SIGA Technologies

Fundamentals intact amid several moving parts

Q325 results

Healthcare

13 November 2025

Q325 was a quieter quarter for SIGA following strong Q2 sales, although this was not unexpected given its contract-driven model and inherent revenue lumpiness. No product sales were recorded, with total revenue of $2.6m reflecting IV TPOXX tech transfer income and R&D reimbursement under the BARDA 19C contract. R&D spend rose sharply (+133% y-o-y to $7.1m), likely tied to pediatric study preparations and internal R&D programs. We expect a similar operating pattern in Q4, with medium-term visibility dependent on the timing of the US request for proposal (RFP) for TPOXX, which may be affected by the recent government shutdown and staffing constraints. Nonetheless, we continue to anticipate a new US stockpiling contract in 2026. We believe that despite regulatory and timing uncertainties (EU referral, US procurement), SIGA remains well capitalized ($172m cash at end-Q3, ~4x opex run-rate ex-COGS) to weather this short-term volatility. After minor forecast revisions, our valuation adjusts moderately to $14.57/share (from $14.78/share).

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS ($)	DPS ($)	P/E (x)	Yield (%)
12/23	139.9	84.2	87.8	0.95	0.45	6.6	7.2
12/24	138.7	70.5	76.1	0.83	0.60	7.6	9.5
12/25e	97.5	29.1	35.5	0.38	0.60	16.7	9.5
12/26e	226.5	136.7	143.2	1.52	0.60	4.1	9.5

Note: EBITDA, PBT and EPS (basic) are normalized, excluding amortization of acquired intangibles, exceptional items and share-based payments.

Resilient business model amid short-term volatility

The softer Q325 results were not entirely unexpected given the completion of all oral TPOXX deliveries under the 19C contract in Q2 (last IV deliveries expected in 2026) and the ongoing EMA referral procedure (which may temporarily affect European demand). We expect Q4 to follow a similar pattern, with the next major inflection driven by the upcoming US stockpiling contract, alongside progress on pediatric and PEP label expansions (IND regulatory submission for pediatric targeted for end-FY25 and supplemental NDA for PEP targeted for FY26). While the US government shutdown (ended as of November 13) added some uncertainty to the timing of the RFP, we are encouraged by SIGA's active engagement with government agencies and remain confident of a new contract being awarded in 2026.

Well capitalized in the medium term

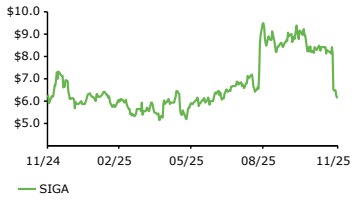
SIGA closed Q3 with $172m in cash (no debt), equivalent to c 4x its annual operating expense run-rate (ex-COGS), offering a solid buffer against near-term macro and business volatility. Our model continues to assume a $0.6/share dividend in 2026, though management has the flexibility to defer payouts to preserve liquidity if needed.

Valuation: $1.04bn or $14.57/share

We make minor adjustments to our near-term forecasts while keeping longer-term assumptions unchanged. Incorporating the Q325 performance and latest net cash figure, our valuation adjusts slightly to $14.57/share, from $14.78/share previously.

Price	**$6.29**
Market cap	**$466m**
Net cash/(debt) at 30 September 2025	$172.0m
Shares in issue	71.6m
Code	SIGA
Primary exchange	NASDAQ
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(20.8)	(31.3)	(4.7)
52-week high/low		$9.6	$4.5

Business description

SIGA Technologies is a commercial-stage health security company focused on the treatment of smallpox and other orthopoxviruses. It has contracts with both the US and Canadian governments for TPOXX, its treatment for smallpox, and is expanding internationally.

Next events

FY25 results	March 2026
US RFP for TPOXX	2026

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Q325 recap

Softer sales but R&D ramping up

Following an active Q225, Q3 was a relatively subdued period for SIGA as it continued to prepare for the next leg of growth, with ongoing discussions on the new RFP for TPOXX stockpiling with the US government. With no deliveries in the quarter, the company did not recognize any product revenues, although $0.9m was reflected as revenue from supportive services, related to tech transfer for IV TPOXX. In Q324, the company recorded $8.9m as product revenues, including $8.1m in oral TPOXX deliveries to the US strategic national stockpile (SNS) and another $0.8m in international orders. In addition, $1.7m was recorded as R&D related revenues in Q325, which was fully attributed to activities under the 19C BARDA contract. This compares with $1.1m in Q324, with the increase related to increase in billable activities supported by the $27m in BARDA funding announced in Q225. Of this $27m, $14m is earmarked for manufacturing activities over the next two to three years, while the other $13m is dedicated to the development of TPOXX for pediatric patients (weighing <13kg).

With a limited contribution from the topline, SIGA reported an operating loss of $10.2m in Q325 versus operating profits of $0.5m in Q324 and $45.7m in Q225. This high variability in operating performance across quarters reflects SIGA's government-focused business model, which results in lumpiness in operating results. In Q325, the company reported cost of sales of $1.0m ($1.6m in Q324), which related to semi-fixed costs related to supportive services including stability testing and storage, as well as certain reimbursable activities under the 19C BARDA Contract. Cost of sales in previous quarters was related to product sales with typical gross margins for oral and IV TPOXX of c 85% and c 40%, respectively. Management has noted that while the recently implemented US tariffs and retaliatory tariffs are likely to have a limited impact on oral TPOXX (courtesy of the US supply chain and manufacturing), IV TPOXX margins may potentially come under pressure due to increased raw material costs. We do not expect this to be a major issue for the company given the low contribution of IV TPOXX to the overall SNS (<10%).

R&D expenses continued to trend up, with the Q325 figure coming in at $7.1m, the highest quarterly figure over the past three years. The Q324 and Q225 figures in contrast were $3.0m and $4.4m, respectively. The company attributes this to higher self-funded research and development efforts, and we believe the increase to be primarily related to preparatory work for the upcoming investigational new drug (IND) filing and subsequent clinical work on the pediatric (<13kg) label expansion for TPOXX. As noted previously, SIGA received a $13m funding commitment from BARDA in Q225 to support the pediatric program through regulatory filing. SG&A expenses, on the other hand, stayed broadly flat year-on-year ($4.8m in Q325 versus $4.8m in Q324). Management notes that while expenses associated with international sales and marketing activity increased year-on-year, they were offset by lower professional service fees.

Well capitalized in the medium term

The $10.2m operating loss was reflected in the cash flow statement, with SIGA recording an operating cash outflow of $9.8m. The period-end cash balance of $172.0m was lower than the Q2 figure of $182.5m, but still fairly healthy, in our opinion. According to management, the current cash balance is four times the current run-rate in operating costs (excluding cost of sales) and should therefore be sufficient to overcome any short-term headwinds or operational volatility, with a runway well beyond the contract discussions with the US government and the EMA's decision on the ongoing referral procedure.

Estimate revisions

Based on the Q325 results and near-term operational visibility, we have made modest adjustments to our FY25 and FY26 estimates. For FY25, we reduce our product sales estimate to $86.7m, from $94.6m previously. This is primarily driven by the removal of $6.1m in sales we were previously assuming from the Public Health Agency of Canada (PHAC) in 2025, as we see it increasingly unlikely for a new order to be raised and delivered as we approach year-end. Note that we continue to include $0.9m in sales from the Canadian Department of National Defence (CDND), which is the pending amount that can be exercised by the CDND until 31 December 2025 under the $14m contract signed in April 2020. We have removed the $2.7m in sales we were previously assuming from international jurisdictions but include $1m in revenues from supportive activities.

For FY26 we keep our product sales estimate unchanged at $214.7m for now, but will revisit our assumptions once we have more clarity on the RFP discussion, the PEP regulatory filing and the EMA referral procedure. We also keep

our R&D related revenues unchanged at $10.8m and $11.9m for FY25 and FY26, respectively. Note that the FY25 R&D revenues estimate assumes a higher Q4 figure ($5.8m) than the nine-month run-rate, but this is based on our assumption that preparations for the pediatric IND filing will ramp up in Q425, ahead of the submission expected by end-Q425.

We also adjust our COGS and opex estimates to reflect the trends for the first nine months of the year. We raise our FY25 cost of sales estimate to $27.4m, from $25.8m previously (with our FY26 estimate maintained at $42.2m), but the more material change comes from R&D expenses, which we now increase to $19.7m for FY25 ($13.5m previously) and $21.7m for FY26 ($14.9m previously). Overall, we now estimate operating profit of $28.5m in FY25 ($42.5m previously) and $136.1m in FY26 (from $142.9m).

Several moving parts

As SIGA approaches the end of FY25, management remains confident in securing a new US RFP for TPOXX, supported by active engagement with government stakeholders and ongoing efforts to expand the product's reach through PEP and pediatric label extensions. The company also reiterated its commitment to international expansion, noting interest from multiple jurisdictions that could translate into overseas orders from 2026. While we continue to view SIGA as a fundamentally strong business with a differentiated position in orthopoxvirus therapeutics, we acknowledge potential near-term sales volatility, given the timing sensitivity of government procurement cycles and evolving regulatory dynamics.

New US contract is the key future business driver

The next US SNS contract remains the principal driver of SIGA's business outlook. While the US government has remained committed to preparedness against biothreats, recent headcount reductions and furloughs within key agencies including the Administration for Strategic Preparedness and Response (ASPR, which overseas BARDA) introduces some uncertainty around the timing of the RFP and subsequent contract negotiations. We continue to expect SIGA to secure a new stockpiling contract in 2026, although the magnitude and duration cannot be predicted with certainty (we continue to model $114m in oral TPOXX deliveries in 2026).

Note that the ASPR mandates the stockpiling of two approved antivirals for smallpox, of which TPOXX is one, the other being Tembexa, which carries a black-box toxicity warning. This positions TPOXX favorably from a safety standpoint. We also note BARDA's ongoing support for TPOXX development (including an additional $14m funding awarded for manufacturing activities in Q225) and that the US government historically procures TPOXX at concessionary pricing (c $310/treatment dose versus c $900–1,000/dose internationally), a relevant factor given fiscal tightening measures across federal agencies.

PEP and pediatric label expansion offer incremental optionality

During the Q325 earnings call, management confirmed plans to submit an IND application for the pediatric program (children weighing <13kg; c 4% of the US population) by end-FY25, with the Phase I trial initiation expected in early 2026. The program, backed by $13m of BARDA funding, will test a liquid suspension formulation specifically tailored to this weight group.

A more substantial opportunity lies in the post-exposure prophylaxis (PEP) setting, a 28-day treatment regimen, versus 14 days for TPOXX in the current setting. The Centers for Disease Control and Prevention (CDC) is currently reanalyzing samples from the immunogenicity trial (testing TPOXX plus JYNNEOS, an FDA-approved smallpox vaccine) after initial data showed lower-than-expected immune responses to the JYNNEOS vaccine in both groups. While the company had previously guided the sample reanalysis to complete by Q425, the recent job cuts at the CDC (c 600 staff) and furloughs amid the government shutdown may affect this timeline. However, SIGA continues to target an FDA filing in 2026.

We continue to model launches under the PEP and pediatric labels in 2026 and 2027, respectively, but will revisit our assumptions as program timelines evolve.

EMA referral procedure: Awaiting clarity

During the Q325 conference call, management noted that the EMA's Committee for Medicinal Products for Human Use (CHMP) is expected to meet shortly to either issue an opinion or request additional data regarding the ongoing referral procedure for TPOXX in the EU. As a reminder, in late July, the CHMP commenced a referral procedure to reassess

the benefit-risk ratio of TPOXX in the EU, following interim data from three pivotal-stage trials (PALM007, STOMP and UNITY) assessing TPOXX as a treatment for mpox that failed to meet the primary endpoint of complete lesion resolution. We understand that SIGA has submitted its responses to the CHMP's list of questions, covering the mpox trial methodology, clinical relevance and translational value from non-clinical data. We expect this upcoming meeting to provide greater visibility on the process and clarity on the ongoing referral procedure.

Pending a final decision (expected by 31 May 2026), we see the possibility of temporary sales disruptions in Europe, although we are encouraged by the company's continued engagement with other international markets and expectation of multiple orders in 2026, which could offset near-term headwinds. In the longer term, we remain constructive on TPOXX's clinical and strategic positioning, supported by efficacy across six animal challenge studies and a favorable safety profile demonstrated in healthy volunteers (n=360).

Valuation

Beyond the aforementioned adjustments to our near-term estimates, we keep our longer-term assumptions unchanged following the Q325 results. Accounting for the latest net cash position ($172m vs $182.5m in the last update), our valuation for SIGA adjusts moderately to $1.04bn or $14.57/share, from $1.06bn or $14.78/share previously.

Exhibit 1: SIGA rNPV valuation

Product/program	Main indication	Status	Probability of success	Approval/launch/ first contract year	Peak sales ($m)	rNPV ($m)
TPOXX (US base – Oral)	Treatment of smallpox	On market	100%	2018	114	299
TPOXX (Canada)	Treatment of smallpox	On market	100%	2020	12	31
TPOXX US IV and pediatric formulations	Treatment of smallpox	IV (approved May 2022), pediatric (being formulated)	50–100%	2022–27	31	29
TPOXX US PEP	Post-exposure prophylaxis following exposure to smallpox	Development	50%	2026	123	227
TPOXX EU, Japan, Korea, Australia	Treatment of smallpox	Approved	100%	2022	186	244
Commercialization of TPOXX, PEP in EMEA, Asia-Pacific	Treatment of mpox	Development	50%	2026	37	41
Total						**871**
Net cash (Q325) ($m)						172
Total firm value ($m)						**1,043**
Total basic shares (m) outstanding						71.6
Value per basic share ($)						**14.57**

Source: Edison Investment Research

Exhibit 2: Financial summary

$000s	2022	2023	2024	2025e	2026e
Year end 31 December	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP
PROFIT & LOSS					
Revenue	**110,776**	**139,917**	**138,719**	**97,500**	**226,548**
Of which Product revenue	86,662	130,668	133,330	86,721	214,691
Of which R&D revenue	24,114	9,249	5,389	10,778	11,856
Cost of Sales	(10,433)	(17,825)	(31,289)	(27,447)	(42,201)
Gross Profit on product sales	**76,229**	**112,843**	**102,041**	**59,274**	**172,491**
Research & Development	(22,526)	(16,428)	(12,311)	(19,697)	(21,667)
General & Administrative	(35,117)	(22,043)	(25,136)	(21,837)	(26,573)
EBITDA	**43,218**	**84,159**	**70,522**	**29,084**	**136,672**
Operating profit (before amort. and excepts.)	**42,700**	**83,621**	**69,983**	**28,519**	**136,107**
Net Interest	1,032	4,156	6,087	6,993	7,120
Exceptionals	401	0	0	0	0
Profit Before Tax (norm)	**43,732**	**87,777**	**76,070**	**35,512**	**143,227**
Profit Before Tax (reported)	**44,133**	**87,777**	**76,070**	**35,512**	**143,227**
Tax	(10,228)	(19,708)	(16,856)	(8,523)	(34,375)
Profit After Tax (norm)	**33,504**	**68,069**	**59,214**	**26,989**	**108,853**
Profit After Tax (reported)	**33,905**	**68,069**	**59,214**	**26,989**	**108,853**
Average Number of Shares Outstanding (m)	72.9	71.4	71.3	71.5	71.6
EPS - normalized ($), basic	0.46	0.95	0.83	0.38	1.52
EPS - normalised fully diluted ($)	0.46	0.95	0.82	0.38	1.51
EPS - reported ($)	0.46	0.95	0.83	0.38	1.52
DPS - reported ($)	0.45	0.45	0.60	0.60	0.60
Gross Margin (%)	88.0	86.4	76.5	68.4	80.3
EBITDA Margin (%)	39.0	60.1	50.8	29.8	60.3
Operating Margin (before GW and except.) (%)	38.5	59.8	50.4	29.2	60.1
BALANCE SHEET					
Fixed Assets	**9,250**	**15,362**	**13,292**	**3,783**	**3,567**
Intangible Assets	898	898	898	898	898
Tangible Assets	1,848	1,332	1,298	1,083	868
Other	6,503	13,132	11,095	1,801	1,801
Current Assets	**185,786**	**238,991**	**231,045**	**228,301**	**287,952**
Stocks	39,273	64,218	49,564	44,607	46,838
Debtors	45,407	21,131	21,166	2,490	2,739
Cash	98,791	150,146	155,400	178,007	230,461
Other	2,316	3,496	4,915	3,197	7,914
Current Liabilities	**(21,518)**	**(54,118)**	**(25,332)**	**(25,478)**	**(15,387)**
Creditors	(3,355)	(1,456)	(1,340)	(1,487)	(1,727)
Short term borrowings	0	0	0	0	0
Other	(18,162)	(52,661)	(23,991)	(23,991)	(13,660)
Long Term Liabilities	**(3,358)**	**(3,376)**	**(3,201)**	**(3,201)**	**(3,201)**
Other long term liabilities	(3,358)	(3,376)	(3,201)	(3,201)	(3,201)
Net Assets	**170,160**	**196,859**	**215,805**	**203,405**	**272,931**
Minority Interests	0	0	0	0	0
Shareholder equity	**170,160**	**196,859**	**215,805**	**203,405**	**272,931**
CASH FLOW					
Operating Cash Flow	**41,611**	**94,799**	**48,762**	**65,985**	**95,771**
Capex	0	(22)	(42)	(350)	(350)
Acquisitions/disposals	0	0	0	0	0
Financing	0	0	0	0	0
Dividends	(32,940)	(32,135)	(42,665)	(43,029)	(42,967)
Other (including share buybacks)	(13,019)	(11,287)	(800)	0	0
Net Cash Flow	(4,348)	51,355	5,254	22,606	52,454
Opening net debt/(cash)	**(103,139)**	**(98,791)**	**(150,146)**	**(155,400)**	**(178,007)**
Exchange rate movements	0	0	0	0	0
Closing net debt/(cash)	**(98,791)**	**(150,146)**	**(155,400)**	**(178,007)**	**(230,461)**

Source: SIGA accounts, Edison Investment Research

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