LIGAND

Biopharma's Technology and Capital Partner

NOVEMBER 7, 2024

Third Quarter 2024 Financial Results

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- The process for reconciliation between the non-GAAP adjusted financial numbers and corresponding GAAP figures is usually shown in the quarterly earnings press release or the fiscal year annual report, available at https://investor.ligand.com/news-and-events/press-releases/. However, other than with respect to total revenues, Ligand only provides financial guidance on an adjusted basis and does not provide reconciliations of such forward-looking adjusted measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation.
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Q3 ‘24 Highlights

FINANCIAL
Strong financial performance

- 58% total revenue growth, 33% growth in royalties
- Revenue and earnings guidance raised for the second time in 2024
- Cash and investments of $220 million, no debt, access to $125 million (expandable to $175 million) through credit facility

BUSINESS DEVELOPMENT
Highly productive, rigorous process

- Invested approximately $300 million over the last 12 months
- Continued robust activity in business development pipeline
- Pelthos incubation continues, expect commercial launch in first half of 2025

ROYALTY PORTFOLIO
Continued growth in 2024

- Portfolio today includes 12 major commercial stage royalty assets, partnered with premier global marketers (e.g., Amgen, Merck, Sanofi)
- Capvaxive ACIP lowered recommended age for adult pneumococcal vaccination from 65 to 50
- Filspari full approval and label expansion received on September 5, 2024

STRATEGIC DIFFERENTIATION
Financials, advantage, team

- Long-term royalty revenue CAGR >22%, adjusted EPS>25%
- Inefficient market with inexhaustible demand for capital
- Track record of accomplishments, building a diversified portfolio

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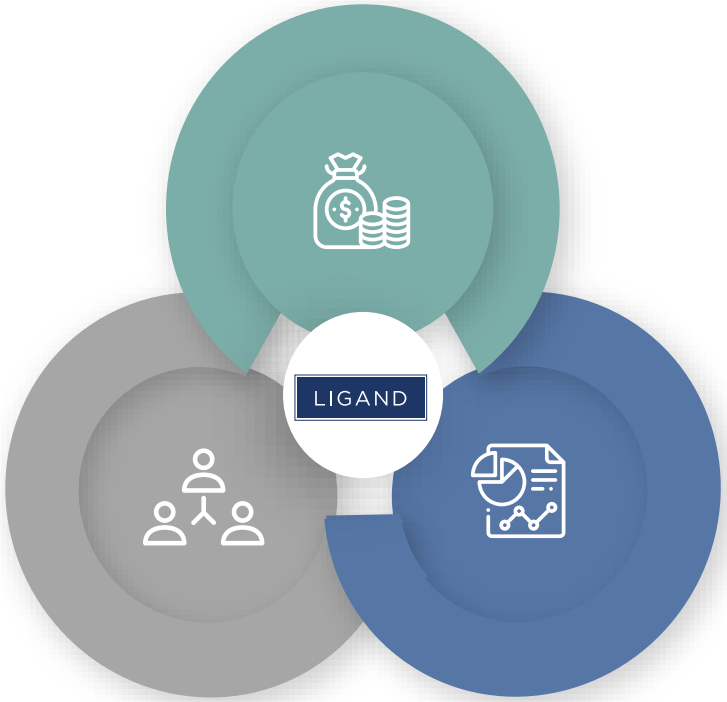
Ligand Strategic Differentiation



STRONG FINANCIALS

High-margin / high-growth strategy

Superior P&L, low op-ex with lean operations, high profits per employee

Predictable and diversified growth

ADVANTAGEOUS STRATEGY

High Demand: Inefficient market with inexhaustible demand for capital

Superior Information: Extensive due diligence and information available under confidentiality vs. public equity investing

Flexible Structures: Customized investment structures with non-dilutable interests

Exclusivity: Create vs. compete for deals. Novel tactics / structures enable high volume of sourcing and high investment selectivity

Scalable: Only limitations to growth are execution and access to capital

EXPERIENCED TEAM

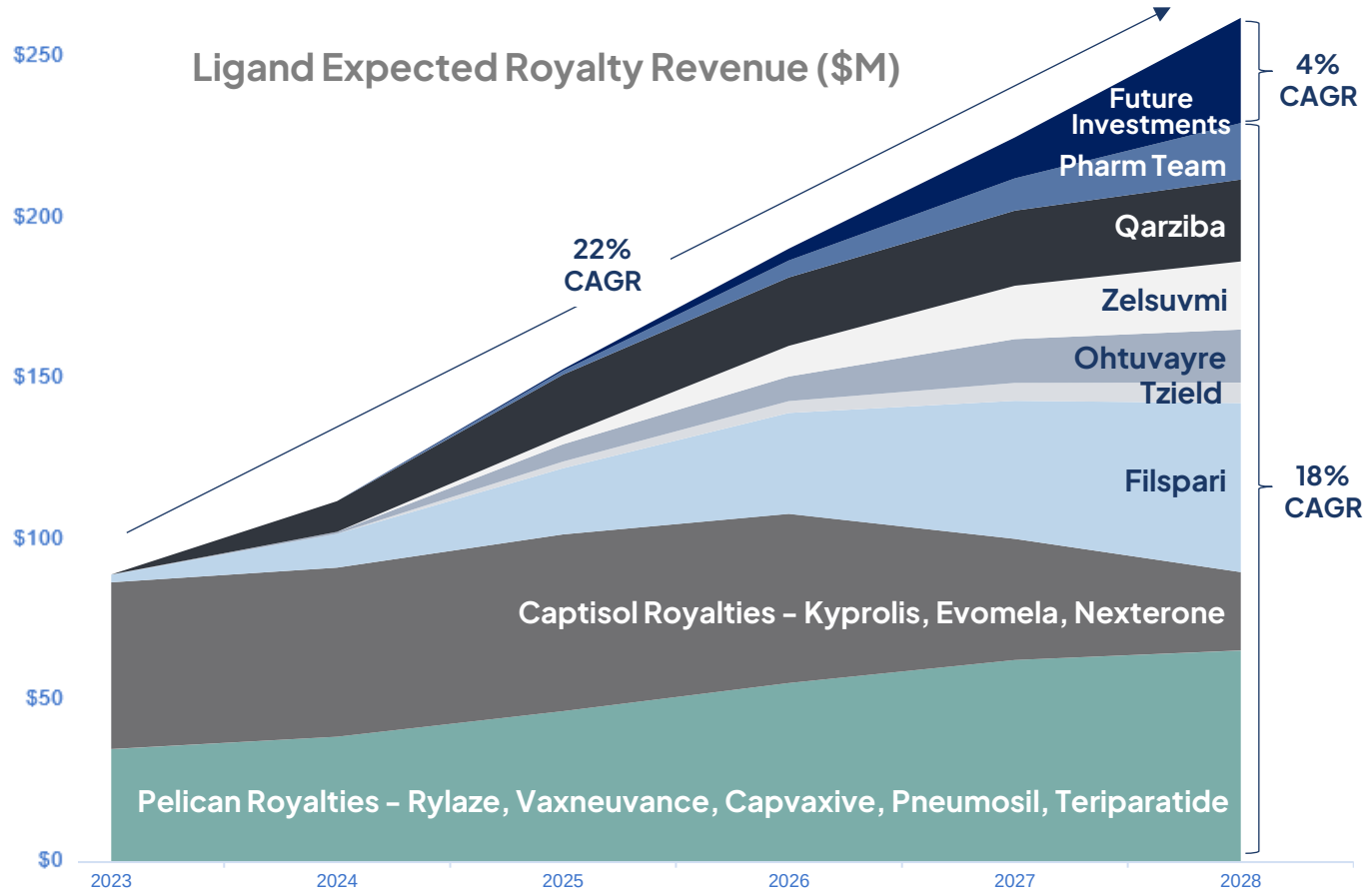
Track record of accomplishments, building a diversified portfolio

Looking Ahead To 2028

Expected Royalty Revenue CAGR >20%

Current portfolio of commercial and late-stage programs + new deals drive growth[1]

- 5-year royalty revenue outlook on pace to exceed 22% CAGR previously shared at analyst day in December 2023
- Existing commercial programs and late-stage pipeline ("Pharm Team") now supports Royalty Revenue CAGR of 18% (above the previous estimated 16% CAGR)
- Pharm Team includes Agenus' BOT/BAL, Viking's VK-2809, Palvella's PTX-022 and 15 other mid to late-stage programs
- Operating leverage gained from lean corporate cost structure results in an expected adjusted EPS > $10 per share in 2028



1. Sell-side consensus sales estimates used to arrive at royalty revenue from commercial programs.

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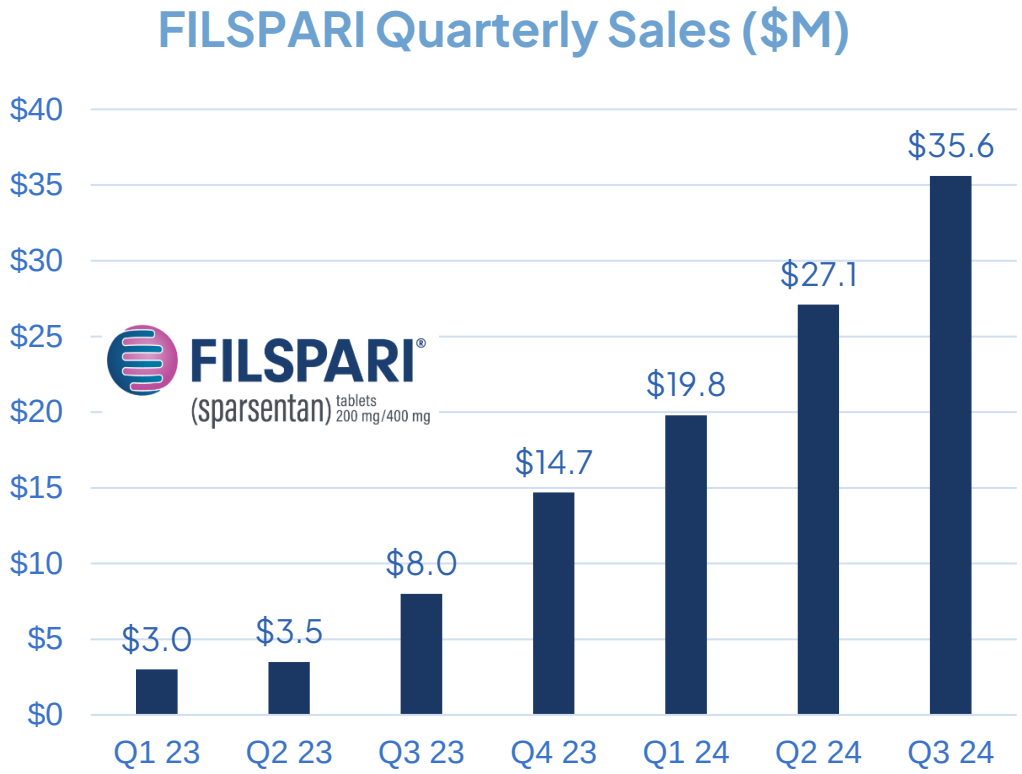
Travere's FILSPARI – Significant Progress in IgAN

Q3 24 sales represent a 31% increase from prior quarter

- FILSPARI is the first and only non-immunosuppressive approved for treatment of IgA nephropathy (IgAN)
  - Received full approval in IgAN in September 2024
  - FDA also expanded the labeled indication to slow kidney function decline in adults with IgAN at risk of disease progression
- New data presented at the American Society of Nephrology showing nearly 60% of patients achieved complete remission at any point of time in the treatment period with FILSPARI as a first in line treatment
- CSL Vifor launched in Germany and Austria and received temporary marketing approval in Switzerland



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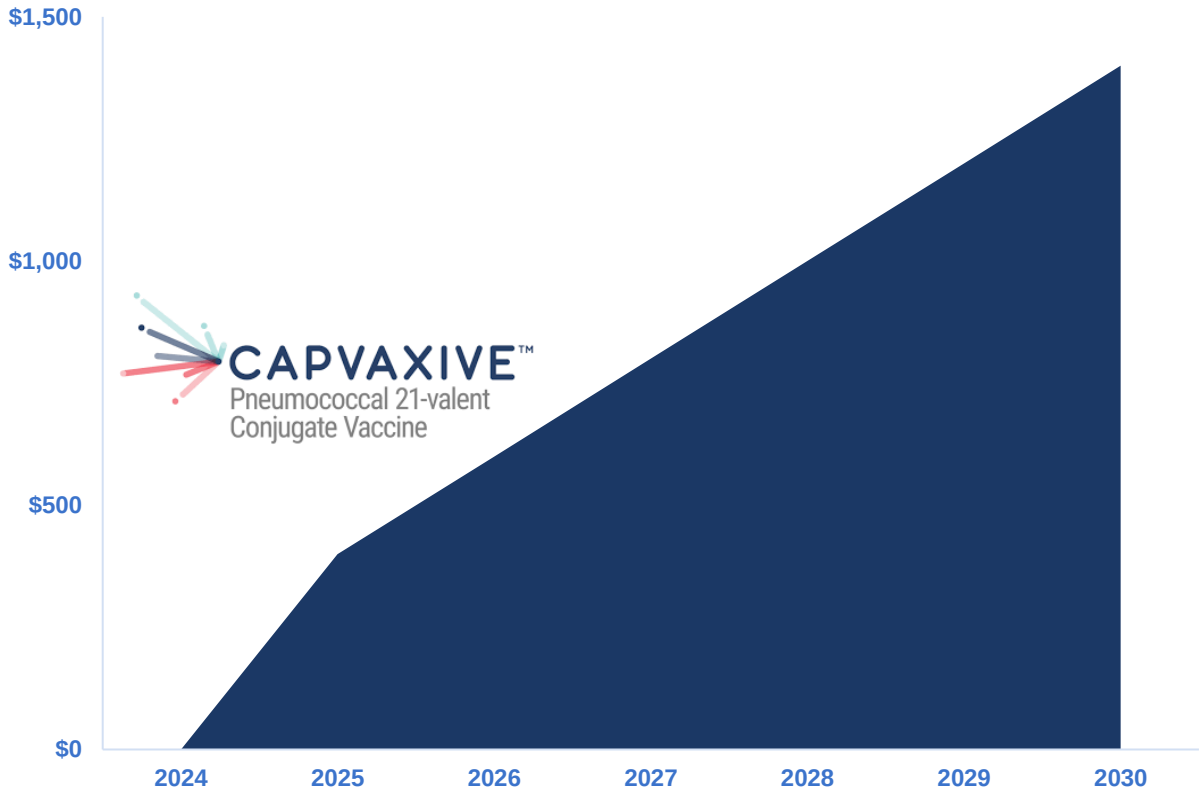
Travere's FILSPARI – FSGS Potential

- Travere has scheduled a Type C meeting with the FDA to discuss a regulatory pathway for FILSPARI in FSGS
  - Travere is preparing an sNDA
- We attended the PARASOL workshop with the FDA
  - PARASOL has examined 26 global FSGS databases, worked with regulators, scientists, and the patient community to propose evidence for proteinuria as an endpoint for FSGS
  - FDA is pivoting to see if there is a new definition of response with strong and consistent rationale in FSGS
- Approval in FSGS would represent the first FDA approved treatment, an important milestone for the FSGS community

Portfolio Update: CAPVAXIVE Launch & Eligibility Expansion

- 21-valent pneumococcal vaccine designed specifically for adults and approved in June 2024 in individuals 18 years of age and older
- In June 2024, ACIP unanimously recommended CAPVAXIVE for all adults aged 65+ and adults aged 19-64 with underlying conditions who have not received a previous vaccination
  - This ACIP recommendation matches that of PCV20
- In October 2024, ACIP recommended CAPVAXIVE for all adults aged 50+ and adults aged 19-64 with underlying conditions who have not received a previous vaccination

CAPVAXIVE Analyst Projections ($M)



- **Estimated global peak sales of ~$1.5B**
- **Ligand receives low single digit royalties on global sales**

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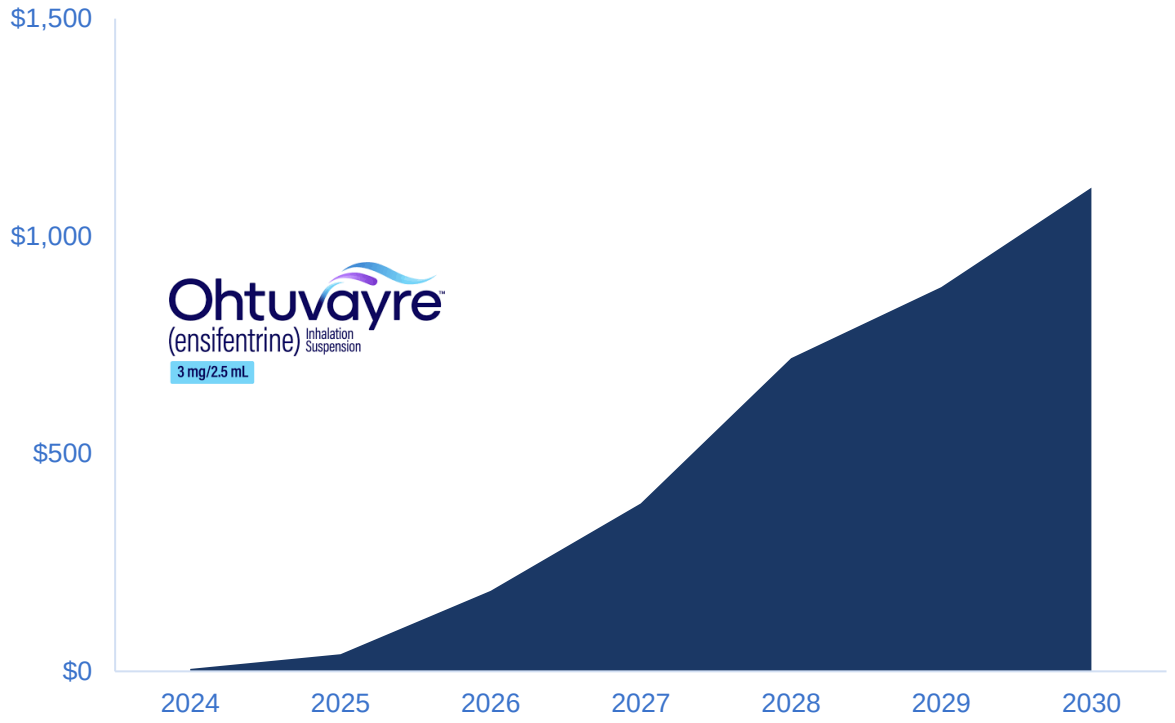
Portfolio Update: Ohtuvayre Launch in COPD

- Strong launch with sales of $5.6M and October net sales that exceed total third quarter sales
- In 12 weeks, ~30% of 2,500 tier 1 HCP have prescribed Ohtuvayre
- Initial feedback from both patients and HCPs focus on the potential of Ohtuvayre to deliver meaningful impact against COPD, regardless of disease severity and background therapy. Early experience is extremely encouraging and supported by early refill data
- Verona launched Ohtuvayre in Q3 2024 in the US with ~120 field personnel at a WAC of $2,950/month
- Verona's partner in Greater China, Nuance Pharma, completed Phase 3 enrollment and expects trial results in 2025

Ohtuvayre Analyst Projections ($M)



- **Significant $10.5B US addressable market opportunity**
- **Peak US annual sales estimated to reach ~$1-1.5B**
- **~3% royalty**

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Q3‘24 Financial Highlights

Total Revenue

$51.8M

58% increase vs Q3 2023

Royalty Revenue

$31.7M

33% increase vs Q3 2023

Core Adjusted EPS**

$1.84

80% increase vs Q3 2023

Deployable Capital

$345M

$220M in cash and investments* plus $125M credit facility

** $219.6M in cash and investments as of September 30, 2024*
***See non-GAAP reconciliation in the third quarter 2024 earnings press release.*

Q3 '24 Financial Performance

$ in millions, except for per share amounts	Three Months Ended September 30,	
	2024	**2023**
Revenues and other income:		
Royalties	$31.7	$23.9
Captisol	6.3	8.6
Contract revenue and other income	13.8	0.4
Total revenues and other income	**51.8**	**32.9**
Costs and expenses:		
Cost of Captisol	2.4	3.5
Amortization of intangibles	8.3	8.2
R&D expense	5.7	5.5
G&A expense	24.5	14.7
Fair value adjustments to partner program derivatives	7.8	-
Total Operating Expenses	**48.7**	**31.9**
Gain on sale of Pelican	-	2.1
GAAP Operating income	3.1	3.1
Gain (loss) from short-term of investments	2.4	(13.2)
Other expenses, net	(11.9)	(2.0)
Income tax (expense) benefit	(0.8)	1.9
GAAP net loss from Ops	(7.2)	(10.3)
(Core) Non-GAAP net income*	**$35.3**	**$18.0**
GAAP Diluted EPS	$(0.39)	$(0.59)
Non-GAAP Diluted EPS	$1.84	$1.02

- Increase in total revenue driven by milestone earned upon the $13.5 million commercial launch of Ohtuvayre and growing royalty revenue
- Royalty revenue growth driven by QARZIBA, KYPROLIS and FILSPARI. Travere reported Q3 2024 FILSPARI sales of $35.6 million versus $8.0 million in Q3 2023
- Increase in G&A expense driven by one-time non-cash stock award modification and costs associated with incubating the Pelthos business
- Return of certain Agenus assets results in ~$8 million derivative asset adjustment
- Increase in Other expenses driven primarily by a reduction in the fair value of Agenus warrants

*See non-GAAP reconciliation in the third quarter 2024 earnings press release.

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Ligand 2024 Financial Guidance Update

	2023 Reported Results	2024 Prior Guidance	2024 Updated Guidance	Guidance Change[2]	YoY Growth[3] (%)
Royalty Revenue	$84M	$100 - 105M	$105-108M	+$4M (4%)	
Captisol Sales	$28M	$25 - 27M	$27-29M	+$2M (8%)	
Contract Revenue	$19M	$15 - 25M	$28M	$8M (40%)	
Total Core Revenue	$131M	$140 – 157M	$160-165M	+$14M (9%)	+$32M (24%)
Adjusted Core EPS[1]	$4.06	$5.00 - 5.50	$5.50-$5.70	+$0.35 (7%)	+$1.54 (38%)

1. Excludes gains from short-term investments on the sale of Viking Therapeutics stock.
2. Calculated using midpoint of guidance range.
3. Calculated using 2023 YE figures vs 2024 updated FY guidance.

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Q&A

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