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October 23, 2026

Contact:
PDL Investor Relations
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Dear PDL investors,

This letter updates you regarding our appeal of the California Franchise Tax Board's determination of tax owed in the period from 2013-2015 before the Office of Tax Appeals ("OTA"). A hearing was held before the OTA on June 23, 2026. On September 30, 2026, we received an adverse decision from the OTA. The opinion was supported by two of the three panel members, with the Chief ALJ, Judge Turner, dissenting. We disagree with the OTA's decision. After a thorough review including our legal and tax advisors, we plan to file a petition requesting that the OTA rehear the case. We will keep you updated on the progress of this matter. We continue to hold significant reserves related to this proceeding as required by the Delaware court.

On behalf of the Board of Directors and PDL BioPharma, I would like to thank you again for your investment in our Company

Sincerely,

Christopher Stone