



Vernalis Research, a Ligand Company, Achieves Success Milestone in Collaboration with Asahi Kasei Pharma

CAMBRIDGE, England (December 17, 2018) – Vernalis Research, a Ligand Company, announced the achievement of a £1 million success milestone in its drug discovery collaboration with Asahi Kasei Pharma (AKP).

This collaboration with AKP was initiated in October 2013 and utilises Vernalis' fragment and structure-based drug discovery platform against an undisclosed target for rheumatoid arthritis and other autoimmune diseases. This is the third milestone achieved under the collaboration recognising the significant progress made to date. Additional financial terms of this collaboration have not been disclosed.

Mike Wood, Ph.D. Research Director of Vernalis Research, commented, "We are delighted with the success we have achieved in our close collaboration with the scientists at Asahi Kasei Pharma. This collaboration is another excellent endorsement of our world-leading fragment and structure-based drug discovery platform, and we look forward to the potential for continued success in our collaboration with AKP."

About Vernalis Research, a Ligand Company

Vernalis Research has significant expertise in fragment and structure-based drug discovery. This expertise is used in collaborations that include projects to generate lead and candidate molecules against molecular targets across all therapeutic areas as well as establishing drug discovery and initial validation of novel targets. In addition, the Company has eight programmes in its new chemical entity development pipeline. The Company's technologies, capabilities and products have been used over the past five years in collaborations with leading pharmaceutical companies, including Genentech, Lundbeck, Servier, Asahi Kasei Pharma and other Japanese companies as well as collaborations with academic and target discovery companies from around the world. Vernalis Research is an indirect and wholly-owned subsidiary of Ligand Holdings UK, which in turn is a wholly owned subsidiary of Ligand Pharmaceuticals Incorporated (**NASDAQ: LGND**).

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 affairs 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. For more information, please visit www.ligand.com.

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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. Words such as "plans," "believes," "expects," "anticipates," and "will," and similar expressions, are intended to identify forward-looking statements. These forward-looking statements include, without limitation, statements regarding: the potential for continued success in the collaboration with Asahi Kasei Pharma. Actual events or results may differ from Ligand's expectations due to risks and uncertainties inherent in Ligand's business, including, without limitation: Ligand may not receive expected revenue from achieved and/or earned milestones and even if received any such milestone payments may not be significant or material to Ligand. 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 risk factors affecting Ligand can be found in 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 release, including the possibility of additional license fees and milestone revenues we may receive. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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