NEWS RELEASE

Ligand Holds Investor and Analyst Day; Provides Update on Portfolio Progress and Recent Transactions; Introduces 2024 Guidance

2023-12-12

SAN DIEGO--(BUSINESS WIRE)-- Ligand Pharmaceuticals Incorporated (NASDAQ: LGND) hosted anInvestor and Analyst Day in New York City earlier today. CEO Todd Davis and other members of Ligand's senior management team provided an overview of the company's business model and investment selection process, reviewed the progress of the portfolio including near-term partner milestones, and introduced 2024 guidance. A copy of the presentation and a replay of the webcast are available at **investor.ligand.com**.

Business Model: Management reviewed Ligand's differentiated strategy, unique market position and business model, which is focused on investing in late-clinical stage assets and maintaining and licensing the company's Captisol® technology platform to generate royalties and revenues for shareholders.

Investment Process: Management provided an overview of Ligand's investment criteria and due diligence process to source assets with superior risk-reward profiles.

Restructuring of Business: Management highlighted several key 2023 developments stemming from the company's decision to focus on a lean infrastructure and high-margin business:

- Increased investment activity with 300+ deals reviewed, and five investments closed

- Expanded the senior management team with additional experienced investment professionals
- Opened a new office in Boston, MA
- Spun-out the company's Pelican subsidiary
- Decreased cash operating expenses

Late-Stage Assets: Management highlighted a selection of the most advanced late-stage assets in its portfolio and reviewed seven potential major pipeline events expected in 2024, including:

- PDUFA target date for our berdazimer gel (acquired from Novan), January 2024
- PDUFA target date for Verona Pharma's ensifentrine, June 2024
- Phase 2b, 52-week biopsy data on Viking Therapeutics' VK-2809, H1 2024
- Additional Phase 3 data on Merck's V116
- Phase 3 data on Takeda's soticlestat
- Phase 3 data on Marinus Pharmaceutical's ganaxolone-IV, Q2 2024
- Initiation of Phase 3 trial for Palvella's PTX-022

Portfolio Highlights: Management highlighted the development status and market opportunity for select commercial stage and pipeline programs including Travere Therapeutics' FILSPARI™, Verona Pharma's ensifentrine, and our berdazimer gel.

Recent Transactions: Management discussed the recent soticlestat and TZIELD (teplizumab) royalty acquisitions, which closed in Q4 2023.

Captisol Technology Platform: Management shared that Captisol continues to enable product approvals for Ligand partners, with five possible approvals anticipated in 2024.

2024 Investment Outlook: Management highlighted thatLigand's Q4 2023 pipeline has over 20 actionable opportunities representing more than $1 billion in potential investments. The company believes it is well positioned and resourced to close multiple new investments in 2024, depending on the size and quality of the opportunities.

The company introduced 2024 financial guidance, as follows:

- Total revenue of $130 million to $142 million, comprised of $90 million to $95 million from royalties, $25 million to $27 million from sales of Captisol and $15 million to $20 million from contract revenue.
- Adjusted diluted EPS of $4.25 to $4.75.

The company provided an illustrative 5-year outlook, as follows:

- Ligand's existing commercial programs, pipeline of mid- to late-stage programs and portfolio of over 75 additional partnerships (the "Pharm Team") are expected to drive five-year growth in royalties at a compounded annual growth rate (CAGR) of 16%.
- Layering on the first wave of potential future investments, the five-year CAGR for royalties could increase to above 20%.
- Total core revenue could reach approximately $290 million by 2028.
- EBITDA margin could exceed 80% by 2028.
- Adjusted diluted EPS outlook for 2028 is in the range of $10.00 to $10.50.

Adjusted Financial Measures

Ligand reports adjusted net income and adjusted net income per diluted share in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company's financial measures under GAAP include share-based compensation expense, amortization of debt-related costs, amortization related to acquisitions and intangible assets, changes in contingent liabilities, mark-to-market adjustments for amounts relating to its equity investments in public companies, excess tax benefit from share-based compensation, income tax effect of adjusted reconciling items and others that are listed in the itemized reconciliations between GAAP, and adjusted financial measures included in its prior earnings releases. However, the Company does not provide reconciliations of such forward-looking adjusted measures to GAAP, including measures reported in this press release, due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for changes in contingent liabilities, changes in the market value of its investments in public companies, share-based compensation expense, and the effects of any discrete income tax items. Management has excluded the effects of these items in its adjusted measures to assist investors in analyzing and assessing the Company's past and future core operating performance. Additionally, adjusted earnings per diluted share is a key component of the financial metrics utilized by the Company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation.

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company enabling scientific advancement through supporting the clinical development of high-value medicines. Ligand does this by providing financing, licensing our technologies or both. Our business model generates value for stockholders by creating a diversified portfolio of biotech and pharmaceutical product revenue streams that are supported by an efficient and low corporate cost structure. Our goal is to offer investors an opportunity to participate in the promise of the biotech industry

in a profitable and diversified manner. Our business model is based on funding programs in mid- to late-stage drug development in return for economic rights and licensing our technology to help partners discover and develop medicines. We partner with other pharmaceutical companies to leverage what they do best (late-stage development, regulatory management and commercialization) in order to generate our revenue. Our Captisol® platform technology is a chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. We have established multiple alliances, licenses and other business relationships with the world's leading pharmaceutical companies including Amgen, Merck, Pfizer, Jazz, Takeda, Gilead Sciences and Baxter International. For more information, please visit at **www.ligand.com**. Follow Ligand on X; (f/k/a Twitter) @Ligand_LGND.

We use X and our investor relations website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Investors should monitor our X account and our website, in addition to following our press releases, SEC filings, public conference calls and webcasts.

Forward-Looking Statements

This news release contains forward-looking statements by Ligand that involve risks and uncertainties and reflect Ligand's judgment as of the date of this release. Words such as "plans," "believes," "expects," "anticipates," and "will," and similar expressions, are intended to identify forward-looking statements. These forward-looking statements include, without limitation, statements regarding the outlook or guidance regarding the final 2023 financial results and expectations for near-term and future revenue and expenses, and the breakdown of such revenue, growth in revenue and adjusted earnings; outlooks or guidance regarding the financial results and guidance for fiscal 2024 as well as potential growth over the next five years; statements regarding market position and competition for royalty transactions; expectations regarding internal and partners' research and development programs, including the timing of the initiation or completion of clinical trials, the potential for and timing of regulatory approval and product launch by Ligand and its partners; expectations regarding future sales of products by Ligand's partners and the durability of Ligand's royalties; the ability for current and future technology platforms to generate license deals and royalties; Ligand's strategy to deploy capital including the size of the potential pipeline of transactions; and anticipated near-term milestones. Actual events or results may differ from Ligand's expectations due to risks and uncertainties inherent in Ligand's business, including, without limitation: the inherent risks of clinical development and regulatory approval of product candidates, including that the total addressable market for our partner's products may be smaller than estimated; Ligand faces competition including with respect to royalty acquisition transactions, which may result in fewer transactions projected or may increase the cost of acquiring new programs, and our technology platforms,

which may demonstrate greater market acceptance or superiority; partnered commercial products may not perform as expected; Ligand relies on collaborative partners for milestone payments, royalties, materials revenue, contract payments and other revenue projections; the possibility that Ligand's and its partners' drug candidates might not be proved to be safe and efficacious and FDA may not agree with our or our partners' conclusions regarding the results of clinical trials; uncertainty regarding the commercial performance of Ligand's and/or its partners' products; Ligand may not achieve its guidance for 2023, 2024 or beyond; disruption to Ligand's and its partners' business, including delaying manufacturing, preclinical studies and clinical trials and product sales, and impairing global economic activity, all of which could materially and adversely impact Ligand's results of operations and financial condition; changes in general economic conditions, including as a result of geopolitical events; there may not be a market for the product(s) even if successfully developed and approved; Ligand is currently dependent on a 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 terminate their agreements in certain circumstances or discontinue development or commercialization of any of their 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; and ongoing or future litigation could expose Ligand to significant liabilities and have a material adverse effect on the company; and other risks and uncertainties described in its public filings with the Securities and Exchange Commission, available at **www.sec.gov**. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this release, including the possibility of additional license fees and milestone revenues we may receive. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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 and Captisol. Each other trademark, trade name or service mark appearing in this press release belongs to its owner.

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Source: Ligand Pharmaceuticals Incorporated