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Ligand Enters into Worldwide OmniAb® Platform License Agreement with Surface Oncology

SAN DIEGO--(BUSINESS WIRE)-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** announces it has entered into a worldwide license agreement with Cambridge, Massachusetts-based Surface Oncology. Under the license, Surface will be able to use the OmniRat®, OmniMouse® and OmniFlic® platforms to discover fully human mono- and bispecific antibodies. Ligand is eligible to receive annual platform access payments, development and regulatory milestone payments, and tiered royalties for each product incorporating an OmniAb antibody. Surface will be responsible for all costs related to the programs.

“This agreement allows Surface Oncology to join a growing roster of companies with access to OmniAb, our novel transgenic rodent technology that goes beyond a transgenic mouse technology, adding a transgenic rat and a separate transgenic rat with fixed light chain antibodies to enable bispecific antibody discovery,” said John Higgins, Chief Executive Officer of Ligand. “This is the second OmniAb partnership announced within a week, further demonstrating the significant partnership interest that exists for this important, novel technology.”

About Surface Oncology

Surface Oncology is an immuno-oncology company developing next-generation immunotherapies targeting the tumor microenvironment. Surface’s novel cancer immunotherapies are designed to treat tumors that are unresponsive to currently available therapies, and would be used in combination with currently available therapies to enhance the overall efficacy of the treatment. The Company has a pipeline of seven novel immunotherapies, including programs targeting CD47 and CD73, supported by a broad strategic collaboration with Novartis focused on up to four next-generation immunotherapies. Headquartered in Cambridge, Mass., Surface was founded by Atlas Venture and is also supported by leading biotechnology venture investors F-Prime Capital Partners, Lilly Ventures, New Enterprise Associates (NEA) and Amgen Ventures. For more information, please visit www.surfaceoncology.com.

About OmniAb®

OmniAb includes three transgenic animal platforms for producing mono- and bispecific human therapeutic antibodies. OmniRat® is the industry’s first human monoclonal antibody technology based on rats. It has a complete immune system with a diverse antibody repertoire and generates antibodies with human idiotypes as effectively as wild-type animals make rat antibodies. OmniMouse® is a transgenic mouse that complements OmniRat and

expands epitope coverage. OmniFlic® is an engineered rat with a fixed light chain for development of bispecific, fully human antibodies. The three platforms use patented technology, have broad freedom to operate, and deliver fully human antibodies with high affinity, specificity, expression, solubility and stability.

About Ligand Pharmaceuticals

Ligand is a 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) to ultimately generate our revenue. Ligand's Captisol® platform technology is a patent-protected, chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. OmniAb® is a patent-protected transgenic animal platform used in the discovery of fully human mono-and bispecific therapeutic antibodies. Ligand has established multiple alliances, licenses and other business relationships with the world's leading pharmaceutical companies including Novartis, Amgen, Merck, Pfizer, Celgene, Gilead, Janssen, Baxter International and Eli Lilly.

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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. These include statements regarding Ligand's license agreement with Surface under which Ligand may receive annual platform access payments, milestone payments and royalties (which, as used herein includes royalty-like payments based upon the development and commercialization of any products based on antibodies discovered under the license). Actual events or results may differ from our expectations. For example, there can be no assurances that Surface will successfully develop or market any antibodies discovered under the license. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Additional information concerning these and other important risk factors affecting Ligand can be found in Ligand's prior press releases available at www.ligand.com as well as in Ligand's public periodic filings with the Securities and Exchange Commission, available at www.sec.gov. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this press release, except as required by law. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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