October 3, 2022

Ligand Pharmaceuticals Announces Inducement Grant Under Nasdaq Listing Rule 5635(c)(4)

EMERYVILLE, Calif.--(BUSINESS WIRE)-- Ligand Pharmaceuticals Incorporated (NASDAQ: LGND) today announced that on October 3, 2022, the Human Capital Management and Compensation Committee of Ligand's Board of Directors granted non-qualified stock option awards to purchase an aggregate of 10,770 shares of its common stock to two non-executive employees in connection with their commencement of employment under the Ligand Pharmaceuticals Incorporated 2022 Employee Inducement Plan (the "Inducement Plan"). The stock options were granted as an inducement material to the employees' commencement of employment and were granted as an employment inducement award 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 $87.03 per share, which is the closing price of Ligand's common stock on The Nasdaq Global Select Market on October 3, 2022. The shares subject to the stock options will vest over four years, with 12.5% of the shares vesting six months after the employee's employment start date and the balance of the shares vesting in 42 equal monthly installments thereafter, subject to the employee's continued employment on such vesting dates. The options are subject to the terms and conditions of the Inducement Plan and a stock option agreement covering the grant. The stock options have a term of ten years from the grant date.

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) 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, Servier, 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.

View source version on businesswire.com:
https://www.businesswire.com/news/home/20221003006023/en/

Ligand Pharmaceuticals Incorporated
Simon Latimer
investors@ligand.com
(858) 550-7766
Twitter: @Ligand_LGND

LHA Investor Relations
Bruce Voss
bvoss@lhai.com
(310) 691-7100

Source: Ligand Pharmaceuticals Incorporated