2020 Annual Meeting of Stockholders of PDL BioPharma, Inc.

August 19th, 2020

PDL BioPharma, Inc.

Nasdaq: PDLI

PDL.com

Forward-Looking Statements

This presentation contains forward-looking statements including PDL's expectations with respect to revenues, expenses, net income and cash provided by operating activities. Each of these forward-looking statements involves risks and uncertainties. Actual results may differ materially from those, express or implied, in these forward-looking statements. Factors that may cause differences between current expectations and actual results include, but are not limited to, the following:

- Failure to successfully identify or complete a potential sale, divestiture, spin-off, merger, combination or similar transaction in connection with our monetization strategy, or the failure of any such transaction to yield additional value for shareholders;
- Market conditions or public health risks such as the COVID-19 pandemic, which may affect the timing and/or execution of, and/or amount of net proceeds from, any potential sale, divestiture, spin-off, merger, combination or similar transaction in connection with our monetization strategy;
- Activities by shareholder activists, including a proxy contest or any unsolicited takeover proposal;
- Tax treatment of any distributions we may make in connection with our monetization strategy or dissolution;
- Our ability to utilize our net operating loss carryforwards and certain other tax attributes or positions, including in connection with our monetization strategy;
- The amounts or timing of distributions to stockholders in connection with our monetization strategy or if we file for dissolution, which could be subject to an uncertain amount of claims or other potential liabilities;
- Risks related to the commercialization of our products or those of our counterparties, including but not limited to, competition from other products (including generic products), compliance with laws and regulatory requirements, pricing, intellectual property rights, reliance on a third party for commercialization of our authorized generic product, standards of care as they apply to the use of our products, unexpected changes to tax, import or export rules;
- Our reliance on third-party manufacturers who may not perform as expected;
- The productivity of acquired income generating assets may not fulfill our revenue forecasts and, if secured by collateral, we may be under-secured and unable to recuperate our capital expenditures in the transaction;
- Failure to obtain or maintain regulatory approvals relating to our products and those underlying certain of our investments and income generating assets;
- Competitive or market pressures on our products, licensees, borrowers and royalty counterparties;
- Changes in any of the assumptions on which PDL's projected revenues are based;
- Changes in foreign currency exchange rates;
- The outcome of litigation or disputes, including potential product liability; and
- The failure of licensees to comply with existing license agreements, including any failure to pay royalties due.

Other factors that may cause PDL's actual results to differ materially from those expressed or implied in the forward-looking statements in this presentation are discussed in PDL's filings with the SEC, including the "Risk Factors" sections of its annual and quarterly reports filed with the SEC. Copies of PDL's filings with the SEC may be obtained at the "Investor Relations" section of PDL's website at www.pdl.com. PDL expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in PDL's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based for any reason, except as required by law, even as new information becomes available or other events occur in the future. All forward-looking statements in this presentation are qualified in their entirety by this cautionary statement.

Presentation Overview

I. PDL BioPharma overview

II. Transitioning from healthcare growth strategy to a monetization and liquidation process

III. Execution against monetization process

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PDL BioPharma Overview (as of Jan. 2020)

Founded in 1986, PDL seeks to improve patients' lives by supporting the successful development of innovative therapeutics and healthcare technologies. PDL has investments in biopharmaceutical companies to help nurture them and has acquired a portfolio of passive royalty and debt investments generating significant cash flows.

Equity Portfolio

EVOFEM BIOSCIENCES	LENSAR	NODEN PHARMA
Clinical-stage women's health company	**Next-generation femtosecond laser technology for refractive cataract surgery**	**Global specialty pharmaceutical company**
PDL had ~30% equity stake	Majority owned by PDL	Wholly owned by PDL

Passive Royalty and Debt Portfolio

AcelRx Pharmaceuticals, Inc.

ASSERTIO

VB Viscogliosi Bros., LLC

Wellstat Diagnostics, LLC

CAREVIEW COMMUNICATIONS

University of Michigan

kybella

In September 2019, PDL began a strategic review process that informed its decision to launch a monetization process to unlock the value of its assets and maximize shareholder value.

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Transitioning from healthcare growth strategy to a monetization and liquidation process

- Despite strong execution, PDL's shares continued to trade at a discount to book value
- Management recommended to the Board of Directors in the summer of 2019 that PDL undertake a strategic review
- Board and management began the review in September, weighing the potential to build significant value under healthcare growth strategy against nearer-term value creation opportunities with the assistance of MTS Health Partners and BofA Securities
  - Sought feedback from shareholders throughout the process, including several that were invested for many years and were familiar with PDL's evolution
- Board and management recognized inherent execution risk and long-term nature of its strategy and the value creation opportunities that may be realized by monetizing its high-quality assets
- Board and management team unanimously decided to halt the execution of the growth strategy and to pursue a formal process to unlock value by monetizing PDL's assets and returning net proceeds to shareholders

Considering the significant intrinsic value in PDL's portfolio, the Board and management determined a wind-down monetization would be in the best interests of shareholders

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Significant Progress in Asset Monetization

- Disciplined, cost-effective monetization strategy with focus on optimizing return of net proceeds to stockholders
- Comprehensive Plan of Complete Liquidation approved by Board enabling potential liquidation tax treatment for distributions
- Engaged leading investment banks as advisors
  - BofA Securities for sale of whole Company or royalty portfolio
  - Torreya for sale of Noden and sale of Evofem stock
  - SVB Leerink to pursue pathway for LENSAR and advise on overall liquidation and distribution strategies
- PDL has made significant progress in the execution of its asset monetization strategy
  - Distributed Evofem stock in Q2 2020
  - Entered into a definitive agreement to divest Noden in Q3 2020
  - Entered into a settlement agreement with Wellstat in Q3 2020
  - Positioned LENSAR for a potential spin-off, but still evaluating strategic alternatives
  - Continue to assess optimal paths for the royalties to maximize shareholder return

We continue to be disciplined and diligent in executing our strategy and to adjust our cost structure to maximize net proceeds for our stockholders

Evofem: Timely Distribution of Stock

- 13.3 million EVFM common shares together with 3.3 million warrants were purchased in the second quarter 2019 for combined $4.50 for a total investment of $60 million
- On May 21, 2020 we distributed all 13.3 million EVFM common shares held by PDL through a pro rata, special, one-time dividend
  - Distribution was timed to be shortly before the Phexxi™ FDA PDUFA date
  - Phexxi™ was FDA-approved on May 22, 2020, leading to a significant increase in the EVFM share price and trading volume
  - As this distribution was pursuant to a plan of complete liquidation, it is expected to decrease the U.S. stockholders tax basis in PDL stock by 56 cents
- The approximate value of EVFM common shares at time of distribution was $64.4 million, or $4.83 per EVFM share

PDL holds 3.3 million EVFM warrants, each can be exercised for one EVFM common share at $6.38 per share

Noden: Divest for Up to $48.25 Million

- We announced our entry into a definitive agreement to sell 100% of the stock in Noden to private equity firm Stanley Capital
- The total value of this cash transaction is up to $48.25 million
  - We will receive a payment of approximately $12 million when the transaction closes
  - An additional $33 million will be paid in equal installments of $2.75 million each over 12 quarters between January 2021 and October 2023
  - Potential for 2 additional contingent payments totaling $3.25 million dollars
- Upon closing, Noden's cash on hand and additional cash to be contributed to Noden by Stanley Capital will be paid to Novartis to satisfy inventory purchase commitments totaling $38.6 million
  - PDL will be released of its guarantee to Novartis under Noden's supply agreement

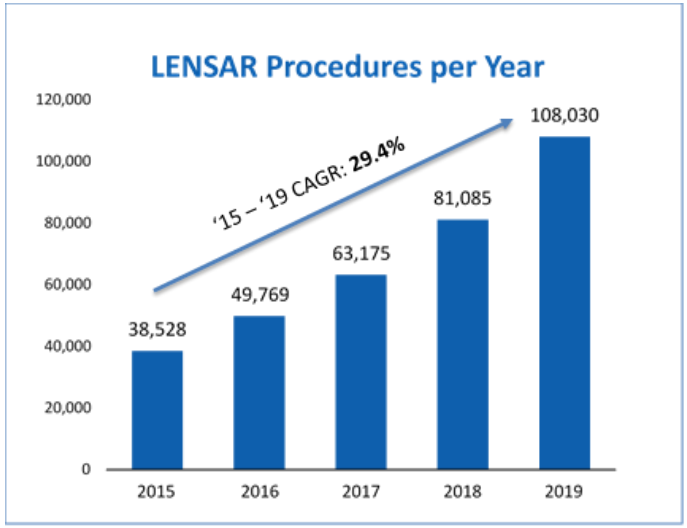
The transaction is expected to close by the end of the third week of August

Wellstat: Reached Settlement Agreement

- On August 12, 2020 we announced the settlement agreement resolving previously reported litigation relating to loans PDL made to Wellstat Diagnostics
  - The loans totaling $44.1 million were made pursuant to a loan agreement between Wellstat Diagnostics and PDL dated August 2013
  - The notes were carried on PDL's balance sheet for $51.4 million as of June 30, 2020
- Under the terms of the Settlement Agreement, Wellstat Parties paid $7.5 million upon the signing of the Agreement and will pay either
  1. $5 million by February 10, 2021 and $55 million by July 26, 2021; or
  2. $67.5 million by July 26, 2021
- If the Wellstat Parties fail to make payment in full by July 26, 2021, PDL is authorized to record and confess judgment against the Wellstat Parties for an amount of $92.5 million or such lesser amount as may be owed under the Agreement

LENSAR: Well-positioned for Spin-off

- On July 17, we announced the confidential filing of a Form 10 registration statement for a potential spin-off of LENSAR as a publicly traded company
- PDL continues to evaluate its strategic options for LENSAR and cannot provide assurance that it will proceed with a spin-off
- LENSAR's net sales for 2019 were $30.5 million, with pre-COVID revenues growing 20-30% annually over the past several years
  - 2020 procedure volume has been negatively impacted by the pandemic as cataract surgery is considered elective in most cases
- LENSAR is well-positioned to resume its growth trajectory once the pandemic subsides



Strengthening Innovation Lead with ALLY™

- Streamline IV system enables surgeons to optimize their surgical management of astigmatism
  - Between 70-90% of cataract patients have treatable, visually significant astigmatism prior to surgery, and this astigmatism remains largely uncorrected post-surgery
  - LENSAR has captured 13% of global FLACS procedures
- ALLY™: All-in-One Femto Phaco Device
  - Expected to broaden the addressable market to include all cataract procedures and significantly enhance competitive position
  - A single, compact, mobile workstation with an enhanced femtosecond laser and a well-known, high performance technology phacoemulsification system
- LENSAR's intellectual property secures a premier technology position for developing and commercializing this disruptive technology

Royalty Portfolio: Maximizing Stockholder Return

Product	Licensee	Counterparty	Royalties Until (1)	Investment	Cash Received to date (3)
Glumetza metformin HCl	Depomed	Valeant Pharmaceuticals International, Inc.	indefinite		
Janumet XR (sitagliptin and metformin HCl extended-release)	Depomed	Merck Be well	6/2018		
Jentadueto XR (linagliptin/metformin HCl extended-release) tablets	Depomed	Boehringer Ingelheim / Lilly	5/2026(2)	$260.5M	$472.3M
Invokamet XR canagliflozin/metformin HCl extended-release tablets	Depomed	janssen	9/2023(2)		
Synjardy XR (empagliflozin/metformin HCl) tablets	Depomed	Boehringer Ingelheim / Lilly	12/2026(2)		
Cerdelga (eliglustat) capsules	University of Michigan	Sanofi Genzyme	4/2022	$65.6M	$22.9M
ZALVISO® SUFENTANIL SELF-MANAGED DELIVERY SYSTEM	AcelRx Pharmaceuticals, Inc.	Grunenthal (4)	2030 or 3X investment	$65.0M	$0.9M
coflex®	Viscogliosi Bros., LLC	Paradigm Spine	Until $36.7M	$15.5M	$7.2M
kybella®	Inventor	Allergan	2/2025	$9.5M	$0.6M

(1) Expected dates based upon current agreements and patent expiry estimates
(2) Expiration for US sales: "ROW" expiry depends on launch dates
(3) As of 6/30/20
(4) On May 22, 2020, the Company was notified by AcelRx that the product marketer of Zalviso, Grunenthal GmbH, has terminated the license agreement with AcelRx.

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2020 Common Stock & Convertible Note Repurchase Activity

- In December 2019, the Board approved a $275 million repurchase plan
- Through June 30, 2020, the total amount spent of the $275 million Board authorized repurchase program, including the value of the Company's stock issued in connection with the December 2019 convertible debt exchange, was $213.0 million
- In the first half of 2020, PDL acquired 12.3 million shares of its common stock for $39.4 million
  - Approximately 114.0 million shares of PDL common stock are outstanding as of June 30, 2020
- The Company also repurchased $15.9 million par value of convertible notes in the first six months of 2020
  - $14.8 million par value of convertible notes remain outstanding as of June 30, 2020, of which $13.8 million is due in December 2021 and $1.0 million is due in December 2024
- In consideration of the impact and uncertainty introduced by the COVID-19 pandemic on its monetization process, PDL discontinued its 10b5-1 program on May 31, 2020

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Plan of Dissolution

- The Company will exist after filing the Certificate of Dissolution for at least 3 years, solely for wind-down purposes as required under the laws of Delaware
  - Time allows for managing potential litigation, resolving any claims and disputes, monetizing any remaining assets and facilitating distributions
  - Time provides for the handling of remaining stockholder and administrative issues, and for a final distribution
  - 3-year period begins when the Certificate of Dissolution is filed; the dissolution timeline may be extended beyond 3 years if necessary
- Assuming the dissolution is approved by our stockholders, the Board has the sole discretion to determine the timing for filing the Certificate of Dissolution and may abandon the filing due to changes in circumstances, or if in the best interest of our stockholders
  - This flexibility makes us highly confident that approval for our Plan of Dissolution will not affect the value that we can capture through our asset monetization process

Concluding Remarks

We are committed to execute a cost-effective wind-down and ultimately maximize total distributions to PDL stockholders