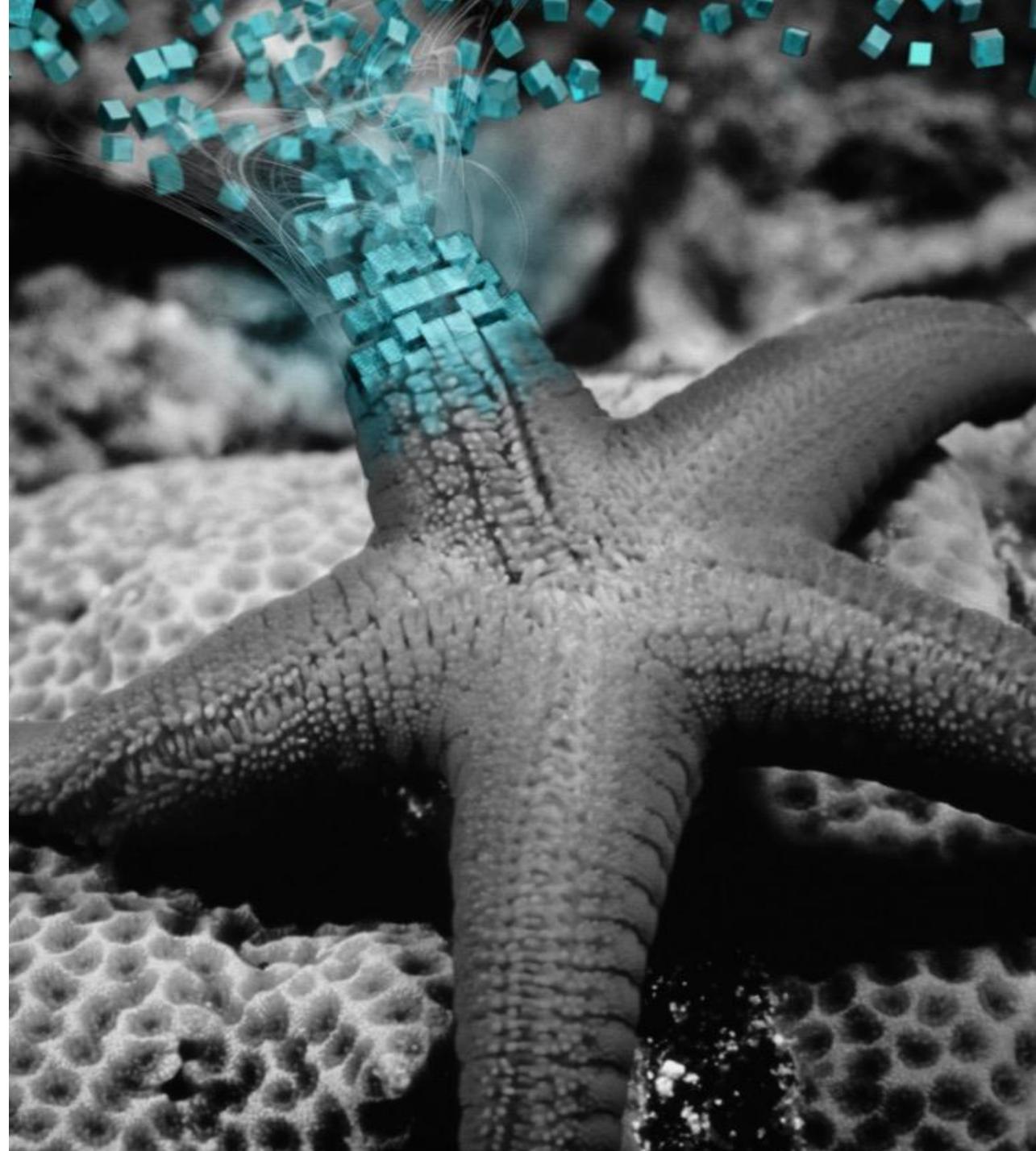


Intercept Pharmaceuticals

Q4 and Full Year 2020 Earnings Call Presentation

February 25, 2021



Cautionary Note Regarding Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains forward-looking statements, including, but not limited to, statements regarding the progress, timing and results of our clinical trials, including our clinical trials for the treatment of nonalcoholic steatohepatitis (“NASH”), the safety and efficacy of our approved product, Ocaliva (obeticholic acid or “OCA”) for primary biliary cholangitis (“PBC”), and our product candidates, including OCA for liver fibrosis due to NASH, the timing and acceptance of our regulatory filings and the potential approval of OCA for liver fibrosis due to NASH, the review of our New Drug Application for OCA for the treatment of liver fibrosis due to NASH by the U.S. Food and Drug Administration (FDA), our intent to work with the FDA to address the issues raised in the complete response letter (CRL), the potential commercial success of OCA, as well as our strategy, future operations, future financial position, future revenue, projected costs, financial guidance, prospects, plans and objectives.

These statements constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “possible,” “continue” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update any forward-looking statement except as required by law. These forward-looking statements are based on estimates and assumptions by our management that, although believed to be reasonable, are inherently uncertain and subject to a number of risks. The following represent some, but not necessarily all, of the factors that could cause actual results to differ materially from historical results or those anticipated or predicted by our forward-looking statements: our ability to successfully commercialize Ocaliva for PBC; our ability to maintain our regulatory approval of Ocaliva for PBC in the United States, Europe, Canada, Israel, Australia and other jurisdictions in which we have or may receive marketing authorization; our ability to timely and cost-effectively file for and obtain regulatory approval of our product candidates on an accelerated basis or at all, including OCA for liver fibrosis due to NASH following the issuance of the CRL by the FDA; any advisory committee recommendation or dispute resolution determination that our product candidates, including OCA for liver fibrosis due to NASH, should not be approved or approved only under certain conditions; any future determination that the regulatory applications and subsequent information we submit for our product candidates, including OCA for liver fibrosis due to NASH, do not contain adequate clinical or other data or meet applicable regulatory requirements for approval; conditions that may be imposed by regulatory authorities on our marketing approvals for our products and product candidates, including OCA for liver fibrosis due to NASH, such as the need for clinical outcomes data (and not just results based on achievement of a surrogate endpoint), any risk mitigation programs such as a REMS, and any related restrictions, limitations and/or warnings contained in the label of any of our products or product candidates; any potential side effects associated with Ocaliva for PBC, OCA for liver fibrosis due to NASH or our other product candidates that could delay or prevent approval, require that an approved product be taken off the market, require the inclusion of safety warnings or precautions, or otherwise limit the sale of such product or product candidate, including in connection with the newly identified safety signal relating to Ocaliva identified by the FDA in May 2020; the initiation, timing, cost, conduct, progress and results of our research and development activities, preclinical studies and clinical trials, including any issues, delays or failures in identifying patients, enrolling patients, treating patients, retaining patients, meeting specific endpoints in the jurisdictions in which we intend to seek approval or completing and timely reporting the results of our NASH or PBC clinical trials; the outcomes of ongoing discussion with the FDA and the European Medicines Agency regarding the feasibility of the COBALT and 401 trials; our ability to establish and maintain relationships with, and the performance of, third-party manufacturers, contract research organizations and other vendors upon whom we are substantially dependent for, among other things, the manufacture and supply of our products, including Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH, and our clinical trial activities; our ability to identify, develop and successfully commercialize our products and product candidates, including our ability to successfully launch OCA for liver fibrosis due to NASH, if approved; our ability to obtain and maintain intellectual property protection for our products and product candidates, including our ability to cost-effectively file, prosecute, defend and enforce any patent claims or other intellectual property rights; the size and growth of the markets for our products and product candidates and our ability to serve those markets; the degree of market acceptance of Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH or our other product candidates among physicians, patients and healthcare payors; the availability of adequate coverage and reimbursement from governmental and private healthcare payors for our products, including Ocaliva for PBC and, if approved, OCA for liver fibrosis due to NASH, and our ability to obtain adequate pricing for such products; our ability to establish and maintain effective sales, marketing and distribution capabilities, either directly or through collaborations with third parties; competition from existing drugs or new drugs that become available; our ability to prevent system failures, data breaches or violations of data protection laws; costs and outcomes relating to any disputes, governmental inquiries or investigations, regulatory proceedings, legal proceedings or litigation, including any securities, intellectual property, employment, product liability or other litigation; our collaborators’ election to pursue research, development and commercialization activities; our ability to establish and maintain relationships with collaborators with development, regulatory and commercialization expertise; our need for and ability to generate or obtain additional financing; our estimates regarding future expenses, revenues and capital requirements and the accuracy thereof; our use of cash and short-term investments; our ability to acquire, license and invest in businesses, technologies, product candidates and products; our ability to attract and retain key personnel to manage our business effectively; our ability to manage the growth of our operations, infrastructure, personnel, systems and controls; our ability to obtain and maintain adequate insurance coverage; the impact of COVID-19, including any impact on our results of operations or financial position, related quarantines and government actions, delays relating to our regulatory applications, disruptions relating to our ongoing clinical trials or involving our contract research organizations, study sites or other clinical partners, disruptions relating to our supply chain or involving our third-party manufacturers, distributors or other distribution partners, facility closures or other restrictions, and the extent and duration thereof; the impact of general U.S. and foreign economic, industry, market, regulatory or political conditions, including the potential impact of Brexit; and the other risks and uncertainties identified in our periodic filings filed with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020.

This presentation also refers to non-GAAP adjusted operating expenses. Non-GAAP adjusted operating expenses exclude from total operating expenses, as calculated and presented in accordance with GAAP, the effects of two non-cash items: stock-based compensation and depreciation. Non-GAAP adjusted operating expenses is a financial measure that has not been prepared in accordance with GAAP. Accordingly, investors should consider non-GAAP adjusted operating expenses in addition to, but not as a substitute for, total operating expenses that we calculate and present in accordance with GAAP. Among other things, our management uses non-GAAP adjusted operating expenses to establish budgets and operational goals and to manage our business. Other companies may define or use this measure in different ways. We believe that the presentation of non-GAAP adjusted operating expenses provides investors and management with helpful supplemental information relating to operating performance and trends. Investors should refer to the table reconciling non-GAAP adjusted operating expenses to total operating expenses included in our earnings release for the quarter and year ended December 31, 2020 under the heading “Reconciliation of Non-GAAP Adjusted Operating Expenses to Total Operating Expenses”, available on our website and on our Current Report on Form 8-K dated February 25, 2021. A quantitative reconciliation of projected non-GAAP adjusted operating expenses to total operating expenses is not available without unreasonable effort primarily due to our inability to predict with reasonable certainty the amount of future stock-based compensation expense.

Key Business Updates



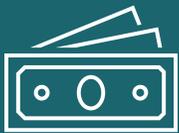
PBC business reported strongest year to date, with net sales of \$312.7 million, representing 25% growth over prior year



- **Focused on building alignment with FDA toward potential NASH NDA resubmission in 2021**
- **Results from REVERSE Phase 3 study in Compensated Cirrhosis due to NASH expected by end of 2021**



Held meeting with FDA in Q1 to discuss PBC post-marketing activities

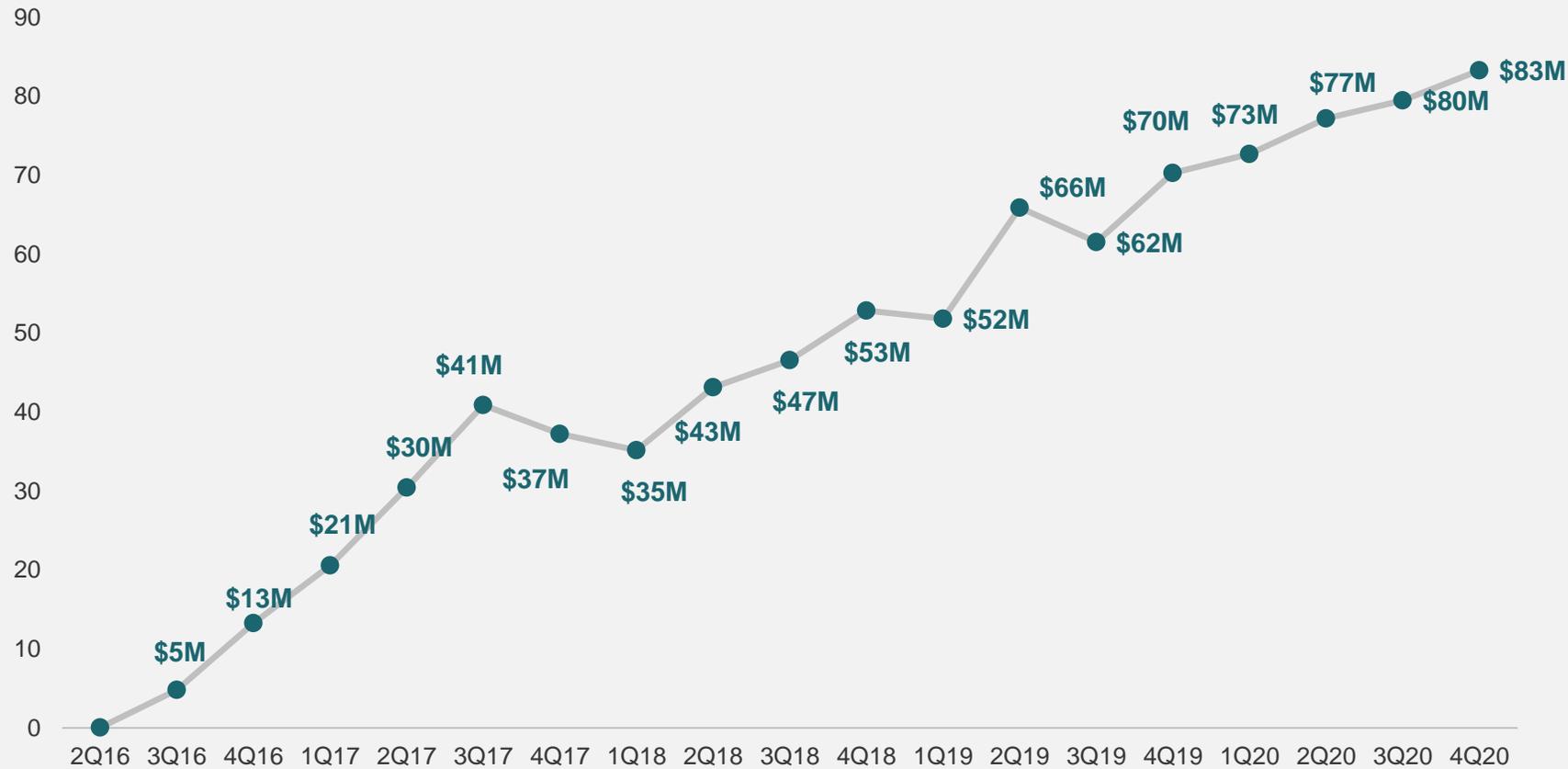


Initial FY 2021 Ocaliva Financial Guidance provided

- **net sales guidance of \$325-\$355 million**
- **non-GAAP adjusted operating expenses guidance of \$380-\$410 million**

Continued Strong Commercial Performance for Ocaliva in PBC

Quarterly Worldwide Net Sales as of Q4 2020



Q4 2020 Net Sales Overview

\$64.9M in U.S. net sales reflecting strong demand and total prescription growth

\$18.4 M in ex-U.S. net sales driven by solid performance in key international markets

Refocusing to grow our Ocaliva business in PBC and building on our strong foundation

Sales Growth Continued Despite Ongoing COVID Impact

- Record sales growth of Ocaliva despite challenges from COVID-19 pandemic
- 2020 Total net sales of \$312.8 million
 - US sales of \$234.0, +25% YOY; International sales of \$78.7, +27% YOY

Leveraged Commercial Strengths

- Leveraged strengths including specialty product distribution, strong payor coverage, community education and deep relationships in the liver community
- Introduced new long-term 5-year data to target specialists

Continued Building on Foundation for Future Opportunities

- Continued to enroll OCA-bezafibrate Phase 2 trial, and prepared for clinical trials in the US under new IND
- First-in-human work for INT-787 expected in 2021

Current Status and Next Steps: NISS and Post-Marketing Studies

Newly Identified Safety Signal (NISS)

- NISS identified during routine FDA safety monitoring in post-marketing setting
- Intercept completed a comprehensive safety assessment including clinical, post-marketing and contextualizing epidemiology data
 - Results of the assessment, including Data Monitoring Committee (DMC) report, were submitted to FDA
 - Met with FDA in 1Q to discuss comprehensive safety assessment
- Working with FDA to align on updates to the Ocaliva label for patients with the most advanced stages of PBC

Post-Marketing Studies: COBALT and 401

- In-depth review by the DMC completed
 - Feasibility concerns focused on study design and retention given advanced patients and commercial availability; unrelated to safety
- Studies ongoing with no new enrollment
- Proposed modifications to study, including potential conversion to open label study design; discussions underway
- Process underway seeking scientific advice in the EU

Fourth Quarter & Full Year 2020 Financial Highlights

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Total revenue	\$ 83.3M	\$ 71.5M	\$ 312.7M	\$ 252.0M
Ocaliva net sales – U.S.	64.9M	53.5M	234.0M	187.5M
Ocaliva net sales – ex-U.S.	18.4M	16.8M	78.7M	62.1M
Licensing revenue	--	1.2M	--	2.4M
GAAP operating expenses	123.9M	160.8M	543.9M	564.4M
Non-GAAP adjusted operating expenses	106.6M	146.8M	480.0M	504.8M
Cost of sales	0.8M	2.5M	5.3M	4.2M
SG&A Expenses	70.0M	93.7M	332.5M	317.4M
R&D Expenses	51.9M	64.6M	191.5M	242.8M

(1) Refer to slide 10 for a reconciliation of non-GAAP adjusted operating expenses to total operating expenses

	12/31/20	12/31/19
Cash, cash equivalents, restricted cash & investment debt securities	\$ 477.2M	\$ 657.3M

2021 Financial Guidance

Ocaliva Net Sales Guidance

Expect full year 2021 Ocaliva net sales of **\$325M to 355M**

- Contemplates scenarios of anticipated prescriber label changes with respect to the most advanced PBC population and the potential timing
- Factored in the continued impact on lower new enrollments as a result of the Covid-19 pandemic
- Expect the typical effect seasonality in Q1

Non-GAAP Adjusted Operating Expense Guidance

Non-GAAP adjusted operating expense **\$380M to 410M**

- Reflects the impact of our streamlining efforts during the second half of 2020 as we have refocused our commercial efforts on PBC while continuing to resource our NASH program and the advancing of our pipeline.

Appendix

Reconciliation of Non-GAAP Adjusted Operating Expenses to Total Operating Expenses

Reconciliation of Non-GAAP Adjusted Operating Expenses to Total Operating Expenses

(Unaudited)

(In thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2020	2019	2020	2019
Total operating expenses	\$ 123,870	\$ 160,790	\$ 543,930	\$ 564,429
Adjustments:				
Stock-based compensation	16,469	13,173	60,850	55,982
Depreciation	836	824	3,118	3,663
Non-GAAP adjusted operating expenses	<u>\$ 106,565</u>	<u>\$ 146,793</u>	<u>\$ 479,962</u>	<u>\$ 504,784</u>

Ocaliva[®] (obeticholic acid) U.S. Important Safety Information

WARNING: HEPATIC DECOMPENSATION AND FAILURE IN INCORRECTLY DOSED PBC PATIENTS WITH CHILD-PUGH CLASS B OR C OR DECOMPENSATED CIRRHOSIS

- In postmarketing reports, hepatic decompensation and failure, in some cases fatal, have been reported in patients with Primary Biliary Cholangitis (PBC) with decompensated cirrhosis or Child-Pugh Class B or C hepatic impairment when OCALIVA was dosed more frequently than recommended.
- The recommended starting dosage of OCALIVA is 5 mg once weekly for patients with Child-Pugh Class B or C hepatic impairment or a prior decompensation event.

Indication

OCALIVA is indicated for the treatment of primary biliary cholangitis (PBC) in combination with ursodeoxycholic acid (UDCA) in adults with an inadequate response to UDCA, or as monotherapy in adults unable to tolerate UDCA.

This indication is approved under accelerated approval based on a reduction in alkaline phosphatase (ALP). An improvement in survival or disease-related symptoms has not been established. Continued approval for this indication may be contingent upon verification and description of clinical benefit in confirmatory trials.

Contraindications

OCALIVA is contraindicated in patients with complete biliary obstruction.

Warnings and Precautions

Hepatic Decompensation and Failure in Incorrectly-Dosed PBC Patients with Child-Pugh Class B or C or Decompensated Cirrhosis

In postmarketing reports, hepatic decompensation and failure, in some cases fatal, have been reported in patients with decompensated cirrhosis or Child-Pugh B or C hepatic impairment when OCALIVA was dosed more frequently than the recommended starting dosage of 5 mg once weekly. Reported cases typically occurred within 2 to 5 weeks after starting OCALIVA and were characterized by an acute increase in total bilirubin and/or ALP concentrations in association with clinical signs and symptoms of hepatic decompensation (e.g., ascites, jaundice, gastrointestinal bleeding, worsening of hepatic encephalopathy). Patients who died due to liver-related complications generally had decompensated cirrhosis prior to treatment and were started on OCALIVA 5mg once daily, which is 7-fold greater than the once-weekly starting regimen in this population.

Routinely monitor patients for progression of PBC disease, including liver-related complications, with laboratory and clinical assessments. Dosage adjustment, interruption or discontinuation may be required. Close monitoring is recommended for patients at an increased risk of hepatic decompensation. Severe intercurrent illnesses that may worsen renal function or cause dehydration (e.g., gastroenteritis), may exacerbate the risk of hepatic decompensation. Interrupt treatment with OCALIVA in patients with laboratory or clinical evidence of worsening liver function indicating risk of decompensation, and monitor the patient's liver function. Consider discontinuing OCALIVA in patients who have experienced clinically significant liver-related adverse reactions. Discontinue OCALIVA in patients who develop complete biliary obstruction.

Liver-Related Adverse Reactions

Dose-related, liver-related adverse reactions including jaundice, worsening ascites and primary biliary cholangitis flare have been observed in clinical trials, as early as one month after starting treatment with OCALIVA 10 mg once daily up to 50 mg once daily (up to 5-times the highest recommended dosage). Monitor patients during treatment with OCALIVA for elevations in liver biochemical tests and for the development of liver-related adverse reactions.

Ocaliva[®] (obeticholic acid) U.S. Important Safety Information (cont.)

Severe Pruritus

Severe pruritus was reported in 23% of patients in the OCALIVA 10 mg arm, 19% of patients in the OCALIVA titration arm, and 7% of patients in the placebo arm in a 12-month double-blind randomized controlled trial of 216 patients. Severe pruritus was defined as intense or widespread itching, interfering with activities of daily living, or causing severe sleep disturbance, or intolerable discomfort, and typically requiring medical interventions. Consider clinical evaluation of patients with new onset or worsening severe pruritus. Management strategies include the addition of bile acid resins or antihistamines, OCALIVA dosage reduction, and/or temporary interruption of OCALIVA dosing.

Reduction in HDL-C

Patients with PBC generally exhibit hyperlipidemia characterized by a significant elevation in total cholesterol primarily due to increased levels of high-density lipoprotein-cholesterol (HDL-C). Dose-dependent reductions from baseline in mean HDL-C levels were observed at 2 weeks in OCALIVA-treated patients, 20% and 9% in the 10 mg and titration arms, respectively, compared to 2% in the placebo arm. Monitor patients for changes in serum lipid levels during treatment. For patients who do not respond to OCALIVA after 1 year at the highest recommended dosage that can be tolerated (maximum of 10 mg once daily), and who experience a reduction in HDL-C, weigh the potential risks against the benefits of continuing treatment.

Adverse Reactions

The most common adverse reactions occurring in $\geq 5\%$ of subjects taking OCALIVA were pruritus, fatigue, abdominal pain and discomfort, rash, oropharyngeal pain, dizziness, constipation, arthralgia, thyroid function abnormality, and eczema.

Drug Interactions

Bile Acid Binding Resins

Bile acid binding resins such as cholestyramine, colestipol, or colesevelam adsorb and reduce bile acid absorption and may reduce the absorption, systemic exposure, and efficacy of OCALIVA. If taking a bile acid binding resin, take OCALIVA at least 4 hours before or 4 hours after taking the bile acid binding resin, or at as great an interval as possible.

Warfarin

The International Normalized Ratio (INR) decreased following coadministration of warfarin and OCALIVA. Monitor INR and adjust the dose of warfarin, as needed, to maintain the target INR range when coadministering OCALIVA and warfarin.

CYP1A2 Substrates with Narrow Therapeutic Index

Obeticholic acid, the active ingredient in OCALIVA, may increase the exposure to concomitant drugs that are CYP1A2 substrates. Therapeutic monitoring of CYP1A2 substrates with a narrow therapeutic index (e.g. theophylline and tizanidine) is recommended when coadministered with OCALIVA.

Inhibitors of Bile Salt Efflux Pump

Avoid concomitant use of inhibitors of the bile salt efflux pump (BSEP) such as cyclosporine. Concomitant medications that inhibit canalicular membrane bile acid transporters such as the BSEP may exacerbate accumulation of conjugated bile salts including taurine conjugate of obeticholic acid in the liver and result in clinical symptoms. If concomitant use is deemed necessary, monitor serum transaminases and bilirubin.

Please see [Full Prescribing Information, including Boxed WARNING](#) and [Medication Guide](#) for OCALIVA.

To report SUSPECTED ADVERSE REACTIONS, contact Intercept Pharmaceuticals, Inc. at 1-844-782-ICPT or FDA at 1-800-FDA-1088 or www.fda.gov/medwatch.