

August 1, 2022



Ligand Pharmaceuticals Announces Inducement Grants Under NASDAQ Listing Rule 5635(c)(4)

EMERYVILLE, Calif.--(BUSINESS WIRE)-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** today announced that effective August 1, 2022, Ligand's Board of Directors approved the grant of non-qualified stock option awards to purchase an aggregate of 90,073 shares of its common stock, 5,000 restricted stock units ("RSUs") and 4,000 performance stock units ("PSUs") (at the target level) to six non-executive employees. The options were granted on August 1, 2022, and the grant date for the RSUs and the PSUs will be the date on which Ligand files a Form S-8 Registration Statement to register the shares pursuant to Ligand's 2022 Employment Inducement Plan ("Inducement Plan").

The awards were granted under the Inducement Plan as employment inducement awards pursuant to NASDAQ Listing Rule 5635(c)(4). The Inducement Plan is used exclusively for the grant of equity awards to individuals who were not previously employees of Ligand, or following a bona fide period of non-employment, as an inducement material to such individuals' entering into employment with Ligand, pursuant to Nasdaq Listing Rule 5635(c)(4).

The options have an exercise price of \$89.70 per share, which is the closing price of Ligand's common stock on The Nasdaq Global Select Market on August 1, 2022. The stock options have a term of ten years and will vest over four years, with 12.5% of the shares vesting six months after the employee's commencement of employment and the balance of the shares vesting in 42 equal monthly installments thereafter, subject to the grantee's continued service on such vesting dates.

The RSUs will vest over three years on the first three anniversaries of the grantee's commencement of employment, subject to continued service through each applicable vesting date. The PSUs will vest based on the achievement of certain total shareholder return objectives and the completion of the contemplated spin-off of OmniAb, Inc. from Ligand. The number of shares earned under the PSUs may be up to 6,500 in the aggregate if maximum performance levels are achieved.

About Ligand Pharmaceuticals

Ligand is a revenue-generating biopharmaceutical company focused on developing or acquiring technologies that help pharmaceutical companies discover and develop medicines. Our 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. Our 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. Our business model is based on doing what we do best: drug discovery, early-stage drug development, product reformulation and partnering. We partner with other pharmaceutical companies to leverage what they do best (late-stage development, regulatory management and commercialization) ultimately to generate our revenue. Ligand's OmniAb® technology platform is a patent-protected transgenic animal platform used in the discovery of fully human monoclonal and bispecific therapeutic antibodies. The Captisol® platform technology is a patent-protected, chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. Ligand's Pelican Expression Technology® is a robust, validated, cost-effective and scalable platform for recombinant protein production that is especially well-suited for complex, large-scale protein production where traditional systems are not. Ligand has established multiple alliances, licenses and other business relationships with the world's leading pharmaceutical companies including Amgen, Merck, Pfizer, Sanofi, Janssen, Takeda, Gilead Sciences and Baxter International. For more information, please visit www.ligand.com.

Follow Ligand on Twitter @Ligand_LGND.

We use Twitter 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 Twitter account and our website, in addition to following our press releases, SEC filings, public conference calls and webcasts.

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