Fourth Quarter and Full Year 2022 Financial and Operating Results

NASDAQ: HALO

February 21, 2023



Forward Looking Statements

In addition to historical information, the statements set forth in this presentation include forward-looking statements including, without limitation, statements concerning the Company's expected future financial performance (including the Company's financial outlook for 2023) and expectations for profitability, revenue (including expectations for future royalties, milestones and product sales), EBITDA and earnings-per-share, and the Company's plans to repurchase shares under its share repurchase program and to potentially expand the Company's platform through acquisitions. Forward-looking statements regarding the Company's ENHANZE® drug delivery technology include the possible benefits and attributes of ENHANZE® including its potential application to aid in the dispersion and absorption of other injected therapeutic drugs and facilitating more rapid delivery and administration of larger volumes of injectable medications through subcutaneous delivery and potential to decrease treatment burden and decrease healthcare costs. Forward-looking statements regarding the Company's ENHANZE® business may include potential growth driven by our partners' development and commercialization efforts (including anticipated new clinical trial starts, study readouts, PDUFA dates, ENHANZE® product approvals and launches and the timing related to these events), projections for future sales revenue and market share of our collaborators' products, potential new or expanded ENHANZE® collaborations, collaborative targets and indications for ENHANZE® products, co-formulation intellectual property and the Company's plans to develop a large volume auto-injector and new formulations of its API for longer intellectual property protection. These forward-looking statements are typically, but not always, identified through use of the words "believe," "enable," "may," "will," "could," "intends," "estimate," "anticipate," "plan," "predict," "probable," "potential," "possible," "should," "continue," and other words of similar meaning and involve risk and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Actual results could differ materially from the expectations contained in these forward-looking statements as a result of several factors, including unexpected levels of revenues (including royalty and milestone revenue received from our collaboration partners and product sales), expenditures and costs, unexpected delays in the execution of the Company's share repurchase program or planned platform expansion, unexpected results or delays in the growth of the Company's ENHANZE® business (including as a result of unexpected conversion rates), obtaining new co-formulation intellectual property, or in the development, regulatory review or commercialization of new formulations of the Company's API or its partners' ENHANZE® products, unexpected delays in the Company's plans to develop a large volume auto-injector, regulatory approval requirements, unexpected adverse events or patient outcomes and competitive conditions. These and other factors that may result in differences are discussed in greater detail in the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Non-GAAP Financial Measures:
In addition to disclosing financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), these materials contain certain non-GAAP financial measures. The Company reports EBITDA, adjusted EBITDA and non-GAAP diluted earnings per share and expectations of those measures in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company uses Non-GAAP financial information in assessing what it believes is a meaningful and comparable set of financial performance measures to evaluate operating trends, as well as in establishing portions of our performance-based incentive compensation programs. The Company does not provide reconciliations of forward-looking adjusted measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for changes in contingent liabilities, share-based compensation expense and the effects of any discrete income tax items.

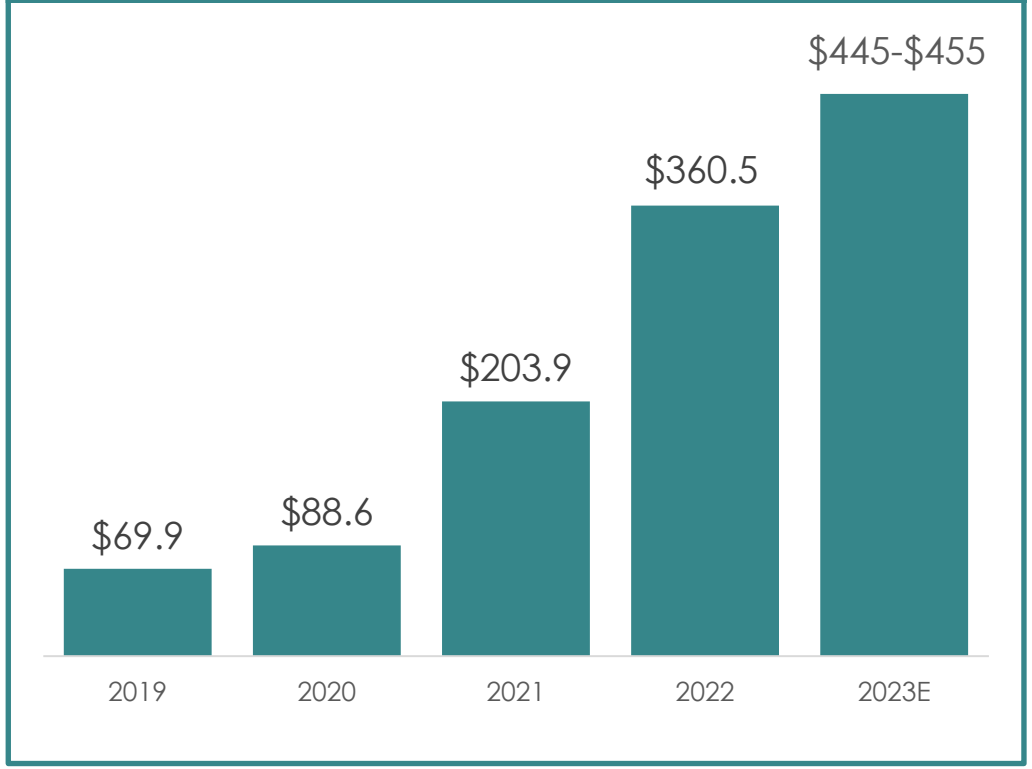
Note: This presentation contains product names, trademarks and registered trademarks that are property of their respective owners.

2022 Results and 2023 Financial Guidance

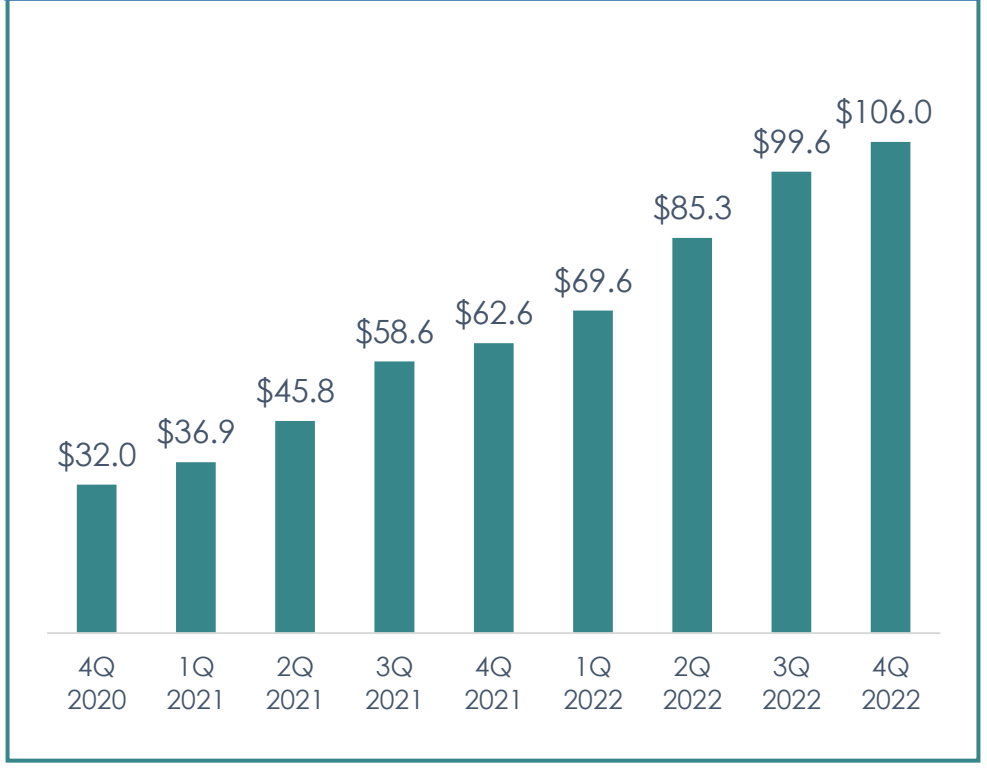
	2022	2023	
Total Revenue	$660.1M	**$815M - $845M**	• 23-28% YoY growth • Product Sales expected to increase due to full year Antares contribution and increasing ENHANZE® API demand • Total collaboration revenue expected to be relatively flat compared to 2022, milestones to begin the second quarter and be weighted in the second half of the year
Royalty Revenue	$360.5M	**$445M - $455M**	• 23-26% YoY growth • Continued DARZALEX® and Phesgo® uptake and full year device royalty contribution • Sequential growth to flatten in the first quarter, growth sequentially thereafter throughout the year
EBITDA	$314.5M	**$415M - $440M**	• 32-40% YoY growth • Excludes impact of amortization costs in 2023 related to the Antares acquisition
Non-GAAP Diluted EPS	$2.21	**$2.50 - $2.65**	• 13-20% YoY growth • Excludes impact of future share repurchases

Royalty Revenues: Projecting 23-26% Growth in 2023, Driven by ENHANZE® and Device Royalties

Annual Total Royalty Revenue* ($M)



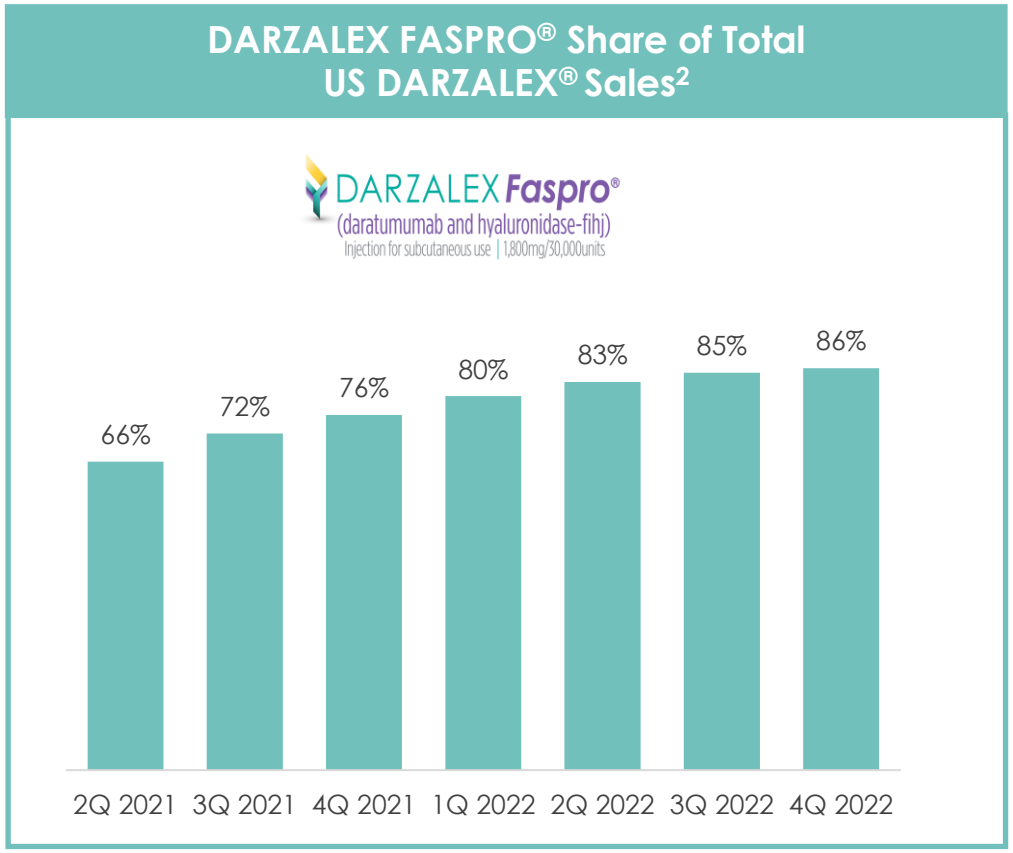
Quarterly Royalty Revenue* ($M)



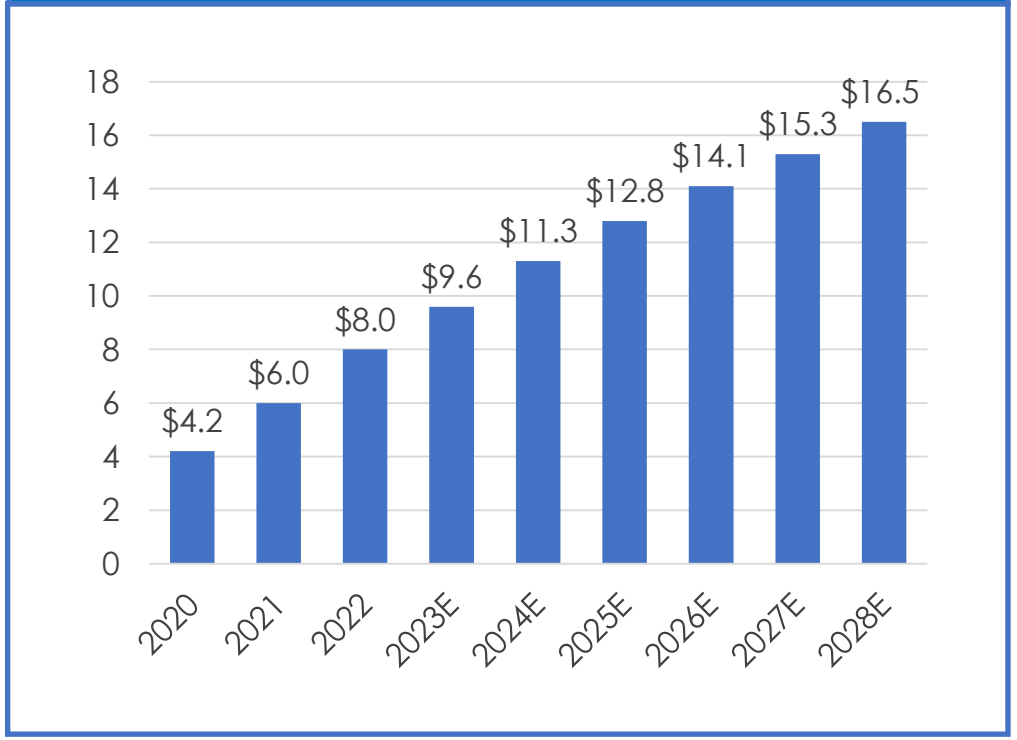
*Includes auto-injector royalties

Wave 2 Revenue Growth Drivers: Project Continued DARZALEX SC/FASPRO® Share and Revenue Growth

DARZALEX FASPRO® Share of Total US DARZALEX® Sales[2]



Total DARZALEX® Sales IV+SC ($B)[1]



[1] Analysts' consensus from Evaluate Ltd February 2023
[2] 2022 Symphony Health (subscription data presented with permission)

ENHANZE®: Durable Revenue Potential and Strong Future Growth Opportunities

Waves 1 & 2	Wave 3	Wave 4	Wave 5
5 Globally-Approved Products	4 Product Candidates	10 Product Candidates	
DARZALEX Faspro® (daratumumab and hyaluronidase-fihj) Injection for subcutaneous use | 1,800mg/30,000units PHESGO® pertuzumab/trastuzumab/hyaluronidase-zzxf SUBCUTANEOUS INJECTION HyQvia [Immune Globulin Infusion 10% (Human) with Recombinant Human Hyaluronidase] Herceptin® trastuzumab MabThera SC Rituximab Subkutant	Launch Potential 2023-2025 Efgartigimod SC* Atezolizumab SC* Nivolumab SC Ocrelizumab SC	Launch Potential 2025-2027 8 in/completed Phase 1 2 in/soon to start Phase 3	Launch Potential 2027+ New nominations from current and new partners
Revenue drivers 2021+	**Revenue drivers 2023-2025**	**Revenue drivers 2025-2027**	**Revenue drivers 2027+**

* Submitted for regulatory approval

Wave 3: Four Potential Launches 2023-2025

Products			Disease Areas	Milestones	Potential Launch[1]
argenx	Efgartigimod	**IV APPROVED (gMG)**	gMyasthenia Gravis Other Indications	FDA PDUFA date extended to June 20, 2023 Additional SC with ENHANZE® indication data readouts projected in 2023	**2023** for gMyasthenia Gravis
Roche	Atezolizumab	**IV APPROVED**	Phase 3 in Non-Small Cell Lung Cancer[2]	FDA PDUFA date of September 15, 2023	**2023**
Roche	Ocrelizumab	**IV APPROVED**	Multiple Sclerosis	Phase 3 data readout projected in 2023	**2024**
Bristol Myers Squibb	Nivolumab	**IV APPROVED**	Phase 3 studies in: Clear Cell Renal Cell Carcinoma Melanoma	Phase 3 ongoing	**TBD**

[1] Halozyme assessment based on company statements on pivotal data availability. Assumes 6 months for BLA submission filing and 10-month FDA review.
[2] Roche pursuing label for multiple indications

ENHANZE® Partner Product Development Pipeline

Wave 3 Pipeline

Current Program/Product	Indications	Phase 1	Phase 2	Phase 3	Filed
Wave 3					
Efgartigimod (argenx)	gMG				
Atezolizumab (Roche)	NSCLC				
Ocrelizumab (Roche)	Multiple sclerosis				
Nivolumab (BMS)	RCC				
Nivolumab (BMS)	Melanoma				
Efgartigimod (argenx)	CIDP				
Efgartigimod (argenx)	Immune thrombocytopenia				
Efgartigimod (argenx)	Pemphigus				
Efgartigimod (argenx)	Bullous Pemphigoid (BP)				
Efgartigimod (argenx)	Myositis				

ENHANZE® Partner Product Development Pipeline

Wave 4 Pipeline

Current Program/Product	Indications	Phase 1	Phase 2	Phase 3	Filed
Wave 4					
Amivantamab (Janssen)	Solid malignancies				
Nivolumab+Relatlimab (BMS)	Solid tumors				Phase 3 to start soon
ARGX-117 (argenx)	Multifocal motor neuropathy				
Teprotumumab-trbw (Horizon)	Thyroid Eye Disease				
Rilpivirine (Janssen)	HIV				
Undisclosed (Roche)	Undisclosed				
TAK-881 (Takeda)	Immune				
Cabotegravir (ViiV)	HIV				
N6LS bnAb (ViiV)	HIV (treatment)				
Undisclosed (Chugai)	Undisclosed				

NEW in 2023: ENHANZE® Plus Auto-Injector Facilitates 5mL to 10mL



+

Halozyme Auto-Injector Technology and Know How

▶

High Volume Auto-Injector (5mL to 10mL)

- Creates space for fluid dispersion
- Reduces backpressure
- Reduces leakage to deliver planned dose

Customizable technology to meet partner needs

2023: Complete clinical feasibility testing

Testosterone Replacement Therapy Portfolio:
Targeting to Generate >$100M XYOSTED Revenue in 2023

FOCUS	FOCUS	OPPORTUNITY
XYOSTED® (testosterone enanthate) injection Ⓒ	TLANDO® (testosterone undecanoate) Ⓒ	~8.5M TRX prescribed for testosterone replacement therapy in 2022
Once-a-week dosing	2X/daily oral administration	Growing ~5% YOY
Virtually painless subcutaneous injection using auto-injector technology	First oral TRT without titration requirement	Switch strategy from IM and gels
21 Orange Book-listed patents extending to 2038		Each 1% share gain ~$20M in net sales
Launched November 2018	*Launched June 2022*	

Halozyme Strategic and Capital Allocation Priorities



Invest to Maximize Revenue Growth and Durability

- ENHANZE®
- Auto-injector innovation
- Commercial opportunity



Continue to Return Capital to Shareholders

Second Plan: December 2021

$750M 3-year share buyback

- $350M completed through December 2022
- $150M planned in 2023 pending market conditions and other factors



Identify Opportunities for External Growth

- Focus on integration
- Continue to evaluate opportunities to accelerate and extend revenue

4Q 2022 Financial Highlights

$ U.S. in Millions, except EPS (unaudited)

	4Q 2022	4Q 2021	% Change
Royalties	$106	$62.6	69%
Product sales, net	$61.2	$27.1	126%
Collaboration Revenues	$14.4	$12.3	17%
Total Revenues	$181.5	$102.0	*78%*
Cost of sales	$42.1	$21.6	95%
Amortization of intangibles	$4.6	--	--
R&D Expense	$22.6	$10.1	124%
SG&A Expense	$37.7	$13.8	173%
Total Operating Expenses	$107.0	$45.5	*135%*
Operating Income	$74.5	$56.5	32%
Net Income	$57.7	$66.8	(14)%
GAAP Diluted EPS	$0.42	$0.46	(9)%
Non-GAAP Diluted EPS	$0.48	$0.42	14%

FY 2022 Financial Results

$ U.S. in Millions, except EPS (unaudited)

	FY 2022	FY 2021	% Change
Royalties	$360.5	$203.9	77%
Product sales, net	$191.0	$104.2	83%
Collaboration Revenues	$108.6	$135.2	(20)%
Total Revenues	$660.1	$443.3	49%
Cost of sales	$139.3	$81.4	71%
Amortization of intangibles	$43.1	--	--
R&D Expense	$66.6	$35.7	87%
SG&A Expense	$143.5	$50.3	185%
Total Operating Expenses	$392.6	$167.4	135%
Operating Income	$267.5	$275.9	(3)%
Net Income	$202.1	$402.7	(50)%
GAAP Diluted EPS	$1.44	$2.74	(47)%
Non-GAAP Diluted EPS	$2.21	$2.00	11%

2023 Financial Guidance Highlights

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GAAP to Non-GAAP Reconciliation: Diluted EPS

$ U.S. in Millions, except EPS (unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
GAAP Diluted EPS	**$ 0.42**	**$ 0.46**	**$ 1.44**	**$ 2.74**
Adjustments:				
Inducement expense related to convertible notes	—	—	0.02	0.14
Share-based compensation.....	0.05	0.04	0.17	0.14
Amortization of debt discount	0.01	0.01	0.06	0.03
Amortization of intangible assets.....	0.03	—	0.31	—
Transaction costs for business combinations[1]	—	—	0.16	—
Severance and share-based compensation acceleration expense[2]	—	—	0.16	—
Amortization of inventory step-up at fair value[3]....	(0.01)	—	0.06	—
Realized loss from marketable securities[4].....	—	—	0.01	—
Income tax benefit[5]	—	(0.08)	—	(1.05)
Income tax effect of above adjustments[6].....	(0.03)	—	(0.17)	—
Non-GAAP Diluted EPS	**$ 0.48**	**$ 0.42**	**$ 2.21**	**$ 2.00**
GAAP & Non-GAAP Diluted Shares	**138,601**	**144,253**	**140,608**	**146,796**

Dollar amounts, as presented, are rounded. Consequently, totals may not add up.

(1) Amount represents incremental costs including legal fees, accounting fees and advisory fees incurred for the Antares acquisition.

(2) Amount represents severance cost and acceleration of unvested equity awards as part of the Antares merger agreement.

(3) Amount related to amortization of the inventory step-up associated with purchase accounting for the Antares acquisition.

(4) Amount represents realized loss from the sale of our marketable securities to finance the acquisition of Antares.

(5) In the third quarter of 2021, the Company recognized a non-cash tax benefit of approximately $142 million related to the release of substantially all of its valuation allowance against its deferred tax assets.

(6) Estimated income tax effect of the Non-GAAP reconciling items are calculated using applicable statutory tax rates, taking into consideration of any valuation allowance.

Dollar amounts, as presented, are rounded. Consequently, totals may not add up.

GAAP to Non-GAAP Reconciliation: EBITDA

$ U.S. in Millions, except EPS (unaudited)

	Twelve Months Ended December 31, 2022	2023 Guidance Range	Percentage Change
GAAP Net Income	**$ 202**		
Adjustments:			
Investment and other income	(1)		
Interest expense	17		
Income tax expense	47		
Depreciation and amortization	50		
EBITDA	**$ 315**	**$ 415 - 440**	**32% - 40%**
Adjustments:			
Transaction costs for business combinations	22		
Severance and share-based compensation acceleration expense	23		
Adjusted EBITDA	**$ 360**	**$ 415 - 440**	**15% - 22%**

Dollar amounts, as presented, are rounded. Consequently, totals may not add up.

ENHANZE®: Achieved Supporting 12 Partner Study Initiations in 2022, As Projected

Study Starts in 2022	Indications	Phase 1	Phase 2	Phase 3	Filed
Amivantamab (Janssen)	Solid malignancies				
Ocrelizumab (Roche)	Multiple sclerosis				
Nivolumab (BMS)	Melanoma				
Nivolumab+Relatlimab (BMS)	Melanoma			Phase 3 to start soon	
Amivantamab (Janssen)	NSCLC				
Efgartigimod (argenx)	Bullous Pemphigoid				
Efgartigimod (argenx)	Myositis				
Cabotegravir (ViiV)	HIV	Second Phase 1			
N6LS bnAb (ViiV)	HIV (treatment)				
Undisclosed (Chugai)	Undisclosed				
PROFILE Enhancing Study Starts in 2022					
Patient Preference (Undisclosed)	Existing Target				
On-Body Device (Undisclosed)	Existing Target				