



SIGA Technologies, Inc.

First Quarter 2025 Earnings Call

Event Date: May 8, 2025

CORPORATE PARTICIPANTS

Dr. Diem Nguyen, *Chief Executive Officer*

Dan Luckshire, *Chief Financial Officer*

CONFERENCE CALL PARTICIPANTS

Jyoti Prakash, *Edison Group*

PRESENTATION

Operator

Good afternoon. Welcome to the SIGA Technologies Business Update Call.

Before we turn the call over to SIGA Management, please note that any forward-looking statements made during this call are based on Management's current expectations and observations, and are subject to risks and uncertainties that could cause actual results to differ from the forward-looking statements. SIGA does not undertake any obligation to update publicly any forward-looking statements to reflect events or change of circumstances after this call.

For a discussion of factors that could cause our results to differ, please see the Company's filings with the Securities and Exchange Commission, including, without limitation, the Company's Annual Report on Form 10-K for the year ended December 31, 2024, and its subsequent reports on Form 10-Q and Form 8-K.

With that, I will now turn the call over to Diem Nguyen, Chief Executive Officer of SIGA. Diem?

Dr. Diem Nguyen

Good afternoon, everyone, and thank you for joining today's call and review of our business results for the first quarter of 2025.

I am joined by Dan Luckshire, our Chief Financial Officer, and we appreciate this opportunity to provide an update on our Company. After the update, we'll be happy to answer your questions.

I'm pleased to share that SIGA has continued its momentum from 2024 into 2025, and we expect many bright spots ahead. SIGA has made steady progress on its key initiatives, taking thoughtful and proactive steps to reinforce our position as a leader in global health security and to deliver long-term value to our shareholders. While we are encouraged by this progress, we remain focused on navigating the evolving landscape and staying disciplined in our approach to drive sustained performance.

In the first quarter, product revenues were approximately \$6 million, which is attributable to a sale to a repeat international customer in a different geographical region from where we made an \$11 million sale in the fourth quarter. This highlights the broadening scope of our international business.

Since we assumed responsibility for international marketing for Meridian Medical Technologies in June 2024, we have been strengthening our relationships with existing and prospective customers, and engaging in productive discussions on health security and stockpiling. For those keeping track, we now have regulatory approvals for TPOXX in the U.S., Canada, Europe, the U.K. and most recently, in Japan. We expect the \$6 million international sale in the first quarter to be the start of substantial product sales over the next few months.

On the U.S. side of our business, as of the end of 2024, we had about \$70 million of outstanding TPOXX orders for delivery to the U.S. Strategic National Stockpile, or SNS, of which approximately \$53 million of oral TPOXX and approximately \$9 million of IV TPOXX were delivered in April. Additional amounts of IV TPOXX are expected to be delivered by the end of the third quarter of this year.

Notably, in March, the U.S. Government exercised its option under the current 19C contract to procure an additional \$26 million of IV TPOXX, which we expect to be delivered in 2026. Also, the government modified our current agreement to add \$14 million of funding to support manufacturing activities, which will occur over the next two years to three years. We believe the U.S. Government's decision to exercise the IV procurement option and to provide funding support for IV manufacturing activities underscores the critical importance of maintaining a full complement of TPOXX formulations in the stockpile as treatment options for smallpox.

The IV formulation is an important alternative for those who are unable to swallow capsules. Given the severity of this disease, we are encouraged by the U.S. Government's ongoing recognition of the critical role antivirals play in safeguarding national security, and we are proud to support its commitment in strengthening preparedness.

Looking forward, as we look beyond our current 19C contract, we remain committed to working alongside the U.S. Government to establish a new comprehensive long-term agreement that reflects the value of TPOXX, both today and in the future, and importantly, one that would further reinforce the nation's preparedness against bioterrorism and advance our shared objective of enhancing global health security and public health.

Switching gears, we continue to advance our late-stage pipeline with our TPOXX post-exposure prophylaxis program for smallpox or PEP. We continue to collaborate with the CDC in consultation with the FDA to complete the analysis of the samples collected to support the study's immunogenicity objective.

The FDA has actively engaged with us in this program, providing real-time guidance in support of our ongoing efforts. We believe the agency's valuable feedback has strengthened our plan and will help facilitate the regulatory process. The CDC is now finalizing its approach and preparing to analyze our samples with the work expected to be completed during the fourth quarter. We are now targeting an FDA submission of the PEP indication in the first half of 2026.

At an earlier stage in our pipeline than PEP, our pediatric program is also progressing well. This effort, in partnership with BARDA, is important as it will address a critical unmet need for children too small for the current oral formulation of TPOXX. We have manufactured the clinical trial material and are preparing to submit an IND in the second half of this year with a clinical trial targeted to begin shortly thereafter.

As we continue advancing our strategic initiatives, we remain focused on delivering value to our shareholders. In that spirit, our Board of Directors recently declared a special cash dividend of \$0.60 per share to be paid on May 15. This is our fourth consecutive year of paying a special cash dividend and reflects the strength of the balance sheet and the confidence that our Board and Management have in the future of the Company.

As we look ahead to the remainder of the year, we remain committed to maintaining a strong financial foundation and executing on our strategic priorities with discipline. We continue to focus on key areas that have proven successful for us. One, continuing our partnership with the U.S. Government. Two, advancing

regulatory approvals of TPOXX in new indications. Three, cultivating strategic partnerships to expand global access to TPOXX. Four, leveraging our capabilities to move into complementary therapeutic areas.

Antivirals play a vital role together with vaccines by treating patients who have not been vaccinated or who did not benefit from vaccination. As the risk of emerging infectious disease and bioterrorism threats grow, the dual-pronged approach comprised of vaccines and antivirals becomes increasingly important. In a comprehensive preparedness plan, strategic stockpiling of antivirals alongside vaccines is critical to ensure a rapid, coordinated response in times of crisis.

Importantly, given our long-standing partnership and history of collaboration between SIGA and the U.S. Government, as well as the government's demonstrated commitment to a proactive and robust biodefense strategy, we remain focused on addressing an RFP when issued and subsequently finalizing an agreement.

In summary, SIGA has a clear vision for the future. With a sound strategy, disciplined capital management, a valuable TPOXX franchise, and a proven track record, we are well positioned to drive progress. We are resolute in executing our plans with precision and urgency, while staying committed to making impactful contributions to global health security and creating value for our shareholders.

With that, I'll turn it over to Dan to review the financial results in more detail. Dan?

Dan Luckshire

Thanks, Diem.

As noted earlier in the call, SIGA had product sales of \$6 million for the three months ended March 31, 2025. This amount reflects an international sale to a repeat customer. Importantly, we believe this sale represents the start of substantial sales to come in the next series of months.

On this point, I would like to highlight that approximately \$53 million of oral TPOXX and approximately \$9 million of IV TPOXX were delivered to the Strategic National Stockpile in April. These April deliveries are expected to be included in the revenue numbers for the second quarter.

Additionally, the April deliveries, in combination with incremental IV TPOXX deliveries targeted for the next series of months, as well as a minor international sale amount, cumulatively represent the expected full delivery by the end of the third quarter of this year of the approximately \$70 million of orders that were outstanding as of December 31, 2024. As a supplemental note, the \$26 million IV TPOXX order received in the first quarter of this year is targeted for delivery in 2026.

In addition to product-related revenues in the first quarter, the Company also had research and development revenues of approximately \$1 million.

Pre-tax operating loss for the quarter, which excludes interest income and taxes, was approximately \$2 million, and net loss for this period was approximately \$1 million. In turn, fully-diluted loss per share for the three months ended March 31, 2025, was \$0.01.

The Company continues to maintain a strong balance sheet through an abiding commitment to financial discipline. At March 31, 2025, the Company had a cash balance of approximately \$162 million and no debt. In recognition of the strength of our balance sheet as well as the continued confidence in the future of our business, a special cash dividend of \$0.60 per share was declared on April 8 for shareholders of record as of April 29. The special cash dividend will be paid on May 15.

This concludes the financial update. At this point, I will turn the call back to Diem.

Dr. Diem Nguyen

Thank you, Dan. With that, we'd like to open the call up for questions.

Operator

Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. Should you have a question, please press star, followed by the one on your telephone keypad. You will hear a prompt that your hand has been raised. Should you wish to cancel your request, please press star, followed by the number two. If you are using a speakerphone, please lift the handset before pressing any keys. One moment, please, for your first question.

Your first question comes from the line of Jyoti Prakash from Edison Group. Please go ahead.

Jyoti Prakash

Hi, good evening. Thank you for taking my questions. It was good to see the progress made in international sales in the quarter. My first question actually relates to the expected RFP timeline for TPOXX. We know that there's been increased uncertainty around the recent policies of the Trump government, but we would appreciate your view on this.

Dr. Diem Nguyen

Hi, Jyoti. This is Diem, and thank you for your thoughtful question. It's really nice to hear your voice. I would first like to start with that we've been extremely active with the U.S. Government as they have recently taken delivery of the \$62 million of TPOXX during April. They've also exercised a procurement option valued at \$26 million for IV TPOXX and committed to \$14 million of funding to support manufacturing activities.

Jyoti, we view these actions as very positive signals for the value the Administration places on national security and antiviral therapies like TPOXX. SIGA regularly engages with leaders at the U.S. health and security agencies, and we will continue to do so as permitted. When ASPR is ready, we will engage with them as well as with other senior officials on an RFP for the new TPOXX contract.

Just as background, SIGA has dedicated efforts for over a decade to support the U.S. Government. We have a long history of collaboration with the government agencies. This includes under four administrations, including President Trump.

We believe our close and successful collaboration with BARDA on developing an innovative medicine for a deadly disease and the U.S. onshore manufacturing of TPOXX is consistent with America's strategy for prioritizing national security for the country. Our focus on maintaining our strong partnerships play such an important role in supporting U.S. national security, and we really look forward to working with our leadership.

Jyoti Prakash

Thank you, Diem. That was quite helpful. My second question relates to the PEP label expansion program. We understand that the sample analysis with the CDC is going well. Do you have any interim insights or takeaways for us from the analysis to date?

Dr. Diem Nguyen

Sure, Jyoti. We continue to advance our PEP program. We believe TPOXX has the potential benefit to smallpox patients in a prophylactic situation, very consistent with the mechanism of action of the product. As we've said previously, we completed the FDA's requirement to obtain extended safety data in humans for treatment for 28 days, and we have found the data consistent with prior safety studies. We continue to work on getting the entire set of samples reanalyzed for the JYNNEOS TPOXX immunogenicity results.

As we mentioned in our prepared remarks, the FDA has actively engaged with us on this program. They have provided real-time guidance, which we believe has strengthened our plan and will help facilitate the regulatory process. The CDC is now finalizing its approach and preparing to analyze our samples with the work expected to be completed during the fourth quarter. From a timing perspective, we will continue to work toward a supplemental NDA submission, and we are targeting a submission in the first half of 2026.

Jyoti Prakash

Great. Moving on to the next question. It was good to see the dividend announcement, particularly given the current macro environment. My question is that SIGA, in the past, has also undertaken share buybacks. Can we expect something similar in the near-term from the Company to help support investor sentiment?

Dr. Diem Nguyen

Jyoti, maybe I'll pass that on to Dan.

Dan Luckshire

Thanks, Diem. I think the way to think about this is that, as a starting point, we continue to be committed to deploying our capital in ways that we believe will drive the most value, whether that be through dividends, share repurchases or investing in the growth and innovation that will move our Company forward. We do view the special cash dividend of \$0.60 per share to be significant and substantial capital management. We do want to highlight that it does reflect a high degree of confidence in the future of our business.

The broad stroke is that, when we think about capital management broadly, dividends, again, share repurchases or investments, we take a broad range of considerations into effect, and we'll continue to do that. That's been our historical practice, and we'll continue to do that.

Jyoti Prakash

Great. Have you seen any impact on your international growth efforts from the tariffs announced by the U.S. Government as well as potential reciprocal tariffs?

Dan Luckshire

Yes. I'll also take that one, too. The short answer is no. Today, the announced tariffs, both in the U.S. and reciprocal, have not had an impact on any aspect of our business, including international growth efforts. Having said that, the macro tariff environment is unpredictable across all industries. We will continue to monitor the environment. Currently, based on what is known right now, we don't expect there will be a significant impact on our business.

I do want to highlight that we believe the importance of our U.S.-based supply chain for our lead product is magnified in this environment. We do believe we are well positioned to navigate any potential challenges.

Jyoti Prakash

Okay. That's great. I have just one more question, and this is related to the modification to the 19C contract to include additional \$14 million in funding over the next two years, three years. Can you provide some more details on this new modification?

Dr. Diem Nguyen

Sure, Jyoti. I'll take that question. I want to first start by saying that the beginning of this year has been a positive and productive year for SIGA. As I mentioned in the prior remarks, we've had active engagement

with product deliveries of our oral as well as IV TPOXX. We've had a new exercise option for IV. The third piece is this \$14 million contract modification. This, to me, is a great sign—these are great signs that the current Administration believes in the importance of TPOXX.

They believe in the importance of TPOXX so much that they are funding a contract modification to provide greater long-term supply chain resiliency. It will allow us to complete a tech transfer of our IV formulation to a new third-party contract manufacturer. We believe this support underscores the importance of TPOXX in the stockpile for Americans for the long-term.

Jyoti Prakash

Thank you. That was very helpful. No further questions from me. Thank you again.

Operator

Thank you. Once again, should you have a question, please press star, followed by the one on your telephone keypad.

There are no further questions at this time. I would now hand the call back to Diem Nguyen for any closing remarks.

Dr. Diem Nguyen

Thank you. I'd like to thank everybody for making time to join us on today's call and for your ongoing interest in SIGA. We look forward to speaking to you again on our second quarter call. Have a great evening.

Operator

Thank you. This concludes today's call. Thank you for participating. You may all disconnect.