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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from_____to

Commission File Number: 001-39083

Vir Biotechnology, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**81-2730369**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
1800 Owens Street , Suite 900 , San Francisco , California	**94158**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (415) 906-4324

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common stock, par value $0.0001 per share	VIR	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	o
		Emerging growth company	o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

As of October 25, 2024, the registrant had 137,720,120 shares of common stock, $0.0001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future financial condition, future operations, research and development, potential of, and expectations for, our pipeline and technology platforms, the timing, potential of and expectations for planned preclinical and clinical studies, the timing and likelihood of regulatory filings and approvals for our product candidates, our ability to commercialize our product candidates, the potential benefits of collaborations and in-licenses, projected costs, prospects, plans, objectives of management, expected market size and growth for our potential products, the timing of availability of clinical data, program updates and data disclosures, and our plans for our hepatitis B virus, hepatitis delta virus, influenza, COVID-19 and human immunodeficiency virus and masked T-cell engagers portfolios, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “design,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “might”, “objective,” “plan,” “positioned,” “potential,” “predict,” “seek,” “should,” “target,” “will,” “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions described in the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this report. Other sections of this report may include additional factors that could harm our business and financial performance. Drug development and commercialization involve a high degree of risk, and only a small number of research and development programs result in commercialization of a product. Results in early-stage clinical studies may not be indicative of full results or results from later stage or larger scale clinical studies and do not ensure regulatory approval. You should not place undue reliance on these statements, or the scientific data presented. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements.

In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although we believe that we have a reasonable basis for each forward-looking statement contained in this report, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. You should refer to the section titled “Risk Factors” for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

VIR BIOTECHNOLOGY, INC.

Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(unaudited)

	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 168,350	$ 241,576
Short-term investments	740,607	1,270,980
Restricted cash and cash equivalents, current	89,598	13,268
Equity investments	5,517	9,853
Prepaid expenses and other current assets	43,085	52,549
Total current assets	1,047,157	1,588,226
Intangible assets, net	19,258	22,565
Goodwill	16,938	16,937
Property and equipment, net	64,791	96,018
Operating lease right-of-use assets	60,779	71,182
Restricted cash and cash equivalents, noncurrent	6,382	6,448
Long-term investments	271,495	105,275
Other assets	11,556	12,409
TOTAL ASSETS	$ 1,498,356	$ 1,919,060
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 7,305	$ 6,334
Accrued and other liabilities	94,658	104,220
Deferred revenue, current	15,198	64,853
Total current liabilities	117,161	175,407
Operating lease liabilities, noncurrent	93,405	111,673
Contingent consideration, noncurrent	33,170	25,960
Other long-term liabilities	13,893	15,784
TOTAL LIABILITIES	257,629	328,824
Commitments and contingencies (Note 8)		
STOCKHOLDERS' EQUITY:		
Preferred stock, $ 0.0001 par value; 10,000,000 shares authorized as of September 30, 2024 and December 31, 2023; no shares issued and outstanding as of September 30, 2024 and December 31, 2023	—	—
Common stock, $ 0.0001 par value; 300,000,000 shares authorized as of September 30, 2024 and December 31, 2023; 136,706,350 and 134,781,286 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	14	13
Additional paid-in capital	1,894,781	1,828,862
Accumulated other comprehensive gain (loss)	1,127	(815)
Accumulated deficit	(655,195)	(237,824)
TOTAL STOCKHOLDERS' EQUITY	1,240,727	1,590,236
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,498,356	$ 1,919,060

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.

Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Revenues:				
Collaboration revenue	$ (1,102)	$ (4,387)	$ (2,034)	$ 28,408
Contract revenue	1,391	289	54,468	1,484
Grant revenue	2,091	6,737	9,397	39,501
Total revenues	2,380	2,639	61,831	69,393
Operating expenses:				
Cost of revenue	50	38	161	1,967
Research and development	195,178	145,028	400,416	470,754
Selling, general and administrative	25,744	40,933	92,330	133,223
Restructuring, long-lived assets impairment and related charges	12,712	3,372	38,939	8,738
Total operating expenses	233,684	189,371	531,846	614,682
Loss from operations	(231,304)	(186,732)	(470,015)	(545,289)
Other income:				
Change in fair value of equity investments	1,130	(2,707)	(4,356)	(20,896)
Interest income	17,527	21,931	57,656	66,254
Other (expense) income, net	(893)	882	(1,715)	(7,506)
Total other income	17,764	20,106	51,585	37,852
Loss before (provision for) benefit from income taxes	(213,540)	(166,626)	(418,430)	(507,437)
(Provision for) benefit from income taxes	(177)	3,213	1,059	8,293
Net loss	(213,717)	(163,413)	(417,371)	(499,144)
Net loss attributable to noncontrolling interest	—	—	—	(56)
Net loss attributable to Vir	$ (213,717)	$ (163,413)	$ (417,371)	$ (499,088)
Net loss per share attributable to Vir, basic and diluted	$ (1.56)	$ (1.22)	$ (3.07)	$ (3.73)
Weighted-average shares outstanding, basic and diluted	136,653,753	134,289,620	136,058,223	133,969,878

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.

Condensed Consolidated Statements of Comprehensive Loss
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Net loss	$ (213,717)	$ (163,413)	$ (417,371)	$ (499,144)
Other comprehensive income:				
Unrealized gain on investments	3,996	994	2,094	7,194
Amortization of actuarial gain (loss)	10	9	(152)	28
Total other comprehensive income	4,006	1,003	1,942	7,222
Comprehensive loss	(209,711)	(162,410)	(415,429)	(491,922)
Comprehensive loss attributable to noncontrolling interest	—	—	—	(56)
Comprehensive loss attributable to Vir	$ (209,711)	$ (162,410)	$ (415,429)	$ (491,866)

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.

Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share amounts)
(unaudited)

	Vir Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Gain	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at June 30, 2024	136,590,097	$ 14	$1,878,013	$ (2,879)	$ (441,478)	$ —	$ 1,433,670
Vesting of restricted common stock	81,415	—	—	—	—	—	—
Exercise of stock options	34,838	—	71	—	—	—	71
Stock-based compensation	—	—	16,697	—	—	—	16,697
Other comprehensive income	—	—	—	4,006	—	—	4,006
Net loss	—	—	—	—	(213,717)	—	(213,717)
Balance at September 30, 2024	136,706,350	$ 14	$1,894,781	$ 1,127	$ (655,195)	$ —	$ 1,240,727

	Vir Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at June 30, 2023	134,230,494	$ 13	$1,771,536	$ (2,903)	$ 41,562	$ —	$ 1,810,208
Vesting of restricted common stock	73,351	—	—	—	—	—	—
Exercise of stock options	194,041	—	343	—	—	—	343
Stock-based compensation	—	—	26,944	—	—	—	26,944
Other comprehensive income	—	—	—	1,003	—	—	1,003
Net loss	—	—	—	—	(163,413)	—	(163,413)
Balance at September 30, 2023	134,497,886	$ 13	$1,798,823	$ (1,900)	$ (121,851)	$ —	$ 1,675,085

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except shares amounts)
(unaudited)

	Vir Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Gain	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at December 31, 2023	134,781,286	$ 13	$1,828,862	$ (815)	$ (237,824)	$ —	$ 1,590,236
Vesting of restricted common stock	1,321,120	1	—	—	—	—	1
Exercise of stock options	288,113	—	701	—	—	—	701
Issuance of common stock under employee stock purchase plan	315,831	—	2,602	—	—	—	2,602
Stock-based compensation	—	—	62,616	—	—	—	62,616
Other comprehensive income	—	—	—	1,942	—	—	1,942
Net loss	—	—	—	—	(417,371)	—	(417,371)
Balance at September 30, 2024	136,706,350	$ 14	$1,894,781	$ 1,127	$ (655,195)	$ —	$ 1,240,727

	Vir Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at December 31, 2022	133,236,687	$ 13	$1,709,835	$ (9,122)	$ 377,237	$ —	$ 2,077,963
Vesting of restricted common stock	690,811	—	—	—	—	—	—
Exercise of stock options	455,485	—	3,395	—	—	—	3,395
Issuance of common stock under employee stock purchase plan	114,903	—	2,605	—	—	—	2,605
Stock-based compensation	—	—	83,044	—	—	—	83,044
Other comprehensive income	—	—	—	7,222	—	—	7,222
Contributions from noncontrolling interest owners	—	—	—	—	—	100	100
Increase in ownership interest in a subsidiary	—	—	(56)			(44)	(100)
Net loss	—	—	—	—	(499,088)	(56)	(499,144)
Balance at September 30, 2023	134,497,886	$ 13	$1,798,823	$ (1,900)	$ (121,851)	$ —	$ 1,675,085

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.

Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Nine Months Ended September 30,	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (417,371)	$ (499,144)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in estimated constraint on profit-sharing amount	685	(28,101)
Depreciation and amortization	11,673	14,972
Amortization of premiums (accretion of discounts) on investments, net	3,229	(10,057)
Noncash lease expense	4,149	6,218
Change in fair value of equity investments	4,356	20,895
Change in estimated fair value of contingent consideration	7,209	(637)
Stock-based compensation	62,616	83,044
In-process research and development impairment	3,512	6,899
Long-lived assets impairment and disposal loss	28,557	7,474
Change in deferred income taxes	(306)	—
Other non-cash items, net	(20)	(578)
Changes in operating assets and liabilities:		
Receivable from collaboration	2,234	3,041
Prepaid expenses and other current assets	6,077	54,194
Other assets	854	(150)
Accounts payable	948	(1,895)
Accrued liabilities and other long-term liabilities	(15,505)	(316,918)
Operating lease liabilities	(10,432)	(9,910)
Deferred revenue	(51,182)	(205)
Net cash used in operating activities	(358,717)	(670,858)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of equipment	917	—
Purchases of property and equipment	(4,894)	(20,038)
Purchases of investments	(1,074,480)	(1,197,199)
Maturities and sales of investments	1,437,499	1,486,677
Other	(412)	—
Net cash provided by investing activities	358,630	269,440
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of principal on financing lease obligation	(178)	(200)
Proceeds from exercise of stock options	701	3,395
Issuance of common stock under ESPP	2,602	2,605
Contributions from noncontrolling interest owners	—	100
Increase in ownership interest in a subsidiary	—	(100)
Net cash provided by financing activities	3,125	5,800
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	3,038	(395,618)
Cash, cash equivalents and restricted cash and cash equivalents at beginning of period	261,292	867,968
Cash, cash equivalents and restricted cash and cash equivalents at end of period	$ 264,330	$ 472,350
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS TO THE CONDENSED CONSOLIDATED BALANCE SHEETS:		
Cash and cash equivalents	$ 168,350	$ 452,100
Restricted cash and cash equivalents, current	89,598	13,193
Restricted cash and cash equivalents, noncurrent	6,382	7,057
Total cash, cash equivalents and restricted cash and cash equivalents	$ 264,330	$ 472,350

The accompanying notes are an integral part of these condensed consolidated financial statements.

VIR BIOTECHNOLOGY, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

1. *Organization*

Business Overview

Vir Biotechnology, Inc. ("Vir" or the "Company") is a clinical-stage biopharmaceutical company focused on powering the immune system to transform lives by discovering and developing medicines for serious infectious diseases and cancer. Its current clinical development pipeline consists of product candidates targeting hepatitis delta virus ("HDV") and hepatitis B virus ("HBV"), in addition to multiple oncology programs. Vir also has a preclinical portfolio of programs across a range of other infectious diseases, including respiratory syncytial virus and human metapneumovirus ("RSV" and "MPV", respectively).

In January 2023, a majority-owned subsidiary, Encentrio Therapeutics, Inc. ("Encentrio"), was incorporated in the State of Delaware. The Company initially owned 80 % of Encentrio's outstanding voting shares. During the three months ended June 30, 2023, the Company increased its ownership of Encentrio's outstanding voting shares to 100 %. The primary purpose of Encentrio is to conduct research and development of oncology therapeutics.

Liquidity and Capital Resources

In November 2023, the Company entered into a sales agreement ("Sales Agreement") with Cowen and Company, LLC, as sales agent ("TD Cowen"), pursuant to which the Company may from time to time offer and sell shares of its common stock for an aggregate offering price of up to $ 300.0 million, through or to TD Cowen, acting as sales agent or principal. The shares will be offered and sold under the Company's shelf registration statement on Form S-3 and a related prospectus filed with the Securities and Exchange Commission ("SEC") on November 3, 2023. The Company will pay TD Cowen a commission of up to 3.0 % of the aggregate gross proceeds from each sale of shares, reimburse legal fees and disbursements and provide TD Cowen with customary indemnification and contribution rights. As of September 30, 2024, no shares have been sold under the Sales Agreement.

As of September 30, 2024, the Company had $ 1.19 billion in cash, cash equivalents, and investments, which the Company believes will be sufficient to fund its operations for a period through at least twelve months from the issuance date of these unaudited condensed consolidated financial statements.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Company's unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the SEC regarding interim financial reporting. The unaudited condensed consolidated financial statements include the accounts of Vir and its majority-owned subsidiaries. For consolidated entities where Vir owns or is exposed to less than 100.0% of the economics, the Company records net income (loss) attributable to noncontrolling interests, net of tax in its unaudited condensed consolidated statements of operations equal to the percentage of the economic or ownership interest retained in such entities by the respective noncontrolling parties. All intercompany balances and transactions have been eliminated upon consolidation.

The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect, in the opinion of management, all adjustments of a normal and recurring nature that are necessary for the fair presentation of the Company's financial information. The unaudited condensed consolidated results of operations for the three and nine months ended September 30, 2024 are not necessarily indicative of the results to be expected for the year ending December 31, 2024, or for any other future annual or interim period.

Certain information and footnote disclosures typically included in the Company's annual consolidated financial statements have been condensed or omitted. As such, these unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and related notes included in the Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

VIR BIOTECHNOLOGY, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could materially differ from those estimates.

Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the date of purchase to be cash equivalents, which consist of amounts invested primarily in money market funds and are stated at fair value.

Investments

Investments include available-for-sale debt securities and equity investments carried at estimated fair value.

Available-for-Sale Debt Securities

The Company's valuations of marketable securities are generally derived from independent pricing services based on quoted prices in active markets for similar securities at period end. Generally, investments with original maturities beyond three months at the date of purchase and that mature at, or less than 12 months from, the unaudited condensed consolidated balance sheet date are considered short-term investments, with all others considered to be long-term investments. Unrealized gains and losses deemed temporary in nature are reported as a component of accumulated other comprehensive gain (loss). The amortized cost of debt securities is adjusted for amortization of premiums and accretion of discounts to maturity, which is included in interest income on the unaudited condensed consolidated statements of operations. The cost of securities sold is based on the specific identification method.

Equity Investments

The Company measures its investment in equity securities at fair value at each reporting date based on the market price at period end if it has a readily determinable fair value. Otherwise, the investments in equity securities are measured at cost less impairment, adjusted for observable price changes for identical or similar investments of the same issuer unless the Company has significant influence or control over the investee. Changes in fair value resulting from observable price changes are presented as change in fair value of equity investments, and changes in fair value resulting from foreign currency translation are included in other (expense) income, net on the unaudited condensed consolidated statements of operations.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents, current and noncurrent, primarily consist of funds placed in an escrow account under the Company's license agreement with Amunix Pharmaceuticals, Inc., funds received from certain grants that are restricted as to their use, and money market funds to secure standby letters of credit and security deposits with financial institutions under office and laboratory space lease agreements.

Property and Equipment, Net

Property and equipment are stated at cost, net of accumulated depreciation and amortization and, if applicable, impairment charges. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets, generally three to five years . Leasehold improvements are amortized over the lesser of their useful lives or the remaining life of the lease. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the balance sheet, and the resulting gain or loss is reflected in operations in the period realized. Maintenance and repairs are charged to operations as incurred.

The Company reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset (group) may not be recoverable. Recoverability is measured by comparing the carrying amount to the future net undiscounted cash flows that the asset (group) is expected to generate. If such asset (group) is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset (group) exceeds its fair value.

Revenue Recognition

Collaboration, License and Contract Revenue

Under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"), the Company recognizes revenue when the Company's customer obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods and services. To determine revenue recognition for arrangements within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when or as the Company satisfies a performance obligation.

For collaborative arrangements that fall within the scope of ASC 808, Collaborative Arrangements ("ASC 808"), the Company first determines which elements of the collaboration are deemed to be a performance obligation with a customer within the scope of ASC 606. For elements of collaboration arrangements that are accounted for pursuant to ASC 808 and are not subject to the guidance in ASC 606, the Company applies the revenue recognition model under ASC 606, including the royalty exception guidance and variable consideration guidance under ASC 606 as described below, or other guidance, as deemed appropriate. When the Company is considered an agent in elements of collaboration arrangements within the scope of ASC 808, it records its share of collaboration revenue in the period in which such sales occur. The Company is considered an agent when the collaboration partner controls the product before transfer to the customers and has the ability to direct the use of and obtain substantially all of the remaining benefits from the product. In these instances, collaboration revenue is based upon the net sales reported by the Company's collaboration partners, net of cost of goods sold and allowable expenses (e.g., manufacturing, distribution, medical affairs, selling, and marketing expenses) in the period. In order to record collaboration revenue, the Company utilizes certain information from its collaboration partner, including actual net product sales and costs incurred for sales activities, and makes key judgments based on business updates related to commercial and clinical activities such as expected commercial demand, commercial supply plan, manufacturing commitments, risks related to expired or obsolete inventories, and risks related to potential product returns or contract terminations. The Company uses these estimates to determine whether payments due to it under its collaboration arrangements, such as profit-share payments, should be recognized as revenue in the period that they become due or whether any portion of the payments due should be constrained from revenue recognition because it is not probable that recognizing such amounts will not result in a significant reversal of cumulative revenues recognized in future reporting periods.

The Company has entered into a number of license and collaboration agreements that fall within the scope of ASC 606. The Company evaluates the promised goods or services in these agreements to determine which ones represent distinct performance obligations. Prior to recognizing revenue, the Company estimates the transaction price, including variable consideration that is subject to a constraint. Amounts of variable consideration are included in the transaction price to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. These estimates are re-assessed each reporting period as required. These agreements may include the following types of consideration: non-refundable upfront payments, reimbursement for research and development services, research, development or regulatory milestone payments, profit-sharing arrangements, and royalty and commercial sales milestone payments.

If there are multiple distinct performance obligations, the Company allocates the transaction price to each distinct performance obligation based on their estimated standalone selling prices ("SSP"). The Company estimates the SSP for each distinct performance obligation by considering information such as market conditions, entity-specific factors, and information about its customer that is reasonably available. The Company considers estimation approaches that allow it to maximize the use of observable inputs. These estimation approaches may include the adjusted market assessment approach, the expected cost plus a margin approach or the residual approach. The Company also considers whether to use a different estimation approach or a combination of approaches to estimate the SSP for each distinct performance obligation. Developing certain assumptions (e.g., treatable patient population, expected market share, probability of success and product profitability, and discount rate based on weighted-average cost of capital) to estimate the SSP of a distinct performance obligation requires significant judgment.

For performance obligations satisfied over time, the Company estimates the efforts needed to complete the performance obligation and recognizes revenue by measuring the progress towards complete satisfaction of the performance obligation using an input measure.

For arrangements that include sales-based royalties, including commercial milestone payments based on pre-specified levels of sales, the Company recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). Achievement of these royalties and commercial milestones may solely depend upon the performance of the licensee.

Grant Revenue

Grants received, including cost reimbursement agreements, are assessed to determine if the agreement should be accounted for as an exchange transaction or a contribution. An agreement is accounted for as a contribution if the resource provider does not receive commensurate value in return for the assets transferred. Contributions are recognized as grant revenue when all donor-imposed conditions have been met.

Asset Acquisitions

The Company evaluates acquisitions and other similar transactions using the guidance in ASC Topic 805, Business Combinations ("ASC 805"), to determine whether the transaction should be accounted for as a business combination or an acquisition of asset(s) by first applying a screen test to assess if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets. If the screen test is met, the transaction is accounted for as an acquisition of asset(s). If the screen test is not met, further assessment is required to determine whether the Company has acquired inputs and a substantive processes that together significantly contribute to the ability to create outputs, which would meet the definition of a business.

If determined to be an acquisition of asset(s), the Company accounts the transaction using the cost accumulation and allocation method under ASC 805-50. Under this method, the cost of the acquisition, including direct acquisition-related costs, is allocated to the assets acquired or liabilities assumed on a relative fair value basis. Goodwill is not recognized in an asset acquisition and any difference between consideration transferred and the fair value of the net assets acquired is allocated to the identifiable assets acquired based on their relative fair values.

Contingent consideration payments in asset acquisitions are recognized when the contingency is resolved and the consideration is paid or becomes payable (unless the contingent consideration payments are subject to guidance in ASC 480, Distinguishing Liabilities from Equity, or ASC 815, Derivatives and Hedging). Upon recognition of the contingent consideration payments, the amount is included in the cost of the acquired asset or group of assets.

Research and Development Expenses

To date, research and development expenses have related primarily to discovery efforts and preclinical and clinical development of product candidates. Research and development expenses are recognized as incurred, and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. Research and development expenses include expenses related to license and collaboration agreements; contingent consideration from business acquisitions; personnel-related expenses, including salaries, benefits, and stock-based compensation for personnel contributing to research and development activities; expenses incurred under agreements with third-party contract manufacturing organizations, contract research organizations, and consultants; clinical costs, including laboratory supplies and costs related to compliance with regulatory requirements; and other allocated expenses, including expenses for rent, facilities maintenance, and depreciation and amortization.

The Company has acquired and may continue to acquire the rights to develop and commercialize new product candidates from third parties. Upfront payments and research and development milestone payments made in connection with acquired licenses or product rights are expensed as incurred, provided that they do not relate to a regulatory approval milestone or assets acquired in a business combination.

VIR BIOTECHNOLOGY, INC.
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The Company's expense accruals for clinical trials and manufacturing are based on estimates of contracted services provided by third-party vendors not yet billed. When billing terms under these contracts do not coincide with the timing of when the work is performed, the Company is required to make estimates of its outstanding obligations to those third parties as of the period end. The accrual estimates are based on a number of factors, including the Company's knowledge of the research and development programs and clinical manufacturing activities, the status of the programs and activities, invoicing to date, and the provisions in the contracts. The Company obtains information regarding unbilled services directly from these service providers and performs procedures to support its estimates based on its internal understanding of the services provided to date. However, the Company may also be required to estimate these services based on information available to its internal clinical and manufacturing administrative staff if such information is not able to be obtained timely from its service providers .

Contingent Consideration Obligations in connection with Business Combinations

Contingent consideration obligations incurred in connection with a business combination are recorded at their fair values on the acquisition date, are remeasured each subsequent reporting period until the related contingencies are resolved, and are classified as contingent consideration on the unaudited condensed consolidated balance sheets. The changes in fair values of contingent consideration related to the achievement of various milestones are recorded within research and development expenses or selling, general and administrative expenses based on the nature of the relevant underlying activities.

Leases

In accordance with ASC 842, Leases, the Company determines if an arrangement is or contains a lease at inception by assessing whether the arrangement contains an identified asset and whether it has the right to control the identified asset. Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the lease term. ROU assets are based on the measurement of the lease liability, include any lease payments made prior to or on lease commencement, and exclude lease incentives and initial direct costs incurred, as applicable. On the lease commencement date, the Company estimates and includes in its lease payments any lease incentive amounts based on future events when (1) the events are within the Company's control and (2) the event triggering the right to receive the incentive is deemed reasonably certain to occur. If the lease incentive received is greater or less than the amount recognized at lease commencement, the Company recognizes the difference as an adjustment to ROU asset and/or lease liability, as applicable.

As the implicit rate in the Company's leases is generally unknown, the Company uses an incremental borrowing rate estimated based on the information available at the lease commencement date in determining the present value of future lease payments. When calculating its estimated incremental borrowing rates, the Company considers its credit risk, the lease term, the total lease payments and the impact of collateral, as necessary. The lease terms may include options to extend or terminate the lease when the Company is reasonably certain it will exercise such options. ROU assets and lease liabilities are remeasured upon certain modifications to leases using the present value of remaining lease payments and estimated incremental borrowing rate upon lease modification. Rent expense for the Company's operating leases is recognized on a straight-line basis within operating expenses over the reasonably assured lease term.

The Company elected to not separate lease and non-lease components for any leases within its existing classes of assets and, as a result, accounts for the lease and non-lease components as a single lease component. The Company also elected to not apply the recognition requirement to any leases within its existing classes of assets with a term of 12 months or less.

ROU assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset (group) may not be recoverable, like that of property and equipment.

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New Accounting Pronouncement Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires, among other things, the following: (i) enhanced disclosures about significant segment expenses that are regularly provided to the Chief Operating Decision Maker and included within a segment's reported measure of profit or loss; (ii) disclosure of the amount and description of the composition of other segment items, as defined in ASU 2023-07, by reportable segment; and (iii) reporting the disclosures about each reportable segment's profit or loss and assets on an annual and interim basis. ASU 2023-07 clarifies that public entities with a single reportable segment are also required to provide the new disclosures and all existing disclosures required by ASC 280 Segment Reporting. The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2023-07 is required to be applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the impact the adoption of ASU 2023-07 may have on its consolidated financial statements and related disclosures.

In December 2023, FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which modifies the rules on income tax disclosures to require entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and (3) income tax expense or benefit from continuing operations (separated by federal, state and foreign). ASU 2023-09 also requires entities to disclose their income tax payments to international, federal, state and local jurisdictions, among other changes. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. ASU 2023-09 should be applied on a prospective basis, but retrospective application is permitted. The Company is currently evaluating the impact the adoption of ASU 2023-09 may have on its consolidated financial statements and related disclosures.

Reclassification

Certain reclassifications have been made to prior period amounts on the Company's condensed consolidated balance sheets to conform to the current period presentation and enhance comparability. As a result, the prior period amounts from *deferred revenue, noncurrent* were reclassified to *other long-term liabilities*. These reclassifications had no impact on previously reported total assets, total liabilities, or total stockholders' equity.

Certain reclassifications have been made to prior period amounts on the Company's condensed consolidated statements of operations to conform to the current period presentation and enhance comparability. As a result, certain amounts related to long-lived assets impairment, previously reflected in *research and development* and *selling, general and administrative*, were reclassified to *restructuring, long-lived assets impairment and related charges* . These reclassifications had no impact on previously reported total revenues, total operating expenses, or net loss.

There were no reclassifications made to the condensed consolidated statements of comprehensive loss, condensed consolidated statements of stockholders' equity or condensed consolidated statements of cash flows.

3. Fair Value Measurements

The Company determines the fair value of financial assets and liabilities using the fair value hierarchy, which establishes three levels of inputs that may be used to measure fair value, as follows:

- Level 1: Inputs that include quoted prices in active markets for identical assets and liabilities.
- Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amounts of the Company's financial instruments, including accounts payable and accrued liabilities, approximate fair value due to their relatively short maturities.

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Cash Equivalents and Available-for-Sale Securities

The following tables summarize the Company's Level 1 and Level 2 financial assets measured at fair value on a recurring basis within the fair value hierarchy as of September 30, 2024 and December 31, 2023 (in thousands):

		September 30, 2024			
	Valuation Hierarchy	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Aggregate Fair Value
Assets:					
Money market funds[1]	Level 1	$ 118,278	$ —	$ —	$ 118,278
U.S. government treasuries	Level 2	691,089	1,469	(25)	692,533
U.S. government agency bonds and discount notes	Level 2	53,529	53	(1)	53,581
Asset-backed securities	Level 2	37,083	278	—	37,361
Corporate bonds	Level 2	277,938	1,235	(1)	279,172
Equity securities	Level 1	N/A	N/A	N/A	5,517
Total financial assets		$ 1,177,917	$ 3,035	$ (27)	$ 1,186,442

(1) Includes $ 21.0 million of restricted cash equivalents.

		December 31, 2023			
	Valuation Hierarchy	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Aggregate Fair Value
Assets:					
Money market funds[1]	Level 1	$ 278,187	$ —	$ —	$ 278,187
U.S. government treasuries	Level 2	1,162,124	1,017	(80)	1,163,061
U.S. government agency bonds and discount notes	Level 2	181,189	27	(50)	181,166
Equity securities	Level 1	N/A	N/A	N/A	9,853
Total financial assets		$ 1,621,500	$ 1,044	$ (130)	$ 1,632,267

(1) Includes $ 19.7 million of restricted cash equivalents.

Accrued interest receivable excluded from both the fair value and amortized cost basis of the available-for-sale debt securities are presented within prepaid expenses and other current assets in the unaudited condensed consolidated balance sheets. Accrued interest receivable amounted to $ 5.3 million and $ 4.0 million as of September 30, 2024 and December 31, 2023, respectively. The Company did not write off any accrued interest receivable during the nine months ended September 30, 2024 and 2023.

The Company recognized total net unrealized gains of $ 3.0 million and $ 0.9 million in accumulated other comprehensive gain (loss) as of September 30, 2024 and December 31, 2023, respectively. The gross unrealized losses related to U.S. government treasuries, U.S. government agency bonds and discount notes, and securities issued by institutions with investment-grade credit ratings as of September 30, 2024 and December 31, 2023 were nominal. The Company determined that the gross unrealized losses on the investments as of September 30, 2024 were temporary in nature. The Company currently does not intend, and it is highly unlikely that it will be required, to sell these securities before recovery of their amortized cost basis. As of September 30, 2024, no securities have contractual maturities (or weighted average life for asset-backed securities) of longer than two years .

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As of September 30, 2024, the Company's equity investment consisted solely of ordinary shares of Brii Biosciences Limited ("Brii Bio Parent"). The equity securities of Brii Bio Parent are listed on the The Stock Exchange of Hong Kong Limited, are considered to be marketable equity securities, and measured at fair value at each reporting date. As of September 30, 2024, the Company remeasured the equity investment at a fair value of $ 5.5 million. The Company recognized an unrealized gain of $ 1.1 million for the three months ended September 30, 2024, and an unrealized loss of $ 4.4 million for the nine months ended September 30, 2024, respectively, and unrealized losses of $ 2.7 million and $ 20.9 million for the three and nine months ended September 30, 2023, respectively, as other income in the unaudited condensed consolidated statement of operations. For the three and nine months ended September 30, 2024 and 2023, the unrealized gains or losses related to foreign currency translation were not material.

Contingent Consideration Obligations in connection with Business Combinations

Contingent consideration obligations in connection with business combinations include potential milestone payments in connection with the acquisition of Humabs Biomed SA ("Humabs"). The Company classifies the contingent consideration as Level 3 financial liabilities within the fair value hierarchy as of September 30, 2024 and December 31, 2023.

The estimated fair value of the contingent consideration related to the Humabs acquisition was determined by calculating the probability-weighted clinical, regulatory and commercial milestone payments based on the assessment of the likelihood and estimated timing that certain milestones would be achieved. As of September 30, 2024, the Company calculated the estimated fair value of the remaining clinical and regulatory milestones related to tobevibart (formerly as VIR-3434), an investigational subcutaneously administered HBV-neutralizing monoclonal antibody, or mAb, using the following significant unobservable inputs:

Unobservable input	Range (Weighted-Average)[1]
Discount rates	10.6 % - 11.8 % (11.1 %)
Probability of achievement	16.2 % - 80.0 % (58.2 %)

(1) Unobservable inputs were weighted based on the relative fair value of the clinical and regulatory milestone payments.

For the commercial milestones, the Company used a Monte Carlo simulation. As of September 30, 2024, the Monte Carlo simulation assumed a commercial product launch and associated discrete revenue forecasts, as well as the following significant unobservable inputs for the remaining commercial milestones related to tobevibart:

Unobservable input	Value
Volatility	70.0 %
Discount rate	10.0 %
Probability of achievement	47.4 %

The discount rate captures the credit risk associated with the payment of the contingent consideration when earned and due. As of September 30, 2024 and December 31, 2023, the estimated fair value of the contingent consideration related to the Humabs acquisition was $ 33.2 million and $ 26.0 million, respectively, with changes in the estimated fair value recorded in research and development expenses in the unaudited condensed consolidated statements of operations.

The estimated fair value of the contingent consideration related to the Humabs acquisition involves significant estimates and assumptions that give rise to measurement uncertainty.

The following table sets forth the changes in the estimated fair value of the Company's contingent consideration obligations (in thousands):

	Contingent Consideration
Balance at December 31, 2023	$ 25,961
Changes in fair value	7,209
Balance at September 30, 2024	$ 33,170

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4. Grant Agreements

Bill & Melinda Gates Foundation Grants

The Company has entered into various grant agreements with the Bill & Melinda Gates Foundation ("BMGF"), under which it is currently awarded grants totaling up to $ 49.9 million to support its HIV vaccine program, tuberculosis vaccine program, HIV vaccinal antibody program and malaria vaccinal antibody program. The term of the grant agreements will expire at various dates through June 2027, unless terminated earlier by the BMGF for the Company's breach, failure to progress the funded project, in the event of the Company's change of control, change in the Company's tax status, or significant changes in the Company's leadership that the BMGF reasonably believes may threaten the success of the projects.

Concurrently with the execution of the grant agreement for the vaccinal antibody program, the Company entered into a stock purchase agreement with the BMGF, under which the BMGF purchased 881,365 shares of the Company's common stock on January 13, 2022, at a price per share of $ 45.38 , for an aggregate purchase price of approximately $ 40.0 million. The fair market value of the common stock issued to the BMGF was $ 28.5 million, based on the closing stock price of $ 37.65 per share on the closing date and taking into account a discount for the lack of marketability due to the restrictions in place on the underlying shares, resulting in a $ 11.3 million premium received by the Company. The Company accounted for the common stock issued to the BMGF based on its fair market value on the closing date and determined that the premium paid by the BMGF should be included in the deferred revenue from the vaccinal antibody grant.

Payments received in advance that are related to future research activities along with the aforementioned premium received are deferred and recognized as revenue when the donor-imposed conditions are met, which is as the research and development activities are performed. The premium received by the Company is deferred and recognized over the same period as the grant proportionally. The Company recognized grant revenue of $ 1.6 million and $ 3.8 million for the three months ended September 30, 2024 and 2023, respectively, and $ 3.8 million and $ 10.5 million for the nine months ended September 30, 2024 and 2023, respectively. As of September 30, 2024 and December 31, 2023, the Company had deferred revenue of $ 13.7 million and $ 13.1 million, respectively. As of September 30, 2024 and December 31, 2023, the Company had $ 9.7 million and $ 9.2 million, respectively, within accrued and other liabilities, which may need to be refunded to the BMGF.

Biomedical Advanced Research and Development Authority

In September 2022, the Company entered into a multi-year agreement (the "BARDA Agreement") under Other Transaction Authority with the Biomedical Advanced Research and Development Authority ("BARDA"), part of the U.S. Department of Health and Human Services' Administration for Strategic Preparedness and Response. Under the BARDA Agreement, the Company may receive up to an estimated $ 1.0 billion to advance the development of a full portfolio of innovative solutions to address influenza and potentially other infectious disease threats. The Base Period for the BARDA Agreement includes government funding of approximately $ 55.0 million to reimburse a portion of expenses incurred by the Company to support the development of VIR-2482, an investigational prophylactic monoclonal antibody designed with the aim to protect against seasonal and pandemic influenza, including expenses related to the Phase 2 pre-exposure prophylaxis trial of VIR-2482. The BARDA Agreement also provides for additional funding after the exercise by BARDA of up to twelve options to further support the development of pre-exposure prophylactic antibodies including and beyond VIR-2482 for the prevention of influenza illness and supporting medical countermeasures for other pathogens of pandemic potential.

In September 2023, the Company and BARDA entered into Amendment No. P00001 to the BARDA Agreement (the "Amended BARDA Agreement"), pursuant to which BARDA awarded the Company $ 50.1 million in new funding upon the exercise of an additional option. The Company will use $ 40.0 million to support the development of VIR-7229 through a Phase 1 clinical trial and $ 10.1 million to support the discovery of new monoclonal antibody against a second pathogen of pandemic potential. The Company may also receive up to $ 11.2 million additional funding for the Base Period under the Amended BARDA Agreement to wind down activities related to the Phase 2 pre-exposure prophylaxis trial of VIR-2482. The Amended BARDA Agreement will expire in July 2027 and may be extended by mutual written agreement of the Company and BARDA, if funding is available and research opportunities within scope reasonably warrant, or, if any of the options are exercised (as described above), to cover the period of such exercised option set forth in the Amended BARDA Agreement. The Amended BARDA Agreement is terminable by the Company and BARDA at any time under specified circumstances, including for convenience.

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In September 2024, the Company and BARDA entered into Amendment No. P00003 to the BARDA Agreement (the "Third Amended BARDA Agreement"), pursuant to which the parties agree to partially de-obligate certain funds from two of the exercised options related to the development of VIR-7229. Under this Amendment the current BARDA commitment was decreased by $ 42.1 million.

The Company recognized grant revenue related to BARDA of $ 0.5 million and $ 2.9 million for the three months ended September 30, 2024 and 2023, respectively, and $ 5.6 million and $ 29.0 million for the nine months ended September 30, 2024 and 2023, respectively. As of September 30, 2024, receivable from BARDA was no t material. As of December 31, 2023, the Company had receivable from BARDA of $ 7.6 million, as part of prepaid expenses and other current assets. As of September 30, 2024, $ 8.9 million of potential future reimbursement remains available under the Amended BARDA Agreement.

5. Collaboration and License Agreements

License Agreement with Sanofi

On September 9, 2024, the Company closed the license agreement (the "Sanofi Agreement") with Amunix Pharmaceuticals, Inc., a Sanofi company ("Sanofi") previously announced on August 1, 2024. The Sanofi Agreement provides the Company with an exclusive worldwide license to use of the proprietary PRO-XTEN™ universal masking technology for oncology and infectious disease,excluding the ophthalmological field, and to three early clinical-stage dual-masked T-cell engagers (TCEs) that all leverage the PRO-XTEN™ universal masking platform within a range of cancer indications.

Under the Sanofi Agreement the Company made an upfront payment to Sanofi in the amount of $ 100.0 million and placed into escrow a $ 75.0 million milestone payment that is subject to VIR-5525 achieving "first in human dosing" by 2026. The cash paid into escrow is under the control of the Company and is classified as restricted cash and cash equivalents, current in the unaudited condensed consolidated balance sheets. Sanofi will also be eligible to receive up to an additional $ 323.0 million in future development and regulatory milestone payments, up to an additional $ 1.49 billion in commercial net sales-based milestone payments, and low single-digit to low double-digit tiered royalties on worldwide net sales. Additionally, as part of the Sanofi Agreement, the Company paid $ 3.7 million to acquire certain lab equipment and cash deposits primarily related to contract manufacturing agreements. Shortly after the closing of the transactions, the Company hired certain former Sanofi personnel. The Company incurred approximately $ 4.6 million of transaction costs associated with the closing of Sanofi Agreement. The following table summarizes the aggregate amount paid for the assets acquired by the Company in connection with the Sanofi Agreement (in thousands):

Upfront	$	100,(
Equipment		1,:
Deposits		2,5
Transaction costs		4,(
Total purchase consideration	$	108,3

The Company accounted for the transaction as an asset acquisition in accordance ASC 805-50 as substantially all of the fair value of the assets acquired is concentrated in a group of similar identifiable assets. The three early clinical stage oncology TCEs use the same universal PRO-XTEN™ masking technology and have similar development timelines, probabilities of risk, and loss of patent exclusivity among other characteristics. ASC 805-50 requires the acquiring entity in an asset acquisition to recognize assets acquired and liabilities assumed based on the cost to the acquiring entity on a relative fair value basis, which includes consideration given. The total purchase price was allocated to the acquired assets based on their relative fair values, as follows (in thousands):

In-process research and development ("IPR&D")	$	102,836
Property and Equipment		1,119
Prepaid expenses and other current assets [(1)]		3,975
Assembled workforce		412
Total purchase consideration	$	108,342

(1) Includes acquired cash deposits primarily related to contract manufacturing agreements.

The fair value of the IPR&D was estimated using a multi-period excess earnings income approach that discounts expected cash flows to present value by applying a discount rate that represents the estimated rate that market participants would require for the intangible asset. In accordance with ASC 730, as the three early clinical stage oncology TCEs have not achieved regulatory approval when acquired, the portion of the purchase price allocated to the IPR&D was immediately expensed to research and development as they had no alternative future use. Contingent milestone payments were determined to be within the scope of ASC 450 and will be recognized when the contingency is resolved and the consideration is paid or becomes payable. Any milestone payments made in the future will either be expensed as research and development or capitalized as a developed asset based on when regulatory approval is obtained. The Company will recognize sales-based milestone and royalty payments in cost of sales as revenue from product sales is recognized. The fair value of the assembled workforce was estimated using a replacement cost method. The assembled workforce is classified as intangible assets, net and is amortized over an expected useful life of 5 years as research and development expense.

Collaboration Agreements with GSK

2020 GSK Agreement

In 2020, the Company, Glaxo Wellcome UK Limited and Beecham S.A. entered into a collaboration agreement (the "2020 GSK Agreement"). Subsequently, Beecham S.A. assigned and transferred all its rights, title, interest, and benefit in the 2020 GSK Agreement to GlaxoSmithKline Biologicals S.A. (Glaxo Wellcome UK Limited and GlaxoSmithKline Biologicals S.A., referred to, individually and together, as "GSK"). Under the terms of the 2020 GSK Agreement, the Company and GSK agreed to collaborate to research, develop and commercialize products for the prevention, treatment and prophylaxis of diseases caused by SARS-CoV-2, the virus that causes COVID-19, and potentially other coronaviruses. The collaboration initially focused on the development and commercialization of three programs: (1) antibodies targeting SARS-CoV-2 and potentially other coronaviruses (the "Antibody Program"); (2) vaccines targeting SARS-CoV-2 and potentially other coronaviruses (the "Vaccine Program"), and (3) products based on genome-wide CRISPR screening of host targets expressed in connection with exposure to SARS-CoV-2 and potentially other coronaviruses (the "Functional Genomics Program").

On February 8, 2023, the Company and GSK entered into Amendment No. 2 and Amendment No. 3 to the 2020 GSK Agreement. Pursuant to Amendment No. 2, the Company and GSK agreed to remove the Vaccine Program from the 2020 GSK Agreement, and to wind down and terminate the cost-sharing arrangements and all ongoing activities in relation to the Vaccine Program. As of the effective date of Amendment No. 2, the Vaccine Program had not yet advanced to its predefined development candidate stage. The Company retains the right to progress development of vaccine products directed to SARS-CoV-2 and other coronaviruses independently (including with or for third parties) outside the scope of the 2020 GSK Agreement, subject to the payment of tiered royalties to GSK on net sales of any vaccine products covered by certain GSK intellectual property rights in the low single digits. Pursuant to Amendment No. 3, the Company and GSK agreed to modify the Antibody Program to remove from the collaboration all coronavirus antibodies other than sotrovimab and VIR-7832, and certain variants thereof. Sotrovimab and VIR-7832, and certain variants thereof, remain subject to the terms of the 2020 GSK Agreement, and the Company retains the sole right to progress the development and commercialization of the terminated antibody products independently (including with or for third parties), subject to the payment of tiered royalties to GSK on net sales of such terminated antibody products at percentages ranging from the very low single digits to the mid-single digits, depending on the nature of the antibody product being commercialized.

Subject to an opt-out mechanism, the parties share all development costs, manufacturing costs, and costs and expenses for the commercialization of the collaboration products, with the Company bearing 72.5 % of such costs for the antibody products, except that GSK has the sole right to develop (including to seek, obtain or maintain regulatory approvals), manufacture and commercialize sotrovimab in and for mainland China, Hong Kong, Macau and Taiwan at GSK's sole cost and expense, and equal sharing of such costs for the functional genomics products.

The 2020 GSK Agreement will remain in effect with respect to each collaboration program for as long as there is a collaboration product being developed or commercialized by the lead party, or the non-opt-out party, in such program. Either party has the right to terminate the 2020 GSK Agreement in the case of the insolvency of the other party, an uncured material breach of the other party with respect to a collaboration program or collaboration product, or as mutually agreed by the parties.

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In May 2021, the U.S. Food and Drug Administration ("FDA") granted an EUA in the United States for sotrovimab, the first collaboration product under the Antibody Program. In April 2022, the FDA excluded the use of sotrovimab in all U.S. regions due to the continued proportion of COVID-19 cases caused by certain variants. As the lead party for all manufacturing and commercialization activities, GSK incurs all of the manufacturing, sales and marketing expenses and is the principal on sales transactions with third parties. As described in Note 2—Summary of Significant Accounting Policies, the Company's accounting policy related to the profit-share is to consider the agreed-upon share of the profit-sharing amounts each quarter and evaluate whether those amounts are subject to potential future adjustments based on the latest available facts and circumstances. As the Company is the agent, the Company recognizes its contractual share of the profit-sharing amounts or royalties (in case of an opt-out) as revenue, based on sales net of various estimated deductions such as rebates, discounts, chargebacks, credits and returns, less cost of sales and allowable expenses (including manufacturing, distribution, medical affairs, selling, and marketing expenses) in the period the sale occurs. Manufacturing costs include inventory revaluation adjustments, lower of cost or market inventory adjustments, inventory write-downs and write-offs, and binding purchase commitments with a third-party manufacturer among other manufacturing costs.

In periods when allowable expenses exceed amounts recognized for net product sales of sotrovimab, negative revenue will be reported in our consolidated statements of operations. The Company's contractual share of the profit-sharing amounts is subject to potential future adjustments to allowable expenses, which represents a form of variable consideration. At each reporting period, the Company evaluates the latest available facts and circumstances to determine whether any portion of profit-sharing amounts should be constrained.

In 2023, GSK reported to the Company certain allowable manufacturing expenses related to excess sotrovimab supply and binding reserved manufacturing capacity not utilized, which the Company had previously reserved as constraint on its cumulative profit-sharing amounts. For the year ended December 31, 2023, the Company paid GSK $ 341.4 million relating to these manufacturing expenses. GSK may continue to adjust allowable manufacturing expenses for the Company's share of the excess supply write-offs and unused binding manufacturing capacity and report to the Company as cost-sharing amounts in future periods. The Company evaluated the latest available facts and circumstances to update its evaluation of profit-sharing amounts to be constrained. As of September 30, 2024, the Company's share of the remaining estimated manufacturing expenses related to excess sotrovimab supply and binding reserved manufacturing capacity not utilized is not material. The Company re-assesses these estimates each reporting period.

During the three and nine months ended September 30, 2024 and 2023, the Company recorded profit-sharing amount, profit-sharing amount constrained, and profit-sharing amount previously constrained, released as components of collaboration revenue in the unaudited condensed consolidated statements of operations, as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Profit-sharing amount	$ (1,102)	$ (6,038)	$ (1,334)	$ (7,198)
Profit-sharing amount constrained	—	—	(700)	—
Profit-sharing amount previously constrained, released	—	1,651	—	35,606
Total collaboration revenue, net	$ (1,102)	$ (4,387)	$ (2,034)	$ 28,408

Costs associated with co-development activities performed under the 2020 GSK Agreement are included in research and development expenses on the unaudited condensed consolidated statements of operations, with any reimbursement of costs by GSK reflected as a reduction of such expenses. Under the 2020 GSK Agreement, the Company recognized additional net research and development expenses of $ 1.0 million and $ 6.1 million during the three months ended September 30, 2024 and 2023, respectively, and $ 6.5 million and $ 18.6 million during the nine months ended September 30, 2024 and 2023, respectively.

2021 Expanded GSK Collaboration

In 2021, the Company and GSK entered into a collaboration agreement (the "2021 GSK Agreement") under which the parties agreed to expand the 2020 GSK Agreement to collaborate on three separate programs: (1) a program to research, develop and commercialize certain mAbs for the prevention, treatment or prophylaxis of the influenza virus (the "Influenza Program"), excluding VIR-2482 unless GSK exercises its exclusive option to co-develop and commercialize after the Company completes a Phase 2 clinical trial ("VIR-2482 Option"); (2) an expansion of the parties' current Functional Genomics Program to focus on functional genomics screens directed to targets associated with respiratory viruses (the "Expanded Functional Genomics Program"); and (3) additional programs to develop neutralizing mAbs directed to up to three non-influenza target pathogens if selected by GSK prior to March 25, 2024 (the "Selected Pathogens" and such programs, the "Additional Programs").

On February 21, 2024, the Company and GSK entered into a letter agreement (the "Letter Agreement") pursuant to which the Company and GSK agreed to terminate the Influenza Program and GSK's VIR-2482 Option from the 2021 GSK Agreement and to wind down and terminate the cost-sharing arrangements and all ongoing activities in relation to the Influenza Program.

The parties mutually agree upon the allocation of responsibility for the development of products under the Expanded Functional Genomics Program, and for the development and early-stage manufacturing of products under the Additional Programs if and when GSK decides which Selected Pathogens to pursue. GSK is primarily responsible for commercial manufacturing and commercialization activities for products under the Expanded Functional Genomics Program and Additional Programs, if and when selected by GSK. For each collaboration program, the Company granted or will grant GSK certain license rights related to the development, manufacturing and commercialization of products arising from the program. GSK selected RSV as its first pathogen under the Additional Programs in 2022. During the first quarter of 2024, the Company recognized contract revenue of $ 51.7 million as GSK's rights to select the remaining two additional non-influenza target pathogens expired on March 25, 2024. The Company had no other remaining performance obligations under the 2021 GSK Agreement.

The parties share 50 % of all development costs in accordance with the budget for each of the collaboration programs. The parties also share 50 % of all profits and losses arising from any collaboration product. Costs associated with co-development activities performed under the 2021 GSK Agreement are included in research and development expenses in the unaudited condensed consolidated statements of operations, with any reimbursement of costs by GSK reflected as a reduction of such expenses. Under the 2021 GSK Agreement, the Company recognized net reimbursement of research and development expenses of $ 0.2 million and $ 0.7 million, respectively, during the three and nine months ended September 30, 2024 and additional net research and development expenses of $ 0.6 million and $ 1.9 million, respectively, during the three and nine months ended September 30, 2023.

6. Balance Sheet Components

Property and Equipment, net

Property and equipment, net consists of the following (in thousands):

	Useful life (in years)	September 30, 2024	December 31, 2023
Laboratory equipment	5	$ 40,963	$ 43,728
Computer equipment	3	2,615	2,783
Furniture and fixtures	5	2,553	2,887
Leasehold improvements	8 - 12	53,140	80,290
Construction in progress	N/A	713	226
Property and equipment, gross		99,984	129,914
Less accumulated depreciation		(35,193)	(33,896)
Total property and equipment, net		$ 64,791	$ 96,018

Depreciation expenses were $ 2.9 million and $ 4.5 million for the three months ended September 30, 2024 and 2023, respectively, and $ 11.5 million and $ 14.6 million for the nine months ended September 30, 2024 and 2023, respectively.

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Notes to Unaudited Condensed Consolidated Financial Statements

Accrued and Other Liabilities

Accrued and other liabilities consist of the following (in thousands):

	September 30, 2024	December 31, 2023
Payroll and related expenses	31,369	41,322
Research and development expenses	$ 26,330	$ 33,129
Operating lease liabilities, current	19,408	12,867
Excess funds payable under grant agreements	9,720	9,202
Other professional and consulting expenses	2,656	3,418
Net profit-sharing amount	1,100	—
Other accrued expenses	4,075	4,282
Total accrued and other liabilities	$ 94,658	$ 104,220

7. Restructuring, Asset Impairment and Related Charges

2024 Restructuring Plan

In August 2024, the Company initiated a strategic restructuring to advance the development of its hepatitis programs and focus on the highest near-term value opportunities (“2024 Restructuring Plan”). The organizational realignment and optimization included phasing out programs in influenza, COVID-19, and the Company's T cell-based viral vector platform, as well as a workforce reduction of approximately 25 % or approximately 140 employees. The Company expects to recognize restructuring expenses of approximately $ 11 million to $ 13 million, primarily related to employee severance cash payouts, mostly in the second half of 2024.

During the three months ended September 30, 2024, the Company incurred severance and other employee-related expenses of $ 10.4 million, of which $ 8.2 million and $ 2.2 million is classified as research and development and selling, general and administrative expenses, respectively.

2023 Restructuring Plan

In December 2023, the Company initiated strategic steps to reduce operating expenses and focus its capital allocation on programs with the highest potential for patient impact and value creation (“2023 Restructuring Plan”). As part of the steps, the R&D facilities in St. Louis, Missouri and Portland, Oregon were closed in 2024. In addition, approximately 75 net positions, or 12 % of the workforce, were eliminated, which included reductions from the Company’s discontinuation of its innate immunity small molecule group that was initiated in the third quarter of 2023.

In the second quarter of 2024, due to the completion of R&D activities at the St. Louis, Missouri site, the Company recorded non-cash impairment charges of $ 24.2 million primarily related to the write-off of the remaining balance of the ROU asset and related leasehold improvements along with non-cash disposal losses of $ 2.3 million related to certain lab equipment held for sale. In the third quarter 2024, the Company recognized restructuring charges of $ 2.3 million for long-lived assets primarily driven by a write-off of $ 1.4 million representing the remaining balance of ROU asset for Portland, Oregon site due to the cessation of R&D activities. For the nine months ended September 30, 2024, total restructuring charges for long-lived assets amounted to $ 28.8 million. All actions related to the 2023 Restructuring Plan have been substantially completed by the third quarter of 2024.

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The following table is a summary of restructuring charges incurred under both the 2023 and 2024 Restructuring Plans during the three and nine months ended September 30, 2024 and a roll forward of accrued restructuring costs from December 31, 2023 to September 30, 2024 (in thousands).

	Severance and other employee-related expenses	Long-lived assets impairment charges and disposal losses	Total
Accrued restructuring charges at December 31, 2023	**$ 4,454**	**$ —**	**$ 4,454**
Restructuring charges, net	(48)	—	(48)
Cash payment	(2,592)	—	(2,592)
Accrued restructuring charges at March 31, 2024	**$ 1,814**	**$ —**	**$ 1,814**
Restructuring charges, net	(200)	26,475	26,275
Cash payment	(710)	—	(710)
Non-cash activity	—	(26,475)	(26,475)
Accrued restructuring charges at June 30, 2024	**$ 904**	**$ —**	**$ 904**
Restructuring charges, net	10,379	2,333	12,712
Cash payment	(301)	—	(301)
Non-cash activity	—	(2,333)	(2,333)
Accrued restructuring charges at September 30, 2024	**$ 10,982**	**$ —**	**$ 10,982**
Reconciliation of accrued restructuring charges to the condensed consolidated balance sheets			
Accrued and other liabilities	$ 10,982	$ —	$ 10,982

During the three months ended June 30, 2023, the Company ceased to use the leased space at 499 Illinois Street, San Francisco, California, former corporate headquarter. As a result, the Company assessed the related long-lived assets at the site for impairment and recognized $ 5.4 million impairment charges, primarily related to the write-off of the remaining balance of ROU asset and leasehold improvements.

8. **Commitments and Contingencies**

Manufacturing and Supply Agreements

In the first quarter of 2024, the Company and a third-party contract development manufacturing organization entered into various scopes of work with respect to the manufacturing of tobevibart (the “Tobevibart Agreements”). As of September 30, 2024, the Company had unaccrued unpaid commitments of approximately $ 15 million under the Tobevibart Agreements. In the third quarter of 2024, the Company and a third-party contract development manufacturing organization entered into various scopes of work with respect to the manufacturing of elebsiran (the “Elebsiran Agreements”). As of September 30, 2024, the Company had unaccrued unpaid commitments of approximately $ 7 million under the Elebsiran Agreements.

Legal Proceedings

The Company may from time to time be party to claims and legal proceedings that arise in the normal course of its business and that may or may not have, individually or in the aggregate, a material adverse effect on its results of operations, financial condition or liquidity.

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Notes to Unaudited Condensed Consolidated Financial Statements

Indemnification

In the ordinary course of business, the Company enters into agreements that may include indemnification provisions. Under such agreements, the Company may indemnify, hold harmless and defend an indemnified party for losses suffered or incurred by the indemnified party. In some cases, the indemnification will continue after the termination of the agreement. The maximum potential amount of future payments the Company could be required to make under these provisions is not determinable. In addition, the Company has entered into indemnification agreements with its directors and certain officers that may require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. To date, no demands have been made upon the Company to provide indemnification under these agreements, and thus, there are no indemnification claims that the Company is aware of that could have a material effect on the unaudited condensed consolidated balance sheets, unaudited condensed consolidated statements of operations, or unaudited condensed consolidated statements of cash flows.

9. Stock-Based Awards

The Company has maintained a stock incentive plan for the issuance of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, other stock awards and performance cash awards, to employees, non-employee directors, and consultants. The Company also has an employee stock purchase plan ("ESPP") for its employees.

Stock Options Granted to Employees

The fair value of stock options granted to employees was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Expected term of options (in years)	6.1	6.1	5.5 - 6.1	5.5 - 6.1
Expected stock price volatility	89.9 % - 90.4 %	99.9 % - 100.9 %	89.2 % - 91.8 %	99.6 % - 101.5 %
Risk-free interest rate	3.5 % - 4.1 %	4.0 % - 4.4 %	3.5 % - 4.6 %	3.4 % - 4.4 %
Expected dividend yield	—	—	—	—

The valuation assumptions for stock options were determined as follows:

- *Expected Term* — The expected term represents the period that the stock options granted are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term).
- *Expected Volatility* — Expected volatility is determined by using a blended approach of the Company and certain industry peers' historical volatilities.
- *Risk-Free Interest Rate* — The Company based the risk-free interest rate over the expected term of the stock options based on the constant maturity rate of U.S. Treasury securities with similar maturities as of the date of the grant.
- *Expected Dividend Rate* — The expected dividend is zero as the Company has not paid nor does it anticipate paying any dividends on its profit interest units in the foreseeable future.

VIR BIOTECHNOLOGY, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

Stock-Based Compensation Expense

Stock-based compensation is recognized on a straight-line basis over the requisite service period, which is generally the vesting period. The following table sets forth the total stock-based compensation expense for all awards granted to employees and non-employees and the ESPP in the unaudited condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Research and development	$ 8,931	$ 15,819	$ 35,610	$ 46,284
Selling, general and administrative	7,766	11,125	27,006	36,760
Total stock-based compensation	$ 16,697	$ 26,944	$ 62,616	$ 83,044

10. Net Loss Per Share

Basic net loss per common share is computed by dividing the net loss attributable to Vir by the weighted-average number of common shares outstanding during the period, without consideration of common stock equivalents. Diluted net loss per common share is computed by dividing the net loss attributable to Vir by the sum of the weighted-average number of common shares outstanding during the period plus any potential dilutive effects of common stock equivalents outstanding during the period calculated in accordance with the treasury stock method. For periods that the Company was in a net loss position, basic net loss per share is the same as diluted net loss per share as the inclusion of all potential common securities outstanding would have been anti-dilutive.

The following is a calculation of the basic and diluted net loss per share (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss attributable to Vir	$ (213,717)	$ (163,413)	$ (417,371)	$ (499,088)
Weighted-average shares outstanding, basic and diluted	136,653,753	134,289,620	136,058,223	133,969,878
Net loss attributable to Vir per share, basic and diluted	$ (1.56)	$ (1.22)	$ (3.07)	$ (3.73)

Potentially dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Options issued and outstanding	10,851,997	10,601,054	12,494,822	10,990,201
Restricted shares subject to future vesting	5,671,095	5,130,300	4,936,270	4,112,315
Total	16,523,092	15,731,354	17,431,092	15,102,516

11. Income Taxes

The table below presents our loss before (provision for) benefit from income taxes, (provision for) benefit from income taxes and effective tax rate for the three and nine months ended September 30, 2024 and 2023 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Loss before (provision for) benefit from income taxes	$ (213,540)	$ (166,626)	$ (418,430)	$ (507,437)
(Provision for) benefit from income taxes	$ (177)	$ 3,213	$ 1,059	$ 8,293
Effective tax rate	(0.1 %)	1.9 %	0.3 %	1.6 %

VIR BIOTECHNOLOGY, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

The Company is subject to income taxes in the United States and foreign jurisdictions. These foreign jurisdictions have statutory tax rates different from those in the United States. Accordingly, the Company's effective tax rates will vary depending on the relative proportion of foreign to United States income/loss, the utilization of net operating loss and tax credit carry forwards and carrybacks, changes in jurisdictional mix of income and expense, changes in management's assessment of matters such as the ability to realize deferred tax assets, and changes in tax laws.

The provision for income taxes for the three months ended September 30, 2024 was not material. The benefit from income taxes for the nine months ended September 30, 2024 was primarily due to a favorable adjustment to estimated tax payable. The benefit from income taxes for the three and nine months ended September 30, 2023 was primarily due to a pre-tax loss and the Company's ability to carry back the research and development credit to 2022.

Unrecognized tax benefits were $ 14.8 million and $ 13.6 million as of September 30, 2024 and December 31, 2023, respectively, and if recognized, would favorably affect the effective tax rate in future periods.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our unaudited condensed consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and notes thereto and the related Management's Discussion and Analysis of Financial Condition and Results of Operations included as part of our Annual Report on Form 10-K for the year ended December 31, 2023. Unless the context requires otherwise, references in this Quarterly Report on Form 10-Q to the "Company", "Vir," "we," "us" and "our" refer to Vir Biotechnology, Inc. and its consolidated subsidiaries.

Overview

We are a clinical-stage biopharmaceutical company focused on powering the immune system to transform lives by discovering and developing medicines for serious infectious diseases and cancer. At Vir, we have a bold vision – powering the immune system to transform lives. Our growth and pursuit of scientific innovation is fueled by our world-class leading monoclonal antibody (mAb) platform that has a proven track record and is further strengthened by our artificial intelligence-led mAb optimization and engineering capabilities.

Our current clinical development pipeline consists of product candidates targeting hepatitis delta virus (HDV), hepatitis B virus (HBV), in addition to multiple oncology programs. The most advanced preclinical candidate in our pipeline includes respiratory syncytial virus (RSV) and human metapneumovirus (MPV). We have established our own internal process development, analytical development, manufacturing, supply chain and quality capabilities and worked with contract development and manufacturing organizations (CDMOs) to develop, manufacture, test and supply our early- and late-stage product candidates.

We have an industry-leading management team and board of directors with significant immunology and infectious diseases experience, including a proven track record of progressing product candidates from early-stage research through clinical development, and worldwide regulatory approval and commercialization experience. Given the global impact of infectious diseases and other serious conditions, we are committed to providing broad access to our therapeutics.

Significant Developments

Following is a summary of selected significant developments affecting our business that occurred since the filing of our Quarterly Report on Form 10-Q for the period ended June 30, 2024. For additional developments or for a more comprehensive discussion of certain developments below, see our Annual Report on Form 10-K for the year ended December 31, 2023 and our Quarterly Report on Form 10-Q for the period June 30, 2024.

Pipeline Programs

Chronic Hepatitis Delta (CHD)

- We plan to present additional data from the Phase 2 chronic hepatitis delta SOLSTICE trial, including 24-week clinical data for both study cohorts in approximately 60 patients and further data data for those patients who were on study beyond 24 weeks at the time of data cut-off at the American Association for the Study of Liver Diseases (AASLD), "The Liver Meeting", in November 2024.
    - One cohort assesses the combination of tobevibart and elebsiran administered every four weeks, while a second cohort evaluates tobevibart monotherapy administered every two weeks.
    - The SOLSTICE trial is evaluating the safety, tolerability and efficacy of tobevibart and elebsiran for the treatment of chronic hepatitis delta.

Chronic Hepatitis B (CHB)

- We plan to share end-of-treatment data from the Phase 2 MARCH Part B trial as a Late Breaking presentation at the AASLD in November 2024.
    - The MARCH-B trial is evaluating the safety, tolerability and antiviral activity of the triplet combination of tobevibart and elebsiran plus peginterferon alfa-2a in approximately 30 participants, and approximately 50 participants treated with the doublet combination of tobevibart and elebsiran.
    - We also plan to share further data assessing a potential functional cure in the second quarter of 2025.

Solid Tumors

- VIR-5818 is a dual-masked HER2-targeted T-cell engager in clinical development and is designed to minimize off-tumor toxicity, potentially allowing for higher doses and increased efficacy to address the significant unmet needs of patients with HER2 expressing cancers.
    - A Phase 1 basket study of VIR-5818 as a monotherapy, and in combination with pembrolizumab, is on-going in multiple tumor types, including metastatic breast cancer and metastatic colorectal cancer.
    - We plan to share initial clinical data for VIR-5818 in the first quarter of 2025.
- VIR-5500 is a dual-masked PSMA directed T-cell engager in clinical development and is designed to minimize off-tumor toxicity and potentially improve efficacy relative to existing approved PSMA-targeted therapies.
    - A Phase 1 dose escalation study of VIR-5500 is ongoing to assess its safety profile and optimal doses for future development in metastatic-castration resistant prostate cancer.
    - We plan to share initial clinical data for VIR-5500 in the first quarter of 2025.
- VIR-5525 is a dual-masked EGFR targeted T-cell engager with a cleared Investigational New Drug Application (IND) from the U.S. FDA.
    - We plan to initiate a Phase 1 basket study of VIR-5525 in the first quarter of 2025 in patients across a number of solid tumor indications of high unmet need, which may include metastatic head and neck squamous cell carcinoma, metastatic adenocarcinoma, squamous non-small cell lung cancer, and metastatic colorectal cancer.

Preclinical Pipeline Candidates

- We continue to advance pre-clinical assets in respiratory syncytial virus in partnership with GSK, and pursue HIV cure in collaboration with the Bill & Melinda Gates Foundation.

Corporate Update

- On August 1, 2024 we announced an exclusive worldwide license to use of the proprietary PRO-XTEN™ universal masking technology for oncology and infectious disease and to three clinical-stage masked TCEs with potential applications in a range of cancers. The agreement became effective on September 9, 2024.
    - Certain former employees of Sanofi joined us following the closing of the agreement.
- On August 1, 2024 we announced the phase-out of clinical programs in influenza, COVID-19, and its T-cell based viral vector platform. The Company is seeking partners to advance these clinical programs through further development. Additionally, the Company announced a workforce reduction of approximately 25%, or approximately 140 employees.
- On September 10, 2024, we announced the appointment of Jason O'Byrne as Executive Vice President and Chief Financial Officer, effective October 2, 2024. Mr. O'Byrne is an accomplished executive with more than 20 years of experience in finance and operations and brings leadership in capital allocation and formation, corporate strategy and operational excellence.

Our Collaboration, License and Grant Agreements

We have entered into collaboration, license and grant arrangements with various third parties. For details regarding these and other agreements, see Note 4—Grant Agreements and Note 5—Collaboration and License Agreements to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, and Note 7—Collaboration and License Agreements to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission, or SEC, on February 26, 2024.

Components of Operating Results

Revenues

Other than sotrovimab, we have not obtained regulatory approval for our product candidates, and we do not expect to generate any significant revenue from the sale of our other product candidates until we complete clinical development, submit regulatory filings and receive approvals from the applicable regulatory bodies for such product candidates, if ever. Although we have previously recognized revenue from our profit-share related to sotrovimab under our definitive collaboration agreement with GSK executed in June 2020, or the 2020 GSK Agreement, we may continue to incur net operating losses for at least the next several years as the extent of future revenue from the sale of sotrovimab remains uncertain. While we have an EUA from the FDA for sotrovimab, the FDA has excluded the use of sotrovimab in all U.S. regions due to the continued proportion of COVID-19 cases caused by certain variants. With this EUA revision, sotrovimab is not currently authorized for use in any U.S. region. Although certain countries outside the U.S. continue to maintain access to 500 mg IV while noting that the clinical efficacy is unknown or uncertain against existing and emerging variants, we cannot predict whether other countries will further limit the use of sotrovimab. Due to the evolving COVID-19 landscape and based on discussions with the FDA, we and GSK do not plan to file a Biologics License Application, or BLA, for sotrovimab at this time. In light of these developments, we cannot predict whether (if at all) or to what extent sotrovimab may be reauthorized for use by the FDA in any U.S. region in the future, and we do not expect meaningful collaboration revenue in the future from the sale of sotrovimab for the treatment of COVID-19 even if it were reauthorized by the FDA.

Collaboration revenue

Collaboration revenue includes recognition of our profit-share from the sales of sotrovimab pursuant to the 2020 GSK Agreement. Our contractual share of 72.5% from the sales of sotrovimab is applied to the net sales reported in the period by GSK, net of cost of goods sold and allowable expenses from both GSK and us (e.g., manufacturing, distribution, medical affairs, selling, and marketing expenses). In order to record collaboration revenue, we utilize certain information from our collaboration partner, including actual net product sales and costs incurred for sales activities, and make key judgments based on business updates related to commercial and clinical activities, such as expected commercial demand, commercial supply plan, manufacturing commitments, risks related to expired or obsolete inventories, and risks related to potential product returns or contract terminations. In 2024, we expect a nominal amount of collaboration revenue, if any, from our 2020 GSK Agreement, and we may incur negative collaboration revenue related to costs for ongoing required support efforts that our partner GSK leads.

Constraint on variable consideration

In May 2021, the FDA granted an EUA in the U.S. for sotrovimab. In April 2022, the FDA excluded the use of sotrovimab in all U.S. regions due to the continued proportion of COVID-19 cases caused by certain variants. As the lead party for all manufacturing and commercialization activities, GSK incurs all of the manufacturing, sales and marketing expenses and is the principal on sales transactions with third parties. Our accounting policy related to the profit-share is to consider the agreed-upon share of the profit-sharing amounts each quarter and evaluate whether those amounts are subject to potential future adjustments based on the latest available facts and circumstances, subject to the terms of the 2020 GSK Agreement.

As we are the agent under the 2020 GSK Agreement, we recognize our contractual share of the profit-sharing amounts or royalties (in case of an opt-out) as revenue, based on sales net of various estimated deductions such as rebates, discounts, chargebacks, credits and returns, less cost of sales and allowable expenses (including manufacturing, distribution, medical affairs, selling, and marketing expenses) in the period the sale occurs. Manufacturing costs include inventory revaluation adjustments, lower of cost or market inventory adjustments, inventory write-downs and write-offs, and binding purchase commitments with a third-party manufacturer, among other manufacturing costs. Our contractual share of the profit-sharing amounts is subject to potential future adjustments to allowable expenses, which we account for as a form of variable consideration.

In 2023, GSK reported to us certain allowable manufacturing expenses related to excess sotrovimab supply and binding reserved manufacturing capacity not utilized, which we had previously reserved as a constraint on our cumulative profit-sharing amounts. GSK may continue to adjust allowable manufacturing expenses for our share of the excess supply write-offs and unused binding manufacturing capacity and report to us as cost-sharing amounts in future periods. We evaluate the latest available facts and circumstances to update our evaluation of whether any portion of profit-sharing amounts should continue to be constrained. We re-assess these estimates at each reporting period. Actual results could materially differ from estimates.

Contract revenue

Contract revenue includes recognition of revenue generated from license rights issued to GSK, from research and development services under third-party contracts, and from a third-party clinical supply agreement.

Grant revenue

Grant revenue is comprised of revenue derived from grant agreements with government-sponsored and private organizations.

Operating Expenses

Cost of Revenue

Cost of revenue currently represents royalties earned by third-party licensors on net sales of sotrovimab. We recognize these royalties as cost of revenue when we recognize the corresponding revenue that gives rise to payments due to our licensors.

Research and Development

To date, our research and development expenses have related primarily to discovery efforts and preclinical and clinical development of our product candidates. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. We do not track all research and development expenses by product candidate.

Research and development expenses consist primarily of costs incurred for our product candidates in development and prior to regulatory approval, which include:

- expenses related to license and collaboration agreements, and change in fair value of certain contingent consideration obligations arising from business acquisitions;
- personnel-related expenses, including salaries, benefits and stock-based compensation for personnel contributing to research and development activities;
- expenses incurred under agreements with third-party contract manufacturing organizations, contract research organizations, and consultants;
- clinical costs, including laboratory supplies and costs related to compliance with regulatory requirements; and
- other allocated expenses, including expenses for rent and facilities maintenance, and depreciation and amortization.

We expect our research and development expenses to increase substantially in absolute dollars over time as we advance our product candidates into and through preclinical and clinical studies and pursue regulatory approval of our product candidates. The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming. The actual probability of success for our product candidates may be affected by a variety of factors including: the safety and efficacy of our product candidates, early clinical data, investment in our clinical programs, the ability of collaborators to successfully develop our licensed product candidates, competition, manufacturing capability and commercial viability.

In addition, under our license agreement with Sanofi, we may incur additional clinical, and regulatory milestone payments based on the development progress of certain oncology programs. We may also be required to pay commercial milestone payments and royalties in the event of a successful product launch and our receipt of commercial revenues. Therefore, we are unable to predict the timing or the final cost to complete our clinical programs or validation of our manufacturing and supply processes and delays may occur due to numerous factors. Factors that could cause or contribute to delays or additional costs include, but are not limited to, those discussed in the “Risk Factors” section of the Quarterly Report.

As a result of the uncertainties discussed above, we are unable to determine the duration and completion costs of our research and development projects or when and to what extent we will generate significant revenue from the commercialization and sale of any of our product candidates. Clinical and preclinical development timelines, the probability of success and development costs can differ materially from expectations. We anticipate that we will make determinations as to which product candidates to pursue and how much funding to direct to each product candidate on an ongoing basis in response to the results of ongoing and future preclinical and clinical studies, regulatory developments, our ongoing assessments as to each product candidate's commercial potential and the impact of public health epidemics, such as the COVID-19 pandemic. In addition, our existing collaborators have significant discretion in determining the efforts and resources that they will apply to our collaborations and may not pursue further development and commercialization of products resulting from our collaboration arrangements or may elect to not to continue or renew research and development programs, which would delay the development and may increase the cost of developing our product candidates and may result in a need for additional capital or a suitable replacement collaborator. For those product candidates where there is not a current collaboration arrangement in place, we cannot forecast which product candidates may be subject to future collaborations, when such arrangements will be secured (if at all) and to what degree such arrangements will affect our development plans and capital requirements.

Our clinical development costs may vary significantly based on factors such as:

- whether a collaborator is paying for some or all of the costs;
- per patient trial costs;
- the number of studies required for approval;
- the number of sites included in the studies;
- enrollment and retention of patients in studies in countries disrupted by geopolitical events, including civil or political unrest;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the studies;
- the number of doses that patients receive;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the studies and follow-up;
- the cost and timing of manufacturing our product candidates;
- the phase of development of our product candidates; and
- the efficacy and safety profile of our product candidates.

Selling, General and Administrative

Our selling, general and administrative expenses consist primarily of personnel-related expenses for personnel in executive, finance and other administrative functions, facilities and other allocated expenses, other expenses for outside professional services, including legal, audit and accounting services, insurance costs and change in fair value of certain contingent consideration obligations arising from business acquisitions. Personnel-related expenses consist of salaries, benefits and stock-based compensation. In the long-term as we advance our research and development programs toward potential commercialization, we expect our selling, general, and administrative expenses to increase in absolute dollars to support commercialization activities and related expansion in research and development activities.

Restructuring, long-lived asset impairment and related charges

Restructuring, long-lives asset impairment and related charges consist primarily of charges incurred in connection with our cost saving initiatives implemented during the second half of 2024 and 2023, respectively, including severance and other employee-related expenses and long-lived assets impairment charges and disposal losses.

Change in Fair Value of Equity Investments

Change in fair value of equity investments consists of the remeasurement of our investment in Brii Biosciences Limited's, or Brii Bio Parent, ordinary shares based on the quoted market price at each reporting date.

Interest Income

Interest income consists of interest earned on our cash, cash equivalents and investments.

Other (Expense) Income, Net

Other (expense) income, net consists of gains and losses from foreign currency transactions and the remeasurement of our contingent consideration obligation.

(Provision for) Benefit from Income Taxes

(Provision for) benefit from income taxes consists primarily of income taxes on our domestic and foreign operations.

Net Loss Attributable to Noncontrolling Interest

Net loss attributable to noncontrolling interest consists of net loss attributable to the noncontrolling interest owners of Encentrio Therapeutics, Inc., our subsidiary, during the three months ended March 31, 2023.

Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2024 and 2023

The following table summarizes our results of operations for the periods presented (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Change	2024	2023	Change
Revenues:						
Collaboration revenue	$ (1,102)	$ (4,387)	$ 3,285	$ (2,034)	$ 28,408	$ (30,442)
Contract revenue	1,391	289	1,102	54,468	1,484	52,984
Grant revenue	2,091	6,737	(4,646)	9,397	39,501	(30,104)
Total revenues	2,380	2,639	(259)	61,831	69,393	(7,562)
Operating expenses:						
Cost of revenue	50	38	12	161	1,967	(1,806)
Research and development	195,178	145,028	50,150	400,416	470,754	(70,338)
Selling, general and administrative	25,744	40,933	(15,189)	92,330	133,223	(40,893)
Restructuring, long-lived assets impairment and related charges	12,712	3,372	9,340	38,939	8,738	30,201
Total operating expenses	233,684	189,371	44,313	531,846	614,682	(82,836)
Loss from operations	(231,304)	(186,732)	(44,572)	(470,015)	(545,289)	75,274
Other income:						
Change in fair value of equity investments	1,130	(2,707)	3,837	(4,356)	(20,896)	16,540
Interest income	17,527	21,931	(4,404)	57,656	66,254	(8,598)
Other (expense) income, net	(893)	882	(1,775)	(1,715)	(7,506)	5,791
Total other income	17,764	20,106	(2,342)	51,585	37,852	13,733
Loss before (provision for) benefit from income taxes	(213,540)	(166,626)	(46,914)	(418,430)	(507,437)	89,007
(Provision for) benefit from income taxes	(177)	3,213	(3,390)	1,059	8,293	(7,234)
Net loss	(213,717)	(163,413)	(50,304)	(417,371)	(499,144)	81,773
Net loss attributable to noncontrolling interest	—	—	—	—	(56)	56
Net loss attributable to Vir	$ (213,717)	$ (163,413)	$ (50,304)	$ (417,371)	$ (499,088)	$ 81,717

Revenues

The lower negative collaboration revenue for the three months ended September 30, 2024 compared to the same period in 2023 was primarily due to reduced loss from the sales of sotrovimab. The decrease in collaboration revenue for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to lower revenues from the release of profit-sharing amount previously constrained.

The increase in contract revenue for the three months ended September 30, 2024 compared to the same period in 2023 was not material. The increase in contract revenue for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to $51.7 million of deferred revenue recognized during the first quarter of 2024 when GSK's rights to select up to two additional non-influenza target pathogens under the 2021 GSK Agreement expired on March 25, 2024.

The decrease in grant revenue for the three and nine months ended September 30, 2024 compared to the same periods in 2023 was primarily due to lower revenue recognized in accordance with our agreement with BARDA and to a lesser extent, lower revenue recognized from the Bill and Melinda Gates Foundation.

Cost of Revenue

The increase in cost of revenue for the three months ended September 30, 2024 compared to the same period in 2023 was not material. The decrease in cost of revenue for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to lower third-party royalties owed based on the sales of sotrovimab under the 2020 GSK Agreement.

Research and Development Expenses

The following table shows the primary components of our research and development expenses for the periods presented (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Change	2024	2023	Change
Licenses, collaborations and contingent consideration	$ 112,532	$ 8,223	$ 104,309	$ 123,410	$ 23,520	$ 99,890
Personnel	35,885	46,691	(10,806)	125,745	140,724	(14,979)
Contract manufacturing	10,504	40,352	(29,848)	30,697	106,147	(75,450)
Clinical costs	12,866	22,021	(9,155)	36,791	105,740	(68,949)
Other	23,391	27,741	(4,350)	83,773	94,623	(10,850)
Total research and development expenses	$ 195,178	$ 145,028	$ 50,150	$ 400,416	$ 470,754	$ (70,338)

The increase in research and development expenses for the three months ended September 30, 2024 compared to the same period in 2023 was primarily due to the expensing of the in-process research and development obtained as part of our license agreement with Sanofi, partially offset by lower clinical costs and contract manufacturing costs associated with the wind down of the Company's Phase 2PENINSULA trialevaluating VIR-2482, lower contract manufacturing costs associated with tobevibart and elebsiran used in the Company's CHD and CHB clinical trials, and lower personnel costs associated with the reduction in the headcount resulting from the cost saving initiatives implemented during the second half of 2023.

The decrease in research and development expenses for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to lower clinical costs and contract manufacturing costs associated with the wind down of the Company's Phase 2PENINSULA trialevaluating VIR-2482, lower contract manufacturing costs associated with tobevibart and elebsiran used in the Company's CHD and CHB clinical trials, and lower personnel costs associated with the reduction in the headcount resulting from the cost saving initiatives implemented during the second half of 2023 partially offset by a portion of the upfront payment made to Sanofi being allocated to in-process research and development.

Selling, General and Administrative Expenses

The decrease in selling, general and administrative expenses for the three and nine months ended September 30, 2024 compared to the same periods in 2023 was primarily due to cost saving initiatives implemented during the second half of 2023.

Restructuring, long-lived assets impairment and related charges

The increase in restructuring, long-lived assets impairment and related charges for the three months ended September 30, 2024 compared to the same period in 2023 was primarily due to severance charges incurred related to our strategic restructuring announcement in August 2024 and, to a lesser extent, the right-of-use asset impairment charges related to closing our Portland, Oregon facility, which was previously announced on December 13, 2023.

The increase in restructuring, long-lived assets impairment and related charges for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to the right-of-use asset and leasehold improvement impairment charges related to closing our St. Louis, Missouri facility, which was previously announced on December 13, 2023, and severance charges incurred related to our strategic restructuring announcement in August 2024.

Change in Fair Value of Equity Investments

Our investment consisted solely of shares of Brii Bio Parent, which is a marketable equity investment and remeasured to fair value at each reporting period. We recognized an unrealized gain of $1.1 million for the three months ended September 30, 2024, and an unrealized loss of $4.4 million for the nine months ended September 30, 2024, due to the change in fair value. For the same periods in 2023, we recognized unrealized losses of $2.7 million and $20.9 million, respectively.

Interest Income

The decrease in interest income for the three and nine months ended September 30, 2024 compared to the same periods in 2023 was primarily due to lower balances of cash, cash equivalents, and investments.

Other (Expense) Income, Net

The change in other (expense) income, net for the three months ended September 30, 2024 compared to the same period in 2023 was not material. The decrease in other (expense) income, net for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily due to a decrease in foreign exchange measurement loss related to the accrued liability recognized in connection with the profit-sharing amount constrained under the 2020 GSK Agreement.

(Provision for) Benefit from Income Taxes

The provision for income taxes for the three months ended September 30, 2024 was not material. The benefit from income taxes for the nine months ended September 30, 2024 was primarily due to a favorable adjustment to estimated tax payable. The benefit from income taxes for the three and nine months ended September 30, 2023 was primarily due to a pre-tax loss and the Company's ability to carry back the research and development credit to 2022.

Liquidity, Capital Resources and Capital Requirements

Sources of Liquidity

To date, we have financed our operations primarily through sales of our common stock from our initial public offering and subsequent follow-on offering, sales of our convertible preferred securities, and payments received under our grant and collaboration agreements. As of September 30, 2024, we had $1.19 billion in cash, cash equivalents, and investments. As of September 30, 2024, we had accumulated deficit of $655.2 million. We entered into a sales agreement, or the Sales Agreement, with Cowen and Company, LLC, or TD Cowen, in November 2023 pursuant to which we may from time to time offer and sell shares of our common stock for an aggregate offering price of up to $300.0 million, through or to TD Cowen, acting as sales agent or principal. The shares will be offered and sold under the shelf registration statement on Form S-3 and a related prospectus that we filed with the SEC on November 3, 2023. We will pay TD Cowen a commission of up to 3.0% of the aggregate gross proceeds from each sale of shares, reimburse legal fees and disbursements and provide TD Cowen with customary indemnification and contribution rights. As of September 30, 2024, no shares have been sold under the Sales Agreement.

Funding Requirements and Conditions

Our primary use of our capital resources is to fund our operating expenses, which consist primarily of expenditures related to identifying, acquiring, developing, manufacturing and in-licensing our technology platforms and product candidates, and conducting preclinical and clinical studies, and to a lesser extent, selling, general and administrative expenditures.

We have not obtained regulatory approval for any product candidates other than sotrovimab, and we do not expect to generate significant revenue from the sale of our other product candidates until we complete clinical development, submit regulatory filings and receive approvals from the applicable regulatory bodies for such product candidates, if ever. We may continue to incur net losses for the foreseeable future. Based upon our current operating plan, we believe that our existing cash, cash equivalents and investments as of September 30, 2024 as noted above will enable us to fund our operations for at least the next 12 months from the filing date of this Quarterly Report on Form 10-Q.

However, our operating plan may change as a result of many factors currently unknown to us, and we may need to raise additional capital to complete the development and commercialization of our product candidates and fund certain of our existing manufacturing and other commitments. We expect to finance our cash needs through public or private equity or debt financings, third-party (including government) funding and marketing and distribution arrangements, as well as other collaborations, strategic alliances and licensing arrangements, or any combination of these approaches. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. See the sections titled “Risk Factors—Risks Related to Our Financial Position and Capital Needs—Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our product candidates” and “Risk Factors—Risks Related to Our Financial Position and Capital Needs—We may require substantial additional funding to finance our operations. If we are unable to raise capital when needed, we could be forced to delay, reduce or terminate certain of our development programs or other operations” for a description of the risks that may be associated with any future capital raises.

We have based our projections of operating capital requirements on assumptions that may prove to be incorrect, and we may use all of our available capital resources sooner than we expect. Because of the numerous risks and uncertainties associated with research, development and commercialization of biotechnology products, we are unable to estimate the exact amount of our operating capital requirements. See the section titled “Risk Factors—Risks Related to Our Financial Position and Capital Needs” for a description of certain risks that will affect our future capital requirements.

We have various operating lease arrangements for office and laboratory spaces located in California, Oregon, Missouri and Switzerland with contractual lease periods expiring between 2025 and 2035. As of September 30, 2024, we expect to make total lease payments of $140.7 million through 2035.

To date, we have entered into collaboration, license and acquisition agreements where the payment obligations are contingent upon future events such as our achievement of specified development, regulatory and commercial milestones, and we are required to make royalty payments in connection with the sale of products developed under those agreements. For additional information regarding these agreements, including our payment obligations thereunder, see Note 5—Collaboration and License Agreements to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, and Note 7—Collaboration and License Agreements to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024. For information related to our future commitments under our facilities and manufacturing agreements. see Note 10—Commitments and Contingencies to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

In the first quarter of 2024, the Company and a third-party contract development manufacturing organization entered into various scopes of work with respect to the manufacturing of tobevibart (the “Tobevibart Agreements”). As of September 30, 2024, the Company had a balance of unaccrued unpaid commitments of approximately $15 million under the Tobevibart Agreements. In the third quarter of 2024, the Company and a third-party contract development manufacturing organization entered into various scopes of work with respect to the manufacturing of elebsiran (the “Elebsiran Agreements”). As of September 30, 2024, the Company had unaccrued unpaid commitments of approximately $7 million under the Elebsiran Agreements.

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements.

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Nine Months Ended September 30,	
	2024	**2023**
Net cash (used in) provided by:		
Operating activities	$ (358,717)	$ (670,858)
Investing activities	358,630	269,440
Financing activities	3,125	5,800
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	$ 3,038	$ (395,618)

Operating Activities

Cash used in operating activities is derived by adjusting our net loss for non-cash items and changes in operating assets and liabilities. Cash used in operating activities during the nine months ended September 30, 2024 decreased compared to the same period in 2023 primarily due to lower payments to GSK related to profit-sharing amount constrained under the 2020 GSK Agreement, and lower clinical development and contract manufacturing activities related to the wind down of the Phase 2 PENINSULA trial evaluating VIR-2482, partially offset by the payment made under our license agreement with Sanofi.

Investing Activities

Cash provided by investing activities during the nine months ended September 30, 2024 increased compared to the same period in 2023 primarily due to higher cash provided by maturities and sales of investment, net of investment purchases.

Financing Activities

Cash provided by financing activities during the nine months ended September 30, 2024 decreased compared to the same period in 2023 primarily due to lower proceeds from the exercises of stock options.

Critical Accounting Policies and Estimates

Our unaudited condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of our unaudited condensed consolidated financial statements requires us to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. We base our estimates on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates.

There have been no significant changes in our critical accounting policies during the nine months ended September 30, 2024, as compared with those previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024 other than disclosed below.

Asset Acquisitions

We make certain judgments to determine whether acquisitions and other similar transactions should be accounted for as acquisitions of assets or business combinations using the guidance in Accounting Standard Codification, or ASC, Topic 805, Business Combinations by first applying a screen test to assess if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets. If the screen test is met, the transaction is accounted for as an asset acquisition. If the screen test is not met, further assessment is required to determine whether we have acquired inputs and a substantive processes that together significantly contribute to the ability to create outputs, which would meet the definition of a business.

If determined to be an asset acquisition, we account the transaction using the cost accumulation and allocation method. Under this method, the cost of the acquisition, including direct acquisition-related costs, is allocated to the assets acquired or liabilities assumed on a relative fair value basis. Goodwill is not recognized in an asset acquisition, and any difference between consideration transferred and the fair value of the net assets acquired is allocated to the identifiable assets acquired based on their relative fair values.

Contingent consideration payments in asset acquisitions are recognized when the contingency is resolved and the consideration is paid or becomes payable (unless the contingent consideration payments are subject to guidance in ASC 480, Distinguishing Liabilities from Equity, or ASC 815, Derivatives and Hedging). Upon recognition of the contingent consideration payments, the amount is included in the cost of the acquired asset or group of assets.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily relate to interest rate and market price sensitivities.

Interest Rate Risk

We had cash, cash equivalents and restricted cash and cash equivalents of $264.3 million as of September 30, 2024, which primarily consisted of deposits in checking and sweep accounts at financial institutions and money market funds. We also had short-term and long-term investments of $1.0 billion as of September 30, 2024. The primary objective of our investment activities is to preserve capital to fund our operations. We also seek to maximize income from our investments without assuming significant risk. Because our investments are primarily short-term in duration and our holdings in U.S. government treasuries, U.S. government agency bonds and discount notes, and securities issued by institutions with investment-grade credit ratings mature prior to our expected need for liquidity, we believe that our exposure to interest rate risk is not significant, and one percent movement in market interest rates would not have a significant impact on the total value of our portfolio. We had no debt outstanding as of September 30, 2024.

Foreign Currency

The functional currency of our foreign subsidiaries is the U.S. dollar. Monetary assets and liabilities of our foreign subsidiaries are translated into U.S. dollars at period end exchange rates and non-monetary assets and liabilities are translated to U.S. dollars using historical exchange rates. Revenue and expenses are translated at average rates throughout the respective periods. As of the date of this Quarterly Report on Form 10-Q, we are exposed to foreign currency risk primarily related to the operations of our Swiss and Australian subsidiaries and our collaboration with GSK and consequently the Swiss Franc, Australian dollar and British pound. Transaction gains and losses are included in other (expense) income, net on the unaudited condensed consolidated statements of operations and were not material for the three and nine months ended September 30, 2024 and 2023.

Equity Investment Risk

We hold ordinary shares of Brii Bio Parent, which we acquired in connection with our collaboration, option and license agreement. These equity securities are measured at fair value with any changes in fair value recognized in our unaudited condensed consolidated statements of operations. The fair value of these equity securities was approximately $5.5 million as of September 30, 2024. Changes in the fair value of these equity securities are impacted by the volatility of the stock market and changes in general economic conditions, among other factors. A hypothetical 10% increase or decrease in the stock price of these equity securities would increase or decrease their fair value as of September 30, 2024 by approximately $0.6 million.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our Chief Executive Officer and Chief Financial Officer has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during our fiscal quarter ended September 30, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not currently party to any material legal proceedings, and we are not aware of any pending or threatened legal proceeding against us that we believe could have an adverse effect on our business, operating results or financial condition.

Item 1A. Risk Factors.

An investment in shares of our common stock involves a high degree of risk. You should carefully consider the following risk factors as well as the other information in this Quarterly Report on Form 10-Q, including our unaudited condensed consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations," before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and/or prospects or cause our actual results to differ materially from those contained in forward-looking statements we have made in this Quarterly Report on Form 10-Q and those we may make from time to time. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. You should consider all of the risk factors described when evaluating our business.

Risk Factors Summary

Our business is subject to a number of risks of which you should be aware before making a decision to invest in our common stock. These risks include, among others, the following:

- We have incurred net losses and anticipate that we will continue to incur net losses in the foreseeable future.
- We do not expect meaningful future revenue from the sale of sotrovimab for the treatment of COVID-19, even if it were reauthorized by the FDA.
- Our limited commercialization history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.
- We may require substantial additional funding to finance our operations. If we are unable to raise capital when needed, we could be forced to delay, reduce or terminate certain of our research and development programs or other operations.
- Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our product candidates.
- Our future success is substantially dependent on the successful clinical development, regulatory approval and commercialization of our product candidates in a timely manner. If we are not able to obtain required regulatory approvals, we will not be able to commercialize our product candidates and our ability to generate product revenue will be adversely affected.
- The development of additional product candidates is risky and uncertain, and we can provide no assurances that we will be able to successfully develop the additional product candidates we identify or replicate our approach for other diseases.
- Success in preclinical studies or earlier clinical studies may not be indicative of results in future clinical studies and we cannot assure you that any ongoing, planned or future clinical studies will lead to results sufficient for the necessary regulatory approvals and marketing authorizations. We have and may continue to commit substantial financial resources with respect to clinical studies that may not be successful, and we may not be able to recoup those investments.
- Although the FDA has granted Fast Track designation for the combination of tobevibart and elebsiran for the treatment of chronic hepatitis delta infection, and might in the future grant Fast Track, Breakthrough Therapy, Priority Review or similar designations to our other product candidates, there can be no assurance that any of our product candidates that receive such designations in the U.S. or similar designations in any other regulatory jurisdictions will maintain such designations or receive regulatory approval any sooner than other product candidates that do not have such designations, or at all.
- Enrollment and retention of patients in clinical studies is an expensive and time-consuming process and could be delayed, made more difficult or rendered impossible by multiple factors outside our control.

- We are a party to strategic collaboration and license agreements pursuant to which we are obligated to make substantial payments upon achievement of milestone events and, in certain cases, have relinquished important rights over the development and commercialization of certain current and future product candidates. We may explore additional strategic collaborations, which may never materialize or may require that we spend significant additional capital or that we relinquish rights to and control over the development and commercialization of our product candidates.
- The deployment of artificial intelligence in our, or our collaborators', efforts to discover and develop next-generation antibodies or other investigational products, could adversely affect our business, reputation, or financial results.
- Even if any of our product candidates receive marketing approval, they may fail to achieve adoption by physicians, patients, third-party payors or others in the medical community necessary for commercial success.
- We rely on third parties to produce clinical supplies of our product candidates. There could be delays or supply shortages beyond our control limiting our access to clinical supplies.
- We rely on third parties to conduct, supervise and monitor our preclinical and clinical studies, and if those third parties perform in an unsatisfactory manner, it may harm our business.
- If we breach our license agreements or any of the other agreements under which we acquired, or will acquire, the intellectual property rights to our product candidates, we could lose the ability to continue the development and commercialization of the related product candidates. We could also be subject to expensive litigation which would detract us from our core business of researching and developing product candidates.
- If we are unable to obtain and maintain patent protection for our product candidates and technology, or if the scope of the patent protection obtained is not sufficiently broad or robust, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully commercialize our product candidates and technology may be adversely affected.
- The potential exercise by the Bill & Melinda Gates Foundation of licenses to certain of our intellectual property and its development and commercialization of products that we are also developing and commercializing could have an adverse impact on our market position.
- We are highly dependent on our key personnel, and if we are not able to retain these members of our management team or recruit and retain additional management, clinical and scientific personnel, our business could be harmed.
- Our success depends on our ability to manage our growth.
- If our information systems, or those maintained on our behalf, fail or suffer security breaches, such events could result in, without limitation, the following: a significant disruption of our product development programs; an inability to operate our business effectively; unauthorized access to or disclosure of the personal information we process; and other adverse effects on our business, financial condition, results of operations and prospects.
- The market price of our common stock has been, and in the future, may be, volatile and fluctuate substantially, which could result in substantial losses for purchasers of our common stock.

Risks Related to Our Financial Position and Capital Needs

We have incurred net losses and anticipate that we will continue to incur net losses in the foreseeable future.

Although we recorded net income for the years ended December 31, 2022, and 2021, we have otherwise incurred net losses since inception in April 2016. We had net loss of $417.4 million and $499.1 million for the nine months ended September 30, 2024 and 2023, respectively. As of September 30, 2024, we had an accumulated deficit of $655.2 million.

We expect to continue to incur significant expenses and will continue to incur net losses in the foreseeable future as we develop our product candidates and technology platforms.

It could be several years, if ever, before we are able to commercialize any of our product candidates. Any net losses we incur may fluctuate significantly from quarter to quarter and year to year. To become profitable, we must succeed in developing and eventually commercializing products that generate significant revenue. This will require us to be successful in a range of challenging activities, including completing preclinical and clinical studies of our current and future product candidates, obtaining regulatory approval, procuring commercial-scale manufacturing and marketing and selling any products for which we obtain regulatory approval (including through third parties), as well as discovering or acquiring and developing additional product candidates. We are only in the preliminary stages of most of these activities. We may never succeed in these activities and, even if we do, may not be able to continue to generate revenue that is sufficient to offset our expenses and maintain profitability. Because of the numerous risks and uncertainties associated with biopharmaceutical product development, we are unable to accurately predict the timing or amount of expenses, or if we will be able to return to profitability. If we are required by regulatory authorities to perform studies in addition to those currently expected, or if there are any delays in the initiation and completion of our clinical studies or the development of any of our product candidates, our expenses could increase.

Our failure to return to being profitable would decrease the value of our company and could impair our ability to raise capital, maintain our research and development efforts, expand our business or continue our operations.

We do not expect meaningful future revenue from the sale of sotrovimab for the treatment of COVID-19, even if it were reauthorized by the FDA.

Sotrovimab is not currently authorized for use in any U.S. region for the treatment of COVID-19, and we cannot predict whether (if at all) or to what extent sotrovimab may be reauthorized for use by the U.S. Food and Drug Administration, or FDA, in any U.S. region in the future. Due to the evolving COVID-19 landscape and based on discussions with the FDA, we and Glaxo Wellcome UK Limited and GlaxoSmithKline Biologicals S.A. (individually and collectively referred to as GSK) do not plan to file a Biologics License Application, or BLA, for sotrovimab at this time.

Outside of the U.S., sotrovimab has obtained emergency authorization, temporary authorization or marketing approval (under the brand name Xevudy®) for early treatment of COVID-19, and has been supplied in more than 30 countries. However, foreign regulatory authorities may impose similar limitations to the FDA on the use of sotrovimab in jurisdictions where sotrovimab has been granted Emergency Use Authorization, or EUA, temporary authorization or marketing approval. For example, although certain countries outside the U.S. continue to maintain access to 500 mg IV while noting that the clinical efficacy is unknown or uncertain against existing and emerging Omicron variants, we cannot predict whether other countries will further limit the use of sotrovimab.

There are no assurances that we will secure future supply commitments from governments. In addition, COVID-19 treatment standards are susceptible to rapid changes in epidemiology and the emergence of new variants or subvariants, which may render sotrovimab inferior or obsolete in the future.

Any revision or revocation of our EUA by the FDA could adversely impact our business in a variety of ways, including having to absorb related manufacturing and overhead costs as well as potential inventory write-offs. Furthermore, if we or our collaborators experience inventory revaluation adjustments, lower of cost or market inventory adjustments, and excess inventory, it may be necessary to write down or write-off inventory or incur an impairment charge with respect to the facility where such product is manufactured, which could adversely affect our operating results. At this point, it is unclear how, if at all, developments, including the termination of the public health emergency declaration related to COVID-19 on May 11, 2023, will impact our EUA. We, therefore, cannot predict how long our EUA will remain in effect, and we may not receive advance notice from the FDA regarding revocation of our EUA. If our EUA is terminated or revoked, sotrovimab cannot be reauthorized by the FDA in the U.S. unless and until we have obtained FDA approval of a BLA for the product.

Even if we were to file a BLA or marketing applications in other jurisdictions, it is possible that the FDA and other regulatory authorities may not grant sotrovimab full marketing approval for the treatment of COVID-19, or that any such marketing approvals, if granted, may have similar or other significant limitations on its use. If the FDA does not reauthorize the use of sotrovimab in the U.S., and/or if countries outside of the U.S. continue to limit its use, we may be unable to sell sotrovimab in or outside of the U.S.

For all of these reasons, we do not currently expect meaningful future revenue from sotrovimab for the treatment of COVID-19.

Our limited commercialization history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

Since our founding in April 2016, our operations have been largely focused on identifying, researching and conducting preclinical and clinical activities of our product candidates, acquiring and developing our technology platforms and product candidates, organizing and staffing our company, business planning, raising capital and establishing our intellectual property portfolio.

As an organization, beyond sotrovimab for COVID-19, we have not yet demonstrated an ability to successfully manufacture a BLA-approved, commercial-scale product or conduct sales and marketing activities necessary for successful commercialization. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history. We may encounter unforeseen expenses, difficulties, complications, delays and other known or unknown factors in achieving our business objectives, including with respect to our technology platforms and product candidates.

We may require substantial additional funding to finance our operations. If we are unable to raise capital when needed, we could be forced to delay, reduce or terminate certain of our development programs or other operations.

As of September 30, 2024, we had cash, cash equivalents and investments of $1.19 billion. Based upon our current operating plan, we believe that the $1.19 billion as of September 30, 2024 will fund our current operating plans for at least the next 12 months. However, our operating plan may change as a result of many factors currently unknown to us, and we may need to seek additional financing to fund our long-term operations sooner than planned. Moreover, it is particularly difficult to estimate with certainty our future revenue and expenses given the dynamic and rapidly evolving nature of our business. We may also need to raise additional capital to complete the development and commercialization of our product candidates and fund certain of our existing manufacturing and other commitments. Other unanticipated costs may also arise. Because the design and outcome of our clinical studies are highly uncertain, we cannot reasonably estimate the actual amount of resources and funding that will be necessary to successfully complete the development and commercialization of our product candidates, if approved, or any future product candidates that we develop.

We expect to finance our cash needs through public or private equity or debt financings, third-party (including government) funding and marketing and distribution arrangements, as well as other collaborations, strategic alliances and licensing arrangements, or any combination of these approaches. Our future capital requirements will depend on many factors, including:

- the timing, progress and results of our ongoing preclinical studies of our product candidates;
- the scope, progress, results and costs of preclinical development, laboratory testing and clinical studies of other product candidates that we may pursue;
- our ability to establish and maintain collaboration, license, grant and other similar arrangements, and the opt-in mechanisms contained in, and the financial terms of, any such arrangements, including timing and amount of any future milestones, royalty or other payments due thereunder;
- the costs, timing and outcome of regulatory review of our product candidates;
- the costs and timing of commercialization activities, including product manufacturing, marketing, sales and distribution, for our product candidates for which we receive marketing approval;
- the amount of revenue received from commercial sales of any product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims;
- any expenses needed to attract, hire and retain skilled personnel;
- the costs of operating as a public company; and
- the extent to which we acquire or in-license other companies' product candidates and technologies.

General economic conditions, both inside and outside the U.S., including heightened inflation, capital market volatility, interest rate and currency rate fluctuations, and economic slowdown or recession, including due to emergencies or pandemics like COVID-19, geopolitical events, civil or political unrest (such as the ongoing war between Israel and Hamas and Ukraine and Russia), and investor concerns regarding the U.S. or international financial systems such as during the March 2023 closures of Silicon Valley Bank, or SVB, and Signature Bank, have in the past resulted in, and may in the future cause, a significant disruption of financial markets. If the disruption persists and deepens, we could experience an inability to access additional capital or increased costs of financing through higher interest rates or costs or tighter financial and operating covenants, which could in the future negatively affect our capacity for certain corporate development transactions or our ability to make other important, opportunistic investments.

Adequate additional financing may not be available to us on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or altogether terminate our research and development programs or commercialization efforts, which may adversely affect our business, financial condition, results of operations and prospects. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our product candidates.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest in our company may be diluted and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. Debt and equity financings, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as redeeming our shares, making investments, incurring additional debt, making capital expenditures, declaring dividends or placing limitations on our ability to acquire, sell or license intellectual property rights.

If we raise additional capital through future collaborations, strategic alliances or licensing arrangements, we may have to relinquish valuable rights to our intellectual property, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional capital when needed, we may be required to delay, limit, reduce or terminate our research and product development or commercialization efforts or grant rights to develop and market product candidates that we would otherwise develop and market ourselves.

Risks Related to Development and Commercialization

Our future success is substantially dependent on the successful clinical development, regulatory approval and commercialization of our product candidates in a timely manner. If we are not able to obtain required regulatory approvals, we will not be able to commercialize our product candidates and our ability to generate product revenue will be adversely affected.

We have invested a significant portion of our time and financial resources in the development, in-licensing and acquisition of our product candidates and have initiated clinical studies for multiple product candidates. Our business is dependent on our ability to successfully complete development of, obtain regulatory approval for, and successfully commercialize our product candidates, if approved, in a timely manner. We may face unforeseen challenges in our product development strategy, and we can provide no assurances that our product candidates will be successful in clinical studies or will ultimately receive regulatory approval. Prior to obtaining approval to commercialize any product candidate in the United States or abroad, we must demonstrate with substantial evidence from well-controlled clinical studies, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such product candidate is safe and effective for its intended uses. Results from preclinical studies can be interpreted in different ways. Even if we believe that the preclinical or clinical data for our product candidates are promising, such data may not be sufficient to support approval for further development, manufacturing or commercialization of our product candidates by the FDA and other regulatory authorities. The FDA or other regulatory authorities may also require us to conduct additional preclinical or clinical studies for our product candidates either prior to or post-approval, or it may object to elements of our clinical development program, requiring their alteration.

Even if we eventually complete clinical testing and receive approval of a new drug application, or NDA, BLA, or foreign marketing application for our product candidates, the FDA or the comparable foreign regulatory authorities may grant approval or other marketing authorization contingent on the performance of costly additional clinical studies, including post-market clinical studies or may not approve or authorize the labeling that we believe is necessary or desirable for the successful commercialization of a product candidate.

Any delay in obtaining, or inability to obtain, applicable regulatory approval or other marketing authorization would delay or prevent commercialization of that product candidate and would adversely impact our business and prospects. In addition, the FDA or comparable foreign regulatory authorities may change their policies, adopt additional regulations or revise existing regulations or take other actions, which may prevent or delay approval of our future product candidates under development on a timely basis. Such policy or regulatory changes could impose additional requirements upon us that could delay our ability to obtain applicable regulatory approvals, increase the costs of compliance or restrict our ability to maintain any marketing authorizations we may have obtained.

For example, in December 2022, with the passage of Food and Drug Omnibus Reform Act, Congress required sponsors to develop and submit a diversity action plan for each Phase 3 clinical trial or any other "pivotal study" of a new drug or biological product. These plans are meant to encourage the enrollment of more diverse patient populations in late-stage clinical studies of FDA-regulated products. Specifically, as further detailed in FDA's Draft Guidance entitled, "Diversity Action Plans to Improve Enrollment of Participants from Underrepresented Populations in Clinical Studies" issued in June 2024, actions plans must include the sponsor's goals for enrollment, the underlying rationale for those goals, and an explanation of how the sponsor intends to meet them. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies governing clinical studies, our development plans may be impacted.

Furthermore, even if we obtain regulatory approval for our product candidates, we may still need to develop a commercial organization, establish a commercially viable pricing structure and obtain approval for coverage and adequate reimbursement from third-party and government payors, including government health administration authorities. As a company, we have no prior experience in these areas. If we are unable to successfully commercialize our product candidates or if there is an insufficient demand for our product candidates, we may not be able to generate sufficient revenue to continue our business.

The development of additional product candidates is risky and uncertain, and we can provide no assurances that we will be able to successfully develop the additional product candidates we identify or replicate our approach for other diseases.

A core element of our business strategy is to successfully develop our product candidate pipeline. Efforts to identify, acquire or in-license, and then develop product candidates require substantial technical, financial and human resources, whether or not any product candidates are ultimately identified. Even when we are successful in identifying and acquiring or in-licensing potential product candidates, such as our license to three clinical-stage TCEs from Sanofi, our efforts may fail to yield product candidates for clinical development, approved products or commercial revenue for many reasons.

We have limited financial and management resources and, as a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater market potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, strategic alliances, licensing or other royalty arrangements in circumstances under which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. In addition, we may not be successful in replicating our approach to development for other disease indications. If we are unsuccessful in developing additional product candidates or are unable to do so, or if the product candidates that we identify and acquire or in-license do not meet our expectations or fail to result in viable products, our business may be harmed.

Furthermore, we intend to seek approval to market our product candidates outside of the U.S., and may also do so for future product candidates. If we market approved products outside of the U.S., we expect that we will be subject to additional risks in commercialization. As a company, we have no prior experience in these areas. In addition, there are complex regulatory, tax, labor and other legal requirements imposed by many of the individual countries in which we may operate, with which we will need to comply. Many biopharmaceutical companies have found the process of marketing their products in foreign countries to be challenging.

We are developing, and in the future may develop, other product candidates in combination with other therapies, which exposes us to additional risks.

We are developing elebsiran and tobevibart for the functional cure of hepatitis B virus, or HBV, and for the chronic treatment of hepatitis delta virus, or HDV. Each of these product candidates has the potential to stimulate an effective immune response and has direct antiviral activity against HBV. We believe that a functional cure for HBV will require an effective immune response, in addition to antiviral activity, based on the observation that severe immunosuppression can reactivate HBV disease. Monotherapy with each of these agents may provide a functional cure in some patients, while combination therapy may be necessary for others. We have an ongoing Phase 2 clinical trial that combines elebsiran with pegylated interferon-alpha and a Phase 2 clinical trial that combines elebsiran with tobevibart. We are also evaluating additional combinations with other immunotherapy agents and direct acting antiviral agents. We also have a Phase 2 clinical trial evaluating tobevibart as a monotherapy or in combination with elebsiran for the treatment of chronic HDV. We are also evaluating VIR-5818 HER2-targeted TCE in combination with pembrolizumab in a Phase 1 basket study in multiple tumor types, including metastatic breast cancer and metastatic colorectal cancer.

The inclusion of critically ill patients in our oncology clinical trials may result in serious adverse medical events, including death, due to other therapies or medications that such patients may be using or in combination with our product candidates. Even if any product candidate we develop were to receive marketing approval or be commercialized for use in combination with other existing therapies, we would continue to be subject to the risks that the FDA or comparable foreign regulatory authorities could revoke approval of the therapy used in combination with our product candidate. There is also a risk that safety, efficacy, manufacturing or supply issues could arise with these other existing therapies. For example, the other therapies may lead to toxicities that are improperly attributed to our product candidates or the combination of our product candidates with other therapies may result in toxicities that the product candidate or other therapy does not produce when used alone. This could result in our own products being removed from the market or being less successful commercially.

We may also evaluate our future product candidates in combination with one or more other therapies that have not yet been approved for marketing by the FDA or comparable foreign regulatory authorities. We will not be able to market any product candidate we develop in combination with any such unapproved therapies that do not ultimately obtain marketing approval. If the FDA or comparable foreign regulatory authorities do not approve these other drugs or revoke their approval of, or if safety, efficacy, manufacturing or supply issues arise with, the drugs we choose to evaluate in combination with any product candidate we develop, we may be unable to obtain approval.

Success in preclinical or earlier clinical studies may not be indicative of results in future clinical studies and we cannot assure you that any ongoing, planned or future clinical studies will lead to results sufficient for the necessary regulatory approvals and market authorizations. We have and may continue to commit substantial financial resources with respect to clinical studies that may not be successful, and may not be able to recoup those investments.

Success in preclinical testing and earlier clinical studies does not ensure that later clinical studies will generate the same results or otherwise provide adequate data to demonstrate the efficacy and safety of a product candidate. Success in preclinical and earlier clinical studies does not ensure that later efficacy studies will be successful, nor does it predict final results. Our product candidates may fail to show the desired characteristics in clinical development sufficient to obtain regulatory approval, despite positive results in preclinical studies or having successfully advanced through earlier clinical studies. We have and may continue to commit substantial financial resources with respect to clinical studies that may not be successful, and we may not be able to recoup those investments.

For example, in July 2023, we announced that our Phase 2 clinical trial of VIR-2482 for the prevention of symptomatic influenza A illness did not meet primary or secondary efficacy endpoints. We committed substantial financial resources and made substantial capital commitments with third party contract development manufacturing organizations, or CDMOs, with respect to raw materials and manufacturing in connection with VIR-2482.

If we are unable to design and execute a clinical trial to support regulatory approval, we will suffer setbacks that could negatively impact our business, financial condition, results of operations and prospects. Our inability to bring a product to market or a significant delay in the expected approval and related launch date of a new product could have a negative effect on our stock price and related market capitalization and could result in a significant impairment of goodwill, other intangible assets and long-lived assets.

Interim, "top-line" and preliminary data from our clinical studies that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publish interim, "top-line" or preliminary data from our clinical studies. Interim data from clinical studies that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Preliminary or "top-line" data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, interim and preliminary data should be viewed with caution until the final data is available. Differences between preliminary or interim data and final data could significantly harm our business prospects and may cause the trading price of our common stock to fluctuate significantly.

Although the FDA has granted Fast Track designation for the combination of tobevibart and elebsiran for the treatment of chronic hepatitis delta infection, and might in the future grant Fast Track, Breakthrough Therapy, Priority Review or similar designations to our product candidates, there can be no assurance that any of our product candidates that receive such designations in the U.S. or similar designations in any other jurisdictions will maintain such designations or receive regulatory approval any sooner than other product candidates that do not have such designations, or at all.

Fast Track designation is intended to facilitate the development and expedite the review of new therapies to treat serious conditions with unmet medical needs by providing sponsors with the opportunity for frequent interactions with the FDA. Breakthrough Therapy designation is designed to expedite the development and review of drugs that are intended to treat serious conditions and for which preliminary clinical evidence indicates substantial improvement over available therapies on clinically significant endpoint(s). Priority Review designation is for drugs that, if approved, would be significant improvements in the safety or effectiveness of the treatment or prevention of serious conditions. Product candidates that receive Fast Track or Breakthrough Therapy designation may receive more frequent interactions with the FDA regarding the product candidate's development plan and clinical studies and may be eligible for the FDA's Rolling Review and Priority Review. Priority Review designation is intended to direct overall attention and resources of the FDA to the evaluation of such applications and means that the FDA's goal is to take action on such applications within 6 months, compared to 10 months under standard review. On June 26, 2024, we announced that the FDA granted Fast Track designation for the combination of tobevibart and elebsiran for the treatment of chronic hepatitis delta infection. We can provide no assurances that this product candidate or any of our other product candidates that receive Fast Track, Breakthrough Therapy, Priority Review or similar designations in the U.S. or in any other regulatory jurisdictions will receive regulatory approval any sooner than other product candidates that do not have such designations, or at all. The FDA or any foreign regulatory authorities may also withdraw or revoke any such designation, or elect to treat designated candidates in a manner different from what was originally indicated, if determined that any such product candidates that receive such designations no longer meet the relevant criteria. Failure to realize the potential benefits of any of these designations could materially and adversely affect our business, financial condition, cash flows and results of operations.

Clinical product development involves a lengthy and expensive process. We may incur additional costs and encounter substantial delays or difficulties in our clinical studies.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must complete preclinical development and then conduct extensive clinical studies to demonstrate the safety and efficacy of our product candidates in humans. Clinical testing is expensive, is difficult to design and implement, can take many years to complete and is inherently uncertain as to outcome. We do not know whether our planned clinical studies will begin or enroll on time, will be conducted as planned, will need to be redesigned or will be completed on schedule, if at all. For example, the availability of superior or competitive therapies coupled with changing standards of care could limit our ability to perform placebo-controlled studies and/or require us to enroll a larger number of subjects to address competing treatments. A failure or significant delay of one or more clinical studies can occur at any stage of testing. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical and clinical studies have nonetheless failed to obtain marketing approval of their products. We may experience numerous unforeseen events prior to, during, or as a result of clinical studies that could delay or prevent our ability to receive marketing approval or commercialize our product candidates.

Any inability to successfully complete preclinical and clinical development could result in additional costs to us or impair our ability to generate revenue from future product sales or other sources. In addition, if we make manufacturing or formulation changes to our product candidates, we may need to conduct additional testing to bridge our modified product candidate to earlier versions. Clinical trial delays could also shorten any periods during which we may have the exclusive right to commercialize our product candidates, if approved, or allow our competitors to bring competing products to market before we do, which could impair our ability to successfully commercialize our product candidates and may harm our business, financial condition, results of operations and prospects.

Additionally, if the results of our clinical studies are inconclusive or if there are safety concerns or serious adverse events associated with our product candidates, we may:

- be delayed in obtaining marketing approval, or not obtain marketing approval at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings;
- be subject to additional post-marketing testing requirements;
- be required to perform additional clinical studies to support approval or be subject to additional post-marketing testing requirements;
- have regulatory authorities withdraw, or suspend, their approval of the product or impose restrictions on its distribution in the form of a risk evaluation and mitigation strategy, or REMS;
- be subject to the addition of labeling statements, such as warnings or contraindications;
- be sued; or
- experience damage to our reputation.

Furthermore, our product candidates are based on certain innovative technology platforms, which makes it even more difficult to predict the time and cost of product candidate development and obtaining necessary regulatory approvals. In addition, the compounds we are developing may not demonstrate in patients the chemical and pharmacological properties ascribed to them in preclinical studies, and they may interact with human biological systems in unforeseen, ineffective or harmful ways.

Enrollment and retention of patients in clinical studies is an expensive and time-consuming process and could be delayed, made more difficult or rendered impossible by multiple factors outside our control.

Identifying and qualifying patients to participate in our clinical studies is critical to our success. In particular, clinical studies for prophylaxis are impacted by many factors including competing therapies that tend to require enrollment of a larger number of subjects than clinical studies for treatments. We may encounter difficulties in enrolling patients in our clinical studies, thereby delaying or preventing development and approval of our product candidates. Even once enrolled, we may be unable to retain a sufficient number of patients to complete any of our studies. Patient enrollment and retention in clinical studies depend on many factors, including the size of the patient population, the nature of the trial protocol, the existing body of safety and efficacy data, changing standards of care, the number and nature of competing treatments and ongoing clinical studies of competing therapies for the same indication, the proximity of patients to clinical sites and the eligibility criteria for the trial. The enrollment and retention of patients in our clinical studies may be disrupted or delayed as a result of, for example, regulatory feedback, clinicians' and patients' perceptions as to the potential advantages of therapies in development in relation to other available therapies, including products that have been recently authorized under EUAs or approved and licensed through NDAs and BLAs. In addition, enrollment and retention of patients in clinical studies could be disrupted by geopolitical events, including civil or political unrest, terrorism, insurrection or war (such as the ongoing war between Israel and Hamas and Ukraine and Russia), man-made or natural disasters, or public health pandemics or epidemics or other business interruptions, including, the COVID-19 endemic and future outbreaks of the disease.

Delays or failures in planned patient enrollment or retention may result in increased costs, program delays or both, which could have a harmful effect on our ability to develop our product candidates or could render further development impossible. In addition, we may rely on contract research organizations, or CROs, and clinical trial sites to ensure proper and timely conduct of our future clinical studies and, while we intend to enter into agreements governing their services, we will be limited in our ability to ensure their actual performance which may result in rejection of the data generated at a particular clinical trial site(s) or delays in the completion of our future clinical studies.

Our product candidates may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit their commercial potential or result in significant negative consequences following any potential marketing approval.

During the conduct of clinical studies, patients report changes in their health, including illnesses, injuries and discomforts, to their doctor. Often, it is not possible to determine whether or not the product candidate being studied caused these conditions. Regulatory authorities may draw different conclusions and may require us to pause our clinical studies or require additional testing to confirm these determinations, if they occur.

In addition, it is possible that as we test our product candidates in larger, longer and more extensive clinical studies, or as use of these product candidates becomes more widespread if they receive regulatory approval, illnesses, injuries, discomforts and other adverse events that were not observed in earlier studies, as well as conditions that did not occur or went undetected in previous studies, will be reported by subjects or patients. Many times, side effects are only detectable after investigational products are tested in large-scale pivotal studies or, in some cases, after they are made available to patients on a commercial scale after approval. If additional clinical experience indicates that any of our product candidates have side effects or cause serious or life-threatening side effects, the development of the product candidate may fail or be delayed, or, if the product candidate has received regulatory approval, such approval may be revoked, which would harm our business, financial condition, results of operations and prospects.

We are a party to strategic collaboration and license agreements pursuant to which we are obligated to make substantial payments upon achievement of milestone events and, in certain cases, have relinquished important rights over the development and commercialization of certain current and future product candidates. We may explore additional strategic collaborations, which may never materialize or may require that we spend significant additional capital or that we relinquish rights to and control over the development and commercialization of our product candidates.

We are a party to various strategic collaboration and license agreements that are important to our business and to our current and future product candidates pursuant to which we license a number of technologies to form our technology platforms and in-license certain product candidates. These agreements contain obligations that require us to make substantial payments in the event certain milestone events are achieved.

A core element of our business strategy includes continuing to acquire or in-license additional technologies or product candidates for the treatment and prevention of serious infectious diseases and other serious conditions. As a result, we intend to periodically explore a variety of possible strategic collaborations or licenses in an effort to gain access to additional product candidates, technologies or resources.

At this time, we cannot predict what form such strategic collaborations or licenses might take. We are likely to face significant competition in seeking appropriate strategic collaborators, strategic collaborations and licenses can be complicated and we may not be able to negotiate strategic collaborations on acceptable terms, or at all. If we are unable to enter into new strategic collaborations or licenses related to our product candidates in certain geographies for certain indications, we may not be able to develop and commercialize certain of our product candidates which would harm our business prospects, financial condition and results of operations.

Our current and future strategic collaborations and licenses could subject us to a number of risks, including the following:

- we may be required to assume substantial actual or contingent liabilities or pay regulatory or commercial milestone payments that may make it difficult to predict the final cost to complete the related clinical programs or commercialize a product candidate;
- we may not be able to control the amount and timing of resources that our strategic collaborators devote to the development or commercialization of our product candidates;
- strategic collaborators may select dosages or indications, or design clinical studies, in a way that may be less successful than if we were doing so or in a way that may differ from our strategy, which could negatively impact our development, manufacturing and commercialization of the same or a similar product candidate;
- strategic collaborators may not pursue further development and commercialization of products resulting from the strategic collaboration arrangement due to development programs based on data readouts, changes in their strategic focus as a result of an acquisition of competitive products or other internal pipeline advancements, availability of funding or other external factors, that diverts resources or creates competing priorities;
- disputes may arise between us and our strategic collaborators that result in costly litigation or arbitration that diverts management’s attention and consumes resources;
- strategic collaborators may experience financial difficulties;

- strategic collaborators may not properly maintain, enforce or defend our intellectual property rights or may use our proprietary information in a manner that could jeopardize or invalidate our proprietary information or expose us to potential litigation, or may allege such claims against us; and
- strategic collaborators could terminate the arrangement or not exercise their opt-in rights, which may delay the development, may increase the cost of developing our product candidates and result in a need for additional capital to pursue further development or commercialization of the applicable product candidates.

The deployment of artificial intelligence in our, or our collaborators', efforts to discover, develop, and engineer next-generation antibodies or other investigational products, could adversely affect our business, reputation, or financial results.

We integrate artificial intelligence and machine learning, or AI, in our efforts to develop and engineer next-generation antibodies, and we might utilize AI in the future in connection with drug discovery activities. AI may be difficult to deploy successfully due to operational and technical issues inherent in such methods. In particular, AI algorithms might utilize machine learning and predictive analytics which may lead to flawed, biased or inaccurate results, which could lead to ineffective product or target candidates and exposure to competitive and reputational harm. In addition, any latency, disruption, or failure in our AI operations or infrastructure could result in failures, delays or errors in our discovery and development of next-generation antibodies or other investigational products. Developing, testing and deploying resource-intensive AI systems may also require additional investment and increase our costs, and there is no guarantee that our investment in such systems will lead to more effective or efficient discovery or development of antibodies or other investigational products, or lead to eventual regulatory approval or commercialization of any new products.

If the market opportunities for our product candidates are smaller than we believe they are or any approval we obtain is based on a narrower definition of the patient population, our business may suffer.

We currently focus our product development on product candidates for the treatment and prevention of serious infectious diseases and other serious conditions. Our eligible patient population, pricing estimates and available coverage and reimbursement may differ significantly from the actual market addressable by our product candidates. Our estimates of the number of people who have these diseases, the subset of people with these diseases who have the potential to benefit from treatment with our product candidates, and the market demand for our product candidates are based on our beliefs and analyses. These estimates have been derived from a variety of sources, including the scientific literature, patient foundations or market research, and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of the diseases we are targeting. The FDA or the comparable foreign regulatory authorities also may approve or authorize for marketing a product candidate for a more limited indication or patient population than we originally request. Additionally, the availability of superior or competitive therapies from our competitors could negatively impact or eliminate market demand for our product candidates. If the market opportunities for our product candidates are smaller than we estimate, it could have an adverse effect on our business, financial condition, results of operations and prospects.

We face substantial competition, which may result in others developing or commercializing products before or more successfully than we do.

The biopharmaceutical industry is characterized by rapidly advancing technologies, intense competition and an emphasis on proprietary products. We face potential competition from many different sources, including pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions.

Regulatory incentives to develop products for treatment of infectious diseases may lead to increased competition for clinical investigators and clinical trial subjects, as well as for future prescriptions, if any of our product candidates are successfully developed and approved.

Our competitors may have significantly greater financial resources, established presence in the market, and expertise in research and development, manufacturing, preclinical and clinical testing, obtaining regulatory approvals and reimbursement and marketing approved products than we do. The licensing or acquisition of third-party intellectual property rights is a competitive area, and more established companies may be successful in pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These competitors also compete with us in acquiring third-party contract manufacturing capacity and raw materials, recruiting and retaining qualified scientific, sales, marketing and management personnel, establishing clinical trial sites and patient registration for clinical studies, as well as in acquiring technologies complementary to, or necessary for, our programs. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large

and established companies. Additional mergers and acquisitions may result in even more resources being concentrated in our competitors.

If our competitors are able to more effectively utilize new technologies, including but not limited to those that may involve AI or be created using AI, to discover, develop and commercialize products that compete with any of our investigational or commercial products, such technologies could adversely impact our ability to compete.

As a result of these factors, our competitors may achieve patent protection or obtain regulatory approval or authorization of their products before we are able to, which could result in our competitors establishing a strong market position before we are able to enter the market. Our competitors may also develop therapies that are safer, more effective, have fewer or less severe side effects, are more convenient, more widely accepted or less expensive than ours, and may also be more successful than we are in manufacturing or marketing their products. These advantages could render our product candidates obsolete or non-competitive before we can recover the costs of such product candidates' development and commercialization. For additional information regarding our competitors, see the section titled "Business—Competition" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

Even if any of our product candidates receive marketing approval, they may fail to achieve adoption by physicians, patients, third-party payors or others in the medical community necessary for commercial success.

Even if any of our product candidates receive marketing approval, they may fail to achieve adoption by physicians, patients, third-party payors and others in the medical community. If such product candidates do not achieve an adequate level of acceptance, we may not generate significant product revenue and may not become profitable. The degree of market acceptance of any product candidate, if approved for commercial sale, will depend on a number of factors, including but not limited to:

- the convenience and ease of administration compared to alternative treatments and therapies;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the efficacy and potential advantages compared to alternative treatments and therapies;
- the effectiveness of sales and marketing efforts;
- acceptance in the medical and patient communities of our product candidates as a safe and effective treatments;
- the cost of treatment in relation to alternative treatments and therapies, including any similar generic treatments;
- our ability to offer such product for sale at competitive prices;
- the strength of marketing and distribution support;
- the availability of third-party coverage and adequate reimbursement, and patients' willingness to pay out-of-pocket in the absence of third-party coverage or adequate reimbursement;
- the products' safety profile including as compared to alternative treatments and therapies; and
- any restrictions on the use of the product together with other medications.

If any of our product candidates are approved but fail to achieve market acceptance among physicians, patients, third-party payors and others in the medical community, we will not be able to generate significant revenue, which would compromise our ability to become profitable.

Even if we obtain regulatory approvals for our product candidates, they will remain subject to ongoing regulatory oversight and potential enforcement actions.

Even if we obtain regulatory approval in a jurisdiction, the regulatory authority may still impose significant restrictions on the indicated uses or marketing of our product candidates, or impose ongoing requirements for potentially costly post-approval studies, post-market surveillance or patient or drug restrictions. Additionally, the holder of an approved BLA is required to comply with FDA rules and is subject to FDA review and periodic inspections, in addition to other potentially applicable federal and state laws, to ensure compliance with current good manufacturing practices, or cGMP, and adherence to commitments made in the BLA.

If we or a regulatory agency discovers previously unknown problems with a product such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, a regulatory agency may impose restrictions relative to that product or the manufacturing facility, including requiring recall or withdrawal of the product from the market or suspension of manufacturing. Moreover, product labeling, advertising and promotion for any approved product will be subject to regulatory requirements, continuing regulatory review and review by other government agencies and third parties. For example, a company may not promote "off-label" uses for its drug products. An off-label use is the use of a product for an indication that is not described in the product's FDA-approved or authorized label in the United States or for uses in other jurisdictions that differ from those approved by the applicable regulatory agencies. Physicians, on the other hand, may prescribe products for off-label uses. Although the FDA and comparable foreign regulatory agencies do not regulate a physician's choice of drug treatment made in the physician's independent medical judgment, they do restrict promotional communications from companies or their sales force with respect to off-label uses of products for which marketing clearance has not been issued.

Failure to comply with such requirements, when and if applicable, could subject us to a number of actions ranging from warning or untitled letters to product seizures or significant fines or monetary penalties, among other actions. The FDA and other agencies, including the Department of Justice, or the DOJ, closely regulate and monitor the marketing and promotion of products to ensure that they are marketed and distributed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use and if we market our medicines for uses other than their respective approved indications, we may be subject to DOJ-led enforcement actions for off-label marketing. Violations of the Food, Drug, and Cosmetic Act and other statutes, including the False Claims Act, relating to the promotion and advertising of prescription drugs may lead to investigations and enforcement actions alleging violations of federal and state health care fraud and abuse laws, as well as state consumer protection laws, which violations may result in the imposition of significant administrative, civil and criminal penalties. Any government investigation of alleged violations of laws or regulations could require us to expend significant time and resources in response and could generate negative publicity. The occurrence of any event or penalty described above may inhibit our ability to commercialize our product candidates and generate revenue. For additional information regarding regulatory approval and ongoing regulatory oversight, see the section titled "Business—Government Regulation and Product Approval" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

Even if we obtain and maintain approval for our product candidates from the FDA, we may never obtain approval outside of the United States, which would limit our market opportunities.

Approval of a product candidate in the United States by the FDA does not ensure approval of such product candidate by regulatory authorities in other countries or jurisdictions, and approval by one foreign regulatory authority does not ensure approval by regulatory authorities in other foreign countries or by the FDA. Sales of our product candidates outside of the United States will be subject to foreign regulatory requirements governing clinical studies and marketing approval. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and more onerous than, those in the United States, including additional preclinical studies or clinical studies. In many countries outside of the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that country. In some cases, the price that we intend to charge for any product candidates, if approved, is also subject to approval.

Obtaining approval for our product candidates in the EU from the European Commission following the opinion of the EMA if we choose to submit a marketing authorization application there, would be a lengthy and expensive process. Even if a product candidate is approved, the EMA may limit the indications for which the product may be marketed, require extensive warnings on the product labeling or require expensive and time-consuming additional clinical studies or reporting as conditions of approval. Approval of certain product candidates outside of the United States, particularly those that target diseases that are more prevalent outside of the United States will be particularly important to the commercial success of such product candidates. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and additional costs for us and could delay or prevent the introduction of our product candidates in certain countries.

Negative developments and negative public opinion of new technologies on which we rely may damage public perception of our product candidates or adversely affect our ability to conduct our business or obtain regulatory approvals for our product candidates.

The clinical and commercial success of our product candidates will depend in part on public acceptance of the use of new technologies for the prevention or treatment of human diseases. Adverse public attitudes may adversely impact our ability to enroll clinical studies. Moreover, our success will depend upon physicians specializing in our targeted diseases prescribing, and their patients being willing to receive, our product candidates as treatments in lieu of, or in addition to, existing, more familiar, treatments for which greater clinical data may be available. Any increase in negative perceptions of the technologies that we rely on may result in fewer physicians prescribing our products or may reduce the willingness of patients to utilize our products or participate in clinical studies for our product candidates.

Increased negative public opinion or more restrictive government regulations in response thereto, would have a negative effect on our business, financial condition, results of operations or prospects and may delay or impair the development and commercialization of our product candidates or demand for such product candidates. For example, perceived or actual technical, legal, compliance, privacy, security, ethical or other issues relating to the use of AI may cause regulators' or the public's confidence in AI to be undermined, which could impede our ability to develop products using AI. Adverse events in our preclinical studies or clinical studies or those of our competitors or of academic researchers utilizing similar technologies, even if not ultimately attributable to product candidates we may discover and develop, and the resulting publicity could result in increased governmental regulation, unfavorable public perception, potential regulatory delays in the testing or approval of potential product candidates we may identify and develop, stricter labeling requirements for those product candidates that are approved, a decrease in demand for any such product candidates and a suspension or withdrawal of approval by regulatory authorities of our product candidates.

Product liability lawsuits against us could cause us to incur substantial liabilities and could limit commercialization of any product candidate that we may develop. In addition, our insurance policies may be inadequate and potentially expose us to unrecoverable risks.

We face an inherent risk of product liability exposure related to the testing of our product candidates in clinical studies and may face an even greater risk if we commercialize any product candidate that we may develop. If we cannot successfully defend ourselves against claims that any such product candidates caused injuries, we could incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidate that we may develop;
- loss of revenue;
- substantial monetary awards to trial participants or patients;
- significant time and costs to defend the related litigation;
- withdrawal of clinical trial participants;
- increased insurance costs;
- the inability to commercialize any product candidate that we may develop; and
- injury to our reputation and significant negative media attention.

Any such outcomes could negatively impact our business, financial condition, results of operations and prospects. Furthermore, although we maintain product liability insurance coverage, such insurance may not be adequate to cover all liabilities that we may incur. We anticipate that we will need to increase our insurance coverage each time we commence a clinical trial and if we successfully commercialize any product candidate. Insurance availability, coverage terms and pricing continue to vary with market conditions. We endeavor to obtain appropriate insurance coverage for insurable risks that we identify such as cybersecurity-related issues; however, we may fail to correctly anticipate or quantify insurable risks, we may not be able to obtain appropriate insurance coverage and insurers may not respond as we intend to cover insurable events that may occur. Conditions in the insurance markets relating to nearly all areas of traditional corporate insurance change rapidly and may result in higher premium costs, higher policy deductibles and lower coverage limits. For some risks, we may not have or maintain insurance coverage because of cost or availability.

Risks Related to Regulatory Compliance

Any product candidates for which we intend to seek approval may face competition sooner than anticipated.

Even if we are successful in achieving regulatory approval to commercialize any product candidate faster than our competitors, such product candidates may face competition from biosimilar or generic products. In the United States, biologic product candidates are subject to approval and licensure under the BLA pathway and small molecules, such as our siRNA product VIR-2218, under the NDA pathway. The Biologics Price Competition and Innovation Act of 2009, or BPCIA, creates an abbreviated pathway for the approval of biosimilar and interchangeable biologic products following the approval of an original BLA. The Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, creates a similar pathway for seeking approval of a generic version of an approved, small molecule innovator drug product. For additional information regarding biosimilars and exclusivity, see the section titled "Business—Government Regulation and Product Approval—Biosimilars and Regulatory Exclusivity" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

If competitors are able to obtain marketing approval for generics or biosimilars referencing our licensed small molecule or biologic products after the expiration of applicable periods of regulatory exclusivity, our products may become subject to competition from such generics or biosimilars, with the attendant competitive pressure and potential adverse consequences. Such competitive products may be able to immediately compete with us in each indication for which our product candidates may have received approval. In addition, the extent to which any regulatory exclusivity may apply to competing products authorized under an EUA is unclear and may not apply.

Our relationships with customers, physicians, and third-party payors are subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, and other healthcare laws and regulations. If we are unable to comply, or have not fully complied, with such laws, we could face substantial penalties.

Healthcare providers, physicians and third-party payors in the United States and elsewhere play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our current and future arrangements with healthcare professionals, principal investigators, consultants, customers and third-party payors subject us to various federal and state fraud and abuse laws and other healthcare laws, such as the U.S. federal Anti-Kickback Statute, federal civil and criminal false claims laws, the healthcare fraud provisions of the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, and the Physician Payments Sunshine Act.

These laws may impact the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute any product candidates, if approved. For additional information regarding these laws, see the section titled "Business—Government Regulation and Product Approval" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024. Ensuring that our internal operations and business arrangements with third parties comply with applicable healthcare laws and regulations will likely continue to be costly. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participating in government-funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of noncompliance with these laws, contractual damages, reputational harm and the curtailment or restructuring of our operations.

If the physicians or other providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to significant civil, criminal or administrative sanctions, including exclusions from government-funded healthcare programs. Even if resolved in our favor, litigation or other legal proceedings relating to healthcare laws and regulations may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development, manufacturing, sales, marketing or distribution activities. Uncertainties resulting from the initiation and continuation of litigation or other proceedings relating to applicable healthcare laws and regulations could have an adverse effect on our ability to compete in the marketplace.

If we obtain regulatory approval in the United States, coverage and adequate reimbursement may not be available for any product candidates that we commercialize, which could make it difficult for us to sell profitably.

Even if we obtain regulatory approval in the United States, market acceptance and sales of any product candidates that we commercialize may depend in part on the extent to which reimbursement for these product and related treatments will be available from third-party payors, including government health administration authorities, managed care organizations and other private health insurers. Third-party payors decide which therapies they will pay for and establish reimbursement levels. While no uniform policy for coverage and reimbursement exists in the United States, third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own coverage and reimbursement policies. However, decisions regarding the extent of coverage and amount of reimbursement to be provided for any product candidates that we develop will be made on a payor-by-payor basis. Additionally, a third-party payor's decision to provide coverage for a therapy does not imply that an adequate reimbursement rate will be approved. The position on a payor's list of covered drugs and biological products, or formulary, generally determines the co-payment that a patient will need to make to obtain the therapy and can strongly influence the adoption of such therapy by patients and physicians. Patients who are prescribed treatments for their conditions and providers prescribing such services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Patients are unlikely to use our products unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of our products. In addition, because certain of our product candidates are physician-administered, separate reimbursement for the product itself may or may not be available. Instead, the administering physician may only be reimbursed for providing the treatment or procedure in which our product is used.

Third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. We cannot be sure that coverage and reimbursement will be available for any product that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Inadequate coverage and reimbursement may impact the demand for, or the price of, any product for which we obtain marketing approval. If coverage and adequate reimbursement are not available, or are available only at limited levels, we may not be able to successfully commercialize any product candidates that we develop.

Healthcare legislative reform measures may have a negative impact on our business, financial condition, results of operations and prospects.

In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, several legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product candidates for which we obtain marketing approval. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare. We expect that additional U.S. federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that the U.S. federal government will pay for healthcare products and services, which could result in reduced demand for our current or any future product candidates or additional pricing pressures. For example, in August 2022, the Inflation Reduction Act, or IRA, was signed into law by President Biden. The new legislation has implications for Medicare Part D, which is a program available to individuals who are entitled to Medicare Part A or enrolled in Medicare Part B, to give them the option of paying a monthly premium for outpatient prescription drug coverage. Among other things, the IRA requires manufacturers of certain drugs to engage in price negotiations with Medicare (to go into effect in 2026), with prices that can be negotiated subject to a cap; imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023); and replaces the Part D coverage gap discount program with a new discounting program (beginning in 2025). The IRA permits the Secretary of the HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years.

While it is currently unclear how the IRA will be effectuated, we cannot predict with certainty what impact any federal or state health reforms will have on us, but such changes could impose new or more stringent regulatory requirements on our activities or result in reduced reimbursement for our products, any of which could adversely affect our business, results of operations and financial condition. For additional information regarding other healthcare legislative reform measures, see the section titled "Business—Government Regulation and Product Approval—Healthcare Reform" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

Should we seek and obtain regulatory approval in the United States, we expect that these and other healthcare reform measures that may be adopted in the future may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product, which could have an adverse effect on demand for our product candidates. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our products.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal and/or civil liability and harm our business.

We are subject to anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies and their employees and third-party intermediaries from authorizing, offering or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. We interact with officials and employees of government agencies and government-affiliated hospitals, universities and other organizations. In addition, we may engage third-party intermediaries to promote our clinical research activities abroad or to obtain necessary permits, licenses and other regulatory approvals. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, collaborators and agents, even if we do not explicitly authorize such activities.

While we have policies and procedures to address compliance with such laws in the United States, we cannot assure you that all of our employees and agents will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. Detecting, investigating and resolving actual or alleged violations can require a significant diversion of time, resources and attention from senior management.

In addition, noncompliance with anti-corruption, anti-bribery or anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, financial condition, results of operations and prospects could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. Enforcement actions and sanctions could further harm our business, reputation, financial condition, results of operations and prospects.

Risks Related to Our Dependence on Third Parties

We rely on third parties to produce clinical supplies of our product candidates. There could be delays or supply shortages beyond our control limiting our access to clinical supplies.

We are currently conducting process development and manufacturing material for product candidates of three different therapeutic modalities: mAbs, siRNAs and TCEs. Except for limited early-clinical phase process, analytical and formulation development, cell line development, small-scale non-GMP manufacturing for preclinical studies, and quality control testing capabilities in certain of our facilities that is either established or is currently being built, we do not own or operate facilities for full process development or product manufacturing, storage and distribution, or testing. We are dependent on third parties, including strategic collaborators and contract development and manufacturing organizations, or CDMOs, to develop the large-scale manufacturing process and manufacture the clinical supplies of our current and any future product candidates. We have established relationships with multiple third parties that have developed the large-scale manufacturing processes and produced material to support our preclinical, Phase 1, 2, and 3 clinical studies. We do not yet have sufficient information to reliably estimate the cost of the commercial manufacturing of our future product candidates. Certain of our product candidates may have to compete with existing and future products that may have a lower price point. The actual cost to manufacture our product candidates could materially and adversely affect the commercial viability of our product candidates.

The facilities used by our third party manufacturers to develop and manufacture our product candidates must be approved by the FDA or other regulatory authorities pursuant to inspections that will be conducted after we submit our EUA, NDA or BLA to the FDA or foreign marketing application to the appropriate regulatory authority. We do not control the manufacturing process of, and are completely dependent on, our third party manufacturers for compliance with cGMP requirements. If our third party manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or other health authorities, we will not be able to secure and/or maintain regulatory approval for our product candidates. In addition, we have no control over the ability of our third party manufacturers to maintain adequate quality control, quality assurance, qualified personnel or oversight of their subcontractors. If the FDA or a comparable foreign regulatory authority does not approve our third party's facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved. Any significant delay in the supply of a product candidate, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a third party manufacturer could considerably delay completion of our clinical studies, product testing and potential regulatory approval of our product candidates.

We also intend to rely on third party manufacturers to supply us with sufficient quantities of our product candidates to be used, if approved, for commercialization. There is, however, no assurance that our third party manufacturers will have sufficient manufacturing capacity to meet demand for our product candidates, meet our working assumptions of manufacturing titer and yield per batch of our product candidates or consistently manufacture product meeting our quality requirements. Any shortfall in manufacturing capacity or reduction in anticipated manufacturing titer, yield per batch or batch success rates may adversely impact our ability to meet market demand for any approved product. Furthermore, if we are not able to produce supply at low enough costs, it would negatively impact our ability to generate revenue, harm our reputation, and could have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, we currently rely on strategic collaborators and foreign suppliers and CDMOs and will likely continue to rely on strategic collaborators and foreign suppliers and manufacturers in the future. Foreign third party suppliers and manufacturers, and third party suppliers and manufacturers operating in foreign countries, may be subject to trade restrictions and other foreign regulatory requirements which could increase the cost or reduce the supply of material available to us, delay the procurement or supply of such material or have an adverse effect on our ability to secure significant commitments from governments to purchase our potential therapies. For example, the biopharmaceutical industry in China is strictly regulated by the Chinese government. Changes to Chinese regulations or government policies affecting biopharmaceutical companies are unpredictable and may have a material adverse effect on our strategic collaborators, third-party suppliers and manufacturers operating in China which could have an adverse effect on our business, financial condition, results of operations and prospects. Evolving changes in China's public health, economic, political, and social conditions and the uncertainty around China's relationship with other governments, such as the United States and the U.K., could also negatively impact our ability to manufacture or supply our product candidates for our planned clinical studies or have an adverse effect on our ability to secure government funding, which could adversely affect our financial condition and cause us to delay our clinical development programs. For example, on February 12, 2024, a group of bipartisan U.S. lawmakers sent a letter to Commerce Secretary Gina Raimondo, Treasury Secretary Janet Yellen, and Defense Secretary Lloyd Austin calling on them to investigate Chinese biotech company WuXi AppTec and its subsidiary, WuXi Biologics, one of our CDMOs that we use for process development work and have used for manufacturing, citing ties to the Chinese military, the Chinese Communist Party, and potential threats to U.S. intellectual property and national security, and requesting that U.S. agencies consider adding the companies to the U.S. Department of Defense's Chinese Military Companies List (1260H list), the Department of Commerce's Bureau of Industry and Security Entity List, and the Department of Treasury's Non-SDN Chinese Military-Industrial Complex Companies List. Additionally, in September 2024, the U.S. House of Representatives passed the "BIOSECURE Act" (H.R. 7085) and the Senate has introduced a substantially similar bill (S. 3558), which legislation, if passed and enacted into law, would restrict the ability of U.S. biopharmaceutical companies like us to purchase services or products from, or otherwise collaborate with, specifically named Chinese biotechnology companies, including WuXi AppTec and WuXi Biologics, and additional Chinese biotechnological companies "of concern" included by the U.S. government, or or risk losing the ability to contract with, or otherwise receive funding from, the U.S. government. The bill passed by the U.S. House of Representatives provides a grandfathering provision that would apply to a contract or agreement entered into with a designated Chinese biotechnology company before the effective date of the legislation until January 1, 2032.

Further, our reliance on third-party suppliers and manufacturers entails risks to which we would not be exposed or that may be reduced if we conducted process development or manufactured product candidates ourselves, including:

- delay or inability to procure or expand sufficient manufacturing capacity;
- delays in process development;
- issues related to scale-up of manufacturing;
- excess manufacturing capacity or excess raw materials due to insufficient market demand for our product candidates and responsibility for the associated costs;
- costs and validation of new equipment and facilities required for scale-up;
- inability of our third-party manufacturers to execute process development, manufacturing, technology transfers, manufacturing procedures and other logistical support requirements appropriately or on a timely basis;
- inability to negotiate development and manufacturing agreements with third parties under commercially reasonable terms, if at all;
- greater costs and competition for access to an increasingly smaller pool of third-party manufacturers as a result of consolidation in the contract manufacturing industry;

- breach, termination or nonrenewal of development and manufacturing agreements with third parties in a manner or at a time that is costly or damaging to us;
- reliance on single sources for product raw materials or components;
- lack of qualified backup suppliers for those raw materials or components that are currently purchased from a sole or single-source supplier;
- lack of ownership to the intellectual property rights to any improvements made by our third parties in the manufacturing process for our product candidates;
- price increases or decreased availability of product raw materials or components;
- disruptions to operations of our third-party suppliers and manufacturers by conditions unrelated to our business or operations, including supply chain issues, capacity constraints, transportation and labor disruptions, global competition for resources, the bankruptcy of the manufacturer and/or general economic conditions, heightened inflation, interest rate and currency rate fluctuations, and economic slowdown or recession;
- disruptions caused by geopolitical events, including civil or political unrest, terrorism, insurrection or war (such as the ongoing war between Ukraine and Russia, and between Israel and Hamas), man-made or natural disasters or public health pandemics or epidemics, including, for example, the COVID-19 pandemic; and
- carrier disruptions or increased costs that are beyond our control, including increases in material, labor or other manufacturing-related costs or higher supply chain logistics costs.

We may be unable to obtain product raw materials or components for an indeterminate period of time if any of our third-party suppliers and manufacturers were to cease or interrupt production or otherwise fail to supply these materials or components to us for any reason, including due to regulatory requirements or actions (including recalls), adverse financial developments at or affecting the supplier or manufacturer, failure by the supplier or manufacturer to comply with cGMP, facility outages (including due to contamination), business interruptions, or labor shortages or disputes. Suppliers and manufacturers may extend lead times, limit supplies, change manufacturing schedules, increase prices, or require significant upfront fees due to capacity and material supply constraints or other factors beyond our control. For example, recent increased demand for GLP-1 therapeutics could result in increased competition for our third-party manufacturers' services and limited capacity, which could limit our access to, and increase our costs for, manufacturing production and potentially harm our business and results of operations. We cannot be sure that single source suppliers for our product raw materials or components will remain in business or that they will not be purchased by one of our competitors or another company that is not interested in continuing to produce our product raw materials or components for our intended purpose. In addition, the lead time needed to establish a relationship with a new raw material or component supplier or manufacturer can be lengthy and we may experience delays in meeting demand in the event we must switch to a new supplier or manufacturer. The time and effort to technology transfer to a new manufacturer or qualify a new supplier or manufacturer could result in manufacturing delays, additional costs, diversion of resources or reduced manufacturing capacity or yields, any of which would negatively impact our operating results.

Furthermore, there are a limited number of suppliers and manufacturers that supply synthetic siRNAs. We currently rely on a limited number of third party suppliers and CDMOs for our supply of synthetic siRNAs. There are risks inherent in pharmaceutical manufacturing that could affect the ability of our CDMOs to meet our delivery time requirements or provide adequate amounts of synthetic siRNAs to meet our needs. Included in these risks are potential extended lead times, delays or shortages of raw materials and components, synthesis and purification failures and/or contamination during the manufacturing process, as well as other issues with the CDMO's facility and ability to comply with the applicable manufacturing requirements, including cGMP requirements, which could result in unusable product. This would cause delays in our manufacturing timelines and ultimately delay our clinical studies and potentially put at risk commercial supply, as well as result in additional expense to us. To fulfill our siRNA supply requirements, we may need to secure alternative suppliers of synthetic siRNAs and/or key raw materials and components, and such alternative third party suppliers are limited and may not be readily available, or we may be unable to enter into agreements with them on reasonable terms and in a timely manner. Further, alternative suppliers would require filing and regulatory approvals.

Changes in U.S. and international trade policies, particularly with respect to China, may adversely impact our business and operating results.

The U.S. government has made statements and taken actions that have led to certain changes and may lead to additional changes to U.S. and international trade policies, including imposing several rounds of tariffs affecting certain products manufactured in China. In addition, the Chinese government took certain actions, including tariffs, which affect certain products manufactured in the U.S.

It is unknown whether and to what extent new tariffs (or other new laws or regulations) will be adopted, or the effect that any such actions would have on us or our industry. Any unfavorable government policies on international trade, such as export controls, capital controls or tariffs, may affect the demand for our product candidates, the competitive position of our product candidates, and import or export of raw materials and product used in our drug development and clinical manufacturing activities, including pursuant to our development arrangements with WuXi Biologics. If any new tariffs, export controls, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or if the U.S. government takes retaliatory trade actions due to the recent U.S.-China trade tension, such changes could have an adverse effect on our business, financial condition and results of operations. For example, on February 12, 2024, a group of bipartisan U.S. lawmakers sent a letter to Commerce Secretary Gina Raimondo, Treasury Secretary Janet Yellen, and Defense Secretary Lloyd Austin calling on them to investigate Chinese biotech company WuXi AppTec and its subsidiary, WuXi Biologics, one of our CDMOs that we use for process development work and have used for manufacturing, citing ties to the Chinese military, the Chinese Communist Party, and potential threats to U.S. intellectual property and national security, and requesting that U.S. agencies consider adding the companies to the U.S. Department of Defense's Chinese Military Companies List (1260H list), the Department of Commerce's Bureau of Industry and Security Entity List, and the Department of Treasury's Non-SDN Chinese Military-Industrial Complex Companies List. Additionally, in September 2024, the U.S. House of Representatives passed the "BIOSECURE Act" (H.R. 7085) and the Senate has introduced a substantially similar bill (S. 3558), which legislation, if passed and enacted into law, would restrict the ability of U.S. biopharmaceutical companies like us to purchase services or products from, or otherwise collaborate with, specifically named Chinese biotechnology companies, including WuXi AppTech and WuXi Biologics, and additional Chinese biotechnological companies "of concern" included by the U.S. government, or risk losing the ability to contract with, or otherwise receive funding from, the U.S. government. The bill passed by the U.S. House of Representatives provides a grandfathering provision that would apply to a contract or agreement entered into with a designated Chinese biotechnology company before the effective date of the legislation until January 1, 2032.

Our business involves the use of hazardous materials and we and our third-party manufacturers and suppliers must comply with environmental, health and safety laws and regulations, which can be expensive and restrict how we do, or interrupt our, business.

Our research and development activities and the activities of our third-party manufacturers and suppliers involve the generation, storage, use and disposal of hazardous materials, including the components of our product candidates and other hazardous compounds and wastes. We and our manufacturers and suppliers are subject to environmental, health and safety laws and regulations governing, among other matters, the use, manufacture, generation, storage, handling, transportation, discharge and disposal of these hazardous materials and wastes and worker health and safety. In some cases, these hazardous materials and various wastes resulting from their use are stored at our and our manufacturers' facilities pending their use, collection, and appropriate disposal. We cannot eliminate the risk of contamination or injury, which could result in an interruption of our commercialization efforts, research and development efforts and business operations, damages and significant cleanup costs and liabilities under applicable environmental, health and safety laws and regulations. We also cannot guarantee that the safety procedures utilized by our third-party manufacturers for handling and disposing of these materials and wastes generally comply with the standards prescribed by these laws and regulations. We may be held liable for any resulting damages costs or liabilities, which could exceed our resources, and state or federal or other applicable authorities may curtail our use of certain materials and/or interrupt our business operations. Furthermore, environmental, health and safety laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance. Failure to comply with these environmental, health and safety laws and regulations may result in substantial fines, penalties or other sanctions. We do not currently carry hazardous waste insurance coverage.

We rely on third parties to conduct, supervise and monitor our preclinical and clinical studies, and if those third parties perform in an unsatisfactory manner, it may harm our business.

We rely on CROs and clinical trial sites to ensure the proper and timely conduct of our preclinical and clinical studies, and we expect to have limited influence over their actual performance. We rely on CROs to monitor and manage data for our clinical programs, as well as the execution of future preclinical studies. We expect to control only certain aspects of our CROs' activities. Nevertheless, we will be responsible for ensuring that each of our preclinical and clinical studies is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities.

We and our CROs are required to comply with the good laboratory practices, or GLPs, and GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities in the form of International Conference on Harmonization guidelines for any of our product candidates that are in preclinical and clinical development. The regulatory authorities enforce GCPs through periodic inspections of trial sponsors, principal investigators and clinical trial sites. Although we rely on CROs to conduct GLP-compliant and GCP-compliant preclinical and clinical studies, we remain responsible for ensuring that each of our GLP preclinical and clinical studies is conducted in accordance with its investigational plan and protocol and applicable laws and regulations. If we or our CROs fail to comply with GCPs, the clinical data generated in our clinical studies may be deemed unreliable, and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical studies before approving our marketing applications. Accordingly, if our CROs fail to comply with these regulations or fail to recruit a sufficient number of subjects, we may be required to repeat clinical studies, which would delay the regulatory approval process.

Our reliance on third parties to conduct clinical studies will result in less direct control over the management of data developed through clinical studies than would be the case if we were relying entirely upon our own staff. Communicating with CROs and other third parties can be challenging, potentially leading to mistakes as well as difficulties in coordinating activities. If our CROs do not successfully carry out their contractual duties or obligations, fail to meet expected deadlines or fail to comply with regulatory requirements, or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for any other reasons, our clinical studies may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for, or successfully commercialize, any product candidate that we develop. As a result, our financial results and the commercial prospects for any product candidate that we develop would be harmed, our costs could increase, and our ability to generate revenue could be delayed.

In addition, principal investigators for our clinical studies may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA. The FDA may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the trial. The FDA may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval or rejection of our marketing applications by the FDA and may ultimately lead to the denial of marketing approval of our product candidates.

Risks Related to Our Intellectual Property

If we breach our license agreements or any of the other agreements under which we acquired, or will acquire, the intellectual property rights to our product candidates, we could lose the ability to continue the development and commercialization of the related product candidates.

We license a number of technologies to form our antibody platform, and we license the PRO-XTEN™ platform, a trademark of Amunix Pharmaceuticals, Inc, a Sanofi company (PRO-XTEN™) from Sanofi and the siRNA technology from Alnylam Pharmaceuticals, Inc. We have also developed certain product candidates using intellectual property licensed from third parties or in-licensed certain product candidates from third parties. A core element of our business strategy includes continuing to acquire or in-license additional technologies or product candidates for the treatment and prevention of serious infectious diseases and other serious conditions. If we fail to meet our obligations under these agreements, our licensors may have the right to terminate our licenses. If any of our license agreements are terminated, and we lose our intellectual property rights under such agreements, this may result in a complete termination of our product development and any commercialization efforts for the product candidates which we are developing under such agreements. While we would expect to exercise all rights and remedies available to us, including seeking to cure any breach by us, and otherwise seek to preserve our rights under such agreements, we may not be able to do so in a timely manner, at an acceptable cost or at all. We may also be subject to risks related to disputes between us and our licensors regarding the intellectual property subject to a license agreement. We could also be subject to expensive litigation which would detract us from our core business of researching and developing product candidates.

If we are unable to obtain and maintain patent protection for our product candidates and technology, or if the scope of the patent protection obtained is not sufficiently broad or robust, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully commercialize our product candidates and technology may be adversely affected.

Our success depends, in large part, on our ability to obtain and maintain patent protection in the United States and other countries with respect to our product candidates and our technology. We and our licensors have sought, and intend to seek, to protect our proprietary position by filing patent applications in the United States and abroad related to our product candidates and our technology that are important to our business.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has, in recent years, been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or product candidates or which effectively prevent others from commercializing competitive technologies and product candidates. Because patent applications in the United States and most other countries are confidential for a period of time after filing, and some remain so until issued, we cannot be certain that we or our licensors were the first to file a patent application relating to any particular aspect of a product candidate.

The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications or patents at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. In addition, changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs surrounding the prosecution of patent applications and the term, enforcement or defense of issued patents. Similarly, changes in patent law and regulations in other countries or jurisdictions, changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we own or have licensed or that we may obtain in the future.

We or our licensors have not pursued or maintained, and may not pursue or maintain in the future, patent protection for our product candidates in every country or territory in which we may sell our products, if approved. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from infringing our patents in all countries outside of the United States, or from selling or importing products that infringe our patents in and into the United States or other jurisdictions.

Moreover, the coverage claimed in a patent application can be significantly reduced before the patent is issued and its scope can be reinterpreted after issuance. Even if the patent applications we license or own do issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us or otherwise provide us with any competitive advantage. Our competitors or other third parties may be able to circumvent our patents by developing similar or alternative products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and product candidates. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our intellectual property may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. In addition, if the breadth or strength of protection provided by the patents and patent applications we hold with respect to our product candidates is threatened, it could dissuade companies from collaborating with us to develop, and threaten our ability to commercialize, our product candidates, or could result in licensees seeking release from their license agreements.

Furthermore, our owned and in-licensed patents may be subject to a reservation of rights by one or more third parties. For example, the research resulting in certain of our owned and in-licensed patent rights and technology was funded in part by the U.S. government. As a result, the government may have certain rights, or march-in rights, to such patent rights and technology. These rights may permit the government to disclose our confidential information to third parties and to exercise march-in rights to use or allow third parties to use our licensed technology. The government can exercise its march-in rights if it determines that action is necessary because we fail to achieve practical application of the government-funded technology, because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. Any exercise by the government of such rights could harm our competitive position, business, financial condition, results of operations and prospects.

Obtaining and maintaining our patent rights depends on compliance with various procedural, document submission, fee payment and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for noncompliance with these requirements.

The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In addition, periodic maintenance fees, renewal fees, annuity fees and various other government fees on patents and/or patent applications will have to be paid to the USPTO and various government patent agencies outside of the United States over the lifetime of our owned and licensed patents and/or applications and any patent rights we may own or license in the future. We rely on our service providers or our licensors to pay these fees. The USPTO and various non-U.S. government patent agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and we are also dependent on our licensors to take the necessary action to comply with these requirements with respect to our licensed intellectual property.

Noncompliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, nonpayment of fees and failure to properly legalize and submit formal documents. If we or our licensors fail to maintain the patents and patent applications covering our product candidates or technologies, including as a result of geopolitical events such as civil or political unrest (including the ongoing war between Ukraine and Russia and recent events in Israel), we may not be able to use such patents and patent applications or stop a competitor from marketing products that are the same as or similar to our product candidates, which would have an adverse effect on our business. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market and this circumstance could harm our business.

In addition, if we fail to apply for applicable patent term extensions or adjustments, we will have a more limited time during which we can enforce our granted patent rights. In addition, if we are responsible for patent prosecution and maintenance of patent rights in-licensed to us or out-licensed by us, any of the foregoing could expose us to liability to the applicable patent owner or licensee, respectively.

Patent terms may be inadequate to protect our competitive position on our product candidates or any products approved in the future for an adequate amount of time and additional competitors could enter the market with generic or biosimilar versions of such products.

Patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after its first effective filing date. Although various extensions may be available, the life of a patent and the protection it affords is limited. In addition, although upon issuance in the United States a patent’s life can be increased based on certain delays caused by the USPTO, this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution. If we do not have sufficient patent life to protect our products, our competitors may be able to take advantage of our investment in development and clinical studies by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case, which could adversely affect our business and results of operations.

Given the amount of time required for the development, testing and regulatory review of our product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. We expect to seek extensions of patent terms in the United States and, if available, in other countries where we have or will obtain patent rights. In the United States, the Hatch-Waxman Act permits a patent term extension of up to five years beyond the normal expiration of the patent, provided that the patent is not enforceable for more than 14 years from the date of drug approval, which is limited to the approved indication (or any additional indications approved during the period of extension). Furthermore, only one patent per approved product can be extended and only those claims covering the approved product, a method for using it or a method for manufacturing it may be extended. However, the applicable authorities, including the FDA and the USPTO in the United States, and any equivalent regulatory authority in other countries, may not agree with our assessment of whether such extensions are available, and may refuse to grant extensions to our patents, or may grant more limited extensions than we request. If this occurs, our competitors may be able to take advantage of our investment in development and clinical studies by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case.

We may not be successful in securing or maintaining proprietary patent protection for products and technologies we develop or license. Moreover, if any of our owned or in-licensed patents are successfully challenged by litigation, the affected product could immediately face competition and its sales would likely decline rapidly. Any of the foregoing could harm our competitive position, business, financial condition, results of operations and prospects.

Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain and could have a negative impact on the success of our business.

Our commercial success depends, in part, upon our ability and the ability of others with whom we may collaborate to develop, manufacture, market and sell our current and any future product candidates and use our proprietary technologies without infringing, misappropriating or otherwise violating the proprietary rights and intellectual property of third parties. The biotechnology and pharmaceutical industries are characterized by extensive and complex litigation regarding patents and other intellectual property rights. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing our product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that sotrovimab and other product candidates may give rise to claims of infringement of the patent rights of others. We may in the future become party to, or be threatened with, adversarial proceedings or litigation regarding intellectual property rights with respect to our current and any future product candidates and technology, including interference proceedings, derivation proceedings, post grant review and inter partes review before the USPTO. If we are found to infringe a third party's valid and enforceable intellectual property rights, we could be required to obtain a license from such third party to continue developing, manufacturing and marketing our product candidate(s) and technology. Under any such license, we would most likely be required to pay various types of fees, milestones, royalties or other amounts and any such license could be nonexclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us. Moreover, we may not be able to obtain any required license on commercially reasonable terms or at all, including because companies that perceive us to be a competitor may be unwilling to assign or licenses rights to use, and if such an instance arises, our ability to commercialize our product candidates may be impaired or delayed, or we may have to abandon development of the related program or product candidate, which could in turn significantly harm our business. Parties making claims against us may also seek and obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize our product candidates. We could be forced, including by court order, to cease developing, manufacturing and commercializing the infringing technology or product candidate. We may also have to redesign our products, which may not be commercially or technically feasible or require substantial time and expense.

In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent or other intellectual property right. We may be required to indemnify collaborators or contractors against such claims. Even if we are successful in defending against such claims, litigation can be expensive and time-consuming and would divert management's attention from our core business. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have an adverse effect on the price of our common stock.

Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business, financial condition, results of operations and prospects.

We may be subject to claims asserting that our employees, consultants or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property.

Certain of our employees, consultants or advisors are currently, or were previously, employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that these individuals or we have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, we may in the future be subject to claims by our former employees or consultants asserting an ownership right in our patents or patent applications as a result of the work they performed on our behalf. For example, we may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing our product candidates. Although it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own, and we cannot be certain that our agreements with such parties will be upheld in the face of a potential challenge or that they will not be breached, for which we may not have an adequate remedy. The assignment of intellectual property rights may not be self-executing or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property.

We may be involved in lawsuits to protect or enforce our patents, the patents of our licensors or our other intellectual property rights, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe, misappropriate or otherwise violate our patents, the patents of our licensors or our other intellectual property rights. To counter infringement or unauthorized use, we may be required to file legal claims, which can be expensive and time-consuming and are likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities.

In addition, in an infringement proceeding, a court may decide that a patent of ours or our licensors is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of our owned or licensed patents at risk of being invalidated or interpreted narrowly and could put our owned or licensed patent applications at risk of not issuing. The initiation of a claim against a third party might also cause the third party to bring counterclaims against us, such as claims asserting that our patent rights are invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, non-enablement or lack of statutory subject matter. The outcome following legal assertions of invalidity and unenforceability is unpredictable. For the patents and patent applications that we have licensed, we may have limited or no right to participate in the defense of any licensed patents against challenge by a third party. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of any future patent protection on our current or future product candidates. Such a loss of patent protection could harm our business.

We may not be able to prevent, alone or with our licensors, misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States. Our business could be harmed if in litigation the prevailing party does not offer us a license, or if the license offered as a result is not on commercially reasonable terms. Any litigation or other proceedings to enforce our intellectual property rights may fail and, even if successful, may result in substantial costs and distract our management and other employees.

There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have an adverse effect on the price of our common stock.

We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating or from successfully challenging our intellectual property rights. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have an adverse effect on our ability to compete in the marketplace.

We may not be able to protect our intellectual property rights throughout the world, which could negatively impact our business.

Filing, prosecuting and defending patents covering our current and any future product candidates and technology platforms in all countries throughout the world would be prohibitively expensive. Competitors may use our technologies in jurisdictions where we or our licensors have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we may obtain patent protection but where patent enforcement is not as strong as that in the United States. These products may compete with our products in jurisdictions where we do not have any issued or licensed patents, and any future patent claims or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Issued patents may be challenged by third parties in the courts or patent offices in various countries throughout the world. Invalidation proceedings may result in patent claims being narrowed, invalidated or held unenforceable. Uncertainties regarding the outcome of such proceedings, as well as any resulting losses of patent protection, could harm our business.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our intellectual property and proprietary rights generally. Proceedings to enforce our intellectual property and proprietary rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property and proprietary rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. Some countries do not enforce patents related to medical treatments, or limit enforceability in the case of a public emergency. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking intellectual property protection for our product candidates, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position. Because we rely on third parties to help us discover, develop and manufacture our current and any future product candidates, or if we collaborate with third parties for the development, manufacturing or commercialization of our current or any future product candidates, we must, at times, share trade secrets with them. We may also conduct joint research and development programs that may require us to share trade secrets under the terms of our research and development collaborations or similar agreements.

We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, consulting agreements or other similar agreements with our advisors, employees, third-party contractors and consultants prior to beginning research or disclosing proprietary information. We also enter into invention or patent assignment agreements with our employees, advisors and consultants. Despite our efforts to protect our trade secrets, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others or are disclosed or used in violation of these agreements. Moreover, we cannot guarantee that we have entered into such agreements with each party that may have or have had access to our confidential information or proprietary technology and processes. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. If any of the collaborators, scientific advisors, employees, contractors and consultants who are parties to these agreements breaches or violates the terms of any of these agreements, we may not have adequate remedies for any such breach or violation, and we could lose our trade secrets as a result. Moreover, if confidential information that is licensed or disclosed to us by our partners, collaborators or others is inadvertently disclosed or subject to a breach or violation, we may be exposed to liability to the owner of that confidential information. Enforcing a claim that a third-party illegally or unlawfully obtained and is using our trade secrets, like patent litigation, is expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside of the United States are sometimes less willing to protect trade secrets.

We also seek to preserve the integrity and confidentiality of our data and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. Additionally, the risk of cyber-attacks or other privacy or data security incidents may be heightened as a result of our work-from-home policies for most of our employees, which provides our employees the choice of working full time in the office, a hybrid approach, or full-time remote. A remote working environment may be less secure and more susceptible to hacking attacks. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and detecting the disclosure or misappropriation of confidential information and enforcing a claim that a party illegally disclosed or misappropriated confidential information is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we may not be able to obtain adequate remedies for any breach. In addition, our confidential information may otherwise become known or be independently discovered by competitors, in which case we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us.

Any trademarks we may obtain may be infringed or successfully challenged, resulting in harm to our business.

We rely and expect to continue to rely on trademarks as one means to distinguish any of our products and product candidates that are approved for marketing from the products of our competitors. Additionally, the process of obtaining trademark protection is expensive and time-consuming, and we may not be able to prosecute all necessary or desirable trademark applications at a reasonable cost or in a timely manner or obtain trademark protection in all jurisdictions that we consider to be important to our business. Once we select trademarks and apply to register them, our trademark applications may not be approved.Third parties may oppose our trademark applications in certain jurisdictions, as in currently pending oppositions filed against EU-wide registration of our VIR Pharmaceuticals house mark and logo by Industria Quimica y Farmaceutica Vir. S.A., a Spanish company which claims exclusive rights in the term VIR in Spain and Portugal. We also have a pending opposition of the Vir logo in Turkey by Ulkar Kimya Sanayii Ve Ticaret Anonim Şirketi, a Turkish company which claims exclusive rights in the term VIR in Turkey. Third parties may also challenge our use of our trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote resources to advertising and marketing new brands. Our competitors may infringe our trademarks, and we may not have adequate resources to enforce our trademarks.

In addition, any proprietary product name we propose to use with our current or any other product candidate in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. The FDA typically conducts a review of proposed product names, including an evaluation of the potential for confusion with other product names. If the FDA objects to any of our proposed proprietary product names, we may be required to expend significant additional resources in an effort to identify a suitable proprietary product name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA.

The potential exercise by the Bill & Melinda Gates Foundation of its licenses to certain of our intellectual property and its development and commercialization of products that we are also developing and commercializing could have an adverse impact on our market position.

We entered into an amended and restated letter agreement with the Bill & Melinda Gates Foundation, or the Gates Agreement, in January 2022, which amends and restates the letter agreement with the Bill & Melinda Gates Foundation that we entered into in December 2016. In connection with the original Gates Agreement, the Bill & Melinda Gates Foundation purchased $20.0 million of shares of our convertible preferred stock which converted to shares of our common stock after our initial public offering and purchased $40.0 million of shares of our common stock. We are obligated to use the proceeds of the Bill & Melinda Gates Foundation's investment in furtherance of its charitable purposes to perform certain activities set forth in the Gates Agreement. For additional information regarding our obligations under the Gates Agreement, see the section titled "Business—Our Collaboration, License and Grant Agreements—Amended and Restated Letter Agreement with the Bill & Melinda Gates Foundation" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

If we fail to comply with (i) our obligations to use the proceeds of the Bill & Melinda Gates Foundation's investment for the purposes described in the paragraph above and to not use such proceeds for specified prohibited uses, (ii) specified reporting requirements or (iii) specified applicable laws, or if we materially breach our specified global access commitments (any such failure or material breach, a specified default), we will be obligated to redeem or arrange for a third party to purchase all of our stock purchased by the Bill & Melinda Gates Foundation under the Gates Agreement, at the Bill & Melinda Gates Foundation's request, at a price equal to the greater of (1) the original purchase price or (2) the fair market value, which amount may increase in the event of a sale of our company or all of our material assets relating to the Gates Agreement. Additionally, if a specified default occurs or if we are unable or unwilling to continue the HIV program, tuberculosis program, vaccinal antibody program or, if applicable, the mutually agreed additional program (except for scientific or technical reasons), or if we institute bankruptcy or insolvency proceedings, then the Bill & Melinda Gates Foundation will have the right to exercise a non-exclusive, fully-paid license (with the right to sublicense) under our intellectual property to the extent necessary to use, make and sell products arising from such programs, in each case solely to the extent necessary to benefit people in the developing countries in furtherance of the Bill & Melinda Gates Foundation's charitable purpose.

The exercise by the Bill & Melinda Gates Foundation of any of its non-exclusive licenses to certain of our intellectual property (or its right to obtain such licenses), and its development and commercialization of product candidates and products that we are also developing and commercializing, could have an adverse impact on our market position.

Risks Related to Our Business Operations, Employee Matters and Managing Growth

We are highly dependent on our key personnel, and if we are not able to retain these members of our management team or recruit and retain additional management, clinical and scientific personnel, our business could be harmed.

We are highly dependent on our management, clinical and scientific personnel. Our key personnel may currently terminate their employment with us at any time. The loss of the services of any of these persons could impede the achievement of our research, development and commercialization objectives. Additionally, we do not currently maintain "key person" life insurance on the lives of our executives or any of our employees.

We have recently announced several leadership changes, including a Chief Executive Officer transition in 2023. Management transitions may create uncertainty and involve a diversion of resources and management attention, be disruptive to our daily operations or impact public or market perception, any of which could negatively impact our ability to operate effectively or execute our strategies.

Recruiting, integrating and retaining other senior executives, qualified scientific and clinical personnel and, if we progress the development of any of our product candidates, commercialization, manufacturing and sales and marketing personnel, will be critical to our success. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize our product candidates.

We have in the past and may in the future acquire or invest in other companies or technologies, which could divert our management's attention, result in dilution to our stockholders and otherwise disrupt our operations and adversely affect our operating results.

We have in the past and may in the future seek to acquire or invest in additional businesses and/or technologies that we believe complement or expand our product candidates, enhance our technical capabilities or otherwise offer growth opportunities in the United States and internationally. The pursuit of potential acquisitions and investments may divert the attention of management and cause us to incur various expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. In addition, we are exposed to market risks related to our investments, including changes in fair value of equity securities we hold, which is discussed in greater detail under Part I, Item 3. Quantitative and Qualitative Disclosures About Market Risk.

For example, we acquired TomegaVax, Inc., or TomegaVax, in September 2016, Humabs BioMed SA, or Humabs, in August 2017, Agenovir Corporation, or Agenovir, in January 2018 and Statera Health, LLC, or Statera, in February 2018. Realizing the benefits of these acquisitions will depend upon the successful integration of the acquired technology into our existing and future product candidates. We also may not realize the anticipated benefits from any acquired business. We face many risks in connection with acquisitions and investments, whether or not consummated. A significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually. If our acquisitions do not yield expected returns, we may in the future be required to take charges to our operating results based on this impairment assessment process, which could adversely affect our business, financial condition, results of operations and prospects.

Furthermore, acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our operating results. In addition, if an acquired business fails to meet our expectations, our business, financial condition, results of operations and prospects may suffer. We cannot assure you that we will be successful in integrating the businesses or technologies we may acquire. The failure to successfully integrate these businesses could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our success depends on our ability to manage our growth.

We have in the past experienced, and expect to continue to experience, growth in the scope of our operations, particularly in the areas of research, development and regulatory affairs. In addition, if any of our product candidates receives marketing approval, we will need to build out our sales and marketing capabilities, either on our own or with others. To manage any future growth, we must continue to implement and improve our managerial, operational and financial systems, improve our facilities, and continue to recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. We may not be able to effectively manage any further expansion of our operations, recruit and train additional qualified personnel, or succeed at effectively integrating employees into our operations. Any inability to manage growth could delay the execution of our business plans or disrupt our operations.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations, and those of our CDMOs, CROs and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, public health pandemics or epidemics (including, for example, the COVID-19 endemic), geopolitical events, including civil or political unrest in any of our business locations, terrorism, insurrection or war (such as the ongoing war between Israel and Hamas and Ukraine and Russia), and other natural or man-made disasters or business interruptions, for which we are predominantly self-insured. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.

Our ability to develop our product candidates could be disrupted if our operations or those of our suppliers are affected by geopolitical events, man-made or natural disasters or other business interruptions. Our corporate headquarters are located in California near major earthquake faults and fire zones. The ultimate impact on us, our significant suppliers and our general infrastructure of being located near major earthquake faults and fire zones and being consolidated in certain geographical areas is unknown, but our operations and financial condition could suffer in the event of a major earthquake, fire or other natural disaster.

Our business could be materially adversely affected by the effects of public health outbreaks, pandemics or epidemics, including the COVID-19 pandemic and future pandemics.

Our business could be materially adversely affected by the effects of public health outbreaks, pandemics or epidemics, including the COVID-19 pandemic, the evolution of new and existing variants or subvariants of COVID-19 that are resistant to existing treatments or vaccinations and any future pandemics.

Public health outbreaks, pandemics or epidemics pose the risk that we or our employees, contractors, suppliers, CDMOs or other partners may be prevented from conducting business activities for an indefinite period of time due to spread of the disease, or due to shutdowns that may be requested or mandated by federal, state and local governmental authorities. Business disruptions could include restrictions on our ability to travel, quarantine orders, temporary closures of our facilities or the facilities of our contractors, suppliers, CDMOs and other partners and other restrictions by governments to reduce the spread of the disease. The effects of these business disruptions may negatively impact productivity, limit our ability to obtain sufficient materials, raise the cost of materials (or otherwise disrupt our supply chain) and delay our clinical programs and timelines, the magnitude of which will depend, in part, on the length and severity of such business disruptions.

For example, our clinical studies were affected by the COVID-19 pandemic. Site initiation and patient enrollment were delayed due to prioritization of hospital resources toward the COVID-19 pandemic, and, if there are future quarantines which impede patient movement or interrupt healthcare services, some patients may not be able or willing to comply with clinical trial protocols. Similarly, our ability to recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19, was delayed or disrupted, which had adversely impacted our clinical trial operations. The public health emergency declarations related to COVID-19 ended on May 11, 2023. In addition, the FDA ended 22 COVID-19-related policies when the public health emergency ended on May 11, 2023, and the FDA allowed 22 related-policies to continue for 180 days. The FDA plans to retain 24 COVID-19-related policies with appropriate changes and four policies whose duration is not tied to the end of the public health emergency. However, at this point, it is unclear how, if at all, these developments will impact our efforts to develop and commercialize our product candidates.

Additionally, since the COVID-19 pandemic, we have been operating our business with both remote and in-person workers could have a negative impact on our corporate culture, decrease the ability of our workforce to collaborate and communicate effectively, decrease innovation and productivity, or negatively affect workforce morale. If we are unable to manage cybersecurity and other risks of a flexible-first workforce model, and maintain our corporate culture and workforce morale, our business could be harmed or otherwise adversely impacted.

If our information systems, or those maintained on our behalf, fail or suffer security breaches, such events could result in, without limitation, the following: a significant disruption of our product development programs; an inability to operate our business effectively; unauthorized access to or disclosure of the personal information we process; and other adverse effects on our business, financial condition, results of operations and prospects.

Our computer and information technology systems, cloud-based computing services and those of our current and any future collaborators, service providers and other parties upon whom we rely are potentially vulnerable to malware, computer viruses, denial-of-service attacks, ransomware attacks, user error or malfeasance, data corruption, cyber-based attacks, natural disasters, public health pandemics or epidemics, geopolitical events, including civil or political unrest, terrorism, war and telecommunication and electrical failures that may result in damage to or the interruption or impairment of key business processes, or the loss or corruption of our information, including intellectual property, proprietary business information and personal information. We may also experience server malfunction, software or hardware failures, supply-chain cyber-attacks, loss of data or other computer assets and other similar issues. We have experienced minor or inconsequential security breaches of our information technology systems, such as through attempted business email compromises. The techniques used to sabotage or to obtain unauthorized access to information systems, and networks in which cyber threat actors store data or through which they transmit data change frequently and we may be unable to implement adequate preventative measures. For example, attackers have used artificial intelligence and machine learning to launch more automated, targeted and coordinated attacks against targets. Any significant system failure, accident or security breach could have a material adverse effect on our business, financial condition and operations.

We may be required to expend significant resources, fundamentally change our business activities and practices, or modify our operations, including our clinical trial activities, or information technology in an effort to protect against security breaches and to detect (including performing required forensics), mitigate and remediate actual and potential vulnerabilities. Relevant laws, regulations, industry standards and contractual obligations may require us to implement specific security measures or use industry-standard or reasonable measures to protect against security breaches. The costs to us to mitigate network security problems, bugs, viruses, worms, malicious software programs, security breaches and security vulnerabilities could be significant, and while we have implemented security measures to protect our data security and information technology systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, data loss or corruption, delays, cessation of service and other harm to our business and our competitive position. If the information technology systems of our third-party vendors become subject to disruptions or security breaches, we may have insufficient recourse against such third parties and we may have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. Although we maintain cybersecurity insurance coverage, such insurance may not be adequate to cover all liabilities that we may incur. Furthermore, if a security breach were to occur and cause interruptions in our operations, it could result in a disruption of our development programs and our business operations, whether due to a loss of our trade secrets or other proprietary information or other similar disruptions.

In addition, such a breach may require notification to governmental agencies, supervisory bodies, credit reporting agencies, the media, individuals, collaborators or others pursuant to various federal, state and foreign data protection, privacy and security laws, regulations and guidelines, industry standards, our policies and our contracts, if applicable. In addition, the U.S. Securities and Exchange Commission adopted rules in 2023 requiring us to publicly disclose certain cybersecurity incidents. Such notices could harm our reputation and our ability to compete. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to a material adverse effect on our reputation, business, or financial condition. Additionally, federal, state and foreign laws and regulations can expose us to enforcement actions and investigations by regulatory authorities, and potentially result in regulatory penalties and significant legal liability, if our information technology security efforts fail.

We and the third parties with whom we work are subject to stringent privacy laws, information security laws, regulations, policies and contractual obligations related to data privacy and security and changes in such laws, regulations, policies, contractual obligations and failure by us or the third parties with whom we work to comply with such requirements could subject us to significant fines and penalties, investigations and/or reputational harm, which may have a material adverse effect on our business, financial condition or results of operations.

We and the third parties with whom we work are subject to local, state, federal and international data privacy and protection laws and regulations that apply to the collection, transmission, storage and use of personally identifying information, which among other things, impose certain requirements relating to the privacy, security and transmission of personal information, including comprehensive regulatory systems in the United States, EU and the U.K. The legislative and regulatory landscape for privacy and data protection continues to evolve in jurisdictions worldwide, and there has been an increasing focus on privacy and data protection issues with the potential to affect our business. Additionally, our use of AI and machine learning may be subject to laws and evolving regulations regarding the use of AI or machine learning, controlling for data bias, and anti-discrimination. Implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards, or perception of their requirements may have on our business. Failure by us or any of the third parties with whom we work to comply with any of these laws and regulations could result in investigations or enforcement action against us, including fines, claims for damages by affected individuals, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations or prospects.

If we are unable to properly protect the privacy and security of protected health information, we could be found to have breached our contracts. Further, if we fail to comply with applicable privacy laws, we could face civil and criminal penalties.

Numerous states in the U.S., including California, have passed comprehensive privacy laws and other states are considering passing such laws. These laws create obligations related to the processing of personal information, as well as special obligations for the processing of “sensitive” data (which includes health data in some cases). Congress has also considered passing a federal privacy law. These laws may impact our business activities, including our identification of research subjects, relationships with business partners and ultimately the marketing and distribution of our products.

Similar to the laws in the United States, there are significant privacy and data security laws that apply in Europe and other countries. The collection, use, disclosure, transfer or other processing of personal data, including personal health data, regarding individuals who are located in the European Economic Area, or EEA, and the processing of personal data that takes place in the EEA, is regulated by the GDPR, which went into effect in May 2018 and which imposes obligations on companies that operate in our industry with respect to the processing of personal data and the cross-border transfer of such data. The GDPR imposes onerous accountability obligations requiring data controllers and processors to maintain a record of their data processing and policies. If our or our collaboration partners' or service providers' privacy or data security measures fail to comply with the GDPR requirements, we may be subject to litigation, regulatory investigations, enforcement notices requiring us to change the way we use personal data and/or fines of up to 20 million Euros or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher, as well as compensation claims by affected individuals, negative publicity, reputational harm and a potential loss of business and goodwill.

In addition, we may be unable to transfer personal data from Europe and other jurisdictions to the United States or other countries due to data localization requirements or limitations on cross-border data flows. Although there are various mechanisms that may be used in some cases to lawfully transfer personal data to the United States or other countries, these mechanisms are subject to legal challenges and may not be available to us. An inability or material limitation on our ability to transfer personal data to the United States or other countries could materially impact our business operations.

While we continue to address the implications of the recent changes to data privacy regulations, data privacy remains an evolving landscape at both the domestic and international level, with new regulations coming into effect and continued legal challenges, and our efforts to comply with the evolving data protection rules may be unsuccessful. It is possible that these laws may be interpreted and applied in a manner that is inconsistent with our practices. We must devote significant resources to understanding and complying with this changing landscape. Failure to comply with laws regarding data protection would expose us to risk of enforcement actions taken by data protection authorities in the EEA and elsewhere and carries with it the potential for significant penalties if we are found to be non-compliant. Similarly, failure to comply with federal and state laws in the United States regarding privacy and security of personal information could expose us to penalties under such laws. Any such failure to comply with data protection and privacy laws could result in government-imposed fines or orders requiring that we change our practices, claims for damages or other liabilities, regulatory investigations and enforcement action, litigation and significant costs for remediation, any of which could adversely affect our business. Even if we are not determined to have violated these laws, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could harm our business, financial condition, results of operations or prospects.

Our employees, principal investigators, consultants and commercial partners may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, insider trading laws, or contractual obligations.

We are exposed to the risk of fraud or other misconduct by our employees, principal investigators, consultants and commercial partners. Misconduct by these parties could include intentional failures, reckless and/or negligent conduct or unauthorized activities that violates (i) the laws and regulations of FDA and other regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities, (ii) manufacturing standards, (iii) federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations in the United States and abroad, (iv) laws that require the true, complete and accurate reporting of financial information or data, (v) insider trading laws that restrict the buying and selling of shares of securities while in possession of material non-public information, (vi) federal and state data privacy laws and regulations and (vii) contractual obligations of Vir or such parties. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. Such misconduct also could involve the improper use of individually identifiable information, including, without limitation, information obtained in the course of clinical studies, creating fraudulent data in our preclinical studies or clinical studies or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to our reputation.

It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from government investigations or other actions or lawsuits stemming from a failure to comply with these contractual provisions, laws or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud, violations or other misconduct, even if none occurred. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participating in government-funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of noncompliance with these laws, contractual damages, reputational harm and the curtailment or restructuring of our operations, any of which could have a negative impact on our business, financial condition, results of operations and prospects.

Our ability to use our net operating losses, or NOLs, to offset future taxable income may be subject to certain limitations.

As of December 31, 2023, we had net operating loss carryforwards of $487.0 million for federal tax purposes and $415.4 million for state tax purposes. If not utilized, federal carryforwards will begin expiring in 2036 and state carryforwards will begin expiring in 2031. Our ability to use our federal and state NOLs to offset potential future taxable income is dependent upon our generation of future taxable income before any expiration dates of the NOLs, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our NOLs.

Beginning in 2022, the Tax Cuts and Jobs Act of 2017 eliminated the option to deduct research and development expenditures currently and requires taxpayers to capitalize and amortize them over five or fifteen years pursuant to Section 174 of the Internal Revenue Code of 1986, as amended, or the Code. Although Congress is considering legislation that could repeal such requirement or defer the amortization requirement to later years, it is not certain that the provision will be repealed or otherwise modified. If the requirement is not modified, it will continue to reduce our anticipated net operating losses over the next several years.

Risks Related to Ownership of Our Common Stock

Our financial condition and results of operations may fluctuate from quarter to quarter and year to year, which makes them difficult to predict.

We expect our financial condition and results of operations to fluctuate from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control. Accordingly, you should not rely upon the results of any quarterly or annual periods as indications of future operating performance. Factors that may cause fluctuations in our financial condition and results of operations include, without limitation, those listed elsewhere in this “Risk Factors” section.

In addition, our collaboration revenue and certain assets and liabilities are subject to foreign currency exchange rate fluctuations due to the global nature of our operations. As a result, currency fluctuations among our reporting currency, the U.S. dollar, and other currencies in which we do business will affect our operating results, often in unpredictable ways. Currency exchange rates have been especially volatile in the recent past, and these currency fluctuations have affected, and may continue to affect, our assets and liabilities denominated in foreign currency. We are also exposed to market risks related to our investments, including changes in fair value of equity securities we hold which may fluctuate from quarter to quarter and year to year. For additional information, see Part I, Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The market price of our common stock has been, and in the future, may be, volatile and fluctuate substantially, which could result in substantial losses for purchasers of our common stock.

Our stock price has been, and in the future, may be, subject to substantial volatility. From October 11, 2019, our first day of trading on The Nasdaq Global Select Market, or Nasdaq, through October 25, 2024, the closing price of our stock ranged from $7.26 per share to $83.07 per share. As a result of the volatility in our stock price, our stockholders could incur substantial losses.

The stock market in general and the market for biopharmaceutical and pharmaceutical companies in particular, has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The COVID-19 pandemic, for example, negatively affected some sectors of the stock market and investor sentiment and resulted in significant volatility. In addition, economic trends and other external factors including, but not limited to, heightened inflation, interest rate and currency rate fluctuations, economic slowdown or recession, capital markets volatility, foreign market trends, national crisis, and disasters, may impact the market price of our common stock and result in volatility. As a result of this volatility, you may not be able to sell your common stock at or above the price you paid for your shares. Market and industry factors may cause the market price and demand for our common stock to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from selling their shares at or above the price paid for the shares and may otherwise negatively affect the liquidity of our common stock.

Moreover, sales of a substantial number of shares of our common stock by our stockholders in the public market or the perception that these sales might occur, have in the past, and may in the future depress the market price of our common stock. Information related to our research, development, manufacturing, regulatory and commercialization efforts with respect to any of our product candidates or information regarding such efforts by competitors with respect to their potential therapies, may also meaningfully impact our stock price.

Some companies that have experienced volatility in the trading price of their shares have been the subject of securities class action litigation. Any lawsuit to which we are a party, with or without merit, may result in an unfavorable judgment. We also may decide to settle lawsuits on unfavorable terms. Any such negative outcome could result in payments of substantial damages or fines, damage to our reputation or adverse changes to our business practices. Defending against litigation is costly and time-consuming and could divert our management's attention and our resources. Furthermore, during the course of litigation, there could be negative public announcements of the results of hearings, motions or other interim proceedings or developments, which could have a negative effect on the market price of our common stock.

Concentration of ownership of our common stock among our existing executive officers, directors and principal stockholders may prevent new investors from influencing significant corporate decisions.

Our executive officers, directors and stockholders who own more than 5% of our outstanding common stock beneficially own a significant percentage of our outstanding common stock. If these persons acted together, they may be able to significantly influence all matters requiring stockholder approval, including the election and removal of directors and approval of any merger, consolidation or sale of all or substantially all of our assets. The concentration of voting power and transfer restrictions could delay or prevent an acquisition of our company on terms that other stockholders may desire or result in the management of our company in ways with which other stockholders disagree.

If research analysts do not publish research or reports, or publish unfavorable research or reports, about us, our business or our market, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or financial analysts publish about us or our business. If any of the analysts who cover us issue an adverse or misleading opinion regarding us, our business model, our intellectual property or our stock performance, or if the clinical studies and operating results fail to meet the expectations of analysts, our stock could decline. If analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

You should not rely on an investment in our common stock to provide dividend income. We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain in the foreseeable future.

We have incurred and we will continue to incur significant increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives.

As a public company, we are subject to the reporting requirements of the Exchange Act, the listing standards of Nasdaq, the Sarbanes-Oxley Act, and other applicable securities rules and regulations. We have incurred and will continue to incur significant legal, accounting, investor relations and other expenses to comply with these rules and regulations.

Stockholder activism, the current political environment and the current high level of U.S. government intervention and regulatory reform may also lead to substantial new regulations and disclosure obligations, which may in turn lead to additional compliance costs and impact the manner in which we operate our business in ways we do not currently anticipate. Our management and other personnel will need to devote a substantial amount of time to comply with these requirements. Moreover, these requirements will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance. We cannot predict or estimate the amount or timing of additional costs we may incur to respond to these requirements.

If we fail to develop or maintain proper and effective internal control over financial reporting, our ability to produce accurate and timely financial statements could be impaired, investors may lose confidence in us and the trading price of our common stock may decline.

Effective internal control over financial reporting are necessary for us to provide reliable financial reports and effectively prevent fraud and operate successfully as a public company. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If our internal control over financial reporting is not effective, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting could also restrict our future access to the capital markets.

A material weakness in internal control over financial reporting has in the past and could in the future lead to deficiencies in the preparation of financial statements. Deficiencies in the preparation of financial statements, could lead to litigation claims against us. The defense of any such claims may cause the diversion of management's attention and resources, and we may be required to pay damages if any such claims or proceedings are not resolved in our favor. Any litigation, even if resolved in our favor, could cause us to incur significant legal and other expenses. Such events could also affect our ability to raise capital to fund future business initiatives.

Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.

Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board or the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, may retroactively affect previously reported results, could cause unexpected financial reporting fluctuations and may require us to make costly changes to our operational processes and accounting systems.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our corporate charter and our bylaws may discourage, delay or prevent a merger, acquisition or other change in control of us that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions also could limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. For a summary of these provisions, see the section titled "Anti-Takeover Provisions of Delaware Law and Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws—Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws" in Exhibit 4.3 Description of Capital Stock, as updated by our Amended and Restated Bylaws filed herewith as Exhibit 3.2.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law:

- any derivative action or proceeding brought on our behalf;
- any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or other employees to us or our stockholders;
- any action or proceeding asserting a claim against us or any of our current or former directors, officers or other employees, arising out of or pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws;
- any action or proceeding to interpret, apply, enforce or determine the validity of our certificate of incorporation or our bylaws; and
- any action asserting a claim against us or any of our directors, officers or other employees governed by the internal affairs doctrine.

This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act of 1933, as amended, or the Securities Act, creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation further provides that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, unless we consent in writing to the selection of an alternative forum. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find the exclusive-forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could harm our business.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Director and Officer Trading Arrangements

A portion of the compensation of the Company's directors and officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is in the form of equity awards and, from time to time, directors and officers may engage in open-market transactions with respect to the securities acquired pursuant to such equity awards or other Company securities, including to satisfy tax withholding obligations when equity awards vest or are exercised, and for diversification or other personal reasons.

Transactions in Company securities by directors and officers are required to be made in accordance with the Company's insider trading policy, which requires that the transactions be in accordance with applicable U.S. federal securities laws that prohibit trading while in possession of material nonpublic information. Rule 10b5-1 under the Exchange Act provides an affirmative defense that enables directors and officers to prearrange transactions in the Company's securities in a manner that avoids concerns about initiating transactions while in possession of material nonpublic information.

During the quarterly period covered by this report, none of our directors or officers entered into or terminated a Rule 10b5-1 trading arrangement or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) except as follows:

On July 15, 2024, the Company issued restricted stock units ("RSUs") subject to mandatory sell-to-cover tax withholding arrangements intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c) to Mark Eisner, M.D., M.P.H., our Executive Vice President and Chief Medical Officer.

On August 5, 2024 , for estate and financial planning purposes, Dr. Eisner , adopted a Rule 10b5-1 trading plan for the sale of our common stock that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c) (the "Eisner Trading Plan"). The Eisner Trading Plan provides for a sale of up to 53,125 shares issuable upon the exercies of stock options pursuant to limit orders, which orders will be in effect from approximately July 15, 2025 to December 31, 2025 . The Eisner Trading Plan also provides for a sale of RSU shares pursuant to a market order and a limit order, which orders will be in effect from approximately July 17, 2025 to December 31, 2025. The RSU share sales are intended to generate funds to satisfy Dr. Eisner's tax obligation in connection with the RSU shares that will vest in 2025 pursuant to the RSU award granted to him on July 15, 2024. The number of RSU shares that will be sold under this arrangement is not currently determinable as the number will vary based on the extent to which vesting conditions are satisfied, the Company's stock price and the number of RSU shares that are sold upon vesting pursuant to the mandatory sell to cover tax withholding arrangements described above. Under the Company's 10b5-1 plan guidelines, Dr. Eisner is prohibited from selling more than 50,000 shares in a single trading day. The Eisner Trading Plan will expire upon the earlier of (i) the date all sales contemplated by the Eisner Trading Plan have been executed, or (ii) December 31, 2025 .

Item 6. Exhibits.

(a) Exhibits.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-39083), filed with the SEC on October 16, 2019).
3.2	Amended and Restated Bylaws of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-39083), filed with the SEC on March 8, 2023).
10.1†	License Agreement between the Company and Amunix Pharmaceuticals, Inc., dated as July 31, 2024
10.2+	Offer Letter between the Company and Jason O'Byrne, dated September 6, 2024
10.3†	Amendment No. 2 to the Other Transaction for Advanced Research (OTAR) between the Company and the United States of America Department of Health and Human Services, Administration for Strategic Preparedness and Response, Biomedical Advanced Research and Development Authority, concerning Pre-exposure Prophylactic Monoclonal Antibodies for the Prevention of Influenza Illness and Medical Countermeasures for Other Emerging Pathogens of Pandemic Potential (Agreement No. 75A50122C00081, Amendment No. P00002), dated January 18, 2024
10.4†	Amendment No.3 to the Other Transaction for Advanced Research (OTAR) between the Company and the United States of America Department of Health and Human Services, Administration for Strategic Preparedness and Response, Bi omedical Advanced Research and Development Authority, concerning Pre-exposure Prophylactic Monoc lonal Antibodies for the Prevention of Influenza and Medical Countermeasures for Other Emerging Pathogens of Pandemic Potential (Agreement No. 75A0122C00081, Amendment No. P00003), dated September 9, 2024
31.1	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

+ Indicates a management contract or compensatory plan or arrangement.

† Certain portions of this exhibit (indicated by "[***]") have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

* The certification attached as Exhibit 32.1 accompanies this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VIR BIOTECHNOLOGY, INC.

Date: November 4, 2024 By: /s/ **Marianne De Backer**

Marianne De Backer, M.Sc., Ph.D., MBA
Chief Executive Officer and Director
(Principal Executive Officer)

Date: November 4, 2024 By: **/s/ Jason O'Byrne**

Jason O'Byrne
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

Execution Version

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT VIR BIOTECHNOLOGY, INC. TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AGREEMENT

between

AMUNIX PHARMACEUTICALS, INC.

and

VIR BIOTECHNOLOGY, INC.

Dated as of July 31, 2024

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SCHEDULES

EXHIBITS

LICENSE AGREEMENT

This License Agreement (this "**Agreement**") is made and entered into as of July 31, 2024 (the "**Execution Date**") by and between Amunix Pharmaceuticals, Inc., a Delaware corporation, having corporate offices located at 2 Tower Pl #1100, South San Francisco, California, 94080 ("**Sanofi**") and Vir Biotechnology, Inc., a Delaware corporation, having corporate offices located at 1800 Owens Street, Suite 900, San Francisco, CA 94158 ("**Vir**"). Sanofi and Vir are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, Sanofi is a pharmaceutical company engaged in the research, development, manufacturing, marketing, and distribution of biopharmaceutical products;

WHEREAS, Vir is an immunology company focused on combining cutting-edge technologies to treat and prevent serious infectious diseases and other serious conditions, including viral-associated diseases; and

WHEREAS, Sanofi desires to grant, and Vir desires to obtain, certain licenses and other rights to Exploit compounds and products, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

ARTICLE 1
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.A "**20-1846 Family**" means the Patents identified as the 20-1846 Patent family by the inclusion of "20-1846" in the corresponding Sanofi Ref. No. identified in Schedule 1.100 (Licensed Amunix Sub-Platform Patents).

1.B "**Accountant**" has the meaning set forth in Section 6.12 (Audit Dispute).

1.C "**Accounting Standards**" means the then-current version financial reporting standards followed by Vir, its Affiliate or Sublicensee, examples of which are IFRS (International Financial Reporting Standards) and GAAP (United States generally accepted accounting principles), in each case consistently applied.

1.D "**Acquisition Date**" means the date of closing under the Merger Agreement.

1.E "**Active Pathogen Infection**" means an infection in a patient in which the pathogen is detectable in the patient but not dormant.

1.F "**Affiliate**" means, with respect to a Party, any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Party. For purposes of this definition, "control" and, with correlative meanings, the terms "controlled by" and "under common control with" means (a) the possession, directly or indirectly, of the power to direct the management or policies of a business entity, whether through the ownership of voting securities, by contract relating to voting rights or

corporate governance, or otherwise, or (b) the ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities or other ownership interest of a business entity (or, with respect to a limited partnership or other similar entity, its general partner or controlling entity).

1.G "**Agreement**" has the meaning set forth in the preamble hereto.

1.H "**Amunix Platform**" means all accessory-modified polypeptides that (a) include at least one accessory polypeptide, and (b) include at least one biologically active polypeptide, wherein at least one accessory polypeptide of clause (a) and/or at least one biologically active polypeptide of clause (b) includes or uses at least one Licensed XTEN, anti-XTEN Antibody, Protease-Cleavable Linker, Barcode, anti-HER2 Binding Domain, anti-EGFR Binding Domain, anti-PSMA Binding Domain, anti-CD3 Binding Domain, or Non-XTEN Activatable T Cell Engager Technology, that (i) are Controlled by Sanofi or its Affiliates as of the Effective Date and (ii) are based on the proprietary technology acquired by Sanofi pursuant to the Merger Agreement, excluding, in each case, antibody discovery technology, cell strains (including mammalian and *E. coli* strains), Nanobody® technology (including any VHH-related technology created or owned by one or more Sanofi Affiliates), any masks other than Licensed XTENs **[***]**, Fc modification technology, any active moiety that is not in a Named Compound and is not solely owned by Sanofi as of the Effective Date, manufacturing technology that is not solely owned by Sanofi as of the Effective Date, and antibodies and binding fragments thereof that are not solely owned by Sanofi as of Effective Date.

1.I **"Amunix Site Employees"** means full-time employees whose designated, full-time work location is at 2 Tower Pl #1100, South San Francisco, California, 94080 and any full-time employee under the direct management thereof. For clarity, Amunix Site Employees includes the Offered Employees.

1.J "**AMX-500**" means the fusion protein identified by the amino acid sequence set forth on Schedule 1.124 (Amino Acid Sequences of Named Compounds), known as AMX-500.

1.K "**AMX-525**" means the fusion protein identified by the amino acid sequence set forth on Schedule 1.124 (Amino Acid Sequences of Named Compounds), known as AMX-525.

1.L "**AMX-818**" means the fusion protein identified by the amino acid sequence set forth on Schedule 1.124 (Amino Acid Sequences of Named Compounds), known as AMX-818.

1.M "**AMX-912**" means the fusion protein identified by the amino acid sequence set forth on Schedule 1.124 (Amino Acid Sequences of Named Compounds), known as AMX-912.

1.N "**anti-CD3 Binding Domain**" means any antibody or fragment thereof that specifically binds CD3 having a sequence that is 90% Homologous to a sequence identified as an anti-CD3 antibody sequence or fragment sequence thereof disclosed in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.O "**anti-EGFR Binding Domain**" means any antibody or fragment thereof that specifically binds EGFR having a sequence that is 90% Homologous to a sequence identified as an anti-EGFR antibody sequence or fragment sequence thereof disclosed in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.P "**anti-HER2 Binding Domain**" means any antibody or fragment thereof that specifically binds HER2 having a sequence that is 90% Homologous to a sequence identified as an anti-HER2 antibody sequence or fragment sequence thereof disclosed in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.Q "**anti-PSMA Binding Domain**" means any antibody or fragment thereof that specifically binds PSMA having a sequence that is 90% Homologous to a sequence identified as an anti-PSMA antibody

sequence or fragment sequence thereof disclosed in (a) any Licensed Patent; or (b) any Licensed Know-How, excluding any anti-PSMA antibody sequence or fragment sequence thereof comprising any VHH technology created or owned by one or more Affiliates of Sanofi set forth in Schedule 1.17 (Anti-PSMA Binding Domain Sequence Exclusions).

1.R "**anti-XTEN Antibody**" means an antibody that specifically binds a Licensed XTEN having a sequence that is 90% Homologous to a sequence identified as an anti-XTEN antibody sequence in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.S "**Antitrust Clearance Date**" means the earliest date on which all applicable (i) waiting periods under the HSR Act and any comparable waiting periods as required under any other Antitrust Law, in each case, with respect to the transactions contemplated by this Agreement, have expired or have been terminated and (ii) authorizations, consents or approvals, in respect of any HSR/Antitrust Filings have been obtained or made.

1.T "**Antitrust Law**" means any Applicable Law that is designed to prohibit, restrict, or regulate actions having the purpose or effect of monopolization, lessening of competition or restraint of trade, including the HSR Act, the Sherman Act, the Clayton Act, and the Federal Trade Commission Act.

1.U "**Antitrust Remedy**" is defined in Section 13.1 (Efforts).

1.V "**Applicable Law**" means all applicable laws, rules, and regulations of any Governmental Authority, including any rules, regulations, guidelines (including Good Clinical Practices, Good Laboratory Practices and Goods Manufacturing Practices, as respectively defined under the ICH Guidelines) or other requirements of the Regulatory Authorities that may be in effect from time to time.

1.W "**Assignment and Assumption Agreement**" means that certain Assignment and Assumption Agreement entered into by the Parties as of the Effective Date, attached hereto as Exhibit 1.23 (Assignment and Assumption Agreement).

1.X "**Background IP**" means has the meaning set forth in Section 7.1.2 (Background IP).

1.Y "**Barcode**" means any polypeptide fragment, occurring within a polypeptide chain, wherein the fragment is at least **[***]** amino acids long, occurs only once within the polypeptide chain, is releasable from the polypeptide chain by digestion with a non-mammalian protease, and is 90% Homologous to a sequence identified as a barcode in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.Z "**Biosimilar Launch**" means, with respect to a Licensed Product or Vir Program Product in a country or jurisdiction, the first sale of a Biosimilar Product intended for end use or consumption of such Biosimilar Product in such country or jurisdiction after Regulatory Approval for the Biosimilar Product in such country or jurisdiction has been granted.

1.AA "**Biosimilar Product**" means, with respect to a Licensed Product or Vir Program Product in a country or jurisdiction, any product Commercialized by a Third Party that (a) has been granted a Regulatory Approval as a biosimilar or interchangeable product by the FDA pursuant to Section 351(k) of the PHSA (42 U.S.C. § 262(k)), or has been granted a Regulatory Approval that otherwise references or relies on such Licensed Product or Vir Program Product; (b) has been granted a Regulatory Approval in the E.U. or any member state thereof as a generic medicinal product or a similar biological medicinal product with the Licensed Product as the reference medicinal product pursuant to Article 10 of Directive 2001/83/EC; or (c) has otherwise received Regulatory Approval as a generic, biosimilar or interchangeable product from any applicable Regulatory

Authority in such country or jurisdiction, including by referencing or relying on Regulatory Approvals (or Data therein) of such Licensed Product or Vir Program Product.

1.AB "**BLA**" means a biologic license application under the PHSA.

1.AC "**BPCIA**" means the Biologics Price Competition and Innovation Act of 2009.

1.AD "**Breaching Party**" has the meaning set forth in Section 12.2 (Termination of this Agreement for Material Breach).

1.AE "**Business Day**" means any day other than (a) a Saturday or Sunday or (b) any day on which commercial banks in (i) San Francisco, California, or (ii) Paris, France, are authorized or required by Applicable Law to remain closed.

1.AF "**Calendar Quarter**" means each successive period of three (3) calendar months commencing on January 1, April 1, July 1, and October 1.

1.AG "**Calendar Year**" means each successive period of twelve (12) calendar months commencing on January 1 and ending on December 31.

1.AH "**Change of Control**" means, with respect to a Person, (a) the acquisition by a Third Party (other than acquisitions by employee benefit plans sponsored or maintained by such Person) of shares representing more than fifty percent (50%) of the aggregate ordinary voting power entitled to vote for the election of directors represented by the issued and outstanding stock of such Person, whether in one transaction or a series of related transactions, but excluding the issuance of shares in financing transactions, including any venture capital financing or any public offering; (b) a merger or consolidation under Applicable Law of such Person with a Third Party in which the shareholders of such Person immediately prior to such merger or consolidation do not continue to hold immediately following the closing of such merger or consolidation at least fifty percent (50%) of the aggregate ordinary voting power entitled to vote for the election of directors represented by the issued and outstanding stock of the entity surviving or resulting from such consolidation; or (c) a sale or other disposition of all or substantially all of the assets of such Person to a Third Party in one transaction or a series of related transactions.

1.AI "**Clinical Data**" means all data (including detailed patient-level data), reports, analyses, results, case report forms, adverse event reports, trial records, and other information (including all protocols, methods, processes, practices, formulae, instructions, techniques, and procedures) with respect to the Licensed Compound and the Licensed Products made, collected, or otherwise generated under or in connection with the Clinical Studies.

1.AJ "**Clinical Studies**" means any clinical investigation conducted on human subjects, as that term is defined in FDA regulations at 21 C.F.R. § 312.3, or a similar clinical investigation conducted on human subjects, as defined under Applicable Law outside the United States. Without limiting the foregoing, "Clinical Study" includes any Phase 1 Clinical Study, Phase 1/2 Clinical Study, Phase 2 Clinical Study, and Phase 3 Clinical Study.

1.AK "**Co-Exclusive**" means, with respect to the license granted by Sanofi pursuant to Section 2.1.3 (Co-Exclusive License to Vir Program Co-Exclusive Compounds and the Vir Program Co-Exclusive Products), that Vir, its Affiliates, and its Sublicensees shall be the only Persons who may practice the Licensed IP to Exploit a Co-Exclusive Compound or Co-Exclusive Product arising from use of the Amunix Platform in the Territory in the Platform License Field other than: (a) Sanofi and its Affiliates and their respective

subcontractors in connection with Exploiting Co-Exclusive Compounds and Co-Exclusive Products, (b) any Third Party or its subcontractors in connection with a collaboration, partnership, or joint-venture transaction with Sanofi or its Affiliates for the purpose of Exploiting such Co-Exclusive Compounds or Co-Exclusive Products, and (c) subject to Section 2.12 (Vir First Right of Negotiation), any Third Party (or its subcontractors) to which Sanofi or its Affiliates licenses or otherwise transfers Exploitation rights for any such Co-Exclusive Compound or Co-Exclusive Product in any country or territory after Sanofi and its Affiliates has discontinued or has decided to discontinue all or substantially all Research, Development, and Commercialization activities with respect to such Co-Exclusive Compound or Co-Exclusive Product in such country or territory (such license or other transfer referenced in this clause (c), a "**Co-Exclusive ROFN Transaction**").

1.AL "**Co-Exclusive Compound**" means any compound that (a) includes at least one Co-Exclusive Platform Component, and (b) does not include a Licensed XTEN.

1.AM "**Co-Exclusive Platform Component**" means (i) a Protease-Cleavable Linker that is at least **[***]** amino acids long, (ii) a Barcode, (iii) an anti-EGFR Binding Domain having an amino acid sequence that is identical to the amino acid sequence of the anti-EGFR Binding Domain in AMX-525, (iv) an anti-PSMA Binding Domain created by or on behalf of Sanofi prior to the Acquisition Date, or (v) an anti-CD3 Binding Domain having an amino acid sequence that is identical to the amino acid sequence of the anti-CD3 Binding Domain in a Named Compound.

1.AN "**Co-Exclusive Product**" means any pharmaceutical preparation containing a Co-Exclusive Compound alone or in combination with one or more additional active ingredients.

1.AO "**Co-Exclusive ROFN Data Package**" has the meaning set forth in Section 2.12.3 (Co-Exclusive ROFN Data Package).

1.AP "**Co-Exclusive ROFN Negotiation Period**" has the meaning set forth in Section 2.12.4 (Co-Exclusive ROFN Negotiation Period).

1.AQ "**Co-Exclusive ROFN Notice**" has the meaning set forth in Section 2.12.2 (Co-Exclusive ROFN Notice).

1.AR "**Co-Exclusive ROFN Transaction**" has the meaning set forth in Section 1.37 (Co-Exclusive).

1.AS "**Combination Product**" means a Licensed Product or Vir Program Product that consists of or contains (a) a Licensed Compound or Vir Program Compound (as applicable) together with (b) one or more other active ingredients that is/are not Licensed Compounds or Vir Program Compounds (as applicable), and wherein (a) and (b) are sold either as a fixed dose or as separate doses in a single package for a single price or as separately packaged products invoiced for a single price.

1.AT "**Commercialization**" means, with respect to a product, any and all activities (whether before or after Regulatory Approval) directed to the marketing, promotion and sale of such product after Regulatory Approval for commercial sale has been obtained, including pre-launch and post-launch marketing, promoting, marketing research, distributing, offering to commercially sell and commercially selling such Licensed Product, importing, exporting or transporting such product for commercial sale, conducting Clinical Studies that are not required to obtain or maintain Regulatory Approval for such product for an indication, which may include epidemiological studies, modeling and pharmacoeconomic studies, post-marketing surveillance studies, investigator sponsored studies and health economics studies, and regulatory affairs (including interacting

with Regulatory Authorities) with respect to the foregoing. When used as a verb, "**Commercializing**" means to engage in Commercialization and "**Commercialize**" and "**Commercialized**" shall have a corresponding meaning.

1.AU "**Commercially Reasonable Efforts**" means, **[***]**.

1.AV "**Competitive Infringement**" means with respect to Infringement of a Patent Covering a Commercialized Licensed Product or Vir Program Product, enforcement pursuant to Section 7.3 (Enforcement of Patents), where the product allegedly infringing such Patent is a Biosimilar Product or is a Commercialized product otherwise directed to the same target or targets as such a Licensed Product or Vir Program Product.

1.AW "**Complaining Party**" has the meaning set forth in Section 12.2 (Termination of this Agreement for Material Breach).

1.AX "**Compound Blocking IP**" means any Patent, excluding Licensed Patents, Controlled by Sanofi or its Affiliates as of the Effective Date or during the Term Covering (i) the composition of a Named Compound; (ii) the composition or formulation used by Sanofi as of the Effective Date for a Licensed Product containing such Named Compound; (iii) a method of Manufacture used by Sanofi as of the Effective Date to produce actual clinical supply of a Named Compound or a Licensed Product containing such Named Compound; (iv) a method of using a Named Compound *in vivo* used by Sanofi as of the Effective Date; or (v) a Research Tool used by Sanofi as of the Effective Date to Research a Named Compound or a Licensed Product containing such Named Compound.

1.AY "**Compound License Field**" means all therapeutic, prophylactic, palliative, and diagnostic uses, excluding the Ophthalmological Field.

1.AZ "**Confidential Information**" has the meaning set forth in Section 9.1 (Confidentiality Obligations).

1.BA "**Control**" means, with respect to any property right, possession of the right, whether directly or indirectly, and whether by ownership, license or otherwise (other than by operation of the license and other grants in Section 2.1 (Grants to Vir) and Section 2.2 (Grants to Sanofi)), to assign or grant a license, sublicense, or other right to or under such property right as provided for herein without violating the terms of any agreement or other arrangement with any Third Party.

1.BB "**Cover**" means, in reference to a particular subject matter (such as a composition of matter, method, or process) and a Patent in a particular country or other jurisdiction, that such subject matter meets or practices all elements or limitations of at least one (1) claim (as interpreted under principles of patent law in such country or jurisdiction or, in the case of applications filed under the Patent Cooperation Treaty, in the jurisdiction of the international searching authority) of such Patent.

1.BC "**Data**" means all data, information, analyses, and results, whether in raw or aggregate form, including preclinical data, *in vitro* and *in vivo* data, *in silico* data, Clinical Data, regulatory, biological, chemical, pharmacological, toxicological, pharmaceutical, physical, analytical, safety, and quality control data.

1.BD "**Derivative Compound**" means, (a) with respect to a Named Compound containing a single polypeptide chain, any fusion protein containing an amino acid sequence that is 90% Homologous to the amino acid sequence of such Named Compound; and (b) with respect to a Named Compound containing two (2) polypeptide chains, any fusion protein containing two (2) polypeptide chains in which each polypeptide chain contains an amino acid sequence that is 90% Homologous to the amino acid sequence of the corresponding

polypeptide chain of such Named Compound and, in each case ((a) and (b)), containing the same number of XTENs as such Named Compound.

1.BE "**Derived Patent**" means any Patent filed by or on behalf of Vir, its Affiliates, or its or their Sublicensees after the Effective Date but before the First Commercial Sale of the first Licensed Product or Vir Program Product, the claims of which are supported by any Licensed Know-How, excluding (i) Patents directed to any compound or uses thereof arising from the Exploitation by or on behalf of Sanofi, its Affiliates, or licensees of the Amunix Platform other than a Licensed Compound and (ii) with respect to Licensed Know-How created after the Acquisition Date, Patents directed to the production, manufacture, processing, formulating (excluding pharmaceutical formulations for *in vivo* administration), filling, finishing, packaging, labeling, shipping, holding, manufacture process development, stability testing, quality assurance, or quality control of a compound or product or any intermediate thereof.

1.BF "**Development**" means, with respect to a product, all activities related to research, preclinical and other non-clinical testing, test method development and stability testing, toxicology, formulation, process development, Clinical Studies, statistical analysis and report writing, the preparation and submission of applications for Regulatory Approvals, regulatory affairs with respect to the foregoing and all other activities necessary or reasonably useful or otherwise requested or required by a Regulatory Authority as a condition or in support of obtaining or maintaining a Regulatory Approval for such product. When used as a verb, "**Develop**" means to engage in Development.

1.BG "**Development and Regulatory Milestone Event**" has the meaning set forth in Section 6.3.1 (Development and Regulatory Milestones).

1.BH "**Development and Regulatory Milestone Payment**" has the meaning set forth in Section 6.3.1 (Development and Regulatory Milestones).

1.BI "**Disclosing Party**" has the meaning set forth in Section 9.1 (Confidentiality Obligations).

1.BJ "**Dispute**" has the meaning set forth in Section 14.6.1 (Executive Negotiations).

1.BK "**Distributors**" means any Person appointed by Vir or any of its Affiliates or its or their Sublicensees to distribute, market and sell Licensed Product with or without packaging rights, in one or more countries or other regions in the Territory, in circumstances where such Person purchases its requirements of Licensed Product from Vir or its Affiliates or its or their Sublicensees but does not otherwise make any royalty or other payment to Vir or its Affiliates or its or their Sublicensees with respect to its intellectual property rights with respect to such Licensed Product.

1.BL "**DOJ**" has the meaning set forth in Section 13.2 (Filings).

1.BM "**Dollars**" or "**$**" means United States Dollars.

1.BN "**Effective Date**" means (a) if a determination is made pursuant to Section 13.2 (Filings) that no HSR/Antitrust Filing is required to be made under any Antitrust Law for this Agreement, the date that is three (3) Business Days after the date of such determination; and (b) if a determination is made pursuant to Section 13.2 (Filings) that an HSR/Antitrust Filing is required to be made under any Antitrust Law for this Agreement, date that is three (3) Business Days after the Antitrust Clearance Date.

1.BO "**Equipment Bill of Sale**" means that certain bill of sale with respect to the Purchased Equipment attached hereto as Exhibit 1.67 (Equipment Bill of Sale).

1.BP "**Escalation Notice**" has the meaning set forth in Section 14.6.1 (Executive Negotiations).

1.BQ "**Escrow Agent**" means **[***]**, or any successor thereto in accordance with the Escrow Agreement.

1.BR "**Escrow Agreement**" means that certain Escrow Agreement, of even date herewith, by and between Sanofi, Vir, and the Escrow Agent, attached hereto as Exhibit 1.70 (Escrow Agreement).

1.BS "**Escrowed Payment**" has the meaning set forth in Section 6.1 (Upfront Payment).

1.BT "**Exclusion Period**" has the meaning set forth in Section 2.6.3(i) (Exclusion Period Restrictions).

1.BU "**Execution Date**" has the meaning set forth in the preamble hereto.

1.BV "**Executive Officer**" means a senior executive of a Party having corporate authority to make decisions regarding this Agreement.

1.BW "**Exploit**" means Research, Develop, Manufacture, perform medical affairs activities for, Commercialize, or otherwise use or exploit. "Exploitation" will be construed accordingly.

1.BX "**FDA**" means the United States Food and Drug Administration and any successor agency thereto.

1.BY "**FFDCA**" means the United States Federal Food, Drug, and Cosmetic Act.

1.BZ "**First Commercial Sale**" means, with respect to a Licensed Product in a country in the Territory, the first sale that constitutes a Net Sale to a Third Party for monetary value for use or consumption by the general public of such Licensed Product in such country after the applicable Regulatory Authority has approved the application for Regulatory Approval for such Licensed Product in such country.

1.CA "**For Cause Audit**" has the meaning set forth in Section 2.6.3(ii) (Audit Right).

1.CB **"Force Majeure Event**" has the meaning set forth in Section 14.1 (Force Majeure).

1.CC "**FTC**" has the meaning set forth in Section 13.2 (Filings).

1.CD **[***]**.

1.CE "**Governmental Authority**" means any court, agency, department, authority, or other instrumentality of any supra-national, federal, national, regional, state, provincial, county, city, local or other political subdivision, including any relevant Regulatory Authority.

1.CF "**Hire Date**" has the meaning set forth in Section 2.13.1 (Offers).

1.CG "**Hired Employee**" has the meaning set forth in Section 2.13.1 (Offers).

1.CH "**Homologous**" means, with respect to two sequences, that such sequences are identical or contain at least the percentage amino acid sequence identity specified in the use of such term when determined across the full length of the longer of the two (2) sequences. For example, a reference to "90% Homologous" means, with respect to two sequences, that such sequences are identical or contain at least 90% amino acid sequence identity when determined across the full length of the longer of the two (2) sequences.

1.CI "**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. § 18a).

1.CJ "**HSR/Antitrust Filing**" means: (a) a filing by Vir and a filing by Sanofi with the FTC and the DOJ of a Notification and Report Form for Certain Mergers and Acquisitions (as that term is defined in the HSR Act), together with all required documentary attachments thereto; or (b) any comparable filing by Vir or Sanofi required under any other Antitrust Law, in each case ((a) or (b)), with respect to the transactions contemplated by this Agreement.

1.CK "**IND**" means an investigational new drug application (including any addition, extension, modification, amendment, or supplement thereto) submitted to the FDA pursuant to U.S. 21 C.F.R. Part 312. References herein to IND will include, to the extent applicable, any non-US counterpart of the foregoing filed with a Regulatory Authority for the investigation of a product in any country or group of countries (such as a Clinical Trial Application in the EU) outside the U.S. in conformance with the requirements of such Regulatory Authority.

1.CL "**Indemnification Claim Notice**" has the meaning set forth in Section 11.3 (Notice of Claim).

1.CM "**Indemnified Party**" has the meaning set forth in Section 11.3 (Notice of Claim).

1.CN "**Indemnifying Party**" has the meaning set forth in Section 11.3 (Notice of Claim).

1.CO "**Infectious Disease Field**" means all (a) therapeutic, prophylactic, palliative, and diagnostic uses to (i) reduce or halt the spread of, kill, or otherwise inhibit the replication of a pathogen using a compound that specifically binds to the pathogen, or (ii) inhibit a toxin that is produced by a pathogen using a compound that specifically binds to the toxin, and/or (b) therapeutic uses to treat an Active Pathogen Infection by administering to a patient who has an Active Pathogen Infection a compound that directs the immune system of the patient to reduce or halt the spread of, kill, or otherwise inhibit the replication of the pathogen, excluding applications where the primary benefit and goal is something other than to clear the Active Pathogen Infection, in the case of (a) and (b), wherein the pathogen is a virus, a prokaryote, a protozoan, prion, or a fungus. For the avoidance of doubt, the Infectious Disease Field excludes (x) all passive and active immunization uses and (y) all uses relating to immunology other than (b).

1.CP "**Inflation Reduction Act**" means P.L. 117-169 (Aug. 16, 2022), as codified at 42 U.S.C. § 1320f, 42 U.S.C. § 1395w-3a and 42 U.S.C. § 1395w-114a (*inter alia*).

1.CQ "**Infringement**" has the meaning set forth in Section 7.3.1 (Notice).

1.CR "**Infringement Notice**" has the meaning set forth in Section 7.3.1 (Notice of Infringement Claim).

1.CS "**Invoiced Sales**" has the meaning set forth in Section 1.127 (Net Sales)

1.CT "**Joint Platform Improvement IP**" means any intellectual property developed or invented jointly by or on behalf of the Parties between the Effective Date and **[***]** that is directed to Protease-Cleavable Linkers having improvements and modifications that have been made in whole or in part using experiments in which such Protease-Cleavable Linkers were conjugated to Licensed XTENs.

1.CU "**Know-How**" means non-public technical or scientific information, including Data, amino acid sequences, nucleotide sequences, chemical structures, chemical sequences, formulas, methods, processes, procedures, practices, protocols, techniques, discoveries, inventions (whether patentable or not), specifications, designs, trade secrets, and supply chain sources, as well as any of the foregoing included or referenced in Regulatory Documentation.

1.CV "**Lab Notebook Information**" has the meaning set forth in Section 2.9.1(iii) (Lab Notebooks).

1.CW "**Lab Notebook Know-How**" has the meaning set forth in Section 2.9.1(iii) (Lab Notebooks).

1.CX "**Licensed Amunix Sub-Platform Patent**" means the patent families listed in Schedule 1.102 (Licensed Amunix Sub-Platform Patents).

1.CY "**Licensed Amunix XTEN Platform Patent**" means the patent families listed in Schedule 1.103 (Licensed Amunix XTEN Platform Patents).

1.CZ "**Licensed Compound**" means each Named Compound and Derivative Compound.

1.DA "**Licensed IP**" means the Licensed Patents and Licensed Know-How.

1.DB "**Licensed Know-How**" means the Know-How listed on Schedule 1.106 (Licensed Know-How) (and subject to the limitations set forth therein) and all (i) Clinical Data with respect to the Sanofi Ongoing Clinical Studies that is transferred to Vir pursuant to the Transition Plan, (ii) information included in the global safety database and other safety or pharmacovigilance data necessary for the Sponsorship Transfer that is transferred to Vir pursuant to the Transition Plan, (iii) Pending Review Know-How as redacted or otherwise adjusted in accordance with Section 2.9.1(ii) (Pending Review Know-How), and (iv) Lab Notebook Know-How in accordance with Section 2.9.1(iii) (Lab Notebooks), excluding, in each case of (i) through (iv), any information that has been publicly disclosed or made publicly available and is incorporated or included in such Know-How.

1.DC "**Licensed Materials**" means all quantities of formulated clinical Licensed Compound or Licensed Product in Sanofi's possession or control that exist as of the Effective Date, to be set forth with more specificity in the Transition Plan.

1.DD "**Licensed Patent**" means each Licensed Product Patent and the Licensed Platform Patent.

1.DE "**Licensed Platform Patent**" means each Licensed Amunix Sub-Platform Patent and Licensed Amunix XTEN Platform Patent.

1.DF "**Licensed Product**" means any pharmaceutical preparation containing a Licensed Compound, alone or in combination with one or more additional active ingredients.

"**Licensed Product Patent**" means the patent families listed in Schedule 1.111 (Licensed Product Patents).

1.DG "**Licensed XTEN**" means any hydrophilic, non-naturally occurring polypeptide that has a low degree of or no secondary or tertiary structure under physiologic conditions (a) comprising a sequence identified as an unstructured recombinant polypeptide, XTEN, or ELNN sequence in (i) any Licensed Patent or (ii) any Licensed Know-How; or (b) comprising a substantially non-repetitive sequence that is at least 50% Homologous to a sequence described in (a), and wherein at least 90% of the amino acids in such sequence are selected from 4 or more of G, A, P, E, S, or T, in the case of (a) and (b), excluding a Barcode or Protease-Cleavable Linker.

1.DH "**Losses**" has the meaning set forth in Section 11.1 (Indemnification of Sanofi).

1.DI "**MAA**" means a marketing authorization application filed with the European Medicines Agency (and any successor agency thereto) pursuant to the centralized approval procedure or with the applicable Regulatory Authority of a country in Europe with respect to the mutual recognition or any other national approval procedure.

1.DJ "**Major Market Territory**" means **[***]**.

1.DK "**Manufacture**" and "**Manufacturing**" means, with respect to a product, all activities related to the production, manufacture, processing, formulating, filling, finishing, packaging, labeling, shipping, holding, manufacture process development, stability testing, quality assurance, or quality control of such product or any intermediate thereof.

1.DL "**Manufacturing Documentation**" means, with respect to any Licensed Materials, the certificates of analysis and similar documentation in Sanofi's possession and Control, as agreed to by the Parties in the Transition Plan.

1.DM "**Medicare Price**" means, with respect to a Licensed Product or Vir Program Product, (a) for a covered Part D drug, the average negotiated price (as defined in Section 1860D-2(d) of the Social Security Act) under prescription drug plans or MA-PD plans for such Licensed Product or Vir Program Product during the plan year immediately prior to the Selected Drug Publication Date or (b) for a Licensed Product or Vir Program Product for which payment may be made under part B of title XVIII of the Social Security Act, the average payment amount under section 1847A(b)(4) of the Social Security Act across the four calendar quarters immediately prior to the Selected Drug Publication Date.

1.DN "**Merger Agreement**" means that certain Agreement and Plan to Merger, dated December 20, 2021, between Sanofi and certain seller entities.

1.DO "**Milestone Event**" means each of the events identified as a milestone event in Section 6.3.1 (Development and Regulatory Milestones) or Section 6.3.2 (Sales Milestones), as applicable.

1.DP "**Milestone Payment**" means a Development and Regulatory Milestone Payment or Sales Milestone Payment, as applicable.

1.DQ "**Milestone Period"** has the meaning set forth in Section 3.3 (Reports).

1.DR "**Monetization Partner(s)**" has the meaning set forth in Section 14.4.1 (Assignment).

1.DS "**Named Compound**" means each of AMX-818, AMX-500, AMX-525, and AMX-912.

1.DT "**Named Compound Deblocking License**" has the meaning set forth in Section 2.3.1 (Named Compounds).

1.DU "**Negotiation Period"** has the meaning set forth in Section 2.11.4 (Negotiation Period).

1.DV "**Net Sales**" means, for any period, the gross amount invoiced by Vir, its Affiliates or its or their Sublicensees (each, a "**Selling Party**") for the sale of a Licensed Product or Vir Program Product to Third Parties (including Distributors) (the "**Invoiced Sales**"), less deductions for:

[***];

[***];

[***];

[***];

[***];

[***];

[***];

[***].

[***].

[***].

[***].

[***].

1.DW "**Non-Passthrough Income**" **[***]**

1.DX "**Non-XTEN Activatable T Cell Engager Technology**" **[***]**.

1.DY "**Offered Employee**" means each individual listed on Schedule 1.130 to whom an offer of employment is or was made by Vir.

1.DZ "**Oncology Field**" means all therapeutic, prophylactic, palliative, and diagnostic uses to treat any indication characterized by malignant cellular proliferation, including solid or liquid malignancies (including primary and metastatic tumors), and lymphoid and myeloid neoplasms.

1.EA "**Ophthalmological Field**" means all pharmaceutical and medical uses to treat ophthalmological diseases (however excluding systemic applications), and diagnostic uses to diagnose, ophthalmological diseases and disorders.

1.EB "**Outside Date**" means that date that is nine (9) months after the date upon which the last HSR/Antitrust Filing has been submitted by each Party to a Governmental Authority in relation to the Agreement.

1.EC "**Party**" and "**Parties**" each has the meaning set forth in the preamble hereto.

1.ED "**Patent Challenge**" has the meaning set forth in Section 12.4 (Termination by Sanofi for Patent Challenge).

1.EE **"Patents**" means (a) all national, regional and international patents and patent applications, including provisional patent applications, (b) all patent applications filed from any of the foregoing provisional patent applications in clause (a), (c) all patent applications that claim priority to any patent or patent applications in clause (a) or clause (b), including divisionals, continuations, continuations-in-part, provisionals, converted provisionals and continued prosecution applications, (d) any and all patents that have issued or in the future issue from any of foregoing patent applications in clause (a), clause (b) or clause (c), including utility models, petty patents and design patents and certificates of invention, and (e) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of any of the foregoing patents or patent applications in clause (a), clause (b), clause (c) or clause (d).

1.EF "**Payments**" has the meaning set forth in Section 6.8 (Taxes).

1.EG "**Pending Review Know-How**" means the Know-How set forth in Schedule 1.138.

1.EH "**Person**" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department, or agency of a government.

1.EI "**Phase 2 Clinical Study**" means a Clinical Study of product that meets the definition of a Phase 2 clinical trial as described in 21 C.F.R. §312.21(b), or its successor regulation, or the equivalent regulation in any other country where such Clinical Study is conducted.

1.EJ "**Phase 3 Clinical Study**" means a Clinical Study of product that meets the definition of a Phase 3 clinical trial as described in 21 C.F.R. §312.21(c), or its successor regulation, or the equivalent regulation in any other country where such Clinical Study is conducted.

1.EK "**PHSA**" means the United States Public Health Service Act.

1.EL "**Platform Blocking IP**" means any Patent Controlled by Sanofi or its Affiliates as of the Effective Date Covering a Platform Deblocking Component, excluding Licensed Patents.

1.EM "**Platform Deblocking Component**" means

(i) a Licensed XTEN having an amino acid sequence that is at least **[***]** amino acids long and is 90% Homologous to an amino acid sequence of a polypeptide identified as an unstructured recombinant polypeptide, XTEN, or ELNN sequence in (a) any Licensed Patent, or (b) any Licensed Know-How,

(ii) an anti-XTEN Antibody having an amino acid sequence that is identical to an amino acid sequence of a polypeptide identified as an anti-XTEN antibody in (a) any Licensed Patent; or (b) any Licensed Know-How,

(iii) a Protease-Cleavable Linker that is at least **[***]** amino acids long,

(iv) a Barcode,

(v) an anti-HER2 Binding Domain created by or on behalf of Sanofi prior to the Acquisition Date having an amino acid sequence that is identical to an amino acid sequence of a polypeptide identified as an anti-HER2 binding domain in (a) any Licensed Patent; or (b) any Licensed Know-How,

(vi) an anti-EGFR Binding Domain created by or on behalf of Sanofi prior to the Acquisition Date having an amino acid sequence that is identical to an amino acid sequence of a polypeptide identified as an anti-EGFR binding domain in (a) any Licensed Patent; or (b) any Licensed Know-How,

(vii) an anti-PSMA Binding Domain created by or on behalf of Sanofi prior to the Acquisition Date having an amino acid sequence that is identical to an amino acid sequence of a polypeptide identified as an anti-PSMA binding domain in (a) any Licensed Patent; or (b) any Licensed Know-How, or

(viii) an anti-CD3 Binding Domain created by or on behalf of Sanofi prior to the Acquisition Date having an amino acid sequence that is identical to an amino acid sequence of a polypeptide identified as an anti-CD3 binding domain in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.EN "**Platform Deblocking License**" has the meaning set forth in Section 2.3.2 (Amunix Platform).

1.EO "**Platform Improvement IP**" means, collectively, the Sanofi Platform Improvement IP, Vir Platform Improvement IP, and Joint Platform Improvement IP.

1.EP "**Platform License Field**" means all therapeutic, prophylactic, palliative, and diagnostic uses in the Infectious Disease Field and Oncology Field in humans, excluding (a) the Ophthalmological Field, **[***]**.

1.EQ "**Proposed Publication**" means any public disclosure, other than a Patent, in any form or format proposed by or on behalf of a Party that includes any Confidential Information of the other Party (including the Licensed Know-How), including any scientific publications relating to or supportive of the Licensed Products, whether or not peer-reviewed, such as abstracts, manuscripts, commentaries, letters to the editor, review-articles, book-chapters, or pre-prints.

1.ER "**Prosecution**" has the meaning set forth in Section 7.2.2 (Licensed Product Patents).

1.ES "**Protease-Cleavable Linker**" means any polypeptide that is at least **[***]** amino acids long and is 90% Homologous to a sequence identified as a protease-cleavable linker (including such protease-cleavable linkers referred to as release segments) in (a) any Licensed Patent; or (b) any Licensed Know-How.

1.ET "**Publishing Party**" has the meaning set forth in Section 9.5.1 (Prior Review).

1.EU "**Purchased Equipment**" means the equipment described on Schedule 1 to the Equipment Bill of Sale.

1.EV "**Receiving Party**" has the meaning set forth in Section 9.1 (Confidentiality Obligations).

1.EW "**Regulatory Approval**" means any approval from a Regulatory Authority necessary for the distribution, pricing, reimbursement, marketing, and sale of a product in the jurisdiction of such Regulatory

Authority, including a BLA in the U.S., MAA in the E.U. or a marketing authorization by the Japanese Ministry of Health, Labour and Welfare or Pharmaceuticals and Medical Devices Agency in Japan.

1.EX "**Regulatory Authority**" means any applicable supra-national, federal, national, regional, state, provincial, or local regulatory agencies, departments, bureaus, commissions, councils, or other government entities regulating or otherwise exercising authority with respect to the Exploitation of a Licensed Compound, Licensed Product, Vir Program Compound, or Vir Program Product in the Territory.

1.EY "**Regulatory Documentation**" means all (a) applications (including all INDs and applications for Regulatory Approval), registrations, licenses, authorizations and approvals (including all Regulatory Approvals), (b) correspondence and reports submitted to or received from Regulatory Authorities (including minutes and official contact reports relating to any communications with any Regulatory Authority) and all supporting documents with respect thereto, including all regulatory drug lists, advertising and promotion documents, adverse event files and complaint files and (c) Clinical Data and any other Data contained in any of the foregoing, in each case ((a), (b), and (c)), relating to the Licensed Product or Vir Program Product.

1.EZ "**Regulatory Exclusivity**" means any period of data or market exclusivity granted or otherwise authorized by a Regulatory Authority in respect of a Licensed Product or Vir Program Product, other than as a result of a Patent, that prohibits a Person from (a) relying on Data generated by or on behalf of a Party with respect to such Licensed Product or Vir Program Product in an application for regulatory approval of a Biosimilar Product, or (b) Commercializing a Biosimilar Product, including reference product exclusivity under Section 351(k)(7) of the PHSA (21 U.S.C. § 262(k)(7))and all equivalents of any of the foregoing in another country.

1.FA "**Research**" means any pre-clinical research activities (including target validation, drug discovery, identification, or synthesis) with respect to a given target, pharmaceutical product, biological product, or active pharmaceutical or biological ingredient with respect to the foregoing. When used as a verb, "Research" means to engage in Research.

1.FB "**Research Tool**" means an antibody, reagent, engineered cell line, assay or similar material used for*in vitro* analysis in connection with Research, and excludes any material intended to be used *in vivo* or in Manufacturing.

1.FC "**Restricted Period**" has the meaning set forth in Section 2.13.4 (Non-Solicitation).

1.FD "**Reverse Royalty Term**" means for each Reversion Product, on a product-by-product and country-by-country basis, the period commencing upon First Commercial Sale of a Reversion Product in a country until the latest of (a) twelve (12) years after the First Commercial Sale of such Reversion Product in such country, (b) the expiration of the last to expire Valid Claim of a Patent within the Reversion IP (excluding any Derived Patent) that Covers such Reversion Product in such country, and (c) expiration of any Regulatory Exclusivity for such Reversion Product in such country (with the terms "First Commercial Sale" and "Regulatory Exclusivity" and any defined terms referenced directly or indirectly in such definitions to be adjusted *mutatis mutandis* to apply to Sanofi and the Reversion Product).

1.FE "**Reversion IP**" means Patents or Know-How Controlled by Vir as of the applicable effective date of termination that are (a) necessary to Exploit any Reversion Product as it exists as of such effective date of termination, or (b) planned by Vir as of the effective date of termination to be used to further optimize or remedy known safety or efficacy issues with such Reversion Product, as evidenced by reasonable contemporaneous documentation.

1.FF "**Reversion Product**" means a Licensed Product that is terminated under ARTICLE 12 (Term and Termination) of this Agreement.

1.FG "**Review Period**" has the meaning set forth in Section 9.5.1 (Prior Review).

1.FH "**Reviewing Party**" has the meaning set forth in Section 9.5.1 (Prior Review).

1.FI **[***]**.

1.FJ **[***]**.

1.FK **[***]**.

1.FL **[***]**.

1.FM "**Royalty Term**" means for each of the Licensed Products and the Vir Program Products, on a product-by-product and country-by-country basis, the period commencing upon First Commercial Sale of a Licensed Product or Vir Program Product in a country until the latest of (a) twelve (12) years after the First Commercial Sale of such Licensed Product or Vir Program Product in such country, (b) the expiration of the last to expire Valid Claim of a Patent within the Licensed Patents or Derived Patents that Covers such Licensed Product or Vir Program Product in such country, and (c) expiration of any Regulatory Exclusivity for such Licensed Product or Vir Program Product in such country.

1.FN "**Sales Milestone Event**" has the meaning set forth in Section 6.3.2 (Sales Milestones).

1.FO "**Sales Milestone Payment**" has the meaning set forth in Section 6.3.2 (Sales Milestones).

1.FP "**Sanofi**" has the meaning set forth in the preamble hereto.

1.FQ "**Sanofi Indemnitees**" has the meaning set forth in Section 11.1 (Indemnification of Sanofi).

1.FR "**Sanofi Ongoing Clinical Studies**" means the Clinical Studies conducted under protocols NCT05356741 and NCT05997615.

1.FS "**Sanofi Platform Improvement IP**" means any intellectual property developed or invented by or on behalf of Sanofi or its Affiliates between the Effective Date and three (3) years thereafter that is directed to Protease-Cleavable Linkers having improvements and modifications that have been made in whole or in part using experiments in which such Protease-Cleavable Linkers were conjugated to Licensed XTENs.

1.FT "**Sanofi Upfront Payment**" has the meaning set forth in Section 6.1 (Upfront Payment).

1.FU "**Securities Regulator**" has the meaning set forth in Section 9.2.5 (Permitted Disclosures).

1.FV "**Selected Drug Publication Date**" has the meaning set forth in Section 1191(b)(3) of the Social Security Act.

1.FW "**Selling Party**" has the meaning set forth in Section 1.127 (Net Sales).

1.FX "**Sponsorship Transfer**" has the meaning set forth in Section 3.1.1 (Transition Plan).

1.FY "**Sublicense Agreement**" has the meaning set forth in Section 2.5 (Sublicenses).

1.FZ "**Sublicensee**" means a Third Party (other than a subcontractor or Distributor) that is granted a sublicense by Vir in accordance with Section 2.5 (Sublicenses).

1.GA "**Term**" has the meaning set forth in Section 12.1 (Term).

1.GB "**Termination Agreement**" has the meaning set forth in Section 12.9.7 (Termination Agreement).

1.GC "**Termination Notice Period**" has the meaning set forth in Section 12.2 (Termination of this Agreement for Material Breach).

1.GD "**Territory**" means all the countries and territories of the world.

1.GE "**Third Party**" means any Person other than Sanofi, Vir, and their respective Affiliates.

1.GF "**Third Party Claims**" has the meaning set forth in Section 11.1 (Indemnification of Sanofi).

1.GG "**Third Party License**" has the meaning set forth in Section 6.4.3(iv) (Third Party Payments).

1.GH "**Trademark**" means any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, brand mark, service mark, trade name, brand name, logo, or business symbol, whether or not registered.

1.GI **[***]**.

1.GJ "**Transferred Contract**" means a contract to be transferred to Vir on or at any time after the Effective Date pursuant to the Transition Plan.

1.GK "**Transition Plan**" means the transition plan attached hereto as Exhibit 1.194 (Transition Plan).

1.GL "**United States**" or "**U.S.**" means the United States of America and all of its territories and possessions.

1.GM "**Upfront Payment**" has the meaning set forth in Section 6.1 (Upfront Payment).

1.GN "**Valid Claim**" means, with respect to a particular country, (a) any claim of an issued and unexpired Patent in such country that, (i) has not been held permanently revoked, unenforceable, or invalid by a decision of a court or governmental agency of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal and (ii) has not been abandoned, disclaimed, denied, or admitted to be invalid or unenforceable through reissue or disclaimer or otherwise in such country or (b) any claim of a pending Patent application filed in such country that has not been abandoned or finally disallowed without the possibility of appeal or re-filing of the application that has been pending for no more than seven (7) years from its earliest priority date.

1.GO "**Vir**" has the meaning set forth in the preamble hereto.

1.GP "**Vir Indemnitees**" has the meaning set forth in Section 11.2 (Indemnification of Vir).

1.GQ "**Vir Platform Improvement IP**" means any intellectual property developed or invented by or on behalf of Vir or its Affiliates or Sublicensees between the Effective Date **[***]** that is directed to Protease-Cleavable Linkers having improvements and modifications that have been made in whole or in part using experiments in which such Protease-Cleavable Linkers were conjugated to Licensed XTENs.

1.GR "**Vir Program Co-Exclusive Compound**" means any Co-Exclusive Compound arising from the Exploitation by Vir, its Affiliates or Sublicensees (or other Third Party as the result of a Transaction) of the Amunix Platform under this Agreement.

1.GS "**Vir Program Co-Exclusive Product**" means any pharmaceutical preparation containing a Vir Program Co-Exclusive Compound, alone or in combination with one or more additional active ingredients.

1.GT **"Vir Program Compound**" means each Vir Program XTEN Compound, Vir Program Co-Exclusive Compound, or Vir Program Other Compound.

1.GU "**Vir Program Know-How**" means any Know-How first Controlled by Vir after the Effective Date (for clarity, excluding Licensed Know-How) that constitutes an improvement to any Licensed Platform Patents or Licensed Know-How directed to the Amunix Platform.

1.GV "**Vir Program Other Compound**" means any compound, other than an XTEN Compound or Co-Exclusive Compound, arising from the Exploitation by Vir, its Affiliates or Sublicensees (or other Third Party as the result of a Transaction) of the Amunix Platform under this Agreement.

1.GW "**Vir Program Other Product**" means any pharmaceutical preparation containing a Vir Program Other Compound, alone or in combination with one or more additional active ingredients.

1.GX "**Vir Program Patents**" means any patents and patent applications first Controlled by Vir after the Effective Date (for clarity, excluding Licensed Patents) that Cover Vir Program Know-How.

1.GY "**Vir Program Product**" means any Vir Program XTEN Product, Vir Program Co-Exclusive Product, or Vir Program Other Product.

1.GZ "**Vir Program XTEN Compound**" means any XTEN Compound arising from the Exploitation by Vir, its Affiliates or Sublicensees (or other Third Party as the result of a Transaction) of the Amunix Platform under this Agreement.

1.HA "**Vir Program XTEN Product**" means any pharmaceutical preparation containing a Vir Program XTEN Compound, alone or in combination with one or more additional active ingredients.

1.HB "**XTEN Compound**" means any compound that includes a Licensed XTEN.

1.HC "**XTEN Product**" means any pharmaceutical preparation containing an XTEN Compound alone or in combination with one or more additional active ingredients.

ARTICLE 2
GRANT OF RIGHTS; EXCLUSIVITY

2.A Grants to Vir.

2.A.1 License for Licensed Compounds and Licensed Products. Subject to the terms of this Agreement, Sanofi hereby grants Vir an exclusive (even as to Sanofi and its Affiliates), royalty-bearing, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Licensed IP to (a) Research, Develop, Manufacture, Commercialize, and otherwise Exploit the Licensed Compounds and the Licensed Products in the Territory in the Compound License Field and (b) exercise Vir's rights under Section 7.3 (Enforcement of Patents).

2.A.2 License for Vir Program XTEN Compounds and Vir Program XTEN Products. Subject to the terms of this Agreement, Sanofi hereby grants Vir an exclusive (even as to Sanofi and its Affiliates), royalty-bearing, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Licensed IP to (a) Research, Develop, Manufacture, Commercialize, and otherwise Exploit the Vir Program XTEN Compounds and the Vir Program XTEN Products in the Territory in the Platform License Field and (b) exercise Vir's rights under Section 7.3 (Enforcement of Patents).

2.A.3 Co-Exclusive License to Vir Program Co-Exclusive Compounds and the Vir Program Co-Exclusive Products. Subject to the terms of this Agreement, Sanofi hereby grants Vir a Co-Exclusive, royalty-bearing, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (solely to the extent permitted under Section 14.4 (Assignment)) license under the Licensed IP to (a) Research, Develop, Manufacture, Commercialize, and otherwise Exploit the Vir Program Co-Exclusive Compounds and the Vir Program Co-Exclusive Products in the Territory in the Platform License Field and (b) exercise Vir's rights under Section 7.3 (Enforcement of Patents).

2.A.4 Non-Exclusive License under Sanofi Platform Improvement IP. Subject to the terms of this Agreement, Sanofi hereby grants Vir a non-exclusive, fully paid-up, royalty-free, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Sanofi Platform Improvement IP, and Sanofi's rights in the Joint Platform Improvement IP, to Research, Develop, Manufacture, Commercialize and otherwise Exploit the Vir Program Compounds and the Vir Program Products in the Territory in the Platform License Field.

2.A.5 Non-Exclusive License to Vir Program Other Compounds and Vir Program Other Products. Subject to the terms of this Agreement, Sanofi hereby grants Vir a non-exclusive, royalty-bearing, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (solely to the extent permitted under Section 14.4 (Assignment)) under the Licensed IP to Research, Develop, Manufacture, Commercialize and otherwise Exploit the Vir Program Other Compounds and the Vir Program Other Products in the Territory in the Platform License Field.

2.A.6 Non-Exclusive Amunix Platform Research License. Subject to the terms of this Agreement (including Section 2.6.3 (Exclusion Period Restrictions)), Sanofi hereby grants Vir a non-exclusive, worldwide, fully paid-up, royalty-free, non-sublicensable, non-transferable license under the Licensed IP and Sanofi Platform Improvement IP, and Sanofi's rights in the Joint Platform Improvement IP, to use the Amunix Platform to conduct Research on compounds and products for all uses in all fields, other than the Ophthalmological Field.

2.A.7 Discussions Regarding Use of Vir Program Compounds and Vir Program Products Outside the Platform License Field. In the event that Vir determines that a Vir Program Compound or Vir Program Product could be useful outside the Platform License Field, and Vir desires to pursue such use, Vir may notify Sanofi in writing. Thereafter, Vir and Sanofi will engage in good faith discussions regarding a potential expansion of the license with respect to such Vir Program Compound and Vir Program Product, along with corresponding economics. Such discussions do not create any legally binding rights or obligations of the Parties, nor is it deemed as a commitment to enter into a contract relating to the subject matter of such discussions.

2.A.8 License for Licensed Materials. Subject to the terms of this Agreement, Sanofi hereby grants Vir an exclusive (even as to Sanofi and its Affiliates), royalty-free, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) license to use the Licensed Materials to Research, Develop, Manufacture, Commercialize, and otherwise Exploit the Licensed Compounds and the Licensed Products in the Territory in the Compound License Field.

2.A.9 Acknowledgment. The licenses granted pursuant to this Section 2.1 (Grants to Vir) are subject to the rights of and obligations of the US Government under 35 U.S.C. §§200-212 (including, without limitation, 35 U.S.C. §§202(c)(4) and 203) and 37 C.F.R. §401. In addition, such grant of rights may be subject to the obligation set forth in 35 U.S.C. §204 that products be substantially manufactured in the United States. To the extent that any rights licensed to Vir hereunder are subject to the obligation set forth in 35 U.S.C. §204 that Licensed Products or Vir Program Products be substantially manufactured in the United States, upon receipt of a written request from Vir, which shall set forth with reasonable specificity supporting rationale and facts, Sanofi shall submit a request for a waiver of such obligation from the National Institutes of Health or other appropriate United States Governmental Authority, if such request is consistent with 35 U.S.C. §204. The cost of any such request for a waiver shall be borne by Vir, and Vir shall reimburse Sanofi for the documented out-of-pocket costs incurred by Sanofi relating to such request (including costs of engaging outside counsel of Sanofi's choice to prepare such request) within **[***]** of receipt of Sanofi's corresponding invoice. Vir shall have the right to review and comment on the waiver request prior to its submission.

2.B Grants to Sanofi.

2.B.1 Non-Exclusive License under Derived Patents and Vir Platform Improvement IP. Subject to the terms of this Agreement, Vir hereby grants Sanofi a non-exclusive, worldwide, fully paid-up, royalty-free, sublicensable (through multiple tiers), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Derived Patents, Vir Platform Improvement IP, and Vir's rights in the Joint Platform Improvement IP, for all uses in all fields, other than the Platform License Field.

2.B.2 Non-Exclusive Amunix Platform Research License. Subject to the terms of this Agreement, Vir hereby grants Sanofi a non-exclusive, worldwide, fully paid-up, royalty-free, non-sublicensable, non-transferable license under the Derived Patents, Licensed Platform Patents, Licensed Know-How, Vir Platform Improvement IP, and Vir's rights in the Joint Platform Improvement IP, to use the Amunix Platform to conduct Research on compounds other than Licensed Compounds and products other than Licensed Products for all uses in the Territory in all fields, other than the Ophthalmological Field.

2.B.3 Non-Exclusive License to Derived Patents in the Platform License Field. Subject to the terms of this Agreement (including Section 2.6 (Exclusivity)), Vir hereby grants Sanofi a non-exclusive, worldwide, fully paid-up, royalty-free, sublicensable (through multiple tiers), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Derived Patents, to Research, Develop,

Manufacture, Commercialize, and otherwise Exploit in the Territory in the Platform License Field all compounds and products excluding XTEN Compounds comprising a Licensed XTEN that is at least 36 amino acids long or XTEN Products comprising such XTEN Compounds.

2.C Deblocking License Grants to Vir.

2.C.1 Named Compounds. Subject to the terms of this Agreement, Sanofi hereby grants Vir a non-exclusive, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) deblocking license under the Compound Blocking IP for the Research, Development, Manufacture, Commercialization, or other Exploitation of the Named Compounds and the Licensed Products containing Named Compounds as the sole active ingredient in the Territory in the Compound License Field in accordance with this Agreement (the "**Named Compound Deblocking License**"). For the avoidance of doubt, the Named Compound Deblocking License does not extend to any aspect of such Licensed Products other than the Named Compounds per se. For illustrative purposes, the Named Compound Deblocking License does not grant Vir the right to include isatuximab in any Licensed Product. For the avoidance of doubt, Vir shall have no right to Prosecute or enforce any Compound Blocking IP, and shall not be entitled to receive any Know-How or other information under or in connection with this deblocking license.

2.C.2 Amunix Platform. Subject to the terms of this Agreement, Sanofi hereby grants Vir a non-exclusive, sublicensable (through multiple tiers in accordance with Section 2.5 (Sublicenses)), transferable (to the extent permitted under Section 14.4 (Assignment)) license under the Platform Blocking IP to use any Platform Deblocking Component in the Derivative Compounds, the Licensed Products containing Derivative Compounds, the Vir Program Compounds, and the Vir Program Products in the Territory in the Platform License Field in accordance with this Agreement (the "**Platform Deblocking License**"). For the avoidance of doubt, Vir shall have no right to Prosecute or enforce any Platform Blocking IP, and shall not be entitled to receive any Know-How or other information under or in connection with the Platform Deblocking License. Notwithstanding the foregoing and for the avoidance of doubt, the Platform Deblocking License only applies to the extent Platform Blocking IP Covers the Platform Deblocking Components per se and does not include uses Covered by Platform Deblocking IP relating to anything other than Platform Deblocking Components (such as but not limited to polypeptides to which a Platform Deblocking Component is or may be attached). **[***]**.

2.D Subcontracting. Each Party may subcontract the performance of tasks and other obligations hereunder to its Affiliates or Third Parties; provided that, with respect to Vir (a) prior to Vir subcontracting such performance to Third Parties, it will obtain the prior written consent of Sanofi, not to be unreasonably withheld, conditioned or delayed, and (b) any agreement pursuant to which Vir engages a Third Party subcontractor must be in writing and its terms must be consistent with the relevant provisions of this Agreement. Such subcontract may include a sublicense of rights to the extent necessary for the performance of the subcontract; provided that any Affiliate or Third Party subcontractor will not be deemed to be a Sublicensee as a result of such sublicense.

2.E Sublicenses. Vir shall have the right to grant sublicenses of the rights granted hereunder, whether in whole or in part, to any of its Affiliates or any Third Party without Sanofi's prior consent. Any sublicense of the rights granted hereunder shall be pursuant to a written sublicense agreement (each a "**Sublicense Agreement**"), the terms of which shall be consistent in all material respects with the terms of this Agreement. Vir will provide Sanofi with a copy of each Sublicense Agreement with a Sublicensee within **[***]** after its execution which copy may be redacted of information not required to ensure consistency with this Agreement, provided that financial terms shall not be redacted if such Sublicense Agreement is entered into prior

to the date that is twenty-four (24) months after the Effective Date and such financial terms are required in order to verify compliance with Section 6.6 (Non-Passthrough Income). Vir shall, notwithstanding any sublicense granted under any Sublicense Agreement, remain liable to Sanofi under this Agreement with respect to performance of its obligations under this Agreement and for the performance and acts or omissions of all of its Affiliates and Sublicensees in the performance of this Agreement. Any Sublicense Agreement will, at the Sublicensee's option, survive termination on the condition that (a) the relevant Sublicensee is not in material breach of any of its obligations under such Sublicense Agreement, (b) in the case of termination of this Agreement for Vir's uncured material breach pursuant to Section 12.2 (Termination of this Agreement for Material Breach), the relevant Sublicensee has not caused such termination by any action or inaction on the part of such Sublicensee, (c) the relevant Sublicensee has complied, and remains in compliance as of the effective date of such termination, with all Applicable Laws, and (d) such Sublicensee has not engaged in a Patent Challenge (except where the applicable Sublicense Agreement was entered into in connection with a settlement of the same or related dispute that gave rise to such Patent Challenge, and where such Patent Challenge was dismissed or withdrawn within **[***]** of the date that Vir and such Sublicensee executed the Sublicense Agreement). In order to effect the previous sentence, at the request of the Sublicensee, Sanofi will enter into a direct license with the Sublicensee on terms that are substantially the same terms as the applicable terms of this Agreement; provided that (w) Sanofi will not be required to undertake obligations in addition to those required by this Agreement (including, but not limited to, granting rights to such Sublicensee that are broader than the rights previously granted by Sanofi to Vir), (x) Sanofi's rights under such direct license will be consistent with its rights under this Agreement, taking into account the scope of the license granted under such direct license, (y) the relevant Sublicensee agrees to assume all of Vir's future obligations with respect to the rights sublicensed to such Sublicensee by Vir after becoming a direct licensee, to the extent relating to the activities of such Sublicensee, and (z) in the case of termination of this Agreement for Vir's uncured material breach pursuant to Section 12.2 (Termination of this Agreement for Material Breach), the relevant Sublicensee agrees to correct, and does correct, within **[***]** after becoming a direct licensee of Sanofi, any and all of Vir's uncured breaches of this Agreement to the extent such breach resulted in such termination of this Agreement and relates to the activities of such Sublicensee, which correction shall include paying any and all such amounts owed under this Agreement that Vir has not paid to Sanofi as of the effective date of such termination to the extent such breach resulted in such termination of this Agreement and relates to the activities of such Sublicensee.

2.F Exclusivity.

2.F.1 [***].

2.F.2 Licensed Compound and Licensed Product Exclusivity. During the Term, Sanofi and its Affiliates will not, itself or with or through a Third Party, Research, Develop, Manufacture, Commercialize any Licensed Compound or Licensed Product in the Compound License Field in the Territory.

2.F.3 Exclusion Period Restrictions.

(i) **[***]**.

(ii) Audit Right. At the request of Sanofi, Vir shall, and shall cause its Affiliates and require Sublicensees and subcontractors to, permit an independent Third Party auditor retained by Sanofi and reasonably acceptable to Vir, at reasonable times during regular business hours and upon at least **[***]** written notice, to review and audit **[***]**, in order to confirm compliance with Section 2.6.3(i) (Exclusion Period Restrictions). **[***]** 2.6.3(i) (Exclusion Period Restrictions), Sanofi may conduct additional audits **[***]**; and provided further that in the event that, following the Exclusion Period, **[***]**, it may, in its sole discretion, provide notice thereof to Sanofi and Sanofi will, notwithstanding the immediately preceding proviso, have an ability to

conduct a **[***]**. Upon conclusion of the audit, the independent auditor will issue a determination to both Parties indicating whether Vir has breached Section 2.6.3(i) (Exclusion Period Restrictions). Sanofi shall cause such auditor to enter into a confidentiality agreement with the Parties that includes an obligation of such auditor to retain all information it receives during such audit in confidence.

(iii) Effects of Auditor's Determination. In the event that the auditor determines Vir has not breached Section 2.6.3(i) (Exclusion Period Restrictions), the auditor shall not disclose any information it receives during such audit to Sanofi. In the event that the auditor determines Vir has breached Section 2.6.3(i) (Exclusion Period Restrictions), **[***]**.

(iv) Costs. The cost of any such audit shall be borne by Sanofi, unless the auditor determines Vir has breached Section 2.6.3(i) (Exclusion Period Restrictions), in which case Vir shall reimburse Sanofi for the documented out-of-pocket costs incurred by Sanofi in such audit within **[***]** of receipt of Sanofi's corresponding invoice.

2.G Retention of Rights. Except for the licenses granted to Vir pursuant to Section 2.1 (Grants to Vir), as between the Parties, Sanofi retains all rights, title, and interest in and to the Licensed IP. **[***]**.

2.H No Implied Rights. Vir and its Affiliates shall have no license, express or implied, with respect to any Licensed IP, or other intellectual property of Sanofi or its Affiliates except as expressly provided in Section 2.1 (Grants to Vir). Each Party retains all rights under Patents, Know-How, or other intellectual property rights Controlled by such Party which are not expressly granted to the other Party pursuant to this Agreement. Except as otherwise expressly provided in this Agreement, under no circumstances will a Party or any of its Affiliates, as a result of this Agreement, obtain any ownership interest, license, or other right in or to any Patents, Know-How or other intellectual property rights of the other Party, including tangible or intangible items owned, Controlled or developed by the other Party, or provided by the other Party to the receiving Party at any time, in each case, pursuant to this Agreement.

2.I Disclosure of Licensed Know-How; Wrong Pockets.

2.I.1 Disclosure of Licensed Know-How.

(i) Disclosure. Sanofi shall disclose and make available to Vir (or a contract manufacturer designated by Vir) the Licensed Know-How **[***]**.

(ii) Pending Review Know-How. With respect to the Pending Review Know-How, Sanofi shall, following the Execution Date and prior to the Effective Date, review the Pending Review Know-How to determine whether **[***]**. Prior to the Effective Date, Sanofi may redact or remove any information in the Pending Review Know-How that does not meet such criteria, including where applicable, removing entire items from the list of Pending Review Know-How. The Pending Review Know-How, as redacted or otherwise adjusted in accordance with the preceding sentence shall be deemed to be Licensed Know-How and disclosed and made available to Sanofi in accordance with Section 2.9.1(i) (Disclosure). For the avoidance of doubt, Sanofi shall not be required to provide any Know-How pursuant to this Section 2.9.1(ii) (Pending Review Know-How), unless Sanofi has actual knowledge that Sanofi or its Affiliates Controls such Know-How.

(iii) **[***]**.

(iv) **[***]**.

(v) **[***]**.

2.I.2 [***].

(i) **[***]**.

(ii) **[***]**.

2.I.3 [***].

2.J 2.10 [***].

2.K Sanofi Right of First Negotiation.

2.K.1 [***].

2.K.2 [***].

2.K.3 [***].

2.K.4 [***].

2.K.5 [***].

2.L Vir Right of First Negotiation.

2.L.1 [***].

2.L.2 [***].

2.L.3 [***].

2.L.4 [***].

2.L.5 [***].

2.M Hired Employees.

2.M.1 Offers. Prior to the Execution Date, Vir hereby represents and warrants that it has extended an offer of employment to each Offered Employee, and such offer **[***]**.

2.M.2 Comparable Compensation and Benefits. For a period of not less than twelve (12) months after the Hire Date (unless otherwise agreed with such Hired Employee), Vir and its Affiliates shall provide to each Hired Employee: **[***]**.

2.M.3 No Third Party Beneficiaries. Notwithstanding anything herein to the contrary, Vir and Sanofi acknowledge and agree that nothing in this Agreement, whether express or implied, (i) shall be treated as an amendment or other modification of any employee benefit plan or (ii) shall confer upon any Person who is not a party to this Agreement (including any employee of Sanofi or its Affiliates), or any participant in any employee benefit plan, agreement or other arrangement (or any dependent or beneficiary thereof), any right to continued or resumed employment or recall, any right to compensation or benefits, or any third-party beneficiary or other right of any kind or nature whatsoever.

2.M.4 Non-Solicitation. **[***]**.

2.M.5 Release. Sanofi shall release or cause to be released each Hired Employee from the following obligations that exist as of the Hire Date owed to Sanofi or any of its Affiliates with effect from and after the Hire Date, and only for purposes of such Hired Employee serving as employee of Vir or its Affiliates: **[***]**.

2.N Assumption of Merger Agreement Obligations. Vir and Sanofi will, on the Effective Date, enter into the Assignment and Assumption Agreement, under which Sanofi assigns to Vir, and Vir assumes from Sanofi, certain obligations of Sanofi pursuant to the Merger Agreement.

ARTICLE 3
TRANSITION, DEVELOPMENT AND REGULATORY

3.A Transition.

3.A.1 Transition Plan. The Transition Plan sets forth the high-level plan, as of the Effective Date, for **[***]**. From and after the Execution Date, the Parties agree to meet regularly to discuss and update the Transition Plan. For the avoidance of doubt, Parties may not implement the activities contemplated by the Transition Plan until after the Effective Date.

3.A.2 Transition Activities. Sanofi and Vir shall each, subject to Applicable Law, including any requirements and approval of Regulatory Authorities (as applicable), complete the activities set forth in the Transition Plan. For activities assigned to Sanofi under the Transition Plan, Vir shall cooperate with Sanofi to ensure a smooth and efficient transfer in accordance therewith. Following the completion of activities under the Transition Plan, and on a date mutually agreed, each Party shall **[***]**.

3.A.3 Reimbursement of Costs. In connection with the obligations of Sanofi (or its Affiliates) pursuant to Section 3.1.2 (Transition Activities), Vir shall reimburse Sanofi for **[***]**.

3.B Development.

3.B.1 Development. As between the Parties, subject to Section 3.1 (Transition), Vir will have sole control over, and decision-making authority with respect to, all activities to Develop (a) the Licensed Compounds and Licensed Products in the Compound License Field in the Territory, and (b) the Vir Program Compounds and Vir Program Products in the Platform License Field in the Territory, in each case of (a) and (b) at Vir's sole cost and expense.

3.B.2 Development Diligence. Vir shall use Commercially Reasonable Efforts to **[***]**.

3.C Reports. From the Effective Date until earliest to occur of: **[***]**, Vir will prepare and deliver to Sanofi a reasonably detailed written report regarding the status of activities relating to the achievement of the Development and Regulatory Milestone Events and, to the extent that Sanofi reasonably requests information related to the achievement of the Development and Regulatory Milestone Events, will respond to such requests reasonably promptly and provide such information in reasonable detail. If Sanofi in good faith requests a meeting (which may be conducted by teleconference or video conference) to discuss any such report, Vir shall meet with Sanofi (and, at Sanofi's request, the Equityholders' Representative (as defined in the Merger Agreement)) within **[***]** of such request and make available for such meeting at least one (1) senior employee with operating management responsibility for the activities of Vir related to the achievement of the Development

and Regulatory Milestone Events, to the extent practicable; provided that Sanofi may not request more than one (1) such meeting in any Calendar Year. Vir shall maintain for at least six (6) years (or, if longer, the retention period under Vir's record retention policies or Applicable Law) complete and accurate data and records concerning activity and progress related to Research and Development activities with respect to each of the Licensed Compounds and Vir Program Compounds. After the Milestone Period, Vir shall deliver to Sanofi an annual Development report within **[***]** after the end of each Calendar Year, which report will contain (a) a summary of completed and planned Development activities during the reporting period, and (b) anticipated timing of achievement of each Development and Regulatory Milestone Event, to the extent not already achieved.

3.D Records. Vir shall maintain (and require its Affiliates, Sublicensees and Third Party subcontractors to maintain) all records with respect to the Development of Licensed Compounds, Licensed Products, Vir Program Compounds, and Vir Program Products in compliance with Applicable Law in all material respects. Such records shall be reasonably complete and accurate, maintained in a manner appropriate for purposes of seeking and maintaining Regulatory Approvals, consistent with industry standards in all material respects, and, where applicable, for use in connection with Patent filings, prosecution, and maintenance. Such records shall be retained for at least as long as required under Applicable Law.

3.E Development Compliance. Vir shall perform (and require its Affiliates, Sublicensees and Third Party subcontractors to perform) all of its (and their) Development activities under this Agreement in compliance in all material respects with Applicable Laws.

3.F Regulatory.

3.F.1 Responsibility. As between the Parties, subject to Section 3.1 (Transition) , Vir will have sole control over, and decision making authority with respect to, the preparation, obtention and maintenance of INDs, all Regulatory Approvals and other submissions to, and communications with, Regulatory Authorities for (a) Licensed Products in the Compound License Field in the Territory, and (b) the Vir Program Products, in each case of (a) and (b) at Vir's sole cost and expense. Upon the completion of the Sponsorship Transfer pursuant to the Transition Plan, all INDs and Regulatory Approvals for the Licensed Products and Vir Program Products shall, as between the Parties, be owned by, and held in the name of, Vir or its designated Affiliate or Sublicensee.

3.F.2 Communications with Regulatory Authorities. Unless required by Applicable Law, following the completion of **[***]**, neither Sanofi nor any of its Affiliates or Third Party subcontractors may correspond or communicate with any Regulatory Authorities regarding (a) the Licensed Compounds and Licensed Products in the Compound License Field in the Territory, and (b) the Vir Program Compounds and Vir Program Products in the Platform License Field in the Territory, in each case of (a) and (b) without first obtaining Vir's prior written consent. If Sanofi or any of its Affiliates or Third Party subcontractors receive any correspondence or other communication from a Regulatory Authority regarding the Licensed Compounds and Licensed Products in the Compound License Field in the Territory or the Vir Program Compounds and Vir Program Products in the Platform License Field in the Territory, Sanofi shall provide Vir with access to or copies of all such material written or electronic correspondence promptly after its receipt.

ARTICLE 4
MANUFACTURE AND SUPPLY

4.A In General. As between the Parties, Vir will have sole control over, and decision making authority with respect to, the Manufacture of (a) the Licensed Compounds and Licensed Products at Vir's own cost and expense, for the Exploitation of such Licensed Product in the Compound License Field in the

Territory; and (b) the Vir Program Compounds and Vir Program Products, in each case of (a) and (b) at Vir's own cost and expense, for the Exploitation of such Vir Program Product in the Platform License Field in the Territory.

4.B Manufacturing Compliance. Vir shall, and shall require its Affiliates, Sublicensees, and Third Party subcontractors to, comply with Applicable Law in all material respects with respect to the Manufacturing of the Licensed Compounds, Licensed Products, Vir Program Compounds, and Vir Program Products.

4.C Reimbursement of Certain Costs. On the Effective Date, **[***]**.

4.D Purchase of Equipment. On the Execution Date, the Parties have entered into the Equipment Bill of Sale under which, on the Effective Date, Vir shall pay a one-time payment of **[***]**, to purchase the Purchased Equipment, payable to Sanofi by wire transfer of immediately available funds in accordance with wire transfer instructions provided by Sanofi to Vir prior to the Effective Date, which payment shall be non-refundable and non-creditable against any other payments due hereunder. Sanofi will deliver, or cause its subcontractors to deliver, as applicable (DAP (Incoterms® 2020)), to Vir all of the Purchased Equipment in accordance with the Transition Plan. Vir shall bear, and where applicable, shall reimburse Sanofi and its Affiliates for all out-pocket expenses of Sanofi and its Affiliates) in connection with the sale, transfer, assignment, grant and conveyance of the Purchase Equipment pursuant hereto, including all shipping costs, including insurance, customs duties and any transfer tax that may become due in connection with delivery of the Purchased Equipment. At Sanofi's election, and Vir's consent (not to be unreasonably withheld), Sanofi may cause its subcontractors to invoice Vir directly for such costs and expenses, and Vir agrees to pay such costs and expenses. **[***]**.

ARTICLE 5
COMMERCIALIZATION

5.A In General. As between the Parties, Vir will have sole control over, and decision making authority with respect to, the Commercialization of (a) the Licensed Products in the Compound License Field in the Territory, and (b) and Vir Program Products in the Platform License Field in the Territory, in each case of (a) and (b) at Vir's sole cost and expense.

5.B Commercialization Diligence. Vir shall use Commercially Reasonable Efforts to **[***]**.

5.C Commercialization Compliance. Vir shall, and shall require its Affiliates to, comply with Applicable Law in all material respects with respect to the Commercialization of the Licensed Products and Vir Program Products.

5.D Sales and Distribution. As between the Parties, Vir shall be solely responsible for invoicing and booking sales, establishing all terms of sale (including pricing, discounts and contracting terms) and warehousing, and distributing the Licensed Products in the Compound License Field in the Territory and the Vir Program Products in the Platform License Field in the Territory and shall perform all related services, in each case, in a manner consistent with the terms and conditions of this Agreement. Vir shall be solely responsible for handling all returns, recalls and withdrawals, order processing, invoicing and collection, distribution and inventory and receivables with respect to the Licensed Product in the Compound License Field in the Territory and the Vir Program Product in the Platform License Field in the Territory.

5.E Product Trademarks. Vir shall have the sole right to determine and own the Trademarks to be used with respect to the Exploitation of the Licensed Products in the Compound License Field

in the Territory and the Vir Program Products in the Platform License Field in the Territory. At the written request of Vir following the Effective Date, the Parties shall negotiate in good faith the grant of a non-exclusive license to Vir for the use of the following Trademarks: PRO-XTEN, XPAT, and XPAC in the Platform License Field. Such negotiations do not create any legally binding rights or obligations of the Parties, nor is it deemed as a commitment to enter into a contract relating to the subject matter of such discussions.

ARTICLE 6
PAYMENTS

6.A Upfront Payment. In partial consideration for the grant of the rights and licenses herein, on the Effective Date, Vir shall pay a one-time upfront payment as follows: (i) One Hundred Million Dollars ($100,000,000) payable to Sanofi by wire transfer of immediately available funds in accordance with wire transfer instructions that Sanofi shall provide to Vir prior to the Effective Date ("**Sanofi Upfront Payment**") and (ii) Seventy Five Million Dollars ($75,000,000) payable to the escrow account established pursuant to the Escrow Agreement, by wire transfer of immediately available funds, which amount shall be held and distributed in accordance with Section 6.2.1 (Escrow Mechanics) and the Escrow Agreement ("**Escrowed Payment**," and together with the Sanofi Upfront Payment, the "**Upfront Payment**"). **[***]**.

6.B Escrow Mechanics; Other Merger Agreement Milestone Payments.

6.B.1 Escrow Mechanics. In the event that **[***]**, Sanofi and Vir will, on or promptly after the Effective Date, issue to the Escrow Agent a Joint Written Instruction (as such term is defined in the Escrow Agreement) to release the Escrowed Payment to Sanofi. In the event that **[***]**, Sanofi and Vir will promptly issue to the Escrow Agent a Joint Written Instruction (as such term is defined in the Escrow Agreement) to release the Escrowed Payment to the Paying Agent (as such term is defined in the Merger Agreement) in accordance with the Merger Agreement. In the event that **[***]**, Sanofi and Vir will promptly issue to the Escrow Agent a Joint Written Instruction (as such term is defined in the Escrow Agreement) to release the Escrowed Payment to Vir in accordance with wire transfer instructions provided by Vir.

6.B.2 Other Merger Agreement Milestone Payments. Upon the achievement of **[***]**, Vir shall pay the applicable Milestone Payment (as such term is defined in the Merger Agreement) in accordance with the Merger Agreement. In the event that **[***]**, Vir shall pay the applicable Milestone Payment (as such term is defined in the Merger Agreement) in accordance with the Merger Agreement. If **[***]**, Sanofi shall pay the applicable Milestone Payment (as such term is defined in the Merger Agreement) in accordance with the Merger Agreement.

6.C Milestones.

6.C.1 Development and Regulatory Milestones. Vir shall notify Sanofi of achievement by Vir, its Affiliates or Sublicensees of the development and regulatory milestone events described in the table below (each a "**Development and Regulatory Milestone Event**") within **[***]** after the corresponding Development and Regulatory Milestone Event is achieved. Upon such achievement of a Development and Regulatory Milestone Event, Vir shall pay Sanofi the non-refundable, non-creditable development and regulatory milestone payment described in the table below for the applicable Development and Regulatory Milestone Event (each a "**Development and Regulatory Milestone Payment**") within **[***]** after Vir's receipt of an invoice with respect to such achievement of a Development and Regulatory Milestone Event. Each Development and Regulatory Milestone Payment shall be payable only upon the first achievement of such Development and Regulatory Milestone Event for Licensed Product containing the applicable Named Compound

or Derivative Compound. The maximum aggregate amount payable by Vir pursuant to this Section 6.3.1 (Development and Regulatory Milestones) is Three Hundred Twenty-Three Million Dollars ($323,000,000).

Development and Regulatory Milestone Event with respect to a Licensed Compound or Licensed Product	**Development and Regulatory Milestone Payment**			
	AMX-818 or Derivative Compound thereof	**AMX-500 or Derivative Compound thereof**	**AMX-525 or Derivative Compound thereof**	**AMX-912 or Derivative Compound thereof**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**

If, with respect to any applicable Named Compound or Derivative Compound (i) Development and Regulatory Milestone Event B is achieved but Development and Regulatory Milestone Event A has not been achieved, then Development and Regulatory Milestone Event A will be deemed to have been achieved when Development and Regulatory Milestone Event B is achieved, or (ii) Development and Regulatory Milestone Event C or D is achieved but Development and Regulatory Milestone Event A or B has not been achieved, then Development and Regulatory Milestone Event A or B, as applicable, will be deemed to have been achieved when Development and Regulatory Milestone Event C or D is achieved.

In the event that a combined Phase 2 Clinical Study and Phase 3 Clinical Study is conducted for a Licensed Product, then Development and Regulatory Milestone Event A shall be deemed to be achieved when the fifth patient is dosed in the Phase 2 portion of the Clinical Study and Development and Regulatory Milestone Event B shall be deemed to be achieved when the fifth patient is dosed in the Phase 3 portion of the Clinical Study.

6.C.2 Sales Milestones. Vir shall notify Sanofi of the achievement of each sales milestone event described in the table below (each a "**Sales Milestone Event**") within **[***]** after the end of the Calendar Year in which such Sales Milestone Event is first achieved. Upon such achievement of a Sales Milestone Event, Vir shall pay Sanofi the non-refundable, non-creditable payment described in the table below when Net Sales of the applicable Licensed Product achieves the applicable Sales Milestone Events ("**Sales Milestone Payments**") within **[***]** after receipt of an invoice therefor from Sanofi, which invoice Sanofi shall provide to Vir following Sanofi's receipt of notice from Vir of the achievement of the applicable Sales Milestone Event. Each Sales Milestone Payment shall be payable only upon the first achievement of such Sales Milestone Event for a Licensed Product. The maximum aggregate amount payable by Vir pursuant to this Section 6.3.2 (Sales Milestones) is One Billion Four Hundred Eighty-Seven Million Five Hundred Thousand Dollars ($1,487,500,000).

	Sales Milestone Payment			
Sales Milestone Event	**Licensed Products containing AMX-818 or Derivative Compound thereof**	**Licensed Products containing AMX-500 or Derivative Compound thereof**	**Licensed Products containing AMX-525 or Derivative Compound thereof**	**Licensed Products containing AMX-912 or Derivative Compound thereof**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**

6.C.3 Determination that Milestone Events Have Occurred. In the event that Vir has not provided Sanofi notice of achievement of a particular Milestone Event as provided in Section 6.3.1 (Development and Regulatory Milestones) or Section 6.3.2 (Sales Milestones), Sanofi believes that any such Milestone Event has been achieved by Vir or its Affiliates or its or their Sublicensee with respect to a Licensed Product, then it shall so notify Vir in writing and the Parties shall promptly meet and discuss in good faith whether such Milestone Event has been achieved. The achievement of any Milestone Event by an Affiliate of Vir shall trigger the corresponding Milestone Event payment as if such Milestone Event had been achieved by Vir or its Affiliates or its or their Sublicensee. Vir shall notify Sanofi in writing of the achievement of each Milestone Event pursuant to Section 6.3.1 (Development and Regulatory Milestones) or Section 6.3.2 (Sales Milestones), as applicable. Any dispute under this Section 6.3 (Milestones) regarding whether or not a Milestone Event has been achieved shall be subject to resolution in accordance with Section 14.6 (Dispute Resolution).

6.D Royalties.

6.D.1 Royalty Rates. Subject to the terms and conditions of this Section 6.4 (Royalties), during the Royalty Term, Vir shall pay Sanofi a royalty on Net Sales of the applicable Licensed Product or Vir Program Product (as applicable), on a Licensed Product-by-Licensed Product and Vir Program Product-by-Vir Program Product basis, in the Territory for each Calendar Year (or partial Calendar Year), on a tier-by-tier basis at the rates specified below:

	Royalty Rate				
On that portion of aggregate Net Sales of the applicable Licensed Product or Vir Program Product in the Territory in a Calendar Year that is:	**Licensed Products containing AMX-818 or Derivative Compound**	**Licensed Products containing AMX-500 or Derivative Compound**	**Licensed Products containing AMX-525 or Derivative Compound**	**Licensed Products containing AMX-912 or Derivative Compound**	**Each Vir Program Product**

[***]	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**
[***]	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**

6.D.2 Payment Dates and Reports. During the Royalty Term, Vir shall deliver to Sanofi a detailed royalty payment report within **[***]** after the end of each Calendar Quarter which shall include: (a) the Net Sales of the Licensed Products and Vir Program Products by country in the Territory; (b) the applicable royalty rates for the Licensed Products and Vir Program Products; (c) the exchange rates used in calculating any of the foregoing; and (d) a calculation of the amount of royalty due to Sanofi. Vir shall pay all royalties due in any Calendar Quarter within **[***]** after receipt of an invoice therefor from Sanofi, which invoice Sanofi shall provide to Vir following Sanofi's receipt of the applicable royalty payment report, commencing with the Calendar Quarter in which the first day of the first Royalty Term for the first Licensed Product or first and Vir Program Product occurs.

6.D.3 Royalty Reductions.

(i) Absence of Valid Claims. Subject to Section 6.4.3(v) (Limitation on Royalty Reductions), on a Licensed Product-by-Licensed Product or Vir Program Product-by-Vir Program Product basis and country-by-country basis, during the Royalty Term for such Licensed Product or Vir Program Product, if such Licensed Product or Vir Program Product is not Covered by a Valid Claim of a Licensed Patent or Derived Patent in such country that would be infringed by the sale of such Licensed Product or Vir Program Product in such country, then, for purposes of calculating the royalties payable pursuant to Section 6.4.1 (Royalty Rates), the Net Sales of such Licensed Product or Vir Program Product in such country or jurisdiction will be deemed to be reduced by **[***]**.

(ii) Biosimilar Entry. Subject to Section 6.4.3(v) (Limitation on Royalty Reductions), on a Licensed Product-by-Licensed Product or Vir Program Product-by-Vir Program Product basis and country-by-country basis, after Biosimilar Launch in such country, for any Calendar Quarter during which a Biosimilar Product is marketed, commercialized, or sold in such country, if the Net Sales of such Licensed Product or Vir Program Product in such country in such Calendar Quarter decline by the percentage set forth in the table below, relative to the average Net Sales of such Licensed Product or Vir Program Product in such country in the four (4) Calendar Quarters prior to the first entry of a Biosimilar Product in such country, for purposes of calculating the royalties payable pursuant to Section 6.4.1 (Royalty Rates), the Net Sales of such Licensed Product or Vir Program Product in such country or jurisdiction in such Calendar Quarter will be deemed to be reduced by the corresponding percentage set forth in the table below:

Decline in Net Sales	Deemed Percentage Reduction of Net Sales
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**

(iii) Inflation Reduction Act. Subject to Section 6.4.3(v) (Limitation on Royalty Reductions), on a Licensed Product-by-Licensed Product basis or Vir Program Product-by-Vir Program Product basis, during the Royalty Term for such Licensed Product or Vir Program Product in the United States, if such Licensed Product or Vir Program Product is designated as a "selected drug" by the Secretary of the U.S. Department of Health and Human Services under the Inflation Reduction Act, and Vir negotiates a maximum fair price that will apply to sales of such Licensed Product or Vir Program Product during the price applicability period as specified in the Inflation Reduction Act, then, after the publication of the maximum fair price, during the Royalty Term, for purposes of calculating the royalty payable pursuant to Section 6.4 (Royalties), the Net Sales of such Licensed Product or Vir Program Product in the United States shall be deemed to be reduced by **[***]**.

(iv) Third Party Payments. Subject to Section 6.4.3(v) (Limitation on Royalty Reductions), if Vir, its Affiliates, or Sublicensees obtains a license from a Third Party under such Third Party's Patents Controlled by such Third Party that is necessary or reasonably useful to avoid infringement of such Patent in order to Exploit a Licensed Product in the Compound License Field in the Territory or Vir Program Product in the Platform License Field in the Territory (a " **Third Party License**"), then the royalty payments that would otherwise be due to Sanofi in any Calendar Quarter shall be **[***]**.

(v) Limitation on Royalty Reductions. On a Licensed Product-by-Licensed Product basis or Vir Program Product-by-Vir Program Product basis and country-by-country basis, in no event will the aggregate amount of royalties due to Sanofi for a Licensed Product or Vir Program Product during a Calendar Quarter be reduced, by reason of Sections 6.4.3(i) (Absence of Valid Claims), 6.4.3(ii) (Biosimilar Entry), 6.4.3(iii) (Inflation Reduction Act) or 6.4.3(iv) (Third Party Payments) to **[***]**.

6.E Expiration of Royalty Term. With respect to each Licensed Product and Vir Program Product in each country or other jurisdiction in the Territory, from and after the expiration of the Royalty Term for such Licensed Product or Vir Program Product in such country or other jurisdiction, Net Sales of such Licensed Product or Vir Program Product in such country or other jurisdiction shall be excluded for purposes of calculating Net Sales thresholds and ceilings with respect to Sales Milestone Payments in Section 6.3.2 (Sales Milestones) and with respect to royalty payments in Section 6.4.1 (Royalty Rates).

6.F [***]:

	[***]
[***]	**[***]**
[***]	**[***]**

6.G Mode of Payment; Currency Conversion.

6.G.1 Mode of Payment. All payments to Sanofi under this Agreement shall be made by deposit of Dollars in the requisite amount to such bank account as Sanofi may from time to time designate by notice to Vir.

6.G.2 Currency Conversion. If any currency conversion shall be required in connection with any payment hereunder, such conversion shall be made by using the arithmetic mean of the exchange rates for the purchase of Dollars as published in *The Wall Street Journal*, Eastern Edition, on the last Business Day of each month in the Calendar Quarter to which such payments relate.

6.H Taxes. The upfront payment, milestone payments and other amounts payable by Vir to Sanofi pursuant to this Agreement ("**Payments**") shall not be reduced on account of any taxes unless required by Applicable Law. Sanofi alone shall be responsible for paying any and all taxes (other than withholding taxes required by Applicable Law to be paid by Vir) levied on account of, or measured in whole or in part by reference to, any Payments it receives. Vir shall deduct or withhold from the Payments any taxes that it is required by Applicable Law to deduct or withhold and any amount so deducted or withheld shall be treated for all purposes under this Agreement as having been paid to Sanofi. Notwithstanding the foregoing, if Sanofi is entitled under any applicable tax treaty to a reduction of rate of, or the elimination of, applicable withholding tax, it may deliver to Vir or the appropriate Governmental Authority (with the assistance of Vir to the extent that this is reasonably required and is expressly requested in writing) the prescribed forms necessary to reduce the applicable rate of withholding or to relieve Vir of its obligation to withhold tax, and Vir shall apply the reduced rate of withholding, or dispense with withholding, as the case may be; provided that Vir has received evidence, in a form reasonably satisfactory to Vir, of Sanofi's delivery of all applicable forms (and, if necessary, its receipt of appropriate governmental authorization) at least **[***]** prior to the time that the Payments are due. If, in accordance with the foregoing, Vir withholds any amount, it shall pay to Sanofi the balance when due, make timely payment to the proper taxing authority of the withheld amount and send to Sanofi proof of such payment within **[***]** following such payment. Vir and Sanofi shall cooperate with each other in good faith in respect of tax matters relating to royalty payments under Section 6.4 (Royalties), including to minimize any tax that may be required to be collected with respect to such royalty payments, if any.

6.I Interest Rate for Late Payment. Any payment under this Agreement that is not paid on or before the date such payment is due will bear interest, to the extent permitted by Applicable Law, at **[***]** above the rate for deposits in Dollars for a period of three-months as published by the Federal Funds Effective Rate (or any successor to such rate); measured at 14:00 GMT on the date payment is due, as reported by the Federal Reserve of New York (for example via https://apps.newyorkfed.org/markets/autorates/fed%20funds). Interest shall be calculated on the number of days such payment is overdue, compounded annually and computed on the basis of a three hundred and sixty-five (365)-day year.

6.J Financial Records. Vir shall, and shall require its Affiliates and Sublicensees to, keep complete and accurate books and records pertaining to the sale of the Licensed Products, including books and records of Invoiced Sales, the calculation of Net Sales of the Licensed Products and Vir Program Products in the

Territory (including the deductions taken to derive Net Sales) and complete copies of each Sublicense Agreement. Vir shall, and shall require its Affiliates and Sublicensees to, retain such books and records and other information referred to in the preceding sentence that are relevant to determine compliance with this Agreement, until the latest of (a) three (3) years after the end of the period to which such books and records (and other information) pertain, (b) the expiration of the applicable tax statute of limitations (or any extensions thereof), or (c) for such period which is longer than either (a) or (b) as may be required by Applicable Law.

6.K Audit. At the request of Sanofi, Vir shall, and shall require its Affiliates and Sublicensees to, permit an independent certified public accountant retained by Sanofi and reasonably acceptable to Vir, at reasonable times during regular business hours and upon at least **[***]** written notice, to audit the books and records and other information maintained pursuant to Section 6.10 (Financial Records), solely to assess Vir's compliance with the terms and conditions of this Agreement. Such audits may not (a) be conducted for any Calendar Quarter **[***]** after the end of such Calendar Quarter, (b) be conducted more than **[***]**, or (c) **[***]**. The independent certified public accountant shall issue a report to both Parties at the same time setting forth whether there was a discrepancy in any payment hereunder (and, if so, the amount of the discrepancy and any overpayment or underpayment), and reasonable information as to how such accountant reached such conclusion. Except as provided below, the cost of any audit shall be borne by Sanofi, unless the audit reveals an underpayment of more than **[***]** from the reported amounts for the audited period, in which case Vir shall reimburse Sanofi for the documented out-of-pocket costs incurred by Sanofi in such audit within **[***]** of receipt of Sanofi's corresponding invoice. Unless disputed pursuant to Section 6.12 (Audit Dispute), (i) if the accountant concludes in its report that Vir has underpaid any amounts due hereunder, Vir shall pay such amounts, with interest from the date originally due, **[***]** after receipt of Sanofi's corresponding invoice, which shall not be dated any earlier than the date on which the accountant delivers its audit report to the Parties; and (ii) if the accountant concludes in its report that Vir has overpaid any amounts due hereunder, Vir may credit such amounts against future payments (or, if no further payments are to be made to Sanofi under this Agreement, Sanofi shall repay to Vir such overpayment), within **[***]** receipt of Vir's corresponding invoice, which shall not be dated any earlier than the date on which the accountant delivers its audit report to the Parties. Where requested by the Vir, the accountant so appointed shall execute an agreement, in a form reasonably acceptable to the Parties, to protect the confidentiality of information made available to such accountant and the confidentiality of such accountant's findings and report.

6.L Audit Dispute. In the event of a dispute over the results of any audit conducted pursuant to Section 6.11 (Audit), Sanofi and Vir shall work in good faith to resolve such dispute. If the Parties are unable to reach a mutually acceptable resolution of any such dispute within **[***]**, the dispute shall be submitted for arbitration to a certified public accounting firm or such other Person as the Parties shall mutually agree (the "**Accountant**") or failing such agreement, as the Chairman of the International Chamber of Commerce (or such other body as the Parties may mutually agree), may nominate. The decision of the Accountant shall be final and the costs of such arbitration, as well as the initial audit, shall be borne between the Parties in such manner as the Accountant shall determine. No later than **[***]** after such decision and in accordance with such decision, Vir shall pay the additional payments, if any are determined to be owed, with interest from the date originally due.

6.M Confidentiality. **[***]**.

ARTICLE 7
INTELLECTUAL PROPERTY

7.A Ownership of Intellectual Property.

7.A.1 General. Except as otherwise set forth in this Agreement, ownership of intellectual property (whether or not patentable) developed in the conduct of any activities under this Agreement, including with respect to any improvement to the Amunix Platform, will be governed by U.S. patent law.

7.A.2 Background IP. As between the Parties, each Party or its Affiliate will retain all of its rights, title, and interests to all Patents, Know-How and other intellectual property rights that are Controlled by such Party or such Affiliate (as applicable) prior to the Effective Date or are otherwise conceived, discovered, developed, invented, created, or otherwise made or acquired by such Party or its Affiliate outside the performance of activities under this Agreement ("**Background IP**"), subject to any rights or licenses expressly granted by such Party to the other Party under this Agreement.

7.A.3 Licensed IP. As between the Parties, subject to any rights or licenses expressly granted by one Party to the other Party under this Agreement, Sanofi shall solely own all rights, title, and interest in and to all Licensed IP.

7.A.4 Derived Patents. As between the Parties, subject to any rights or licenses expressly granted by one Party to the other Party under this Agreement, Vir shall solely own all rights, title, and interest in and to all Derived Patents. If any rights, title, or interests in or to Derived Patents vest in Sanofi or any of its Affiliates, Sanofi will and will cause its Affiliates to assign, and hereby does assign, to Vir any and all rights, title and interests in and to such Derived Patents.

7.A.5 Disclosure of Platform Improvement IP. Each Party will, on mutually agreed dates to occur two (2) times each Calendar Year, disclose to the other Party the content of all Vir Platform Improvement IP or Sanofi Platform Improvement IP, as applicable, generated by or on behalf of such Party during the three (3) year period following the Effective Date.

7.B Prosecution and Maintenance of Intellectual Property.

7.B.1 Patents Covering Background IP. Except as set forth in Section 7.2.2 (Licensed Product Patents), Section 7.2.3 (Minimum Prosecution Obligations), Section 7.2.4(i) (Licensed Amunix Sub-Platform Patents) and Section 7.2.4(ii) (Licensed Amunix XTEN Platform Patents), each Party will have the sole right (but not the obligation) to control the Prosecution of Patents Covering the Background IP that such Party owns pursuant to Section 7.1.2 (Background IP).

7.B.2 Licensed Product Patents. Subject to Section 7.2.3 (Minimum Prosecution and Maintenance Obligations), Vir shall have the first right, but not the obligation, to control the preparation, filing, prosecution, and maintenance, including any interferences, reissue proceedings, reexaminations, patent term extensions, applications for supplementary protection certificates and oppositions ("**Prosecution**" and "**Prosecute**" when used as a verb) of all Licensed Product Patents in the Territory, at its sole cost and expense and by counsel of its choosing that is reasonably acceptable to Sanofi. The Parties shall cooperate in good faith to complete the transfer of Prosecution of Licensed Product Patents to Vir or its designated legal counsel within **[***]** of the Effective Date. Reasonably in advance of each substantive submission to be filed (and no less than **[***]**, Vir will provide Sanofi with a reasonable opportunity to review and comment on the proposed submission to any patent office and to provide input on Prosecution strategy, which Vir will consider in good faith. Vir will keep Sanofi reasonably informed of the status of the applicable Patents by timely providing Sanofi with copies of any papers and all material communications relating to such Patents that are received from any patent office or patent counsel of record or foreign associate. In the event that Vir desires to abandon or cease Prosecution of any Licensed Product Patents in the Territory, Vir shall provide reasonable prior written notice to Sanofi of such intention to abandon at least **[***]** in advance of the due date of any payment or other action that is required to

Prosecute such Licensed Product Patent and Sanofi shall thereafter have the sole right, but not the obligation, to Prosecute such Licensed Product Patent, at its sole cost and expense and by counsel of its own choice. Further, if Vir decides to close prosecution of a Licensed Product Patent family in any country or jurisdiction (such as before the European Patent Office) by not filing a subsequent divisional or continuation application before a grant of a Licensed Product Patent in that country or jurisdiction, Vir shall provide reasonable prior written notice to Sanofi of such intention to not file a subsequent divisional or continuation application at least **[***]** in advance of the deadline and seek Sanofi's written consent, which will not be unreasonably withheld or conditioned, and which consent shall be deemed to have been granted if Sanofi does not respond within **[***]** following receipt of such notice from Vir. Sanofi shall have the sole right, but not the obligation, to Prosecute such divisional or continuation in such country or jurisdiction, at its sole cost and expense and by counsel of its own choice.

7.B.3 Minimum Prosecution Obligations. Notwithstanding Section 7.2.2 (Licensed Product Patents), Vir shall, unless Sanofi has exercised its step-in right to Prosecute a Licensed Product Patent pursuant to Section 7.2.2 (Licensed Product Patents), Prosecute, and shall not abandon or cease Prosecuting, the Licensed Product Patents in the countries and regions set forth on Schedule 7.2.3 (Minimum Prosecution Countries and Regions) (including that Vir shall comply with the obligations specified therein for Prosecution via the European Patent Organisation), **[***]**.

7.B.4 Licensed Platform Patents.

(i) Licensed Amunix Sub-Platform Patents. Vir shall have the first right, but not the obligation, to control the Prosecution of all Licensed Amunix Sub-Platform Patents at its sole cost and expense and by counsel of its choosing that is reasonably acceptable to Sanofi. The Parties shall cooperate in good faith to complete the transfer of Prosecution of Licensed Amunix Sub-Platform Patents to Vir or its designated legal counsel within **[***]** of the Effective Date. Reasonably in advance of each substantive submission to be filed (and no less than **[***]**, Vir will provide Sanofi with a reasonable opportunity to review and comment on the proposed submission to any patent office and to provide input on Prosecution strategy, which Vir will consider in good faith. Vir will keep Sanofi reasonably informed of the status of the applicable Patents by timely providing Sanofi with copies of any papers and all material communications relating to such Patents that are received from any patent office or patent counsel of record or foreign associate. In the event that Vir desires to abandon or cease Prosecution of any such Licensed Amunix Sub-Platform Patent, Vir shall provide reasonable prior written notice to Sanofi of such intention to abandon at least **[***]** in advance of the due date of any payment or other action that is required to Prosecute such Licensed Amunix Sub-Platform Patent and Sanofi shall thereafter have the sole right, but not the obligation, to prosecute and maintain such Licensed Amunix Sub-Platform Patent, at its sole cost and expense and by counsel of its own choice. Further, if Vir decides to close prosecution of a Licensed Amunix Sub-Platform Patent family in any country or jurisdiction (such as before the European Patent Office) by not filing a subsequent divisional or continuation application before a grant of a Licensed Amunix Sub-Platform Patent in that country or jurisdiction, Vir shall provide reasonable prior written notice to Sanofi of such intention to not file a subsequent divisional or continuation application at least **[***]** in advance of the deadline and seek Sanofi's written consent, which will not be unreasonably withheld or conditioned, and which consent shall be deemed to have been granted if Sanofi does not respond within [***] following receipt of such notice from Vir. Sanofi shall have the sole right, but not the obligation, to Prosecute such divisional or continuation in such country or jurisdiction, at its sole cost and expense and by counsel of its own choice.

(ii) Licensed Amunix XTEN Platform Patents. For the avoidance of doubt, as between the Parties Sanofi shall have the sole right (but not the obligation) to control the Prosecution of any Licensed Amunix XTEN Platform Patents. Notwithstanding the foregoing, after a Licensed Amunix XTEN Platform Patent is issued as a granted patent, in the event that Sanofi desires to abandon or cease maintenance of

any such Licensed Amunix XTEN Platform Patent for which a license is granted under this Agreement, Sanofi shall provide reasonable prior written notice to Vir of such intention to abandon at least [***] in advance of the due date of any payment or other action that is required to maintain such Licensed Amunix XTEN Platform Patent and Vir shall thereafter have the sole right, but not the obligation, to maintain such Licensed Amunix XTEN Platform Patent, at its sole cost and expense and by counsel of its own choice.

7.B.5 Patents Covering Platform Improvement IP. Each Party will have the sole right (but not the obligation) to control the Prosecution of Patents Covering the Platform Improvement IP that such Party owns pursuant to Section 7.1.5 (Disclosure of Platform Improvement IP). The Parties will mutually agree on all matters concerning the Prosecution of Patents Covering any Joint Platform Improvement IP. In the event the Parties are unable to agree on such matters, neither Party shall take any action with respect to such Prosecution.

7.B.6 Vir Program Patents. Vir will have the sole right (but not the obligation) to control the Prosecution of any Vir Program Patents.

7.B.7 Derived Patents. Vir will have the sole right (but not the obligation) to control the Prosecution of any Derived Patents.

7.B.8 Inventions Under Research License. Notwithstanding anything herein to the contrary, without the prior written consent of the other Party, neither Party shall Prosecute any Patents Covering inventions made by such Party pursuant to rights granted to such Party under Section 2.1.6 (Non-Exclusive Amunix Platform Research License) or Section 2.2.2 (Non-Exclusive Amunix Platform Research License), as applicable, or otherwise make any public disclosure regarding such inventions.

7.C Enforcement of Patents.

7.C.1 Notice of Infringement Claim. In the event either Party becomes aware of (a) any suspected infringement within the Platform License Field of any Licensed Patent, Platform Improvement IP, Derived Patent, or Vir Program Patent, (b) any proceeding filed pursuant to the BPCIA claiming that any Licensed Patent, Platform Improvement IP, Derived Patent, or Vir Program Patent is invalid or unenforceable or claiming that any Licensed Patent, Platform Improvement IP, Derived Patent, or Vir Program Patent would not be infringed by the making, use, offer for sale, sale or import of a product within the Platform License Field for which a proceeding pursuant to the BPCIA is filed, or any equivalent or similar proceeding in any other jurisdiction in the Territory, or (c) any assertation by a Third Party, whether as a defense, claim or as a counterclaim in any action, in a declaratory judgment or similar action or otherwise relating to any activity within the Platform License Field, that any Licensed Patent, Platform Improvement IP, Derived Patent, or Vir Program Patent is invalid or unenforceable, (each of clauses (a), (b) and (c), an "**Infringement**"), or would not be infringed, such Party shall promptly notify the other Party and provide it with all details of such Infringement of which it is aware (each, an "**Infringement Notice**").

7.C.2 Licensed Product Patents and Licensed Amunix Sub-Platform Patents. With respect to any Infringement, Vir shall have the first right, but not the obligation, through counsel of its choosing that is reasonably acceptable to Sanofi, to control enforcement of (a) Licensed Product Patents and (b) the Licensed Amunix Sub-Platform Patents against such Infringement at Vir's sole cost and expense, or to grant the infringing Third Party adequate rights and licenses necessary for continuing such activities in accordance with Section 7.3.6; provided that Vir shall keep Sanofi informed reasonably in advance of all material steps to be taken in the preparation and conduct of such enforcement and shall furnish Sanofi with copies of all pleadings and other documents filed with the court, and all material documents and communications exchanged with the infringing Third Party, and shall consider reasonable input from Sanofi during the course of the conduct of such

enforcement. If Vir does not (a) initiate such enforcement (where "initiate" includes making contact with the infringing Third Party) within [***] of learning of such Infringement and (b) diligently pursue such enforcement, including (if appropriate, consistent with such diligent pursuit of enforcement) filing an action within [***] before the time limit, if any, set forth in the Applicable Laws governing the filing of an enforcement action (subject to extension of such period by mutual agreement of the Parties, not to be unreasonably withheld, conditioned or delayed), or earlier notifies Sanofi in writing of its intent not to so initiate or diligently pursue enforcement, and Vir has not granted such infringing Third Party rights and licenses to continue its otherwise infringing activities, then Sanofi shall have the right, but not the obligation, to control such enforcement at Sanofi's sole cost and expense.

7.C.3 Licensed Amunix XTEN Platform Patents. With respect to any infringement, Sanofi shall have the sole right, but not the obligation, through counsel of its choosing, to control enforcement of the Licensed Amunix XTEN Platform Patents against any Infringement at its sole cost and expense, or to grant the infringing Third Party adequate rights and licenses necessary for continuing such activities in accordance with Section 7.3.6 (Settlement). With respect to an enforcement action with respect to Infringement of a Licensed Amunix XTEN Platform Patent, to the extent the infringing activity is in the Platform License Field, Sanofi shall keep Vir informed reasonably in advance of all material steps to be taken in the preparation and conduct of such enforcement and shall furnish Vir with copies of all pleadings and other documents filed with the court, and all material documents and communications exchanged with the infringing Third Party, and shall consider reasonable input from Vir during the course of the conduct of such enforcement.

7.C.4 Patents Covering Platform Improvement IP. Each Party will have the sole right, but not the obligation, through counsel of its choosing, to control enforcement of any Patents within the Platform Improvement IP that such Party owns pursuant to Section 7.1.5 (Disclosure of Platform Improvement IP) against any Infringement, or to grant the infringing Third Party adequate rights and licenses necessary for continuing such activities. The Parties will mutually agree on all matters concerning enforcement of Patents Covering any Joint Platform Improvement IP. In the event the Parties are unable to agree on such matters, neither Party shall take any action with respect to such enforcement.

7.C.5 Vir Program Patents. Vir shall have the sole right, but not the obligation, through counsel of its choosing, to initiate an infringement action with respect to any Infringement of any Vir Program Patents at its sole cost and expense, or to grant the infringing Third Party adequate rights and licenses necessary for continuing such activities in accordance with Section 7.3.6 (Settlement).

7.C.6 Settlement. The Party that controls the enforcement of a given Infringement claim pursuant to Section 7.3 (Enforcement of Patents) also shall have the right to control settlement of such claim, including the right to grant a license, sublicense, covenant not to sue or similar right under the Patents subject to such claim of Infringement in connection with such settlement; provided that without prior written consent of the non-controlling Party (not to be unreasonably withheld, conditioned, or delayed), enter into any such settlement in a manner that diminishes or has an adverse effect on the rights or interest of the non-controlling Party, or in a manner that imposes any costs or liability on, or involves any admission by, the non-controlling Party. Notwithstanding anything herein to the contrary, with respect to any license, sublicense, covenant not to sue or similar right granted in connection with the settlement of an Infringement action, (i) any such sublicense shall not be deemed to be a Sublicense Agreement for purposes hereof, and (ii) the grant of such license, sublicense, covenant not to sue or similar right shall not be deemed to be a Transaction and amounts paid pursuant to thereto shall not be deemed to be Non-Passthrough Income.

7.C.7 Cooperation. In the event a Party is entitled to and brings an Infringement action in accordance with this Section 7.3 (Enforcement of Patents), the non-controlling Party shall provide

reasonable assistance and cooperation, if requested by the controlling Party at its cost, including being joined as a party plaintiff in such action, providing reasonable access to relevant documents and other evidence and making its employees reasonably available at reasonable business hours. The non-controlling Party shall have the right to be represented in any such action in which it is a party by independent counsel (which shall act in an advisory capacity only, except for matters solely directed to such Party) of its own choice and at its own expense.

7.C.8 Costs and Recovery. Each Party shall bear its own costs and expenses relating to any Infringement action pursuant to this Section 7.3 (Enforcement of Patents), except as otherwise provided in this Section 7.3 (Enforcement of Patents). Any damages or other amounts collected from any enforcement against such Infringement pursuant to Section 7.3 (Enforcement of Patents), including any amounts paid in connection with a license, sublicense, covenant not to sue or similar right granted under the Patents subject to such claim of Infringement in connection with the settlement of such Infringement action, shall be first allocated to reimburse the Parties for their costs and expenses in making such recovery (which amounts shall be allocated *pro rata* if insufficient to cover the totality of such expenses). **[***]**.

7.D Defense of Claims of Infringement by Third Parties. If a Third Party asserts that a Patent or other property right owned or otherwise controlled by it is infringed by the Exploitation of the Licensed Products or Vir Program Products, the Party first made aware of such a claim shall promptly provide the other Party written notice of such claim along with the related facts in reasonable detail. Each Party shall control the defense of any such claim brought against such Party or its Affiliates, at its sole cost and expense, including the right to control settlement of such claim; provided that without prior written consent of the other Party (not to be unreasonably withheld, conditioned, or delayed), enter into any such settlement in a manner that diminishes or has an adverse effect on the rights or interest of the other Party, or in a manner that imposes any costs or liability on, or involves any admission by, the other Party.

ARTICLE 8
PHARMACOVIGILANCE AND SAFETY

8.A Global Safety Database. Subject to the Transition Plan or other safety data exchange or other applicable pharmacovigilance agreement entered into pursuant to Section 8.2 (Pharmacovigilance Agreement(s)), as between the Parties, Vir will have sole control over, and decision-making authority with respect to, the setting up, holding, and maintaining (at Vir's sole cost and expense) the global safety database for the Licensed Products and Vir Program Products in the Territory. Where required by Applicable Law, and on Sanofi's reasonable request, Vir shall provide Sanofi information from the global safety database for the Licensed Products and Vir Program Products.

8.B Pharmacovigilance Agreement(s)

. To the extent required by Applicable Law, the Parties shall execute a safety data exchange or other applicable pharmacovigilance agreement.

ARTICLE 9
CONFIDENTIALITY AND NON-DISCLOSURE

9.A Confidentiality Obligations. At all times on and after the Execution Date and during the Term and for a period of ten (10) years following termination or expiration of this Agreement, or for as long as Confidential Information that constitutes a trade secret remains a trade secret under Applicable Law, each Party shall, and shall cause its Affiliates and, in the case of Vir as the Receiving Party, shall require its Sublicensees, and with respect to both Parties their respective officers, directors, employees and agents to, keep completely confidential and not publish or otherwise disclose and not use, directly or indirectly, for any purpose, any

Confidential Information furnished or otherwise made known to it, directly or indirectly, by the other Party, except in connection with exercising its rights and performing its obligations under this Agreement. "**Confidential Information**" means any information provided by or on behalf of one Party or its Affiliates (the "**Disclosing Party**") to the other Party or its Affiliates (the "**Receiving Party**") under or in connection with this Agreement, including the terms of this Agreement or any information relating to the Licensed Products, any information relating to any Exploitation of the Licensed Products or Vir Program Products in the Territory, or the scientific, regulatory or business affairs or other activities of either Party or its Affiliates. The terms of this Agreement and any Know-How included within the Joint Platform Improvement IP will be deemed the Confidential Information of both Parties, with each Party as a Receiving Party. The Licensed Know-How (other than Licensed Know-How that is solely related to a Named Compound as set forth below) and the Know-How within the Sanofi Platform Improvement IP will be treated as the Confidential Information of Sanofi, with Vir as the Receiving Party, for the purposes of this Agreement. From and after the Effective Date, the Vir Program Know-How, Vir Platform Improvement IP, the reports and records delivered by or on behalf of Vir under Section 3.2.2 (Reports) and Section 3.4 (Records), and Licensed Know-How that is solely related to the Named Compounds will be treated as the Confidential Information of Vir, with Sanofi as the Receiving Party, for the purposes of this Agreement. Notwithstanding the foregoing, Confidential Information shall not include any information that:

9.A.1 is or hereafter becomes part of the public domain by public use, publication, general knowledge or the like through no wrongful act or omission on the part of the Receiving Party;

9.A.2 can be demonstrated was obtained or was already known by the Receiving Party or any of its Affiliates without obligation of confidentiality as a result of disclosure from a Third Party legally in possession thereof that neither the Receiving Party nor any of its Affiliates knew or reasonably should have known was under an obligation of confidentiality to the Disclosing Party or any of its Affiliates with respect to such information;

9.A.3 is subsequently received by the Receiving Party from a Third Party legally in possession thereof who is not bound by any obligation of confidentiality with respect to such information; or

9.A.4 can be demonstrated by documentation or other competent evidence to have been independently developed by or for the Receiving Party without access or reference to the Disclosing Party's Confidential Information.

Specific aspects or details of Confidential Information shall not be deemed to be within the public domain or in the possession of the Receiving Party merely because the Confidential Information is embraced by more general information in the public domain or in the possession of the Receiving Party. Further, any combination of Confidential Information shall not be considered in the public domain or in the possession of the Receiving Party merely because individual elements of such Confidential Information are in the public domain or in the possession of the Receiving Party unless the combination and its principles are in the public domain or in the possession of the Receiving Party.

9.B Permitted Disclosures. Each Receiving Party may disclose Confidential Information disclosed to it by the Disclosing Party to the extent that such disclosure by the Receiving Party is:

9.B.1 to its or its Affiliates' employees, subcontractors, agents, or other commercial partners who require access thereto for the performance of the Receiving Party's obligations or the exercise of its rights under this Agreement and who are under written obligations of confidentiality and non-use that are substantially similar to the Receiving Party's obligations hereunder;

9.B.2 necessary to comply with Applicable Law including disclosure that a Party is compelled to make in response to a valid order of a court of competent jurisdiction or other supra-national, federal, national, regional, state, provincial and local governmental or regulatory body of competent jurisdiction (including prosecution or defense of litigation) if, in the reasonable opinion of the Receiving Party's counsel, such disclosure is necessary for such compliance with Applicable Law (and subject to Section 9.2.5 if applicable); provided that the Receiving Party shall first have given notice, to the extent legally permitted, to the Disclosing Party and given the Disclosing Party a reasonable opportunity to quash such order and to obtain a protective order requiring that the Confidential Information and documents that are the subject of such order be held in confidence by such court or agency or, if disclosed, be used only for the purposes for which the order was issued; and provided, further, that if a disclosure order is not quashed or a protective order is not obtained, then the Confidential Information disclosed in response to such court or governmental order shall be limited to the information that is legally required to be disclosed in response to such court or governmental order;

9.B.3 (i) made by the Receiving Party to a Regulatory Authority as required in connection with, in the case of Vir, any filing, application or submission relating to the Exploitation of any Licensed Compounds, Licensed Products, Vir Program Compounds, or Vir Program Products, or (ii) made to a Third Party in connection with, in the case of Vir, the Exploitation of any Licensed Compounds, Licensed Products, Vir Program Compounds, or Vir Program Products, and in the case of Sanofi, Exploitation of any compounds or products incorporating Vir Platform Improvement IP, or such Receiving Party's exercise of its rights or performance of its obligations hereunder, provided that such Third Party signs an agreement that contains obligations of confidentiality that are substantially similar to the Receiving Party's obligations hereunder (except that, with respect to Confidential Information other than trade secrets, the duration of confidentiality term may be shorter than that set forth herein but not less than the period that is six (6) years from the Effective Date hereof);

9.B.4 made by the Receiving Party to file or prosecute Patent applications in accordance with the terms of this Agreement;

9.B.5 necessary to comply with the rules and regulations of the U.S. Securities and Exchange Commission (or any other securities exchange in any jurisdiction in the Territory) applicable to a Party (each, a "**Securities Regulator**"), which disclosure is, in the reasonable opinion of the Receiving Party's counsel, necessary for compliance with the requirements of such securities exchange, including any future initial public offering or other financing event; provided that if a Party intends to submit this Agreement to, or intends to file this Agreement with, any Securities Regulator, such Party shall submit a confidential treatment request in connection with such disclosure and shall submit with such confidential treatment request only such redacted form of this Agreement;

9.B.6 made by the Receiving Party to actual or prospective acquirers, merger candidates, banks or other credit institutions or advisors for financings, or, with respect to Sanofi as the Receiving Party, investors in connection with a transaction in accordance with clause (ii) of Section 14.4.1 (Assignment) or, with respect to Vir as the Receiving Party, actual or prospective investors or Sublicensees (and to its and their respective Affiliates, representatives and financing sources); provided that each such Third Party signs an agreement that contains confidentiality obligations that are substantially similar to the Receiving Party's obligations hereunder (except that, with respect to Confidential Information other than trade secrets, the obligations under such agreement may expire on the date that is two (2) years after the Effective Date hereof); and provided further that with respect to an actual or prospective Monetization Partner of a Party, such disclosure shall be limited to the terms of this Agreement, reports received pursuant to Section 3.3 (Reports), and any other information reasonably relating to the consideration that has been or may be due to such Party or its Affiliates

hereunder (including the amount of payments and the content of reports provided pursuant to Section 6.4.2 (Payment Dates and Reports)).

9.C Use of Name. Except as expressly provided in this Agreement, neither Party shall mention or otherwise use the name, insignia, symbol, or other Trademark of the other Party (or any abbreviation or adaptation thereof) in any publication, press release, marketing and promotional material or other form of publicity without the prior written approval of such other Party in each instance, such approval not to be unreasonably conditioned, withheld or delayed. The restrictions imposed by this Section 9.3 (Use of Name) shall not prohibit either Party from making any disclosure (a) identifying the other Party as a counterparty to this Agreement to its investors, (b) that is required by Applicable Law or the requirements of a national securities exchange or another similar regulatory body (provided that any such disclosure shall be governed by this Article 9 (Confidentiality and Non-Disclosure)) or (c) with respect to which written consent has previously been obtained. Further, the restrictions imposed on each Party under this Section 9.3 (Use of Name) are not intended, and shall not be construed, to prohibit a Party from identifying the other Party in its internal business communications, provided that any Confidential Information in such communications remains subject to this Article 9 (Confidentiality and Non-Disclosure).

9.D Press Releases. On the Execution Date or promptly thereafter, Vir may issue a press release in a form attached as Exhibit 9.4 (Press Release). On the Effective Date or promptly thereafter, Vir may issue a press release in a form to be approved by Sanofi (such approval not to be unreasonably withheld, conditioned, or delayed). **[***]**.

9.E Publications.

9.E.1 Prior Review. A Party desiring to submit a Proposed Publication for publication (the "**Publishing Party**") shall provide the other Party (the "**Reviewing Party**") with a copy of such Proposed Publication at least [***] prior to submission for publication ("**Review Period**") in order to allow the Reviewing Party an opportunity to review and comment on the Proposed Publication, such comments to be reasonably taken into account by the Publishing Party. The Reviewing Party shall notify the Publishing Party in writing if the Reviewing Party has an objection to disclosure of its Confidential Information in the Proposed Publication. Upon request, the Publishing Party shall remove any Confidential Information of the Reviewing Party or otherwise make such reasonable revisions to the Proposed Publication to the satisfaction of the Reviewing Party.

9.E.2 Contribution. Further, any Proposed Publication made by or on behalf of Vir, its Affiliates, or its or their Sublicensee shall acknowledge the contributions of Sanofi or any of its Affiliates according to standard practice for assigning scientific credit, either through authorship or acknowledgement, as may be appropriate.

9.F Certain Press Releases and Other Disclosures Prior to the Effective Date. Notwithstanding anything to the contrary in Section 9.4 (Press Releases, if prior to the Effective Date, Sanofi intends to issue any press release or other similar public communication or otherwise publicly disclose any Licensed Know-How that is solely related to the Named Compounds, Sanofi shall provide Vir with a copy of such press release or other similar public communication or public disclosure at least [***] prior to issuance to allow Vir an opportunity to review and comment thereon, and Sanofi will consider any such comments in good faith.

9.G Destruction of Confidential Information. Within [***], the Receiving Party shall promptly destroy all documentary, electronic, or other tangible embodiments of the Disclosing Party's Confidential Information to which the Receiving Party does not retain rights hereunder and any and all copies

thereof, and destroy those portions of any documents that incorporate or are derived from the Disclosing Party's Confidential Information to which the Receiving Party does not retain rights hereunder, and provide a written certification of such destruction, except that the Receiving Party may retain one copy thereof, to the extent that the Receiving Party requires such Confidential Information for the purpose of performing any obligations or exercising any rights under this Agreement that may survive such expiration or termination, or for archival or compliance purposes. Notwithstanding the foregoing, the Receiving Party also shall be permitted to retain such additional copies of or any computer records or files containing the Disclosing Party's Confidential Information that have been created solely by the Receiving Party's automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with the Receiving Party's standard archiving and back-up procedures, but not for any other use or purpose.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

10.A Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party as of the Effective Date as follows:

10.A.1 Corporate Authority. Such Party (a) has the power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, (b) has taken all necessary action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder, (c) is duly organized, validly existing and in good standing under the Applicable Law of its jurisdiction of formation, and (d) has taken all corporate action necessary to enter into and perform this Agreement.

10.A.2 Binding Agreement. This Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of such Party and is enforceable against it in accordance with its terms subject to the effects of bankruptcy, insolvency or other laws of general application affecting the enforcement of creditor rights and judicial principles affecting the availability of specific performance and general principles of equity, whether enforceability is considered in a proceeding at law or equity.

10.A.3 No Conflicts. The execution and delivery of this Agreement and the performance of such Party's obligations hereunder (a) do not conflict with or violate any requirement of Applicable Law or any provision of the articles of incorporation or bylaws of such Party in any material way and (b) do not conflict with, violate or breach or constitute a default or require any consent under, any contractual obligation or court or administrative order by which such Party is bound.

10.A.4 Government Authorization. Except as contemplated by ARTICLE 13 (Government Approvals) or as may be required to Exploit Licensed Compounds, Licensed Products, Vir Program Compounds, and Vir Program Products, no other government authorization, consent, approval, license, exemption of, or filing or registration with, any court or governmental department, commission, board, bureau, agency or instrumentality, under any Applicable Law in effect as of the Effective Date, is or will be necessary for, or in connection with, the transactions contemplated by this Agreement, or for the performance by such Party of its obligations under this Agreement.

10.A.5 No Debarment. As of the Effective Date, neither such Party nor any of its Affiliates, nor any of its or their respective officers, employees or agents, has been debarred or is subject to debarment pursuant to Section 306 of the FFDCA (21 U.S.C. § 335a) or analogous provisions of Applicable Law outside the United States or is listed on any excluded list, and neither such Party nor any of its Affiliates has, to its or its Affiliates' knowledge, used in any capacity, in connection with the activities to be performed under this

Agreement, any Person who has been debarred pursuant to Section 306 of the FFDCA or analogous provisions of Applicable Law outside the United States or who is the subject of a conviction described in such Section or analogous provisions of Applicable Law outside the United States or is listed on any excluded list.

10.B Representations and Warranties of Sanofi. Sanofi hereby represents and warrants to Vir, as of the Effective Date, that:

10.B.1 Licensed Patents. Sanofi and/or its Affiliate is the sole owner of the Licensed Patents.

10.B.2 Licensed Know-How. Sanofi and/or its Affiliate Controls the Licensed Know-How.

10.B.3 Prosecution; Validity and Enforceability. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for Prosecution matters involving the Licensed Patents, [***], since the Acquisition Date, Sanofi and its Affiliates have not received any written notice of any claim made by any Person (other than a Governmental Authority, e.g. a patent office such as the European Patent Office or the United States Patent and Trademark Office) against Sanofi or its Affiliates that alleges that any Licensed Product Patent is invalid or unenforceable.

10.B.4 Litigation and Disputes. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for litigation matters involving Licensed Patents, [***], since the Acquisition Date, there have been no claims, judgments, settlements, disputes, or arbitration, pending or threatened, against Sanofi or any of its Affiliates (i) that would reasonably be expected to have a material adverse effect on or restrict the ability of Sanofi to consummate or perform the transactions and obligations contemplated under this Agreement, or (ii) that have had a material adverse effect on (a) the Licensed Patents, or Sanofi's ownership of any of the foregoing, or (b) the Licensed Compounds or Licensed Products existing as of the Effective Date.

10.B.5 No Misappropriation or Infringement. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for Infringement matters related to the Exploitation of the Licensed Compounds or Licensed Products and [***], since the Acquisition Date, Sanofi and its Affiliates have not received any written notice of any Third Party Claim that any intellectual property right controlled by a Third Party would be infringed, misappropriated or otherwise violated by the Exploitation of the Licensed Compounds or Licensed Products by or on behalf of Sanofi or its Affiliates prior to the Execution Date, or by the Exploitation of the Licensed Compounds, or Licensed Products as contemplated under this Agreement in accordance with this Agreement. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for such Infringement matters and [***], since the Acquisition Date, no Third Party is infringing, misappropriating, or otherwise violating any rights in or to the Licensed Patents, Licensed Know-How, or Licensed Materials.

10.B.6 Assignments. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for intellectual property matters relating to the Licensed Patents and [***], since the Acquisition Date, no dispute regarding inventorship, authorship or ownership has been alleged or threatened with respect to any Licensed Patent.

10.B.7 Government Funding and Rights. To the knowledge of those specific personnel employed by Sanofi or its Affiliates as of the Execution Date having responsibility for Prosecution matters involving the Licensed Patents, the inventions made since the Acquisition Date and claimed in the Licensed Patents with priority dates after the Acquisition Date were not conceived, discovered, developed or

otherwise made as a result of any research activities funded, in whole or in part, by the federal government of the United States (or any agency thereof).

10.C Covenants of Each Party. Each Party hereby covenants to the other Party that during the Term:

10.C.1 No Debarment. Neither Vir nor any of its Affiliates, or in connection with performance under the Transition Plan, Sanofi or its Affiliates, will use in any capacity, in connection with the activities to be performed under this Agreement, any Person who has been suspended, proposed for debarment or debarred under 21 U.S.C. §335a or sanctioned by a Federal Health Care Program (as defined in 42 U.S.C. Sec. 1320 a-7b(f)), including, but not limited to the federal Medicare or a state Medicaid program, or debarred, suspended, excluded or otherwise declared ineligible from any U.S. federal agency or program. Such Party shall inform the other Party in writing promptly if it or any Person who is performing activities hereunder becomes debarred, suspended, excluded, sanctioned, or otherwise declared ineligible or receives notice of an action or threat of an action with respect to any such debarment, suspension, exclusion, sanction, or ineligibility.

10.D Covenants of Sanofi.

10.D.1 Prior to the Effective Date.

(i) From the Execution Date until the Effective Date, except (1) as otherwise provided in this Agreement, (2) as required by Applicable Law or any contract in existence as of the Execution Date and disclosed to Vir, (3) for any actions taken by Sanofi that are necessary to consummate the transactions contemplated by this Agreement, or (4) as consented to in writing by Vir, which consent shall not be unreasonably withheld, conditioned, or delayed, Sanofi shall not, and shall cause its Affiliates not to:

(a) sell, assign, transfer, or otherwise dispose (other than the abandonment of any Licensed IP identified as being closed in Schedule 1.111 (Licensed Product Patents), Schedule 1.102 (Licensed Amunix Sub-Platform Patents), or Schedule 1.103 (Licensed Amunix XTEN Platform Patents)) of any of the Licensed IP, except in connection with an assignment permitted under Section 14.4 (Assignment), grant any license under the Licensed IP that would conflict with the exclusive licenses and the Co-Exclusive license granted to Vir under Section 2.1 (Grants to Vir) as of the Effective Date;

(b) disclose any Licensed Know-How, or other Confidential Information to be provided to Vir under the Transition Plan in a manner that has a material adverse effect on the Named Compounds or the Amunix Platform, except pursuant to protective confidentiality and non-disclosure obligations or as required by Applicable Law;

(c) terminate, waive, abandon, cancel, or otherwise dispose of, or take any action or fail to take any action that would reasonably be expected to result in any permanent loss, lapse, abandonment, cancellation, invalidity or unenforceability of, any Licensed Product Patent the status of which is identified as pending or issued in Schedule 1.111 (Licensed Product Patents) or Licensed Amunix Sub-Platform Patents the status of which is identified as pending or issued in Schedule 1.102 (Licensed Amunix Sub-Platform Patents), in whole or in part (other than in the ordinary course of prosecution consistent with past practice); or

(d) authorize, agree, or commit to do any of the foregoing.

10.D.2 Assignment or Disposal of Licensed IP. During the Term, Sanofi will not sell, transfer, assign, pledge, or otherwise dispose of ownership of any Licensed Patent or Licensed Know-How to any Third Party, except in connection with an assignment permitted under Section 14.4 (Assignment).

10.E DISCLAIMER OF WARRANTY. VIR HEREBY ACKNOWLEDGES AND AGREES THAT NEITHER SANOFI NOR ITS AFFILIATES, OR ANY OF THEIR RESPECTIVE REPRESENTATIVES OR ANY OTHER PERSON HAS MADE OR IS MAKING, AND VIR INDEMNITEES HAVE NOT RELIED UPON AND ARE NOT RELYING UPON, ANY REPRESENTATIONS OR WARRANTIES, PROJECTION, FORECAST OR STATEMENT, EITHER EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 10.1 (MUTUAL REPRESENTATIONS AND WARRANTIES) AND SECTION 10.2 (REPRESENTATIONS AND WARRANTIES OF SANOFI).

10.F ADDITIONAL WAIVER. VIR HEREBY ACKNOWLEDGES AND AGREES THAT: (A) EXCEPT FOR THE BREACH OF SECTION 10.2 (REPRESENTATIONS AND WARRANTIES OF SANOFI), SANOFI WILL HAVE NO LIABILITY TO VIR FOR ANY ACT OR OMISSION IN THE PREPARATION, FILING, PROSECUTION, MAINTENANCE, ENFORCEMENT, DEFENCE OR OTHER HANDLING OF THE LICENSED PATENTS; (B) VIR IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER THE LICENSED PATENTS HAVE APPLICABILITY OR UTILITY IN VIR'S CONTEMPLATED EXPLOITATION OF LICENSED PRODUCTS, AND VIR ASSUMES ALL RISK AND LIABILITY IN CONNECTION WITH SUCH DETERMINATION; (C) SANOFI MAKES NO REPRESENTATION OR WARRANTY AS TO THE COMPLETENESS OF THE LICENSED KNOW-HOW; (D) VIR IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER THE LICENSED KNOW-HOW HAS APPLICABILITY OR UTILITY IN VIR'S CONTEMPLATED EXPLOITATION OF LICENSED PRODUCTS, AND VIR ASSUMES ALL RISK AND LIABILITY IN CONNECTION WITH SUCH DETERMINATION.

ARTICLE 11
INDEMNITY

11.A Indemnification of Sanofi. Vir shall indemnify Sanofi, its Affiliates and its and their respective directors, officers, employees, and agents (collectively, "**Sanofi Indemnitees**"), and defend and hold each of them harmless, from and against [***].

11.B Indemnification of Vir. Sanofi shall indemnify Vir, its Affiliates and its and their respective directors, officers, employees, and agents (collectively, "**Vir Indemnitees**"), and defend and hold each of them harmless, from and against any and all Losses in connection with any and all Third Party Claims arising from or occurring as a result of: [***].

11.C Notice of Claim. All indemnification claims in respect of a Sanofi Indemnitee or a Vir Indemnitee shall be made solely by Sanofi or Vir, as applicable (each of Sanofi or Vir in such capacity, the "**Indemnified Party**"; and the Party owing the indemnification obligation under this Agreement, the "**Indemnifying Party**"). The Indemnified Party shall give the Indemnifying Party prompt written notice (an "**Indemnification Claim Notice**") of any Losses or discovery of fact upon which such Indemnified Party intends to base a request for indemnification under Section 11.1 (Indemnification of Sanofi), or Section 11.2 (Indemnification of Vir), but in no event shall the Indemnifying Party be liable for any Losses that result from any delay in providing such notice other than in the event such delay materially prejudices the Indemnifying Party's ability to defend the applicable claim. Each Indemnification Claim Notice must contain a description of the claim and the nature and amount of such Loss (to the extent that the nature and amount of such Loss is known at such

time). The Indemnified Party shall furnish promptly to the Indemnifying Party copies of all papers and official documents received in respect of any Losses and Third Party Claims.

11.D Control of Defense.

11.D.1 Control of Defense. The Indemnifying Party will assume the defense of any Third Party Claim by giving written notice to the Indemnified Party within [***] after the Indemnifying Party's receipt of an Indemnification Claim Notice. The assumption of the defense of a Third Party Claim by the Indemnifying Party shall not be construed as an acknowledgment that the Indemnifying Party is liable to indemnify any Sanofi Indemnitee or Vir Indemnitee, as applicable, in respect of the Third Party Claim, nor shall it constitute a waiver by the Indemnifying Party of any defenses it may assert against a Sanofi Indemnitee's or a Vir Indemnitee's, as applicable, claim for indemnification. Upon assuming the defense of a Third Party Claim, the Indemnifying Party may appoint as lead counsel in the defense of the Third Party Claim any legal counsel selected by the Indemnifying Party. In the event the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnified Party shall immediately deliver to the Indemnifying Party all original notices and documents (including court papers) received by any Sanofi Indemnitee or Vir Indemnitee, as applicable, in connection with the Third Party Claim. If the Indemnifying Party assumes the defense of a Third Party Claim, except as provided in Section 11.4.2 (Right to Participate in Defense), the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by such Indemnified Party or any Sanofi Indemnitee or Vir Indemnitee, as applicable, in connection with the analysis, defense or settlement of such Third Party Claim. In the event that it is ultimately determined that the Indemnifying Party is not obligated to indemnify, defend or hold harmless a Sanofi Indemnitee or Vir Indemnitee, as applicable, from and against a Third Party Claim, the Indemnified Party shall reimburse the Indemnifying Party for any and all costs and expenses (including attorneys' fees and costs of suit) incurred by the Indemnifying Party in its defense of such Third Party Claim.

11.D.2 Right to Participate in Defense. Without limiting Section 11.4.1 (Control of Defense), any Indemnified Party shall be entitled to participate in, but not control, the defense of a Third Party Claim and to employ counsel of its choice for such purpose; provided that such employment shall be at the Indemnified Party's own expense unless (a) the employment thereof has been specifically authorized by the Indemnifying Party in writing or (b) the interests of the Indemnified Party and any Sanofi Indemnitee or Vir Indemnitee, as applicable, on the one hand, and the Indemnifying Party, on the other hand, with respect to such Third Party Claim are sufficiently adverse to prohibit the representation by the same counsel of all such Persons under Applicable Law, ethical rules or equitable principles.

11.D.3 Settlement. [***].

11.D.4 Cooperation. The Indemnified Party shall, and shall cause each Sanofi Indemnitee or Vir Indemnitee, as applicable, to cooperate in the defense or prosecution thereof and shall furnish such records, information, and testimony, provide such witnesses and attend such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested in connection therewith. Such cooperation shall include access during normal business hours afforded to the Indemnifying Party to, and reasonable retention by the Indemnified Party and any Sanofi Indemnitee or Vir Indemnitee, as applicable, of, records and information that are reasonably relevant to such Third Party Claim, and making all Sanofi Indemnitees or Vir Indemnitees, as applicable, and other employees and agents available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder; provided that neither Party shall be required to disclose legally privileged information unless and until procedures reasonably acceptable to such Party are in place to protect such privilege, and the Indemnifying Party shall reimburse the Indemnified Party for all its reasonable costs and expenses in connection therewith.

11.D.5 Expenses. [***].

11.E Limitation on Damages and Liability. [***].

11.F Insurance. [***]. Such insurance will be maintained with a reputable insurance carrier(s) or through self-insurance, and will notably include Commercial General Liability and Products Liability (including clinical trials liability) insurance, and if applicable, workers' compensation/Employers Liability in the relevant jurisdiction where the work is being performed, and automobile liability insurance if vehicles will be on premises or used in servicing contract, and cyber coverage addressing privacy & confidentiality breach cover and network security cover (whether through an extension to a liability policy or a stand-alone policy). Vir shall upon request provide Sanofi with a copy of its policies of insurance in that regard, along with any amendments and revisions thereto. Maintenance of such insurance coverage shall not relieve Vir of any responsibility under this Agreement for damages in excess of insurance limits or otherwise.

ARTICLE 12
TERM AND TERMINATION

12.A Term.

12.A.1 Term. The term of this Agreement (other than Article 13 (Government Approvals) and any other provision in this Agreement specifically referencing the Execution Date, each of which is binding and effective as of the Execution Date) shall commence on the Effective Date and shall, unless earlier terminated in accordance with this Article 12 (Term and Termination), continue (a) with respect to each Licensed Product and Vir Program Product in each country in the Territory, until the expiration of the Royalty Term for such Licensed Product or Vir Program Product in such country and (b) with respect to this Agreement in its entirety, until the expiration of the Royalty Term for the last Licensed Product or Vir Program Product for which there has been a First Commercial Sale in the Territory (such period, the "**Term**").

12.A.2 Expiry of Royalty Term. Upon expiry of the Royalty Term with respect to a Licensed Product or Vir Program Product in a particular country, the license granted to Vir in Section 2.1 (Grants to Vir) with respect to such Licensed Product or Vir Program Product in such country will become fully paid-up, perpetual, and irrevocable.

12.B Termination of this Agreement for Material Breach. In the event that either Party is in material breach of this Agreement (such Party, the "**Breaching Party**"), in addition to any other right and remedy the other Party (the "**Complaining Party**") may have, the Complaining Party may terminate this Agreement in its entirety upon [***] prior written notice (the "**Termination Notice Period**") to the Breaching Party, specifying the material breach and its claim of right to terminate; provided however that (a) the termination shall not become effective at the end of the Termination Notice Period if the Breaching Party cures the material breach complained of during the Termination Notice Period, except in the case of a payment breach, as to which the Breaching Party shall have only a [***] cure period; (b) if such breach is not reasonably capable of cure within the Termination Notice Period, the Breaching Party may submit a cure plan reasonably acceptable to the Complaining Party prior to the end of the Termination Notice Period, in which case the Termination Notice Period shall be extended for so long as the Breaching Party is using reasonable efforts to implement such cure plan; and (c) if the Breaching Party disputes in good faith (i) whether it has materially breached this Agreement, (ii) whether such material breach is reasonably curable within the cure period, (iii) whether it has cured such material breach within the cure period, or (iv) whether the relevant breach primarily relates to one or more (but not all) Licensed Products or Vir Program Products, then (y) the dispute will be resolved pursuant to Section 14.6 (Dispute Resolution) and, during the pendency of such dispute resolution procedure, this Agreement may not be

terminated and the Parties shall continue to perform all of their respective obligations that are not in dispute, and (z) the Complaining Party shall not have the right to terminate this Agreement under this Section 12.2 (Termination of this Agreement for Material Breach) unless and until (1) a final decision under Section 14.6 (Dispute Resolution) determines that such breach exists and such breach then remains uncured and (2) such Breaching Party fails to cure such breach within [***] (or, with respect to a payment breach, [***] following such decision. Notwithstanding the foregoing, if the material breach and failure to cure contemplated by this Section 12.2 (Termination of this Agreement for Material Breach) is with respect to Vir's Development diligence obligations under Section 3.2.2 (Developmental Diligence) or Vir's Commercialization diligence obligations under Section 5.2 (Commercialization Diligence), with respect to any Licensed Product or Vir Program Product, but not all Licensed Products or Vir Program Products, as applicable, Sanofi shall not have the right to terminate this Agreement in its entirety, but shall have the right to terminate this Agreement solely with respect to the applicable Licensed Product or Vir Program Product unless one or more other Licensed Products have previously been terminated pursuant to this Section 12.2 (Material Breach), in which case, Sanofi may terminate this Agreement and with respect to all Licensed Products upon having the right to terminate this Agreement with respect to a second Licensed Product.

12.C Termination by Vir for Convenience. Vir may terminate this Agreement in its entirety, or on a License Product-by-Licensed Product or Vir Program Product-by-Vir Program Product basis, for any or no reason, upon (i) [***] prior written notice to Sanofi if there has been no First Commercial Sale of such Licensed Product or Vir Program Product and (ii) [***] prior written notice to Sanofi after First Commercial Sale of such Licensed Product or Vir Program Product, provided that Vir may not exercise the right to terminate for convenience with respect to any Licensed Product prior to the end of the Milestone Period.

12.D Termination by Sanofi for Patent Challenge. In the event that Vir or any of its Affiliates or Sublicensees institutes, prosecutes, or otherwise participates in (or in any way aids any Third Party in instituting, prosecuting, or participating in), at law or in equity or before any administrative or regulatory body anywhere in the Territory, including the U.S. Patent and Trademark Office or its counterparts in another jurisdiction, any claim, demand, action or cause of action for declaratory relief, damages, or any other remedy or for an enjoinment, injunction, or any other equitable remedy, including any interference, re-examination, opposition, or any similar proceeding, alleging that any claim in a Licensed Patent is invalid, unenforceable, or otherwise not patentable or would not be infringed by Vir's activities contemplated by this Agreement absent the rights and licenses granted hereunder (such activity a "**Patent Challenge**"), Sanofi may terminate this Agreement on [***] prior written notice to Vir. Notwithstanding the foregoing, Sanofi will not have a right to terminate this Agreement pursuant to this Section 12.4 (Termination for Patent Challenge) where the Patent Challenge is made by Vir, its Affiliates or Sublicensees (a) with the prior written consent of Sanofi, to be granted in Sanofi's sole discretion, requesting reissue, reexamination, post-grant proceeding or any other administrative proceeding filed or requested to be filed by Vir or its Affiliates or Sublicensees with respect to any Licensed Patent, in a good faith effort to (i) reinforce the patentability, validity or enforceability of such Patent or (ii) expand the claim scope of such Patent with respect to any Licensed Product or Vir Program Product; (b) in response to a valid subpoena or other request for information in a judicial or arbitration proceeding that is a Patent Challenge brought by a Third Party, solely to the extent required by Applicable Law or court order; or (c) in defense of an assertion of the applicable Licensed Patent by Sanofi against Vir or its Affiliates or Sublicensees. Further, this Section 12.4 (Termination for Patent Challenge) shall not apply if: (x) the applicable Patent Challenge is dismissed or withdrawn within [***] of Sanofi's notice to Vir under this Section 12.4 (Termination for Patent Challenge) and not thereafter continued and no filings or appearances adverse to Sanofi are made by Vir or its Affiliates after such notice, (y) the applicable Patent Challenge is commenced by a Third Party that after the Effective Date acquires or is acquired by Vir or any of its Affiliates or Sublicensees, whether by stock purchase, merger, asset purchase, or otherwise, provided that such Patent Challenge commenced prior to the execution of a definitive agreement for such acquisition and is terminated within [***] of Sanofi's notice to Vir under this Section 12.4, or

(z) with respect to any such challenge by any such Sublicensee, Vir terminates the sublicense granted to such Sublicensee under Section 2.5 (Sublicenses) within [***] of Sanofi's notice to Vir under this Section 12.4 (Termination for Patent Challenge).

12.E Termination for Failure or Delay to Obtain Antitrust Clearance. The Agreement may be terminated as provided in Section 13.2 (Filings).

12.F Termination Upon Insolvency. Each Party shall have the right to immediately terminate this Agreement if, at any time, the other Party (a) files in any court or agency pursuant to any statute or regulation of any state, country or jurisdiction, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of such other Party or of its assets, (b) is served with an involuntary petition against it, filed in any insolvency proceeding that is not dismissed within [***] after the filing thereof, (c) proposes or is a party to any dissolution or liquidation, or (d) makes an assignment for the benefit of its creditors.

12.G Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by Sanofi are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that any licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a Party under the U.S. Bankruptcy Code, the other Party shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in such other Party's possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon such other Party's written request therefor, unless the Party subject to such bankruptcy proceeding elects to continue to perform all of its obligations under this Agreement or (b) if not delivered under (a) above, following the rejection of this Agreement by or on behalf of the Party subject to such bankruptcy proceeding upon written request therefor by such other Party. To the extent available in countries other than the U.S., Applicable Law similar to Section 365(n) of the U.S. Bankruptcy Code shall be applied so as to treat this Agreement as an executory contract.

12.H Modification in Lieu of Termination. If, after the applicable cure period and tolling period for any dispute, Vir has the right to terminate this Agreement pursuant and subject to Section 12.2 (Termination of this Agreement for Material Breach) where Sanofi is in material breach of this Agreement as a result of Sanofi's breach of Section 2.6.1 or 2.6.2 (Exclusivity) or ARTICLE 9 (Confidentiality), then Vir may, in lieu of termination, by written notice to Sanofi, elect to continue this Agreement as modified by this Section 12.8 (Modification in Lieu of Termination), in which case, effective as of the date Vir delivers such notice of such election to Sanofi:

12.H.1 [***];

12.H.2 [***];

12.H.3 [***];

12.H.4 [***].

12.I Consequences of Termination. In the event of a termination of this Agreement in whole or in part, and for clarity, expiration of this Agreement in whole or in part):

12.I.1 Licenses to Vir. All licenses granted to Vir and its Affiliates hereunder shall immediately terminate.

12.I.2 Licenses to Sanofi. All licenses granted to Sanofi and its Affiliates under this Agreement shall continue in effect.

12.I.3 Termination and Reversion. The Parties will take all steps reasonably necessary to effectuate, as soon as reasonably practicable, a smooth, safe, and efficient wind-down of Vir's Exploitation of the Reversion Products and, to the extent requested by Sanofi, the transition to Sanofi all rights to the Reversion Products in accordance with this Section 12.9 (Consequences of Termination). The Parties will promptly enter into good faith, collaborative discussions regarding such termination and reversion.

12.I.4 Costs of Reversion. [***].

12.I.5 Reversion Activities. To the extent requested by Sanofi (which request may include all or any part of the items listed below), to the extent permitted by Applicable Law, Vir shall promptly (and in accordance with the Termination Agreement, entered into by the Parties):

(i) assign, and hereby does assign, to Sanofi all of its right, title and interest in and to, and transfer possession to Sanofi of, all Data, Regulatory Documentation and Regulatory Approvals then in its name solely applicable to any Reversion Product and notify the applicable Regulatory Authorities and take any other action reasonably necessary to effect such transfer and grant a right of reference to all other Regulatory Documentation and Regulatory Approvals then in its name and applicable to any Reversion Product;

(ii) commence the transition or wind-down (at Sanofi's direction) of the conduct of any on-going Clinical Studies regarding the Reversion Product to Sanofi;

(iii) grant the rights set forth in Section 12.9.8 (Reversion License);

(iv) assign, and hereby does assign, and shall cause its Affiliates (as applicable) to assign, to Sanofi, effective as of the effective date of such termination, all of Vir's (or its Affiliate's) right, title, and interest in and to all trademarks solely used or held for use with any Reversion Product;

(v) transfer to Sanofi the global safety database for the Reversion Products in the Territory;

(vi) [***];

(vii) to the extent Vir is Commercializing any Reversion Product at the time of termination, conduct reasonably-required Commercialization activities in a manner reasonably determined by the Parties for a transition period reasonably necessary for Sanofi to assume the conduct of such Commercialization activities of the Reversion Products independent of Vir and its Affiliates; provided that Sanofi and Vir acknowledge and agree that such activities are intended to be transitional in nature and the Parties will use their best efforts to complete such transition as soon as reasonably possible; and

(viii) execute and deliver, or require its Affiliates, Sublicensees and subcontractors, to execute and deliver, to the other Party all documents that are necessary to fulfill the obligations of this Section 12.9 (Consequences of Termination).

12.I.6 Reversion Assignment and Assumption Agreement. In the event that this Agreement is terminated in its entirety before the end of the Milestone Period, the Parties will enter into an assignment and assumption agreement substantially on the terms of the Assignment and Assumption Agreement (*mutatis mutandis*), under which Vir would assign to Sanofi and Sanofi would assume from Vir all of the rights assumed by Vir under the Assignment and Assumption Agreement.

12.I.7 Termination Agreement. The Parties will promptly, and no later than [***] following the effective date of termination, negotiate and enter into a termination agreement (the "**Termination Agreement**"), such period to be extended automatically if the Parties are continuing to diligently negotiate in good faith. The Termination Agreement will cover all matters reasonably necessary to effectuate a smooth, safe, and efficient wind-down of Vir's Exploitation of the Reversion Products, and transition to Sanofi of rights to the Reversion Products in accordance with this Section 12.9 (Consequences of Termination). For clarity, if the Parties fail to comply with this Section 12.9.7 (Termination Agreement), Sanofi will still have all other rights set forth in this Section 12.9 (Consequences of Termination). In the event of a conflict between this Agreement and the Termination Agreement, this Agreement shall govern except to the extent expressly set forth otherwise in the Termination Agreement.

12.I.8 Reversion License. Upon termination, [***].

12.J Accrued Rights; Surviving Obligations.

12.J.1 Accrued Rights. Termination of this Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of a Party prior to such termination or expiration. Such termination or expiration shall not relieve a Party from obligations that are expressly indicated to survive the termination or expiration of this Agreement.

12.J.2 Survival. The following Sections and Articles shall survive the termination or expiration of this Agreement for any reason: Section 2.2.1 (Non-Exclusive License under Derived Patents and Vir Platform Improvement IP), Section 2.2.3 (Non-Exclusive License to Derived Patents in the Platform License Field), Section 2.5 (Sublicenses) (solely with respect to any Sublicense Agreement surviving termination in accordance with Section 2.5 (Sublicenses)), Section 2.7 (Retention of Rights), Section 2.8 (No Implied Rights), Section 2.13.3 (No Third Party Beneficiaries), Section 2.13.4 (Non-Solicitation) (for the time period set forth therein), Section 2.13.5 (Release), Section 7.1.1 (General), Section 7.1.2 (Background IP), Section 7.1.3 (Licensed IP), Section 6.11 (Audit) (for the time period set forth therein), Section 6.12 (Audit Dispute), Section 6.13 (Confidentiality) solely with regard to the auditable period up to the effective date of termination, Section 7.4 (Defense of Claims of Infringement by Third Parties) solely with respect to any enforcement actions ongoing as of the effective date of termination, Section 10.5 (Disclaimer of Warranty), Section 12.1.1 (Term) solely with respect to the final sentence thereof, Section 12.1.2 (Expiry of Royalty Term), Section 12.7 (Rights in Bankruptcy), Section 12.9 (Consequences of Termination) and this Section 12.10 (Accrued Rights; Surviving Obligations), Article 1 (Definitions) to the extent necessary to give effect to surviving provisions, Article 6 (Payments) with regard to any payment obligations which accrued prior to termination or expiration and also with regard to any post-termination or post-expiration payments, Article 9 (Confidentiality and Non-Disclosure) for the period prescribed in Section 9.1 (Confidentiality Obligations), Article 11 (Indemnity), provided that Section 11.6 (Insurance) shall survive only with respect to insurable events which occurred during the period prior to termination or expiration, and Article 14 (Miscellaneous) to the extent necessary to give effect to surviving provisions.

ARTICLE 13
GOVERNMENT APPROVALS

13.A Efforts. Each of Vir and Sanofi will use its reasonable best efforts to remove promptly any and all impediments to consummation of the transactions contemplated by this Agreement, including by: (a) obtaining government antitrust clearance, (b) cooperating in good faith with any Governmental Authority investigation, and (c) if requested by a Governmental Authority, promptly producing any documents and information and providing witness testimony. Notwithstanding anything to the contrary in this Agreement, this Section 13.1 (Efforts) and the term "reasonable best efforts" do not require that either Party to agree to (a) the sale, divestiture, license, hold separate, transfer, or other disposal of any assets, operations, rights, product lines, business, or interests therein of a Party or any of its Affiliates, or (b) otherwise take any action that limits the freedom of action with respect to any of the businesses, product lines or assets of a Party or any of its Affiliates or any portion thereof, including any restraint, prohibition or limitation on the ownership, operation or conduct of all or any portion of the businesses or assets of a party or any of its Affiliates in any part of the world (collectively, an "**Antitrust Remedy**"). Nothing in this Section 13.1 (Efforts) or otherwise in this Agreement shall require a Party in connection with any HSR/Antitrust Filing to litigate or otherwise formally oppose any determination (whether judicial or administrative in nature) by a Regulatory Authority seeking to impose any Antitrust Remedy.

13.B Filings. As soon as reasonably practicable following the Execution Date (but no later than [***] following the Execution Date unless otherwise agreed to in writing by the Parties), each of Vir and Sanofi will prepare and submit to the United States Federal Trade Commission (the "**FTC**") and the Antitrust Division of the United States Department of Justice (the "**DOJ**") any HSR/Antitrust Filing required of it under the HSR Act and, as soon as practicable, file with the appropriate Governmental Authority any other HSR/Antitrust Filing required of it under any other Antitrust Law as determined in the reasonable opinion of either Party with respect to the transactions contemplated by this Agreement. The Parties will cooperate with one another to the extent necessary in the preparation of any such HSR/Antitrust Filing. Each Party will be responsible for its own costs and expenses associated with any HSR/Antitrust Filing; provided, however, that the Parties will share equally all fees (other than penalties that may be incurred as a result of actions or omissions on the part of a Party, which penalties will be the sole financial responsibility of such Party) required to be paid to any Governmental Authority in connection with making any such HSR/Antitrust Filing. In the event that the Parties make an HSR/Antitrust Filing under this Section 13.2 (Filings) and such HSR/Antitrust Filing has not been approved by the applicable Governmental Authority, this Agreement may terminate at the election of either Party, immediately upon notice to the other Party, upon the occurrence of the Outside Date. Notwithstanding any provision to the contrary in this Agreement, except for the terms and conditions of this Article 13 (Government Approvals), none of the terms and conditions contained in this Agreement will be effective until the Effective Date.

13.C Information Exchange. Each of Vir and Sanofi will, in connection with any HSR/Antitrust Filing: (a) reasonably cooperate with each other in connection with any communication, filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (b) keep the other Party or its counsel informed of any communication received by such Party from, or given by such Party to, the FTC, the DOJ or any other U.S. or other Governmental Authority and of any communication received or given in connection with any proceeding by a private party, in each case, regarding the transactions contemplated by this Agreement; (c) consult with each other in advance of any meeting or conference with the FTC, the DOJ or any other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, and to the extent permitted by the FTC, the DOJ or such other Governmental Authority or other Person, give the Parties or their counsel the opportunity to attend and participate in such meetings and conferences; and (d) to the extent practicable, permit the other Party or its counsel to review in advance any submission, filing, or communication (and documents submitted therewith) intended to be given by it to the FTC, the DOJ or any other Governmental Authority; *provided* that materials may be redacted to remove references concerning the valuation of the business of the disclosing Party or other sensitive information in the judgment of such disclosing Party. Each of Vir and Sanofi, as each deems advisable and necessary, may reasonably designate any competitively sensitive material to be provided to the other under this Article 13

(Government Approvals) as "Antitrust Counsel Only Material" and may redact discussions of the transaction value. Such Antitrust Counsel Only Material and the information contained therein will be given only to the outside antitrust counsel of the recipient and will not be disclosed by such outside counsel to employees, officers, or directors of the recipient unless express permission is obtained in advance from the source of the materials (Vir or Sanofi, as the case may be) or its legal counsel.

ARTICLE 14
MISCELLANEOUS

14.A Force Majeure. Neither Party shall be held liable or responsible to the other Party or be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement (other than an obligation to make payments) when such failure or delay is caused by or results from events beyond the reasonable control of the non-performing Party, including fires, floods, earthquakes, explosions, failures of public utilities or common carriers, embargoes, shortages, epidemics, pandemics, quarantines, war, acts of war (whether war be declared or not), terrorist acts, insurrections, riots, civil commotion, strikes, lockouts or other labor disturbances (whether involving the workforce of the non-performing Party or of any other Person), acts of God or acts, omissions, or delays in acting by any Governmental Authority (each, a "**Force Majeure Event**"). The non-performing Party shall notify the other Party of a Force Majeure Event within [***] after the occurrence of such Force Majeure Event by giving written notice to the other Party stating the nature of such Force Majeure Event, its anticipated duration, and any action being taken to avoid or minimize its effect. The suspension of performance shall be of no greater scope and no longer duration than is necessary and the non-performing Party shall use commercially reasonable efforts to remedy its inability to perform.

14.B Construction. Except where the context otherwise requires, (a) wherever used, the singular shall include the plural, the plural the singular; (b) the use of any gender shall be applicable to all genders; (c) the word "or" is used in the inclusive sense (and/or); (d) the terms "including," "include," and "includes" as used herein shall be deemed to be followed by the phrase "without limitation" and shall not limit the generality of any description preceding such term; (e) the word "will" will be construed to have the same meaning and effect as the word "shall," and *vice versa*; (f) any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein); (g) any reference herein to any Person will be construed to include the Person's successors and assigns; (h) the words "herein," "hereof" and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof; (i) all references herein to Articles, Sections, Exhibits or Schedules will be construed to refer to Articles, Sections, Exhibits or Schedules of this Agreement, and references to this Agreement include all Exhibits and Schedules hereto; (j) except as otherwise expressly set forth herein, provisions that require that a Party or the Parties "agree," "consent," "approve" or the like will require that such agreement, consent, approval or the like be specific and in writing, whether by written agreement, letter, approved minutes or otherwise (but excluding e-mail and instant messaging); (k) references to any specific law, rule or regulation, or any article, section or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof, together with all rules and regulations promulgated thereunder or respect thereto; and (l) references in this Agreement to "day" or "days" means calendar days unless expressly specified as "Business Day" or "Business Days". Whenever any payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment may be made, or such action may be taken, on the next Business Day following such day. The captions and headings of this Agreement are for convenience of reference only and in no way define, extend, or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. No prior draft of

this Agreement may be used in the interpretation or construction of this Agreement. The language of this Agreement shall be English and no rule of strict construction shall be applied against either Party.

14.C Export Control. This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States or other countries that may be imposed on or related to the Parties from time to time. Each Party agrees that it will not export, directly or indirectly, any technical information acquired from the other Party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate Governmental Authority in accordance with Applicable Law.

14.D Assignment.

14.D.1 Assignment. From and after the Execution Date, neither Party may sell, transfer, assign, delegate, pledge or otherwise dispose of, whether voluntarily, involuntarily, by operation of law or otherwise, this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party; provided that (i) each Party may, without such consent, assign this Agreement and its rights and obligations hereunder (a) in whole or in part to an Affiliate, (b) in its entirety to a Third Party that acquires or is such Party's successor in interest to all or substantially all of its assets to which this Agreement relates (whether in connection with a merger, reorganization, acquisition, sale of equity or assets, or otherwise); provided that such successor shall agree in writing to assume all obligations of the assigning Party under this Agreement and be bound by the terms and conditions of this Agreement and (ii) Sanofi may, without such consent, assign or transfer, in whole or in part, (x) its right to receive payments of any kind owed to it hereunder to one or more Third Parties (each, a "**Monetization Partner**"), provided, that, no such assignment shall require Vir to pay any royalties or milestones for a Licensed Product or Vir Program Product to more than one Monetization Partner (or more than one account for the benefit of multiple Monetization Partners) for such Licensed Product or Vir Program Product, or (y) this Agreement and its rights and obligations hereunder to any assignee or transferee of the Licensed Amunix XTEN Platform Patents; provided that such assignee or transferee shall agree in writing to assume all relevant obligations of Sanofi under this Agreement and be bound by the relevant terms and conditions of this Agreement, including Sanofi's covenants in respect of the Licensed Amunix XTEN Platform Patents under ARTICLE 2 (Grant of Rights; Exclusivity) and ARTICLE 7 (Intellectual Property). Furthermore, the assigning Party shall notify the other Party of the transfer of this Agreement, or such Party's rights or obligations hereunder, within [***] after the earlier of execution or public announcement of any agreement purporting to affect such assignment.

14.D.2 Violation. Any attempted assignment or delegation in violation of this Section 14.4 (Assignment) shall be void and of no effect.

14.D.3 Successors and Permitted Assigns. All validly assigned and delegated rights and obligations of a Parties hereunder shall be binding upon and inure to the benefit of and be enforceable by and against the successors and permitted assigns of such Party, as the case may be.

14.E Severability. To the fullest extent permitted by Applicable Law, the Parties waive any provision of law that would render any provision in this Agreement invalid, illegal, or unenforceable in any respect. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, in any respect, then such provision will be given no effect by the Parties and shall not form part of this Agreement. To the fullest extent permitted by Applicable Law and if the rights or obligations of either Party will not be materially and adversely affected, all other provisions of this Agreement shall remain in full force and effect, and the Parties shall use their best efforts to negotiate a provision in replacement of the provision held invalid, illegal, or

unenforceable that is consistent with Applicable Law and achieves, as nearly as possible, the original intention of the Parties.

14.F Dispute Resolution.

14.F.1 Executive Negotiations. If a dispute arises between the Parties out of or in connection with this Agreement, including the interpretation, validity or performance of this Agreement or any document or instrument delivered in connection herewith (a "**Dispute**"), the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. If, after [***] from a Party's receipt of notice of such Dispute (or such other longer time period, if any, as the Parties may agree upon in writing as part of good faith negotiations), such Dispute has not been resolved, then such Dispute shall be referred to the Executive Officers or their designees by written notice ("**Escalation Notice**") for attempted resolution of the Dispute by good faith negotiations. Any final decision agreed to by such Executive Officers shall be conclusive and binding on the Parties.

14.F.2 Dispute Resolution. If the Executive Officers are unable to resolve such Dispute within [***] of the date of the Escalation Notice (or such other longer time period, if any, as the Parties may agree upon in writing as part of good faith negotiations), then either Party shall be free to initiate litigation and seek such remedies as may be available.

14.G Governing Law, Jurisdiction, Venue and Service.

14.G.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. The Parties agree to exclude the application to this Agreement of the United Nations Convention on Contracts for the International Sale of Goods. Notwithstanding any provision to the contrary set forth in this Agreement, the interpretation and construction of any Patents shall be governed in accordance with the laws of the jurisdiction in which such Patents were filed or granted, as the case may be.

14.G.2 Jurisdiction. Subject to this Section 14.7 (Governing Law, Jurisdiction, Venue and Service) and Section 14.12 (Equitable Relief), the Parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of the courts of New York the United States District Court for the Southern District of New York for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts. Except as limited by Applicable Law, each Party hereby irrevocably waives all right to trial by jury in any action, suit, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of any Party hereto in the negotiation, administration, performance, or enforcement hereof.

14.G.3 Venue. The Parties further hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement either in the United States District Court for the Southern District of New York or, if such action, suit or proceeding may not be brought in such court for jurisdictional reasons, in the courts of New York, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

14.G.4 Service. Each Party agrees that service of any process, summons, notice or document by registered mail to its address set forth in Section 14.8.2 (Address for Notice) shall be effective service of process for any action, suit or proceeding brought against it under this Agreement in any such court.

14.G.5 Immediate Harm. Notwithstanding anything in this Agreement to the contrary, either Party shall be entitled to institute litigation immediately if it believes such action is necessary to prevent irreparable harm to that Party.

14.H Notices.

14.H.1 Notice Requirements. Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement shall be in writing, shall refer specifically to this Agreement and shall be deemed given only if delivered (a) by internationally recognized overnight delivery service that maintains records of delivery or (b) by electronic mail with a copy sent according to item (a) (unless delivery service according to item (a) is not feasible at the applicable time due to any Force Majeure Event), addressed to the Parties at their respective addresses specified in Section 14.8.2 (Address for Notice) or to such other address as the Party to whom notice is to be given may have provided to the other Party in accordance with this Section 14.8 (Notices). Such notice shall be deemed to have been given as of the date delivered by such internationally recognized overnight delivery service or upon confirmed email delivery. This Section 14.8 (Notices) is not intended to govern the day-to-day business communications necessary between the Parties in performing their obligations under the terms of this Agreement.

14.H.2 Address for Notice

If to Vir, to:

Vir Biotechnology, Inc.
1800 Owens Street, Suite 900
San Francisco, CA 94158
Attention: [***]
Email: [***]

With a copy (receipt of which will not constitute notice) to:

Ropes & Gray LLP
1900 University Ave Floor 6
East Palo Alto, CA 94061
Attention: [***]
Email: [***]

If to Sanofi, to:

Sanofi – Global Alliance Management
450 Water Street
Cambridge, MA 02141
Attention: [***]
Email: [***]

With copies (receipt of which will not constitute notice) to:

Sanofi – Global Business Development & Licensing
450 Water Street

Cambridge, MA 02141
Attention: [***]
Email: [***]

-and-

Sanofi – Transactions Legal
46 avenue de la Grande Armée
75017 Paris, France Attention: [***]
Email: [***]; [***]

-and-

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attention: [***]
Email: [***]

14.I Alliance Managers. Within [***] after the Effective Date, each Party shall appoint, and notify the other Party of the identity of, a representative having the appropriate qualifications to act as its alliance manager under this Agreement. Such alliance managers shall serve as the primary contact points between the Parties for the purpose of providing Sanofi with information on the progress of Vir's Development and Commercialization activities under this Agreement. The alliance managers shall also be primarily responsible for facilitating the flow of information between the Parties. Each Party may replace its alliance manager at any time upon written notice to the other Party.

14.J Entire Agreement; Amendments. This Agreement, together with the Schedules and Exhibits attached hereto, sets forth and constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and all prior agreements, understandings, promises and representations, whether written or oral, with respect thereto are superseded hereby, including that certain confidential disclosure agreement between Sanofi and Vir [***], and as of the Execution Date, any and all disclosures of Confidential Information between the Parties concerning the Licensed Compounds and Licensed Products shall be governed by this Agreement. Each Party confirms that it is not relying on any representations or warranties of the other Party except as specifically set forth herein. No amendment, modification, or supplement of or to this Agreement shall be binding upon the Parties unless in writing and duly executed by authorized representatives of both Parties.

14.K English Language. This Agreement shall be written and executed in, and all other communications under or in connection with this Agreement shall be in, the English language. Any translation into any other language shall not be an official version thereof, and in the event of any conflict in interpretation between the English version and such translation, the English version shall control.

14.L Equitable Relief. The Parties acknowledge and agree that the restrictions set forth in Section 2.6 (Exclusivity) or Article 9 (Confidentiality and Non-Disclosure) are reasonable and necessary to protect the legitimate interests of the other Party and that such other Party would not have entered into this Agreement in the absence of such restrictions, and that any breach or threatened breach of any provision of Section 2.6 (Exclusivity) or Article 9 (Confidentiality and Non-Disclosure) may result in irreparable injury to such other Party for which there will be no adequate remedy at law. In the event of a breach or threatened breach of any provision of Section 2.6 (Exclusivity) or Article 9 (Confidentiality and Non-Disclosure), the non-breaching Party shall be authorized and entitled to seek from any court of competent jurisdiction injunctive relief, whether

preliminary or permanent, specific performance and an equitable accounting of all earnings, profits and other benefits arising from such breach, which rights shall be cumulative and in addition to any other rights or remedies to which such non-breaching Party may be entitled in law or equity. Both Parties agree to waive any requirement that the other Party (a) post a bond or other security as a condition for obtaining any such relief or (b) show irreparable harm, balancing of harms, consideration of the public interest or inadequacy of monetary damages as a remedy. Notwithstanding any provision to the contrary set forth in Section 14.6 (Dispute Resolution) or this Section 14.12 (Equitable Relief), nothing in this Agreement is intended, or should be construed, to limit either Party's right to equitable relief for a breach of any other provision of this Agreement.

14.M Waiver and Non-Exclusion of Remedies. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. The waiver by either Party of any right hereunder or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by the other Party whether of a similar nature or otherwise.

14.N No Benefit to Third Parties. The representations, warranties, covenants, and agreements set forth in this Agreement are for the sole benefit of the Parties, their respective Affiliates and its and their successors and permitted assigns, and they shall not be construed as conferring any rights on any Third Parties.

14.O Further Assurances. Each Party shall duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including the filing of such assignments, agreements, documents, and instruments, as may be necessary or appropriate or as the other Party may reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes hereof, or to better assure and confirm unto such other Party its rights and remedies under this Agreement.

14.P Relationship of the Parties. It is expressly agreed that Sanofi, on the one hand, and Vir, on the other hand, shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture, or agency. Neither Sanofi, on the one hand, nor Vir, on the other hand, shall have the authority to make any statements, representations, or commitments of any kind, or to take any action or incur any liabilities, which shall be binding on the other, without the prior written consent of the other Party to do so. All persons employed by a Party shall be employees of such Party and not of the other Party and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such Party.

14.Q Performance by Affiliates. To the extent that this Agreement imposes obligations on Affiliates of a Party, such Party agrees to cause its Affiliates to perform such obligations. Each Party may exercise its rights and perform its obligations hereunder, in whole or in part, through any of its Affiliates (as long as such entity remains such Party's Affiliate), *provided* that such Party shall remain liable under this Agreement for the prompt performance of all of its obligations under this Agreement and for the Affiliate's compliance with the terms of this Agreement, including such Affiliate's adherence to all waivers, disclaimers and limitations in this Agreement in favor of the other Party hereunder.

14.R Representation by Legal Counsel. Each Party represents that it has been represented by legal counsel in connection with this Agreement and acknowledges that it has participated in the drafting hereof. In interpreting and applying the terms and provisions of this Agreement, no presumption will exist or be implied against the Party that drafted such terms and provisions.

14.S Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by digital transmission (e.g., in portable document format (PDF)) using electronic signatures and such signatures shall be deemed to bind each Party as if they were ink signatures.

[SIGNATURE PAGE FOLLOWS**]**

This Agreement is executed by the authorized representatives of the Parties as of the date first written above.

Amunix Pharmaceuticals, Inc.

By:
Name: [***]
Title: [***]

Vir Biotechnology, Inc.

By:
Name: Marianne De Backer, M.Sc., Ph.D., MBA
Title: Chief Executive Officer and Director

Exhibit 9.4
Press Release

Vir Biotechnology Acts on Expanded Strategy of Powering the Immune System Through Exclusive Worldwide License Agreement with Sanofi for Multiple Potential Best-in-Class Clinical-Stage T-cell Engagers

– Bolsters clinical pipeline and adds near-term value creation opportunities –

– Licenses proprietary masking platform with goal of minimizing off-tumor toxicity and offering expanded therapeutic index in patients –

– Strategic deal highly synergistic with Vir's mAb engineering platform and T-cell biology expertise –

SAN FRANCISCO, August 1, 2024 – Vir Biotechnology, Inc. (Nasdaq: VIR) today announced that it has entered into an exclusive worldwide license agreement with Sanofi for three clinical-stage masked T-cell engagers (TCEs) and exclusive use of the protease-cleavable masking platform for oncology and infectious diseases, acquired by Sanofi from Amunix Pharmaceuticals. The clinical-stage assets include SAR446309 (AMX-818), a dual-masked HER2-targeted TCE; SAR446329 (AMX-500), a dual-masked PSMA-targeted TCE; and SAR446368 (AMX-525), a dual-masked EGFR-targeted TCE. Sanofi's proprietary masking platform can be applied to TCEs, cytokines, and other molecules by exploiting the intrinsically high protease activity of the tumor microenvironment to specifically activate drugs in tumor tissues. The selective activation of the molecules in the tumor microenvironment potentially increases the therapeutic index (TI) and mitigates toxicities associated with the systemic immune activation seen with traditional TCEs.

"At Vir, the cornerstone of our commitment is and always will be patient-centered, with the aim to advance transformative medicines for patients facing severe diseases with unmet medical needs. Despite recent innovation in cancer therapeutics, the prognosis for many patients remains poor and treatment-associated toxicity is a major problem," said Marianne De Backer, M.Sc., Ph.D., MBA, Vir's Chief Executive Officer. "These potential best-in-class T-cell engagers aim to help address these problems and further us in our mission of powering the immune system to transform lives."

This deal announcement coincides with the Company's statement today on its strategic restructuring initiatives to prioritize its clinical-stage pipeline opportunities.

Sanofi's masking platform has yielded three promising clinical-stage TCE programs:

- **SAR446309** is a dual-masked HER2xCD3 TCE in Phase 1 clinical study including participants with metastatic treatment resistant HER2+ tumors such as breast and colorectal cancers. Increasing the TI through this proprietary dual masking may allow for both monotherapy and combinations with checkpoint inhibitors.
- **SAR446329** is a dual-masked PSMAxCD3 TCE in Phase 1 clinical study including participants with metastatic castration-resistant prostate cancer. Increasing the TI through this proprietary dual masking may allow for both monotherapy and combinations.
- **SAR446368** is a dual-masked EGFRxCD3 TCE with a cleared IND. Phase 1 clinical study, which is expected to begin enrollment in the first quarter of 2025 or sooner, will include participants with EGFR-expressing tumors of various types such as colorectal, squamous cell carcinoma of the head and neck, non-small cell lung cancer, and renal cell carcinoma.

As part of the strategic agreement with Sanofi, key employees with extensive scientific and development expertise in TCEs, and in-depth experience using the masking platform technology, will join Vir upon receipt of Hart-Scott-Rodino (HSR) Act clearance.

"A central focus of our discovery team has been conditionally activated biologics, so adding this platform and key talents is highly strategic for us," said Jennifer Towne, Ph.D., Vir's Executive Vice President and Chief Scientific Officer. "Our demonstrated deep understanding of T-cell immunology, robust infrastructure, and leading machine learning and antibody engineering capabilities will create opportunities for real synergies and patient-centric innovation."

Pursuant to this agreement, Sanofi will receive an upfront payment and is eligible to receive future development, regulatory and commercial net sales-based milestone payments and tiered royalties on worldwide net sales. This agreement is subject to regulatory approval.

This strategic licensing transaction marks a significant milestone in Vir's commitment to develop transformative therapeutics for some of the most severe diseases. Across its portfolio of clinical assets, below are anticipated upcoming catalysts:

- **Tobevibart +/- Elebsiran**: Phase 2 SOLSTICE 24-week treatment data for chronic hepatitis delta virus infection expected in the fourth quarter of 2024.
- **Tobevibart + Elebsiran +/- PEG-IFN-α:** Phase 2 MARCH Part B 48-week end of treatment data for hepatitis B virus infection expected in the fourth quarter of 2024.
- **SAR446309**: Phase 1 monotherapy and combination study data expected in the second half of 2025.
- **SAR446329**: Phase 1 monotherapy study data expected in the second half of 2025.
- **SAR446368**: Phase 1 study to begin enrollment in the first quarter of 2025 or sooner.

Evercore Group L.L.C. acted as Vir's exclusive financial advisor and Ropes & Gray LLP acted as Vir's legal advisor for this transaction.

About Vir Biotechnology, Inc.

Vir Biotechnology, Inc. is a clinical-stage biopharmaceutical company focused on powering the immune system to transform lives by discovering and developing medicines for serious infectious diseases and cancer. Vir's clinical-stage portfolio includes infectious disease programs for chronic hepatitis delta and chronic hepatitis B infections, in addition to multiple oncology programs. Vir also has a preclinical portfolio of programs across a range of other infectious diseases and oncologic malignancies. Vir routinely posts information that may be important to investors on its website.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "should," "could," "may," "might," "will," "plan," "potential," "aim," "expect," "anticipate," "promising" and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. These forward-looking statements are based on Vir's expectations and assumptions as of the date of this press release. Forward-looking statements contained in this press release include, but are not limited to, statements regarding Vir's strategy and plans; Vir's ability to obtain regulatory approval for the agreement with Sanofi; Vir's ability to realize the anticipated benefits from the exclusive worldwide license agreement with Sanofi; difficulties or unanticipated expenses in connection with the agreement, and the potential effects on Vir's earnings; the risk that Vir's investment in connection with the agreement will lose value for any number of reasons; the ability of the parties to initiate, progress or complete clinical studies within currently anticipated timelines or at all, and the possibility of unfavorable results from studies, including those involving SAR446309, SAR446329 and SAR446368, and any additional programs that may become subject to the agreement; the potential clinical effects, potential benefits, safety and efficacy of the investigational products that are the subject of these programs; data from ongoing studies evaluating such investigational products and programs; Vir's ability to file applications for regulatory approval or receive regulatory approvals in a timely manner or at all for such investigational products and programs, and the risk that any such approvals may be subject to significant limitations on use; the possibility that closing of the transaction might not occur, that the agreement may be terminated for any number of reasons, or that development of the investigational products and programs subject to the agreement may be discontinued, and therefore may never be successfully commercialized; Vir's ability to successfully commercialize any approved drug products resulting from the agreement; and any assumptions underlying any of the foregoing. Many factors may cause differences between current expectations and actual results, including unexpected safety or efficacy data or results observed during clinical studies or in data readouts; the occurrence of adverse safety events; risks of unexpected costs, delays or other unexpected hurdles; difficulties in collaborating with other companies; successful development and/or commercialization of alternative product candidates by Vir's competitors; changes in expected or existing competition; delays in or disruptions to Vir's business or clinical studies due to geopolitical changes or other external factors; failure to achieve any necessary regulatory approvals; and unexpected litigation or other disputes. Drug development and commercialization involve a high degree of risk, and only a small number of research and development programs result in commercialization of a product. Results in early-stage clinical studies may not be indicative of full results or results from later stage or larger scale clinical studies and do not ensure regulatory approval. You should not place undue reliance on these statements, or the scientific data presented. Other factors that may cause actual results to differ from those expressed or implied in the forward-looking

statements in this press release are discussed in Vir's filings with the U.S. Securities and Exchange Commission, including the section titled "Risk Factors" contained therein. Except as required by law, Vir assumes no obligation to update any forward-looking statements contained herein to reflect any change in expectations, even as new information becomes available.

Contacts:

Media
Arran Attridge
Senior Vice President, Corporate Communications
aattridge@vir.bio

Investors
Richard Lepke
Senior Director, Investor Relations
rlepke@vir.bio

Exhibit 10.2

September 6, 2024 [***]
[***]
[***]

Dear Jason,

Congratulations! We are excited to welcome you to Vir Biotechnology, Inc. ("Vir" or the "Company"). It is my pleasure to extend an offer to you as a full-time employee on behalf of Vir.

Title, Working Location, and Reporting Relationship: You will have the position of Executive Vice President, Chief Financial Officer, working in Vir's offices in San Francisco and reporting to Vir's Chief Executive Officer.

Start Date: This offer is contingent upon your agreement to start work on October 2, 2024, unless you and Vir agree in writing to a different start date.

Base Salary: This position is full-time exempt, with an annualized base salary of $530,000, paid on a semi-monthly basis in accordance with Vir's regular payroll cycle.

Annual Bonus: You will be eligible for an annual (calendar year) target bonus, with a target amount equal to 45% of your annual base salary, contingent upon the achievement of individual and Vir performance objectives and granted at the discretion of Vir's Board of Directors (the "Board"). Vir performance objectives will be established by Vir while individual performance objectives will set by your manager. To receive payment of any bonus, you must be employed by Vir at the time bonuses are paid. Any bonus awarded will generally be paid on or before March 15th of the year following the year for which the bonus is awarded and may be pro-rated for any year in which you provide less than a full year of service; provided, however that no bonus will be paid for any year in which less than three months of service is provided. Annual bonus payments and plans are discretionary and subject to the approval and/or modification by the Board in its sole discretion.

Equity: Shortly following commencement of your employment and subject to approval of the Board, Vir will grant you two equity awards under Vir's 2019 Equity Incentive Plan, as may be amended from time to time (the "Equity Plan"). The equity awards will include: (1) an option to purchase 150,000 shares of Vir's common stock (the "Option") and (2) an award of restricted stock units ("RSUs") covering 75,000 shares of Vir's common stock. The Option will have an exercise price equal to the fair market value of Vir's common stock on the date prior to the grant date.

As will be specified in an equity award Grant Notice and Agreement (to be delivered to you separately after the Board approves the Option), the Option will vest over four (4) years, with 25% of the total number of shares subject to the Option vesting on the anniversary of either (i) October 15, 2024 (if your employment commences in September2024), or (ii) November 15, 2024 (if your employment commences in October 2024). The remainder of the Option shares will vest in 36 equal monthly installments thereafter. The RSUs will vest over four (4) years, with one-quarter of the total number of RSUs vesting on each of the first four anniversaries of either (i) October 15, 2024 (if your employment commences in September), or (ii) November 15, 2024 (if your employment commences in October 2024).

Vesting of the Option and RSUs will be contingent on your continued service with Vir through the applicable vesting dates and will be subject to the terms and conditions of the Equity Plan and the applicable equity award agreements.

Change in Control & Severance Plan: As a full-time employee and executive of the company, you will be eligible to participate in Vir's Change in Control and Severance Benefit plan (the "Severance Plan"), the terms of which are governed by the Severance Plan document.

Signing Bonus: You are eligible to receive a one-time signing bonus of $450,000 paid in three separate and equal installments, subject to applicable deductions and withholding. Each installment in the aggregate, gross amount of $150,000 will be earned and made on the following schedule if you continue to be employed on the payment date: (1) the first installment will be paid in the first payroll immediately following your Start Date; (2) the second installment payment will be paid in the payroll immediately following the first anniversary of your Start Date; and (3) the third and final installment payment will be paid in the payroll immediately following the second anniversary of your Start Date.

Benefits: You will be eligible to participate in the employee benefit plans maintained by Vir that are in effect from time to time and generally available to Vir employees, subject in each case to the terms and conditions of the relevant plan document. Any benefits offered by Vir are subject to change without notice at Vir's sole discretion.

Paid Time Off ("PTO") and Paid Sick Time: During your employment, you will be eligible for Paid Time Off consistent with Vir's policy. We currently employ a non-accrued, flexible paid
time off policy. This plan grants you time off from work as reasonably requested subject to prior written approval by your manager. Approval will be based on the needs of the business, work performance and ability to meet your work commitments and duties.

All employees also receive ten (10) days of Paid Sick Time at the beginning of each calendar year. The permitted uses of Paid Sick Time are described in Vir's Time Away from Work Policy.

At Will Employment Relationship. Employment with Vir is for no specific period of time. Your employment with the Company will be "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without reason and with or without prior notice. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, reporting line, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Company. Accordingly, this letter is not a contract and should not be construed as creating contractual obligations.

No Debarment: By signing this letter, you represent and warrant that you have not been debarred under Section (a) or (b) of 21 U.S.C. Section 335a and you do not appear on the United States Food and Drug Administration debarment list. You represent and warrant that you have not committed any crime or conduct that could result in such debarment or your exclusion from any governmental healthcare program. You represent and warrant that, to your knowledge, no investigations, claims or proceedings with respect to any such crimes or conduct are pending or threatened against you. You agree and will undertake to promptly notify the Company if you become debarred or proceedings have been initiated against you with respect to debarment at any time during the term of your employment.

No VISA Sponsorship: You agree that you do not now, and will not in the future, request or require Vir to sponsor you for any type of VISA or similar work permit to perform your job at Vir, as described herein, or to legally remain in the United States. By signing below, you confirm that Vir has not made any representations to you to the contrary.

Background Check: Employment in this position is contingent upon your consent to, and successful completion of, a background check. Although individuals occasionally may start work at Vir before the background check process have been fully completed, continued employment will require completion of a background investigation that is satisfactory to Vir in its sole discretion. Vir reserves the right to terminate the employment of an employee who has started work, but ultimately fails to satisfy the requirements of the pre-employment background check.

Proprietary Information: In your work for Vir, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality. You agree that you will not bring onto Vir premises any unpublished documents or property belonging to any former employer or other person to whom you have an obligation of confidentiality. You hereby represent that you have disclosed to Vir any conflicts of Interest or contract you have signed that may restrict your employment eligibility or activities on behalf of Vir. Further, you agree to protect against unauthorized disclosure of confidential information and to return any confidential information and other Company property when your employment ends.

Miscellaneous: The offer of employment set forth in this letter is contingent upon: (i) your execution of our standard Employee Confidential Information and Invention Assignment Agreement (“CIIAA”), attached hereto as Exhibit A, along with your execution of this letter; (ii) your consent to a background check with results satisfactory to Vir in its sole discretion; and (iii) your presentation of satisfactory documentary evidence of your identity and authorization to work in the U.S. within three (3) business days of your Start Date. Your employment is subject to Vir’s personnel policies, procedures and benefit plans as they may be interpreted, adopted, revised or deleted from time to time in Vir’s sole discretion.

By signing this letter, you: (i) represent that you have full authority to accept this position and perform the duties of the position; (ii) specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to Vir;

(iii) agree to honor all obligations to former employers during your employment with Vir; (iv) acknowledge that the terms described in this letter, together with the CIIAA, set forth the entire understanding between us and supersedes any prior representations or agreements, whether written or oral; there are no terms, conditions, representations, warranties or covenants other than those contained herein; (v) agree that no term or provision of this letter may be amended waived, released, discharged or modified except in writing, signed by you and an authorized officer of Vir, except that Vir may, in its sole discretion, adjust salaries, incentive compensation, stock plans, benefits, job titles, locations, duties, responsibilities, reporting relationships and other terms and conditions of employment; and (vi) agree that this letter will be governed by the laws of the state of California.

If you are in agreement with the terms of this offer of employment, please sign below.

Sincerely,

/s/ Jenny Gumm
Jenny Gumm
Chief Human Resources Officer

Understood and Accepted:

/s/ Jason O'Byrne
Jason O'Byrne

09/06/2024
Date Signed

Exhibit A – CIIAA

For California Employees

VIR BIOTECHNOLOGY, INC.

EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by **Vir Biotechnology, Inc.**, its subsidiaries, parents, affiliates, successors and assigns (together "***Company***"), and the compensation paid to me now and during my employment with Company, I hereby enter into this Employee Confidential Information and Invention Assignment Agreement (the "***Agreement***") and agree as follows:

1. Confidential Information Protections.

1.1. Recognition of Company's Rights; Nondisclosure. I understand and acknowledge that my employment by Company creates a relationship of confidence and trust with respect to Company's Confidential Information (as defined below) and that Company has a protectable interest therein. At all times during and after my employment, I will hold in confidence and will not disclose, use, lecture upon, or publish any of Company's Confidential Information, except as such disclosure, use or publication may be required in connection with my work for Company, or unless an officer of Company expressly authorizes such disclosure. I will obtain Company's written approval before publishing or submitting for publication any material (written, oral, or otherwise) that discloses and/or incorporates any Confidential Information. I hereby assign to Company any rights I may have or acquire in such Confidential Information and recognize that all Confidential Information shall be the sole and exclusive property of Company and its assigns. I will take all reasonable precautions to prevent the inadvertent accidental disclosure of Confidential Information.

Notwithstanding the foregoing, pursuant to 18 U.S.C. Section 1833(b), I understand that:

(1) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (1) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2) An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

(3) Nothing in this Agreement shall interfere with or discourage a good faith disclosure to any governmental entity related to a suspected violation of the law. I further understand that the Company will not retaliate against me in any way for a disclosure made in accordance with the law.

1.2. Confidential Information. The term "***Confidential Information***" shall mean any and all confidential knowledge, data or information of Company. By way of illustration but not limitation, "***Confidential Information***" includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, software in source or object code, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques and any other proprietary technology and all Intellectual Property Rights (as defined

below) therein (collectively, "***Inventions***"); (b) information regarding research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, margins, discounts, credit terms, pricing and billing policies, quoting procedures, methods of obtaining business, forecasts, future plans and potential strategies, financial projections and business strategies, operational plans, financing and capital-raising plans, activities and agreements, internal services and operational manuals, methods of conducting Company business, suppliers and supplier information, and purchasing; (c) information regarding customers and potential customers of Company, including customer lists, names, representatives, their needs or desires with respect to the types of products or services offered by Company, proposals, bids, contracts and their contents and parties, the type and quantity of products and services provided or sought to be provided to customers and potential customers of Company and other non-public information relating to customers and potential customers; (d) information regarding any of Company's business partners and their services, including names, representatives, proposals, bids, contracts and their contents and parties, the type and quantity of products and services received by Company, and other non-public information relating to business partners; (e) information regarding personnel, employee lists, compensation, and employee skills; and (f) any other non-public information

which a competitor of Company could use to the competitive disadvantage of Company. Notwithstanding the foregoing, it is understood that, at all such times, I am free to use information which was known to me prior to my employment with Company or which is generally known in the trade or industry through no breach of this Agreement or other act or omission by me, and I am free to discuss the terms and conditions of my employment with others to the extent expressly permitted by Section 7 of the National Labor Relations Act.

1.3. Third Party Information. I understand, in addition, that Company has received and in the future will receive from third parties their confidential and/or proprietary knowledge, data or information (**"*Third Party Information*"**) subject to a duty on Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of my employment and thereafter, I will hold Third Party Information in confidence and will not disclose to anyone (other than Company personnel who need to know such information in connection with their work for Company) or use, except in connection with my work for Company, Third Party Information or unless expressly authorized by an officer of Company in writing.

1.4. Term of Nondisclosure Restrictions. I understand that Confidential Information and Third Party Information is never to be used or disclosed by me, as provided in this Section 1. If a temporal limitation on my obligation not to use or disclose such information is required under applicable law, and the Agreement or its restriction(s) cannot otherwise be enforced, I agree and Company agrees that the two year period after the date my employment ends will be the temporal limitation relevant to the contested restriction; ***provided, however*****,** that this sentence will not apply to trade secrets protected without temporal limitation under applicable law.

1.5. No Improper Use of Information of Prior Employers and Others. During my employment by Company, I will not improperly use or disclose confidential information or trade secrets, if any, of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of Company any unpublished documents or any property

belonging to any former employer or any other person to whom I have an obligation of confidentiality unless consented to in writing by that former employer or person.

2. Assignments of Inventions.

2.1. Definitions. As used in this Agreement, the term **"*Intellectual Property Rights*"** means all trade secrets, Copyrights, trademarks, mask work rights, patents and other intellectual property rights recognized by the laws of any jurisdiction or country; the term "***Copyright***" means the exclusive legal right to reproduce, perform, display, distribute and make derivative works of a work of authorship (as a literary, musical, or artistic work) recognized by the laws of any jurisdiction or country; and the term "***Moral Rights***" means all paternity, integrity, disclosure, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country.

2.2. Excluded Inventions and Other Inventions. Attached hereto as **Exhibit A** is a list describing all existing Inventions, if any, (a) that are owned by me or in which I have an interest and were made or acquired by me prior to my date of first employment by Company, (b) that may relate to Company's business or actual or demonstrably anticipated research or development, and (c) that are not to be assigned to Company ("***Excluded Inventions***"). If no such list is attached, I represent and agree that it is because I have no Excluded Inventions. For purposes of this Agreement, "***Other Inventions***" means Inventions in which I have or may have an interest, as of the commencement of my employment or thereafter, other than Company Inventions (as defined below) and Excluded Inventions. I acknowledge and agree that if I use any Excluded Inventions or any Other Inventions in the scope of my employment, or if I include any Excluded Inventions or Other Inventions in any product or service of Company, or if my rights in any Excluded Inventions or Other Inventions may block or interfere with, or may otherwise be required for, the exercise by Company of any rights assigned to Company under this Agreement, I will immediately so notify Company in writing. Unless Company and I agree otherwise in writing as to particular Excluded Inventions or Other Inventions, I hereby grant to Company, in such circumstances (whether or not I give Company notice as required above), a non-exclusive, perpetual, transferable, fully-paid and royalty-free, irrevocable and worldwide license, with rights to sublicense through multiple levels of sublicensees, to reproduce, make derivative works of, distribute, publicly perform, and publicly display in any form or medium, whether now known or later developed, make, have made, use, sell, import, offer for sale, and exercise any and all present or future rights in, such Excluded Inventions and Other Inventions. To the extent that any third parties have rights in any such Other Inventions, I hereby represent and warrant that such third party or parties have validly and irrevocably granted to me the right to grant the license stated above.

2.3. Assignment of Company Inventions. Inventions assigned to Company or to a third party as directed by Company pursuant to Section 2.6 are referred to in this Agreement as "***Company Inventions***." Subject to Section 2.4 and except for Excluded Inventions set forth in **Exhibit A** and Other Inventions, I hereby assign to Company all my right, title, and interest in and to any and all Inventions (and all Intellectual Property Rights with respect thereto) made, conceived, reduced to practice, or learned by me, either alone or with others, during the period of my employment by Company. To the extent required by applicable Copyright laws, I agree to assign in the future (when any copyrightable Inventions are first fixed in a tangible medium of expression) my Copyright rights in and to such Inventions. Any assignment of Company Inventions (and

all Intellectual Property Rights with respect thereto) hereunder includes an assignment of all Moral Rights. To the extent such Moral Rights cannot be assigned to Company and to the extent the following is allowed by the laws in any country where Moral Rights exist, I hereby unconditionally and irrevocably waive the enforcement of such Moral Rights, and all claims and causes of action of any kind against Company or related to Company's customers, with respect to such rights. I further acknowledge and agree that neither my successors- in-interest nor legal heirs retain any Moral Rights in any Company Inventions (and any Intellectual Property Rights with respect thereto).

2.4. Unassigned or Nonassignable Inventions. I recognize that this Agreement will not be deemed to require assignment of any Invention that is covered under California Labor Code section 2870(a) (the "***Specific Inventions Law***") except for those Inventions that are covered by a contract between Company and the United States or any of its agencies that require full title to such patent or Invention to be in the United States.

2.5. Obligation to Keep Company Informed. During the period of my employment, I will promptly and fully disclose to Company in writing all Inventions authored, conceived, or reduced to practice by me, either alone or jointly with others. At the time of each such disclosure, I will advise Company in writing of any Inventions that I believe fully qualify for protection under the provisions of the Specific Inventions Law; and I will at that time provide to Company in writing all evidence necessary to substantiate that belief. Company will keep in confidence and will not use for any purpose or disclose to third parties without my consent any confidential information disclosed in writing to Company pursuant to this Agreement relating to Inventions that qualify fully for protection under the Specific Inventions Law. I will preserve the confidentiality of any Invention that does not fully qualify for protection under the Specific Inventions Law.

2.6. Government or Third Party. I agree that, as directed by Company, I will assign to a third party, including without limitation the United States, all my right, title, and interest in and to any particular Company Invention.

2.7. Ownership of Work Product. I agree that Company will exclusively own all work product that is made by me (solely or jointly with others) within the scope of my employment, and I hereby irrevocably and unconditionally assign to Company all right, title and interest worldwide in and to such work product. I acknowledge that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment and which are protectable by Copyright are "works made for hire," pursuant to United States Copyright Act (17 U.S.C., Section 101). I understand and agree that I have no right to publish on, submit for publishing, or use for any publication any work product protected by this Section, except as necessary to perform services for Company.

2.8. Enforcement of Intellectual Property Rights and Assistance. I will assist Company in every proper way to obtain, and from time to time enforce, United States and foreign Intellectual Property Rights and Moral Rights relating to Company Inventions in any and all countries. To that end I will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Intellectual Property Rights and the assignment thereof. In addition, I will execute, verify and deliver assignments of such Intellectual Property Rights to Company or its designee, including the United States or any third party designated

by Company. My obligation to assist Company with respect to Intellectual Property Rights relating to such Company Inventions in any and all countries will continue beyond the termination of my employment, but Company will compensate me at a reasonable rate after my termination for the time actually spent by me at Company's request on such assistance. In the event Company is unable for any reason, after reasonable effort, to secure my signature on any document needed in connection with the actions specified in the preceding paragraph, I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act for and on my behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by me. I hereby waive and quitclaim to Company any and all claims, of any nature whatsoever, which I now or may hereafter have for infringement of any Intellectual Property Rights assigned under this Agreement to Company.

2.9. Incorporation of Software Code. I agree that I will not incorporate into any Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms, requires or conditions the use or distribution of such code on the disclosure, licensing, or distribution of any source code owned or licensed by Company **except** in strict compliance with Company's policies regarding the use of such software.

3. Records.

I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that is required by Company) of all Confidential Information developed by me and all Company Inventions made by me during the period of my employment at Company, which records will be available to and remain the sole property of Company at all times.

4. Duty of Loyalty During Employment.

I agree that during the period of my employment by Company, I will not, without Company's express written consent, directly or indirectly engage in any employment or business activity which is directly or indirectly competitive with, or would otherwise conflict with, my employment by Company. I further understand and acknowledge that I am bound by a duty of loyalty pursuant to the California Labor Code.

5. Reasonableness of Restrictions.

5.1. I agree that I have read this entire Agreement and understand it. I agree that this Agreement does not prevent me from earning a living or pursuing my career. I agree that the restrictions contained in this Agreement are reasonable, proper, and necessitated by Company's legitimate business interests. I represent and agree that I am entering into this Agreement freely and with knowledge of its contents with the intent to be bound by the Agreement and the restrictions contained in it.

5.2. In the event that a court finds this Agreement, or any of its restrictions, to be ambiguous, unenforceable, or invalid, I and Company agree that the court will read the Agreement as a whole and interpret the restriction(s) at issue to be enforceable and valid to the maximum extent allowed by law.

5.3. If the court declines to enforce this Agreement in the manner provided in subsection 5.2, Company and I agree that this Agreement will be automatically modified to provide Company with the maximum protection of its business

interests allowed by law and I agree to be bound by this Agreement as modified.

6. No Conflicting Agreement or Obligation.

I represent that my performance of all the terms of this Agreement and as an employee of Company does not and will not breach any agreement to keep in confidence information acquired by me in confidence or in trust prior to my employment by Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict with this Agreement.

7. Return of Company Property.

When I leave the employ of Company, I will deliver to Company any and all drawings, notes, memoranda, specifications, devices, formulas and documents, together with all copies thereof, and any other material containing or disclosing any Company Inventions, Third Party Information or Confidential Information of Company. I agree that I will not copy, delete, or alter any information contained upon my Company computer or Company equipment before I return it to Company. In addition, if I have used any personal computer, server, or e-mail system to receive, store, review, prepare or transmit any Company information, including but not limited to, Confidential Information, I agree to provide Company with a computer-useable copy of all such Confidential Information and then permanently delete and expunge such Confidential Information from those systems; and I agree to provide Company access to my system as reasonably requested to verify that the necessary copying and/or deletion is completed. I further agree that any property situated on Company's premises and owned by Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company's personnel at any time with or without notice. Prior to leaving, I will cooperate with Company in attending an exit interview and completing and signing Company's termination statement if required to do so by Company.

8. Termination Certification.

Upon separation from employment with the Company, I agree to immediately sign and deliver to the Company the "Termination Certification" in a form identical or similar to the sample attached hereto as Exhibit B.

9. AUDIT.

I acknowledge that I have no reasonable expectation of privacy in any computer, technology system, correspondence, calendar entries, telephone logs, and other business records, such as emails, voicemails, text messages, instant messages (IMs), instant messages, calendars, word processing files, spreadsheets, PDFs, JPEGs, PowerPoint presentations, databases, cloud-based storage, external media, hard drives, DVDs, CDs, USBs, thumb drives, temporary internet files, cookies, .ZIP files, and all other forms of electronic information, wherever it resides, including the Internet or the Company's network. All information, data, and messages created, received, sent, or stored in these systems are, at all times, the property of the Company. As such, the Company has the right to audit and search all such items and systems, without further notice to me, to ensure that the Company is licensed to use the software on the Company's devices in compliance with the Company's software licensing policies, to ensure compliance with the Company's policies, and for any other business-related purposes in the Company's sole discretion. I understand that I am not permitted to add any unlicensed, unauthorized, or non- compliant applications to the Company's technology systems, including, without limitation, open source or free software not authorized by the Company, and that I shall refrain from copying unlicensed software

onto the Company's technology systems or using non-licensed software or websites. I understand that it is my responsibility to comply with the Company's policies governing use of the Company's documents and the internet, email, telephone, and technology systems to which I will have access in connection with my employment.

I am aware that the Company has or may acquire software and systems that are capable of monitoring and recording all network traffic to and from any computer I may use. The Company reserves the right to access, review, copy, and delete any of the information, data, or messages accessed through these systems with or without notice to me and/or in my absence. This includes, but is not limited to, all e-mail and instant messages sent or received, all website visits, all chat sessions, all news group activity (including groups visited, messages read, and postings by me), and all file transfers into and out of the Company's internal networks. The Company further reserves the right to retrieve previously deleted messages from instant messaging systems, e-mail or voicemail and monitor usage of the Internet, including websites visited and any information I have downloaded. In addition, the Company may review Internet and technology systems activity and analyze usage patterns and may choose to publicize this data to assure that technology systems are devoted to legitimate business purposes.

10. Legal and Equitable Remedies.

10.1. I agree that it may be impossible to assess the damages caused by my violation of this Agreement or any of its terms. I agree that any threatened or actual violation of this Agreement or any of its terms will constitute immediate and irreparable injury to Company, and Company will have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that Company may have for a breach or threatened breach of this Agreement.

11. NOTICES. Any notices required or permitted under this Agreement will be given to Company at its headquarters location at the time notice is given, labeled "Attention Chief Executive Officer," and to me at my address as listed on Company payroll, or at such other address as Company or I may designate by written notice to the other. Notice will be effective upon receipt or refusal of delivery. If delivered by certified or registered mail, notice will be considered to have been given five business days after it was mailed, as evidenced by the postmark. If delivered by courier or express mail service, notice will be considered to have been given on the delivery date reflected by the courier or express mail service receipt.

12. General Provisions.

12.1. Governing Law; Consent to Personal Jurisdiction. This Agreement will be governed by and construed according to the laws of the State of California as such laws are applied to agreements entered into and to be performed entirely within California between residents of California. I hereby expressly consent to the personal jurisdiction and venue of the state and federal courts located in California for any lawsuit filed there against me by Company arising from or related to this Agreement.

12.2. Severability. In case any one or more of the provisions, subsections, or sentences contained in this Agreement will, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect the other provisions of this Agreement, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. If moreover, any one or more of the provisions contained in this Agreement will for any reason be held to be excessively

broad as to duration, geographical scope, activity or subject, it will be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it will then appear.

12.3. Successors and Assigns. This Agreement is for my benefit and the benefit of Company, its successors, assigns, parent corporations, subsidiaries, affiliates, and purchasers, and will be binding upon my heirs, executors, administrators and other legal representatives.

12.4. Survival. This Agreement shall survive the termination of my employment, regardless of the reason, and the assignment of this Agreement by Company to any successor in interest or other assignee.

12.5. Employment At-Will. I agree and understand that nothing in this Agreement will change my at-will employment status or confer any right with respect to continuation of employment by Company, nor will it interfere in any way with my right or Company's right to terminate my employment at any time, with or without cause or advance notice.

12.6. Waiver. No waiver by Company of any breach of this Agreement will be a waiver of any preceding or succeeding breach. No waiver by Company of any right under this Agreement will be construed as a waiver of any other right. Company will not be required to give notice to enforce strict adherence to all terms of this Agreement.

12.7. Export. I agree not to export, reexport, or transfer, directly or indirectly, any U.S. technical data acquired from Company or any products utilizing such data, in violation of the United States export laws or regulations.

12.8. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

12.9. Advice of Counsel. **I ACKNOWLEDGE THAT, IN EXECUTING THIS AGREEMENT, I HAVE HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL, AND I HAVE READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT WILL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION OF THIS AGREEMENT.**

12.10. Entire Agreement. The obligations pursuant to Sections 1 and 2 (except Subsection 2.4 and the second sentence of Subsection 2.7) of this Agreement will apply to any time during which I was previously engaged, or am in the future engaged, by Company as a consultant if no other agreement governs nondisclosure and assignment of inventions during such period. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter of this Agreement and supersedes and merges all prior discussions between us. No modification of or amendment to this Agreement will be effective unless in writing and signed by the party to be charged. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement.

[signatures to follow on next page]

EMPLOYEE or CONSULTANT:

I certify and acknowledge that I have read all of the provisions of this agreement carefully, that I understand its terms, and will fully comply with such provisions. I have completely filled out Exhibit A to this Agreement.

I further understand that this agreement is effective as of the date my employment or consultancy with the company commenced or will commence.

/s/ Jason O'Byrne

(Signature)

Jason O'Byrne

Name

10/1/2024

Date

[***]

Email

COMPANY: Vir Biotechnology, Inc.

Accepted and agreed

By:

Name:

Title:

Email:

Exhibit A Excluded Inventions

TO: **Vir Biotechnology, Inc.**
FROM: _____
DATE: _____

This List of Pre-Employment Inventions, along with any attached pages, is part of and incorporated by reference into the attached Confidential Information and Invention Assignment Agreement.

INSTRUCTIONS TO EMPLOYEE: Please identify below pre-existing documents which describe, and upon which you will rely to establish your ownership of, your pre-employment inventions. Please do not disclose to the Company your pre-employment inventions in detail unless the Company expressly requests that you do.

In filling out this document, please note that witnesses are people who have read and understood the referenced document and who therefore can testify to the existence of the inventions, ideas or works of authorship. Also, inventions, ideas, or works of authorship not owned by you (for example because they have been assigned to a prior employer) are not to be listed here. If any documents are identified below, then the Company may request you to provide the documents and other information to determine if any impediments to employment by the Company exist.

1. **Excluded Inventions Disclosure**. Except as listed in Section 2 below, the following is a complete list of all Excluded Inventions:

   ☒ No Excluded Inventions.

   ☐ See below:

   ☐ Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to the Excluded Inventions generally listed below, the intellectual property rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Excluded Invention	Party(ies)	Relationship
1.			
2.			
3.			

   ☐ Additional sheets attached

3. **Limited Exclusion Notification.**

This is to notify you in accordance with Section 2872 of the California Labor Code that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any Invention that you develop entirely on your own time without using Company's equipment, supplies, facilities or trade secret information, except for those Inventions that either:

a. **Relate at the time of conception or reduction to practice to Company's business, or actual or demonstrably anticipated research or development; or**
b.
c. **Result from any work performed by you for Company.**

To the extent a provision in the foregoing Agreement purports to require you to assign an Invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is unenforceable.

This limited exclusion does not apply to any patent or Invention covered by a contract between Company and the United States or any of its agencies requiring full title to such patent or Invention to be in the United States.

Exhibit B

SAMPLE Termination Certification

This is to certify that I do not have in my possession, nor have I failed to return, any keys, devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, formulas, sketches, materials, equipment, any other Company documents or property, or reproductions of any and all aforementioned items belonging to **VIR BIOTECHNOLOGY, INC.**, its subsidiaries, affiliates, successors or assigns (together, the "**Company**").

I further certify that I have complied with all the terms of the Company's Confidential Information, and Invention Assignment Agreement (CIIAA) signed by me, including the reporting of any inventions and original works of authorship (as defined therein) conceived or made by me (solely or jointly with others), as covered by that agreement.

I further agree that, in compliance with the CIIAA, I will preserve as confidential all Company Confidential Information and associated Third Party Information, including trade secrets, confidential knowledge, data, or other proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs, databases, other original works of authorship, customer lists,, business plans, financial information, or other subject matter pertaining to any business of the Company or any of its employees, clients, partners, consultants, or licensees.

Date: _____

Signature: _____

Name of Employee (typed or printed): _____

Address for Notifications: _____

Exhibit 10.3

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM IF PUBLICLY DISCLOSED.

Other Transaction Agreement No. 75A50122C00081
Amendment No. P00002

OTHER TRANSACTION FOR ADVANCED RESEARCH (OTAR)

Agreement No.: 75A50122C00081

BETWEEN
VIR BIOTECHNOLOGY, INC
1800 OWENS STREET, SUITE 900 SAN FRANCISCO, CA 94158

AND
THE UNITED STATES OF AMERICA DEPARTMENT OF HEALTH AND HUMAN SERVICES
BIOMEDICAL ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY
330 INDEPENDENCE AVENUE, SW G640 WASHINGTON, DC 20201

CONCERNING

Pre-exposure prophylactic monoclonal antibodies for the prevention of influenza illness and medical countermeasures for other emerging pathogens of pandemic potential

Agreement No.: 75A50122C00081
Amendment No. P00002

Effective Date of Amendment: This Amendment No. P00002 (the "Amendment") will be effective upon last signature in Section III.

Total Amount of the Agreement is unchanged at [***].

Government Share of Total Amount of the Agreement remains unchanged and is not to exceed $1,000,000,000.

Recipient Share of Total Amount of the Agreement is unchanged at [***].

Current Government commitment is uchanged at $116,300,401.

Current Recipient commitment is unchanged at [***].

Authority: Section 319L of the Public Health Service Act, 42 USC 247d-7e.

Line of Accounting and Appropriation:

CLIN	PRISM line item	Title	Requisition (OS)	Appropriation Year	CAN	Object Class	Amt. (Govt Share)	Changed or Unchanged
0001	0001	Base Period: VIR-2482-4002 PENNISULA Phase 2 study	[***]	2022	[***]	25103	$50,000,000.00	Unchanged
0001	0001	Base Period: VIR-2482-4002 PENNISULA Phase 2 study	[***]	2022	[***]	25103	$5,000,000.00	Unchanged
0001	0001	VIR-2482-4002 PENNISULA Phase 2 study	[***]	2023	[***]	25106	$11,249,523.00	Unchanged
0013	0002	Option 12- FASTx VIR-7229	[***]	2023	[***]	25106	$40,000,000.00	Unchanged
0014	0003	Option 12- FASTx [***]	[***]	2023	[***]	25106	$2,976,862.50	Unchanged
0014	0004	Option 12- FASTx [***]	[***]	2023	[***]	25106	$7,074,015.50	Unchanged
Total							**$116,300,401.00**	**Unchanged**

I. AMENDMENT PURPOSE: The purpose of this amendment is to:

a. Revise the language in Amendment 1, Amendment Changes, paragraph F From:
[***]

To:
[***]

b. Update the term of the agreement in line with Option 12 period of performance.

II. AMENDMENT CHANGES:

a. [***]

b. Article II: Term, Section A, Paragraph 1 shall be deleted and replaced with “The Term of this Agreement commences upon the effective date of September 30, 2022, and extends through **July 15, 2027**.”

III. EXECUTION

Capitalized terms not otherwise defined herein shall have their respective meanings in the Agreement. Except as provided in this Amendment, all terms and conditions of the Agreement, unless previously changed, remain unchanged and in full force and effect.

Acknowledged, accepted, and agreed for:

Vir Biotechnology, Inc		U.S. Department of Health & Human Services
		Administration for Strategic Preparedness & Response
		Biomedical Advanced Research & Development Authority
BY:		BY: Date: 2024.01.18 18:22:19 -05'00'
NAME: MARIANNE DE BACKER, M.SC., PH.D., MBA		NAME: [***]
TITLE: Chief Executive Officer		TITLE: [***]
DATE: January 17, 2024		DATE: January 18, 2024

Attachment A: [***]

Exhibit 10.4

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM IF PUBLICLY DISCLOSED.

Other Transaction Agreement No. 75A50122C00081
Amendment No. P00003

OTHER TRANSACTION FOR ADVANCED RESEARCH (OTAR)

Agreement No.: 75A50122C00081

BETWEEN
VIR BIOTECHNOLOGY, INC. ("Recipient")
1800 OWENS STREET, SUITE 900 SAN FRANCISCO, CA 94158

AND
THE UNITED STATES OF AMERICA DEPARTMENT OF HEALTH AND HUMAN SERVICES
BIOMEDICAL ADVANCED RESEARCH AND DEVELOPMENT AUTHORITY
330 INDEPENDENCE AVENUE, SW G640 WASHINGTON, DC 20201

CONCERNING

Pre-exposure prophylactic monoclonal antibodies for the prevention of influenza illness and medical countermeasures for other emerging pathogens of pandemic potential

Agreement No.: 75A50122C00081 Amendment No. P00003

Effective Date of Amendment: This Amendment No. P00003 (the "Amendment") will be effective upon last signature in Section III.

Total Amount of the Agreement is decreased by [***] from [***] to [***].

Government Share of Total Amount of the Agreement is decreased by $42,074,015.50 from $1,000,000,000 to $957,925,984.50.

Recipient Share of Total Amount of the Agreement is unchanged at [***].

Current Government commitment is decreased by $42,074,015.50 from $116,300,401 to $74,226,385.50.

Current Recipient commitment is unchanged at [***].

Authority: Section 319L of the Public Health Service Act, 42 USC 247d-7e.

Line of Accounting and Appropriation:

CLIN	PRISM line item	Title	Requisition (OS)	Appropriation Year	CAN	Object Class	Amt. (Govt Share)	Changed or Unchanged
0001	0001	Base Period: VIR-2482-4002 PENNISULA Phase 2 study	[***]	2022	[***]	25103	$50,000,000.00	Unchanged
0001	0001	Base Period: VIR-2482-4002 PENNISULA Phase 2 study	[***]	2022	[***]	25103	$5,000,000.00	Unchanged
0001	0001	VIR-2482-4002 PENNISULA Phase 2 study	[***]	2023	[***]	25106	$11,249,523.00	Unchanged
0013	0002	Option 12- FASTx VIR- 7229	[***]	2023	[***]	25106	$40,000,000.00 **-$35,000,000.00** $5,000,000.00	**Changed**
0014	0003	Option 12- FASTx [***]	[***]	2023	[***]	25106	$2,976,862.50	Unchanged
0014	0004	Option 12- FASTx [***]	[***]	2023	[***]	25106	$7,074,015.50 **-$7,074,015.50** $0.00	**Changed**
Total							$116,300,401.00 **-$42,074,015.50** **$74,226,385.50**	**Changed**

I. AMENDMENT PURPOSE: The purpose of this Amendment is to:

a. Partially deobligate funds from CLINs 0013 and 0014 (PRISM Lines 0002 and 0004) in anticipation of termination initiated by Recipient to follow in a future amendment. Accordingly, the Cost Sharing table is amended.

II. AMENDMENT CHANGES:

a. Article V: Cost Sharing, paragraph C.1., Base Period and Option Period Cost Share table is deleted and replaced with the following:

1. Base Period and Option Period Cost Share

The table as shown below represents the Parties' Total Estimated Cost and Cost Shares under the SOO for the Base Period and Option Periods of this Agreement. The Cost Share will be determined by the OTAO prior to exercise of the respective Option. Furthermore, any recommendation of the JOC is subject to the final decision and signature authority of the OTAO.

Options	[***]	**BARDA EID Share**	**BARDA CBRN share**	[***]
Base	[***]	$66,249,523	-	[***]
Option 1	[***]	-	-	[***]
Option 2	[***]	-	-	[***]
Option 3	[***]	$23,876,604	-	[***]
Option 4	[***]	$24,769,620	-	[***]
Option 5	[***]	$513,984,425	-	[***]
Option 6	[***]	$19,241,706	-	[***]
Option 7	[***]	$6,593,491	-	[***]
Option 8	[***]	$16,262,174	-	[***]
Option 9	[***]	$39,884,165	-	[***]
Option 10	[***]	$26,776,651	-	[***]
Option 11	[***]	$212,310,763	-	[***]
Option 12 CLIN 13	[***]	-	[***]	[***]
Option 12 CLIN 14	[***]	-	[***]	-
Total	[***]	**Not to Exceed** $1,000,000,000.00 [***][***]		[***]

a. **Contractor's Statement of Release**

Recipient hereby releases the Government from future claims on the funds being deobligated herein. Any additional remaining funds will be deobligated upon completion or termination of the contract.

I. EXECUTION

Capitalized terms not otherwise defined herein shall have their respective meanings in the Agreement. Except as provided in this Amendment, all terms and conditions of the Agreement, unless previously changed, remain unchanged and in full force and effect.

Acknowledged, accepted, and agreed for:

Vir Biotechnology, Inc		U.S. Department of Health & Human Services
		Administration for Strategic Preparedness & Response
		Biomedical Advanced Research & Development Authority
BY:		BY:
NAME: MARIANNE DE BACKER, M.SC., PH.D., MBA		NAME: [***]
DATE: 09-Sep-2024 |		DATE: September 9, 2024
TITLE: Chief Executive Officer		TITLE: [***]

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marianne De Backer, M.Sc., Ph.D., MBA, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vir Biotechnology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 4, 2024

/s/ **Marianne De Backer**

Marianne De Backer, M.Sc., Ph.D., MBA
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jason O'Byrne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vir Biotechnology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2024

/s/ **Jason O'Byrne**

Jason O'Byrne
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rules 13a-14(b) and 15d-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, Marianne De Backer, M.Sc., Ph.D., MBA, Chief Executive Officer and Director of Vir Biotechnology, Inc. (the "Company") hereby certifies that, to the best of her knowledge, and Jason O'Byrne, Executive Vice President and Chief Financial Officer of the Company hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2024, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned have set their hands hereto as of the 4th day of November 2024.

/s/ **Marianne De Backer**	/s/ **Jason O'Byrne**
Marianne De Backer, M.Sc., Ph.D., MBA	**Jason O'Byrne**
Chief Executive Officer and Director	**Executive Vice President and Chief Financial Officer**
(Principal Executive Officer)	***(Principal Financial Officer)***

This certification accompanies the Period Report and is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Period Report), irrespective of any general incorporation language contained in such filing.