

January 13, 2021



# Ligand Receives Milestone Payment from Merck

Milestone payment triggered by acceptance for review of a BLA for V114, an investigational 15-valent pneumococcal conjugate vaccine that utilizes Ligand's CRM197 carrier protein

SAN DIEGO--(BUSINESS WIRE)-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** today reported that the company will receive a \$1.5 million milestone payment from Merck triggered by the U.S. Food and Drug Administration's (FDA's) acceptance for review of a biologics license application (BLA) for V114, an investigational 15-valent pneumococcal conjugate vaccine candidate for the prevention of pneumococcal disease in adults.

"This collaboration with Merck is one of the core assets that catalyzed our acquisition of Pfenex last October," said John Higgins, Chief Executive Officer of Ligand. "If commercially launched, Ligand is entitled to a low-single-digit royalty on net sales of V114. The CRM197 carrier protein produced via our patent protected Protein Expression Technology platform is utilized in the V114 vaccine program."

## About Protein Expression Technology Platform

The Protein Expression Technology is a robust, validated, cost-effective and scalable platform for recombinant protein production, and is especially well-suited for complex, large-scale protein production where traditional systems are not suitable. Multiple global manufacturers have demonstrated consistent success with the platform and the technology is currently out-licensed for numerous commercial and development-stage programs. The versatility of the platform has been demonstrated in the production of enzymes, peptides, antibody derivatives and engineered non-natural proteins. Partners seek the platform as it can contribute significant value to biopharmaceutical development programs by reducing development timelines and costs for manufacturing therapeutics and vaccines. Given pharmaceutical industry trends toward large molecules with increasing structural complexities, the Protein Expression Technology is well positioned to meet these growing needs as the most comprehensive broadly available protein production platform in the industry.

## About Ligand Pharmaceuticals

Ligand is a revenue-generating biopharmaceutical company focused on developing or acquiring technologies that help pharmaceutical companies discover and develop medicines. Ligand's business model creates value for stockholders by providing a diversified portfolio of biotech and pharmaceutical product revenue streams that are supported by an efficient and low corporate cost structure. Ligand's goal is to offer investors an opportunity to participate in the promise of the biotech industry in a profitable, diversified and lower-risk business than a typical biotech company. Ligand's business model is based on doing what Ligand does best: drug discovery, early-stage drug development, product reformulation and partnering.

Ligand partners with other pharmaceutical companies to leverage what they do best (late-stage development, regulatory management and commercialization) to ultimately generate our revenue. Ligand's OmniAb<sup>®</sup> technology platform is a patent-protected transgenic animal platform used in the discovery of fully human mono- and bispecific therapeutic antibodies. The Captisol<sup>®</sup> platform technology is a patent-protected, chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. Ligand's Protein Expression Technology<sup>®</sup> is a robust, validated, cost-effective and scalable approach to recombinant protein production, and is especially well-suited for complex, large-scale protein production that cannot be made by more traditional systems. Ab Initio<sup>™</sup> technology and services for the design and preparation of customized antigens enable the successful discovery of therapeutic antibodies against difficult-to-access cellular targets. Ligand has established multiple alliances, licenses and other business relationships with the world's leading pharmaceutical companies including Amgen, Merck, Pfizer, Roche, Sanofi, Janssen, Takeda, Gilead Sciences, GSK and Baxter International. For more information, please visit [www.ligand.com](http://www.ligand.com).

Follow Ligand on Twitter @Ligand\_LGND.

### **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: the timing and amount of milestone payments Ligand expects; the potential to receive royalties from net sales of V114, if approved by FDA; and the intellectual property protections with respect to Ligand's technologies, including its Protein Expression Technology. Actual events or results may differ from Ligand's expectations due to risks and uncertainties inherent in Ligand's business, including, without limitation: the FDA may not agree with Merck's interpretation of results from its clinical trials; the FDA may request additional data in connection with its review of the BLA; Ligand is dependent on Merck on the development and, if approved, commercialization of V114 and Merck may not generate net sales to generate royalties payable to Ligand; and other risks described in Ligand's prior press releases and filings with the Securities and Exchange Commission available at [www.sec.gov](http://www.sec.gov). Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this release. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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Ligand Pharmaceuticals Incorporated

Patrick O'Brien

[investors@ligand.com](mailto:investors@ligand.com)

(858) 550-7893

Twitter: @Ligand\_LGND

LHA Investor Relations

Bruce Voss

[bvoss@lhai.com](mailto:bvoss@lhai.com)

(310) 691-7100

Source: Ligand Pharmaceuticals Incorporated