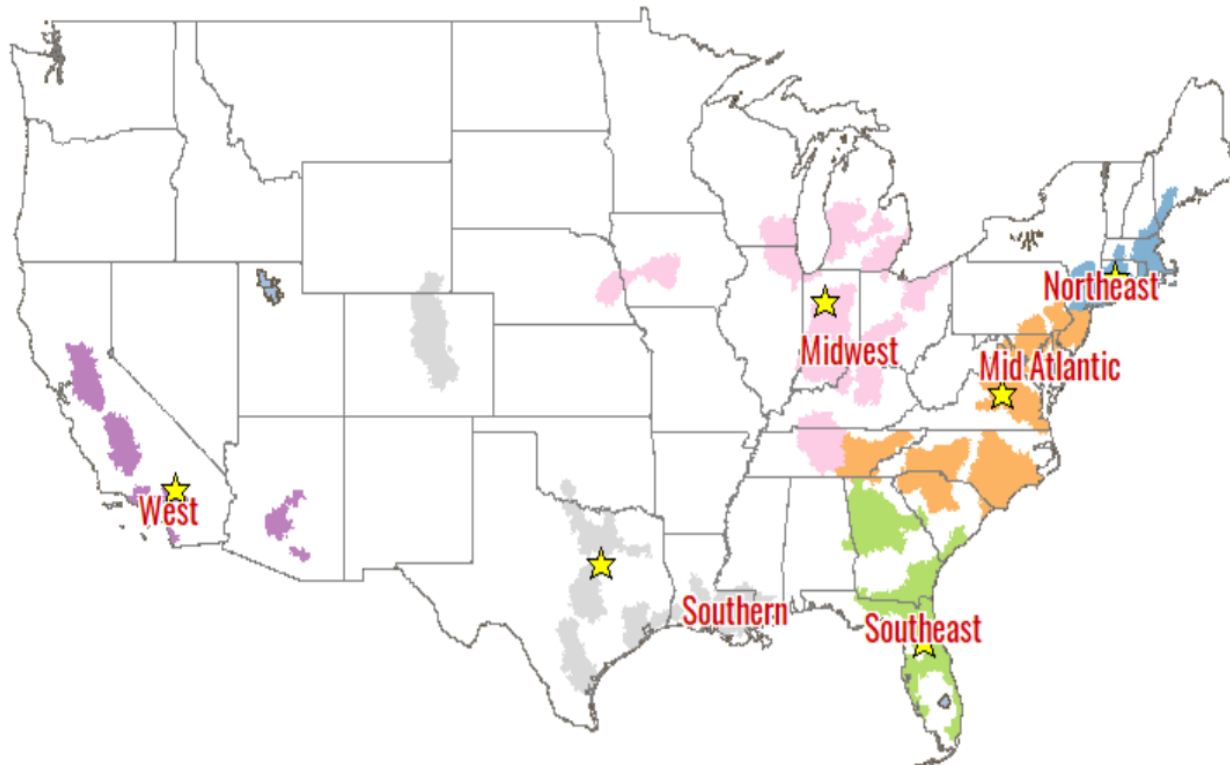
Zelsuvmi™

- **Daily** application that can be **started immediately**
- **Attractive safety profile** demonstrated in clinical trials with no / minimal scarring^{5,6}
- **First FDA approved medication** for molluscum that can be applied at home by patients or caregivers⁵
- **Demonstrated, proven efficacy** across key primary and secondary endpoints in clinical trials⁶

1. Least-squares mean count reduction. See Figure 9: Browning JC, Hebert A, Enloe C, Cartwright M, Maeda-Chubachi T. Berdazimer Gel 10.3% is a Clinically Meaningful Therapeutic Intervention for Molluscum Contagiosum. Abstract and poster presented at Fall Clinical 2024. Las Vegas, NV. October 24-27, 2024.
2. Eichenfield LF, Kwong P, Gonzalez ME, et al. Safety and Efficacy of VP-102 (Cantharidin, 0.7% w/v) in Molluscum Contagiosum by Body Region: Post hoc Pooled Analyses from Two Phase III Randomized Trials. J Clin Aesthet Dermatol. 2021;14(10):42-47.
3. Hebert AA, Bhatia N, Del Rosso JQ. Molluscum Contagiosum: Epidemiology, Considerations, Treatment Options, and Therapeutic Gaps. J Clin Aesthet Dermatol. 2023;16(8 Suppl 1):S4-S11.
4. Ong SK, Hoft I, Siegfried E. Analysis of over-the-counter products marketed to treat molluscum contagiosum. Pediatr Dermatol. 2021;38(5):1400-1403. doi:10.1111/pde.14776.
5. Zelsuvmi Package Insert. 6.) Sugarman JL, Hebert A, Browning JC, et al. Berdazimer gel for molluscum contagiosum: An integrated analysis of 3 randomized controlled trials. J Am Acad Dermatol. 2024;90(2):299-308. doi:10.1016/j.jaad.2023.09.066Ong

Commercial Launch Overview

Sales Force of 50 Territory Managers Reaching Highest Molluscum Treaters



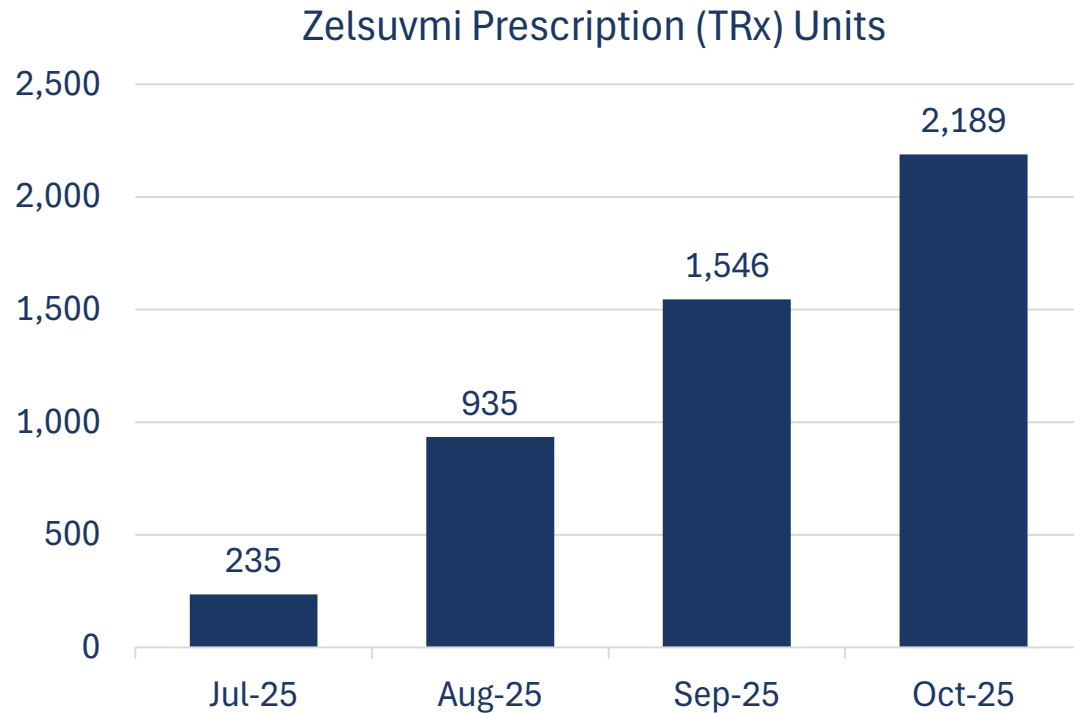
NORTHEAST		MID ATLANTIC		SOUTHEAST	
1.	Boston North, MA	1.	Toms River, NJ	1.	Atlanta North, GA
2.	Boston South, MA	2.	Philadelphia, PA	2.	Atlanta South, GA
3.	Providence, RI	3.	Baltimore, MD	3.	Jacksonville, FL
4.	Hartford, CT	4.	Washington, D.C	4.	Fort Lauderdale, FL
5.	Long Island, NY	5.	Richmond, VA	5.	Orlando, FL
6.	Brooklyn, NY	6.	Raleigh, NC	6.	West Palm Beach, FL
7.	New York, NY	7.	Charlotte, NC	7.	Tampa, FL
8.	Summit, NJ	8.	Knoxville, TN	8.	Miami, FL
9.	Spring Valley, NY				

MIDWEST		SOUTHERN		WEST	
1.	Chicago North, IL	1.	New Orleans, LA	1.	Phoenix North, AZ
2.	Chicago South, IL	2.	Houston North, TX	2.	Phoenix South, AZ
3.	Indianapolis, IN	3.	Houston South, TX	3.	San Bernardino, CA
4.	Grand Rapids, MI	4.	Fort Worth, TX	4.	Santa Ana, CA
5.	Detroit, MI	5.	Dallas, TX	5.	Los Angeles South, CA
6.	Cleveland, OH	6.	Austin, TX	6.	Los Angeles North, CA
7.	Cincinnati, OH	7.	San Antonio, TX	7.	Visalia, CA
8.	Omaha, NE	8.	Denver, CO	8.	Sacramento, CA
9.	Nashville, TN				

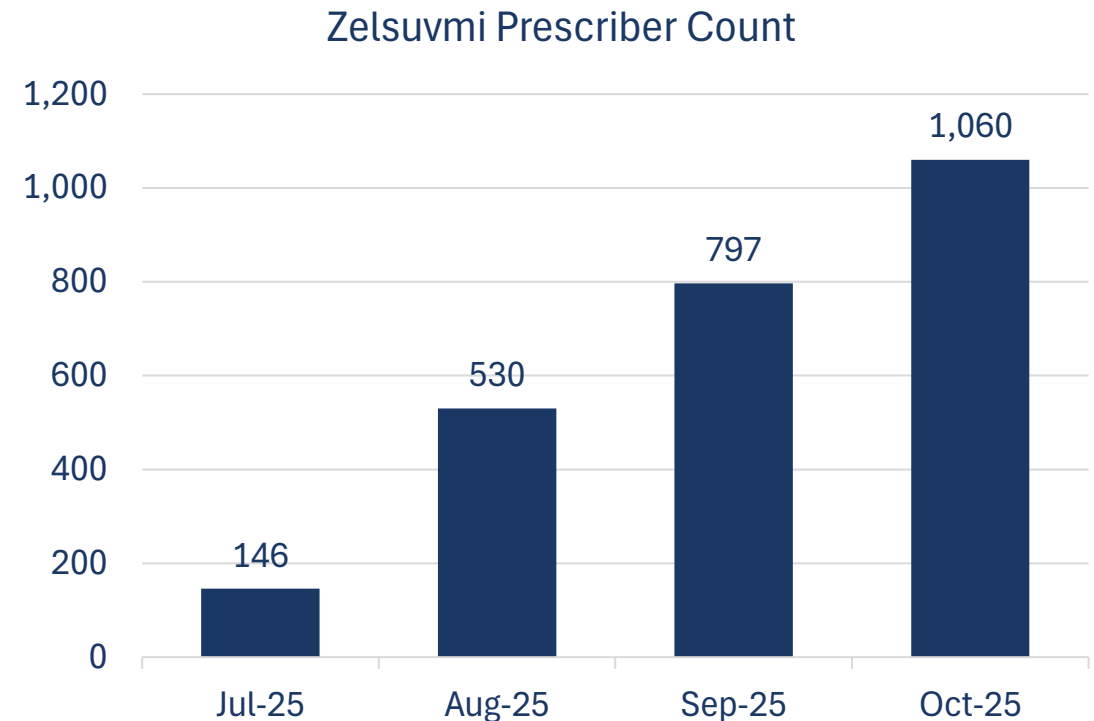
Fully built out commercial team:

Territory managers supported by Sales Training, Marketing, Commercial Operations & Market Access teams

Strong Uptake of Zelsuvmi In Early Launch Phase



Total of 4,905 Prescribed Units



Total of 1,778 Unique Prescribers

Prescription data as of the end of October implies an annual run rate of \$35M in net sales

Xepi for Treatment of Impetigo



Impetigo & Xepi Clinical Value

- Impetigo is a highly contagious bacterial skin infection affecting the superficial layers of skin, most often caused by *Staphylococcus aureus* and/or Group A Streptococcus (*Streptococcus pyogenes*)
- #1 most frequent bacterial infection in Pediatrician Office
- Xepi developed as first line treatment in patients aged 2 months and older
- Xepi demonstrated superior clinical and bacteriological outcomes vs. vehicle control
- Mupirocin resistance is growing significantly in the United States

Acquisition Strategic Fit

- Strong synergy with existing commercial infrastructure for Zelsuvmi
- Nearly all Zelsuvmi Sales Team HCP call points will be Xepi targets
- Promotional alignment across Sales, Marketing & Commercial Operations
- Opportunity to call on a number of next level Zelsuvmi targets with value of Xepi and Zelsuvmi combined
- Anticipated Commercial Launch: Late 2026



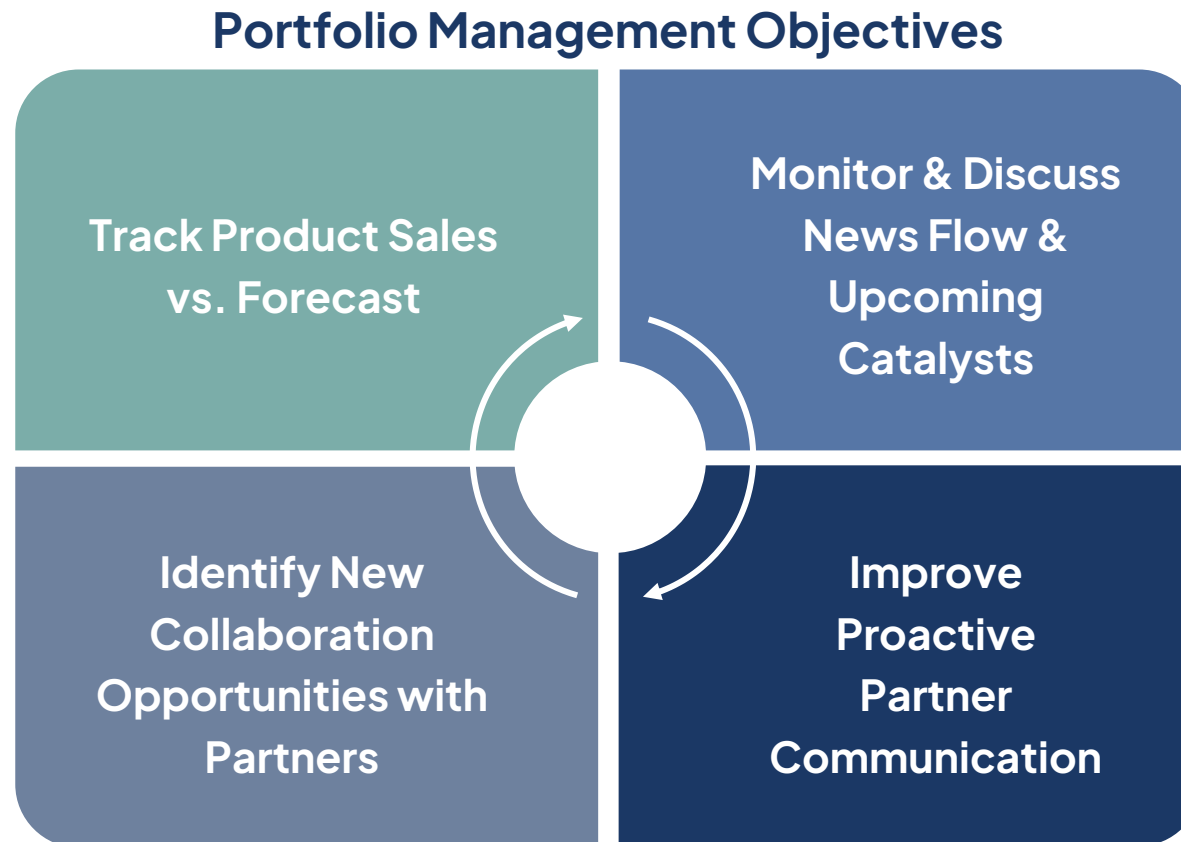
Portfolio Update

Commercial Portfolio, Pipeline Progress, & Operational Updates

LIGAND

Portfolio Management Process

Ligand's robust process efficiently manages and identifies new opportunities within the company's portfolio of over 100 therapeutic assets



Key Commercial Partnered Programs

Marketer	Program	Therapeutic Area	Royalty Rate	% of 2025 YTD Royalties
	Kyprolis	Oncology	Tiered 1.5% to 3%	23%
	Qarziba	Oncology	Tiered Mid-Teen	20%
 	Filspari	Nephrology	9%	19%
	Rylaze	Oncology	Tiered Low Single-Digit	9%
	Ohtuvayre	Pulmonology	3%	6%
	Capvaxive	Infectious Disease	Low Single-Digit	6%
	Vaxneuvance	Infectious Disease	Low Single-Digit	5%
 	Evomela	Oncology	20%	5%
	Teriparatide	Endocrinology	25% to 40% Gross Profit Share	5%
	Nexterone	Cardiovascular	Low Single-Digit	2%
	Pneumosil	Infectious Disease	Low Single-Digit	2%
	Zelsuvmi	Infectious Disease	13%	1%

Key Pipeline Partnered Programs

Developer	Program	Indication	Phase	Royalty Rate
 TRAVERSE THERAPEUTICS	Filspari	Focal Segmental Glomerulosclerosis	Registration	9%
 palvella THERAPEUTICS	QTORIN Rapamycin	Microcystic Lymphatic Malformations Cutaneous Venous Malformations	Phase 3 Phase 2	Tiered 8% to 9.8%
 Castle Creek Biosciences	D-Fi	Dystrophic Epidermolysis Bullosa	Phase 3	Mid single-digit
 aGenus	BOT/BAL	Microsatellite-Stable Colorectal Cancer	Phase 3	2.625%
 Orchestra BioMed	AVIM/Virtue SAB	Hypertension / In-Stent Restenosis	Phase 3	High teens <\$100M Mid single-digit >\$100M
 MERCK	Ohtuvayre	Non-Cystic Fibrosis Bronchiectasis & Fixed Dose Ohtuvayre+LAMA	Phase 2	3%
 VIKING THERAPEUTICS	VK-2809	MASH	Phase 2b	3.5% to 7.5%
 RECORDATI	Qarziba	Ewing Sarcoma	Phase 1	Tiered mid-teen

Qarziba Background



Indication	High-risk neuroblastoma Ewing sarcoma
Phase of Development	Ex-US approval May 2017
Investment Background	Ligand acquired Apeiron Biologics through a special situations investment in July 2024 for ~\$100M and received rights to Qarziba royalties
Royalty Rate	Tiered mid-teen royalty
Recent Sales	Recordati reported €117M YTD through Q3 2025 (14% growth)

Product Value Proposition

- Very high unmet need in rare pediatric indication
- Well-established in ex-US treatment paradigm
- Geographically well-diversified across >35 countries
- Strong commercial partner in Recordati Rare Disease

Recent News

- Orphan Drug Designation in Ewing sarcoma
- Clinical trial initiated evaluating Qarziba + chemo in GD2-positive Ewing sarcoma
- Recordati met with FDA establishing a potential BLA pathway for Qarziba, including data from the ongoing BEACON-2 trial

Key Upcoming Catalysts

- **2028:** Results expected from additional set of BEACON-2 clinical data required by the FDA. US market represents incremental 30M EUR in sales potential

Ohtuvayre Background



Indication

Maintenance treatment of COPD
Non-cystic fibrosis bronchiectasis
Fixed-dose combination with a LAMA in COPD

Phase of Development

US approval June 2024

Investment Background

Ligand acquired Vernalis in 2018
Ligand acquired additional rights from Ohtuvayre inventors during the course of 2024 and early 2025

Royalty Rate

3% royalty

Recent Sales

\$310M reported YTD through Q3 25

Ohtuvayre Investment History



Oct 2018

- Ligand acquires **Vernalis** for ~\$10M and through this investment, acquires rights to development milestones and a **2% royalty on Verona's Ohtuvayre**



Oct 2020

- Ligand **divests Vernalis research operations** for \$25M, retaining economic rights to Ohtuvayre and other development stage programs



June 2024

- **Ohtuvayre** receives **FDA approval**



2024 –
2025

- Ligand **acquires an additional 1% royalty** on sales of Ohtuvayre from inventors, bringing Ligand's total Ohtuvayre **royalty to 3%**



July 2025

- **Merck** announces **acquisition of Verona** for \$10B



Today

- Ligand **retains a 3% royalty** on future net sales of **Ohtuvayre**

Near-Term Growth Drivers – Ohtuvayre



Product Value Proposition

- First inhaled product with novel mechanism of action in over 20 years for COPD, addressing high unmet need for patients uncontrolled on current therapies
- Strongest launch in COPD history. Significant sales potential with ~8.6M maintenance treated patients, 50% of whom remain persistently symptomatic
- Potential for indication expansion in non-cystic fibrosis bronchiectasis and a fixed-dose combination with a LAMA in COPD
- **Analyst Consensus Peak Sales: \$3.1B (~\$93M potential royalty to LGND)**

Recent News

- Merck closes acquisition of Ohtuvayre marketer, Verona Pharma, for \$10B
- Merck announced plans to invest \$500M in Ohtuvayre

Key Upcoming Catalysts

- **2025–2026:** Merck plans to continue ongoing development work in bronchiectasis and evaluate utility in additional indications, combination therapies and alternative formulations

Filspari Background



CSL Vifor



Indications	Primary Immunoglobulin A Nephropathy (IgAN) Focal Segmental Glomerulosclerosis (FSGS)
Phase of Development / Approval Date	<u>IgAN</u> : Full FDA approval September 2024 <u>FSGS</u> : PDUFA date January 13, 2026
Investment Background	Pharmacopeia acquisition
Royalty Rate	9%
Recent Sales	\$239M in net sales YTD through Q3 2025, 187% YoY growth

Near-Term Growth Drivers – Filspari



Product Value Proposition

Approved: IgA Nephropathy (IgAN)

- First non-immunosuppressive therapy approved for IgAN, a rare kidney disease that leads to diminished kidney filtering, proteinuria, and progressive kidney function loss
- **Analyst Consensus Peak Sales: \$1B (\$90M potential royalty to LGND)**

Registration: Focal Segmental Glomerulosclerosis (FSGS)

- Approval of Filspari in FSGS, another rare kidney disease with extremely high unmet need, could represent the first FDA approved treatment
- **Analyst Consensus Peak Sales: \$1B (\$90M potential royalty to LGND)**

Recent News

- REMS liver monitoring requirement relaxed
- Positive topline results released in Japan Ph 3 study
- Chugai Pharmaceuticals acquires Renalys Pharma

Key Upcoming Catalysts

- **January 13, 2026:** FSGS PDUFA date

Filspari FSGS PDUFA: January 13, 2026



CLINICAL

Two large clinical studies demonstrated rapid, strong, sustained reduction in proteinuria

Proteinuria supported by PARASOL working group as optimal endpoint in FSGS



REGULATORY

FDA Division Director was closely involved with PARASOL working group

Traverse notified in September that an Advisory Committee was no longer required. Perceived as positive by investors



COMMERCIAL

Revenue potential at least as large as IgAN, likely larger

Qtorin Rapamycin Background

QTORIN™ rapamycin 3.9%



Indications

Microcystic Lymphatic Malformations (MLM)
Venous Malformations (VM)
Clinically Significant Angiokeratomas (CSA)

Phase of Development / Approval Date

MLM: Phase 3
VM: Phase 2
CSA: Phase 2 ready

Investment Background

Project Finance (2018, 2023)
Convertible Note (2024)

Royalty Rate

Tiered 8 – 9.8%

Near-Term Growth Drivers – Qtorin Rapamycin



Product Value Proposition

- Received FDA Breakthrough Therapy Designation
- If approved, would be the first FDA-approved therapy for microcystic lymphatic malformations (MLM, Phase 3), cutaneous venous malformations (CVM, Phase 2), & clinically significant angiokeratomas, all serious, rare genetic skin diseases
- **Analyst Consensus Peak Sales: \$1.2B (~\$115M potential royalty to LGND)**

Recent News

- PVLA stock up > 422% YTD (~\$693M market cap as of 9/30/25)
- Phase 3 MLM trial enrolled ahead of schedule
- Phase 2 TOIVA CVM trial enrollment completed
- Third indication for QTORIN rapamycin announced in clinically significant angiokeratomas

Key Upcoming Catalysts

- **Q4 2025:** Data readout from the Phase 2 TOIVA CVM trial expected mid-December
- **Q1 2026:** Data readout from Phase 3 SELVA MLM trial
- **1H 2026:** FDA meeting regarding Phase 2 trial design in clinically significant angiokeratomas

QTORIN Rapamycin MLM Commercial Opportunity



QTORIN rapamycin in MLM presents several attractive commercial dynamics

Large Orphan Addressable Market

Claims analyses verified
> 30K estimated
diagnosed US patients

>1,500 incident patients
annually

FDA Approval

If approved, would be
the first and only FDA-
approved therapy

Market research
indicates strong intent
to prescribe, including in
pediatric population

Strong Pricing Power

Orphan analogs and
recent payer testing
validate expected
orphan pricing corridor

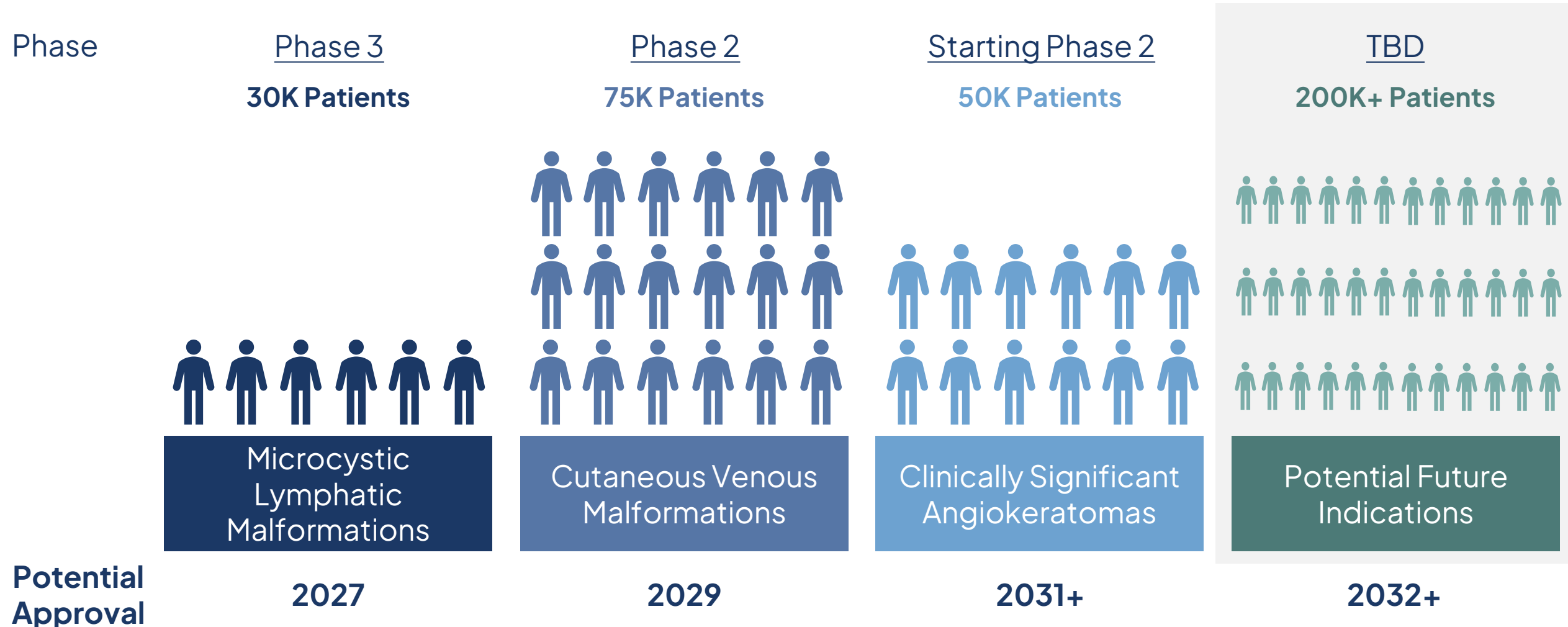
Concentrated Prescriber Base

Concentrated
prescriber base in
vascular anomaly
centers (VACs) & other
clinics

Half of patients treated
at 400 VACs

Sales force estimated to
require just 20-40 reps

QTORIN Rapamycin Franchise Strategy





Captisol

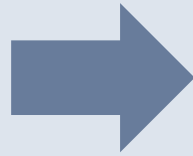
Captisol Platform Technology

LIGAND

Captisol Overview

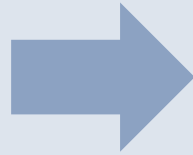


Infrastructure Light



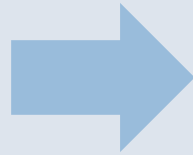
Ligand owns and operates the Captisol technology platform with a lean and experienced scientific and commercial operational team
Captisol requires only 8 FTEs and ~\$5M of annual operational spend

Broad Applicability



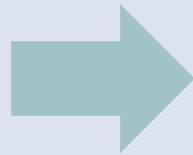
Captisol addresses a consistent and enduring industry need: formulation solubility and stability
An estimated 90% of small molecule drug candidates are poorly soluble

IP-Enabling



Ability to enable licensing of IP: Captisol's recurring customer base generates material revenue, as well as royalty interests in partnered programs
Ligand is entitled to receive royalties ranging from single digit to low double digit on many Captisol enabled products

Commercially Validated



Captisol is used in 17 (16 FDA & 1 Japan) approved products
Clinical and regulatory success, plus a vast safety database, have significantly increased awareness, visibility, and use of the technology, positioning it for growth

Captisol Platform Technology



The Captisol Team continuously focuses on quality, consistency, and customer service

Highly productive technology platform

- Significant royalty revenue generated across multiple programs
- Minimal cash operating expense
- Strong breadth of applicability across 17 approved products and many more in clinical development

17 Approved Captisol Products*





Closing Remarks

LIGAND

Ligand's Future Is Bright

Advantageous Business Model

- **Favorable Operating Leverage:** Lean corporate cost structure scales into a very large business opportunity
 - \$5M of Core Revenue¹ and \$4M of Cash Operating Profit per employee based on 2025 guidance
- **Substantial Growth in Key Areas:**
 - **Diversified Growth** – Since restructuring, we've invested in more than 10 new products with a focus on those that address a high unmet clinical need
 - **Compounding Growth** – Met and raised projected 5-year royalty CAGR from 22% in 2023 to 23% today
 - **Uncapped Growth** – Current royalty financing is <10% of biopharma industry funding. Ligand is an early mover with significant expertise and an existing royalty portfolio base on which to build
- **Significant Value Generated for Shareholders:**
 - Share price and profit appreciation of ~3x since 2023, while maintaining a mid-twenties Price to Earnings ratio

Results Oriented Focus

- **Maintain projected royalty growth at a CAGR >20%**



Investor & Analyst Q&A

LIGAND

Non-GAAP Reconciliation – 2025 & 2026 Guidance

(in millions)	20 25 Guidance		20 26 Guidance	
	Low	High	Low	High
Adjusted Net Income	\$ 150	\$ 160	\$ 170	\$ 200
Adjustments:				
Share- based compensation expense ¹	44	44	50	50
Non- cash interest expense ¹	3	3	3	3
Amortization of intangible assets ¹	33	33	32	32
Amortization of financial royalty assets ^{1,3} (see table below)	16	16	11	11
Pelthos operating loss ²	13	13	-	-
Income from Pelthos transaction - gain on the sale of the Pelthos ²	(29)	(29)	-	-
R&D funding expenses ²	66	66	-	-
Gain from change in fair value of equity- method investments and other investments ²	(76)	(76)	-	-
Other ²	6	7	-	-
Income tax effect of adjusted reconciling items above ^{1,4}	(12)	(12)	(20)	(20)
Total Adjustments	64	64	\$76	\$76
GAAP Net Income	\$86	\$95	\$94	\$124
Amortization of Financial Royalty Assets by Product ⁵ :				
Qarziba	\$8	\$8	\$10	\$10
Elutia	3	3	4	4
Ohtuvayre	2	2	(5)	(5)
Other	3	3	2	2
	\$16	\$16	\$11	\$11
Adjusted Core EPS	\$7.40	\$7.65	\$8.00	\$9.00
Shares Outstanding	20.3	20.9	21.3	22.2