



Date: November 01, 2022

Subject: Ligand Pharmaceuticals Incorporated – Distribution
Option Symbol: LGND
New Symbol: LGND1
Date: 11/02/2022

Contract Adjustment

Effective Date: November 2, 2022

Option Symbol: LGND changes to LGND1

Strike Prices: No Change

Number of Contracts: No Change

Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 90 yields \$9,000.00)

New Deliverable Per Contract:

- 1) 100 Ligand Pharmaceuticals Incorporated (LGND) Common Shares
- 2) Approximately 490 (New) OmniAb, Inc. (OABI) Common Shares (subject to delayed settlement until the final distribution rate is confirmed)
- 3) Cash in lieu of approximately 0.007 fractional OABI Common Shares, if any

Note: Once determined, the cash in lieu of fractional share portion of the option deliverable will remain fixed and will not vary with price changes of any security.

Settlement Allocation:

LGND: 50%
OABI: 50%

CUSIPs:

LGND: 53220K504
OABI: 68218J103

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

Pricing

The underlying price for LGND1 will be determined as follows if the terms are unchanged:

$$\text{LGND1} = \text{LGND} + 4.9 (\text{OABI})$$

Delayed Settlement

The LGND component of the LGND1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the OABI and cash components, if any, until the final distribution rate is confirmed. Upon determination of the final distribution rate, OCC will require Put exercisers and Call assignees to deliver the appropriate number of shares and cash, if any.

Background

Ligand Pharmaceuticals Incorporated (LGND) has announced a distribution of (New) OmniAb, Inc. (OABI) Common Shares. The distribution ratio is approximately 4.90007 of an OABI share for each LGND share held. Additionally, LGND shareholders will receive approximately 0.75 non-transferable Earnout Shares for each LGND share held. The record date is October 26, 2022; the payable date is November 1, 2022. **NASDAQ has set November 2, 2022, as the ex-distribution date for this distribution.** Cash will be paid in lieu of fractional OABI shares, if any.

OmniAb, Inc. Common Shares began trading on a when issued basis on October 25, 2022 on NASDAQ under the trading symbol "OABIV".

NOTE: The adjusted LGND1 option deliverable will not include the non-transferable Earnout Shares.

Disclaimer

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.