

REFINITIV

DELTA REPORT

10-Q

SIGA - SIGA TECHNOLOGIES INC

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 1493

CHANGES	181
DELETIONS	325
ADDITIONS	987

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(Mark One)

☐ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended **June 30, 2023** **September 30, 2023**

Or

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File No. 0-23047

SIGA Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

13-3864870

(IRS Employer Identification No.)

31 East 62nd Street

New York, NY

(Address of principal executive offices)

10065

(zip code)

Registrant's telephone number, including area code: (212) 672-9100

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, \$.0001 par value	SIGA	The Nasdaq Global 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 ☐ No ☐.

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 ☐ No ☐.

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 ☐

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

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. ☐

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

As of **July 24, 2023** **October 20, 2023**, the registrant had outstanding **71,082,944** **71,091,616** shares of common stock, par value \$.0001, per share.

SIGA TECHNOLOGIES, INC.

FORM 10-Q

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PART I - FINANCIAL INFORMATION

Item 1 - Condensed Consolidated Financial Statements

SIGA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
ASSETS				
Current assets				
Cash and cash equivalents	\$ 76,213,484	\$ 98,790,622	\$ 71,114,114	\$ 98,790,622
Accounts receivable	6,026,887	45,406,960	8,050,059	45,406,960
Inventory	50,497,103	39,273,090	64,950,228	39,273,090
Prepaid expenses and other current assets	1,560,626	2,315,672	1,856,291	2,315,672
Total current assets	134,298,100	185,786,344	145,970,692	185,786,344
Property, plant and equipment, net	1,605,222	1,848,314	1,469,298	1,848,314
Deferred tax asset, net	7,591,743	6,250,385	7,897,576	6,250,385
Goodwill	898,334	898,334	898,334	898,334
Other assets	2,117,360	252,546	2,144,938	252,546

Total assets	\$ 146,510,759	\$ 195,035,923	\$ 158,380,838	\$ 195,035,923
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable	\$ 1,081,337	\$ 3,355,268	\$ 564,272	\$ 3,355,268
Accrued expenses and other current liabilities	17,894,986	16,852,781	30,125,855	16,852,781
Income tax payable	11,822	1,309,672	54,432	1,309,672
Total current liabilities	18,988,145	21,517,721	30,744,559	21,517,721
Other liabilities				
Total liabilities	3,448,558	3,358,160	3,495,466	3,358,160
Commitments and contingencies	22,436,703	24,875,881	34,240,025	24,875,881
Stockholders' equity				
Common stock (\$.0001 par value, 600,000,000 shares authorized, 71,082,944 and 72,675,190, issued and outstanding at June 30, 2023 and December 31, 2022, respectively)	7,109	7,268		
Common stock (\$.0001 par value, 600,000,000 shares authorized, 71,091,616 and 72,675,190, issued and outstanding at September 30, 2023 and December 31, 2022, respectively)			7,109	7,268
Additional paid-in capital	234,873,128	233,957,767	235,332,951	233,957,767
Accumulated deficit	(110,806,181)	(63,804,993)	(111,199,247)	(63,804,993)
Total stockholders' equity	124,074,056	170,160,042	124,140,813	170,160,042
Total liabilities and stockholders' equity	\$ 146,510,759	\$ 195,035,923	\$ 158,380,838	\$ 195,035,923

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

SIGA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues								
Product sales and supportive services	\$ 1,263,255	\$ 8,615,765	\$ 6,965,769	\$ 15,936,637	\$ 7,958,289	\$ 65,621,511	\$ 14,924,058	\$ 81,558,148
Research and development	4,614,911	8,051,280	7,235,421	11,269,708	1,276,882	6,589,616	8,512,303	17,859,323
Total revenues	5,878,166	16,667,045	14,201,190	27,206,345	9,235,171	72,211,127	23,436,361	99,417,471
Operating expenses								
Cost of sales and supportive services	974,420	882,096	2,124,608	5,602,212	896,537	3,948,974	3,021,145	9,551,186
Selling, general and administrative	4,425,959	5,874,139	8,661,068	9,585,427	5,999,761	19,656,138	14,660,828	29,241,565
Research and development	5,116,154	6,840,099	10,162,189	10,386,876	3,648,117	5,732,982	13,810,307	16,119,858
Total operating expenses	10,516,533	13,596,334	20,947,865	25,574,515	10,544,415	29,338,094	31,492,280	54,912,609
Operating (loss)/income	(4,638,367)	3,070,711	(6,746,675)	1,631,830	(1,309,244)	42,873,033	(8,055,919)	44,504,862
Gain from change in fair value of warrant liability	—	49,559	—	400,663	—	—	—	400,663
Other income, net	1,190,705	72,373	2,081,334	95,694	883,148	258,975	2,964,482	354,670
(Loss)/income before income taxes	(3,447,662)	3,192,643	(4,665,341)	2,128,187	(426,096)	43,132,008	(5,091,437)	45,260,195
Benefit/(Provision) for income taxes	572,186	(1,155,581)	871,608	(452,175)	33,030	(10,091,420)	904,638	(10,543,595)
Net and comprehensive (loss)/income	\$ (2,875,476)	\$ 2,037,062	\$ (3,793,733)	\$ 1,676,012	\$ (393,066)	\$ 33,040,588	\$ (4,186,799)	\$ 34,716,600
Basic (loss)/income per share	\$ (0.04)	\$ 0.03	\$ (0.05)	\$ 0.02	\$ (0.01)	\$ 0.45	\$ (0.06)	\$ 0.48
Diluted (loss)/income per share	\$ (0.04)	\$ 0.03	\$ (0.05)	\$ 0.02	\$ (0.01)	\$ 0.45	\$ (0.06)	\$ 0.47
Weighted average shares outstanding: basic	71,090,642	72,678,333	71,640,784	72,873,366	71,084,735	73,024,147	71,453,397	72,924,178
Weighted average shares outstanding: diluted	71,090,642	73,332,888	71,640,784	73,699,226	71,084,735	73,259,272	71,453,397	73,616,837

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

SIGA TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended June 30,	
	2023	2022
Cash flows from operating activities:		
Net (loss)/income	\$ (3,793,733)	\$ 1,676,012
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and other amortization	264,778	256,237
Gain on change in fair value of warrant liability	—	(400,663)
Stock-based compensation	1,130,170	764,208
Write down of inventory, net	518,551	157,740
Deferred income taxes, net	(1,341,358)	(617,207)
Changes in assets and liabilities:		
Accounts receivable	39,380,073	64,052,328
Inventory	(11,742,564)	2,921,257
Prepaid expenses and other assets	(1,109,768)	(592,168)
Accounts payable, accrued expenses and other liabilities	(1,935,092)	1,582,679
Income tax payable	(1,297,850)	(18,572,423)
Deferred revenue	793,764	3,270,658
Net cash provided by operating activities	20,866,971	54,498,658
Cash flows from investing activities:		
Capital expenditures	(21,686)	—
Cash used in investing activities	(21,686)	—
Cash flows from financing activities:		
Payment of employee tax obligations for common stock tendered	(214,794)	(12,533)
Repurchase of common stock	(11,072,511)	(10,149,704)
Payment of dividend	(32,135,118)	(32,944,314)
Cash used in financing activities	(43,422,423)	(43,106,551)
Net (decrease)/increase in cash and cash equivalents	(22,577,138)	11,392,107
Cash and cash equivalents at the beginning of period	98,790,622	103,138,819
Cash and cash equivalents at end of period	\$ 76,213,484	\$ 114,530,926
Supplemental disclosure of non-cash financing activities:		
Conversion of warrant to common stock	\$ -	\$ 6,120,778

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net (loss)/income	\$ (4,186,799)	\$ 34,716,600
Adjustments to reconcile net (loss)/income to net cash provided by operating activities:		
Depreciation and other amortization	400,702	386,440
Gain on change in fair value of warrant liability	—	(400,663)
Stock-based compensation	1,589,993	1,092,893
Write down of inventory, net	562,941	168,446
Deferred income taxes, net	(1,647,191)	(1,761,279)

Changes in assets and liabilities:		
Accounts receivable	37,356,901	28,724,892
Inventory	(26,240,079)	(11,919,413)
Prepaid expenses and other assets	(1,433,011)	1,514,150
Accounts payable, accrued expenses and other liabilities	(701,185)	914,139
Income tax payable	(1,255,240)	(10,083,889)
Deferred revenue	11,320,569	6,364,971
Net cash provided by operating activities	15,767,601	49,717,287
Cash flows from investing activities:		
Capital expenditures	(21,686)	—
Cash used in investing activities	(21,686)	—
Cash flows from financing activities:		
Payment of employee tax obligations for common stock tendered	(214,794)	(12,533)
Repurchase of common stock	(11,072,511)	(10,149,704)
Payment of dividend	(32,135,118)	(32,944,314)
Cash used in financing activities	(43,422,423)	(43,106,551)
Net (decrease)/increase in cash and cash equivalents	(27,676,508)	6,610,736
Cash and cash equivalents at the beginning of period	98,790,622	103,138,819
Cash and cash equivalents at end of period	\$ 71,114,114	\$ 109,749,555
Supplemental disclosure of non-cash financing activities:		
Conversion of warrant to common stock	\$ —	\$ 6,120,778
Issuance of common stock upon cashless exercise	\$ 87,540	\$ —

The accompanying notes are an integral part of these financial statements

SIGA TECHNOLOGIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Condensed Consolidated Financial Statements

The financial statements of SIGA Technologies, Inc. ("we," "our," "us," "SIGA" or the "Company") are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and the rules and regulations of the Securities and Exchange Commission for quarterly reports on Form 10-Q and should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2022, included in the Company's 2022 Annual Report on Form 10-K filed on March 2, 2023 (the "2022 Form 10-K"). All terms used but not defined elsewhere herein have the meaning ascribed to them in the 2022 Form 10-K. In the opinion of management, all adjustments (consisting of normal and recurring adjustments) considered necessary for a fair statement of the results of the interim periods have been included. The 2022 year-end condensed consolidated balance sheet data were derived from the audited financial statements but do not include all disclosures required by U.S. GAAP. The results of operations for the three and **six nine** months ended **June September** 30, 2023 are not necessarily indicative of the results expected for the full year.

2. Summary of Significant Accounting Policies

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). In all transactions, the Company is the principal as it controls the specified good or service before it is transferred to the customer and therefore recognizes revenue on a gross basis. A contract's transaction price is allocated to distinct performance obligations and recognized as revenue when, or as, a performance obligation is satisfied. The Company accounts for shipping and handling activities as fulfillment costs rather than as an additional promised service. As of **June September** 30, 2023, the Company's active contractual performance obligations consist of the following: **six five** performance obligations relate to research and development services; and **four five** relate to manufacture and delivery of product. The material performance obligations are

referenced in [Note 3](#). The aggregate amount of the transaction price allocated to **remaining current** performance obligations as of **June September 30, 2023** was **\$59.0 million \$189.1 million**. In July, two new performance obligations in connection with option exercises under the 19C BARDA Contract were added when the Company received orders from the U.S. government for the manufacture and delivery of product. The amount related to such performance obligations is \$138.2 million. **Remaining Current** performance obligations represent the transaction price for which work has not been performed and excludes unexercised contract options. With respect to **performance current** obligations related to the manufacture and delivery of product, the Company expects such obligations to be recognized as revenues within the next **24 12** months, with a majority of the revenues being recognized in the next **six three** months. With respect to the performance obligations related to research and development services, the Company expects such obligations to be recognized as revenue within the next three years as the specific timing for satisfying performance obligations is subjective and at times outside the Company's control.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied.

Contract modifications may occur during the course of performance of our contracts. Contracts are often modified to account for changes in contract specifications or requirements. In most instances, contract modifications are for services that are not distinct, and, therefore, are accounted for as part of the existing contract.

The Company's performance obligations are satisfied over time as work progresses or at a point in time. A portion of the Company's revenue is derived from long-term contracts that span multiple years. All of the Company's revenue related to current research and development performance obligations is recognized over time, because the customer simultaneously receives and consumes the benefits provided by the services as the Company performs these services. The Company recognizes revenue related to these services based on the progress toward complete satisfaction of the performance obligation and measures this progress under an input method, which is based on the Company's cost incurred relative to total estimated costs. Under this method, progress is measured based on the cost of resources consumed (i.e., cost of third-party services performed, cost of direct labor hours incurred, and cost of materials consumed) compared to the total estimated costs to completely satisfy the performance obligation. Incurred costs represent work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer. The incurred and estimated costs used in the measure of progress include third-party services performed, direct labor hours, and material consumed.

Contract Balances

The timing of revenue recognition, billings and cash collections may result in billed accounts receivable, unbilled receivables (contract assets) and customer advances and deposits (contract liabilities) in the condensed consolidated balance sheets. Generally, amounts are billed as work progresses in accordance with agreed-upon contractual terms either at periodic intervals (monthly) or upon achievement of contractual milestones; as of **June September 30, 2023**, the accounts receivable balance in the condensed balance sheet includes approximately **\$3.8 \$6.9** million of unbilled receivables. This amount includes international sales that are billed under the terms specified in the International Promotion Agreement with Meridian. Under typical payment terms of fixed price arrangements, the customer pays the Company either performance-based payments or progress payments. For the Company's cost-type arrangements, the customer generally pays the Company for its actual costs incurred, as well as its allocated overhead and G&A. Such payments occur within a short period of time from billing. When the Company receives consideration, or such consideration is unconditionally due, prior to transferring goods or services to the customer under the terms of a sales contract, the Company records deferred revenue, which represents a contract liability. During the **six nine** months ended **June September 30, 2023**, the Company recognized approximately \$0.1 million of revenue that was included in deferred revenue at the beginning of the period.

3. Procurement Contracts and Research Agreements

19C BARDA Contract

On September 10, 2018, the Company entered into a contract with the U.S. Biomedical Advanced Research and Development Authority ("BARDA") pursuant to which SIGA agreed to deliver up to 1,488,000 courses of oral TPOXX® to the U.S. Strategic National Stockpile ("Strategic Stockpile"), and to manufacture and deliver to the Strategic Stockpile, or store as vendor-managed inventory, up to 212,000 courses of IV TPOXX®. Additionally, the contract includes funding from BARDA for a range of activities, including: advanced development of IV TPOXX®, post-marketing activities for oral and IV TPOXX®, and procurement activities. As of **July September 30, 2023, 31, 2023**, the contract with BARDA (as amended, modified, or supplemented from time to time, the "19C BARDA Contract") contemplates up to approximately \$602.5 million of payments, of which approximately \$51.7 million of payments are included within the base period of performance of five years, approximately \$407.1 million of payments are related to exercised options, and up to approximately \$143.7 million of payments are currently specified as unexercised options. BARDA may choose in its sole discretion when, or whether, to exercise any of the unexercised options. The period of performance for options is up to ten years from the date of entry into the 19C BARDA Contract and such options could be exercised at any time during the contract term, including during the base period of performance.

The base period of performance specifies potential payments of approximately \$51.7 million for the following activities: payments of approximately \$11.1 million for the delivery of approximately 35,700 courses of oral TPOXX® to the Strategic Stockpile; payments of \$8.0 million for the manufacture of 20,000 courses of final drug product of IV TPOXX® ("IV FDP"), of which \$3.2 million of payments are related to the manufacture of bulk drug substance ("IV BDS") to be used in the manufacture of IV FDP; payments of approximately \$32.0 million to fund reimbursed activities; and payments of approximately \$0.6 million for supportive procurement activities. As of **June September 30, 2023**, the Company had received \$11.1 million for the delivery of approximately 35,700 courses of oral TPOXX® to the Strategic Stockpile, \$3.2 million for the manufacture of IV BDS, \$4.3 million for the

delivery of IV FDP to the Strategic Stockpile and \$21.3 \$21.7 million for other base period activities. IV BDS has been used for the manufacture of courses of IV FDP. The \$3.2 million received for the completed manufacture of IV BDS had been recorded as deferred revenue as of December 31, 2021, but with the delivery of IV FDP to the Strategic Stockpile during 2022, \$2.9 million was recognized as revenue. The remaining \$0.3 million of deferred revenue will be recognized as IV FDP containing such IV BDS is delivered to and accepted by the Strategic Stockpile.

The options that have been exercised to date provide for payments up to approximately \$407.1 million. There are exercised options for the following activities: payments up to \$11.2 million for the procurement of raw materials used in the 2020 manufacture of certain courses of oral TPOXX®; payments up to \$326.5 million for the delivery of up to 1.1 million courses of oral TPOXX®; payments up to \$51.2 million for the manufacture of courses of IV FDP, of which \$20.4 million of payments relate to the manufacture of IV BDS to be used in the manufacture of IV FDP; payments of up to approximately \$3.6 million to fund post-marketing activities for IV TPOXX®; and payments of up to \$14.6 million for funding of post-marketing activities for oral TPOXX®. As of June September 30, 2023, the Company had received \$225.1 million for the delivery (and related procurement of raw materials) of oral TPOXX® to the Strategic Stockpile; \$10.2 million \$20.5 million for the completed manufacture of IV BDS, of which \$20.5 million has been recorded as deferred revenue as of June September 30, 2023; and \$7.7 7.8 million in connection with post-marketing activities for oral and IV TPOXX®. In the month of October 2023, the Company has delivered to the Strategic Stockpile and received acceptance on approximately \$55 million of oral TPOXX®.

Unexercised options specify potential payments up to approximately \$143.7 million in total (if all such options are exercised), of which approximately \$0.2 million relates to supportive activities that we currently do not expect to be required. There are options for the following activities: payments of up to \$112.5 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to \$25.6 million for the manufacture of courses of IV FDP, of which up to \$10.2 million of payments would be paid upon the manufacture of IV BDS to be used in the manufacture of IV FDP; and payments of up to approximately \$5.6 \$5.4 million for supportive procurement activities.

The options related to IV TPOXX® are divided into two primary manufacturing steps. There are options related to the manufacture of bulk drug substance ("IV BDS Options"), and there are corresponding options (for the same number of IV courses) for the manufacture of final drug product ("IV FDP Options"). BARDA may choose to exercise any, all, or none of these options in its sole discretion. The 19C BARDA Contract includes: three separate IV BDS Options, each providing for the bulk drug substance equivalent of 64,000 courses of IV TPOXX®; and three separate IV FDP Options, each providing for 64,000 courses of final drug product of IV TPOXX®. BARDA has the sole discretion as to whether to simultaneously exercise IV BDS Options and IV FDP Options, or whether to exercise options at different points in time (or alternatively, to only exercise the IV BDS Option but not the IV FDP Option). To date, BARDA has exercised two of the three IV BDS options and two of the three IV FDP options. If BARDA decides to only exercise the remaining IV BDS Option, then the Company would receive payments up to \$10.2 million; alternatively, if BARDA decides to exercise the remaining IV BDS Option and IV FDP Option, then the Company would receive payments up to \$25.6 million. For each set of options relating to a specific group of courses (for instance, the IV BDS and IV FDP options that reference the same 64,000 courses), BARDA has the option to independently purchase IV BDS or IV FDP.

Revenues in connection with the 19C BARDA Contract are recognized either over time or at a point in time. Performance obligations related to product delivery generate revenue at a point in time. Revenue from other performance obligations under the 19C BARDA Contract are recognized over time using an input method using costs incurred to date relative to total estimated costs at completion. For the three months ended June September 30, 2023 and 2022, the Company recognized revenues of \$0.5 \$0.2 million and \$1.3 \$2.7 million, respectively, on an over time basis. For the six nine months ended June September 30, 2023 and 2022, the Company recognized revenues of \$2.1 million \$2.3 million and \$1.9 million, \$4.6 million, respectively, on an over time basis. In contrast, revenue recognized for product delivery, and therefore at a point in time, for the six nine months ended June September 30, 2022 was \$7.2 million. No revenue was recognized for product delivery, and therefore no revenue was recognized at a point in time, for the three months ended June September 30, 2022, or for the three and six nine months ended June September 30, 2023.

U.S. Department of Defense Procurement Contracts

On May 12, 2022, the Company announced a contract with the U.S. Department of Defense ("DoD") for the procurement of oral TPOXX® ("DoD Contract #1"). The DoD Contract #1 included a firm commitment for the DoD to procure approximately \$3.6 million of oral TPOXX®, and an option, exercisable at the sole discretion of the DoD, for the procurement of an additional approximately \$3.8 million of oral TPOXX®. In the second quarter of 2022, the Company delivered oral TPOXX® to the DoD and recognized revenue of \$3.6 million, fulfilling the firm commitment in DoD Contract #1. In the third quarter of 2022, the DoD exercised the option for \$3.8 million of oral TPOXX® and the Company satisfied its obligation by delivering product in September 2022 and recognized the related revenue.

On September 28, 2022, the Company and the DoD signed a new procurement contract ("DoD Contract #2"). The DoD Contract #2 included a firm commitment for the DoD to procure approximately \$5.1 million of oral TPOXX®, and an option, exercisable at the sole discretion of the DoD for the procurement of an additional approximately \$5.5 million of oral TPOXX®.

In March 2023, the Company fulfilled the firm commitment by delivering \$5.1 million of oral TPOXX® to the DoD, and recognized the related revenue. Additionally, in March 2023 the DoD exercised the \$5.5 million option in DoD Contract #2 for the procurement of oral TPOXX®.

International Procurement Contracts

As of July October 31, 2023, 31,2023, the Company had firm commitments with has delivered approximately \$9 million of oral TPOXX® this year to two European countries for and one Middle Eastern country. In addition, the delivery of approximately \$8 million of European Commission's DG HERA (Health Emergency Preparedness and Response Authority)

created a joint procurement mechanism under which the Company anticipates firm commitment orders for oral TPOXX®, of which approximately \$1 million of oral TPOXX® was delivered in April 2023 and approximately \$7 million of oral TPOXX® was delivered in July 2023. The firm from various countries. These anticipated commitments noted above were originated will be under an the International Promotion Agreement (defined and discussed below). Through the International Promotion Agreement, Meridian Medical Technologies, Inc. ("Meridian") is the counterparty to international contracts under which orders are placed for the purchase of oral TPOXX®.

In addition to the above-mentioned contracts with firm commitments, the Company has a contract with the Canadian Department of National Defence ("CDND") ("CDND") under which the CDND has an option until March 31, 2024, exercisable at its sole discretion, for the purchase of up to an additional \$6 million of oral TPOXX®. As an international contract, this contract is also administered under the International Promotion Agreement. The contract with the CDND (the "Canadian Military Contract"), issued in April of 2020, is option-based and initially specified that the CDND would purchase up to \$14 million of oral TPOXX® if all options were exercised. Prior to 2023, approximately \$8 million of oral TPOXX® had been purchased and delivered.

In 2022, the Company received firm commitment orders from 13 international customers (including Canada) for the delivery of approximately \$77 million of oral TPOXX®, of which approximately \$39 million was for Canada and approximately \$38 million was for jurisdictions in Europe, Asia-Pacific, and the Middle East. With respect to the \$77 million of firm commitment orders that were received in 2022, approximately \$71 million of oral TPOXX® was delivered and recorded as revenue in 2022, 2022, and the remainder was delivered and recorded as revenue in 2023.

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Under the International Promotion Agreement, Meridian is the counterparty in connection with international contracts for oral TPOXX® and SIGA is responsible for manufacture and delivery of any oral TPOXX® purchased thereunder.

Under the terms of the International Promotion Agreement, as amended, which has an initial term that expires on May 31, 2024, Meridian was granted exclusive rights to market, advertise, promote, offer for sale, or sell oral TPOXX® in a field of use specified in the International Promotion Agreement in all geographic regions except for the United States (the "Territory"), and Meridian has agreed not to commercialize any competing product, as defined in the International Promotion Agreement, in the specified field of use in the Territory. SIGA retains ownership, intellectual property, distribution and supply rights and regulatory responsibilities in connection with TPOXX®, and, in the United States market, also retains sales and marketing rights with respect to oral TPOXX®. SIGA's consent is required for the entry into any sales arrangement pursuant to the International Promotion Agreement.

Sales to international customers pursuant to the International Promotion Agreement are invoiced and collected by Meridian, and such collections are remitted, less Meridian's fees, to the Company under a quarterly process specified in the International Promotion Agreement. The fee Meridian retains pursuant to the International Promotion Agreement is a specified percentage of the collected proceeds of sales of oral TPOXX® net of certain expenses, for calendar years in which customer collected amounts net of such expenses are less than or equal to a specified threshold, and a higher specified percentage of such collected net proceeds for calendar years in which such net collected amounts exceed the specified threshold.

Revenue in connection with international procurement contracts for the delivery of product are recognized at a point in time on a gross basis, as the Company acts as the principal in the transaction. During the three and six nine months ended June September 30, 2023, the Company recognized \$1.2 million \$7.8 million and \$9.1 million of sales, respectively, in connection with international contracts. During the three and six nine months ended June September 30, 2022, the Company recognized \$5.0 million \$61.3 million and \$66.2 million of sales, respectively, in connection with international contracts.

Research Agreements and Grants

In July 2019, the Company was awarded a multi-year research contract valued at a total of \$19.5 million, with an initial award of \$12.4 million, from the DoD to support work in pursuit of a potential label expansion for oral TPOXX® that would include post-exposure prophylaxis ("PEP") of smallpox (such work known as the "PEP Label Expansion Program" and the contract referred to as the "PEP Label Expansion R&D Contract"). In subsequent modifications, the DoD increased the scope and the available funding under the PEP Label Expansion R&D Contract to approximately \$27 million. The period of performance for this contract, as modified, terminates on January 31, 2025. As of June September 30, 2023, there is no remaining revenue to be recognized in the future under the PEP Label Expansion R&D Contract is up to \$0.9 million. Contract. Revenue from the performance obligation under the PEP Label Expansion R&D Contract is recognized over time using an input method using costs incurred to date relative to total estimated costs at completion. For the three months ended June September 30, 2023 and 2022, the Company, under the PEP Label Expansion R&D Contract, recognized revenue of \$4.0 million \$0.9 million and \$6.6 \$4.2 million, respectively, on an over time basis. For the six nine months ended June September 30, 2023 and 2022, the Company, under the PEP Label Expansion R&D Contract, recognized revenue of \$5.5 million \$6.4 million and \$8.9 million, \$13.1 million, respectively, on an over time basis.

Contracts and grants include, among other things, options that may or may not be exercised at the U.S. Government's discretion. Moreover, contracts and grants contain customary terms and conditions including the U.S. Government's right to terminate or restructure a contract or grant for convenience at any time. As such, the Company may not be eligible to receive all available funds.

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4. Inventory

Inventory includes costs related to the manufacture of TPOXX®. Inventory consisted of the following:

	As of		As of	
	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Raw materials	\$ 4,039,460	\$ 6,370,581	\$ 64,186	\$ 6,370,581
Work in-process	37,447,497	27,038,845	54,980,066	27,038,845
Finished goods	9,010,146	5,863,664	9,905,976	5,863,664
Inventory	<u>\$ 50,497,103</u>	<u>\$ 39,273,090</u>	<u>\$ 64,950,228</u>	<u>\$ 39,273,090</u>

For the ~~three and six~~ nine months ended ~~June 30, 2023~~ September 30, 2023, cost of goods sold included a net-inventory related loss of ~~\$0.5 million~~ \$0.6 million. This loss is due to the impairment of a manufacturing batch.

5. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	As of		As of	
	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Leasehold improvements	\$ 2,420,028	\$ 2,420,028	\$ 2,420,028	\$ 2,420,028
Computer equipment	470,830	449,143	470,830	449,143
Furniture and fixtures	347,045	347,045	347,045	347,045
Operating lease right-of-use assets	3,678,647	3,678,647	3,678,647	3,678,647
	<u>6,916,550</u>	<u>6,894,863</u>	<u>6,916,550</u>	<u>6,894,863</u>
Less - accumulated depreciation and amortization	(5,311,328)	(5,046,549)	(5,447,252)	(5,046,549)
Property, plant and equipment, net	<u>\$ 1,605,222</u>	<u>\$ 1,848,314</u>	<u>\$ 1,469,298</u>	<u>\$ 1,848,314</u>

Depreciation and amortization expense on property, plant, and equipment was ~~\$0.3~~ \$0.4 million for each of the ~~six~~ nine months ended ~~June~~ September 30, 2023 and 2022.

6. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of		As of	
	June 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Deferred revenue	\$ 11,374,910	\$ 10,581,146	\$ 21,901,715	\$ 10,581,146
Compensation			2,214,827	2,378,035
Inventory			2,208,391	31,160
Research and development vendor costs	1,962,683	1,551,920	1,143,488	1,551,920
Compensation	1,479,651	2,378,035		
Other	1,331,903	1,245,353	1,073,214	1,245,353
Professional fees	729,513	536,997	1,029,488	536,997
Lease liability, current portion	545,558	528,170	554,732	528,170
Inventory	470,768	31,160		
Accrued expenses and other current liabilities	<u>\$ 17,894,986</u>	<u>\$ 16,852,781</u>	<u>\$ 30,125,855</u>	<u>\$ 16,852,781</u>

7. Financial Instruments

2016 Warrant

On September 2, 2016, the Company entered into a loan and security agreement (as amended from time to time, the "Loan Agreement") with OCM Strategic Credit SIGTEC Holdings, LLC ("Lender"). The Company voluntarily prepaid this Loan Agreement in 2020. Upon such prepayment and release, the Loan Agreement was terminated. In connection with the entry into the Loan Agreement, the Company issued a warrant (the "Warrant") to the Lender on September 2, 2016 to purchase a number of shares of the Company's common stock equal to \$4.0 million divided by the lower of (i) \$2.29 per share and (ii) the subscription price paid in connection with the Rights Offering completed on November 16, 2016. The per share subscription price paid was \$1.50 in connection with the Rights Offering; accordingly, the exercise price of the Warrant was set at \$1.50 per share, and there were 2.7 million shares underlying the Warrant. Subsequent to partial exercises of the Warrant, in 2022, the remainder of the Warrant was fully exercised and therefore there were no remaining underlying shares as of December 31, 2022. During the six nine months ended June September 30, 2022, we recorded a gain of approximately \$0.4 million, reflecting a decrease in the fair value of the liability-classified warrant primarily due to the decrease in our stock price prior to the exercise of the Warrant.

8. Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other current liabilities, and income tax payable approximates fair value due to the relatively short maturity of these instruments. Prior to being fully exercised, common stock warrants, which were classified as a liability, were recorded at their fair market value as of each reporting period.

The measurement of fair value requires the use of techniques based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. The inputs create the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations where inputs are observable or where significant value drivers are observable.
- Level 3 – Instruments where significant value drivers are unobservable to third parties.

There were no transfers between levels of the fair value hierarchy for the six nine months ended June September 30, 2023. As of June September 30, 2023 and December 31, 2022, the Company had \$53.5 \$54.2 million and less than \$0.1 million, respectively, of cash equivalents classified as Level 1 financial instruments. There were no Level 2 financial instruments as of June September 30, 2023. As of December 31, 2022, the Company had approximately \$40.5 million of cash equivalents classified as Level 2 financial instruments. There were no Level 3 financial instruments as of June September 30, 2023 or December 31, 2022.

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9. Per Share Data

The Company computes, presents and discloses earnings per share in accordance with the authoritative guidance, which specifies the computation, presentation and disclosure requirements for earnings per share of entities with publicly held common stock or potential common stock. The objective of basic EPS is to measure the performance of an entity over the reporting period by dividing income (loss) by the weighted average shares outstanding. The objective of diluted EPS is consistent with that of basic EPS, except that it also gives effect to all potentially dilutive common shares outstanding during the period.

The following is a reconciliation of the basic and diluted loss per share computation:

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
Net (loss)/income for basic earnings per share	\$ (2,875,476)	\$ 2,037,062	\$ (3,793,733)	\$ 1,676,012	\$ (393,066)	\$ 33,040,588	\$ (4,186,799)	\$ 34,716,600
Less: Change in fair value of warrants and cash-based RSUs	—	49,559	—	400,663				

Net (loss)/income, adjusted for change in fair value of warrants and cash-based RSUs for diluted earnings per share	\$	(2,875,476)	\$	1,987,503	\$	(3,793,733)	\$	1,275,349				
Less: Change in fair value of warrants									—	—	—	400,663
Net (loss)/income, adjusted for change in fair value of warrants for diluted earnings per share									\$	(393,066)	\$	33,040,588
Weighted-average shares		71,090,642		72,678,333		71,640,784		72,873,366		71,084,735		73,024,147
Effect of potential common shares		—		654,555		—		825,860		—		235,125
Weighted-average shares: diluted		71,090,642		73,332,888		71,640,784		73,699,226		71,084,735		73,259,272
(Loss)/Income per share: basic	\$	(0.04)	\$	0.03	\$	(0.05)	\$	0.02	\$	(0.01)	\$	0.45
(Loss)/Income per share: diluted	\$	(0.04)	\$	0.03	\$	(0.05)	\$	0.02	\$	(0.01)	\$	0.45

For the three and six months ended June September 30, 2022, the diluted earnings per share calculation reflects the effect of the exercise of outstanding warrants and any corresponding elimination of the impact included in operating results from the change in fair value of the warrants. Weighted-average diluted shares include the dilutive effect of in-the-money options, stock-settled RSUs and warrants. The dilutive effect of warrants, stock-settled RSUs and options is calculated based on the average share price for each fiscal period using the treasury stock method. Under the treasury stock method, the amount the employee must pay for exercising stock options, the average amount of compensation cost for future service that the Company has not yet recognized, and the amount of tax benefits that would be recorded in additional paid-in capital when the award becomes deductible, are collectively assumed to be used to repurchase shares. Cash-settled RSUs were presumed to be cash-settled and therefore excluded from the diluted earnings per share calculations for the three and six months ended June September 30, 2022 because the net effect of their inclusion, including the elimination of the impact in the operating results of the change in fair value of these RSUs, would have been anti-dilutive. For the three and six months ended June September 30, 2022, the weighted average number of shares under the cash-settled RSUs excluded from the calculation of diluted earnings per share were 51,930 32,180 and 53,353 12,901, respectively.

For the three and six months ended June September 30, 2023, the Company incurred losses and as a result, the equity instruments listed below were excluded from the calculation of diluted loss per share as the effect of the exercise, conversion or vesting of such instruments would have been anti-dilutive. The weighted average number of equity instruments excluded consists of:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
Stock options	231,570	229,248	240,006	232,873
Restricted stock units (1)	428,566	362,360	486,635	404,240

(1) For the three and nine months ended June September 30, 2023, the total includes a weighted average of 36,384 59,312 and 42,238 units which are expected to settle in cash. For the six months ended June 30, 2023, the total includes a weighted average of 33,559 units which are expected to settle in cash. cash, respectively.

10. Commitments and Contingencies

From time to time, we may be involved in a variety of claims, suits, investigations and proceedings arising from the ordinary course of our business, collections claims, breach of contract claims, labor and employment claims, tax and other matters. Although such claims, suits, investigations and proceedings are inherently uncertain and their results cannot be predicted with certainty, we believe that the resolution of such current pending matters, if any, will not have a material adverse effect on our business, consolidated financial position, results of operations or cash flow. Regardless of the outcome, litigation can have an adverse impact on us because of legal costs, diversion of management resources and other factors.

Purchase Commitments

In the course of our business, the Company regularly enters into agreements with third party organizations to provide contract manufacturing services and research and development services. Under these agreements, the Company issues purchase orders, which obligate the Company to pay a specified price when agreed-upon services are performed. In connection with many CMO purchase orders, reimbursement by CMOs for inventory losses is limited. Commitments under the purchase orders do not exceed our

planned commercial and research and development needs. As of **June September 30, 2023**, the Company had approximately **\$24.6 million** **\$18.5 million** of purchase commitments associated with manufacturing obligations.

11. Related Party Transactions

Real Estate Leases

On May 26, 2017, the Company and MacAndrews & Forbes Incorporated ("M&F") entered into a ten-year Office Lease agreement (the "New HQ Lease"), pursuant to which the Company agreed to lease 3,200 square feet at 31 East 62nd Street, New York, New York. The Company is utilizing premises leased under the New HQ Lease as its corporate headquarters. The Company's rental obligations consisted of a fixed rent of \$25,333 per month in the first sixty-three months of the term, subject to a rent abatement for the first six months of the term. From the first day of the sixty-fourth month of the term through the expiration or earlier termination of the lease, the Company's rental obligations consist of a fixed rent of \$29,333 per month. In addition to the fixed rent, the Company pays a facility fee in consideration of the landlord making available certain ancillary services, commencing on the first anniversary of entry into the lease. The facility fee was \$3,333 per month for the second year of the term and increases by five percent each year thereafter, to \$4,925 per month in the final year of the term. During the three and **six nine** months ended **June September 30, 2023**, the Company paid \$0.1 million and **\$0.2 \$0.3** million, respectively, for rent and ancillary services associated with this lease. The Company had no outstanding payables or accrued expenses related to this lease as of **June September 30, 2023**.

Board of Directors and Outside Consultant

Effective June 13, 2023, a director was elected to the Company's Board of Directors who provides consulting services to the Company. Under a consulting agreement, the director receives a monthly fee of \$20,000. **During the three and nine months ended September 30, 2023, the Company incurred \$60,000 and \$180,000, respectively, under this agreement.** The Company had no outstanding payables or accrued expenses related to the services performed by this vendor as of **June September 30, 2023**.

12. Revenues by Geographic Region

Revenues by geographic region were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
United States	\$ 4,646,983	\$ 11,715,302	\$ 12,970,007	\$ 22,254,602	\$ 1,406,175	\$ 10,925,562	\$ 14,376,182	\$ 33,180,163
International								
Asia-Pacific	—	4,929,423	—	4,929,423	—	8,946,221	—	13,875,644
Canada	—	—	—	—	—	35,120,212	—	35,120,212
Europe, Middle East and Africa (EMEA)	1,231,183	—	1,231,183	—	7,828,996	16,255,715	9,060,179	16,278,035
Other	—	22,320	—	22,320	—	963,417	—	963,417
Total International	1,231,183	4,951,743	1,231,183	4,951,743	7,828,996	61,285,565	9,060,179	66,237,308
Total revenues	\$ 5,878,166	\$ 16,667,045	\$ 14,201,190	\$ 27,206,345	\$ 9,235,171	\$ 72,211,127	\$ 23,436,361	\$ 99,417,471

13. Income Taxes

The Company's provision for income taxes consists of federal and state taxes, as applicable, in amounts necessary to align the Company's year-to-date tax provision with the effective rate that it expects to achieve for the full year. Each quarter the Company updates its estimate of the annual effective tax rate and records cumulative adjustments as

necessary.

For the three months ended June September 30, 2023 30,2023 and 2022, we recorded pre-tax (losses)/income of (\$3.4) 0.4 million and \$3.2 \$43.1 million, respectively, and a corresponding income tax benefit/(provision) of \$0.6 million \$33,030 and (\$1.2) 10.1 million, respectively.

For the six nine months ended June September 30, 2023 30,2023 and 2022, we recorded pre-tax (losses)/income of (\$4.7) 5.1 million and \$2.1 million \$45.3 million, respectively, and a corresponding income tax benefit/(provision) of \$0.9 million and (\$0.5) 10.5 million, respectively.

The effective tax rate for the three months ended June September 30, 2023 was 16.6% 7.8% compared to 36.2% 23.4% for the three months ended June September 30, 2022. The effective tax rate for the three months ended June September 30, 2023 differs from the U.S. statutory rate of 21% primarily as a result of state taxes, and various non-deductible expenses, including executive compensation under Internal Revenue Code Section 162(m).

The effective tax rate for the six nine months ended June September 30, 2023, was 18.7% 17.8% compared to 21.2% 23.3% for the six nine months ended June September 30, 2022. The effective tax rate for the six nine months ended June September 30, 2023 differs from the U.S. statutory rate of 21% primarily as a result of state taxes, various non-deductible expenses, including executive compensation under Internal Revenue Code 162(m).

The Inflation Reduction Act of 2022 (the "Act") was signed into U.S. law on August 16, 2022. The Act includes various tax provisions, including an excise tax on stock repurchases, expanded tax credits for clean energy incentives, and a corporate alternative minimum tax that generally applies to U.S. corporations with average adjusted annual financial statement income over a three-year period in excess of \$1 billion. The Company does not expect the Act to materially impact its consolidated financial statements.

Effective beginning in fiscal 2022, the U.S. Tax Cuts and Job Act of 2017 ("TCJA") requires the Company to deduct U.S. and international research and development expenditures ("R&D") for tax purposes over 5 to 15 years, instead of in the current fiscal year. The Company concurrently records a deferred tax benefit for the future amortization of the research and development for tax purposes. The requirement to expense R&D as incurred is unchanged for U.S. GAAP purposes and the impact to pre-tax R&D expense is not affected by this provision.

14. Equity

The tables below present changes in stockholders' equity for the three and six nine months ended June September 30, 2023 and 2022.

	Common Stock		Additional	Accumulated	Other	Total
	Shares	Amount	Paid-in Capital	Deficit	Comprehensive Income	Stockholders' Equity
Balances at March 31, 2023	71,535,268	\$ 7,154	\$ 234,366,497	\$ (72,280,191)	\$ —	\$ 162,093,460
Net loss	—	—	—	(2,875,476)	—	(2,875,476)
Repurchase of common stock (including excise tax)	(596,900)	(60)	—	(3,515,396)	—	(3,515,456)
Issuance of common stock upon vesting of RSUs	144,576	15	(15)	—	—	—
Payment of common stock tendered for employee stock-based compensation tax obligations	—	—	(214,794)	—	—	(214,794)
Cash dividend (\$0.45 per share)	—	—	—	(32,135,118)	—	(32,135,118)
Stock-based compensation	—	—	721,440	—	—	721,440
Balances at June 30, 2023	<u>\$ 71,082,944</u>	<u>\$ 7,109</u>	<u>\$ 234,873,128</u>	<u>\$ (110,806,181)</u>	<u>\$ —</u>	<u>\$ 124,074,056</u>

	Common Stock		Additional	Accumulated	Other	Total
	Shares	Amount	Paid-in Capital	Deficit	Comprehensive Income	Stockholders' Equity
Balances at June 30, 2023	71,082,944	\$ 7,109	\$ 234,873,128	\$ (110,806,181)	\$ —	\$ 124,074,056
Net loss	—	—	—	(393,066)	—	(393,066)
Issuance of common stock upon exercise of stock options	8,672	—	—	—	—	—
Stock-based compensation	—	—	459,823	—	—	459,823
Balances at September 30, 2023	<u>71,091,616</u>	<u>\$ 7,109</u>	<u>\$ 235,332,951</u>	<u>\$ (111,199,247)</u>	<u>\$ —</u>	<u>\$ 124,140,813</u>

	Common Stock		Additional Paid-in	Accumulated	Other Comprehensive	Total		Common Stock		Additional Paid-in	Accumulated	Other Comprehensive
	Shares	Amount	Capital	Deficit	Income	Stockholders' Equity		Shares	Amount	Capital	Deficit	Income
Balances at December 31, 2022	72,675,190	\$ 7,268	\$ 233,957,767	\$ (63,804,993)	\$ —	\$ 170,160,042		72,675,190	\$ 7,268	\$ 233,957,767	\$ (63,804,993)	\$ —
Net loss	—	—	—	(3,793,733)	—	(3,793,733)					(4,186,799)	
Issuance of common stock upon exercise of stock options								8,672	—	—	—	
Repurchase of common stock (including excise tax)	(1,736,822)	(174)	—	(11,072,337)	—	(11,072,511)		(1,736,822)	(174)	—	(11,072,337)	
Issuance of common stock upon vesting of RSUs	144,576	15	(15)	—	—	—		144,576	15	(15)	—	
Payment of common stock tendered for employee stock-based compensation tax obligations	—	—	(214,794)	—	—	(214,794)		—	—	(214,794)	—	
Cash dividend (\$0.45 per share)	—	—	—	(32,135,118)	—	(32,135,118)						
Cash dividend (\$0.45 per share)								—	—	—	(32,135,118)	
Stock-based compensation	—	—	1,130,170	—	—	1,130,170		—	—	1,589,993	—	
Balances at June 30, 2023	71,082,944	\$ 7,109	\$ 234,873,128	\$ (110,806,181)	\$ —	\$ 124,074,056						
Balances at September 30, 2023								71,091,616	\$ 7,109	\$ 235,332,951	\$ (111,199,247)	\$ —

	Common Stock		Additional Paid-in	Accumulated	Other Comprehensive	Total
	Shares	Amount	Capital	Deficit	Income	Stockholders' Equity
Balances at March 31, 2022	72,566,367	\$ 7,256	\$ 226,426,529	\$ (58,696,989)	\$ —	\$ 167,736,796
Net income	—	—	—	2,037,062	—	2,037,062
Repurchase of common stock	(494,979)	(49)	—	(3,576,873)	—	(3,576,922)
Issuance of common stock upon vesting of RSUs	127,856	13	(13)	—	—	—

Issuance of common stock upon exercise of warrants	824,903	82	6,120,696	—	—	6,120,778
Cash dividend (\$0.45 per share)	—	—	—	(32,944,314)	—	(32,944,314)
Stock-based compensation	—	—	395,454	—	—	395,454
Balances at June 30, 2022	<u>73,024,147</u>	<u>\$ 7,302</u>	<u>\$ 232,942,666</u>	<u>\$ (93,181,114)</u>	<u>\$ —</u>	<u>\$ 139,768,854</u>

	Common Stock		Additional	Accumulated	Other	Total
	Shares	Amount	Paid-in Capital	Deficit	Comprehensive Income	Stockholders' Equity
Balances at June 30, 2022	73,024,147	\$ 7,302	\$ 232,942,666	\$ (93,181,114)	\$ —	\$ 139,768,854
Net income	—	—	—	33,040,588	—	33,040,588
Stock-based compensation	—	—	328,685	—	—	328,685
Balances at September 30, 2022	<u>73,024,147</u>	<u>\$ 7,302</u>	<u>\$ 233,271,351</u>	<u>\$ (60,140,526)</u>	<u>\$ —</u>	<u>\$ 173,138,127</u>

	Common Stock		Additional	Accumulated	Other	Total		Common Stock		Additional	Accumulated	Other
	Shares	Amount	Paid-in Capital	Deficit	Comprehensive Income	Stockholders' Equity		Shares	Amount	Paid-in Capital	Deficit	Comprehens
Balances at December 31, 2021	73,543,602	\$ 7,354	\$ 226,070,308	\$ (51,763,255)	\$ —	\$ 174,314,407		73,543,602	\$ 7,354	\$ 226,070,308	\$ (51,763,255)	\$ —
Net income	—	—	—	1,676,012	—	1,676,012		—	—	—	34,716,600	—
Repurchase of common stock	(1,474,781)	(147)	—	(10,149,557)	—	(10,149,704)		(1,474,781)	(147)	—	(10,149,557)	—
Payment of common stock tendered for employee stock-based compensation tax obligations	(1,973)	—	(12,533)	—	—	(12,533)		(1,973)	—	(12,533)	—	—
Issuance of common stock upon vesting of RSUs	132,396	13	(13)	—	—	—		132,396	13	(13)	—	—
Issuance of common stock upon exercise of warrants	824,903	82	6,120,696	—	—	6,120,778		824,903	82	6,120,696	—	—
Cash dividend (\$0.45 per share)	—	—	—	(32,944,314)	—	(32,944,314)		—	—	—	(32,944,314)	—
Cash dividend (\$0.45 per share)	—	—	—	—	—	—		—	—	—	—	—
Stock-based compensation	—	—	764,208	—	—	764,208		—	—	1,092,893	—	—
Balances at June 30, 2022	<u>73,024,147</u>	<u>\$ 7,302</u>	<u>\$ 232,942,666</u>	<u>\$ (93,181,114)</u>	<u>\$ —</u>	<u>\$ 139,768,854</u>		—	—	—	—	—

Balances at					
September 30,	73,024,147	\$	7,302	\$ 233,271,351	\$ (60,140,526) \$
2022					

On August 2, 2021, the Company's Board of Directors authorized a share repurchase program ("New Repurchase Authorization") under which the Company may repurchase up to \$50 million of the Company's common stock through December 31, 2023. The Company started repurchasing shares under this program in the fourth quarter of 2021. Repurchases under the New Repurchase Authorization may be made from time to time at the Company's discretion in open market transactions, through block trades, in privately negotiated transactions and pursuant to any trading plan that may be adopted by the Company's management in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise. The timing and actual number of shares repurchased will depend on a variety of factors, including: timing of procurement orders under government contracts; alternative opportunities for strategic uses of cash; the stock price of the Company's common stock; market conditions; alternative capital management uses of cash; and other corporate liquidity requirements and priorities. During the three and months ended six September 30, 2023, the Company did not repurchase any stock. During the nine months ended June September 30, 2023, the Company repurchased approximately 0.6 million and 1.7 million shares of common stock under the New Repurchase Authorization for approximately \$3.5 million and \$11.0 million, respectively. million. In addition, during the three and six nine months ended June September 30, 2023, the Company recorded approximately \$0.1 million of excise tax associated with the repurchase of common stock.

On May 4, 2023, the Board of Directors declared a special dividend of \$0.45 per share on the common stock of the Company, which resulted in an overall dividend payment of approximately \$32 million. The special dividend was paid on June 1, 2023 to shareholders of record at the close of business on May 16, 2023.

15. Leases

The Company leases its Corvallis, Oregon, facilities and office space under an operating lease, which was signed on November 3, 2017 and commenced on January 1, 2018. The initial term of this lease was to expire on December 31, 2019 after which the Company had two successive renewal options; one for two years and the other for three years. In the second quarter of 2019, the Company exercised the first renewal option, which extended the lease expiration date to December 31, 2021. In the second quarter of 2021, the Company exercised the second renewal option, which extended the lease expiration date to December 31, 2024. In connection with the exercise of the second renewal option, the Company recorded an increase to operating lease right-of-use assets and operating lease liabilities of approximately \$0.7 million in the second quarter of 2021.

On May 26, 2017 the Company and M&F entered into the New HQ Lease, a ten year office lease agreement, pursuant to which the Company agreed to lease 3,200 square feet in New York, New York. The Company is utilizing premises leased under the New HQ Lease as its corporate headquarters. The Company has no leases that qualify as finance leases.

Operating lease costs totaled \$0.1 million \$0.1 million and \$0.2 million for each of the three months ended June September 30, 2023 and 2022, respectively. Operating lease costs totaled \$0.3 \$0.4 million and \$0.5 million for each of the six nine months ended June September 30, 2023 and 2022, respectively. Cash paid for amounts included in the measurement of lease liabilities from operating cash flows was \$0.2 million for each of the three months ended June September 30, 2023 and 2022. Cash paid for amounts included in the measurement of lease liabilities from operation cash flows was \$0.3 million \$0.5 million for each of the six nine months ended June September 30, 2023 and 2022. As of June September 30, 2023, the weighted-average remaining lease term of the Company's operating leases was 3.25 3.05 years while the weighted-average discount rate was 4.53%.

Future cash flows under operating leases as of June September 30, 2023 are expected to be as follows:

2023	\$	279,946	\$	111,979
2024		678,627		678,627
2025		406,994		406,994
2026		409,971		409,971
2027		165,916		165,916
Total undiscounted cash flows under leases		1,941,454		1,773,487
Less: Imputed interest		(153,208)		(132,590)
Present value of lease liabilities	\$	1,788,246	\$	1,640,897

As of June September 30, 2023, approximately \$1.2 \$1.1 million of the lease liability is included in Other liabilities on the condensed consolidated balance sheet with the current portion included in accrued expenses.

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

The following discussion should be read in conjunction with our condensed consolidated financial statements and notes to those statements and other financial information appearing elsewhere in this Quarterly Report on Form 10-Q and in the Company's Annual Report on Form 10-K filed on March 2, 2023 (the "2022 Form 10-K"). In addition to historical information, the following discussion and other parts of this Quarterly Report contain forward-looking information that involves risks and uncertainties. SIGA's actual results could differ materially from those anticipated by such forward-looking statements due to a number of factors. See the factors set forth under the heading "Forward-Looking Statements" at the end of this Item 2.

Overview

SIGA Technologies, Inc. ("SIGA" or the "Company") is a commercial-stage pharmaceutical company. The Company sells its lead product, TPOXX® ("oral TPOXX®," also known as "tecovirimat" in certain international markets), to the U.S. Government and international governments (including government affiliated entities). Additionally, the Company sells the intravenous formulation of TPOXX® ("IV TPOXX®") to the U.S. Government.

TPOXX® is an oral formulation antiviral drug for the treatment of human smallpox disease caused by variola virus. On July 13, 2018, the United States Food & Drug Administration ("FDA") approved oral TPOXX® for the treatment of smallpox. The Company has been delivering oral TPOXX® to the U.S. Strategic National Stockpile ("Strategic Stockpile") since 2013.

In connection with IV TPOXX®, SIGA announced on May 19, 2022 that the FDA approved this formulation for the treatment of smallpox.

In addition to being approved by the FDA, oral TPOXX® (tecovirimat) has regulatory approval with the European Medicines Agency ("EMA"), Health Canada and the Medicines and Healthcare Products Regulatory Agency ("MHRA") of the United Kingdom. The EMA and MHRA approved label indication covers the treatment of smallpox, monkeypox ("mpox"), cowpox, and vaccinia complications following vaccination against smallpox. The Health Canada approved label indication covers the treatment of smallpox.

With respect to the regulatory approvals by the EMA, MHRA and Health Canada, oral tecovirimat represents the same formulation that was approved by the FDA in July 2018 under the brand name TPOXX®.

In connection with a potential FDA label expansion of oral TPOXX® for an indication covering smallpox post-exposure prophylaxis ("PEP"), the Company has recently met target enrollment for completed an immunogenicity trial and an expanded safety trial. trial in early 2023. The nature and timing of a planned submission of a supplemental New Drug Application to the FDA ("Supplemental NDA") for a smallpox PEP indication for oral TPOXX® will be impacted by based on the results of the trials. trials; the Company is currently targeting a Supplemental NDA filing in 2024.

In connection with the global response to an mpox outbreak, a series of observational and randomized, placebo-controlled clinical trials were initiated, starting in the third quarter of 2022, to assess the safety and efficacy of TPOXX® in participants with mpox. As of June 30, 2023 September 30, 2023, there were five randomized, placebo-controlled clinical trials enrolling patients, when available, in locations including the United States, United Kingdom, the Democratic Republic of Congo ("DRC"), South America and Europe. These randomized clinical trials are enrolling patients to collect data on the potential benefits of using TPOXX® as an antiviral treatment for active mpox disease.

The Company may be able to use data from the trials noted above, as well as from other trials, to potentially pursue an FDA label expansion of oral TPOXX® for an indication covering the treatment of mpox. The viability, and timing, of a potential FDA submission for an mpox indication will be impacted by a series of factors, including the magnitude and severity of future mpox cases, the location of future cases, enrollment in clinical trials, and results of randomized, placebo-controlled and observational clinical trials.

Procurement Contracts with the U.S. Government

19C BARDA Contract

On September 10, 2018, the Company entered into a contract with the U.S. Biomedical Advanced Research and Development Authority ("BARDA") pursuant to which SIGA agreed to deliver up to 1,488,000 courses of oral TPOXX® to the Strategic Stockpile, and to manufacture and deliver to the Strategic Stockpile, or store as vendor-managed inventory, up to 212,000 courses of IV TPOXX®. Additionally, the contract includes funding from BARDA for a range of activities, including: advanced development of IV TPOXX®, post-marketing activities for oral and IV TPOXX®, and procurement activities. As of July 31, 2023 September 30, 2023, the contract with BARDA (as amended, modified, or supplemented from time to time, the "19C BARDA Contract") contemplates up to approximately \$602.5 million of payments, of which approximately \$51.7 million of payments are included within the base period of performance of five years, approximately \$407.1 million of payments are related to exercised options, and up to approximately \$143.7 million of payments are currently specified as unexercised options. BARDA may choose in its sole discretion when, or whether, to exercise any of the unexercised options. The period of performance for options is up to ten years from the date of entry into the 19C BARDA Contract and such options could be exercised at any time during the contract term, including

during the base period of performance. With respect to an option that was exercised in July 2023 for the manufacture and delivery of approximately 363,000 courses of oral TPOXX®, the Company expects to deliver such courses in the next ~~six~~three months.

The base period of performance specifies potential payments of approximately \$51.7 million for the following activities: payments of approximately \$11.1 million for the delivery of approximately 35,700 courses of oral TPOXX® to the Strategic Stockpile; payments of \$8.0 million for the manufacture of 20,000 courses of final drug product of IV TPOXX® ("IV FDP"), of which \$3.2 million of payments are related to the manufacture of bulk drug substance ("IV BDS") to be used in the manufacture of IV FDP; payments of approximately \$32.0 million to fund reimbursed activities; and payments of approximately \$0.6 million for supportive procurement activities. As of ~~June 30, 2023~~September 30, 2023, the Company had received \$11.1 million for the delivery of approximately 35,700 courses of oral TPOXX® to the Strategic Stockpile, \$3.2 million for the manufacture of IV BDS, \$4.3 million for the delivery of IV FDP to the Strategic Stockpile and ~~\$21.3~~\$21.7 million for other base period activities. IV BDS has been used for the manufacture of courses of IV FDP. The \$3.2 million received for the completed manufacture of IV BDS had been recorded as deferred revenue as of December 31, 2021, but with the delivery of IV FDP to the Strategic Stockpile during 2022, \$2.9 million was recognized as revenue. The remaining \$0.3 million of deferred revenue will be recognized as IV FDP containing such IV BDS is delivered to and accepted by the Strategic Stockpile.

The options that have been exercised to date provide for payments up to approximately \$407.1 million. There are exercised options for the following activities: payments up to \$11.2 million for the procurement of raw materials used in the 2020 manufacture of certain courses of oral TPOXX®; payments up to \$326.5 million for the delivery of up to 1.1 million courses of oral TPOXX®; payments up to \$51.2 million for the manufacture of courses of IV FDP, of which \$20.4 million of payments relate to the manufacture of IV BDS to be used in the manufacture of IV FDP; payments of up to approximately \$3.6 million to fund post-marketing activities for IV TPOXX®; and payments of up to \$14.6 million for funding of post-marketing activities for oral TPOXX®. As of ~~June 30, 2023~~September 30, 2023, the Company had received \$225.1 million for the delivery (and related procurement of raw materials) of oral TPOXX® to the Strategic Stockpile; ~~\$10.2 million~~\$20.5 million for the completed manufacture of IV BDS, of which ~~\$20.5 million~~ has been recorded as deferred revenue as of ~~June 30, 2023~~September 30, 2023; and ~~\$7.7 million~~\$7.8 million in connection with post-marketing activities for oral and IV TPOXX®. In the month of October 2023, the Company has delivered to the Strategic Stockpile and received acceptance on approximately \$55 million of oral TPOXX®.

Unexercised options specify potential payments up to approximately \$143.7 million in total (if all such options are exercised), of which approximately \$0.2 million relates to supportive activities that we currently do not expect to be required. There are options for the following activities: payments of up to \$112.5 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to \$25.6 million for the manufacture of courses of IV FDP, of which up to \$10.2 million of payments would be paid upon the manufacture of IV BDS to be used in the manufacture of IV FDP; and payments of up to approximately ~~\$5.6~~\$5.4 million for supportive procurement activities.

The options related to IV TPOXX® are divided into two primary manufacturing steps. There are options related to the manufacture of bulk drug substance ("IV BDS Options"), and there are corresponding options (for the same number of IV courses) for the manufacture of final drug product ("IV FDP Options"). BARDA may choose to exercise any, all, or none of these options in its sole discretion. The 19C BARDA Contract includes: three separate IV BDS Options, each providing for the bulk drug substance equivalent of 64,000 courses of IV TPOXX®; and three separate IV FDP Options, each providing for 64,000 courses of final drug product of IV TPOXX®. BARDA has the sole discretion as to whether to simultaneously exercise IV BDS Options and IV FDP Options, or whether to exercise options at different points in time (or alternatively, to only exercise the IV BDS Option but not the IV FDP Option). To date, BARDA has exercised two of the three IV BDS options and two of the three IV FDP options. If BARDA decides to only exercise the remaining IV BDS Option, then the Company would receive payments up to \$10.2 million; alternatively, if BARDA decides to exercise the remaining IV BDS Option and IV FDP Option, then the Company would receive payments up to \$25.6 million. For each set of options relating to a specific group of courses (for instance, the IV BDS and IV FDP options that reference the same 64,000 courses), BARDA has the option to independently purchase IV BDS or IV FDP. The Company estimates that sales of the IV formulation under this contract (under current terms), assuming the remaining IV FDP Option was exercised, would have a gross margin (sales less cost of sales, as a percentage of sales) that is less than 40%.

Under the terms of this contract, exercise of procurement options is at the sole discretion of BARDA. The request for proposal that preceded the award of the 19C BARDA Contract indicated that the expected purpose of the contract was to maintain the level of smallpox antiviral preparedness in the Strategic Stockpile. Based on prior product delivery activity, and current FDA-approved shelf life of oral TPOXX®, the Company estimates that approximately 920,000 courses of smallpox antiviral treatment would need to be delivered to the Strategic Stockpile in 2023 and 2024 in order to maintain historical stockpile levels of unexpired TPOXX® treatment in the Strategic Stockpile.

U.S. Department of Defense Procurement Contracts

On May 12, 2022, the Company announced a contract with the U.S. Department of Defense ("DoD") for the procurement of oral TPOXX® ("DoD Contract #1"). The DoD Contract #1 included a firm commitment for the DoD to procure approximately \$3.6 million of oral TPOXX®, and an option, exercisable at the sole discretion of the DoD, for the procurement of an additional approximately \$3.8 million of oral TPOXX®. In the second quarter of 2022, the Company delivered oral TPOXX® to the DoD and recognized revenue of \$3.6 million, fulfilling the firm commitment in DoD Contract #1. In the third quarter of 2022, the DoD exercised the option for \$3.8 million of oral TPOXX® and the Company satisfied its obligation by delivering product in September 2022 and recognized the related revenue.

On September 28, 2022, the Company and the DoD signed a new procurement contract ("DoD Contract #2"). The DoD Contract #2 included a firm commitment for the DoD to procure approximately \$5.1 million of oral TPOXX®, and an option, exercisable at the sole discretion of the DoD for the procurement of an additional approximately \$5.5 million of oral TPOXX®.

In March 2023, the Company fulfilled the firm commitment by delivering \$5.1 million of oral TPOXX® to the DoD, and recognized the related revenue. Additionally, in March 2023 the DoD exercised the \$5.5 million option in DoD Contract #2 for the procurement of oral TPOXX®.

International Procurement Contracts

As of July 31, 2023, the Company had firm commitments with has delivered approximately \$9 million of oral TPOXX® this year to two European countries for and one Middle Eastern country. In addition, the delivery European Commission's DG HERA (Health Emergency Preparedness and Response Authority) created a joint procurement mechanism under which the Company anticipates \$18 million of approximately \$8 million of firm commitment orders for oral TPOXX®, of which approximately \$1 million of oral TPOXX® was delivered in April 2023 and approximately \$7 million of oral TPOXX® was delivered in July 2023. The firm from various countries. These anticipated commitments noted above were originated will be under an the International Promotion Agreement (defined and discussed below). Through the International Promotion Agreement, Meridian Medical Technologies, Inc. ("Meridian") is the counterparty to international contracts under which orders are placed for the purchase of oral TPOXX®.

In addition to the above-mentioned contracts with firm commitments, the Company has a contract with the Canadian Department of National Defence ("CDND") ("CDND") under which the CDND has an option until March 31, 2024, exercisable at its sole discretion, for the purchase of up to an additional \$6 million of oral TPOXX®. As an international contract, this contract is also administered under the International Promotion Agreement. The contract with the CDND (the "Canadian Military Contract"), issued in April of 2020, is option-based and initially specified that the CDND would purchase up to \$14 million of oral TPOXX® if all options were exercised. Prior to 2023, approximately \$8 million of oral TPOXX® had been purchased and delivered.

International Promotion Agreement

Under the terms of the International Promotion Agreement, as amended, which has an initial term that expires on May 31, 2024, Meridian was granted exclusive rights to market, advertise, promote, offer for sale, or sell oral TPOXX® in a field of use specified in the International Promotion Agreement in all geographic regions except for the United States (the "Territory"), and Meridian has agreed not to commercialize any competing product, as defined in the International Promotion Agreement, in the specified field of use in the Territory. SIGA retains ownership, intellectual property, distribution and supply rights and regulatory responsibilities in connection with TPOXX®, and, in the United States market, also retains sales and marketing rights with respect to oral TPOXX®. SIGA's consent is required for the entry into any sales arrangement pursuant to the International Promotion Agreement.

Sales to international customers pursuant to the International Promotion Agreement are invoiced and collected by Meridian, and such collections are remitted, less Meridian's fees, to the Company under a quarterly process specified in the International Promotion Agreement. The fee Meridian retains pursuant to the International Promotion Agreement is a specified percentage of the collected proceeds of sales of oral TPOXX® net of certain expenses, for calendar years in which customer collected amounts net of such expenses are less than or equal to a specified threshold, and a higher specified percentage of such collected net proceeds for calendar years in which such net collected amounts exceed the specified threshold. We exceeded the specified threshold in 2022 and therefore recorded the higher specified percentage for all International Promotion Agreement sales in 2022. Taking into account Meridian's fee and manufacturing costs of oral TPOXX®, it is currently estimated by the Company that international sales of oral TPOXX® each year will have a contribution margin (as expressed as a percentage of product sales, and before any consideration of expenses not directly related to manufacturing or Meridian activities) of between approximately 65% and 80%, depending on the international sales levels each year. For purposes of this disclosure, contribution margin (in amount) represents international product sales less applicable cost of sales and the Meridian fee (which is included within selling, general and administrative expenses within the income statement).

Research Agreements and Grants

In July 2019, the Company was awarded a multi-year research contract valued at a total of \$19.5 million, with an initial award of \$12.4 million, from the DoD to support work in pursuit of a potential label expansion for oral TPOXX® that would include post-exposure prophylaxis ("PEP") of smallpox (such work known as the "PEP Label Expansion Program" and the contract referred to as the "PEP Label Expansion R&D Contract"). In subsequent modifications, the DoD increased the scope and the available funding under the PEP Label Expansion R&D Contract to approximately \$27 million. The period of performance for this contract, as modified, terminates on January 31, 2025. As of June 30, 2023, September 30, 2023, there is no remaining revenue to be recognized in the future under the PEP Label Expansion R&D Contract is up to \$0.9 million, Contract. Revenue from the performance obligation under the PEP Label Expansion R&D Contract is recognized over time using an input method using costs incurred to date relative to total estimated costs at completion.

Contracts and grants include, among other things, options that may or may not be exercised at the U.S. Government's discretion. Moreover, contracts and grants contain customary terms and conditions including the U.S. Government's right to terminate or restructure a contract or grant for convenience at any time. As such, the Company may not be eligible to receive all available funds.

Critical Accounting Estimates

The methods, estimates and judgments we use in applying our accounting policies have a significant impact on the results we report in our condensed consolidated financial statements, which we discuss under the heading "Results of Operations" following this section of our Management's Discussion and Analysis of Financial Condition and Results of Operations. Some of our accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Information regarding our critical accounting policies and estimates appears in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations of our 2022 Form 10-K. Our most critical accounting estimates include revenue recognition over time and income taxes (including realization of deferred tax assets).

Results of Operations

Three Months Ended June 30, 2023 September 30, 2023 and 2022

For the three months ended June 30, 2023 September 30, 2023, revenues from product sales and supportive services were \$1.3 million \$8.0 million. Such revenues primarily relate to a sale of oral TPOXX® to a European country and a Middle Eastern country. For the three months ended June 30, 2022 September 30, 2022, revenues from product sales and supportive services were \$8.6 million \$65.6 million. Such revenues primarily relate to international sales of oral TPOXX® of approximately \$61.3 million and sales of oral TPOXX® to the DoD of approximately \$3.6 million and international sales of approximately \$5.0 million. \$3.8 million.

Revenues from research and development activities for the three months ended June 30, 2023 September 30, 2023 and 2022, were \$4.6 \$1.3 million and \$8.1 million \$6.6 million, respectively. These revenues are mostly earned in connection with performance of research and development activities under the PEP Label Expansion R&D Contract and the 19C BARDA Contract. The decrease of \$3.5 \$5.3 million of revenue is primarily related to a decrease in clinical trial activity.

Cost of sales and supportive services for the three months ended June 30, 2023 September 30, 2023 and 2022 were \$1.0 million \$0.9 million and \$0.9 million \$3.9 million, respectively. Such costs in 2023 were primarily associated with the manufacture and delivery of courses of oral TPOXX® to a European country and a Middle Eastern country, and the costs of supportive activities such as well as an inventory-related loss of \$0.5 million in connection with the impairment of a manufacturing batch, customary, periodic stability testing. Such costs in 2022 were primarily associated with the manufacture and delivery of courses of oral TPOXX®, for international sales and sales to the DoD.

Selling, general and administrative ("SG&A") expenses for the three months ended June 30, 2023 September 30, 2023 and 2022 were \$4.4 \$6.0 million and \$5.9 million \$19.7 million, respectively. The decrease of approximately \$1.5 \$13.7 million primarily mostly reflects a decrease in the promotion fees incurred in connection with a decrease in international sales.

Research and development ("R&D") expenses for the three months ended June 30, 2023 September 30, 2023 and 2022 were \$5.1 million \$3.6 million and \$6.8 million \$5.7 million, respectively, reflecting a decrease of approximately \$1.7 million \$2.1 million. The decrease is primarily attributable to lower direct vendor-related expenses incurred in connection with a decrease in activities under the PEP Label Expansion R&D Contract and the 19C BARDA Contract, partially offset by an increase in regulatory fees costs associated with EMA regulatory submissions, submissions and related activities.

Other income, net for the three months ended June 30, 2023 September 30, 2023 and 2022 were \$1.2 million \$0.9 million and \$0.1 million \$0.3 million, respectively. The increase relates to interest income earned on cash and cash equivalents at rates that are substantially higher in 2023 in comparison to 2022.

For the three months ended June 30, 2023 September 30, 2023 and 2022, we recorded pre-tax (losses)/income of (\$3.4) 0.4 million and \$3.2 \$43.1 million, respectively, and a corresponding income tax benefit/(provision) of \$0.6 million \$33,030 and (\$1.2) 10.1 million, respectively. The effective tax rates during the three months ended June 30, 2023 September 30, 2023 and 2022 were 16.6% 7.8% and 36.2% 23.4%, respectively. Our effective tax rate for the period ended June 30, 2023 September 30, 2023 differs from the statutory rate primarily as a result of state taxes, and non-deductible executive compensation under Internal Revenue Code Section 162(m). Our effective tax rate for the period ended June 30, 2022 September 30, 2022 differs from the statutory rate primarily as a result of state taxes, non-deductible executive compensation under Internal Revenue Code Section 162(m) and a non-taxable adjustment for the fair market value of the Warrant.

Six Nine Months Ended June 30, 2023 September 30, 2023 and 2022

For the six nine months ended June 30, 2023 September 30, 2023, revenues from product sales and supportive services were \$7.0 \$14.9 million. Such revenues primarily relate to sales of approximately \$5.1 million of oral TPOXX® to the DoD and to a European country, approximately \$9.1 million of international sales of oral TPOXX®. For the six nine months ended June 30, 2022 September 30, 2022, revenues from product sales and supportive services were \$15.9 \$81.6 million. Such revenues primarily relate to approximately \$66.2 million of international sales of oral TPOXX®; approximately \$7.5 million of oral TPOXX® sales to the DoD; and approximately \$7.2 million of sales of IV TPOXX® to the U.S. Government under the 19C BARDA Contract; approximately \$3.6 million of oral TPOXX® sales to the DoD; and approximately \$5.0 million of international sales of oral TPOXX®. Contract.

Revenues from research and development activities for the six nine months ended June 30, 2023 September 30, 2023 and 2022, were \$7.2 \$8.5 million and \$11.3 \$17.9 million, respectively. These revenues are mostly earned in connection with performance of research and development activities under the PEP Label Expansion R&D Contract and the 19C BARDA Contract. The decrease of \$4.1 \$9.4 million of revenue is primarily related to a decrease in clinical trial activity and a change in the estimated profitability of the PEP Label Expansion R&D Contract; the change in the profitability of the PEP Label Expansion R&D Contract is primarily due to an increase in the total estimated direct vendor-related costs to be incurred in connection with the PEP development program.

Cost of sales and supportive services for the six nine months ended June 30, 2023 September 30, 2023 and 2022 were \$2.1 \$3.0 million and \$5.6 \$9.6 million, respectively. Such costs in 2023 are associated with: the manufacture and delivery of courses of oral TPOXX® to the DoD and a European country; three international customers; an inventory-related loss in connection with impairment of a manufacturing batch; and manufacturing costs related to a potential backup facility within a segment of the supply chain, chain, and the costs of supportive activities such as customary, periodic stability testing. Such costs in 2022 were primarily associated with relate to the manufacture and delivery of courses of oral TPOXX® in connection with international sales and approximately \$4.4 million of costs for the manufacture and sale of IV TPOXX®; manufacturing cost per unit are higher for IV TPOXX® to the Strategic Stockpile, than oral TPOXX®.

Selling, general and administrative ("SG&A") expenses for the six nine months ended June 30, 2023 September 30, 2023 and 2022 were \$8.7 \$14.7 million and \$9.6 \$29.2 million, respectively. The decrease of approximately \$0.9 \$14.5 million primarily mostly reflects a decrease in promotion fees incurred in connection with a decrease in international sales, partially offset by an increase in professional service fees in connection with the Chief Executive Officer transition and related items, sales.

Research and development ("R&D") expenses for the six nine months ended June 30, 2023 September 30, 2023 and 2022 were \$10.2 \$13.8 million and \$10.4 \$16.1 million, respectively, reflecting a decrease of approximately \$0.2 \$2.3 million. The decrease is primarily attributable to lower direct vendor-related expenses incurred in connection with a decrease in activities under the PEP Label Expansion R&D Contract and the 19C BARDA Contract, partially offset by an increase in regulatory fees costs associated with EMA regulatory submissions, submissions and related activities.

Changes in the fair value of the liability-classified warrant to acquire common stock were recorded within the statement of operations. The warrant was fully exercised during the six nine months ended June 30, 2022 September 30, 2022. For the six nine months ended June 30, 2023 September 30, 2023, we recorded no activity. For the six nine months ended June 30, 2022 September 30, 2022, we recorded a gain of approximately \$0.4 million, reflecting a decrease in the fair value of the liability-classified warrant primarily due to the decrease in our stock price.

Other income, net for the six nine months ended June 30, 2023 September 30, 2023 and 2022 were \$2.1 million \$3.0 million and \$0.1 million, \$0.4 million, respectively. The increase relates to interest income earned on cash and cash equivalents at rates that are substantially higher in 2023 in comparison to 2022.

For the six nine months ended June 30, 2023 September 30, 2023 and 2022, we recorded pre-tax (losses)/income of (\$4.7) 5.1 million and \$2.1 million \$45.3 million, respectively, and a corresponding income tax benefit/(provision) of \$0.9 million and (\$0.5) 10.5 million, respectively. The effective tax rates during the six nine months ended June 30, 2023 September 30, 2023 and 2022 were 18.7% 17.8% and 21.2% 23.3%, respectively. Our effective tax rate for the period ended June 30, 2023 September 30, 2023 differs from the statutory rate primarily as a result of state taxes, and non-deductible executive compensation under Internal Revenue Code Section 162(m). Our effective tax rate for the period ended June 30, 2022 September 30, 2022 differs from the statutory rate primarily as a result of state taxes, non-deductible executive compensation under Internal Revenue Code Section 162(m) and a non-taxable adjustment for the fair market value of the Warrant.

Liquidity and Capital Resources

As of June 30, 2023 September 30, 2023, we had \$76.2 million \$71.1 million in cash and cash equivalents compared with \$98.8 million at December 31, 2022. As of June 30, 2023 September 30, 2023, we expect to have sufficient liquidity and capital resources to meet our anticipated obligations through at least the next 12 months.

Operating Activities

We prepare our condensed consolidated statement of cash flows using the indirect method. Under this method, we reconcile net loss to cash flows from operating activities by adjusting net loss for those items that impact net loss but may not result in actual cash receipts or payments during the period. These reconciling items include but are not limited to stock-based compensation, deferred income taxes, changes in the fair value of our warrant liability, inventory write offs, gains and losses from various transactions and changes in the condensed consolidated balance sheet for working capital from the beginning to the end of the period.

Net cash provided by operating activities for the six nine months ended June 30, 2023 September 30, 2023 and 2022 was \$20.9 \$15.8 million and \$54.5 \$49.7 million, respectively. For the six nine months ended June 30, 2023 September 30, 2023, the receipt of substantially all of the \$45 million of accounts receivable as of December 31, 2022, as well as approximately \$10 million received in connection with IV BDS deferred revenue was partially offset by the use of cash to proactively build inventory, and for customary operating activities. For the nine months ended September 30, 2022, the receipt of approximately \$35 \$80 million for product delivery and acceptance of oral TPOXX® courses delivered to the Strategic Stockpile in December 2021, as well as the receipt of approximately \$23 million in connection with 2022 product deliveries was and advance payments were partially offset by the payment of approximately \$19 million of federal income taxes in connection with the 2021 tax year; an increase in inventory investment in

connection with a broadening of the customer base for TPOXX® and mitigation of increasing general supply chain risks; and costs in relation to customary operating activities. For the six months ended June 30, 2022, the receipt of approximately \$80 million for product delivery and acceptance of oral TPOXX® courses delivered to the Strategic Stockpile in December 2021 was partially offset by the payment of approximately \$19 million of federal income taxes, as well as customary operating activities.

Investing Activities

For the six nine months ended June 30, 2023 September 30, 2023, we used \$21,686 for capital expenditures. There was no cash-related investing activities for the six nine months ended June 30, 2022 September 30, 2022.

Financing Activities

Cash used in financing activities for the six nine months ended June 30, 2023 September 30, 2023 was \$43.4 million, which was mostly attributable to the payment of a special cash dividend of approximately \$32.1 million and the repurchase of approximately 1.7 million shares of common stock for approximately \$11.0 million. Cash used in financing activities for the six nine months ended June 30, 2022 September 30, 2022 was \$43.1 million, which was mostly attributable to a special cash dividend of approximately \$32.9 million and the repurchase of approximately 1.5 million shares of common stock for approximately \$10.1 million.

Future Cash Requirements

As of June 30, 2023 September 30, 2023, we had outstanding purchase orders associated with manufacturing obligations in the aggregate amount of approximately \$24.6 million, \$18.5 million.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Recently Issued Accounting Standards

The Company did not adopt any accounting standards this quarter.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q, including certain statements contained in the foregoing "Management's Discussion and Analysis of Financial Condition and Results of Operations," constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements relating to the progress of SIGA's development programs and timelines for bringing products to market, delivering products to the Strategic Stockpile, domestic and international customers, the enforceability of our procurement contracts, such as the 19C BARDA Contract (the "BARDA Contract"), with BARDA, and responding to the global outbreak of monkeypox ("mpox"). The words or phrases "can be," "expects," "may affect," "may depend," "believes," "estimate," "targeting," "project" and similar words and phrases are intended to identify such forward-looking statements. Such forward-looking statements are subject to various known and unknown risks and uncertainties, and SIGA cautions you that any forward-looking information provided by or on behalf of SIGA is not a guarantee of future performance. SIGA's actual results could differ materially from those anticipated by such forward-looking statements due to a number of factors, some of which are beyond SIGA's control, including, but not limited to, (i) the risk that BARDA elects, in its sole discretion as permitted under the BARDA Contract, not to exercise all, or any, of the remaining unexercised options under those contracts, (ii) the risk that SIGA may not complete performance under the BARDA Contract on schedule or in accordance with contractual terms, (iii) the risk that the BARDA Contract, DoD Contract #2 or PEP Label Expansion R&D Contract are modified or canceled at the request or requirement of the U.S. Government, (iv) the risk that the nascent international biodefense market does not develop to a degree that allows SIGA to continue to successfully market TPOXX® internationally, (v) the risk that potential products, including potential alternative uses or formulations of TPOXX® that appear promising to SIGA or its collaborators, cannot be shown to be efficacious or safe in subsequent pre-clinical or clinical trials, (vi) the risk that target timing for deliveries of product to customers, and the recognition of related revenues, are delayed or adversely impacted by the actions, or inaction, of contract manufacturing organizations, or other vendors, within the supply chain, or due to coordination activities between the customer and supply chain vendors, (vii) the risk that SIGA or its collaborators will not obtain appropriate or necessary governmental approvals to market these or other potential products or uses, (viii) the risk that SIGA may not be able to secure or enforce sufficient legal rights in its products, including intellectual property protection, (ix) the risk that any challenge to SIGA's patent and other property rights, if adversely determined, could affect SIGA's business and, even if determined favorably, could be costly, (x) the risk that regulatory requirements applicable to SIGA's products may result in the need for further or additional testing or documentation that will delay or prevent SIGA from seeking or obtaining needed approvals to market these products, (xi) the risk that the volatile and competitive nature of the biotechnology industry may hamper SIGA's efforts to develop or market its products, (xii) the risk that changes in domestic or foreign economic and market conditions may affect SIGA's ability to advance its research or may affect its products adversely, (xiii) the effect of federal, state, and foreign regulation, including drug regulation and international trade regulation, on SIGA's businesses, (xiv) the risk of disruptions to SIGA's supply chain for the manufacture of TPOXX®, causing delays in SIGA's research and development activities, causing delays or the re-allocation of funding in connection with SIGA's government contracts, or diverting the attention of government staff overseeing SIGA's government contracts, (xv) risks associated with actions or uncertainties surrounding the debt ceiling, (xvi) the risk that the U.S. or foreign governments' responses (including inaction) to national or global economic conditions or infectious diseases, such as COVID-19, are ineffective and may adversely affect SIGA's business, and (xvii) risks associated with responding to the

current mpox outbreak, as well as the risks and uncertainties included in Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2022 and SIGA's subsequent filings with the Securities and Exchange Commission. SIGA urges investors and security holders to read those documents, which are available free of charge at the SEC's website at <http://www.sec.gov>. All such forward-looking statements are current only as of the date on which such statements were made. SIGA does not undertake any obligation to update publicly any forward-looking statement to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events. The information contained on any website referenced in this Form 10-Q is not incorporated by reference into this filing.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our investment portfolio includes cash and cash equivalents. Our main investment objectives are the preservation of investment capital. We believe that our investment policy is conservative, both in the duration of our investments and the credit quality of the investments we hold. We do not utilize derivative financial instruments, derivative commodity instruments or other market risk sensitive instruments, positions or transactions to manage exposure to interest rate changes. As such, we believe that the securities we hold are subject to market risk and changes in the financial standing of the issuers of such securities and our interest income is sensitive to changes in the general level of U.S. interest rates.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of **June 30, 2023** **September 30, 2023**. The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can only provide 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 our disclosure controls and procedures were effective as of **June 30, 2023** **September 30, 2023**.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended **June 30, 2023** **September 30, 2023** that 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 be involved in a variety of claims, suits, investigations and proceedings arising from the ordinary course of our business, including collections claims, breach of contract claims, labor and employment claims, tax related matters and other matters. Although such claims, suits, investigations and proceedings are inherently uncertain and their results cannot be predicted with certainty, we believe that the resolution of such current pending matters, if any, will not have a material adverse effect on our business, condensed consolidated financial position, results of operations or cash flow. Regardless of the outcome, litigation can have an adverse impact on us because of legal costs, diversion of management resources and other factors.

Item 1A. Risk Factors

Our results of operations and financial condition are subject to numerous risks and uncertainties described in our 2022 Annual Report on Form 10-K for the fiscal year ended December 31, 2022. There have been no material changes to the risk factors described in Part I, Item 1A "Risk Factors" of our 2022 Form 10-K and Part II, Item 1A. "Risk Factors" of our Form 10-Q for the period ended March 31, 2023.

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

ISSUER PURCHASES OF EQUITY SECURITIES



Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares That May Yet Be Purchased Under the Programs
April 1, 2023 to April 30, 2023	431,700	\$ 5.87	431,700	\$ 22,450,884
May 1, 2023 to May 31, 2023	165,200	5.77	165,200	21,498,370
June 1, 2023 to June 30, 2023	-	-	-	21,498,370
	<u>596,900</u>	<u>\$ 5.84</u>	<u>596,900</u>	

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares That May Yet Be Purchased Under the Programs
July 1, 2023 to July 31, 2023	-	\$ -	-	\$ 21,498,370
August 1, 2023 to August 31, 2023	-	-	-	21,498,370
September 1, 2023 to September 30, 2023	-	-	-	21,498,370
	<u>-</u>	<u>\$ -</u>	<u>-</u>	

(1) Average does not include impact of excise tax on share repurchases.

On August 5, 2021, the Company announced that the Board of Directors authorized a share repurchase program under which the Company may repurchase up to \$50 million of the Company's common stock through December 31, 2023. The Company started repurchasing shares under this program in the fourth quarter of 2021. The timing and actual number of shares repurchased will depend on a variety of factors, including: the timing of exercise of procurement options under government contracts; alternative opportunities for strategic uses of cash; the stock price of the Company's common stock; market conditions; and other corporate liquidity requirements and priorities.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

No disclosure is required pursuant to this item.

Item 5. Other Information

No disclosure is required pursuant to this item. None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company's quarter ended September 30, 2023, as such terms are defined under Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of SIGA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of the Company filed on June 16, 2022).
3.2	Amended and Restated By-laws of SIGA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of the Company filed on December 15, 2021).
10.1*	Proposal for the Amendment of the Employment Agreement, with Dennis E. Hruby, dated July 26, 2023, between SIGA Technologies, Inc. and Dr. Jay K. Varma.

10.2*	Amendment of Solicitation/Modification of Contract 00013, 000024 , dated July 27, 2023 September 21, 2023 , to Agreement, dated September 10, 2018 June 1, 2011 , by and between SIGA and the Biomedical Advanced Research and Development Authority of the United States Department of Health and Human Services.
10.3	Amended and Restated Transition Agreement, dated July 26, 2023, between SIGA Technologies, Inc. and Phillip Louis Gomez, III (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of the Company filed July 28, 2023)
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer 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
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).
* Portions of this exhibit have been omitted pursuant to Item 601(b)(2)(ii) or 601(b)(10)(iv) of Regulation S-K, as applicable.	

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, thereunto duly authorized.

SIGA TECHNOLOGIES, INC.
(Registrant)

Date: [August 8, 2023](#) [November 7, 2023](#)

By: /s/ Daniel J. Luckshire
Daniel J. Luckshire
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer, Principal Financial Officer and Principal Accounting Officer)

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Exhibit 10.1

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

Dr. Dennis E. Hruby

[***]

Dear Dr. Hruby:

This letter sets forth a proposal for the amendment THIS EMPLOYMENT AGREEMENT (the "Agreement") is entered into as of your employment agreement with [July 26, 2023](#), between SIGA Technologies, Inc., dated as of [January 22, 2007](#), as amended on [April 12, 2016](#) a Delaware corporation (the "Company"), and further amended on [December 10, 2020](#) (as amended, modified, Dr. Jay K. Varma, M.D. ("Executive").

WHEREAS, Executive currently serves as a member of the Board of Directors of the Company (the "Board");

WHEREAS, the Company and Executive desire to enter into an employment agreement to provide that the Executive shall become the Executive Vice President and Chief Medical Officer in order to assure the Company of the continuing services of Executive and to set forth the rights and duties of the parties hereto; and

WHEREAS, this Agreement is intended to supersede any prior agreements or supplemented, understandings, whether formal or informal, between Executive and the "Original Employment Agreement"). Company or any employees, directors, agents, members, managers or representatives thereof.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements hereinafter set forth, the Company and Executive agree as follows:

1. **We hereby propose Term.** Unless earlier terminated in accordance with Section 4 hereof, the term of Executive's employment under this Agreement shall be the period from the date Executive commences his services with the Company as Executive Vice President and Chief Medical Officer (the "Commencement Date") and ending on December 31, 2024; *provided* that the Executive's employment may be terminated earlier by either the Executive or the Company at any time and for any reason or for no reason, but subject to **amend the Original** notice and other requirements set forth in Section 4 (such period, the "Initial Term"). At the conclusion of the Initial Term, this Agreement shall automatically renew for successive one (1) year terms (each, a "Renewal Term") unless either party gives the other written notice of non-renewal at least ninety (90) days' prior to the end of the Initial Term or a Renewal Term (as the case may be) and subject to earlier termination as provided in Section 4 hereof. When used herein, the term "Term" shall mean the Initial Term together with any Renewal Terms (if any).
2. **Employment.**
 - (a) **Employment by the Company; Services on the Board.** Executive shall continue to serve as a member of the Board during the Term upon the terms and subject to the conditions set forth in this Agreement.
 - (b) **Performance of Duties.** During the Term, Executive shall hold the title of Executive Vice President and Chief Medical Officer and report to the Chief Executive Officer. Executive shall also serve as an officer and Director of the Company. During the Term, Executive agrees that he will not be employed by, or have any responsibilities at, Cornell University (including Weill Cornell Medicine); *provided* that Executive may continue to hold a title using the name "Cornell," "Weill Cornell" or derivations thereof. Executive agrees that he will devote his full business time to the performance of his duties; *provided* that the foregoing shall not prevent him from (A) with the consent of the Board (not to be unreasonably withheld), serving on the boards of directors of non-profit organizations or for-profit companies that are not competitors of the Company, (B) participating in charitable, civic, educational, professional, community or industry affairs, (C) managing his personal investments and legal affairs, and/or (D) with the consent of the Board, engaging in academic and non-profit research and delivering lectures, fulfilling speaking engagements, and writing, researching and/or publishing related to his area of expertise; in each case, to the extent such activities do not interfere with Executive's performance of his duties to the Company or create a conflict of interest with respect to the Company. For the avoidance of doubt, during the period of Executive's employment with the Company, Executive shall not (i) engage in any activity which conflicts with or interferes with or derogates from the performance of Executive's duties hereunder, or (ii) accept or engage in any other employment, whether as an employee or consultant or in any other capacity, and whether or not compensated therefor, except as set forth in the prior sentence. Executive will perform Executive's duties primarily from the Company's offices in New York City, New York, subject to reasonable travel requirements including expected travel to Washington D.C.
3. **Compensation and Benefits.**
 - (a) **Base Salary.** The Company agrees to pay to Executive a base salary at the annual rate of \$750,000 from the Commencement Date or such greater amount as determined by the Board of Directors of the Company from time to time ("Base Salary").
 - (b) **Guaranteed Bonus and Annual Bonus.**
 - (i) For each of calendar years 2023 and 2024, the Company shall pay Executive a guaranteed bonus of \$750,000 ("Guaranteed Bonus"), which shall be pro-rated for calendar year 2023 based on a fraction (x) the numerator of which is the number of days from the Commencement Date to December 31, 2023 and (y) the denominator of which is 365, subject to Executive's continued employment with the Company through the end of the applicable calendar year to which the Guaranteed Bonus relates except as otherwise set forth in Section 5(c) herein. Each such Guaranteed Bonus shall be paid as soon as practicable but no later than March 15th of the year following the year to which the Guaranteed Bonus relates.
 - (ii) During the Term (other than for calendar years 2023 and 2024), Executive shall be eligible to participate in the Company's annual bonus program with a target bonus opportunity equal to \$750,000 ("Annual Bonus"), subject to the achievement of any performance criteria and goals approved by the Compensation Committee of the Board of Directors of the Company.
 - (c) **Equity Compensation.** During the Term, Executive shall be eligible to participate in any equity program adopted by the Company from time to time with actual grants to be determined in the sole discretion of the Board.
 - (d) **Benefits.** Executive shall be entitled to participate in, to the extent Executive is otherwise eligible under the terms thereof, the benefit plans and programs, and receive the benefits, generally provided by the Company from time to time to senior executives of the Company, including, without limitation, family medical insurance (subject to applicable employee contributions). Executive shall be entitled to receive four (4) weeks of vacation, in accordance with Company policy.
 - (e) **Business Expenses.** The Company agrees to reimburse Executive for all reasonable and necessary travel, business entertainment and other business expenses incurred by Executive in connection with the performance of Executive's duties under this Agreement. Such reimbursements shall be made by the Company on a timely basis upon submission by Executive of vouchers in accordance with the Company's standard procedures.
 - (f) **Reimbursement of Legal Fees.** Subject to submission by Executive of appropriate documentation, the Company shall reimburse Executive for his reasonable legal fees incurred in connection with the review, negotiation and documentation of this Agreement up to a maximum of \$17,500.

- (g) **Indemnification.** The Company shall indemnify, defend and hold harmless Executive, to the fullest extent permitted by amending, restating, its certificate of incorporation and replacing bylaws, for any and all liabilities to which Executive may be subject as a result of, in connection with or arising out of Executive's employment by or service to the Company, as well as the costs and expenses (including, without limitation, advance and payment of reasonable attorneys' fees) of any legal action brought or threatened to be brought against Executive or the Company as a result of, in connection with or arising out of such employment or board service on the same terms as other directors and officers of the Company, including, without limitation, the Company's Directors and Officers liability insurance policy. The provisions of this section shall survive Executive's termination of employment and service to the Company.
- (h) **No Other Compensation or Benefits; Payment.** The compensation and benefits specified in this Section 2(b)3 and in Section 5 of this Agreement shall be in lieu of any and all other compensation and benefits. Payment of all compensation and benefits to Executive specified in this Section 3 and in Section 5 of this Agreement (i) shall be made in accordance with the relevant Company policies in effect from time to time to the extent the same are consistently applied, including normal payroll practices, and (ii) shall be subject to all legally required and customary withholdings.
- (i) **Cessation of Employment or Services to the Board.** In the event Executive shall cease to be employed by the Company for any reason, (i) Executive's compensation and benefits shall cease on the date of such event, except as otherwise specifically provided herein or in any applicable employee benefit plan or program or as required by law and (ii) Executive shall be deemed to have resigned, without further notice or action, from any and all positions that he may then hold as a director, manager, officer, employee and/or agent of the Company, or any direct or indirect subsidiary thereof and Executive agrees to execute any documents reasonably required to effectuate the foregoing and failure to do so, following written notice specifying such failure and a reasonable opportunity to cure, shall result in a material breach of this Agreement and shall constitute grounds for Cause (as defined below).
4. **Termination of Employment.** Executive's employment hereunder may be terminated prior to the end of the Term under the following circumstances:
- (a) **Death.** Executive's employment hereunder shall terminate upon Executive's death.
- (b) **Executive Becoming Totally Disabled.** The Company may terminate Executive's employment hereunder at any time after Executive becomes "Totally Disabled." For purposes of this Agreement, Executive shall be "Totally Disabled" in the event Executive is unable to perform the duties and responsibilities contemplated under this Agreement for a period of either (A) 120 consecutive days or (B) six (6) months in any 12-month period due to physical or mental incapacity or impairment (the "Disability Period").
- (c) **Termination by the Company for Cause.** The Company may terminate Executive's employment hereunder for Cause at any time after providing written notice to Executive.
- (i) For purposes of this Agreement, the term "Cause" shall mean any of the following:
- (b) Executive's failure or refusal to perform Executive's duties under the employment agreement (other than as a result of Duties total or Performance (1) partial incapacity due to physical or mental illness);
- (2) any act by or omission of Executive constituting gross negligence or willful misconduct in connection with the performance of Executive duties that could reasonably be expected to materially injure the reputation, business or business relationships of the Company or any of its affiliates;
- (3) perpetration of an intentional and knowing fraud against or affecting the Company or any of its affiliates or any customer, client, agent or employee thereof;
- (4) the commission by or indictment of Executive for (A) a felony or (B) any misdemeanor involving deceit or fraud ("indictment," for these purposes, meaning a United States-based indictment, probable cause hearing or any other procedure pursuant to which an initial determination of probable or reasonable cause with respect to such offense is made);
- (5) the material breach of a restrictive covenant in this Agreement; or
- (6) any other material breach by Executive of this Agreement between the Company and Executive.
- (ii) Any determination of Cause by the Company will be made by a resolution approved by a majority of the members of the Board; provided that no such determination may be made until Executive has been given written notice detailing the specific Cause event and a period of thirty (30) days following receipt of such notice to cure such event (if capable of cure). Notwithstanding the foregoing, any action or inaction taken by Executive based upon Executive's reasonable reliance on advice of counsel to the Company or the direction of the Board shall not form the basis for Cause. For the avoidance of doubt, "Cause" does not include (A) differences of opinion with respect to strategy or implementation of business plans or (B) the success or lack of success of any such strategy or implementation.
- (d) **Termination by the Company Without Cause.** Throughout Unless otherwise provided in Section 4(c), the Company may terminate Executive's employment hereunder at any time for any reason or no reason.
- (e) **Termination by Executive for Good Reason.** Executive may terminate Executive's employment hereunder for Good Reason at any time after providing written notice to the Company.
- (i) For purposes of this Agreement, the term "Good Reason" shall mean any of the following:
- (1) the Company fails to pay the compensation set forth in this Agreement,
- (2) a material breach by the Company of this Agreement, or

- (3) Executive's job site is relocated to a location outside the New York metropolitan area (which includes parts of New York, New Jersey and Connecticut), unless the parties mutually agree to such relocation.
- (ii) In order to terminate Executive's employment and services for Good Reason, Executive shall provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within ninety (90) days after the first occurrence of such circumstances, and the Company shall (A) promptly notify the Board of its receipt of such notice and (B) have thirty (30) days following receipt of such notice to cure such circumstances in all material respects; *provided* that, no termination for Good Reason with respect to a particular event shall occur after the 180th day following the first occurrence of such Good Reason event.
- (f) Termination by Executive Without Good Reason. Executive may terminate Executive's employment hereunder at any time for any reason or no reason by giving the Company thirty (30) days prior written notice of the termination. Following any such notice, the Company may reduce or remove any and all of Executive's duties, positions and titles with the Company and any such reduction or removal shall not constitute Good Reason.
5. Compensation Following Termination. In the event that Executive's employment hereunder is terminated, Executive shall be entitled only to the following compensation and benefits upon such termination:
- (a) General. On any termination of Executive's employment, Executive shall be entitled to the following (collectively, the "Standard Termination Payments"):
 - (i) any accrued but unpaid Base Salary for services rendered through the date of termination; *provided, however*, that in the event Executive's employment is terminated pursuant to Section 4(b), the amount of Base Salary received by Executive during the Disability Period shall be reduced by the aggregate amounts, if any, payable to Executive under any disability benefit plan or program provided to Executive by the Company;
 - (ii) any vacation accrued to the date of termination, in accordance with Company policy;
 - (iii) any accrued but unpaid expenses through the date of termination required to be reimbursed in accordance with Section 3(e) of this Agreement;
 - (iv) any benefits to which Executive may be entitled upon termination pursuant to the plans, programs and grants referred to in Section 3(c) hereof in accordance with the terms of such plans, programs and grants; and
 - (v) other than in the event of Executive's termination of employment for Cause, any accrued but unpaid Guaranteed Bonus or Annual Bonus, as applicable, from a performance period ending on or preceding the date of termination of employment.
 Executive's rights with respect to any equity or equity-based awards shall be governed by the terms of the applicable definitive equity agreements.
- (b) Termination by Reason of Death or Executive Becoming Totally Disabled; Termination by the Company for Cause; Termination by Executive Without Good Reason. In the event that Executive's employment is terminated prior to the expiration of the Term (i) by reason of Executive's death pursuant to Section 4(a) or Executive becoming Totally Disabled pursuant to Section 4(b), (ii) by the Company for Cause pursuant to Section 4(c), or (iii) by Executive without Good Reason pursuant to Section 4(f), Executive (or Executive's estate, as the case may be) shall be entitled to the Standard Termination Payments.
- (c) Termination by the Company Without Cause; Termination by Executive for Good Reason. In the event that Executive's employment is terminated by the Company without Cause pursuant to Section 4(d) (including non-renewal of this Agreement by the Company) or by Executive for Good Reason pursuant to Section 4(e) (each, a "Qualifying Termination"), Executive shall be entitled only to the following:
 - (i) the Standard Termination Payments;
 - (ii) the Base Salary for the longer of (x) the end of the Initial Term and (y) twelve (12) months;
 - (iii) a pro-rata target Annual Bonus in respect of the fiscal year in which the Qualifying Termination occurs to be paid an amount equal to the product of (A) the Annual Bonus and (B) a fraction (x) the numerator of which is the number of days in such fiscal year through the date of such termination and (y) the denominator of which is the number of days in the applicable fiscal year;
 - (iv) solely to the extent the Qualifying Termination occurs prior to December 31, 2023, the Guaranteed Bonus with respect to calendar year 2023, which shall be pro-rated based on a fraction (x) the numerator of which is the number of days from the Commencement Date to December 31, 2023 and (y) the denominator of which is 365;
 - (v) solely to the extent the Qualifying Termination occurs prior to December 31, 2024, the Guaranteed Bonus with respect to calendar year 2024;
 - (vi) if Executive timely elects to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), for the twelve (12) calendar months immediately following the end of the calendar month in which the Qualifying Termination occurs, the Company shall pay a portion of the premiums so that the Executive's cost for coverage is commensurate with active employees; *provided* that, if the Company determines that such payments would cause adverse tax consequences to the Company or the Executive or otherwise not be permitted under the Company health and welfare plans or under law, the Company shall instead provide the Executive with monthly cash payments during such 12-month period in an amount equal to the amount of the Company's monthly contributions referenced above; *provided, further*, that such contributions shall cease to be effective as of the date that the Executive obtains health and welfare benefits from a subsequent employer (the payments set forth in clauses (i) through (v), collectively, the "Enhanced Termination Payments"); and

(vii) all equity-based awards that are (A) outstanding and unvested as of the date of the Qualifying Termination and (B) were scheduled to vest within twelve (12) months immediately following such Qualifying Termination, shall vest on the date the Qualifying Termination occurs; *provided that* if a Qualifying Termination occurs within two (2) years following a Change of Control (as defined below) of the Company, then the Company shall take all such action as is necessary such that all of Executive's equity grants, including, without limitation, any stock options and restricted stock grants, that were outstanding as of the date of the Change of Control and unvested as of immediately prior to such Qualifying Termination shall, immediately and irrevocably vest and, to the extent applicable, become exercisable as of the date of termination and shall remain exercisable for a period of not less than one (1) year from the date of termination, or, if earlier, the expiration of the term of such equity award.

(d) Effect of Material Breach of Section 6 on Compensation and Benefits Following Termination of Employment. If, at the time of termination of Executive's employment for any reason or any time thereafter, Executive is in material breach of any covenant contained in Section 6 hereof (as determined by a court of competent jurisdiction), then, notwithstanding anything in this Section 5 to the contrary, Executive (or Executive's estate, as applicable) shall not be entitled to any payment (or if payments have commenced, any continued payment) other than the Standard Termination Payments.

(e) No Further Liability; Release. Payment made and performance by the Company in accordance with this Section 5 shall operate to fully discharge and release the Company and its directors, officers, employees, affiliates, stockholders, successors, assigns, agents and representatives from any further obligation or liability with respect to Executive's employment and termination of employment. Other than providing the compensation and benefits provided for in accordance with this Section 5, the Company and its directors, officers, employees, affiliates, stockholders, successors, assigns, agents and representatives shall have no further obligation or liability to Executive or any other person under this Agreement or with respect to Executive's employment or the termination thereof, with the exception of indemnification obligations under Section 3(g), hereof. The payment of any amounts pursuant to this Section 5 (other than payments required by law and the Standard Termination Payments) is expressly conditioned upon the timely delivery (and non-revocation) by Executive to the Company of a release, substantially in the form attached hereto as Exhibit A and Executive's non-revocation of such release. Such release must be returned to the Company in accordance with the term set forth in such release agreement but no later than forty-five (45) days after Executive's termination of employment and must become irrevocable at the expiration of any applicable revocation period.

(f) Payment Timing. The payment of any amounts pursuant to Section 5(c)(ii) and Section 5(c)(vi) will commence within thirty (30) days following the expiration of any applicable revocation period with respect to such release that has been timely executed by Executive and returned to the Company and such amounts shall be paid out in substantially equal installments in accordance with the Company's payroll practice over (1), in the case of the payments pursuant to Section 5(c)(ii), the longer of (x) the end of the Initial Term and (y) twelve (12) months and (2) in the case of the payments pursuant to Section 5(c)(vi), twelve (12) months; *provided that*, Executive's (i) pro-rated target Annual Bonus payment in accordance with Section 5(c)(iii), (ii) Guaranteed Bonus for calendar year 2023 in accordance with Section 5(c)(iv), if applicable, and (iii) Guaranteed Bonus for calendar year 2024 in accordance with Section 5(c)(v), if applicable, shall each be paid in lump sum within thirty (30) days following the expiration of any applicable revocation period with respect to such release that has been timely executed by Executive and returned to the Company. However, if, pursuant to this Section 5(f), a payment may be made in one of two tax years, such payment will be made in the latter tax year.

(g) Change of Control. For purposes of this Agreement, a "Change of Control" shall be conclusively deemed to have occurred if any of the following shall have taken place:

- (i) the consummation of a transaction or a series of related transactions pursuant to which any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934 ("Exchange Act"), other than Executive, Executive's designee(s) or "affiliate(s)" (as defined in Rule 12b-2 under the Exchange Act), or a Permitted Holder, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities; or
- (ii) stockholders of the Company approve a merger or consolidation of the Company with any other entity other than a Permitted Holder, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than eighty percent (80%) of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or
- (iii) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of, or the Company sells or disposes of, all or substantially all of the Company's assets other than to a Permitted Holder.

For purposes of this Section 5(g), a "Permitted Holder" shall mean MacAndrews & Forbes Holdings Inc. and its subsidiaries or affiliates.

6. Exclusive Employment; Non-competition; Non-solicitation; Nondisclosure of Proprietary Information; Surrender of Records; Inventions and Patents; Code of Ethics.

(a) No Other Employment. The Company and Executive each hereby represent and warrant that (i) they have the full right, authority and capacity to enter into this Agreement and to perform their obligations hereunder, and (ii) the execution of this Agreement and the performance of their obligations hereunder will not breach or be in conflict with any other agreement to which they are a party or are bound. Prior to execution of this Agreement, the Executive was advised by the Company of the Executive's right to seek independent advice from an attorney of the Executive's own selection regarding this Agreement. The Executive acknowledges that the Executive has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel. The Executive further represents that in entering into this Agreement, the Executive is not relying on any statements or representations made by any of the Company's directors, officers, employees or agents which are not expressly set forth herein, and that the Executive is relying only upon the Executive's own judgment and any advice provided by the Executive's attorney.

(b) Non-competition; Non-solicitation.

- (i) Executive acknowledges and recognizes the highly competitive nature of the Company's business and that access to the Company's confidential records and proprietary information renders Executive special and unique within the Company's industry. In consideration of the payment by the Company to Executive of amounts that may hereafter be paid to Executive pursuant to this Agreement (including, without limitation, pursuant to [Sections 3](#) and [5](#) hereof) and other obligations undertaken by the Company hereunder, Executive agrees that during (1) Executive's employment with the Company and (2) for a period of twelve (12) months following the termination of Executive's employment for any reason (the "[Covered Time](#)"), Executive shall not (a) accept employment in a management or executive level role with a Competing Business, (b) become an officer or director of a Competing Business, or (c) render financial, strategic or operational advice to or for a Competing Business; *provided, however*, that Executive shall not be prevented from (I) providing advice or services to a Competing Business, if such advice or services are restricted solely to one or more distinct portions of the operations and businesses of such Competing Business, such distinct portions do not engage in a Competing Business, and Executive undertakes not to, and does not, have any discussions with, or participate in, the governance, management or operations of such person or entity or any business segments thereof that engage in a Competing Business, (II) owning or purchasing a passive interest in a Competing Business, or (III) solely to the extent such activities do not compete with the Company and do not disclose any confidential or proprietary information, engaging in academic and non-profit research and delivering lectures, fulfilling speaking engagements, and writing, researching and/or publishing related to his area of expertise. For purposes of this Agreement, "[Competing Business](#)" means any business that develops, manufactures, markets, licenses, distributes, sells or provides (x) anti-viral drugs used for the treatment of poxviruses (which may also be used for the treatment of other conditions) or (y) any product with respect to which the Company has taken active steps to research, develop, or manufacture and, in each case, with respect to which Executive has obtained or developed proprietary information. For purposes of this Agreement, as of the date of this Agreement, the Company is actively engaged in a specialized sector that is focused on smallpox and monkeypox therapeutics.
- (ii) In further consideration of the payment by the Company to Executive of amounts that may hereafter be paid to Executive pursuant to this Agreement (including, without limitation, pursuant to [Sections 3](#) and [5](#) hereof) and other obligations undertaken by the Company hereunder, Executive agrees that during Executive's employment and the Covered Time, Executive shall not, directly or indirectly, (A) solicit, encourage or attempt to solicit or encourage any of the employees, agents, consultants or representatives of the Company or any of its affiliates who developed or possessed proprietary information of the Company or its affiliates to become employees, agents, representatives or consultants of any other person or entity engaged in the Competing Business; *provided, however*, that following the termination of Executive's employment (for any reason), the foregoing will not preclude Executive from initiating or directing, on Executive's own behalf or for a third party, a general employment solicitation that is not directed primarily at the foregoing employees, agents, consultants or representatives; (B) solicit or attempt to solicit any customer, vendor or distributor of the Company or any of its affiliates with respect to any product or service being furnished, made, sold or leased by the Company or such affiliate, to the extent that Executive first had contact with such customer, vendor, distributor or affiliate during Executive's employment with the Company or for or about whom Executive learned or had access to confidential or proprietary information; or (C) persuade or seek to persuade any customer of the Company or any affiliate to cease to do business or to reduce the amount of business which any customer has customarily done or contemplates doing with the Company or such affiliate, to the extent that Executive first had contact with such customer, vendor, distributor or affiliate during Executive's employment with the Company or for or about whom Executive learned or had access to confidential or proprietary information. For purposes of this [Section 6\(b\)](#) only, the terms "customer," "vendor" and "distributor" shall mean a customer, vendor or distributor who has done business with the Company or any of its affiliates within twelve months preceding the termination of Executive's employment.
- (iii) During Executive's employment with the Company and during the Covered Time, Executive agrees that upon the earlier of Executive's (A) negotiating with any Competitor (as defined below) concerning the possible employment of Executive by the Competitor, (B) receiving a written offer of employment from a Competitor, or (C) becoming employed by a Competitor, Executive will provide copies of [Section 6](#) of this Agreement to the Competitor. Executive further agrees that the Company may provide notice to a Competitor of Executive's obligations under this Agreement, including, without limitation, Executive's obligations pursuant to [Section 6](#) hereof. For purposes of this Agreement, "[Competitor](#)" shall mean any entity (other than the Company or any of its affiliates) that engages, directly or indirectly, in any Competing Business.
- (iv) Executive understands that the provisions of this [Section 6\(b\)](#) may limit Executive's ability to earn a livelihood in a Competing Business but nevertheless agrees and hereby acknowledges that the consideration provided under this Agreement, including any amounts or benefits provided under [Sections 3](#) and [5](#) hereof and other obligations undertaken by the Company hereunder, is sufficient to justify the restrictions contained in such provisions. In consideration thereof and in light of Executive's education, skills and abilities, Executive agrees that Executive will not assert in any forum that such provisions prevent Executive from earning a living or otherwise are void or unenforceable or should be held void or unenforceable. The Executive acknowledges and agrees that the period of the Covered Time shall be tolled and extended by the length of any breach of this Agreement by the Executive, to the extent permitted by law.

- (c) **Proprietary Information.** Executive acknowledges that, during the course of Executive's employment with the Company, Executive shall faithfully will necessarily have access to and diligently perform Executive's duties in conformity with the lawful directions make use of proprietary information and confidential records of the Company and serve its affiliates. Subject to Section 8(n), Executive covenants that Executive shall not during the Term or at any time thereafter, directly or indirectly, use for Executive's own purpose or for the benefit of any person or entity other than the Company, nor otherwise disclose, to any individual or entity, any confidential or proprietary information that belongs to the best Company or its affiliates or, to the extent acquired by or disclosed to Executive as a result of the employment relationship, to a third party, unless such disclosure has been authorized in writing by the Company or is otherwise required by law. Executive acknowledges and understands that the term "proprietary information" includes, but is not limited to: (i) inventions, trade secrets, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, research, discoveries, developments, designs, and techniques regarding any of the foregoing utilized by the Company or any of its affiliates; (ii) the name and/or address of any customer or vendor of the Company or any of its affiliates or any information concerning the transactions or relations of any customer or vendor of the Company or any of its affiliates with the Company or such affiliate or any of its or their partners, principals, directors, officers or agents; (iii) any information concerning any product, technology, or procedure employed by the Company or any of its affiliates but not generally known to its or their customers, vendors or competitors, or under development by or being tested by the Company or any of its affiliates but not at the time offered generally to customers or vendors; (iv) any information relating to the pricing or marketing methods, sales margins, cost of goods, cost of material, capital structure, operating results, borrowing arrangements or business plans of the Company or any of its affiliates; (v) any information which is generally regarded as confidential or proprietary in any line of business engaged in by the Company or any of its affiliates; (vi) any business plans, budgets, advertising or marketing plans; (vii) any information contained in any of the written or oral policies and procedures or manuals of the Company or any of its affiliates; (viii) any information belonging to customers or vendors of the Company or any of its affiliates or any other person or entity which the Company or any of its affiliates has agreed to hold in confidence; (ix) any inventions, innovations or improvements covered by this Agreement; and (x) all written, graphic and other material relating to any of the foregoing. Executive acknowledges and understands that information that is not novel or copyrighted or patented may nonetheless be proprietary information. The term "proprietary information" shall not include information generally available to and known by the industry, information that is the product of Executive's ability, general knowledge, education or training (in each case, as of immediately prior to the Commencement Date), or information that is or becomes available to Executive on a non-confidential basis from a source other than the Company, any of its affiliates, or the directors, officers, employees, partners, principals or agents of the Company or any of its affiliates (other than as a result of a breach of any obligation of confidentiality).
- (d) **Confidentiality and Surrender of Records.** Subject to Section 8(n), Executive shall devote Executive's full business not during the Term or at any time and best efforts to the business and affairs thereafter (irrespective of the circumstances under which Executive's employment by the Company terminates), except as required by law, directly or indirectly publish, make known or in any fashion disclose any confidential records to, or permit any inspection or copying of confidential records by, any individual or entity other than in the course of such individual's or entity's employment or retention by the Company. In Executive's capacity as the Executive Vice President and Chief Scientific Officer Upon termination of employment for any reason or upon request by the Company, Executive shall deliver promptly to the Company all property and records of the Company or any of its affiliates, including, without limitation, all confidential records that Executive is aware (based upon a diligent search) are in Executive's possession, are accessible to Executive or are under Executive's control. For purposes hereof, "confidential records" means all correspondence, reports, memoranda, files, manuals, books, lists, financial, operating or marketing records, magnetic tape, or electronic or other media or equipment of any kind which may be in Executive's possession or under Executive's control or accessible to Executive which contain any proprietary information. All property and records of the Company and any of its affiliates (including, without limitation, all confidential records) shall be and remain the sole property of the Company or such affiliate during the Term and thereafter.
- (e) **Inventions and Patents.**
- (i) Executive agrees that all processes, technologies and inventions, including new contributions, improvements, ideas and discoveries, whether patentable or not, conceived, developed, invented or made by Executive during the Term shall belong to the Company; provided that such inventions grew out of Executive's work with the Company or any of its subsidiaries or affiliates or are conceived or made on the Company's time or with the use of the Company's facilities or materials (collectively, "Inventions"). Executive shall further, at the Company's expense: (a) promptly disclose such Inventions to the Company; (b) assign to the Company, without additional compensation, all patent and other rights to such Inventions for the United States and foreign countries; (c) sign all papers necessary to carry out the foregoing; and (d) give testimony in support of Executive's inventorship.
 - (ii) Executive agrees that Executive will not assert any rights to any Invention as having been made or acquired by Executive prior to the date of this Agreement, except for Inventions, if any, disclosed to the Company in writing prior to the date hereof.
 - (iii) The Company shall be the sole owner of all the products and proceeds of Executive's services hereunder, including, but not limited to, all materials, ideas, concepts, formats, suggestions, developments, arrangements, packages, programs and other intellectual properties that Executive may acquire, obtain, develop or create in connection with and during the Term, free and clear of any claims by Executive (or anyone claiming under Executive) of any kind or character whatsoever (other than Executive's right to receive payments hereunder). Executive shall, at the request of the Company (and at the Company's expense), execute such assignments, certificates or other instruments as the Company may from time to time deem necessary or desirable to evidence, establish, maintain, perfect, protect, enforce or defend its right, title or interest in or to any such properties.

(f) **Enforcement.** Executive acknowledges and agrees that, by virtue of Executive's position, Executive's services and access to and use of confidential records and proprietary information, any violation by Executive of any of the undertakings contained in this [Section 6](#) or in [Sections 8\(a\)](#) or [8\(c\)](#) would cause the Company and/or its affiliates immediate, substantial and irreparable injury for which it or they have no adequate remedy at law. Accordingly, Executive agrees and consents to the entry of an injunction or other equitable relief by a court of competent jurisdiction restraining any violation or threatened violation of any undertaking contained in this [Section 6](#) or in [Sections 8\(a\)](#) or [8\(c\)](#). Executive waives posting by the Company or its affiliates of any bond otherwise necessary to secure such [duties](#) injunction or other equitable relief. Rights and [responsibilities](#) as remedies provided for in this [Section 6](#) are cumulative and shall be in addition to rights and remedies otherwise available to the parties hereunder or under any other agreement or applicable law.

(g) **Code of Ethics.** Nothing in this [Section 6](#) is intended to limit, modify or reduce Executive's obligations under the Company's Code of Ethics that has been provided to Executive in writing.

7. **Assignment and Transfer.**

(a) **Company.** This Agreement shall inure to the benefit of and be enforceable by and binding upon, and may be assigned by the Company without Executive's consent to, any purchaser of all or substantially all of the Company's business or assets, or to any successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise); *provided* that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

(b) **Executive.** The parties hereto agree that Executive is obligated under this Agreement to render personal services during Executive's employment of a special, unique, unusual, extraordinary and intellectual character, thereby giving this Agreement special value. Executive's rights and obligations under this Agreement shall not be transferable by Executive by assignment or otherwise, and any purported assignment, transfer or delegation thereof shall be void; *provided, however*, that if Executive shall die, all amounts then payable to Executive hereunder shall be paid in accordance with the terms of this Agreement to Executive's estate.

8. **Miscellaneous.**

(a) **Cooperation.** For twelve (12) months following termination of employment with the Company for any reason, Executive shall cooperate with the Company, as requested by the Company upon reasonable notice and with due regard to Executive's obligations to a future employer and other commitments, to provide reasonable assistance to the Company, its affiliates and their respective representatives with respect to any litigation, regulatory investigation, action or proceeding (or any appeal from any action or proceeding) related to a matter to which Executive has information or knowledge that may be made against the Company or its affiliates. The Company shall pay or reimburse Executive for all reasonable out-of-pocket travel or travel-related expenses incurred in the course of complying with this [Section 8\(a\)](#), subject to presentation of appropriate documentation by the Executive.

(b) **Mitigation; Offset.** Executive shall not be required to mitigate damages or the amount of any payment provided to Executive under [Section 5](#) of this Agreement by seeking other employment or otherwise, nor shall the amount of any payments provided to Executive under [Section 5](#) be reduced by any compensation earned by Executive as the result of employment by another employer after the termination of Executive's employment or otherwise.

(c) **Protection of Reputation.** Subject to [Section 8\(n\)](#), during the Term and thereafter, Executive agrees that Executive will take no action which is intended or reasonably calculated to harm the Company or any of its affiliates or its or their reputation. Nothing herein shall prevent Executive from making any truthful statement in connection with any legal proceeding or investigation by the Company or any governmental authority. The Company agrees to instruct its executive officers and members of its Board to not disparage Executive, and the Company shall use reasonable efforts to ensure compliance with such instruction. Nothing herein shall prevent the Company or its officers and directors from making truthful statements about the Executive, his employment or cessation thereof, or other statements that are required or permitted by applicable law. Further, nothing in this [Section 8\(c\)](#) will prevent Executive or the Company or its officers and directors from (i) responding to a lawful subpoena, meeting regulatory obligations or reporting to a government agency, or complying with any other legal obligation, or (ii) reporting possible violations of [Directors](#) federal or [Chief Executive Officer not inconsistent](#) state law or regulation (including securities laws and regulations) to any governmental agency or entity or self-regulatory organization, cooperating with [Executive's position](#) any governmental agency in connection with any such possible violation, or making other disclosures or taking other actions that are protected under the whistleblower provisions of federal or state law or regulation.

(d) **Governing Law; Consent to Jurisdiction.** This Agreement shall be governed by and construed (both as [Executive Vice President](#) to validity and [Chief Scientific Officer](#). [Executive may perform Executive's duties remotely from](#) performance) and enforced in accordance with the internal laws of the State of [Oregon](#), New York applicable to agreements made and to be performed wholly within such jurisdiction, without regard to the principles of conflicts of law or where the parties are located at the time a dispute arises. In the event of any controversy or claim arising out of or relating to this Agreement or the breach or alleged breach hereof, each of the parties hereto irrevocably (i) consents to the jurisdiction of any state court sitting in the County of New York, State of New York, or federal court sitting in the County of New York, State of New York, (ii) waives any objection which it may have at any time to the laying of venue of any action or proceeding brought in any such court and (iii) waives any claim that such action or proceeding has been brought in an inconvenient forum.

(e) **Entire Agreement.** This Agreement (including the plan(s) referenced in [Section 3\(b\)](#) of this Agreement) contains the entire agreement and understanding between the parties hereto in respect of Executive's employment from and after the date hereof and supersedes, cancels and annuls any prior or contemporaneous written or oral agreements, understandings, commitments and practices between them respecting Executive's employment from and after the date hereof.

(f) **Amendment.** This Agreement may be amended only by a writing which makes express reference to this Agreement as the subject of such amendment and which is signed by Executive and, on behalf of the Company, by its duly authorized officer.

- (g) **Severability.** If any provision of this Agreement or the application of any such provision to any party or circumstances shall be determined by any court of competent jurisdiction or arbitration panel to be invalid or unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances other than those to which it is so determined to be invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be enforced to the fullest extent permitted by law. If any provision of this Agreement, or any part thereof, is held to be invalid or unenforceable because of the scope or duration of or the area covered by such provision, the parties hereto agree that the court or arbitration panel making such determination shall reduce the scope, duration and/or area of such provision (and shall substitute appropriate provisions for any such invalid or unenforceable provisions) in order to make such provision enforceable to the fullest extent permitted by law and/or shall delete specific words and phrases, and such modified provision shall then be enforceable and shall be enforced. The parties hereto recognize that if, in any judicial or arbitral proceeding, a court or arbitration panel shall refuse to enforce any of the separate covenants contained in this Agreement, then that invalid or unenforceable covenant contained in this Agreement shall be deemed eliminated from these provisions to the extent necessary to permit the remaining separate covenants to be enforced. In the event that any court or arbitration panel determines that the time period or the area, or both, are unreasonable and that any of the covenants is to that extent invalid or unenforceable, the parties hereto agree that such covenants will remain in full force and effect, first, for the greatest time period, and second, in the greatest geographical area that would not render them unenforceable.
- (h) **Construction.** The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed according to its fair meaning and not strictly for or against the Company or Executive. As used herein, the words "day" or "days" shall mean a calendar day or days.
- (i) **Non-waiver.** Neither any course of dealing nor any failure or neglect of either party hereto in any instance to exercise any right, power or privilege hereunder or under law shall constitute a waiver of any other right, power or privilege or of the same right, power or privilege in any other instance. All waivers by either party hereto must be contained in a written instrument signed by the party to be charged and, in the case of the Company, by its duly authorized officer.
- (j) **Notices.** Any notice required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered or if sent by registered or certified mail, postage prepaid, with return receipt requested, addressed:
- (i) in the case of the Company, to:
 SIGA Technologies, Inc.
 35 East 62nd Street
 New York, NY 10065
 Attention: General Counsel
 - (ii) in the case of Executive, to Executive's last known address as reflected in the Company's records, or to such other address as Executive shall designate by written notice to the Company.
 Any notice given hereunder shall be deemed to have been given at the time of receipt thereof by the person to whom such notice is given if personally delivered or at the time of mailing if sent by registered or certified mail.
- (k) **Survival.** Cessation or termination of Executive's employment with the Company shall not result in termination of this Agreement. The respective obligations of Executive and the Company as provided in Sections 5, 6, 7 and 8 of this Agreement shall survive cessation or termination of Executive's employment hereunder.
- (l) **Section 280G of the Code.**
- (i) Notwithstanding anything in this Agreement or otherwise to the contrary, in the event that any payment, award, benefit or distribution (or any acceleration of any payment, award, benefit or distribution) by the Company or any member of the Company Group, or any entity that effectuates a change of control (or any of its affiliates) to or for the benefit of the Executive (whether pursuant to the terms of this Agreement or any other plan, equity-based award, arrangement, agreement or otherwise) (all such payments, awards, benefits and/or distributions being hereinafter referred to as the "Total Payments") would be subject to the excise tax under Section 4999 of the Code (or any successor provision) (the "Excise Tax"), then Executive will receive either (a) the full amount of the Total Payment, or (b) the amount of benefits provided as to such lesser extent that would result in no portion of the Total Payments being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state, local, employment and other taxes and Excise Tax (including, without limitation, any interest or penalties on such taxes), results in Executive's receipt, on an after-tax basis, of the greatest amount of payments and benefits provided for under this Agreement or otherwise; *provided that*, in the event that any payments or benefits to Executive could be exempt from Section 280G of the Code if the shareholder approval requirements under Section 280G(b)(5) of the Code were met, such payments will be conditioned on shareholder approval and the Company or any of its applicable affiliates agrees to use best efforts to seek to obtain such shareholder approval.
 - (ii) Any determinations that are made pursuant to this Section 8(l) shall be made by a nationally recognized certified public accounting firm that shall be selected by the Company (and paid by the Company) prior to any transaction that is subject to Section 280G of the Code (the "Accountant"), which determination shall be certified by the Accountant and set forth in a certificate delivered to the Executive setting forth in reasonable detail the basis of the Accountant's determinations.
- (m) **Section 409A of the Code.**
- (i) The intent of the parties is that payments and so long benefits under this Agreement comply with, or be exempt from, Section 409A of the Internal Revenue Code of 1986, as working remotely amended, and the regulations and guidance promulgated thereunder (collectively "Section 409A of the Code") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

- (ii) A termination of employment shall not be deemed to have occurred for purposes of this Agreement providing for the payment of any amounts or benefits subject to Section 409A of the Code upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A of the Code and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment that is considered non-qualified deferred compensation under Section 409A of the Code payable on account of a "separation from service," such payment or benefit shall be made or provided at the date which is the earlier of (A) the day following the expiration of the six (6)-month period measured from the State date of Oregon does not interfere with such "separation from service" of Executive, and (B) the date of Executive's duties death (the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 8(m) (whether they would have otherwise been payable in a single sum or responsibilities in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum, and any remaining payments and benefits due under this Agreement; Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.
- (iii) (A) All expenses or other reimbursements provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Executive, (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchanged for another benefit.
- (iv) For purposes of Section 409A of the Code, Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments.
- (v) Notwithstanding the foregoing, the Company makes no representations regarding the tax implications of the compensation and benefits to be paid to Executive under this Agreement, including, without limitation, under Section 409A of the Code. The parties agree that in the event a qualified tax advisor to the Company or to Executive (neither party being required to retain such advisor) reasonably advises that the terms hereof would result in Executive being subject to tax under Section 409A of the Code, Executive and the Company shall negotiate in good faith to amend this Agreement to the extent necessary to prevent the assessment of any such tax.
- (n) Protected Activities. Pursuant to 18 U.S.C. §1833(b), Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to Executive's attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if Executive (i) relocates his residence files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney and use the trade secret information in the court proceeding if Executive (1) files any document containing the trade secret under seal and (2) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. §1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Agreement or any other agreement between the Company and Executive shall prohibit or restrict Executive from (I) voluntarily communicating with an attorney retained by Executive, (II) voluntarily communicating with any law enforcement, government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the New York State Division of Human Rights, or any other state or local commission on human rights, or any self-regulatory organization, regarding possible violations of law, including criminal conduct and unlawful employment practices, in each case without advance notice to the Company, (III) recovering a SEC whistleblower award as provided under Section 21F of the Exchange Act, (IV) disclosing any information (including proprietary information) to a jurisdiction outside of Oregon court or (ii) performs work for the Company outside of Oregon other than for brief periods due administrative or legislative body in response to vacation a subpoena, court order or travel, Executive agrees to provide written request (with advance notice to the Company prior to any such disclosure to the extent legally permitted), (V) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which Executive is entitled or (VI) disclosing the underlying facts or circumstances described relating to claims of discrimination, in (i) or (ii) arising, and violation of laws prohibiting discrimination, against the Company may, in its sole discretion, allow Executive to work for the Company in such jurisdiction outside of the State of Oregon under this Agreement." Company.

If you agree to the foregoing, please sign where indicated below and return the signed copy to me. Otherwise, the Original Employment Agreement will continue in full force and effect, without amendment.

[SIGNATURE PAGE TO FOLLOW]

Sincerely, IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed on its behalf by an individual thereunto duly authorized and Executive has duly executed this Agreement, all as of the date and year first written above.

SIGA
TECH
INC.

By: /s/ /s/ Phillip L. Gomez Ph.D.

Name: Dr. Phillip L. Gomez, Ph.D.

Title: Chief Executive Officer

AGREED AND ACCEPTED

EXEC
/s/
Jay
K.
Varn
.
Dr. Je
K.
Varn
M.D.

/s/ Dennis E. Hruby .

Dr. Dennis E. Hruby [Signature Page to Varma Employment Agreement]

Date: June 7, 2023 ExhibitA

Form of Release

GENERAL RELEASE OF CLAIMS

A general release is required as a condition for receiving the severance payments and benefits described in Section 5(c) of the Employment Agreement, dated July 26, 2023, by and between you, Dr. Jay K. Varma, M.D. ("you") and SIGA Technologies, Inc., a Delaware corporation (the "Company") (the "Employment Agreement"). This general release of claims ("General Release") is being made by you for yourself and on behalf of your heirs, executors, administrators, dependents, trustees, legal representatives, successors, and assigns (the "Releasors").

(1)General. By executing this General Release ("General Release"), you have advised us that you, on behalf of yourself and the other Releasors, hereby waive any and all claims against the Company and its subsidiaries and affiliated or related entities, Insperity, Inc., and any and all of their respective predecessors, successors, assigns and employee benefit plans, and in such capacities their respective past and present officers, directors, shareholders, employees, owners, stockholders, members, investors, trustees, fiduciaries, administrators, agents, attorneys and representatives (collectively, the "Released Party" or "Released Parties") and by execution of this General Release you irrevocably and unconditionally release and forever discharge any such claims except as provided in Paragraph 3(b) below.

(2)Acknowledgment. You hereby agree and acknowledge that the severance pay and benefits under Section 5(c) of the Employment Agreement exceed any payment, benefit or other thing of value to which you might otherwise be entitled under any policy, plan or procedure of the Company or its affiliates or pursuant to any prior agreement or contract with the Company or its affiliates.

(3)Release.

(a) For good and valuable consideration, including, without limitation, the severance pay and benefits under Section 5(c) of the Employment Agreement, the Releasors hereby release, acquit and forever discharge the Released Parties, of and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, causes of action, rights, costs, losses, debts and expenses of any nature whatsoever, known or unknown, which any Releasors ever had, now have or hereafter can, will or may have (either directly, indirectly, derivatively or in any other representative capacity) by reason of any matter, fact or cause whatsoever against the Released Parties (collectively, "Claims"): (i) arising from the beginning of time to the time that you sign this General Release, including, without limitation, (A) any such Claims relating to or arising out of your employment with the Company or any of the other Released Parties, (B) any such Claims arising under any foreign, federal, state or local statute, law, regulation, ordinance or common law or any other cause of action including, but not limited to, claims for discrimination, harassment, retaliation, attorneys' fees or other claims arising under labor or employment laws, the federal Age Discrimination in Employment Act ("ADEA"), the Older Workers' Benefit Protection Act, the Employee Retirement Income Security Act (regarding unvested benefits), the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Labor Standards Act, the Equal Pay Act, the Family and Medical Leave Act (regarding existing but not prospective claims), the Immigration Reform and Control Act, the Worker Adjustment and Retraining Notification Act, the Uniformed Services Employment and Re-Employment Act, the Fair Credit Reporting Act, the National Labor Relations Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, the New York Labor Law (including, without limitation, the New York State Worker Adjustment and Retraining Notification Act, all provisions prohibiting discrimination and retaliation, and all provisions regulating wage and hour law), the New York State Correction Law, the New York State Civil Rights Law, Section 125 of the New York Workers' Compensation Law, the New York City Human Rights Law, the New York City Administrative Code, the New York Corrections Law, the New York Executive Law Section 296(15), and all federal, state and local laws under which claims may legally be waived, each as amended and including each of their respective implementing regulations, and (C) any such Claims arising under tort, contract, or quasi-contract law, including without limitation, claims for breach of contract (both express and implied), breach of any covenant of good faith and fair dealing (both express and implied), promissory estoppel, fraud, defamation, negligent or intentional infliction of emotional distress, negligent

or intentional misrepresentation or unfair business practices, and any such Claims for attorneys' fees and punitive or consequential damages; (ii) relating to or arising out of the termination of your employment with the Company or any of the other Released Parties, including, without limitation, any Claim for wrongful termination of employment, constructive discharge or any similar cause of action; or (iii) relating to or arising under any policy, agreement, plan, contract, understanding or promise, written or oral, formal or informal, between you and any Released Party. It is further understood and agreed that, notwithstanding any statute or common law principle, and for the purpose of implementing a full and complete release and discharge of all claims, you expressly acknowledge that this release is intended to include in its effect, without limitation, all Claims which you do not know or suspect to exist in your favor at the time of execution hereof, and that the release agreed upon herein contemplates the full extinguishment of your Claims.

(b) Notwithstanding the foregoing, the Company and you recognize that nothing contained in this General Release shall in any way release or discharge (i) your right to file an administrative charge or complaint with, testify, assist, or participate in an investigation, hearing, or proceeding conducted by, or communicate factual information related to any claim of discrimination with, law enforcement, the Equal Employment Opportunity Commission, the New York State Division of Human Rights, any local human rights commission or other similar federal, state, or local administrative agencies or an attorney retained by you, although, to the extent permitted by applicable law, you waive any right to monetary relief related to any filed charge or administrative complaint; (ii) your right to bring any Claim that cannot be waived under applicable law; (iii) your right to the benefits specifically provided in Section 5(c) of the Employment Agreement; (iv) your right to any vested benefits to which you may be entitled under any welfare or qualified retirement plan of the Company or its affiliates, (v) any right to indemnification under applicable corporate law, the Employment Agreement, the by-laws or certificate of incorporation of the Company or any affiliate, or any agreement between you and the Company or any affiliate, (vi) any rights as an insured under any director's and officer's liability insurance policy, or (vii) any rights you may have as a member or holder of equity or other securities of the Company or its affiliates.

(c) You affirm and warrant that you have not filed, initiated or caused to be filed or initiated any claim, charge, suit, complaint, grievance, action or cause of action against the Company or any other Released Party. You affirm and warrant that you have made no assignment of any right or interest in any claim which you may have against any of the Released Parties.

(4) Restrictive Covenants. You hereby agree that you are still subject to the obligations under Section 6 and Sections 8(a) and 8(c) of the Employment Agreement which shall survive your termination of employment with the Company. Nothing in this General Release or any other agreement that you may have with the Company or any of the other Released Parties shall prohibit or restrict you from (i) voluntarily communicating with an attorney retained by you, (ii) voluntarily communicating with any law enforcement, government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the New York State Division of Human Rights, or any other state or local commission on human rights, or any self-regulatory organization regarding possible violations of law, in each case without advance notice to the Company, (iii) recovering a SEC whistleblower award as provided under Section 21F of the Securities Exchange Act of 1934, (iv) disclosing any information (including proprietary information) to a court or other administrative or legislative body in response to a subpoena, court order or written request (with advance notice to the Company prior to any such disclosure to the extent legally permitted), (v) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which you are entitled or (vi) disclosing the underlying facts or circumstances relating to claims of discrimination, in violation of laws prohibiting discrimination, against the Company.

(5) Review and Revocation.

(a) You acknowledge that (i) **the Company has advised you in writing to consult with an attorney of your own choosing before signing this General Release,** (ii) you have been given the opportunity to seek the advice of counsel, (iii) you have carefully read and fully understand all of the provisions of this General Release, (iv) the release provided herein specifically applies to any rights or claims that you may have against the Released Parties pursuant to the ADEA, (v) you are entering into this General Release knowingly, freely and voluntarily in exchange for good and valuable consideration to which you are not otherwise entitled, (vi) you have the full power, capacity and authority to enter into this General Release, and (vii) you understand that the release in this paragraph does not apply to rights and claims that may arise after you sign this General Release. You intended that this General Release shall not be subject to any claim for duress.

(b) You understand and agree that you have [twenty-one (21)]/[forty five (45)] calendar days following your receipt of this General Release to consider whether to sign this General Release, although you may voluntarily choose to sign it sooner. **However, in no event can you sign this General Release prior to your last day of employment with the Company.** For a period of seven (7) days after the date on which you sign this General Release, you may, in your sole discretion, rescind this General Release by delivering a written notice of rescission to the Company and delivered to [] at [] by no later than 5:00 p.m. of the seventh (7th) day following your execution of this General Release. If you timely and properly revoke your signature on this General Release within such seven (7) calendar day period, this General Release shall be of no force or effect. If you do not rescind this General Release pursuant to this Section 5(b), this General Release shall become final and binding and shall be irrevocable on the eighth (8th) calendar day following the date of your execution of this General Release. Changes to this General Release, whether material or immaterial, shall not restart the running of the twenty-one (21) calendar day period.

(6) No Admission of Liability. You understand that nothing in this General Release will be considered as any admission by the Company or any other Released Party of any improper conduct or wrongdoing whatsoever, any such wrongdoing being expressly denied.

(7) Severability. If any provision of this General Release is declared by any court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions. On the contrary, such remaining provisions shall be fully severable, and this General Release shall be construed and enforced as if such invalid provisions never had been included in this General Release.

(8) Entire Agreement. This General Release sets forth the entire understanding of the parties and supersedes any and all prior agreements, oral or written, relating to the subject matters contained herein and is legally binding and enforceable. This General Release may not be modified except by a written document, signed by you and by a duly authorized corporate officer of the Company.

(9) Governing Law, Consent to Jurisdiction. This General Release shall be governed by and construed (both as to validity and performance) and enforced in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly within such jurisdiction, without regard to the principles of conflicts of law or where the parties are located at the time a dispute arises. In the event of any controversy or claim arising out of or relating to this General Release or the breach or alleged breach hereof, each of the parties hereto irrevocably (a) consents to the jurisdiction of any state court sitting in the County of New York, State of New York, or federal court sitting in the County of New York, State of New York, (b) waives any objection which it may have at any time to the laying of venue of any action or proceeding brought in any such court and (c) waives any claim that such action or proceeding has been brought in an inconvenient forum.

FINALLY, THIS IS TO EXPRESSLY ACKNOWLEDGE:

- ☐ You have been provided a period of at least [twenty-one (21)/forty-five (45)] days within which to consider the terms of this General Release;
- ☐ You have been advised by the Company to consult with an attorney of your choosing in connection with this General Release;
- ☐ You fully understand the significance of all of the terms and conditions of this General Release, and are signing this General Release voluntarily and of your own free will and without reservation or duress and assent to all the terms and conditions contained herein; and
- ☐ No promises or representations, written or oral, have been made to you by any person to induce you to sign this General Release other than the promise of payment set forth in Section 5(c) of the Employment Agreement.

I HEREBY STATE THAT I HAVE CAREFULLY READ THIS GENERAL RELEASE AND THAT I AM SIGNING THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY WITH THE FULL INTENT OF RELEASING THE RELEASEES FROM ANY AND ALL CLAIMS, EXCEPT AS SET FORTH HEREIN. FURTHER, IF SIGNED PRIOR TO THE COMPLETION OF THE FORTY-FIVE (45) OR TWENTY-ONE (21) DAY REVIEW PERIOD, THIS IS TO ACKNOWLEDGE THAT I KNOWINGLY AND VOLUNTARILY SIGNED THIS GENERAL RELEASE ON AN EARLIER DATE.

Please sign this copy of your General Release and return it to [].

Date

Signature

Dr. Jay K. Varma, M.D.

Exhibit 10.2

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

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES	
				1	8
2. AMENDMENT/MODIFICATION NO. P00013		3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. See Schedule	5. PROJECT NO. (If applicable)	
6. ISSUED BY ASPR-BARDA 200 Independence Ave., S.W. Room 640-G Washington DC 20201	CODE ASPR-BARDA	7. ADMINISTERED BY (If other than Item 6)		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) SIGA TECHNOLOGIES, INC. 1385150 Attn: Daniel Luckshire SIGA TECHNOLOGIES, INC. 31 East 62nd street NEW YORK NY 100658446		9A. AMENDMENT OF SOLICITATION NO.			
		9B. DATED (SEE ITEM 11)			
		x 10A. MODIFICATION OF CONTRACT/ORDER NO. HHSO100201800019C			
		10B. DATED (SEE ITEM 13) 09/10/2018			
CODE 1385150	FACILITY CODE				

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES	
				1	2
2. AMENDMENT/MODIFICATION NO. P00024	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable) ASPR-22-00229		

6. ISSUED BY HHS/OS/ASPR/BARDA 330 Independence Ave., S.W. Room 640-G Washington DC 20201	CODE HHS/OS/ASPR/BARDA	7. ADMINISTERED BY (If other than Item 6) ASPR-BARDA 330 Independence Ave, SW, Rm G640 Washington DC 20201	CODE ASPR—BARDA02
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) SIGA TECHNOLOGIES, INC. 1385150 Attn: Kady Honeychurch SIGA TECHNOLOGIES, INC. 35 E 6 35 E 62ND ST NEW YORK NY 100658014	(x)	9A. AMENDMENT OF SOLICITATION NO.	
		9B. DATED (SEE ITEM 11)	
	x	10A MODIFICATION OF CONTRACT/ORDER NO. HHSO100201100023C	
		10B. DATED (SEE ITEM 13) 06/01/2011	
CODE 1385150	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ ☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ ☐ is extended, ☐ ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning ____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required) Net Increase: \$138,177,300.00

Decrease: -\$7,791.20

See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR Part 43.103(a) - Bilateral Modifications
X	D. OTHER (Specify type of modification and authority) FAR 43.103(a) Bilateral Modification - Modification by mutual agreement of the parties.

E. IMPORTANT: Contractor ☐ is not ☐ is required to sign this document and return ____1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Tax ID Number: 13-3864870

DUNS Number: 932651516

The purpose of this bilateral modification is to exercise and fully fund Option CLINs 0011, 0018, 0020, and 0022. Additionally CLIN0001, CLIN0007, and CLIN0007-3 are extended to 09/09/2028 at no additional cost to the government.

The total amount, scope, period of performance and all other terms and conditions of the contract remain unchanged.

By signing this modification, SIGA Technologies Inc., hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9 A

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Tax ID Number: 13-3864870

UEI: VJRNRTSL22K4

The purpose of this bilateral modification is to de-obligate canceling funds from requisition 05190398 in the amount of \$7,791.20.

All other terms and conditions remain unchanged.

OTA: N

Discount Terms: HHS NET 30P

Period of Performance: 09/01/2008 to 02/08/2024

Change Item 7 to read as follows (amount shown is the obligated amount):

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)

DENNIS HRUBY, Dennis E. Hruby, CSO & EVP

16A. NAME AND TITLE OF CONTRACTING OFFICER

(Type or print)

JONATHAN F. GONZALEZ

15B. 15B CONTRACTOR/OFFEROR

/s/ Dennis E. Hruby.

(Signature of person authorized to sign)

15C. DATE SIGNED

7/27/2023

SIGNED

21 Sept. 2023

16B. UNITED STATES OF AMERICA

/s/ Jonathan F. Gonzalez

(Signature of Contracting Officer)

16C. DATE SIGNED

7/27/2023

21 Sept. 2023

Previous edition unusable

STANDARD FORM 30 (REV. 11/2016)

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE OF			
	HHSO100201800019C/P00013	2	8		
NAME OF OFFEROR OR CONTRACTOR					
SIGA TECHNOLOGIES, INC. 1385150					
ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
11	such fact or circumstance giving rise to this modification.				
	OTA: N				
	Discount Terms: HHS NET 30P				
	Period of Performance: 01/01/2020 to 09/09/2028				
	Add Item 11 as follows:				
	ASPR-23-01673 CLIN0011 - procurement and delivery of oral TPOXX				101,276,070.00
	Obligated Amount: \$101,276,070.00				
	Requisition No: OS315704				
	Accounting Info:				
	2023.1995361.26088 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26088				
	Funded: \$101,276,070.00				
	Add Item 12 as follows:				
12	ASPR-23-01673 CLIN0018- procurement of bulk IV TPOXX doses				10,240,000.00
	Obligated Amount: \$10,240,000.00				
	Requisition No: OS315704				

13	Accounting Info: 2023.1995361.26039 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26039 Funded: \$10,240,000.00				
	Add Item 13 as follows:				
	ASPR-23-01673 CLIN0020 - procurement of finished IV TPOXX doses Obligated Amount: \$15,360,000.00 Requisition No: OS315704				15,360,000.00
14	Accounting Info: 2023.1995361.26088 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26088 Funded: \$15,360,000.00				
	Add Item 14 as follows:				
	ASPR-23-01673 CLIN0022 - delivery of IV TPOXX Continued ... Obligated Amount: \$25,600.00 Requisition No: OS315704				25,600.00
15	Accounting Info: 2023.1995361.22006 Appr. Yr.: 2023 CAN: 1995361 Object Class: 22006 Funded: \$25,600.00				
	Add Item 15 as follows:				
	Tecovirimat-exercising optional CLIN 0011 for treatment courses Amt 11 275 630 00 Obligated Amount: \$11,275,630.00 Requisition No: OS315273				11,275,630.00
Accounting Info: 2023.1995N23.26088 Appr. Yr.: 2023 CAN: 1995N23 Object Class: 26088 Funded: \$11,275,630.00					
NSN 7540-01-152-8067				OPTIONAL FORM 336 (4-86) Sponsored by GSA FAR (48 CFR) 53.110	

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED				PAGE OF
	HHSO100201100023C/P00024				2 2
NAME OF OFFICER OR CONTRACTOR					
SIGA TECHNOLOGIES, INC. 1385150					
ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
7	ASPR-17-00856 Exercise of CLINS 3 4 5 7 8				-7,791.20

Accounting Info: 2017.1992017.25103 Appr. Yr.: 2017 CAN: 1992017 Object Class: 25103 Funded: -\$7,791.20					
Accounting Info: 2019.1992019.25106 Appr. Yr.: 2019 CAN: 1992019 Object Class: 25106 Funded: \$0.00					
Accounting Info: 2019.1992018.25106 Appr. Yr.: 2019 CAN: 1992018 Object Class: 25106 Funded: \$0.00					
Accounting Info: 2022.1992022.25106 Appr. Yr.: 2022 CAN: 1992022 Object Class: 25106 Funded: \$0.00					
ASPR-22-00229 CLIN 0005 Phase I - IV DP Stability: funding per re-determined indirect rates Original funding: \$959,798.00 + Mod 23 funding \$219,872.37 = Revised funding \$1,179,670.37 - PSC: AN13 NAICS: 541711 COR is Annie Lu, Ph.D. (202) 604-5814, Xi.Lu@hhs.gov					

ARTICLE B. 2. PRICE/COSTS, revisions are highlighted in yellow:

B.2. PRICES/COSTS

B.2.1. ESTIMATED COST AND FIXED FEE

Base Period Cost Reimbursement CLIN					
Item	Period of Performance	Supplies/Services	Estimated Cost	Fixed Fee	Cost + Fixed Fee (CPFF)
0001 Base	***	Late-Stage development activities towards FDA approval for parenteral (IV) antiviral	***	***	\$32,009,375 (Funded)
Total			\$30,197,522	\$1,811,853	\$32,009,375

B.2.2. FIRM FIXED PRICE

Base Period Fixed Price CLINS					
Item	Period of Performance	Supplies/Services	Units (# of Doses or Dose Equivalents)	Unit Price (\$)	Total (\$)
0002 Base	***	Initial purchase and delivery of nonparenteral (oral) formulated antiviral as final drug product (FDP) to SNS	35,718	***	\$11,072,580 (Funded)

0003 Base	***	Initial procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	20,000	***	\$3,200,000 (Funded)
0004 Base	***	Fill/finish of final drug product (from bulk drug substance procured under CLIN0003)	20,000	***	\$4,800,000 (Funded)
0005 Base	***	Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0003) *Monthly rate/TC = ***	20,000	***	***
0006 Base	***	Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0003)	20,000	***	***
Total					***

Optional Cost Reimbursement CLINs					
Item	Period of Performance	Supplies/Services	Estimated Cost	Fixed Fee	Cost + Fixed Fee (CPFF)
0007 (Option)	***	Phase IV post-marketing commitments (nonparenteral (oral) formulation)) including ***	***	***	\$40,812,609 Funded
0008 (Option)	***	Phase IV post marketing commitments (parenteral (IV) formulation)) including ***	***	***	\$3,586,806 Funded
Total			\$41,886,242	\$2,513,173	***

Optional Fixed CLINs					
Item	Period of Performance	Supplies/Services	Treatment Courses (# of Product)	Unit Price (\$)	Total (\$)
0009A (Option Funded)	1/1/19-12/31/20	Procurement of raw materials used in manufacturing of unmiconized API in sufficient quantity to support the production of 363,070 courses of nonparenteral (oral) formulated antiviral for SNS replenishment. Such raw materials may be forward processed.	363,070 (raw material)	***	\$11,255,170 Funded
0009B (Option Funded)	1/1/19-12/31/20	Additional procurement of nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	121,023 (raw material)	***	\$33,765,417 Funded
0009C (Option Funded)	1/1/19-12/31/20	Additional procurement of nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	121,023 (raw material)	***	\$33,765,417 Funded
0009D (Option Funded)	1/1/19-12/31/20	Additional procurement of nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	121,024 (raw material)	***	\$33,765,696 Funded
0010 (Option Funded)	1/1/20-12/31/21	Additional procurement of nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	363,070	***	\$112,551,700 Funded
0011 (Option)	***	Additional procurement of a nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	363,070	***	\$112,551,700 (Funded)

0012 (Option)	[***]	Additional procurement of a nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS	363,072	[***]	\$112,552,320
0013 (Option)	[***]	Surge Capacity – Additional procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	64,000	[***]	\$10,240,000 (Funded)
0014 (Option)	[***]	Surge Capacity – Storage of parenteral (IV) formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from bulk drug substance procured under CLIN0013). *Monthly rate per TC = [***]	64,000	[***]	[***]
0015 (Option)	[***]	Surge Capacity – Fill/finish of final drug product (from bulk drug substance procured under CLIN0013)	64,000	[***]	\$15,360,000 (Funded)
0016 (Option)	[***]	Surge Capacity – Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0013). *Monthly rate per TC = [***]	64,000	[***]	[***]
0017 (Option)	[***]	Surge Capacity – Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0013) * [***] SNS Shipments @ [***]	64,000	[***]	[***]
0018 (Option)	[***]	Surge Capacity – Additional procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	64,000	[***]	\$10,240,000 (Funded)
0019 (Option)	[***]	Surge Capacity – Storage of parenteral (IV) formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from bulk drug substance procured under CLIN0018). *Monthly rate per TC = [***]	64,000	[***]	[***]
0020 (Option)	[***]	Surge Capacity – Fill/finish of final drug product from bulk drug substance procured under CLIN0018).	64,000	[***]	\$15,360,000 (Funded)
0021 (Option)	[***]	Surge Capacity – Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0018). *Monthly rate per TC: [***]	64,000	[***]	[***]
0022 (Option)	[***]	Surge Capacity – Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0018). *[***] SNS Shipments @ [***]	64,000	[***]	[***] (Funded)
0023 (Option)	[***]	Surge Capacity – Additional procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	64,000	[***]	\$10,240,000
0024 (Option)	[***]	Surge Capacity – Storage of parenteral (IV) formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from bulk drug substance procured under CLIN0023). *Monthly rate per TC = [***]	64,000	[***]	[***]

0025 (Option)	[[**]]	Surge Capacity – Fill/finish of final drug product (from bulk drug substance procured under CLIN0023).	64,000	[[**]]	\$15,360,000
0026 (Option)	[[**]]	Surge Capacity – Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0023). *Monthly rate per TC: [[**]]	64,000	[[**]]	[[**]]
0027 (Option)	[[**]]	Surge Capacity – Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0023). *[[**]] SNS Shipments @ [[**]]	64,000	[[**]]	[[**]]
Total					[[**]]
Total Funded					\$458,763,601
End of Modification P00013					

Exhibit 31.1

Certification by Chief Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Phillip L. Gomez, Ph.D., certify that:

- I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, Inc.;
- 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;
- 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;
- 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:
 - 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;
 - 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;
 - 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
 - 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
- 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):
 - 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
 - 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: August 8, 2023 November 7, 2023

/s/ Phillip L. Gomez, Ph.D.

Phillip L. Gomez, Ph.D.

Chief Executive Officer

Exhibit 31.2

Certification by Chief Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Daniel J. Luckshire, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, 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: August 8, 2023 November 7, 2023

/s/ Daniel J. Luckshire

Daniel J. Luckshire

Executive Vice President and

Chief 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

In connection with the Quarterly Report of SIGA Technologies, Inc. (the "Company") on Form 10-Q for the quarterly period ended **June September** 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Phillip L. Gomez, Ph. D., Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Phillip L. Gomez, Ph.D.

Phillip L. Gomez, Ph.D.

Chief Executive Officer

August 8, November 7, 2023

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of SIGA Technologies, Inc. (the "Company") on Form 10-Q for the quarterly period ended **June September** 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel J. Luckshire, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Daniel J. Luckshire

Daniel J. Luckshire

Executive Vice President and Chief Financial Officer

August 8, November 7, 2023

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