

Ligand Pharmaceuticals, Inc.

(LGND - NASDAQ)

LGND: Target Up On Improved Growth Outlook

We use a blended 22.0x multiple of 2027 earnings and 17.0x multiple of 2027 EBITDA to generate our Ligand Pharmaceuticals core valuation. To this, we add investment value for Primrose equity, Palvella preferred stock, Pelthos and other investments along with cash and cash equivalents to produce our target price.

Current Price (11/7/2025) **\$202.48**
Valuation **\$220.00**

OUTLOOK

Ligand Pharmaceuticals holds a portfolio of revenue, royalty & milestone generating assets that have been vetted by its internal investment team. Ligand considers individual biopharmaceutical products, platforms, companies & income streams in its opportunity set. It targets late-stage and commercial income-producing assets when making investments. The company holds a diversified portfolio of biopharmaceutical royalties, a solubilizing and stability agent, as well as equity interests and ownership in other companies including Primrose, Palvella, Viking and Pelthos.

The royalty portfolio consists of 12 major commercial stage assets & >90 active programs. In addition to its identified programs, Ligand plans to deploy ~\$200 million per year acquiring new assets which can largely be funded with free cash flow.

The company's experienced investment team takes an internal look under a confidentiality agreement at prospects' data, allowing for superior risk adjusted returns. In addition to its major commercial assets, Ligand's portfolio of development-stage programs, along with future acquisitions funded by internally generated capital, can fuel long-term revenue growth and generate superior risk-adjusted returns.

SUMMARY DATA

52-Week High **211.92**
52-Week Low **93.58**
One-Year Return (%) **55.9**
Beta **0.9**
Average Daily Volume (sh) **229,015**

Shares Outstanding (mil) **19.7**
Market Capitalization (\$mil) **3,989**
Short Interest Ratio (days) **5.9**
Institutional Ownership (%) **99.7**
Insider Ownership (%) **2.3**

Annual Cash Dividend **\$0.00**
Dividend Yield (%) **0.00**

5-Yr. Historical Growth Rates
Sales (%) **6.8**
Earnings Per Share (%) **13.2**
Dividend (%) **N/A**

P/E using TTM EPS **27.8**
P/E using 2025 Estimate **25.3**
P/E using 2026 Estimate **26.6**

Zacks Rank **N/A**

Risk Level **Above Average**
Type of Stock **Medium-Growth**
Industry **Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue

(In millions of USD)

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2024	\$31.0 A	\$41.5 A	\$51.8 A	\$42.8 A	\$167.1 A
2025	\$45.3 A	\$47.6 A	\$115.5 A	\$64.2 E	\$272.7 E
2026					\$240.9 E
2027					\$283.0 E

Earnings per Share

	Q1	Q2	Q3	Q4	Year
2024	\$1.20 A	\$1.40 A	\$1.84 A	\$1.27 A	\$5.74 A
2025	\$1.33 A	\$1.60 A	\$3.09 A	\$1.53 E	\$7.55 E
2026					\$7.62 E
2027					\$9.07 E

WHAT'S NEW

Ligand Pharmaceuticals, Inc. (NASDAQ: LGND) reported outstanding results for its third quarter with revenues almost double our estimates and adjusted core earnings per share (EPS) more than 60% greater. While contributions from the spin out of Pelthos contributed the most, revenue growth in other areas was also strong. Royalties grew almost 50% and Captisol increased over 70%. Other activity since the previous quarterly update includes a \$460 million convertible note issuance and new investments in Orchestra BioMed, Pelthos' Xepi and two assets with Arecor.

Ligand reported third quarter 2025 revenues of \$115.5 million, a 123% rise over prior year levels. Drivers for the result were a \$53 million contribution from Pelthos and greater than expected growth from Filspari, Ohtuvayre, Qarzi-ba and Captisol. Adjusted core earnings per share were \$3.09, up from 3Q:24's \$1.84. Ligand raised 2025 revenue and earnings guidance by 8 to 10% resulting in a new range of anticipated revenues between \$225 to \$235 million and earnings per share of \$7.40 to \$7.65.

3Q:25 Financial and Operational Results

Ligand reported third quarter 2025 results in a [press release](#) and [Form 10-Q](#) filing with the SEC on November 6th and 7th respectively. A [conference call](#) was held with an accompanying [presentation](#) to discuss results with investors following the release. For the quarter ending September 30th, 2025 revenues of \$115.5 million were recognized. GAAP earnings per share for 3Q:25 totaled \$5.68 and core adjusted EPS was \$3.09. For the third quarter of 2025 versus the same prior year period:

- Revenues of \$115.5 million rose 123% from \$51.8 million. Pelthos contributed \$24.5 million of the total from the out-license of Zelsuvmi and \$28.6 million from the gain on the sale of the business. Intangible royalty asset revenues increased by 51% to \$40.2 million aided by contributions from Filspari, Ohtuvayre and Capvaxive. Financial royalty asset sales increased by 25% to \$6.4 million. Captisol revenues rose 71% to \$10.7 million due to the timing of customer orders. Contract revenue and other income increased 320% to \$58.2 million and includes the \$53.1 million related to the Pelthos transaction;
- Cost of revenue, which is related to Captisol cost of goods sold, totaled \$3.8 million, increasing 55% over prior year levels. This represents a gross margin on Captisol sales of 64.5%, up from 60.8%;
- Amortization of intangibles was \$8.1 million vs. \$8.3 million with the change due to deconsolidation of LNHG on July 1st, 2025;
- Research and development expense totaled \$21.0 million versus \$5.7 million with \$17.8 million of the amount attributable to the acquisition of the AVIM Therapy royalty rights from Orchestra;
- General & Administrative expenses were \$28.4 million, up 16% from \$24.5 million with the increase primarily due to transactions costs;
- Fair value adjustments to partner program derivatives of (\$0.8) million compared to \$7.8 million with prior year amounts related to certain Agenus partners discontinuing development of their partnered programs;
- Other non-operating items were \$86.2 million vs. (\$9.5) million. 3Q:25 items include a \$75.9 million gain related to the Pelthos transaction along with a \$9.8 million unrealized gain on Palvella common stock among other items. Net interest income was \$3.0 million up from \$0.6 million reflecting higher cash and investment balances;
- Income tax expense of \$23.9 million represents a tax rate of 16.9% compared to income tax expense of \$0.8 million;
- Net income was \$117.3 million versus a net loss of \$6.3 million or \$5.68 and (\$0.39) per share, respectively. Adjustments to 3Q:25 GAAP earnings subtracted \$2.59 per share to generate core earnings of \$3.09 per share.¹

As of September 30th, 2025, cash, equivalents and short-term investments totaled \$665 million. This amount compares to the \$256 million balance held at the end of 2024. Free cash flow in the third quarter totaled \$13.1 million while cash used in financing generated \$410 million largely due to proceeds from the convertible note issuance. The company maintains access to a revolving line of credit and an at-the-market (ATM) facility with Stifel, Nicolaus that can expand its access to capital as needed.

¹ Details of the GAAP to core earnings reconciliation are in Ligand's earnings press release. Material adjustments include Share-based compensation expense, Amortization, change in fair value for Pelthos securities and gain on sale of Pelthos.

Exhibit I – Key Portfolio Achievements

	Merck's Ohtuvayre <i>3% royalty</i> Merck closed acquisition of Verona for \$10B on October 7, 2025
	Traverse's Filspari <i>9% royalty</i> - IgAN: REMS modification changed from monthly to quarterly on August 28, 2025 - FSGS: PDUFA on January 13, 2026, Advisory Committee meeting no longer required
	Sanofi's Tzield <i>Less than 1% royalty</i> - Received nomination for FDA Commissioner's National Priority Voucher (CNPV) program - sNDA for stage-3 type-1 diabetes accepted by FDA in October - Approval in China in stage-2 type-1 diabetes
	Agenus's Bot/Bal <i>Low-single-digit royalty</i> Phase 3 BATMAN trial anticipated to initiate in Q4 2025
	Palvella's Qtorin Rapamycin 3.9% <i>8 to 9.8% royalty</i> - Phase 3 trial enrollment completion in microcystic lymphatic malformations in June 2025, with results anticipated Q1 2026 - Phase 2 results in cutaneous venous malformations expected mid-December - New QTORIN rapamycin indication announced in clinically significant angiokeratomas

Source: Ligand Pharmaceuticals 3Q:25 Slide Deck

Arecor Therapeutics Investment

Ligand indirectly announced its investment in Arecor Therapeutics plc (LSE: AREC.L) posting a copy of Arecor's [press release](#) detailing the sale of global royalty rights related to AT220 and technology access fees related to AT292. AT220 is a biosimilar product marketed by a large global pharmaceutical company and AT292 is an optimized recombinant Alpha 1-antitrypsin (AAT)-Fc fusion protein for emphysema patients. Both rely on the [Arestat formulation technology](#) for improved performance of the underlying molecule.

Ligand will pay Arecor up to \$11 million comprised of a \$7 million upfront payment and follow-on of \$4 million which will be paid after the achievement of certain commercial milestones related to AT220 and AT292. \$1 million of the follow-on amount is expected to be paid in 2026. In return for the investment, Ligand will receive approximately one million warrants with an exercise price of 67.39 pence² with a 10-year life. It will also receive global royalty rights related to AT220 and all potential milestones and technology access fees related to AT292.

Funds from the deal will support Arecor's development of AT278, an ultra-concentrated, ultra-rapid acting insulin candidate and an oral delivery of peptides platform technology. The financing extends Arecor's cash runway until 1H:27.

Few details are disclosed for AT220. The license agreement was executed in 2015 leading to the development of a novel and differentiated formulation of the Arecor partner product. The product was first commercialized in November 2023 generating royalties under a worldwide licensing agreement.

AT292 is a formulation-enhanced version of [INBRX-101](#) (now SAR447537) which was developed by Inhibrx and now owned by Sanofi. It is intended to treat Alpha 1-antitrypsin deficiency (AATD). AATD is an inherited rare disease characterized by low levels of AAT protein, predominantly affecting the lung with progressive deterioration of the tissue. INBRX-101 may help to reduce inflammation and prevent further deterioration of lung function in affected individuals.

The Arestat reformulation technology consists of a patented series of over ten different mechanistically defined families of specific combinations of excipients which, when selected and combined with a therapeutic medicine, will deliver novel formulations with enhanced properties. The technology can be applied to antibodies, complex biologics, peptides and vaccines and can provide greater safety and a superior therapeutic profile to the underlying molecule. A further explanation of the Arestat technology can be found on the [Arecor website](#).

² As of November 3rd, 2025 Arecor (AREC.L) had a price indication of 71.50 pence on the London Stock Exchange.

Pelthos' Transformation to Public Company

Ligand announced that it had identified a suitor to take its subsidiary Pelthos Therapeutics public in an April 17th [press release](#). Ligand's subsidiary combined with the public company Channel Therapeutics (NYSE: CHRO) which was a clinical stage life sciences company developing pain therapeutics. Since the acquisition of Novan by Ligand in 2023, Zelsuvmi has received FDA approval, Pelthos was created and the company is now public, trading on the NYSE American exchange. The transaction closed in July 2025 and Scott Plesha became CEO of the combined company and Mr. Knuettel (former CEO of Channel) is CFO.

Prior to the merger with Channel, Pelthos had been building inventory and preparing for commercial launch leading to a July 10th [announcement](#) introducing Zelsuvmi. It included Pelthos' payment of a \$5 million milestone to Ligand. Along with the merger, investors placed \$50.1 million with the new entity. Ligand now owns approximately 50% of Pelthos and is entitled to a 13% royalty on Zelsuvmi sales and may receive an additional \$5 million in commercial sales milestones.

On November 7th, Pelthos [announced](#) an \$18 million convertible note financing to support the acquisition of Xepi (ozenoxacin) cream. Xepi is a non-fluorinated quinolone antimicrobial indicated for the topical treatment of impetigo due to *Staphylococcus aureus* or *Streptococcus pyogenes* in adult and pediatric patients two months of age and older. The drug was [approved](#) by the FDA in December 2017. It is an attractive complement to Zelsuvmi, also focused on pediatric skin conditions. The convertible note Pelthos issued was partially financed by Ligand who contributed \$9 million of the total. Ligand will be eligible for a low single-digit royalty on US sales of Xepi. Based on our review, it appears that Xepi is not being actively commercialized at least in part due to [issues](#) related to its third-party manufacturer.

Convertible Senior Note Issuance

On August 11th, 2025 Ligand [announced](#) its intent to offer up to \$460 million in convertible senior notes with a five year life. The deal includes a hedging transaction to limit dilution above the conversion price. It [closed](#) on August 14th. Ligand was able to complete the entire \$460 million offering, generating net proceeds of \$445.1 million after deducting fees and expenses (approximately 3.2% load). The company also spent \$45.9 million of the net proceeds to hedge dilution exposure above the conversion price using long call options with a \$194.79 strike price partially funded by short call options (issuance of warrants) with a \$294.02 strike price. Ligand further repurchased 102,034 shares of its stock as part of the transaction.

The notes will mature on October 1st, 2030, unless converted, redeemed or repurchased earlier and the notes will pay interest of 0.75% semiannually. The initial conversion rate is \$194.79, but under certain circumstances such as a merger transaction, can be reduced to \$147.01. This is equivalent to 5.1338 shares under normal circumstances or 6.8022 shares if a triggering event takes place. After October 6th, 2028, Ligand may force redemption of the notes if equity shares have traded at 130% of the conversion price for 20 of 30 trading days.

This transaction adds a substantial amount of capital to Ligand's coffers and provides more firepower for the royalty aggregator to take advantage of investment opportunities in the life sciences space. We think that the investment environment has numerous opportunities at attractive valuations ripe for the picking. The additional \$400 million net of hedging and fees that Ligand has added to its balance sheet increases its potential. However, management noted that the bottleneck to a faster pace of investment is human capital. Therefore, we expect to see a modest increase in investment pace rather than an abundant increase in the near term.

Orchestra BioMed Holdings Investment

Ligand [announced](#) a \$40 million investment in Orchestra BioMed Holdings (NASDAQ: OBIO) on July 31st, 2025. It consists of a royalty investment and equity private placement. The arrangement provides Ligand with a tiered royalty on future sales of Orchestra's atrioventricular interval modulation (AVIM) therapy for the treatment of uncontrolled hypertension in pacemaker-indicated patients and from its Virtue Sirolimus Angioinfusion Balloon (SAB) programs. The AVIM program is being developed in partnership with Medtronic and the SAB program with Terumo. Both Medtronic and Terumo are expected to commercialize the product in their respective programs. We expect that first revenues from the AVIM and SAB programs will begin in the 2029/2030 timeframe.

Ligand's investment begins with a \$20 million royalty investment at the closing of the deal and \$5 million in an equity investment. At the nine-month anniversary of the transaction closing, Ligand will invest another \$15 million, which will complete the transaction and entitle Ligand to a tiered royalty on sales of the AVIM therapy and Virtue SAB. A high teens royalty will be paid on net sales under \$100 million for all of AVIM and SAB indications. A mid-single digit

royalty will be paid on net sales over \$100 million from AVIM therapy in uncontrolled hypertension and increased cardiovascular risk indications and Virtue SAB in coronary artery disease.

Further details of the arrangement were included in a [Form 8-K](#) filed by Orchestra BioMed outlining the royalty tiers. Annual net sales of the AVIM and SAB less than or equal to \$100 million in any field will generate a 17% royalty for Ligand. Sales of the two products above \$100 million will yield a 4% royalty to be paid to Ligand. Ligand will pay \$20 million upon close of the deal and another \$15 million 270 days after the close. If certain undisclosed milestones are not met for the Backbeat clinical study by January 1st, 2027, the royalty tiers will increase to 20% and 7%. Ligand also receives a warrant to buy two million shares at a price to be determined based on market activity. As part of the royalty investment, Medtronic contributions and a public offering secured over \$111 million in proceeds and committed capital for Orchestra as detailed in a [press release](#) on August 5th, 2025.

Orchestra Background

Orchestra was founded in 2018 and uses a partnership-enabled business model. It works with established medical device companies Medtronic and Terumo to [develop, innovate and commercialize](#) its products. Its pipeline contains two product platforms. The most advanced is the AVIM Therapy which is the subject of three studies including the Backbeat global pivotal study. The second platform is the Virtue Sirolimus AngioInfusion Balloon which is the subject of four studies.

Exhibit II – Orchestra BioMed Pipeline

Product Platforms	Target Indications	Preclinical → Pivotal	Partner	Study Sponsor
BackBeat CNT™ (AVIM Therapy)	Hypertension (HTN) (pacing patients; HTN+P)	IDE Approved	Medtronic	Orchestra BioMed
	High-Risk HTN ² (non-pacing patients)		Medtronic ROFN	
	CNT - HF			
Virtue® Sirolimus AngioInfusion™ Balloon (SAB)	Coronary In-Stent Restenosis (ISR)	IDE Approved FDA Breakthrough ¹	TERUMO	Orchestra BioMed
	Coronary Small Vessel (SV) ¹	FDA Breakthrough ¹		TERUMO
	Below-the-Knee (BTK) ¹	FDA Breakthrough ¹		
	SirolimusEFR™ / Microporous Balloon			
	Urology, orthopedics, oncology & other			

Source: [Orchestra BioMed Website](#)

AVIM Therapy

AVIM therapy is an investigational therapy compatible with standard dual-chamber pacemakers designed to lower blood pressure. It has been evaluated in pilot studies in patients with hypertension who are also indicated for a pacemaker. MODERATO II, a double-blind, randomized pilot study, showed that patients treated with AVIM therapy experienced net reductions of 8.1 mmHg in 24-hour ambulatory systolic blood pressure and 12.3 mmHg in office systolic blood pressure at six months when compared to control patients. In addition to reducing blood pressure, clinical results using AVIM therapy demonstrate improvements in cardiac function and hemodynamics. The BACK-BEAT global pivotal study will further evaluate the safety and efficacy of AVIM therapy in lowering blood pressure in patients who have systolic blood pressure above target despite anti-hypertensive medication and who are indicated for or have recently received a dual-chamber cardiac pacemaker. AVIM therapy has been granted Breakthrough Device Designation by the FDA for the treatment of uncontrolled hypertension in patients who have increased cardiovascular risk. (Adapted from Orchestra [press release](#))

Virtue SAB

Virtue SAB is designed to deliver a proprietary extended-release formulation of sirolimus through a non-coated microporous AngioInfusion Balloon that protects the drug in transit to consistently deliver a large liquid dose overcoming certain limitations of drug-coated balloons. Sirolimus delivered by Virtue has been shown in published preclinical work involving hundreds of arterial deliveries to achieve sustained tissue levels well above required therapeutic tissue concentration for inhibiting restenosis (1 ng/mg tissue) for the entire critical healing period of approximately 30 days. Virtue demonstrated positive three-year clinical data in coronary ISR in the SABRE study, a multi-center prospective, independent core lab-adjudicated clinical study of 50 patients conducted in Europe. Virtue has been granted Breakthrough Device Designation by the FDA for specific indications relating to coronary ISR, coronary small vessel disease and peripheral artery disease below-the-knee. (Adapted from Orchestra [press release](#)).

Valuation

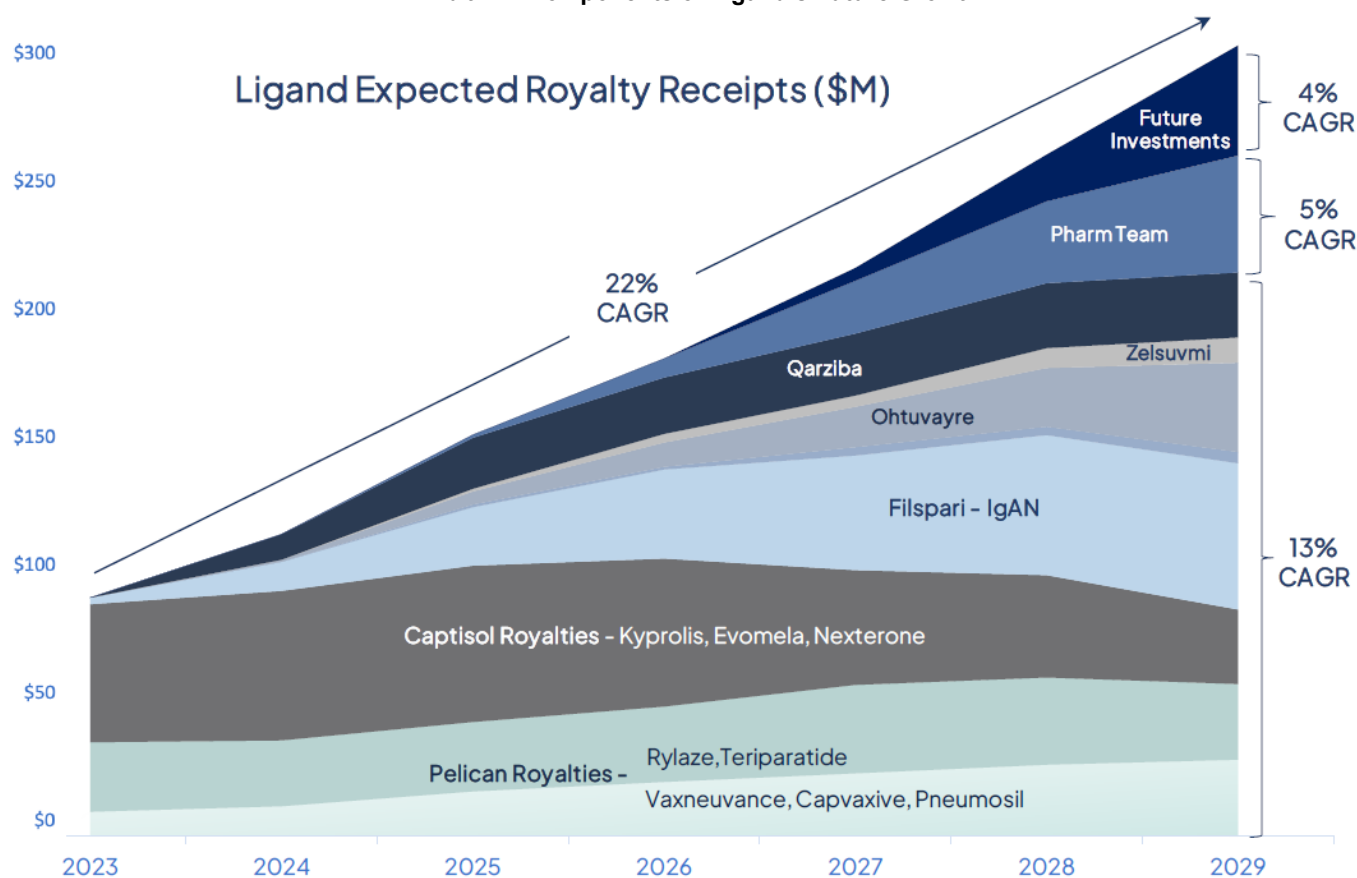
Ligand's opportunities have substantially improved since our previous update. Our valuation thesis for Ligand reflects the substantial opportunity for investment in late-stage development assets in the life sciences. There are few, if any, other royalty investors in the \$20-\$40 million investment size range for assets two to three years from regulatory approval. On the other hand, there are hundreds of viable assets that need capital and present Ligand's target characteristics. During its third quarter presentation, Ligand highlighted its pipeline, listing 135 investments reviewed and 32 active investment opportunities that are being considered for investment.

As the third quarter began, Ligand notched another material success with the spin out of Pelthos, recognizing more than \$53 million of revenues in the quarter and a ~150% increase in the Pelthos share price since the July 1st transaction date. During the third quarter and to date, Ligand has made additional investments including a convertible note investment in Pelthos for its acquisition of Xepi, royalty and fee rights from two Arecor assets, and strategic capital for Orchestra BioMed.

Ligand's revenue generating portfolio is growing faster than expected with strong contributions from sales of Filspari, Ohtuvayre, Qarziba and Ligand-owned Captisol. We also see a near term bump from Pelthos royalties contributing to the topline. The financial press has announced several acquisitions of Ligand portfolio companies including Chugai's buy of Renalys (Filspari) and Merck's buy of Verona (Ohtuvayre). We think that these assets under new ownership will benefit from the marketing might of these established biopharmaceutical companies. Captisol also chalked up another approval in SQ Innovation's Lasix ONYU which is expected to contribute milestones, a low single digit royalty and revenue from input sales.

This streak of wins and transactions along with a material increase in low-cost capital provide the backdrop for faster growth in the future. We increase our growth rate in royalties to 21%, shift our valuation ahead by one year and apply a higher multiple to reflect today's environment. Our valuation applies a blend of 22.0x 2027 core earnings per share and 17.0x 2027 EBITDA plus investments. The values are blended to generate our updated target price of \$220 per share.

Exhibit III – Components of Ligand's Future Growth



Milestones

- Royalty financing with Castle Creek Biosciences – February 2025
- Submission of Filspari sNDA in FSGS – 1Q:25
- European Commission final decision for Capvaxive marketing authorization – 2Q:25
- Ligand rings NASDAQ opening bell – May 2025
- Start of Qarziba Phase II Ewing sarcoma trial – 2Q:25
- Recordati (Qarziba) FDA meeting for BLA in relapsed/refractory setting – mid-2025
- Palvella's Qtorin Rapamycin Phase III trial enrollment completion in MLM – June 2025
- Pelthos [merges](#) with Channel Therapeutics – July 2nd, 2025
- Zelsuvmi product [launch](#) – July 2025
- Merck announces agreement to acquire Verona (Ohtuvayre) for \$10 billion – July 2025
- Orchestra BioMed capital investment – July 2025
- Proposed [offering](#) of \$460 million in convertible debt – August 2025
- FDA meeting on Qarziba for use in relapsed/refractory setting – 2025
- Filspari REMS labeling approved reducing frequency of liver function monitoring – August 2025
- Palvella Qtorin expansion into clinically significant angiokeratomas – September 2025
- Merck closes Verona Pharma acquisition and adds Ohtuvayre to its portfolio – October 2025
- Tzield awarded FDA's CNPV for delay in Type 1 diabetes progression – October 2025
- Phase IIb trial launch, Ohtuvayre with glycopyrrolate – 3Q:25
- Initiation of Agenus' BOT/BAL Phase III trial – 4Q:25
- Topline data from Filspari Japan trial by Renalys – 4Q:25
- Ligand investor day – December 2025
- Topline from Palvella's TOIVA Phase II study – December 2025
- Lockup on Pelthos shares expires – December 31st, 2025
- Filspari FSGS indication FDA target action date– January 13th, 2026
- Palvella Qtorin FDA meeting for Phase II study in angiokeratomas – 1H:26
- Data readout for Phase III SELVA trial for PTX-022 – 1Q:26
- Capvaxive PDUFA date for at risk children & adolescents – June 18th, 2026

Summary

Ligand posted a large beat in both revenues and earnings for the third quarter largely driven by the Pelthos spin out; however, the other lines of business also did very well with 50 to 70% growth in royalties and Captisol. The stalwarts of Filspari, Ohtuvayre and Qarziba continued to be topline drivers for the royalty portfolio. New investments include Arecor's AT220 and AT292, Orchestra's AVIM therapy and Virtue SAB, and Pelthos' Xepi. The large pool of investment opportunities and the attractive debt and derivative markets provided the impetus for Ligand to issue and hedge \$460 million of convertible notes. The notes avoid share dilution up to a doubling of Ligand's stock price and provide low-cost capital that can accelerate the investment pace.

We increase our target price to reflect higher anticipated growth, increased multiples and the roll forward of these valuation multiples to 2027. These estimate adjustments generate a price target of \$220 per share.

PROJECTED FINANCIALS

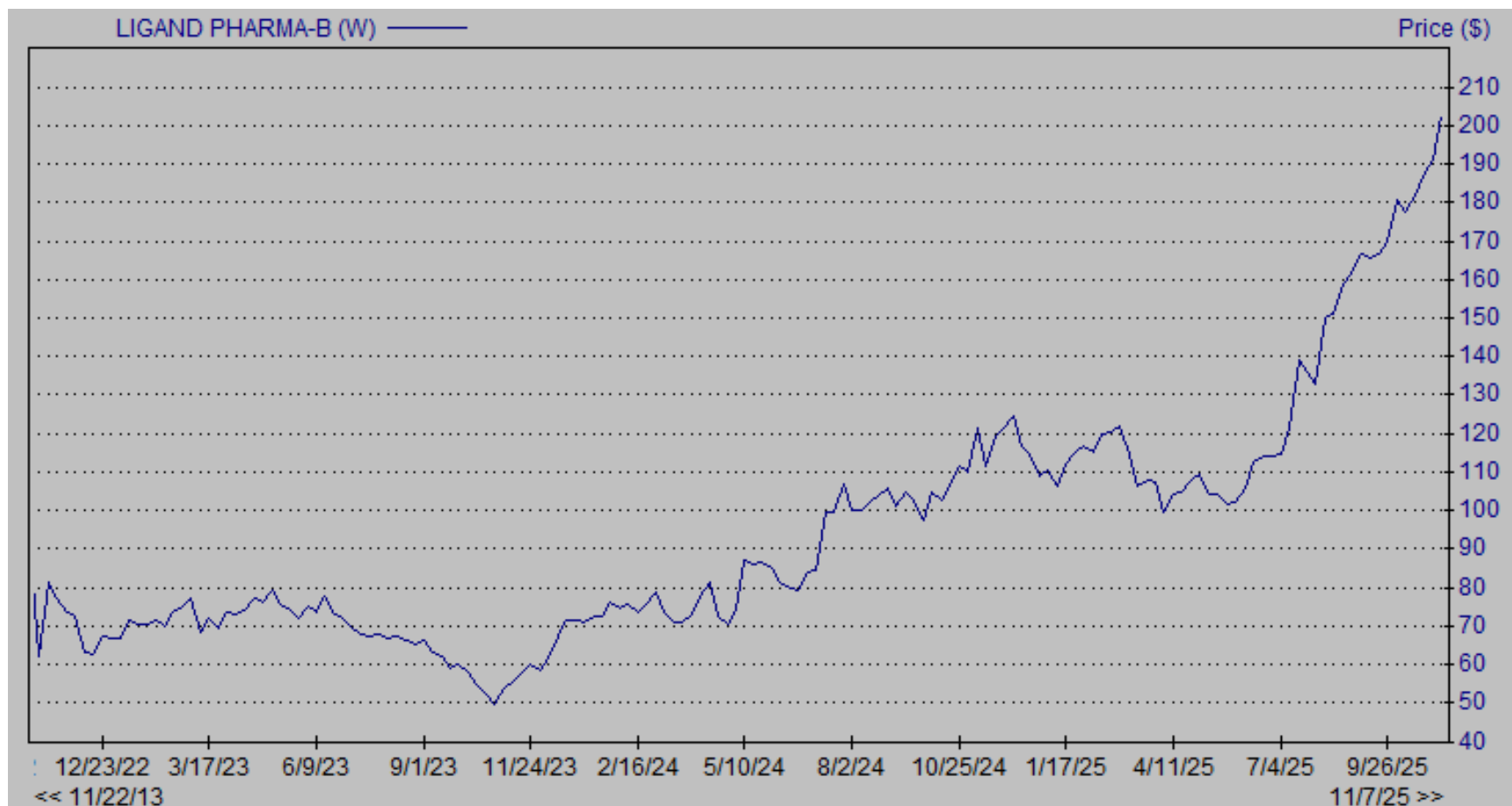
Ligand Pharmaceuticals, Inc. - Income Statement

Ligand Pharmaceuticals, Inc.	2024 A	Q1 A	Q2 A	Q3 A	Q4 E	2025 E	2026 E	2027 E
Total Revenues (\$US '000)	\$167,133	\$45,333	\$47,627	\$115,461	\$64,226	\$272,672	\$240,858	\$282,957
YOY Growth	27%	46%	15%	123%	50%	63%	-12%	17%
Cost of Goods Sold (Captisol)	\$11,074	\$4,849	\$2,907	\$3,801	\$3,211	\$14,768	\$13,636	\$14,454
Product Gross Margin	64.1%	64.0%	64.9%	64.5%	63.2%	63.8%	64.0%	64.0%
Amortization of intangibles	\$32,959	\$8,257	\$8,258	\$8,097	\$7,532	\$32,144	\$31,848	\$31,848
Research & development	\$21,425	\$50,085	\$6,567	\$21,019	\$2,920	\$80,591	\$8,520	\$8,607
General & administrative	\$78,654	\$18,801	\$20,175	\$28,446	\$8,344	\$75,766	\$32,300	\$35,200
Other	\$45,627	(\$443)	\$1,276	(\$833)	\$0	\$0	\$0	\$0
Income from operations	(\$22,606)	(\$36,216)	\$8,444	\$54,931	\$42,219	\$69,403	\$154,554	\$192,847
Operating Margin								
Interest expense	\$5,018	\$0	\$0	\$0	\$0	\$0	(\$1,000)	(\$1,000)
Other income, net	\$20,106	(\$13,964)	\$2,779	\$86,206	\$0	\$75,021	\$0	\$0
Pre-Tax Income	\$2,518	(\$50,180)	\$11,223	\$141,137	\$42,219	\$144,424	\$153,554	\$191,847
Provision for Income Tax	\$6,550	(\$7,729)	\$6,376	\$23,864	\$11,188	\$33,699	\$34,550	\$44,125
Tax Rate	260.1%	15.4%	56.8%	16.9%	26.5%	23.3%	22.5%	23.0%
Net Income	(\$4,032)	(\$42,451)	\$4,847	\$117,273	\$31,031	\$110,725	\$119,004	\$147,722
Net Margin								
Reported EPS	(\$0.22)	(\$2.21)	\$0.24	\$5.68	\$1.43	\$5.43	\$6.01	\$7.46
Adjustments	\$5.96	\$3.54	\$1.36	(\$2.59)	\$0.55	\$2.85	\$1.61	\$1.61
Core EPS	\$5.74	\$1.33	\$1.60	\$3.09	\$1.98	\$8.00	\$7.62	\$9.07
YOY Growth	41%	11%				39%	-5%	19%
Fully Diluted Shares	18,290	19,191	19,926	20,629	21,750	20,374	19,800	19,800

Source: Company Filing // Zacks Investment Research, Inc. Estimates

HISTORICAL STOCK PRICE

Ligand Pharmaceuticals, Inc. – Share Price Chart³



³ Source: Zacks Research System

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